*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") take no responsibility for the contents of this announcement, 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 announcement.*

This announcement and the offering circular referred to herein have been published for information purposes only as required by the Listing Rules (as defined below) and do not constitute an offer to sell nor a solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the offering circular) forms the basis for any contract or commitment whatsoever. *For the avoidance of doubt, the publication of this announcement and the offering circular referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

The offering circular referred to in this announcement includes particulars given in compliance with the Listing Rules (as defined below) for the purpose of giving information with regard to the Issuer and the Group (as defined in the offering circular appended herein). The Issuer accepts full responsibility for the accuracy of the information contained in this announcement and the 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.

*This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer, its management and financial statements. The Issuer does not intend to make any public offering of securities in the United States.*

Notice to Hong Kong investors: *The Issuer confirms that, the Bonds (as defined below) are intended for purchase by Professional Investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) only and have been 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.*

PUBLICATION OF OFFERING CIRCULAR ON THE STOCK EXCHANGE OF HONG KONG LIMITED

成都興城
BETTER CITY

CHENGDU XINGCHENG INVESTMENT GROUP CO., LTD.

(成都興城投資集團有限公司)

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

(the "Issuer")

U.S.$445,000,000 3.90 per cent. bonds due 2028 (the "Bonds")

(Stock Code: 40028)

Issue Price: 100.0 per cent.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

China International Capital Corporation	**China CITIC Bank International**	**Bank of China**	**Guotai Junan International**

Joint Lead Managers and Joint Bookrunners

ABC International	**CCB International**	**CEB International**	**China Galaxy International**
China Industrial Securities International	**China Securities International**	**China Zheshang Bank Co., Ltd. (Hong Kong Branch)**	**CITIC Securities**
CMB International	**CMBC Capital**	**CNCB Capital**	**Guosen Securities (HK)**
Huatai International	**Hua Xia Bank Co., Limited Hong Kong Branch**	**ICBC International**	**ICBC (Macau)**
Industrial Bank Co., Ltd. Hong Kong Branch	**SDIC Securities HK**	**Shanghai Pudong Development Bank Hong Kong Branch**	**Shenwan Hongyuan (H.K.)**

SPDB International

This announcement is issued 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 16 December 2025 published by the Issuer.

The final offering circular dated 9 December 2025 prepared in connection with the issue of the Bonds is appended herewith.

Hong Kong, 17 December 2025.

As at the date of this announcement, the directors of Issuer are Mr. Li Benwen, Mr. Chen Dayong, Mr. Li Dingkui, Ms. Song Yan, Mr. Zhao Hai, Mr. Zhang Tianjin, Mr. Xiang Jie and Mr. Deng Tao.

Appendix 1 – Offering Circular dated 9 December 2025

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. 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 Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. In order to review the attached Offering Circular or make an investment decision with respect to the securities, you must be located outside the United States.

Confirmation of Your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must not be located in the United States. This Offering Circular is being sent to you at your request and by accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to represent to the Joint Lead Managers (as defined in the Offering Circular) 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, and (2) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

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 Issuer (as defined in the Offering Circular), the Joint Lead Managers or any of their respective affiliates, directors, officers, employees, representatives, agents or any person who controls any of them or 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 being furnished in connection with an offering in offshore transactions in compliance with Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein.

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 and the Joint Lead Managers 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 any of the Joint Lead Managers, or any affiliate is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Manager, 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.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (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 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).

Actions that you may not take: If you receive this document by e-mail, you should not reply by e-mail to this document, 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.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON AND IN PARTICULAR, TO ANY U.S. ADDRESS, OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR 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.

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.

CHENGDU XINGCHENG INVESTMENT GROUP CO., LTD.

(成都興城投資集團有限公司)

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

U.S.$445,000,000 3.90 per cent. Bonds due 2028

Issue Price: 100.0 per cent.

The 3.90 per cent. bonds due 2028 in the aggregate principal amount of U.S.$445,000,000 (the "**Bonds**") will be issued by Chengdu Xingcheng Investment Group Co., Ltd. (成都興城投資集團有限公司) (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 16 December 2025 (the "**Issue Date**") at the rate of 3.90 per cent. per annum, payable semi-annually in arrear in equal instalments on 16 June and 16 December in each year commencing on 16 June 2026.

The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the terms and conditions of the Bonds (the "**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 laws and regulations and subject to Condition 4(a) (*Negative Pledge*) of the Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made without set-off or counterclaim and free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the PRC or any political subdivision or any authority therein or thereof having power to tax, to the extent described under "*Terms and Conditions of the Bonds – Taxation*".

Pursuant to the Administrative Measures for the Review and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) issued by the National Development and Reform Commission of the PRC ("**NDRC**") effective from 10 February 2023 and any implementation rules, regulations, certificates, circulars or notices in connection therewith as issued by NDRC from time to time (the "**Order 56**"), the Issuer obtained a certificate from the NDRC dated 2 September 2025 (the "**NDRC Certificate**") evidencing such registration, which remains in full force and effect. The Issuer undertakes to file or cause to be filed with NDRC within 10 Registration Business Days (as defined in the Conditions) after the Issue Date the requisite information and documents in respect of the Bonds in accordance with Order 56 and any applicable implementation rules, regulations, certificates, circulars, notices or policies in connection therewith issued by the NDRC from time to time (the "**NDRC Post-issue Filing**") and comply with all applicable PRC laws and regulations (including but not limited to the requirements of Order 56 relating to the Bonds) in connection therewith.

The Issuer will (i) register or cause to be registered the Bonds with the State Administrative of Foreign Exchange or its competent local branch (the "**SAFE**") pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法(匯發[2013]19號)), effective as of 13 May 2013 and as amended on 4 May 2015 and its operating guidelines (外債登記管理操作指引), issued by SAFE and SAFE Foreign Exchange Guideline on Capital Account (2024) (資本項目外匯業務指引(2024)) (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record or evidence of filing from SAFE on or before the Registration Deadline (as defined in the Conditions), (iii) if applicable, as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Circular of the People's Bank of China on Matters Concerning the Macro Prudential Management of Full-Covered 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(銀發[2017]9號)) (the "**Cross Border Financing Circular**") and (iv) comply with all applicable PRC laws and regulations in relation to the Bonds, including but not limited to any rules issued by SAFE and/or the People's Bank of China and any implementing measures promulgated thereunder from time to time.

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 16 December 2028 (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 (a "**Tax Redemption Notice**"), to the Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing (which notice shall be irrevocable), at their principal amount (together with any interest accrued to (but excluding) the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) it has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 (*Taxation*) of the Conditions as a result of any change in, or amendment to, the laws or regulations of the PRC or 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 9 December 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice 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 Condition 6(b) (*Redemption for Taxation Reasons*) of the Conditions. At any time following the occurrence of a Relevant Event (as defined in the Conditions), 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 such holder's Bonds on the Put Settlement Date (as defined in the Conditions) at 101 per cent. (in the case of a redemption for a Change of Control (as defined in the Conditions)) or 100 per cent. (in the case of a redemption for a No Registration Event (as defined in the Conditions)) of their principal amount, together in each case with interest accrued to (but excluding) the Put Settlement Date. See "*Terms and Conditions of the Bonds – Redemption and Purchase*".

The PRC Government shall under no circumstances have any obligation arising out of or in connection with the Bonds or the transaction documents in relation to the Bonds, which are solely to be fulfilled by the Issuer.

The Bonds are expected to be assigned a rating of "BBB+" by Fitch Ratings Inc. ("**Fitch**"). The Issuer has been assigned a corporate credit rating of "BBB+" with a stable outlook by Fitch. The ratings do not constitute a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawal at any time by Fitch. A suspension, reduction or withdrawal of the rating assigned to the Bonds may adversely affect the market price of the Bonds.

The specified denomination of the Bonds will be U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. For a more detailed description of the Bonds, see "*Terms and Conditions of the Bonds*".

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (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 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).

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 (as defined below) or 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.

Investing in the Bonds involves certain risks. See "*Risk Factors*" 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 U.S. Securities Act of 1933, as amended (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. 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 will initially be evidenced by 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 on behalf of, 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, individual certificates for Bonds will not be issued in exchange for interests in the Global Certificate. See "*Summary of Provisions relating to the Bonds while in Global Form*".

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

China International Capital Corporation	**China CITIC Bank International**	**Bank of China**	**Guotai Junan International**

Joint Lead Managers and Joint Bookrunners

ABC International	**CCB International**	**CEB International**	**China Galaxy International**
China Industrial Securities International	**China Securities International**	**China Zheshang Bank Co., Ltd. (Hong Kong Branch)**	**CITIC Securities**
CMB International	**CMBC Capital**	**CNCB Capital**	**Guosen Securities (HK)**
Huatai International	**Hua Xia Bank Co., Limited Hong Kong Branch**	**ICBC International**	**ICBC (Macau)**
Industrial Bank Co., Ltd. Hong Kong Branch	**SDIC Securities HK**	**Shanghai Pudong Development Bank Hong Kong Branch**	**Shenwan Hongyuan (H.K.)**

SPDB International

Offering Circular dated 9 December 2025

IMPORTANT NOTICE

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR ANY OF ITS SUBSIDIARIES OR THAT THE INFORMATION SET FORTH IN THIS OFFERING CIRCULAR IS CORRECT AS AT ANY DATE SUBSEQUENT TO THE DATE HEREOF.

The Issuer, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuer, and the Issuer and its subsidiaries taken as a whole (collectively, the "**Group**") and the Bonds which is material in the context of the issue and offering of the Bonds (including the information which is required by applicable laws and according to the particular nature of the Issuer and the Bonds and is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and of the rights attached to the Bonds), (ii) the statements contained in this Offering Circular relating to the Issuer and the Group are in every material particular true and accurate and not misleading, (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuer and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other facts in relation to the Issuer, the Group or the Bonds, the omission of which would, in the context of the issue and offering of the Bonds, make any statement in this Offering Circular misleading in any material respect, (v) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements in this Offering Circular, (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 herein, 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 the Issuer believes to be accurate and reliable in all material respects.

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.

The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offering of the Bonds. If investors are in any doubt about any of the contents of this Offering Circular, they should obtain independent professional advice.

The Issuer has prepared this Offering Circular solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Bank of China Limited, Guotai Junan Securities (Hong Kong) Limited, ABCI Capital Limited, CCB International Capital Limited, CEB International Capital Corporation Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Industrial Securities International Brokerage Limited, China Securities (International) Corporate Finance Company Limited, China Zheshang Bank Co., Ltd. (Hong Kong Branch), CLSA Limited, CMB International Capital Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, Guosen Securities (HK) Capital Company Limited, Huatai Financial Holdings (Hong Kong) Limited, Hua Xia Bank Co., Limited Hong Kong Branch, ICBC International Securities Limited, Industrial and Commercial Bank of China (Macau) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, SDIC Securities (Hong Kong) Limited, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Shenwan Hongyuan Securities (H.K.) Limited and SPDB

International Capital Limited (together, the "**Joint Lead Managers**") to subscribe for or purchase any of the Bonds. 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 and the Joint Lead 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 PRC, Hong Kong, Singapore and Japan and to persons connected therewith. For a description of certain further restrictions on offers and sales of the Bonds, and distribution of this Offering Circular, please see "*Subscription and Sale*". This Offering Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Bonds.

No person has been or is authorised to give any information or to make any representation concerning the Issuer, the Group 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 Joint Lead Managers, the Trustee or the Agents (each as defined in the Conditions) or their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them. 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 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 Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them to subscribe for or purchase 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. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Bonds offered by this Offering Circular is prohibited. By accepting delivery of this Offering Circular each investor agrees to these restrictions.

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them has independently verified the information contained in this Offering Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made or given and no responsibility or liability is accepted, by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them, as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular or any other information supplied in connection with the Bonds and nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them. This Offering Circular is not intended to provide the basis for any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Bonds. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any

of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Bonds. Please see "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular or any statement made or purported to be made by any such person or on its behalf in connection with the Issuer, the Group or the issue and offering of the Bonds. Each of the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, employees, agents, representatives, officers and advisers and any person who controls any of them accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them.

Any of the Joint Lead Managers and 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 may 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). Furthermore, investors in the Bonds may include entities affiliated with the Group. Accordingly, references herein to the Bonds being offered should be read as including any offering of the Bonds to the Joint Lead Managers and/or their affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Singapore Securities and Futures Act Product Classification: Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (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 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).

IN CONNECTION WITH THIS OFFERING, ANY OF THE JOINT LEAD MANAGERS APPOINTED AND ACTING IN ITS CAPACITY AS STABILISATION MANAGER (THE "STABILISATION MANAGER") OR ANY PERSON ACTING ON BEHALF OF THE STABILISATION MANAGER MAY, SUBJECT TO ALL APPLICABLE LAWS, OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL, PROVIDED THAT CHINA CITIC BANK INTERNATIONAL LIMITED SHALL NOT PARTICIPATE IN SUCH STABILISATION IN ANY EVENT. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER

THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE BONDS. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.
Prospective investors should not construe anything in this Offering Circular as legal, business or tax advice. Each prospective investor should determine for itself the relevance of the information contained in this Offering Circular and consult its own legal, business and tax advisers as needed to make its investment decision and determine whether it is legally able to purchase the Bonds under applicable laws or regulations.

The Bonds are expected to be assigned a rating of "BBB+" by Fitch. A rating is not a recommendation to buy, sell or hold securities, does not address the likelihood or timing of prepayment and may be subject to revision, qualification, suspension or withdrawal at any time by the assigning rating organisation. A revision, qualification, suspension or withdrawal of any rating assigned to the Bonds may adversely affect the market price of the Bonds.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of this offering of the Bonds, including certain Joint Lead Managers are "capital market intermediaries" (together, the "**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors.

Certain CMIs may also be acting as "overall coordinators" (together, the "**OCs**") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (an "**Association**") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering. Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering. Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Lead Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

Industry and Market Data

Market data and certain information and statistics included 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 the information to be reliable, it has not been independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, agents, advisers or representatives or any person who controls any of them and none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, agents, advisers or representatives or any person who controls any of them makes any representation as to the accuracy or completeness of such information. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. In making an investment decision, each investor must rely on its own examination of the Issuer, the Group and the terms of the offering and the Bonds, including the merits and risks involved.

Presentation of Financial Information

This Offering Circular contains the summary consolidated financial information of the Group as at and for the years ended 31 December 2022, 2023 and 2024, which has been extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023 (the "**2023 Audited Financial Statements**") and as at and for the year ended 31 December 2024 (the "**2024 Audited Financial Statements**", together with the 2023 Audited Financial Statements, the "**Audited Financial Statements**"). The Audited Financial Statements were prepared in accordance with the Accounting Standards for Business Enterprises (the "**PRC GAAP**"). The PRC GAAP differs in certain respects from the International Financial Reporting Standards (the "**IFRS**"). For a discussion of certain differences between PRC GAAP and IFRS, please see "*Description of Certain Differences between PRC GAAP and IFRS*". The Audited Financial Statements have been audited by Zhongshenzhonghuan Certified Public Accountants LLP ("**Zhongshen**"), independent auditor of the Issuer.

In preparing its consolidated financial statements as at and for the year ended 31 December 2023, the Group adopted a new accounting standard issued by the MOF, "The Interpretation of the Accounting Standards for Business Enterprises No. 16", effective from 1 January 2023. The Group adjusted certain financial information as at and for the year ended 31 December 2022 in the 2023 Audited Financial Statements. For more information, please refer to Note IV.39.2(1) – "*Changes in accounting policies*" to the 2023 Audited Financial Statements. In addition, certain financial information as at and for the year ended 31 December 2022 has been adjusted in the 2023 Audited Financial Statements. For details, please refer to "Note IV.39.2(3) – *Correction of errors in the previous periods*" to the 2023 Audited Financial Statements. In preparing its consolidated financial statements as at and for the year ended 31 December 2024, the Group adopted new accounting standards issued by the MOF, namely "The Interpretation of the Accounting Standards for Business Enterprises No. 17", effective from 1 January 2024 and "The Interpretation of the Accounting Standards for Business Enterprises No. 18", effective from 31 December 2024. For more information, please refer to Note IV.39.2(1) – "*Changes in accounting policies*" to the 2024 Audited Financial Statements. In addition, certain financial information as at and for the year ended 31 December 2023 has been adjusted in the 2024 Audited Financial Statements. For details, please refer to "Note IV.39.2(3) – *Correction of significant errors in the previous periods*" to the 2024 Audited Financial Statements. Investors must therefore exercise caution when making comparisons between financial figures included in this Offering Circular when evaluating the Group's financial condition and results of operations.

This Offering Circular also contains certain information regarding the Group's EBITDA. EBITDA is not a standard measure under PRC GAAP. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income, profit for the year or any other measure of financial performance or as an indicator of the Group's operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. The Group has included EBITDA because it believes it is a useful supplement to cash flow data as a measure of the Group's performance and its ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented in this Offering Circular may not be comparable to similarly titled measures presented by other companies. Investors should not compare the Group's EBITDA to EBITDA presented by other companies because not all companies use the same definition.

CERTAIN DEFINITIONS AND CONVENTIONS

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to the "**PRC**", "**China**" and "**mainland China**" are to the People's Republic of China (which for the purpose of this Offering Circular, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan), all references to the "**United States**" and "**U.S.**" are to the United States of America, all references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China and all references to "**EU**" are to the European Union; all references to "**CNY**", "**Renminbi**" and "**RMB**" are to the lawful currency of the PRC, all references to "**U.S. dollar(s)**" and "**U.S.$**" are to the lawful currency of the United States of America and all references in "**EUR**", "**Euro(s)**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union.

Certain monetary amounts in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Solely for convenience, this Offering Circular contains translations of certain Renminbi amounts into U.S. dollar amounts. Unless indicated otherwise, the translation of Renminbi amounts into U.S. dollar amounts has been made at the rate of RMB7.2993 to U.S.$1.00, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 31 December 2024. Further information regarding exchange rates is set forth in "*Exchange Rate Information*" in this Offering Circular. These translations should not be construed as representations that the Renminbi amounts could have been or could actually be converted into U.S. dollar amounts at the rates indicated or at all.

Unless the context otherwise requires, references to "**2022**", "**2023**" and "**2024**" in this Offering Circular are to the years ended 31 December 2022, 2023 and 2024 respectively.

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

- "**CBIRC**" are to the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) which was the successor of the China Banking Regulatory Commission (中國銀行業監督管理委員會) ("**CBRC**") and has been reorganised as the National Financial Regulatory Administration (國家金融監督管理總局);

- "**Chengdu SASAC**" are to Chengdu State-owned Assets Supervision and Administration Commission;

- "**CSRC**" are to China Securities Regulatory Commission;

- "**CPC**" are to the Central Committee of the Communist Party of China;

- "**EIT Law**" are to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法), which came into effect on 1 January 2008;

- "**Foreign Debt Registration Measures**" are to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as at 13 May 2013;

- "**MOF**" are to the Ministry of Finance of the PRC;

- "**MOFCOM**" are to the Ministry of Commerce of the PRC;

- "**Mu**" are to a unit of measurement of land size, equal to 666.7 square metres;

- "**PBOC**" are to People's Bank of China;

- "**PRC Government**" are to the government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities); and

- "**SAT**" are to State Administration of Taxation of the China.

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. In the event of any inconsistency, the Chinese name prevails.

FORWARD-LOOKING STATEMENTS

The Issuer has made certain forward-looking statements in this Offering Circular. 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", "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, revenue and profitability, planned projects and other matters as they relate to the Issuer and/or 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 Issuer or by any third party) involve known and unknown risks, including those disclosed under the caption "*Risk Factors*", uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer or 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 Issuer 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 new information, change of events, conditions, circumstances or otherwise, on which any such statement was based.

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

- the ability of the Group to successfully implement its business plans and strategies;
- future developments, trends and conditions in the industry and markets in which the Group operates;
- the Group's business prospects and capital expenditure plans;
- the actions and developments of the Group's competitors;
- the continued availability of capital and financing;
- macroeconomic measures taken by the PRC Government to manage economic growth;
- 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 operations;
- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of the Group's business; and
- other factors, including those discussed in the "*Risk Factors*" section of this Offering Circular.

TABLE OF CONTENTS

SUMMARY 1

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP 4

THE OFFERING 9

RISK FACTORS 12

TERMS AND CONDITIONS OF THE BONDS 49

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM 69

USE OF PROCEEDS 71

EXCHANGE RATE INFORMATION. 72

CAPITALISATION AND INDEBTEDNESS 73

DESCRIPTION OF THE GROUP 74

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 109

PRC REGULATIONS 116

TAXATION 128

SUBSCRIPTION AND SALE 132

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS 137

GENERAL INFORMATION 139

INDEX TO FINANCIAL STATEMENTS F-1

SUMMARY

The summary below is only intended to provide a limited overview of information described in more detail elsewhere in this Offering Circular. As it is a summary, it does not contain all of the information that may be important to investors and terms defined elsewhere in this Offering Circular shall have the same meanings when used in this summary. Prospective investors should therefore read this Offering Circular in its entirety, including the section entitled "Risk Factors", before making an investment decision.

Overview of the Group

The Group is a leading integrated city operator owned by the Chengdu SASAC and Sichuan Provincial Department of Finance. Established in 2009, the Group is a designated entity to carry out the Chengdu Municipal Government's blueprint for primary land development, urban infrastructure construction and municipal development in Chengdu. Following the merger with Chengdu Construction Engineering Group Co., Ltd. (成都建工集團有限公司) ("**Chengdu Construction**", together with its subsidiaries, "**Chengdu Construction Group**") in 2018, the Group's construction business became its core business. Over the years, the Group played a significant role in implementing the Chengdu Municipal Government's urban planning and developed into a key force to optimise the industrial structure and enhance the commercial attractiveness and competitiveness of Chengdu. The Group has received various honours and awards in recognition of its business achievements. For instance, in 2019, the Group was awarded the "National Best Practice Enterprise for Corporate Culture Award (全國企業文化最佳實踐企業)" by China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會). In 2020, the Group was named as one of the "China Top 100 Leading Enterprises in Emerging Industries (中國戰略性新興產業領軍企業一百強)" by China Enterprise Confederation and China Entrepreneurs Association. In 2022 and 2023, the Group was named on "The Fortune Global 500" by *Fortune* (財富) magazine. In 2023, the Group was named as one of the "China Top 500 Enterprises (中國企業五百強)" by China Enterprise Confederation and China Entrepreneurs Association.

As at the date of this Offering Circular, the Group's business operations primarily include (i) construction; (ii) property development; (iii) pharmaceutical and healthcare; (iv) banking and (v) miscellaneous. Below is a brief summary of each of the Group's business segments:

- *Construction.* Construction became the Group's core business since its merger with Chengdu Construction Group in 2018. In March 2019, the Group acquired an aggregate 29.28 per cent. share of Zhonghua Geotechnical Engineering Group Co., Ltd. (中化岩土集團股份有限公司) (Stock Code: 002542) ("**Zhonghua Geotechnical**" together with its subsidiaries, the "**Zhonghua Geotechnical Group**") to further the Group's expansion in the construction industry. The Group's construction business includes building construction and building materials logistics. For the years ended 31 December 2022, 2023 and 2024, operating revenue from the Group's construction business amounted to RMB147,229.4 million, RMB84,180.3 million and RMB53,340.1 million, respectively, representing 70.1 per cent., 62.5 per cent. and 51.9 per cent. of the Group's total operating revenue for the relevant periods.

- *Property development.* The Group carries out commodity housing development projects and affordable housing development projects throughout Chengdu. In response to the Chengdu Municipal Government's plans to attract and retain talented individuals in Chengdu, the Group commenced the development and operation of talent apartments in 2017 and the development and operation of rental housing targeting youth and new urban citizens in 2021. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's property development business amounted to RMB15,644.0 million, RMB6,788.8 million and RMB7,101.6 million, respectively, representing 7.4 per cent., 5.0 per cent. and 6.9 per cent. of the Group's total operating revenue for the relevant periods.

- *Pharmaceutical and healthcare.* The Group commenced its pharmaceutical and healthcare business in 2019 after its acquisition of shares in Tianjin Chase Sun Pharmaceutical Co., Ltd. (天津紅日藥業股份有限公司) (Stock Code: 300026) ("**Chase Sun**"). The Group produces a broad range of

pharmaceutical products, spanning medicine formula granule, drug products, drug ingredients and excipients and medical equipment, and also provides medical services. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's pharmaceutical and healthcare business amounted to RMB6,602.6 million, RMB6,024.5 million and RMB5,756.5 million, respectively, representing 3.1 per cent., 4.5 per cent. and 5.6 per cent. of the Group's total operating revenue for the relevant periods.

- *Banking.* The Group commenced its banking business in 2021 after its acquisition of shares in Chengdu Rural Commercial Bank Co., Ltd. (成都農村商業銀行股份有限公司) ("**Chengdu Rural Commercial Bank**"). The Group has a diverse portfolio of banking services and products including corporate banking, personal banking, investment activities, internet financial services and international banking services. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's banking business amounted to RMB29,395.2 million, RMB32,432.2 million and RMB33,580.0 million, respectively, representing 14.0 per cent., 24.1 per cent. and 32.7 per cent. of the Group's total operating revenue for the relevant periods.

- *Miscellaneous.* In addition, the Group participates in asset leasing, hotel and tourism, equipment leasing and sales, agricultural products trading and other businesses. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's miscellaneous business was RMB11,164.8 million, RMB5,253.2 million and RMB3,059.4 million, respectively, representing 5.3 per cent., 3.9 per cent. and 3.0 per cent. of the Group's total operating revenue for the relevant periods.

Competitive Strengths

The Group believes the following competitive strengths have contributed to its success and are important to its future development:

- Well-positioned to benefit from Chengdu's strategic location and economic development
- A key entity of urbanisation and industrialisation of Chengdu
- Strong support from the Chengdu Municipal Government
- A diversified business portfolio with optimised industrial structure
- Strong financing capability with diversified financing channels
- Sound corporate governance and dedicated senior management with extensive experience and in-depth industry knowledge

Business Strategies

The Group intends to implement the following strategies to achieve its business objectives:

- Continue to act as an integrated city operator in Chengdu
- Further improve its business portfolio to create new sources of income
- Explore innovative financing channels and expand the financing sources of the Group
- Adhere to prudent financial management with stringent risk control
- Strategically invest in high-quality companies

Recent Development

Performance of the Group as at and for the nine months ended 30 September 2025

On 31 October 2025, the Group published its unaudited and unreviewed interim financial statements as at and for the nine months ended 30 September 2025 (the "**2025 September Interim Financial Statements**"), which were prepared by the Group's management, on the websites of the Shanghai Stock Exchange and Shanghai Clearing House. The 2025 September Interim Financial Statements are not and shall not be deemed to be incorporated by reference or otherwise included in this Offering Circular. Such information has not been subject to an audit or review by any independent auditor. Consequently, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or trends or their sufficiency for an assessment of the Group's financial condition, results of operations and results. The 2025 September Interim Financial Statements should not be relied upon by potential investors to provide the same quality of financial information that has been subject to an audit or review. Potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations. Such financial information were extracted from the management accounts of the Group, and are not to be, and should not be taken as an indication of the expected financial condition, results of operations and results of the Group for the full financial year ending 31 December 2025. See "*Risk Factors – Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular*."

For the nine months ended 30 September 2025, the Group's total operating revenues remained stable with a slight decrease as compared to the same period in 2024. Total operating costs also decreased, reflecting lower selling expenses, R&D expenses and finance costs. As a result, the Group's operating profit and net profit increased as compared to the same period in 2024. As at 30 September 2025, the Group's total assets remained stable with a slight increase as compared to the balance as at 31 December 2024, mainly attributable to increases in loans and payments on behalf, investments in debt, investment property and construction in progress, partially offset by decreases in inventory and contract assets. As at 30 September 2025, the Group's total liabilities remained stable with a slight increase as compared to the balance as at 31 December 2024, primarily due to higher short-term borrowings, long-term borrowings and bonds payable.

Additional Indebtedness since 31 December 2024

Since 31 December 2024, the Group has entered into additional financing arrangements and incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In particular, in January 2025, the Group issued CNY1,000,000,000 2.00 per cent. medium term notes due 2028, CNY1,000,000,000 2.16 per cent. medium term notes due 2030, and CNY800,000,000 2.17 per cent. corporate bonds due 2030. In February 2025, the Group issued CNY500,000,000 2.10 per cent. medium term notes due 2028, CNY1,100,000,000 2.24 per cent. medium term notes due 2030, CNY600,000,000 2.00 per cent. medium term notes due 2028, CNY1,300,000,000 2.19 per cent. medium term notes due 2030, CNY1,100,000,000 2.46 per cent. corporate bonds due 2030, and CNY1,100,000,000 2.30 per cent. corporate bonds due 2028. In February 2025, Chengdu Xingcheng Renju Property Investment Group Co., Ltd. (成都興城人居地產投資集團股份有限公司) issued CNY1,000,000,000 2.40 per cent. medium term notes due 2030. In April 2025, Chengdu Construction Engineering Group Co., Ltd. (成都建工集團有限公司) issued CNY1,000,000,000 2.02 per cent. super short-term financing notes due 2026. The Group will continue to seek external capital on favourable terms to fund its business operations and expansion and to optimise its debt structure.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The following tables set forth the summary consolidated financial information of the Group as at and for the periods indicated. The summary audited consolidated financial information as at and for the years ended 31 December 2022, 2023 and 2024 set forth below is derived from the Audited Financial Statements, which have been audited by Zhongshen and included elsewhere in this Offering Circular. The information set out below should be read in conjunction with, and is qualified in its entirety by reference to, such Audited Financial Statements and the notes thereto.

The Audited Financial Statements have been prepared and presented in accordance with PRC GAAP. PRC GAAP differs in certain material respects from the IFRS. For a discussion of certain differences between PRC GAAP and IFRS, please see "Description of Certain Differences between PRC GAAP and IFRS". Potential investors should read the following data together with the more detailed information contained in the Audited Financial Statements, including the notes thereto. Potential investors must exercise caution when they use such financial information to evaluate the Group's financial condition, results of operations and cash flows.

Summary Consolidated Balance Sheet Data

	As at 31 December		
	2022	2023	2024
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)
Current assets:			
Cash and cash equivalents	65,705,141	86,525,379	64,096,185
Provision of settlement fund	–	–	–
Funds lent	24,903,990	24,895,051	36,330,125
Trading financial assets	62,267,036	59,935,217	59,615,755
Financial assets at fair value through profit or loss	–	–	–
Derivative financial assets	–	–	–
Notes receivables	1,262,867	397,052	359,490
Accounts receivables	27,657,344	26,392,076	27,421,510
Accounts receivables financing	124,935	120,646	142,582
Prepayments	7,879,535	4,680,555	3,582,310
Premium receivable	–	–	–
Reinsurance accounts receivable	–	–	–
Provision of reinsurance receivable	–	–	–
Other receivables	11,858,670	14,660,472	10,225,547
Including: interest receivable	10,667	26,172	50,450
dividend receivable	914	914	–
Redemptory monetary capital for sale	14,638,917	7,798,946	24,519,493
Inventory	68,562,772	78,373,337	80,347,803
Contract assets	58,096,305	65,729,652	57,932,933
Held-for-sale assets	–	–	–
Non-current assets due within one year	838,619	69,989	27,165
Other current assets	4,681,203	6,348,186	6,286,419
Total current assets	**348,477,334**	**375,926,558**	**370,887,319**

	As at 31 December		
	2022	2023	2024
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)
Non-current assets:			
Loans and payments on behalf	346,637,855	400,172,542	458,304,753
Investments in debt	211,658,287	235,039,444	231,002,301
Available-for-sale financial assets	–	–	–
Other investments in debt	11,729,813	37,099,187	45,827,703
Held-to-maturity investment	–	–	–
Long-term receivables	7,118,494	3,243,102	2,658,353
Long-term equity investments	2,699,048	5,358,909	5,416,617
Other investments in equity instruments	1,854,207	2,448,515	2,705,704
Other non-current financial assets	549,272	507,582	303,687
Investment property	24,589,578	28,182,087	32,585,245
Fixed assets	12,033,836	13,147,980	12,308,099
Construction in progress	87,431,293	104,215,887	95,621,281
Productive biological assets	–	93,797	71,106
Oil and gas assets	–	–	–
Right-of-use assets	896,969	1,069,385	1,028,250
Intangible assets	2,979,645	3,641,159	3,665,738
Development expenditure	383,012	455,735	442,894
Goodwill	2,031,372	1,811,739	1,730,211
Long-term deferred expenses	355,863	411,152	330,019
Deferred tax assets	7,894,794	9,111,035	10,438,603
Other non-current assets	4,268,397	4,784,576	4,173,449
Total non-current assets	**725,111,734**	**850,793,811**	**908,614,014**
Total assets	**1,073,589,068**	**1,226,720,369**	**1,279,501,332**
Current liabilities:			
Short-term borrowings	11,956,811	12,670,086	13,450,843
Borrowings from the Central Bank	41,571,754	79,093,413	57,923,018
Funds borrowed	1,886,202	2,081,804	2,801,574
Trading financial liabilities	1,795,615	2,925,285	1,380,686
Financial liabilities at fair value through profit or loss	–	–	–
Derivative financial liabilities	–	–	–
Notes payables	4,702,399	3,009,750	978,847
Accounts payables	73,929,008	81,608,031	71,764,669
Advance from customers	264,643	219,963	157,922
Contract liabilities	9,174,882	13,517,810	11,994,873
Financial assets sold for repurchase	3,737,810	8,619,539	8,272,942
Saving absorbed and deposits from other banks	523,894,591	605,072,664	669,005,462
Acting trading securities	–	–	–
Acting underwriting securities	–	–	–
Payroll payables	2,698,277	3,657,635	2,534,920
Taxes payables	4,066,663	2,844,411	2,578,630
Other payables	11,792,038	15,916,927	16,705,241
Dividend payable	–	–	–
Service charge and commission fees payable	–	–	–
Reinsurance accounts payable	–	–	–
Held-for-sale liabilities	–	–	–
Non-current liabilities due within one year	17,570,540	30,052,540	32,234,228
Other current liabilities	3,261,189	3,093,426	2,330,218
Total current liabilities	**712,302,422**	**864,383,284**	**894,114,075**

	As at 31 December		
	2022	2023	2024
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)
Non-current liabilities:			
Long-term borrowings	82,416,555	80,697,539	61,896,102
Bonds payable	27,551,570	31,580,117	40,886,437
Lease liability	338,785	442,018	844,098
Long-term payables	29,211,828	41,589,599	34,640,299
Long-term payroll payable	11,232	9,545	1,844,385
Accrued liabilities	229,633	227,729	272,515
Deferred income	214,998	260,365	276,782
Deferred tax liabilities	4,034,782	3,966,346	4,018,933
Other non-current liabilities	86,426,867	59,652,614	90,180,036
Total non-current liabilities	**230,436,251**	**218,425,872**	**234,859,587**
Total liabilities	**942,738,672**	**1,082,809,156**	**1,128,973,662**
Owner's equity:			
Paid-in capital	24,000,000	24,000,000	24,000,000
Other equity instruments	16,092,500	18,792,500	25,150,000
Including: perpetual bond	16,092,500	18,792,500	25,150,000
Capital reserve	16,850,535	20,152,284	21,662,335
Other comprehensive income	2,498,209	2,212,197	2,643,306
Special reserve	209,442	252,081	280,913
Surplus reserve	610,944	685,364	685,364
General risk reserve	276,268	774,653	1,245,486
Undistributed profits	8,362,647	7,690,566	5,163,549
Total equity attributable to owners of the parent company	68,900,545	74,559,645	80,830,954
Minority interests	61,949,850	69,351,568	69,696,716
Total owner's equity	**130,850,396**	**143,911,213**	**150,527,670**
Total liabilities and owner's equity	**1,073,589,068**	**1,226,720,369**	**1,279,501,332**

Summary Consolidated Statement of Income Data

	Year ended 31 December		
	2022	2023	2024
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)
Total operating revenues	**210,036,034**	**134,678,997**	**102,837,591**
Including: Operating revenues	180,640,871	102,246,771	69,257,610
Interest income	28,676,982	31,549,024	32,846,628
Service charges and commission income	718,182	883,202	733,353
Total operating costs	**198,267,957**	**124,352,692**	**95,084,211**
Including: Operating costs	166,261,307	89,334,677	60,467,095
Interest expenses	15,623,347	17,656,064	17,910,330
Service charge and commission fees paid	211,780	263,686	282,733
Taxes and surcharges	1,348,875	1,141,255	916,788
Selling expenses	3,017,205	2,429,277	2,609,699
Administrative expenses	7,520,886	9,042,896	8,533,149
R&D expenses	1,803,278	1,720,931	1,318,123
Finance costs	2,481,279	2,763,906	3,046,294
Including: Interest expenses	3,258,867	3,880,581	3,499,583
Interest income	838,798	1,259,500	520,586
Add: Other income	500,201	699,314	259,982
Investment income	1,335,178	1,492,723	1,877,243
Including: Income from investment in associates and joint venture	(55,850)	(12,640)	(90,879)
Income from derecognition of financial on financial assets measured at amortized cost	–	26,065	264,338
Gains from changes in fair value	(168,736)	688,125	525,430
Impairment loss on credit	(6,859,025)	(6,356,800)	(6,333,291)
Impairment loss on assets	(137,975)	(624,227)	(1,065,504)
Gains from disposal of assets	97,525	22,772	40,630
Operating profit	**6,535,245**	**6,248,212**	**3,057,870**
Add: Non-operating income	136,011	189,616	126,927
Less: Non-operating expenses	119,553	66,576	105,450
Total profit	**6,551,703**	**6,371,252**	**3,079,348**
Less: Income tax expenses	1,284,783	1,431,664	892,193
Net profit	**5,266,920**	**4,939,588**	**2,187,155**
(I) Classification in accordance with attribution:			
Attributable to equity holders of the parent company	1,128,780	1,037,262	(1,185,366)
Minority interests	4,138,139	3,902,326	3,372,521
(II) Classification in accordance with going concern:			
Net profit from continuing operations	5,266,920	4,939,588	2,187,155
Other comprehensive income after tax	**(410,569)**	**(285,816)**	**971,059**
Attributable to equity holders of the parent company	(430,325)	(286,013)	431,110
(A) Not reclassified subsequently to profit or loss	(533)	4,872	(18,232)
Changes in the remeasurement of defined benefit plans	–	–	(13,794)
Changes in fair value of other equity instrument investments	(533)	4,872	(4,438)
(B) Reclassified subsequently to profit or loss	(429,792)	(290,885)	449,341
Reclassified subsequently to profit or loss for the invested entity under the equity method	9,280	699	7,502
Changes in fair value of other debt investments	(15,122)	44,152	193,747
Provisions for credit impairment of other debt investments	3,421	2,066	120,033
Translation difference from financial statements denominated in foreign currency	16,007	3,057	556
Other	(443,377)	(340,858)	127,504
Other comprehensive income after tax attributable to minority shareholders	19,756	197	539,949
Total comprehensive income	**4,856,350**	**4,653,772**	**3,158,214**
Attributable to equity holders of the parent company	698,455	751,249	(754,256)
Attributable to minority shareholders	4,157,895	3,902,523	3,912,470

Summary Consolidated Statement of Cash Flow Data

	Year ended 31 December		
	2022	2023	2024
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)
Net cash flows from operating activities	5,295,555	50,113,059	(26,872,964)
Net cash flows from investing activities	(45,393,513)	(52,301,105)	8,963,194
Net cash flows from financing activities	39,055,208	8,700,612	19,662,179
Effect of foreign exchange rate changes on cash and cash equivalents	31,033	7,536	14,924
Net increase in cash and cash equivalents	(1,011,718)	6,520,102	1,767,333
Add: Opening balance of cash and cash equivalents	59,186,481	58,174,763	64,694,864
Closing balance of cash and cash equivalents	58,174,763	64,694,864	66,462,197

Other Financial Data

	As at and for the year ended 31 December		
	2022	2023	2024
	(unaudited)	(unaudited)	(unaudited)
EBITDA[(1)] (RMB'000)	11,007,066	11,625,845	8,076,489
EBITDA margin[(2)] (per cent.)	5.2%	8.6%	7.9%
EBITDA/total interest expense	1.4	1.4	1.1
Total indebtedness[(3)]/EBITDA	14.5	15.1	21.0
Net debt[(4)]/EBITDA	9.2	9.6	12.8

Notes:

1 EBITDA for any year equals gross profit (operating revenues minus operating costs) for the year, minus business taxes and surcharges, selling expenses, general and administrative expenses, R&D expenses, plus depreciation of fixed assets, amortisation of intangible assets and amortisation of long-term deferred expenses. EBITDA is not a standard measure under PRC GAAP or IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of the Group's operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. The Group has included EBITDA because the Group believes that it is a useful supplement to cash flow data as a measure of its performance and its ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare the Group's EBITDA to EBITDA presented by other companies because not all companies use the same definition. Interest expense excludes amounts capitalised.

2 EBITDA margin is calculated as EBITDA divided by total operating revenue.

3 Total indebtedness represents the aggregate of short-term borrowings, non-current liabilities due within one year, long-term borrowings, bonds payable and the interest-bearing portion of long-term payables.

4 Net debt is equal to total indebtedness less cash.

THE OFFERING

The following contains summary information about the Bonds. 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 comprehensive description of the terms of the Bonds, see "Terms and Conditions of the Bonds" of this Offering Circular.

Issuer	Chengdu Xingcheng Investment Group Co., Ltd. (成都興城投資集團有限公司).
Issue	U.S.$445,000,000 in aggregate principal amount of 3.90 per cent. Bonds due 2028.
Issue Price	100.0 per cent.
Form and Denomination.....	The Bonds are issued in registered form in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Interest.....	The Bonds will bear interest from and including the Issue Date at the rate of 3.90 per cent. per annum, payable semi-annually in arrear in equal instalments on 16 June and 16 December in each year commencing on 16 June 2026.
Issue Date	16 December 2025.
Maturity Date.....	16 December 2028.
Status of the Bonds.....	The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the 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 laws and regulations and subject to Condition 4(a) (*Negative Pledge*) of the Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Negative Pledge	The Bonds will contain a negative pledge as further described in Condition 4(a) (*Negative Pledge*) of the Conditions.
Events of Default.....	The Bonds will contain certain events of default provisions as further described in Condition 9 (*Events of Default*) of the Conditions.
Cross-Acceleration	The Bonds are subject to a cross-acceleration provision in respect of any present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised, in respect of which one or more of the events mentioned in Condition 9(c) (*Cross-Acceleration*) of the Conditions have occurred in aggregate equals or exceeds U.S.$50 million or its equivalent in any other currency.

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 without set-off or counterclaim and free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the PRC or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that withholding or deduction event, the Issuer shall pay (except in certain circumstances set out in Condition 8 (*Taxation*) of the Conditions) 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. 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 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 (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee and the Principal Paying Agent in writing (which notice shall be irrevocable), at their principal amount (together with interest accrued up to (but excluding) the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as a result of any change in, or amendment to, the laws or regulations of the PRC or 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 9 December 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice 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 Condition 6(b) (*Redemption for Taxation Reasons*) of the Conditions.
Redemption for Relevant Events..	At any time following the occurrence of a Relevant Event (as defined in the Conditions), 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 such holder's Bonds on the Put Settlement Date (as defined in the Conditions 6(c) (*Redemption for Relevant Events*) at 101 per cent. (in the case of redemption for a Change of Control Event (as defined in the Conditions 6(c) (*Redemption for Relevant Events*)) or 100 per cent. (in the case of a redemption for a No Registration Event (as defined in the Conditions 6(c) (*Redemption for Relevant Events*)) of their principal amount, together in each case with interest accrued up to (but excluding) such Put Settlement Date, as further described in Condition 6(c) (*Redemption for Relevant Events*) of the Conditions.

Clearing Systems	The Bonds will be represented initially by 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. 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 and the Global Certificate, definitive Certificates for the Bonds will not be issued in exchange for interests in the Global Certificate. The Common Code and ISIN for the Bonds are 322574614 and XS3225746141, respectively.
Governing Law and Jurisdiction..	English law with the exclusive jurisdiction of Hong Kong courts.
Trustee	CNCBI Trustee Limited.
Principal Paying Agent, Transfer Agent and Registrar	China CITIC Bank International Limited.
Listing	Application will be 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.
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 save for the issue date, the issue price, the first payment of interest on them, the timing for submission of the NDRC Post-issue Filing and the timing for making and completing the Foreign Debt Registration and the related notifications to the Trustee and the Bondholders) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. Any further bonds forming a single series with the outstanding Bonds constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.
Rating	The Bonds are expected to be assigned a rating of "BBB+" by Fitch. The Issuer has been assigned a corporate credit rating of "BBB+" with a stable outlook by Fitch. The ratings do not constitute a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawal at any time by Fitch.
Use of Proceeds	See "*Use of Proceeds*".
Selling Restrictions	There are restrictions on the offer, sale and delivery of the Bonds in the United States, the United Kingdom, the PRC, Hong Kong, Singapore and Japan. See "*Subscription and Sale*".

RISK FACTORS

An investment in the Bonds involves a number of risks. Investors should carefully consider all of the information in this Offering Circular and, in particular, the risks described below, before deciding to invest in the Bonds. The following describes some of the significant risks relating to the Group, its business, the market in which the Group operates and the Bonds. Some risks may be unknown to the Group and other risks, currently believed to be immaterial, could materially and adversely affect the business, financial condition, results of operations or prospects of the Group or the value of the Bonds. The Group believes that the risk factors described below represent the principal risks inherent in investing in the Bonds, but the ability of the Issuer to pay interest, principal or other amounts on or in connection with any Bonds may be affected by some factors that may not be considered as significant risks by the Issuer on information currently available to it or which it is currently unable to anticipate. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below and elsewhere in this Offering Circular.

The statements below regarding the risk factors of holding any Bonds are not exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

RISKS RELATING TO THE GROUP'S BUSINESS

The Group's business, financial condition, results of operations and prospects depend heavily on the level of economic development in Chengdu and the PRC.

A substantial portion of the Group's business and assets are located in Chengdu. Therefore, the Group's business, financial condition, results of operations and prospects have been and may continue to depend heavily on the level of economic development in Chengdu, as well as the public spending and budget of the Chengdu Municipal Government on infrastructure development and fixed asset investments.

The economy of the PRC experienced rapid growth in the past 40 years. A recent slowdown in the growth of China's GDP beginning in the second half of 2013 has raised concerns that the historical rapid growth of the PRC economy may not be sustainable. According to the National Bureau of Statistics of the PRC, the annual growth rate of the PRC's GDP decreased from 7.3 per cent. in 2014 to 6.1 per. cent. in 2019. In 2020, the annual growth rate of the PRC's GDP dropped to 2.3 per cent., as a result of the outbreak of the COVID-19 pandemic. While the PRC economy gained strength in 2021 with a GDP growth rate of 8.1 per cent., it slowed down to 5.0 per cent. in 2024. The national economic condition of the PRC has a material effect on regional economic performance in the PRC. According to the Sichuan Statistical Bureau, Sichuan Province recorded a GDP growth rate of 2.9 per cent. in 2022, which decreased from 8.2 per cent. in 2021, a GDP growth rate of 6.0 per cent. in 2023 and a GDP growth rate of 5.7 per cent. in 2024. Chengdu has also experienced steady but slowing economic growth in recent years. According to the Statistics Bureau of Chengdu, Chengdu recorded a GDP growth rate of 2.8 per cent. in 2022, a GDP growth rate of 6.0 per cent. in 2023 and a GDP growth rate of 5.7 per cent. in 2024. Although the PRC Government has recently taken several measures with the intention of increasing investor confidence in the PRC economy, there can be no assurance that such measures will be effective. There can be no assurance that the PRC Government will continue to implement reforms in the economic development fields to promote the growth of the economy of the PRC, or the reforms that have been implemented by the PRC Government to promote the growth of the economy of the PRC will succeed in the end. The Group's business, financial conditions and results of operations could be adversely affected by the PRC Government's inability to effect timely economic reforms. It is hard to predict how the general economic development conditions of Chengdu will be affected by a slowdown in the growth of the PRC economy, and there can be no assurance that the policies and measures issued and implemented by the PRC Government will be effective in stimulating the recovery of the economy.

Future prospects of the economies of the PRC, Sichuan Province and Chengdu depend on many different factors, most of which are beyond the Group's control. There can be no assurance that the level of economic development in Chengdu will continue at the past rate of growth, if at all. Any slowdown in the economic development in Chengdu or the PRC may affect the PRC Government's support or the Chengdu Municipal Government's investments in the industries which the Group operates, reduce the demand for the Group's services and products and adversely affect its business, financial condition, results of operations and prospects.

The Chengdu SASAC exerts significant influence on the Group's business, and it may not always act in the Group's best interests.

As at the date of this Offering Circular, the Group is majority-owned by the Chengdu SASAC. As the Group's controlling shareholder, the Chengdu SASAC has significant influence on the Group with respect to its scope of business, major investment decisions, development strategies, appointment of directors and certain senior management positions. For example, in September 2018, the Chengdu SASAC transferred its 100.0 per cent. equity interest in Chengdu Construction to the Group for nil consideration to expand the Group's business portfolio into the construction business. However, when the Chengdu SASAC carries out its administrative function and implements the PRC Government's policies, there can be no assurance that the Chengdu SASAC would always take actions that are in the Group's best commercial interests or that aim to maximise the Group's profit. Those actions, which may be beneficial to Chengdu as a whole, could have an adverse impact on the Group's business, financial condition, results of operations and prospects. Furthermore, the Chengdu SASAC may transfer part or substantially all of the Group's assets to other entities outside the Group. Such transfer could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

Any loss or reduction in the financial support from the local government may adversely affect the Group's business.

The Group receives financial support and enjoys preferential treatment from the Chengdu SASAC in various forms, such as government subsidies and grants. For the years ended 31 December 2022, 2023 and 2024, government grants received by the Group amounted to approximately RMB11.3 billion, RMB12.2 billion and RMB5.8 billion, respectively. The government's continuous financial support to the Group and timely payment of the promised subsidies and grants depend to a large extent on the future fiscal revenue and fiscal policies of the Chengdu Municipal Government and the PRC Government. There can be no assurance that the Group will continue to receive the same government subsidies and grants or enjoy the same preferential treatment from the Chengdu SASAC in the future. Any loss or reduction in government subsidies and grants or other form of government support could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group is exposed to potential risks associated with participation in government-directed construction projects.

The Group enters into certain contracts with governmental authorities or government-controlled entities in carrying out its business, such as its construction projects. Changes in government budgets for public facilities projects of related industries or factors such as public expenditures and policy considerations, changes in governmental officials or policy makers or other political factors could result in changes or delays to these projects because most of these projects are funded by the government, government authorities and public organisations.

In addition, disputes with the entities established by or directed by the PRC or other governmental entities could lead to contract termination if the disputes are left unresolved or may take a considerably longer period of time to resolve than disputes with the Group's private sector counterparties, and payments from such entities may be delayed as a result. Such entities may from time to time require the construction methods or equipment to be changed, requiring the Group to reconfigure the Group's designs or purchase additional machinery and equipment, thereby subjecting the Group to additional costs. Changes to government budgets and policies relating to the Group's projects could lead to delays in project completion

or a withholding of, or delay in, payments to it. Government-controlled entities generally exercise substantial bargaining power in the performance of their contracts with the Group. If a local government-controlled entity terminates or fails to renew a contract with the Group, the Group's pipeline of projects may be reduced. The occurrence of any of these risks may have an adverse effect on the Group's business, financial position and results of operations.

The Group may be adversely affected by the performance of its contractors.

The Group engages contractors for its construction and property development projects. The Group generally selects independent contractors through a public tender process. However, there can be no assurance that the services rendered by any of these contractors or subcontractors will always be satisfactory or meet the Group's quality and safety standards. If the performance of any contractor is not satisfactory, the Group may need to replace them or take other actions to remedy the situation, which could increase the cost and adversely affect the construction progress of its projects. Further, if the contractor experiences financial or other difficulties, the completion of the Group's projects may be delayed and the Group may incur additional costs. In addition, the Group may be asked to undertake construction on short notice, and there may be a shortage of contractors that meet the Group's quality requirements. Contractors may also undertake projects for other companies and developers, which affects their ability to complete their work for the Group on time or within budget. Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, in accordance with applicable PRC laws and regulations, the Group provides statutory warranties on the quality of the project it constructs or properties it sells to its customers. In most circumstances, the Group also withholds certain percentage of the settlement amount to be paid to its contractor as quality warranties or receives quality warranties from its contractor in its construction projects and property development projects. If claims are brought against the Group under its warranties, and if the relevant contractor fails to indemnify the Group for these claims in a timely manner, or at all, or if the money retained by it is insufficient to cover its compensation obligations under the warranties, it could incur significant expenses to resolve these claims or face delays in rectifying the defects. This may harm the Group's reputation and have a material adverse effect on its reputation, business, results of operations and financial condition.

PRC regulations on the administration of local government debts may have a material impact on the Group's business, prospects and ability to finance.

The Group's results of operations and financial condition may be heavily affected by changes in PRC regulations concerning local government debts and the financing platforms of local governments. In September 2014, the State Council of the PRC (the "**State Council**") released the Opinion on Enhancing the Administration of Fiscal Debts of Local Governments (國務院關於加強地方政府性債務管理的意見) ("**Circular 43**") with an aim to control a significant increase in local government debts and associated risks in the PRC's banking system. According to Circular 43, government debts shall not be borrowed in the name of enterprises, and enterprise debts shall not be repaid by the local governments. The function of government financing shall be separated from that of the financing platform companies, which are not allowed to cause any increase in government debt. The Group, as with other financing platform companies, should rely upon the cash flow generated from its operations and external borrowings to satisfy its cash needs for servicing its outstanding indebtedness and for financing its operating activities.

The MOF, together with the NDRC, the PBOC, the CSRC, the CBRC (the predecessor of China Banking and Insurance Regulatory Commission) and the Ministry of Justice of the PRC, released the Notice Concerning Further Regulation of Local Government Borrowing and Financing Conduct (關於進一步規範地方政府舉債融資行為的通知) to emphasise the principles and policies set out in Circular 43 in April 2017. On 28 May 2017, the MOF issued the Notice on Resolutely Curbing the Illegal Financing of the Local Governments in the Name of Government Procurement of Services (財政部關於堅決制止地方以政府購買服務名義違法違規融資的通知) to regulate government procurement of services, which stipulates the scope of government procurement of services and requires the funds needed for government procurement of services shall be faithfully earmarked in full in the annual budget and medium-term financial plan.

The MOF issued the Regulation on the Financing Activities Conducted by Financial Institutions 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) ("**Circular 23**"), effective 28 March 2018, which aims to increase the responsibility of the PRC state-owned financial institutions to investigate the financial independence and liquidity level of the local government financing vehicles that they assist in fundraising. On 11 May 2018, the Circular of the National Development and Reform Commission and the MOF 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) (the "**Joint Circular**") was released, reiterating the PRC Government's position to isolate the debt of enterprises from the relevant local government and to control the increase of the local governments' debt. The Joint Circular requires enterprises that seek to borrow medium and long-term foreign debt to establish sound and market-standard corporate governance, a management decision-making system and financial management system. It further requires that the assets owned by such enterprises should be of good quality and have clear ownership, while public interest assets, such as public parks, hospitals, rivers, and land reserves of the local government should be excluded in the evaluation of their asset base.

On 6 June 2019, the General Office of the NDRC issued the Circular of the General Office of the NDRC on the Relevant Requirements for Filing and Registration of Foreign Debts Issuance 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) ("**Circular 666**"), which aims to strengthen the management of local government debt and avoid or mitigate risks relating to medium and long-term foreign debt as well as hidden debt of local governments. Circular 666 expressly restricts the use of proceeds of foreign debt securities issued by state-owned enterprises which undertake local government financing functions to the repayment of medium and long-term offshore debt due within one year.

The PRC Government may continue to release new policies or amend existing regulations to control the increase in local government debt in China. There is no assurance that the Group's financing model and business model will not be materially affected by future changes in the regulatory regime concerning the financing platforms of local governments.

The Group's business operations are capital intensive and any failure by it to obtain sufficient capital resources on acceptable terms or in a timely manner may adversely affect the Group's business, financial condition and prospects.

The Group's business operations require substantial capital resources. The Group has historically met its cash requirements primarily through (i) the cash flow generated from its operating activities, (ii) proceeds from bank and other borrowings, (iii) issuance of bonds and notes in the PRC and international capital markets, (iv) capital injection by the Chengdu SASAC, and (v) government subsidies. The Group believes it will continue to require substantial capital resources to support its business operations.

For the year ended 31 December 2024, the Group recorded net operating cash outflows of RMB26,873.0 million. See "– *The Group has historically experienced net cash outflow from operating activities*." Insufficient cash flow generated from the Group's operating activities may also increase its reliance on external financing. The Group's ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including:

- general economic and capital market conditions;
- changes in monetary policies with respect to bank interest rates and lending policy;
- interest rates and credit availability from banks or other lenders;
- investor confidence in the Group's business;
- the Group's ability to obtain the PRC Government approvals required to access domestic or international financing;

- provisions of tax and securities laws that may be applicable to the Group's efforts to raise capital; and

- political and economic conditions in the PRC generally.

There can be no assurance that additional financing, either on a short-term or a long-term basis, will be available, or that such financing will be obtained on terms favourable to the Group. If the Group is unable to obtain financing on a timely basis and at a reasonable cost, or at all, it may not be able to undertake new projects or implement them as planned. This would restrict the Group's ability to grow and, over time, may reduce the quality and reliability of the services it provides and adversely affect its business, financial condition, results of operations and prospects. In addition, substantial indebtedness may in turn increase the pressure on the Group's liquidity and cause additional operational risks. See "– *The Group has substantial indebtedness*."

The Group has substantial indebtedness.

The Group relies on bank loans and proceeds from issuance of bonds and notes in the PRC and international capital markets to satisfy a portion of its capital requirements and the Group has a significant amount of outstanding indebtedness. As at 31 December 2024, the Group's total indebtedness (comprising short-term borrowings, non-current liabilities due within one year, long-term borrowings, bonds payable, and the interest-bearing portion of the long-term payables) was approximately RMB169,534.4 million, of which approximately RMB45,685.1 million would become due within one year. In addition, the Group had outstanding guarantee in a total amount of approximately RMB2.6 billion as at 31 December 2024.

Substantial indebtedness could impact the Group's business in a number of ways, including:

- requiring the Group to divert its operating cash flow to service the Group's indebtedness;

- increasing the Group's finance costs, thus affecting its overall profits;

- decreasing the Group's financial flexibility in carrying on its business or responding to unexpected market changes;

- limiting, together with the financial and other restrictive covenants of its indebtedness, among other things, the Group's ability to borrow additional funds; and

- increasing the Group's vulnerability to adverse general economic and industry conditions.

In addition, in incurring indebtedness and liabilities from time to time, the Group creates security rights such as pledges, charges and mortgages over its assets including equity interests in favour of certain creditors. As at 31 December 2024, such restricted assets amounted to RMB45,689.8 million, representing 3.6 per cent. of the Group's total assets. Third-party security rights may limit the Group's use of the underlying collateral assets and adversely affect the Group's operational efficiency. If the Group is unable to service and repay the Group's debts under such loan facilities on a timely basis, the Group may lose control of the Group's subsidiaries, the assets mortgaged or charged may be foreclosed, which may adversely affect the Group's business, prospects, financial condition, and results of operations. See "*The Group is subject to restrictive covenants in its financing documents.*"

The Group's ability to generate cash to service its indebtedness depends on many factors beyond its control.

The Group's ability to repay or to refinance its indebtedness will depend on the Group's ability to generate cash. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Group's control. The Group's businesses might not generate sufficient cash flow from operations to enable it to pay its indebtedness or to satisfy the Group's other liquidity needs. The Group may need to refinance all or a portion of its indebtedness on or before maturity. However, the Group might not be able to refinance any of its indebtedness on commercially reasonable terms. If the Group is unable to service its indebtedness or obtain refinancing on terms acceptable to the Group, it may be forced to adopt an alternative strategy that may include reducing capital expenditures, selling assets or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

The Group is subject to restrictive covenants in its financing documents.

Certain financing contracts entered into by members of the Group contain operational and financial restrictions that prohibit the borrower from incurring additional indebtedness unless it is able to satisfy certain financial ratios, restrict the borrower from creating security or granting guarantees or prohibit the borrower from changing its business and corporate structure, without the lender's prior consent. Such restrictions may negatively affect the relevant companies' ability to respond to changes in market conditions, pursue the business opportunities the Group believes to be desirable, to obtain future financing, fund capital expenditures, or withstand a continuing or future downturn in the Group's business. Any of these factors could materially and adversely affect the Group's ability to satisfy its obligations under outstanding financial obligations.

If the Issuer or any of the Group's relevant subsidiaries are unable to comply with the restrictions (including restrictions on future investments) and covenants in its current or future debt obligations and other financing agreements, a default under the terms of such agreements may occur. In the event of a default under such agreements, creditors may be entitled to terminate their commitments granted to the Group, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, depending on the provisions of the relevant agreements. Some financing agreements of the Group contain cross-acceleration or cross-default provisions. Creditors under these financing agreements can require the Group to immediately repay their loans or declare a default of borrower as a result of the acceleration or default of other financing agreements by any other member of the Group. If any of these events occur, there can be no assurance that the Group will be able to obtain the lenders' waiver in a timely manner, or at all, or that the assets and cash flow of the Group would be sufficient to repay in full all of its respective debts as they become due, or that the Group would be able to find alternative financing. Even if the Group could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Group.

The Group has historically experienced net cash outflow from operating activities.

For the year ended 31 December 2024, the Group had recorded net operating cash outflows of RMB26,873.0 million. The Group's net operating cash outflow was largely attributable to growing operating cash outflow in project investment and material procurement expenses.

The Group's ability to generate sufficient operating cash flow is affected by a number of factors, such as the Group's ability to carry on its business activities in an efficient manner, the payment schedules agreed between the Group and its customers, the Group's ability to execute its projects in an efficient manner, timely payment of the Group's customers of contracting fees, and changes in the general market conditions and regulatory environment. Any adverse change in any of these factors, which may be out of the Group's control, may create capital shortfall.

There cannot be any assurance that the Group will not experience net operating cash outflow or operating cash flow volatility in the future. A negative net cash flow position for operating activities could impair the Group's ability to make necessary capital expenditures, constrain the Group's operational flexibility and adversely affect the Group's ability to expand the Group's business and enhance the Group's liquidity. For example, the Group may risk defaulting on the Group's payment obligations and potentially be unable to develop the Group's projects as planned. As a result, the Group's business, financial condition and results of operations may be materially and adversely affected. Even if the Group can generate net operating cash inflow, if the Group's operating activities fail to generate sufficient cash to satisfy the Group's cash requirements, the Group has to increase the Group's reliance on external financing to satisfy the Group's working capital and capital expenditure, which in turn may increase the pressure on the Group's liquidity and materially and adversely affect the Group's financial condition and results of operations.

The Group's gross profit margin is sensitive to fluctuations in the cost of construction materials and other raw materials.

For the years ended 31 December 2022, 2023 and 2024, the Group had gross profit margin of 5.0 per cent., 8.8 per cent. and 9.6 per cent., respectively, for the construction business. Since the Group's construction business became the Group's core business as a result of the merger with Chengdu Construction in 2018, a substantial portion of the Group's operating income is derived from its construction business. The cost of construction materials, such as steel and cement, which constitutes a significant portion of the Group's operating cost, may fluctuate. Any increase in the cost of construction materials may adversely impact the Group's overall cost budgeting. The Group's gross profit margin is sensitive to changes in market prices for construction materials and its profitability, financial condition and results of operation may be materially and adversely affected.

The Group's overseas operations may be affected by the economic and political uncertainties in the relevant overseas markets.

The Group has been expanding its construction business in overseas countries and regions, such as Hong Kong and Malaysia. As at 31 December 2024, the Group had operations in 16 overseas countries and regions. The Group's business is therefore subject to changing international economic and political conditions, and local conditions, including certain regions where political and economic conditions are often subject to instability. As a result of the Group's overseas operations, the Group is exposed to various risks associated with conducting business in foreign countries and regions that include, among other factors:

- political risks, including risks of loss due to civil unrest, acts of terrorism, acts of war, other armed conflict, regional and global political or military tensions and strained or altered foreign relations;
- abrupt changes in foreign government regulations or policies;
- expropriation and nationalisation of the Group's assets in foreign countries;
- currency value fluctuations and conversion restrictions;
- tax increases, confiscatory taxation or other adverse tax policies;
- governmental activities that limit or disrupt markets, restrict payments or limit the movement of funds;
- governmental activities that may result in the deprivation of contract rights;
- governmental activities that may result in the inability to obtain or retain licenses required for operations;
- competition from other international large-scale construction companies;

- adverse labour conditions; and

- lack of a well-developed or independent legal system in the overseas countries and regions in which the Group has operations, which may create difficulties in the enforcement of contractual rights.

As the Group's overseas operations are susceptible to changes in the overseas jurisdictions' respective local economic, political and regulatory environments as well as changes in the global economy, a variety of factors, many of which are beyond the Group's control, could significantly affect the profitability and growth of these operations. Any slowdown of the global economy could result in reduced construction projects which could in turn affect the Group's overseas operations. In addition, the Group may be required to deploy management resources and personnel to high-risk areas where the Group's overseas projects are located.

As such, the Group may incur substantial costs to implement safety and security measures to protect the Group's personnel and assets. Such measures may not always be adequate. The Group's level of exposure to certain risks varies with respect to each project, and is dependent on the particular work stage of each project. Any of the above factors could lead to, amongst others, project disruptions, losses of personnel and assets and other indirect losses, which could harm the Group's international business operations, overall financial condition and profitability.

The Group may have difficulty expanding its construction business into new provinces and regions in China and new overseas markets.

For the years ended 31 December 2022, 2023 and 2024, a majority of the construction projects awarded to the Group, as well as a majority of its property development projects were located in Chengdu. While maintaining its dominant market share in Chengdu, the Group also aims to expand its operations in other cities and provinces, such as Chongqing, Guizhou, Fujian, Tibet and Qinghai. Furthermore, the Group has expanded its operations to overseas countries and regions, such as Hong Kong and Malaysia. There can be no assurance that the Group will be successful in leveraging its experience in its existing markets to expand in other provinces, regions and overseas markets, as the economic conditions, regulatory environment, business practices and customs and customer preferences may differ in these markets. See "– *The Group's overseas operations may be affected by the economic and political uncertainties in the relevant overseas markets.*"

The Group may also fail to accurately assess the risks involved in engaging in business operations in such provinces, regions and overseas markets given its limited operating experience in those areas. In addition, the Group may be competing against regional, national and international competitors in these provinces, regions and overseas markets that are more familiar with the local customs and practices, or have stronger relationships with local customers. Furthermore, local government authorities may be protective of local construction businesses, limiting the number of projects the Group may acquire or its ability to obtain the requisite licenses, certificates and permits to do business in the local construction industry or property market. Even if the Group acquires projects, the higher costs associated with engaging a local labour force, and transporting its equipment and machinery to, or leasing equipment and machinery from local suppliers in, regions domestically and internationally may significantly affect the Group's profitability in such projects. If it fails to expand into other provinces, regions or overseas markets, or fails to expand profitably or in a manner favourable to it, the Group's business, growth and prospects may be materially and adversely affected.

The Group is exposed to risks relating to its high level of inventory.

The Group's inventory primarily consists of the costs incurred for its property development projects. As at 31 December 2022, 2023 and 2024, the balance of the Group's inventory was RMB68,562.8 million, RMB78,373.3 million and RMB80,347.8 million, respectively, representing approximately 19.7 per cent., 20.8 per cent. and 21.7 per cent. of the Group's total current assets as at the corresponding dates. Although the Group endeavours to closely monitor its level of inventory to minimise its exposure to liquidity risk, there is no assurance that the measures it has adopted will be effective or it can manage its inventories effectively or at all.

If the Group maintains a high level of inventory, it may incur additional inventory carrying cost. Increased inventories adversely affect the Group's pricing strategies, increase write-downs and write-offs and result in pressure on the Group's cash flow. According to the Group's accounting policies, the Group makes provisions for inventory obsolescence based on the prevailing market conditions and the accounting estimates and judgements of its management.

The fair value of the Group's investment properties may fluctuate from time to time.

The Group's results of operations have historically been affected by adjustments in the estimated fair value of the Group's investment properties. In accordance with the Group's accounting policy, the Group is required to reassess the fair value of the Group's investment properties at every balance sheet date for which the Group issues financial statements, and gains or losses arising from fair value changes and the relevant deferred tax should be accounted for in the Group's income statements in the period in which they arise. Fair value gains or losses do not, however, change the Group's cash position as long as the relevant investment properties are held by the Group, and accordingly do not increase the Group's liquidity in spite of the increased profit represented by any fair value gains.

Property valuation involves the exercise of professional judgment and requires the use of certain basis and assumptions. Favourable or unfavourable changes in the assumptions of market conditions used by the Group's independent property valuer would result in changes to the fair value of the Group's investment properties and corresponding adjustments to the amount of gains or losses reported in the Group's income statement in the future. In addition, the amount of revaluation adjustments has been, and will continue to be, subject to market fluctuations. Macroeconomic factors, including economic growth rates, interest rates, inflation rates, urbanisation and disposable income levels, in addition to any government regulations, can substantially affect the fair value of the Group's investment properties and affect the supply and demand in the PRC or local property markets. Many of these factors are beyond the Group's control and there can be no assurance that changes in market conditions will continue to create fair value gains on the Group's investment properties at the historical levels, or that the fair value of the Group's investment properties will not decrease in the future.

Significant amount of account receivables may affect the Group's liquidity and restrict the Group's business activities.

As at 31 December 2022, 2023 and 2024, the Group's account receivables, which mainly represent the outstanding contracting fees payable by the property owners, rental receivables, management and maintenance fees, amounted to RMB27,657.3 million, RMB26,392.1 million and RMB27,421.5 million, respectively, representing 7.9 per cent., 7.0 per cent. and 7.4 per cent., respectively, of the Group's total current assets, as at the corresponding dates.

There are inherent risks associated with the ability of the Group's customers and other third parties to make timely payment of the amounts due, such as deteriorations in the financial condition and cash flow of the payors and adverse changes in the general economic and regulatory environments. Furthermore, the process to recover various payments due can be time-consuming and may require additional resources. Failure to make timely payment by the Group's customers and other third parties or the Group's inability to collect receivables on a timely basis could materially and adversely affect the Group's liquidity and in turn affect the Group's business, financial condition and results of operations.

The Group's business operations are heavily regulated and any failure to comply with applicable laws, rules and regulations, including obtaining or maintaining necessary qualifications, permits and approvals for its operations may adversely affect the Group's business, financial condition and results of operations.

The Group needs to obtain a number of approvals, certificates, licences and permits from different governmental authorities and to comply with extensive procedural requirements in order to carry on its business activities under PRC laws and regulations. For example, the Group is required to obtain a project approval and environmental assessment approval at the outset of a project before the Group is permitted to commence construction of the relevant project. As the projects progress, the Group also needs to obtain a

construction land planning permit, construction project planning permit and construction permit, etc. It normally takes six to 12 months to obtain all of these approvals and certificates. Governmental authorities in the PRC have broad discretion in implementing and enforcing applicable laws and regulations and in determining the grant of approvals, licences, permits and certificates necessary for conducting the business. For this reason, there are significant uncertainties in the interpretation and implementation of PRC laws, rules, regulations, policies and measures and verbal clarifications given by the PRC governmental authorities may be inconsistent with the regulations concerned, increasing the Group's compliance risk. There can be no assurance that all such permits, approvals and licences would be granted by the local authority in due time, or at all, and according to PRC laws and regulations, failure to obtain a construction land planning permit, construction project planning permit or construction permit could result in suspension of construction projects or penalty which may materially and adversely affect the Group's business.

PRC governmental authorities from time to time amend existing laws and regulations and release new policies which may affect the Group's business operations. The Group may be unable to comply with new laws, regulations or policies or fail to respond to any changes in the regulatory environment in a timely manner. In addition, to ensure the restrictions and conditions of relevant business permits, licences and certificates are fulfilled, governmental authorities normally conduct regular or special inspections, investigations and inquiries. Any non-compliance could result in suspension or revocation of the Group's permits, licences and certificates as well as fines or other penalties, which could have a material adverse effect on its business, financial condition and results of operations.

The Group is subject to various environmental, safety and health regulations in the PRC and any failure to comply with such regulations may result in penalties, fines, governmental sanctions, proceedings or suspension or revocation of its licences or permits.

The Group is required to comply with extensive environmental, safety and health regulations in the PRC. Failure to comply with such regulations may result in fines or suspension or revocation of the Group's licences or permits to conduct its business. Given the volume and complexity of these regulations, compliance may be difficult or involve significant financial and other resources to establish efficient compliance and monitoring systems. There is no assurance that the Group will be able to comply with all applicable requirements or obtain these approvals and permits on a timely basis, if at all. As at the date of this Offering Circular, the Group has not received any notice regarding any material noncompliance with the applicable safety regulations or requirements from any governmental authority. In addition, PRC laws and regulations are constantly evolving. There can be no assurance that the PRC government will not impose additional or stricter laws or regulations, which may increase compliance costs of the Group.

The Group may be involved in disputes, claims and litigations in the Group's ordinary course of business.

The Group may be involved in disputes, claims and litigations in the ordinary course of the Group's business with the project owners, the Group's suppliers, subcontractors or other parties from time to time.

If the Group was found liable on such claims, the Group could be liable for significant monetary damages, as well as be subject to government sanctions, including fines and the loss of operational licenses, approvals and permits. In addition, the Group may bring up claims against project contractors for additional costs incurred as a result of the contractors' underperformance or non-performance, project defects or default by the contractors. If such disputes or claims are not resolved through negotiations, the Group may be subject to lengthy and expensive litigation or arbitration proceedings. Further, the Group might suffer negative publicity resulting from such dispute or claims. If any negative publicity or reputational harm is not effectively remedied or reversed, the Group's existing or potential customers may develop negative views of the safety and quality of the Group's services and products, which may negatively affect the Group's ability to maintain solid relationships with the Group's customers, engage new customers and expand into new markets. In addition, the measures the Group take to remedy or reverse any negative publicity may be financially costly, force the Group to divert significant management attention, and may not generate the desired results. Even if the Group is not found liable for any of such claims, the Group's assets may be frozen pending a court's judgement. There can be no assurance that the Group will not be subject to future liability claims or that the Group's business and results of operations would not be materially and adversely affected as a result.

Labour shortage, increases in construction material costs and labour costs may have an adverse impact on the Group's financial condition.

The Group engages contractors or subcontractors to carry out its construction projects and property development projects. Labour incidences such as work stoppages, employee suicides and other similar events in certain cities in the PRC have caused the PRC Government to amend labour laws to enhance protection of employees' rights. Increasing awareness of labour protection as well as increasing minimum wages is likely to increase the labour costs afforded by PRC enterprises in general, including the Group and its contractors. As such, labour shortages, labour disputes or increases in labour costs could delay construction progress and result in an increase in the Group's fees payable to its contractors, which could in turn materially and adversely affect the Group's business and results of operations.

In addition, the price of construction materials, particularly steel, has been volatile in recent years, attributable to a combination of factors, including fluctuations in the costs of raw materials such as iron ore and coal and shifts in global supply and demand dynamics driven by economic cycles. The Group's profitability and profit margin are sensitive to changes in prices of the construction materials. There is no assurance that the cost of construction materials will be stable, and that the quality of construction materials supplied to the Group will meet its required standards. The Group may be forced to replace these construction materials from other suppliers at additional costs or time delay. If the Group is unable to factor in these potential fluctuations into its tenders or quotations and pass on all or part of any additional costs to its customers, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

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 affects its reputation. These acts of misconduct 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;
- misappropriation of funds;
- conducting transactions that exceed authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;
- making or accepting bribery activities; 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 cause negative publicity as a result.

The Group's risk management systems and internal control policies may not be effective in mitigating risk exposure.

The Group seeks to manage its credit risk exposure through customer due diligence and other risk management measures. For example, before entering into the transaction with its potential clients, the Group will conduct its customer due diligence to manage its credit risk exposure. The Group's risk management systems and internal control policies may not be effective in mitigating the exposure to all types of risk, including unidentified or unanticipated risks in its construction business. Some of the Group's risk management and control methods are based upon historical market behaviour and past events. As such, the Group may not be able to adequately identify or estimate future risk exposure, which could be significantly greater than those indicated by measures based on historical data. Other risk management methods depend on evaluation of information regarding markets, customers or other relevant matters, which may be inaccurate, incomplete, obsolete or improperly evaluated. Furthermore, as the Group enters new industry sectors, approaches other customer segments or develops additional product and service offerings, it may not be in a position to adequately identify and predict future risk exposure. There is no assurance that the Group is able to manage its credit risk effectively with its existing risk management system.

The Group's financial condition and results of operations may be affected by material fluctuations in interest rates.

Most of the Group's existing floating rate bank loans bear interests that accrue at rates linked to the Loan Prime Rate (the "**LPR**"). A material fluctuation in the LPR may have a material impact on the Group's interest expenses and payables under its bank loans and in turn negatively affect its financing costs and results of operations. Any increase in the LPR in the future will increase the Group's financing costs and adversely affect its profitability, financial condition and results of operations.

As at the date of this Offering Circular, the Group has also issued bonds outside the PRC. As the Group will further explore overseas sources of funding to replenish its capital, it is also exposed to risks arising from interest rate fluctuation overseas. Any unfavourable interest rate overseas could cause the Group to incur additional financing cost for its overseas financing.

The insurance coverage of the Group may not adequately protect it against all operational risks.

The Group faces various operational risks in connection with its business, including but not limited to:

- operating limitations imposed by environmental or other regulatory requirements;
- work-related personal injuries;
- on-site occupational accidents;
- credit risks relating to the performance of customers or other contractual third parties;
- disruption in the global capital markets and the economy in general;
- loss on investments;
- environmental or industrial accidents; and
- catastrophic events such as fires, earthquakes, explosions, floods or other natural disasters.

The Group maintains insurance policies that provide different types of risk coverage and the Group believes the scope of the coverage is in line with industry norms in the PRC. However, claims under the Group's insurance policies may not be honoured fully on time, or at all and its insurance coverage may not be sufficient to cover costs associated with accidents incurred in the Group's operations due to the

above-mentioned operational risks. Certain types of losses (such as from wars, acts of terrorism or acts of God, business interruption, property risks and third party (public) liability) are not insured in the PRC because they are either uninsurable or not economically insurable. To the extent that the Group suffers loss or damage that is not covered by its insurance or that exceeds the limit of its insurance coverage, the Group's business, financial condition, results of operations and cash flow may be materially and adversely affected.

The Group may be involved in intellectual property disputes and claims of infringement, which may divert its management's attention and harm its reputation and profitability.

The Group relies upon a combination of patents, trademarks, domain names and contractual rights to protect its intellectual property rights. The Group also possesses proprietary information in connection with its operations, such as information relating to construction methods. For example, as at 31 December 2024, the Group owned 15 national construction methods, 685 provincial construction methods and completed 71 national and provincial project construction standards. However, there can be no assurance that the steps the Group has taken to monitor and protect its intellectual property rights are adequate to prevent or deter infringement or other misappropriation of its intellectual property. Failure to successfully enforce its intellectual property rights would diminish the Group's competitiveness and harm its reputation. In addition, the Group may be required to incur significant costs in monitoring and protecting its intellectual property. In particular, the Group's trademarks and brand names are significant to its brand recognition and the success of its business. The Group may be required to commence legal proceedings to enforce its intellectual property rights and protect its proprietary information. Conversely, the Group may be subject to litigation involving claims by third parties that its products or services infringe their intellectual property rights. Any litigation or claims brought by or against it, whether with or without merit, or whether successful or not, can be both costly and time-consuming and may significantly reduce its resources. An unfavourable determination in any such litigation or proceedings to which the Group may become a party could materially and adversely affect its business, financial condition and results of operations.

The Group's business may be adversely affected if it is unable to retain and hire qualified employees.

The success of the Group's business is dependent to a large extent on its ability to attract and retain key personnel who possess in-depth knowledge and understanding of investment, as well as the industries in which the Group invests or operates. These key personnel include members of the Group's senior management, experienced investment managers and finance professionals, project development and management personnel, legal professionals, risk management personnel, information technology and other operation personnel. Competition for attracting and retaining these individuals is intensive. Such competition may require the Group to offer higher compensation and other benefits in order to attract and retain qualified professionals, which could materially and adversely affect the Group's financial condition and results of operations. As a result, the Group may be unable to attract or retain these personnel to achieve its business objectives and the failure to do so could severely disrupt its business and prospects. For example, the Group may not be able to hire enough qualified personnel to support its new investment projects or business expansion. As the Group expands its business or hires new employees, the employees may take time to get accustomed to any new standard procedures and consequently may not comply with the standard procedures of any new business in an accurate and timely manner. The occurrence of any of the events discussed above could lead to unexpected loss to the Group and adversely affect its financial condition and results of operations.

The Group's operations are subject to force majeure events, natural disasters and outbreaks of contagious diseases.

Force majeure events, natural disasters, catastrophe or other events could result in severe personal injury to the Group's staff, property damage and environmental damage, which may curtail the Group's operations, cause delays in estimated completion dates for projects and materially and adversely affect its cash flows and, accordingly, adversely affect its ability to service debt. In addition, the Group's operations are subject to outbreaks of contagious diseases, for instance the novel coronavirus, COVID-19. The occurrence or continuance of any of these or similar events could increase the costs associated with the Group's operations

and reduce its ability to operate its businesses effectively, thereby reducing its revenues. Insurance policies for civil liability and damages taken out by the Group could prove to be significantly inadequate, and there can be no assurance that the Group will always be able to maintain a level of cover at least equal to current cover levels and at the same cost. Such accidents could also lead to the shutdown of the Group's affected operating facilities such as highways and railways and, potentially, similar facilities that may be considered to present the same risks.

The Group's merger and acquisition activities expose it to various risks.

The Group may from time to time pursue mergers and acquisitions and strategic alliances that it believes will complement its current business by expanding into new geographic areas, diversifying its customer base and enabling it to specialise, expand or enhance technological capabilities. For example, in September 2018, the Chengdu SASAC transferred its 100.0 per cent. equity interest in Chengdu Construction to the Group for nil consideration to expand the Group's business portfolio into the construction business. In November 2018, the Group acquired in aggregate 29.28 per cent. equity interest in China Zhonghua Geotechnical, a company that primarily engages in the construction business. In January 2019, the Group acquired in aggregate 22.22 per cent. equity interest in Chase Sun, a company that primarily engages in the pharmaceutical and healthcare business. In June 2020, the Group further acquired 35.0 per cent. of equity interest in Chengdu Rural Commercial Bank to expand the Group's business portfolio into the banking business.

The Group may not always be able to find suitable acquisition targets or partners with whom to form strategic alliances, and the failure to do so in a timely manner or at all may affect its ability to realise its growth objectives. Furthermore, the process of integrating an acquired business may involve unforeseen costs and delays or other operational, technical and financial difficulties that may require a disproportionate amount of management attention and financial and other resources. The Group's failure to realise the expected synergies or minimise any unforeseen operational difficulties could have a material adverse effect on its financial condition and results of operations.

The Group operates in multiple businesses through a large 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 a large number of subsidiaries and associated companies operating in multiple industries, including construction, property development, pharmaceuticals and healthcare and banking, among others. Due to the diverse characteristics of its subsidiaries and associated companies, the Group faces challenges not found in companies with a single business line. In particular, the Group is exposed to business, market and regulatory risks relating to different industries, markets and geographic areas, and may from time to time expand its businesses to new industries, markets and geographic areas in which it has limited operating experience. Success in such businesses requires the Group to devote substantial resources to monitor changes in these different operating environments. Furthermore, successful operation of the Group's subsidiaries and associated companies requires an effective management system. As the Group continues to grow its businesses in an increasing number of different industries, the Group's operations may become more complex, which would increase the difficulty in implementing its management system.

The Group's construction operations are exposed to inherent operational risks and occupational hazards, which could cause it to incur substantial costs, damage to reputation and loss of future business.

Construction sites are potentially dangerous workplaces and the Group's construction projects routinely place its employees and others in close proximity with heavy duty construction machinery and equipment, moving motor vehicles, highly regulated and volatile materials, and chemical processes. Over the years, the Group has implemented and enforced a complete set of safety policies and standardised construction methods and technologies and consistently purchased accident and casualty insurance for its construction workers. Despite the foregoing, the Group is still subject to risks surrounding these activities, such as equipment failure, industrial accidents, geological catastrophes, fire and explosions. These hazards can cause personal injury or fatalities, as well as damage to or destruction of property and equipment. The

Group had not experienced material accidents as at 31 December 2024. There can be no assurance, however, that material workplace accidents will not occur in the future despite its safety policies and measures. Even if such accidents were not caused by its fault or negligence, such accidents may still cause the Group to incur substantial costs and damage to its reputation. Damage to the Group's reputation as a result of workplace accidents, whether or not its fault, may cause it to lose future business, which may materially and adversely affect its business and results of operations.

The construction business is subject to claims under statutorily mandated quality warranties.

The Group may incur significant costs in relation to warranties offered to its customers. For a majority of construction projects that the Group undertakes, quality warranties or maintenance deposits retained by the Group's customers are generally equal to 2.0 per cent. to 5.0 per cent. of the total contract value. The warranty arrangement typically requires these deposits to be returned to the Group promptly upon expiry of the warranty period if there are no major quality issues with its construction projects during such period. For the years ended 31 December 2022, 2023 and 2024, the Group collected the majority of the retention fees retained by its customers pursuant to the contract terms as they became due. There can be no assurance, however, that the Group will be able to recover all or any of the amounts retained by customers for warranty purposes in the future. If it is unable to recover a significant proportion of the amounts retained by its customers as warranties, the Group's future business, financial condition and results of operations may be materially and adversely affected.

Any material discrepancies between the estimated construction costs and the actual construction costs ultimately incurred may materially and adversely affect the Group's financial condition and results of operations.

The Group generally charges contracting fees at fixed rates as specified in relevant contracting agreement with property owners. The lengthy bidding, contract negotiation and construction process of its construction projects limit the Group's ability to accurately predict costs at the outset. The contract terms therefore expose the Group to cost overruns as a result of factors beyond its control, including variations in labour and equipment productivity, price fluctuations of raw materials and unforeseen project conditions. The occurrence of any of such factors may result in inaccurate cost estimates, lower profits or even a loss despite any buffers the Group may have built into the contract value to safeguard against cost increases. Some of the Group's contracts may have a price adjustment clause, allowing it to adjust the contract value for additional costs incurred due to a significant increase in its costs as a result of certain circumstances. In such cases, the Group is typically required to cover a portion of the increased costs. If its estimated costs are lower than its actual costs, or if the price adjustment does not cover its increased costs, the Group's business, financial condition and results of operations may be materially and adversely affected. From time to time, the Group may need to perform additional work or adjust the scope of work under its contracts. For example, the Group may be required to change its work scope when its customer changes their blueprint design. If it is unable to recover the additional costs arising from change in work scope caused by its customers, the Group's business, financial condition and results of operations maybe materially and adversely affected.

The Group's construction business is exposed to geographical concentration risks.

The construction business has been the Group's core business since its merger with Chengdu Construction in 2018. The Group's construction projects are mainly concentrated in Chengdu. For the year ended 31 December 2024, approximately 57.5 per cent. of the contract value of the Group's newly-signed construction contracts were contributed by construction projects located in Chengdu. The Group's construction business therefore is highly dependent upon the performance of the property market and the level of infrastructure development in Chengdu. Compared with some of the Group's competitors in the PRC whose operations are more geographically diversified, the Group is exposed to greater geographical concentration risk. As long as the Group's construction projects remain substantially concentrated in Chengdu, if the conditions of the property market and infrastructure development in Chengdu decline, or if Chengdu experiences any significant economic downturn, disruptions in local financial markets, natural disasters, epidemics, hostilities or any other similar events, the Group's business, results of operations and financial condition may be materially and adversely affected.

The Group faces risks associated with undertaking PPP projects.

The Group believes that public-private-partnership ("**PPP**") projects are attractive business opportunities that have a high return potential. An increasing number of construction projects in China are expected to be completed under a PPP model in the future. As such, the Group has undertaken and expects to continue to undertake PPP projects in the future. Risks associated with PPP projects include the discrepancy of cash outflow during the construction of the project and the cash inflow after the completion of construction, which may put pressure on the Group's liquidity. The Group was not responsible for financing most of its PPP projects. However, for the PPP project that requires the Group to seek financing, they generally require longer construction periods and larger working capital requirements. The Group may also have disagreements or disputes with its partners in PPP projects. In addition, the Group is exposed to risks associated with fluctuating economic conditions and the Group's inaccurate estimate of project profitability, which may affect the success of the Group's PPP projects.

The profitability of PPP projects may depend on government policies relating to public-private participation and the sharing of risks and returns from these projects with partners in PPP projects. Some changes in government policies may, to a certain extent, limit the Group's ability to profit from its PPP projects, which may materially and adversely affect its business and results of operations. Any inability to execute or handle PPP projects to generate sufficient, or any, returns on the Group's investment may materially and adversely affect its business, financial condition and results of operations.

The Group may not be able to acquire suitable land for future development at reasonable prices or at all.

The Group derives a portion of its revenue from the sale of properties that it has developed. It is important that the Group identifies suitable land for future development and replenishes its land reserves to support a steady supply of properties for sale. The Group may also need to compete with other property developers which may be interested in sites it has identified. Competition among property developers can be further intensified by land policies adopted by the PRC Government and local governments which, for instance, regulate the means of acquiring land. Any changes in land policies of the PRC Government with regard to land supply and development may lead to an increase in the Group's costs of acquisition and limit its ability to successfully acquire land at reasonable prices. There can be no assurance that the Group will be able to successfully acquire any or all of the land use rights for projects planned for future development at reasonable prices, or at all and this may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's building materials logistics business relies on a limited number of suppliers to supply a substantial portion of its materials and a limited number of customers to purchase a substantial portion of its materials.

The Group relies on a limited number of suppliers for certain materials, such as concrete, cement, steel, electronic products and industrial materials.

There is no assurance that there will not be any dispute between the Group and its major customers and suppliers, or that the Group will be able to maintain business relationships with its existing customers and suppliers. As the Group has been relying on a small pool of major customers and suppliers for the years ended 31 December 2022, 2023 and 2024, in the event that the existing major customers cease to engage the Group's service or decrease the number of orders placed, or that the existing major suppliers suspend their supply of commodities to the Group, the Group may not be able to find new customers or suppliers as replacement within a reasonable period of time or at all. As a result, the Group's pricing power and results of operations in its building materials logistics business could be materially and adversely affected.

The PRC Government may adopt further measures to cool down the growth in the property sector.

Starting from the second half of 2009, residential property prices in certain cities in the PRC rose rapidly. In order to prevent the overheating of the property market and the possible formation of a speculative bubble, the PRC Government introduced a series of regulatory measures in an effort to stabilise the real estate market and facilitate its sustainable development, including raising the down payment ratio and residential mortgage loan interest rate, limiting the number of houses that a single household may purchase, increasing the supply of affordable housing to low- and middle-income families, increasing the supply of public housing to targeted populations, restricting foreign investments in properties in the PRC, abolishing the preferential business tax treatment on transfer of ordinary housing within five years and launching new property tax schemes in certain cities. In previous years, the property market in the PRC has witnessed signs of a slowdown, with some developers reported to have lowered prices in order to stimulate sales and some local governments reported to have relaxed property purchase restrictions previously imposed as cooling measures to help boost demand. More recently, however, due to a strong increase in prices starting early 2016, local governments and developers in certain cities have implemented measures to suppress the level of increase in property prices, such as tightening mortgage restrictions on second home purchases. See "– *Regulation*." Starting in March 2017, several cities such as Guangzhou, Shenzhen, Suzhou and Hangzhou adopted stricter measures on second home purchases, such as shortening the mortgage duration and increasing the down payment ratio. The PRC Government may adopt additional and more stringent industry policies, regulations and measures in the future. These measures may limit the Group's access to capital resources, reduce market demand for the Group's products and increase the Group's operating costs in complying with these measures. If the Group fails to adapt its operations to such new policies, regulations and measures that may come into effect from time to time, the Group's business prospects, financial condition and results of operations may be materially and adversely affected.

The Group's property development projects may be materially and adversely affected by difficulties in and costs associated with demolition and resettlement of existing businesses and residents.

The Group's property development projects may involve the demolition of existing buildings and the resettlement of incumbent businesses and residents. On 21 January 2011, the State Council promulgated the Regulation on Expropriation and Compensation Related to Buildings on State-Owned Land (國有土地上房屋徵收與補償條例), which replaced the Regulations for the Administration of Demolition and Removal of Urban Housing (城市房屋拆遷管理條例). The regulation provides, among other things, that only government authorities are permitted to conduct resettlement activities, but companies which have already obtained a demolition and resettlement permit may continue to use such permit to complete the demolition and resettlement. The Group has relied on, and will continue to rely on the local government for demolition and resettlement. There can be no assurance that the local government will be able to complete demolition and resettlement within the expected timetable, which may significantly delay the timetable for the Group's land development activities and consequently adversely affect the Group's financial condition.

The Group is exposed to pre-sale related contractual and legal risks and changes in pre-sale related regulations may adversely affect the Group's financial performance.

The Group sells a portion of the property it develops through pre-sale contracts, in which it makes undertakings regarding timely completion and delivery of the property. These pre-sale contracts and PRC laws and regulations provide for remedies with respect to any breach of such undertakings. For example, if the Group pre-sells a property project and the Group fails to complete that property project, it will be liable to the purchasers for their losses. Should the Group fail to complete a pre-sold property project on time, the Group's purchasers may seek compensation for late delivery pursuant to either their contracts with the Group or PRC laws and regulations. If the Group's delay extends beyond a specified period, purchasers may terminate the pre-sale contracts and claim compensation. There is no assurance that the Group will not experience delays in completion and delivery of the Group's projects, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Under current PRC laws and regulations, property developers must fulfil certain conditions before they can commence pre-sale of the relevant properties and may only use pre-sale proceeds to finance the development of such properties. In August 2005, PBOC in a report entitled "2004 Real Estate Financing Report" recommended to discontinue the practice of pre-selling unfinished properties because such practices, in PBOC's opinion, create significant market risks and generate transactional irregularities. In July 2007, an economic research group under the NDRC recommended the abolishment of the pre-sale system. These recommendations have not been adopted by any PRC governmental authority and have no mandatory effect. Recently, certain developers have commenced the practice of trial sale of completed residential properties. There is no assurance that the PRC governmental authority will not ban the practice of pre-selling residential properties prior to completion or implement further restrictions on the pre-sale of such properties, such as imposing additional conditions for a pre-sale permit or further restrictions on the use of pre-sale proceeds. Proceeds from the pre-sale of the Group's properties are an important source of financing for its property developments. Consequently, any restriction on the Group's ability to pre-sell its properties, including any increase in the amount of up-front expenditure the Group must incur prior to obtaining the pre-sale permit, would extend the time period required for recovery of the Group's capital outlay and would require that the Group seek alternative means to finance the various stages of its property developments. This, in turn, could have an adverse effect on the Group's business, cash flow, results of operations and financial condition.

The Group may not be able to complete or deliver its property development projects on time and the Group may be subject to liabilities as a result of such delays.

Various factors may materially and adversely affect the progress of a property development project or a construction project, including delays in obtaining necessary permits or governmental approvals, delays in delivery of land to the Group, changes in governmental policies, changes in market conditions, labour disputes, poor work quality of construction contractors, construction accidents and natural disasters or adverse weather conditions and other unforeseen problems or circumstances. The Group may also experience delays in obtaining the relevant land, which may adversely affect its business, results of operations and financial condition.

There can be no assurance that the Group will not experience any significant delays in the completion or delivery of the Group's properties, or that the Group will not be subject to any liabilities for any such delays. If the Group experiences a delay and it is liable to compensate for any such delay, this may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group may be liable to the Group's customers for damages if the Group fails to assist them in obtaining individual property ownership certificates in a timely manner.

The Group is typically required to obtain a general property ownership certificate for each of the Group's completed projects. In addition, for properties stipulated in the contract for the sale of commodity houses which are uncompleted houses, the Group generally has to assist its customers in obtaining their individual property ownership certificates within 90 days of delivering the possession of properties unless otherwise specified in the relevant sale and purchase agreements. In general, the Group elects to specify the deadline to apply for the individual property ownership certificates upon the provision of the necessary documents by the customers in the sale and purchase agreements to allow sufficient time for the application and approval processes. Under current PRC laws and regulations, the Group shall, before delivering the properties, entrust entities with qualifications for real estate surveying and mapping to survey and map the properties. The result of the surveying and mapping shall be used in the house property right registration after being reported to the real estate administration for verification and approval. The Group is then required to submit, within certain periods after delivery of the properties, the sale and purchase agreements relating to such properties, the identification documents of the purchasers and the proof of payment of deed tax, together with the general property ownership certificate, for the relevant local authority's review and for the issuance of individual property ownership certificates in respect of the properties purchased by the respective purchasers. Delays by the various administrative authorities in reviewing the application and granting approval as well as other factors may affect timely delivery of the general as well as individual property ownership certificates. Property developers, including the Group, may become liable for monetary

penalties to purchasers for late delivery of the individual property ownership certificates due to delays in the administrative approval processes or for any other reason beyond its control. There is no assurance that the Group will be able to timely deliver all property ownership certificates in the future or that the Group will not be subject to any liabilities as a result of any late deliveries of property ownership certificates.

The Group's business will be adversely affected if mortgage financing becomes more costly or otherwise less attractive or available.

Many purchasers of the Group's properties rely on mortgages to finance their purchases. Any increase in interest rates may significantly increase the cost of mortgage financing, thus affecting the purchasers' affordability of properties. In addition, the PRC Government and commercial banks may increase the down-payment requirement, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers.

From time to time, the PRC Government issues laws, regulations or policies regarding mortgage financing to regulate the PRC property market. In January 2010, the State Council issued the Circular on Promoting the Stable and Sound Development of the Real Estate Market (國務院辦公廳關於促進房地產市場平穩健康發展的通知), which, among other things, provides that homeowners with outstanding mortgage loans who intend to buy additional properties for themselves, their spouses or dependent children are required to pay a down payment of no less than 40 per cent. of the purchase price and the applicable interest rate shall be set strictly based upon the associated risk level. In April 2010, the State Council issued a notice to raise the minimum down payment for second home purchases to 50 per cent. and set a minimum 30 per cent. down payment on first homes with a GFA of more than 90 sq.m. Further, pursuant to such notice, interest rate for mortgage loans of second homes cannot be lower than 110 per cent. of the PBOC benchmark lending rate. In May 2010, Ministry of Housing and Urban-Rural Development ("**MOHURD**"), PBOC and CBRC jointly issued a circular to clarify that the number of residential properties owned by an individual property purchaser who is applying for mortgage loans shall be determined by all residential properties owned by the family members of such purchaser (including the purchaser and such purchaser's spouse and children under the age of 18), and that property purchasers of second or subsequent residential properties shall be subject to different credit terms when applying for mortgage loans.

According to a notice jointly issued by PBOC and CBRC on 29 September 2010, the minimum down-payment has been raised to 30 per cent. for all first home purchases, and commercial banks are required to suspend mortgage loans for purchases of a customer's third or subsequent residential properties. In January 2011, the State Council issued a circular to further raise the minimum down-payment requirement for second home purchases to 60 per cent. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50 per cent. of the borrower's monthly income. Since 2013, as a result of the foregoing factors, PRC banks have generally tightened mortgage lending, which had affected the demand in the property market in general. On 29 September 2014, PBOC and CBRC jointly issued the Notice of the People's Bank of China and the China Banking Regulatory Commission on Further Improving Housing Financial Services (中國人民銀行、中國銀行業監督管理委員會關於進一步做好住房金融服務工作的通知), according to which, the reasonable housing loan demand of residential households shall be actively supported; where a household that owns an existing property for which the property purchase loan has been paid off applies for a new loan to purchase another ordinary commodity housing for the purpose of improving living conditions, the relevant banking financial institution shall adopt the lending policies applicable to the first owner-occupied property.

On 25 August 2019, the PBOC issued an announcement (PBOC Notice (2019) No. 16) regarding the interest rate for new mortgage loans, which provides that after 8 October 2019, new mortgage loans shall be priced by adding basis points to the latest monthly LPR of corresponding maturity; the interest rate of the loans for the first residential property shall not be lower than the LPR of corresponding maturity, and that of the second residential property not be lower than the LPR of corresponding maturity plus 60 basis points.

If the availability or attractiveness of mortgage financing is reduced or limited, many of the Group's prospective customers may not be able to purchase its properties and, as a result, the Group's business, results of operations and financial condition may be adversely affected.

The Group faces risks relating to the calculation and enforcement of land added tax ("LAT") by the PRC tax authorities, which may materially and adversely affect the Group's profitability and cash flow position.

In accordance with the provisions of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值税暫行條例), which was promulgated on 13 December 1993 and amended on 8 January 2011, and the related implementation rules, all entities and individuals that receive income from the sale or transfer of stated-owned land use rights, buildings and ancillary facilities are subject to LAT at progressive rates at 30 per cent., 40 per cent., 50 per cent. or 60 per cent. of the appreciation value of such properties, with certain exemptions available for (1) the sale of ordinary residential properties if the appreciation values do not exceed 20 per cent. of the total deductible items as defined in the relevant LAT regulations. Sales of luxury residential properties, villas and resorts are not eligible for such exemption; or (2) the properties recalled or expropriated by the PRC Government according to relevant PRC laws for construction purposes.

The Group estimates and makes provisions for the full amount of applicable LAT in accordance with the requirements set forth in the relevant PRC tax laws and regulations. LAT provisions are recorded as a part of "Deferred tax assets and deferred tax liabilities" on the Group's balance sheets. The Group's provisions for LAT are based on the Group's management's best estimates according to their understanding of the requirements discussed above. However, actual LAT liabilities are subject to determination by the tax authorities upon the completion of the property development projects and PRC tax authorities may not agree with the basis on which the Group has calculated its LAT obligations. There can be no assurance that the current provisions for LAT are adequate or that the final outcome will not be different from the amounts initially recorded. In the event that the Group is required to settle any or all unpaid LAT, the Group's cash flow and results of operations during the related period may be adversely affected.

Effective 1 February 2007 and amended on 15 June 2018, the SAT issued the Notice on the Administration of the Settlement of LAT of Property Development Enterprises (關於房地產開發企業土地增值税清算管理有關問題的通知) (the "**Notice**"), which requires that:

- final settlement of LAT will be conducted on a project-by-project basis. For multi-phase projects, each phase will be required to undergo the LAT clearance and settlement process;

- the appreciated value of ordinary residential properties and non-ordinary residential properties contained within a project shall be calculated separately; and

- property developers must conduct final settlement if one of the following conditions is satisfied:

  (a) the project is completed and has been sold entirely;

  (b) the project is transferred as a whole before the completion of the construction; or

  (c) the land use rights of the project are transferred.

This Notice also stipulates that the PRC tax authorities may require the property developer to conduct final LAT settlement if one of the following conditions is met:

(a) for completed projects, the area sold exceeds 85 per cent. of the total saleable area or, though less than 85 per cent., the rest of the saleable area has already been rented or is being self-used;

(b) the project has held a sale or a pre-sale license for at least three years but has not been sold entirely;

(c) the taxpayer has applied for tax de-registration but the LAT settlement has not been conducted; or

(d) other situations set forth by the provincial PRC tax authorities.

Local provincial tax authorities can formulate their own implementation rules according to the notice and local situations and there are uncertainties as to how they will enforce this notice. On 12 May 2009, SAT issued the Provisions on Administration of the Settlement of LAT (土地增值税清算管理規程), which became effective on 1 June 2009 and stipulates in detail the procedures for settlement of LAT and methods of calculating LAT. Furthermore, on 25 May 2010, SAT published the Circular on Strengthening the Collection and Administration of LAT (國家税務總局關於加強土地增值税徵管工作的通知) (the "**SAT Circular**"). According to SAT Circular, all local governments were required to make adjustments to the then prevailing provisional LAT rate. In addition to safeguarding housing, the provisional LAT rate of provinces in the eastern region shall not be lower than 2 per cent., while the provinces in the middle and northeastern regions shall not be lower than 1.5 per cent. and the provinces in the western region shall not be lower than 1 per cent.; and the local governments may determine the provisional LAT rate applicable to different types of real estate. Pursuant to the Circular on Value-Added Tax Policies for Financial, Real Estate Development, Education Ancillary Service and Other Services (財政部、國家税務總局關於明確金融、房地產開發、教育輔助服務等增值税政策的通知) issued by MOF and SAT, which became effective on 1 May 2016, except for choosing the simplified tax method, when the general taxpayer sells real estate project developed by itself, the compensation for demolition paid to other companies or individuals upon land acquisition is permitted to be deducted for the purpose of calculation the sales income. Besides, if a real estate developer establishes a project company to develop the granted land after paying the land premium, the project company, for the purpose of calculation the sales income, may deduct the land premium that has been paid by the real estate developer if fulfilling the relevant requirements of changing the grantee of the land use right. In the event that relevant tax authorities change their requirements as to the amount or timing of payment of provisional LAT, the Group's cash flow may be materially and adversely affected.

The Ministry of Land and Resources of the PRC may impose fines or penalties on the Group or revoke the land use rights with respect to certain land held by it.

Under PRC laws and regulations, if a property developer fails to develop land according to the terms of the land use rights grant contract (including those relating to the payment of fees, designated use of land, amount of GFA developed, time for commencement and completion or suspension of the development, and amount of capital invested), the relevant government authorities may issue a warning to or impose a penalty on the developer or cancel the relevant land use rights. For example, the Ministry of Land and Resources of the PRC may impose an idle land fee equal to 20.0 per cent. of the land premium if the Group does not commence development of the land held by it for more than one year after the date specified in the relevant land use rights grant contract. The Ministry of Land and Resources of the PRC has the power to revoke the land use rights certificate without compensation if the Group does not commence development for more than two years after the date specified in the relevant land use rights grant contract without compelling causes. The State Council issued the Notice on Promoting the Saving and Intensification of Use of Land (國務院關於促進節約集約用地的通知) which states, among other things, that the Ministry of Land and Resources and other authorities in the PRC are required to research and commence the drafting of implementation rules concerning the levy of land appreciation fees on idle land. Furthermore, the Ministry of Land and Resources of the PRC issued in August 2009 the Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (國土資源部關於嚴格建設用地管理促進批而未用土地利用的通知) which reiterates its policy on idle land. There can be no assurance that the Group will not be subject to any fines or penalties or its land use rights will not be revoked by the government in the future for its failure of meeting the requirements aforesaid, any fines or penalties or revocation of the land use rights may materially and adversely affect the Group's business, results of operations and financial condition.

Intensified competition in the property development industry may materially and adversely affect the Group's business, results of operations and financial condition.

Competition within the PRC property development industry is intense. Many of the Group's competitors may have more financial, marketing, technical and other resources than it has and they may be more sophisticated than it is in certain areas. Competition among property developers may lead to an increase in costs for land and raw materials, shortages in quality construction contractors or surplus in property supply. As a result, property prices may decrease while costs to attract or retain skilled employees may increase. If the Group fails to compete effectively, its business, results of operations and financial condition may be materially and adversely affected.

The Group may fail to sufficiently and promptly respond to rapid changes in treatment of diseases and customer preferences in the pharmaceutical industry.

The PRC pharmaceutical manufacturing, healthcare services and medical devices industries are characterised by rapid advances in science and technology and continuous emergence of new diseases. The Group's future success depends on its ability to launch new products and services that meet evolving market demands, in particular, new pharmaceutical products, diagnostic products and medical devices that are effective in treating or diagnosing new diseases and illnesses. There is no assurance that the Group will be able to respond to emerging trends by improving the Group's product portfolio and services in a timely manner, or at all.

In addition to the industry changes, the preferences and purchasing patterns of the Group's customers with regard to pharmaceutical products, healthcare services, diagnostic products and medical devices can also change rapidly. The Group's success depends on its ability to anticipate product and service offering lead-time and demand, identify customer preferences and adapt the Group's products and services to these preferences. The Group must adjust its research and development plan, production scale and schedule, product portfolio, service offering and inventory levels based on customer demand, sales trends and other market conditions. There is no assurance that the Group will be able to sufficiently and promptly respond to changes in customer preferences and purchasing patterns in the future, and such failure may have a material and adverse effect on the Group's business, financial condition, results of operations and profitability.

Each of the PRC pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services, and diagnostic products and medical devices industries is highly regulated, and the regulatory framework, requirements and enforcement trends may constantly change.

The pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services and medical devices industries in China are subject to extensive government regulation and supervision. In recent years, the PRC Government has implemented a variety of regulatory measures and announced plans to implement additional rules and regulations with respect to the aforesaid industries, including those relating to:

- the manufacturing, distribution or pricing of pharmaceutical products, diagnostic products and medical devices;
- additional quality control, licensing and certification requirements;
- the pricing, procurement, prescription and dispensing of essential and other medicines by public hospitals and other healthcare institutions; and
- governmental funding for individual healthcare and medical services.

These measures may lead to significant changes in the PRC pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services, and diagnostic products and medical devices industries, and could result in increased costs and lowered profit margins for manufacturers, distributors and retailers of pharmaceutical products, medical devices and medical diagnostic products as well as for healthcare service providers. These measures could also lead to a decrease in the amount of products and services purchased by the Group's customers or the price of its products and services. In addition, there is no assurance that the PRC Government will continue to adopt policies supporting the pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services, diagnostic products and medical devices industries.

In addition, many initiatives taken, or to be taken, by the PRC Government under the ongoing healthcare reform plan are expected to contribute significantly to the growth of the healthcare industry. For example, a significant portion of the government investment under the ongoing healthcare reform plan will be applied towards subsidising patients' purchases of drugs. There is no assurance, however, that the relevant PRC Government authorities will continue to introduce favourable policies. On the other hand, the relevant PRC Government authorities may also introduce policies that are unfavourable to the healthcare industry. Termination of or material alterations to any favourable policies, or introduction of any unfavourable policies, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may fail to obtain or maintain necessary qualifications, permits and approvals for its pharmaceutical and healthcare business operations, which may adversely affect the Group's business, financial condition and results of operations.

All pharmaceutical, diagnostic products and medical device manufacturers and pharmaceutical retail and other distribution companies in China are required to obtain certain permits and licenses from various PRC governmental authorities, which are subject to periodic reassessment or renewal. The reassessment criteria are subject to reviews and may change from time to time and the standards are increasingly stringent. The Group intends to apply for the renewal of these permits, licenses and certifications when required by applicable laws and regulations. Any failure by the Group to obtain and maintain all licenses, permits and certifications necessary to carry on the Group's business at any time could have a material adverse effect on its business, financial condition and results of operations.

In addition, any inability to renew these permits, licenses and certifications could severely disrupt the Group's business, and prevent the Group from continuing to carry on the Group's business. Any changes in the standards used by governmental authorities in considering whether to renew or reassess the Group's business licenses, permits and certifications, as well as any enactment of new regulations that may restrict the conduct of the Group's business, may also decrease its revenue or increase its costs, which in turn could materially and adversely affect the Group's profitability and prospects. Furthermore, if the interpretation or implementation of existing laws and regulations changes, or new regulations come into effect, so as to require the Group to obtain any additional permits, licenses or certifications that were previously not required to operate the Group's existing businesses. There is no assurance that the Group may successfully obtain such permits, licenses or certifications.

The Group is subject to regular inspections, examinations, inquiries or audits by the regulatory authorities as part of the process of the Group's maintaining or renewing the permits, licenses and certificates required for the manufacturing and distribution of its pharmaceutical products, diagnostic products and medical devices and the provision of healthcare services. In the event that any of its products or facilities fails such inspections, the Group's business, profitability and reputation in the relevant industries may be adversely affected.

The Group's banking business may increase its exposure to credit risks.

The Group's banking business involves many inherent risks, including the risk that the loans the Group guarantees or grants are not repaid on time or at all. The Group serves a diverse clientele, including customers that have limited financial resources or relatively weak credit profiles. For the same reason, these customers are more vulnerable to adverse competitive, economic or regulatory conditions, and create greater credit risks relating to the Group's loan and guarantee businesses than larger or more established businesses with longer operating histories.

Since late 2012, the PRC economy has shown signs of slowdown, raising market concern that its historical rapid growth may not be sustainable. If the PRC economy experiences slowdown or enters into recession, the operation and financial performance of PRC companies may be heavily affected and customer default may increase, increasing the Group's exposure to credit 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 nor that the Group will be able to manage its credit risks effectively with its existing risk management system.

The Group's banking business could be affected by material changes and fluctuations in the PRC banking industry.

The Group's banking business may be subject to factors affecting the banking industry, such as material fluctuation in the interbank rates and media reports on any increase in non-performing loans in the PRC banking industry. These factors which generally affect the banking industry may result in a liquidity crunch and the subsequent reductions in the amount of, or tightened approval requirements for loans available to the Group's customers or the Group. If the customers' businesses are negatively affected as a result of tightened liquidity, the default risk in respect of the Group's customers may increase. In addition, the business performance in the SME sector may be adversely affected by turmoil in regional financial markets as well as changes in global credit policies. This may result in a reduction in the amount of, or tightened approval requirements for, funding from banks or other financial institutions to small and medium enterprises in the PRC which may consequently be exposed to greater liquidity risks. In this situation, the quality of the Group's loan portfolio and related results of operations may be adversely and materially affected.

RISKS RELATING TO THE PRC

China has experienced a slowdown in its economic development and the future performance of China's economy is uncertain.

The economy of the PRC experienced rapid growth over the past 40 years. There has been a slowdown in the growth of the PRC's GDP 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. In March 2016, Moody's changed the PRC Government'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. In May 2017, Moody's downgraded the sovereign credit rating of the PRC from Aa3 to A1 and changed its outlook to "stable" from "negative", reflecting Moody's expectation that economy-wide debt in the PRC will continue to rise as potential growth slows. In September 2017, Standard & Poor's downgraded the sovereign credit rating of the PRC from AA- to A+, citing its concerns over the level of economic and financial risks within the PRC. On 29 June 2022, S&P affirmed the PRC's credit rating at "A+" with a stable outlook, stating that the PRC is likely to maintain above-average economic growth in the next few years. On 29 August 2022, Moody's Investors Service, Inc. ("**Moody's**") affirmed the PRC's long-term local currency and foreign currency issuer ratings at A1 with a stable outlook, citing its assessment that the core strengths of China's credit profile, particularly its high economic strength and robust fiscal strength, are likely to remain in the medium term. In December 2023, Moody's changed PRC's sovereign rating outlook to "negative" from "stable", reflecting Moody's expectation that economy-wide debt in the PRC will continue to rise as potential growth slows. As a result of this change in the sovereign rating outlook. In April 2024, Fitch Ratings Inc. also revised PRC's long-term foreign-currency issuer default rating to "negative" from "stable", citing increasing risks to China's public finance outlook as the country contends with more uncertain economic prospects amid a transition away from property-reliant growth to what the government views as a more sustainable growth model. Further, in April 2025, Fitch Ratings Inc. downgraded the long-term foreign-currency issuer default rating of the PRC to "A (Stable)" from "A+ (Negative)", reflecting Fitch's expectations of a continued weakening of China's public finances and a rapidly rising public debt trajectory during the country's economic transition.

The future performance of China's economy is not only affected by the economic and monetary policies of the PRC Government, but is also exposed to material changes in global economic and political conditions as well as the performance of certain major developed economies in the world, such as the United States and the European Union. Any change in the U.S. global trade policy against China, including tightening regulatory restrictions, industry-specific quotas, tariffs, non-tariff barriers and taxes may have an adverse effect on China's economy. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies that have been adopted by the central banks and financial authorities of some of the world's leading economies, including the United States. There have also been concerns over unrest in the Middle East and Africa, which have resulted in volatility in oil prices and other markets, over the political situation over Korean Peninsula, over the withdrawal of the United Kingdom from the European

Union, and over the escalation of China-U.S. trade friction and the bilateral tariffs on imports imposed by both countries. In addition, the Russo-Ukrainian conflict and the Israel-Palestinian conflict have led to significant volatility in the global markets across all asset classes, including stocks, bonds, oil and other commodities and this volatility may persist for some time. These and other issues resulting from the global economic slowdown and financial market turmoil have adversely affected, and may continue adversely affecting, the Chinese market and consumption capacity in this market, which may lead to a decline in the general demand for products and erosion of their sale prices. Furthermore, concerns over inflation, energy costs, geopolitical issues, the availability and cost of credit, unemployment, and consumer confidence, declining asset values, capital market volatility and liquidity issues have created difficult operating conditions in the past and may continue to do so in the future. These and other issues resulting from the global economic slowdown have adversely affected, and may continue adversely affecting, the general consumption and manufacturing level in the PRC. Therefore, there exists continued uncertainty for the overall prospects for the global and the PRC economies this year and beyond.

Any slowdown in the PRC economy may increase the Group's exposure to material losses from its investments, decrease the opportunities for developing the Group's businesses, create a credit tightening environment, increase the Group's financing costs, or reduce government subsidies to the Group, any of which may result in a material adverse effect on the Group's 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 affect the Group's business and prospects.

The economy of the PRC 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. 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, 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). For example, the Group's operations and financial results, as well as its 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.

Uncertainty with respect to the PRC legal system could affect the Group.

As most of the Group's businesses are conducted and most 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, the promulgation of new laws, changes in existing laws and abrogation of local regulations by national laws may have an adverse effect on the Group's business, results of operations and financial condition as well as its prospects.

In addition, given the involvement of different enforcement bodies of the relevant rules and regulations, the interpretation and enforcement of PRC laws and regulations involve significant uncertainties under the current legal environment. The enforcement of existing laws or contracts based on existing laws may be uncertain and sporadic, and it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. All of these uncertainties including the 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 the Group's 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 Issuer and most of its subsidiaries are incorporated in the PRC. Substantially all of the Group's assets are located in the PRC. In addition, most of the Group'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 law. 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. However, China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with many countries, including Japan, the United States and the United Kingdom.

On 14 July 2006, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgment 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 (最高人民法院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決的安排), effective on 1 August 2008 (the "**Arrangement**"), pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a "choice of court" agreement in writing may apply for recognition and enforcement of the judgment in the PRC. In addition, on 18 January 2019, the Supreme People's Court of China (the "**SPC**") and the government of Hong Kong signed 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 (最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "**RRE Arrangement**"). The RRE Arrangement came into effect on 29 January 2024, the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645) of Hong Kong laws and the Supreme People's Court on 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 (Judicial Interpretation [2024] No. 2 (最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排(法釋[2024]2號)). The RRE Arrangement extends the scope of judicial assistance and PRC and Hong Kong. The RRE Arrangement, upon its commencement on 29 January 2024, supersedes the Arrangement. However, the Arrangement will continue to apply to a "choice of court agreement" in writing (if any) made between the relevant parties before the commencement of the RRE Arrangement. While it is expected that the PRC courts may recognise and enforce a judgment given by the Hong Kong courts in respect of a dispute 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 holders of the Bonds will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the holders' ability to initiate a claim outside Hong Kong will be limited.

Fluctuation of the foreign exchange rates and government control of currency conversion may adversely affect the value of investors' investments.

Substantially all of the Group's operating income is denominated in Renminbi, which is also the reporting currency. Renminbi is not a freely convertible currency. Prospective investors shall take reference to the applied foreign exchange rates when making their decision to invest in the Bonds.

In addition, 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 cash payments on declared dividends, if any, 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 dividends to the holders of the Bonds in foreign currencies. On the other hand, foreign exchange transactions under capital account in the PRC continue to be not freely convertible and require the approval of the SAFE. These limitations could affect the Group's ability to obtain foreign currencies through equity financing, or to obtain foreign currencies for capital expenditures.

The implementation of PRC employment regulations may increase labour costs in the PRC generally.

The PRC Labour Contract Law (中華人民共和國勞動合同法) became effective on 1 January 2008 in the PRC and was amended on 28 December 2012 and became effective on 1 July 2013. It imposes more stringent requirements on employers in relation to entry into fixed-term employment contracts and dismissal of employees. Pursuant to the PRC Labour Contract Law, the employer is required to make a compensation payment to a fixed-term contract employee when the term of their employment contract expires, unless the employee does not agree to renew the contract even though the conditions offered by the employer for renewal are the same or better than those stipulated in the current employment contract. In general, the amount of compensation payment is equal to the monthly wage of the employee multiplied by the number of full years that the employee has worked for the employer. A minimum wage requirement has also been incorporated into the PRC Labour Contract Law. In addition, unless otherwise prohibited by the PRC Labour Contract Law or objected to by the employees themselves, the employer is also required to enter into non-fixed-term employment contracts with employees who have previously entered into fixed-term employment contracts for two consecutive terms.

In addition, under the Regulations on Paid Annual Leave for Employees (職工帶薪年休假條例), which became effective on 1 January 2008, employees who have worked continuously for more than one year are entitled to paid annual leave ranging from five to 15 days, depending on the length of the employees' service. Employees who consent to waive such annual leave at the request of employers shall be compensated an amount equal to three times their normal daily salaries for each day being waived. Under the National Leisure and Tourism Outline 2013-2020 (民旅遊休閒綱要2013-2020) which became effective on 2 February 2013, regulations on paid annual leave of employees shall have been implemented on a general basis by 2020. As a result of the PRC Labour Contract Law, the Regulations on Paid Annual Leave for Employees and the National Leisure and Tourism Outline 2013-2020, the Group's labour costs (inclusive of those incurred by contractors) may increase. Further, under the PRC Labour Contract Law, when an employer terminates its PRC employees' employment, the employer may be required to compensate them for such amount which is determined based on their length of service with the employer, and the employer may not be able to efficiently terminate non-fixed-term employment contracts under the PRC Labour Contract Law without cause. In the event the Group decides to significantly change or decrease its workforce, the PRC Labour Contract Law could adversely affect its ability to effect these changes in a cost-effective manner or in the manner that the Group desires, which could result in an adverse impact on the Group's businesses, financial condition and results of operations.

Further, if there is a shortage of labour or for any reason the labour cost in the PRC rises significantly, the costs of production of the Group's products are likely to increase. This may in turn affect the selling prices of products, which may then affect the demand of such products and thereby adversely affect the Group's sales and financial condition. Increase in costs of other components required for production of the products may cause similar adverse effects, particularly if the Group is unable to identify and employ other appropriate means to reduce the costs of production. In such circumstances, the profit margin may decrease and the financial results may be adversely affected.

In addition, inflation in the PRC has increased in recent years. Inflation in the PRC increases the costs of raw materials required by the Group for conducting the Group's business and the costs of labour as well. Rising labour costs may increase the Group's operating costs and partially erode the cost advantage of the Group's operations and therefore negatively impact the Group's profitability.

The Group is subject to restrictions on the remittance of Renminbi into and out of the PRC and governmental controls on currency conversion, and any depreciation of the Renminbi may materially and adversely affect the Group's ability to fulfil its payment obligations under the Bonds.

The PRC Government imposes controls on the convertibility of Renminbi into foreign currencies and the remittance of currency out of the PRC. A substantial part of the Group's gross revenue is denominated in Renminbi, a portion of which may need to be converted into other currencies in order to meet the Group's foreign currency obligations, such as payments of dividends, overseas acquisitions, and payments of principal and interests under the Bonds or other foreign currency denominated debt, if any.

Under existing PRC laws and regulations on foreign exchange, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE provided that certain procedural requirements are complied with. Approval from, or registration with, competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies. More restrictions and extensive vetting processes have been put in place by SAFE to regulate cross-border transactions under the capital account, such as the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知). The PRC Government may, at its discretion, take measures to restrict access to foreign currencies for current account and capital account transactions under certain circumstances. If the foreign exchange control system prevents the Group from obtaining sufficient foreign currencies to satisfy the Group's foreign currency demands, the Group may not be able to make interest payments and/or principal repayment to the Bondholders or holders of other foreign currency denominated debt, if any. In addition, there can be no assurance that new laws or regulations will not be promulgated in the future that would have the effect of further restricting the remittance of Renminbi into or out of the PRC.

The proceeds from the offering of the Bonds will be received in U.S. dollars. As a result, any appreciation of Renminbi against the U.S. dollar or any other foreign currencies may result in the decrease in the value of the Group's foreign currency-denominated assets and the Group's proceeds from the offering of the Bonds. Conversely, any depreciation of Renminbi may adversely affect the Group's ability to service the Bonds.

The value of Renminbi against the U.S. dollar and other foreign currencies is subject to changes in the PRC's policies, as well as international economic and political developments. On 21 July 2005, the PRC Government adopted a more flexible managed floating exchange rate system to allow the value of Renminbi to fluctuate within a regulated band that is based on market supply and demand with reference to a basket of currencies. From 21 July 2005 to 17 March 2014, the floating band of interbank spot foreign exchange market trading price of Renminbi against the U.S. dollar was gradually widened from 0.3 per cent. to 2 per cent. 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. Further to the PBOC's adjustment on 11 August 2015, the value of Renminbi depreciated significantly against the U.S. dollar. In recent years, Renminbi has experienced further fluctuations and volatility in value against the U.S. dollar. There remains significant international pressure on the PRC Government to adopt more flexible currency policies. With an increased floating range of the Renminbi's value against foreign currencies and a more market-oriented mechanism for determining the mid-point exchange rates, the Renminbi may further appreciate or depreciate significantly in value against the U.S. dollar or other foreign currencies in the long-term. Any significant depreciation of the Renminbi may adversely affect the value of the Group's businesses. In addition, there are limited instruments available for the Group to reduce its foreign currency risk exposure at reasonable costs. All of these factors could materially and adversely affect the business, financial conditions and results of operations of the Group.

The operations of the Issuer may be affected by inflation and deflation within the PRC.

It is impossible to accurately predict future inflationary trends in the PRC. If inflation rates rise beyond the Group's expectations, the Group may be unable to increase the price of its services and products in amounts that are sufficient to cover its increasing operating costs. As a result, high inflationary pressures within the PRC may have a material adverse effect on the Group's business, financial condition and results of operations, as well as its liquidity and profitability.

Recently, concerns have arisen over deflationary pressures in the PRC as a result of weak domestic demand and a slowing economy. Inflation rates within the PRC have been on a downward trend in recent years. A prolonged period of deflation may result in falling profits, closure of plants and shrinking employment and incomes by companies and individuals, any of which could adversely affect the Group's business, financial condition or results of operations.

RISKS RELATING TO THE FINANCIAL INFORMATION

Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular.

The Group from time to time issues corporate bonds and short-term commercial paper in the domestic capital markets in the PRC. According to applicable PRC securities regulations on debt capital markets, the Group needs to publish its semi-annual and annual financial information to satisfy its continuing disclosure obligations relating to its corporate bonds and short-term commercial paper. After the Bonds are issued, the Group is obligated by the Conditions, among others, to provide holders of the Bonds with its audited annual financial statements and unaudited semi-annual financial statements. The interim 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 information. The Group 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.

The Group's Audited Financial Statements were audited in accordance with PRC GAAP which may be different from IFRS.

The Group's Audited Financial Statements were prepared in accordance with PRC GAAP. Although PRC GAAP are substantively in line with IFRS, PRC GAAP are, to a certain extent, different from IFRS. See "*– Summary of Certain Differences between PRC GAAP and IFRS*". There is no guarantee that PRC GAAP will fully converge with IFRS or there will be no additional differences between the two accounting standards in the future. Potential investors should consult their own professional advisers for an understanding of any differences that may exist between PRC GAAP and IFRS, and how those differences might affect the financial information included in this Offering Circular.

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

The historical financial information of the Group included in this Offering Circular is not indicative of its future financial results and is sometimes adjusted or restated to address subsequent changes in accounting standards, accounting policies or applicable laws and regulations with retrospective impact on the Group's financial reporting or to reflect the comments provided by the Group's independent auditors during the course of their audit or review in subsequent financial periods. The Group's future results of operations may change materially if its future growth does not follow the historical trends for various reasons, including factors beyond its control, such as changes in economic environment, PRC accounting rules and regulations and the domestic and international competitive landscape of the industries in which the Group operates its business.

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.

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 Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them, and, therefore, none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them 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.

Zhongshen, the auditor of the Group, may be involved in investigations initiated by relevant PRC authorities from time to time.

Zhongshen, the auditor of the Group, is a registered accounting firm in the PRC. It is supervised by relevant PRC regulatory agencies, including CSRC. In the past few years, Zhongshen has been subjected to several administrative sanction by the CSRC. According to Zhongshen, none of the abovementioned administrative sanctions are related to it serving as the Group's current auditor. The abovementioned administrative sanctions imposed by CSRC do not disqualify Zhongshen from participating in the offering of the Bonds or have any impact on its ability to provide services to the Group. There can be no assurance that the involvement of Zhongshen in such administrative actions or any negative news about Zhongshen would not affect investors' confidence in companies and financial statements audited or reviewed by it. Prospective investors should consider these factors prior to making any investment decision.

RISKS RELATING TO THE BONDS

The Bonds will be unsecured obligations.

As the Bonds will be unsecured obligations of the Issuer, the repayment of the Bonds 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 assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Bonds.

The Issuer may issue additional Bonds in the future.

The Issuer may, from time to time, and without prior consultation of 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.

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

The Bonds are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with a measured and appropriate addition of risk to the investor's overall portfolios. A potential investor should not invest in the Bonds unless they have 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 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) the Bonds are legal investments for it, (b) the Bonds can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase of any Bonds. Financial institution investors 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.

Each potential investor in the Bonds 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 Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the 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 Bonds;

- understand thoroughly the terms of the 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 economic scenarios, such as interest rate and other factors which may affect its investment and the ability to bear the applicable risks.

Any failure to complete the relevant filings under the Order 56 within the prescribed timeframe following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the Bondholders.

On 5 January 2023, the NDRC issued the Administrative Measures for the Review and Registration of Medium and Long-term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(中華人民共和國國家發展和改革委員會令第56號)) (the "**Order 56**"), which came into effect on 10 February 2023. On 9 February 2023, NDRC published the frequently asked questions on the Order 56 and its responses (the "**FAQs**"), which provided further clarifications on the practical implications of certain provisions in the Order 56. The Order 56 replaced 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) (Fa Gai Wai Zi [2015] No. 2044) (the "**NDRC Circular**"). According to the Order 56, domestic enterprises and their overseas controlled entities shall procure the registration of any debt securities or medium to long term loans with a term of not less than one year issued or incurred outside the PRC with the NDRC prior to the issue of the securities or drawings under the loans, and notify the particulars of the relevant issues or drawings within ten PRC working days after the issue date. The Issuer has obtained the NDRC pre-issuance registration certificate dated 2 September 2025 which remains in full force and effect as at the date of this Offering Circular. Pursuant to the Conditions, the Issuer undertakes to file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds within the relevant prescribed timeframes after the Issue Date in accordance with the Order 56. If the Issuer fails to report relevant information according to the Order 56, the examination and registration authorities shall, depending on the seriousness of the circumstances, impose disciplinary measures such as interviews and public warnings on the Issuer concerned and its principal responsible persons.

In addition, the administration of the Order 56 may be subject to a certain degree of executive and policy discretion by the NDRC. There is no assurance that any future change in PRC laws and regulations relating to the interpretation of the Order 56 and its related rules would not have a negative impact on the Bonds in the PRC. Potential investors of the Bonds are advised to exercise due caution when making their investment decisions.

Any failure to complete the relevant registration with SAFE within the prescribed timeframe following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the investors of the Bonds.

In accordance with the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) (the "**Foreign Debt Registration Measures**") issued by SAFE on 28 April 2013, which came into effect on 13 May 2013 and as amended on 4 May 2015, the Issuer shall complete the foreign debt registration in respect of the issue of the Bonds with the relevant local branch of SAFE in accordance with relevant laws and regulations. According to the Operation Guidelines for Administration of Foreign Debt Registration (外債登記管理操作指引) promulgated together with the Foreign Debt Registration Measures, the Circular of the PBOC on Matters Concerning the Macro Prudential Management of Full-Covered 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 "**Cross Border Financing Circular**") and the SAFE Foreign Exchange Business Guideline on Capital Account (2024) (資本項目外匯業務指引(2024)), the Issuer is required to register the Bonds within 15 working days after execution of the Trust Deed and complete such registration in accordance with the Foreign Debt Registration Measures. Before such registration of the Bonds is completed, it is uncertain whether the Bonds are enforceable under the PRC laws and it may be difficult for Bondholders to recover amounts due from the Issuer and the Issuer may not be able to remit the proceeds of the offering into the PRC or remit money out of the PRC in order to meet its payment obligations under the Bonds. Pursuant to article 27(5) of the Foreign Debt Registration Measures, a failure to comply with registration requirements may result in a warning and fine as set forth under article 48 of the Foreign Exchange Administrative Regulations (外匯管理條例) promulgated by the State Council in 2008. However, pursuant to article 40 of the Foreign Debt Administration Provisional Rules (外債管理暫行辦法) promulgated by the MOF, NDRC and SAFE, a failure by a domestic entity to register a foreign debt contract will render the contract not legally binding and unenforceable. Under the Conditions, the Issuer has undertaken, and it intends, to complete the registration of the Bonds with SAFE within 15 Registration Business Days after the Issue Date. The Issuer does not foresee any obstacle in completing the registration within the abovementioned period. In the unlikely event that the Issuer is unable to complete such registration within the abovementioned time period, investors will have the right to require the Issuer to redeem their holding of Bonds. However, notwithstanding such right, the Issuer may have difficulty remitting funds offshore to service payments in respect of the Bonds and investors may encounter difficulties in enforcing judgments obtained in the Hong Kong courts with respect to the Bonds and the Trust Deed in the PRC. In such circumstances, the value and secondary market price of the Bonds may also be materially and adversely affected.

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

The Bonds may be redeemed at the option of the Issuer, in whole but not in part, at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption if, as a result of any change in or amendment to the tax laws of the PRC or any political subdivision or any authority thereof or therein having power to tax, the Issuer has or will become obliged to pay Additional Tax Amounts, as further described in Condition 6(b) (*Redemption for Taxation Reasons*) of the Conditions.

If the Issuer redeems the Bonds prior to the 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 redeem the Bonds upon the due date for redemption thereof.

Upon maturity, the Bonds will be redeemed at their principal amount, or following the occurrence of a Relevant Event (as defined in the Conditions), 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 such 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 in each case with interest accrued up to (but excluding) the date of redemption. See "*Terms and Conditions of the Bonds – Redemption for Relevant Events*". On the Maturity Date or if a Relevant Event were to occur, the Issuer 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 on the Maturity Day or upon the occurrence of a Relevant Event may also be limited by the terms of other debt instruments. The Issuer's failure to repay, repurchase or redeem tendered Bonds could constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's other indebtedness.

The Bonds will be structurally subordinated to the existing and future indebtedness and other liabilities and commitments of the Issuer's existing and future subsidiaries.

None of the Issuer's subsidiaries will guarantee the Bonds. Therefore, the Bonds will be structurally subordinated to any indebtedness and other liabilities and commitments, including trade payables and lease obligations, of the Issuer's existing or future subsidiaries, whether or not secured. The Issuer may not have direct access to the assets of such subsidiaries unless these assets are transferred by dividend or otherwise to the Issuer. The ability of such subsidiaries to pay dividends or otherwise transfer assets to the Issuer is subject to various restrictions under applicable laws and the contracts and agreements which they enter into from time to time. The Issuer's subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Bonds or make any funds available therefor, whether by dividends, loans or other payments. As a result, all claims of creditors of the existing and future subsidiaries of the Issuer, including trade creditors, lenders and all other creditors, and rights of holders of preferred shares of such subsidiaries (if any) will have priority as to the assets of such subsidiaries over claims of the Issuer as shareholder and those of creditors of the Issuer, including holders of the Bonds.

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

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the Group's turnover, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in prices for comparable companies, changes in government regulations and changes in general economic conditions nationally or internationally 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.

Developments in other markets 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 issuers in other countries, including the PRC. Since the global financial crisis in 2008 and 2009 and in more recent times, 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.

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

The Bondholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Bonds, resulting in a capital loss for the Bondholders. However, the Bondholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Bonds may rise. The Bondholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

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

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 an 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, no assurance can be given that such application will be approved, or even if the Bonds become so listed, an active trading market for the Bonds will develop or be sustained. No assurance can be given as to the ability of the holders of the Bonds to sell their Bonds or the price at which holders of the Bonds will be able to sell their Bonds or that a liquid market will develop. The liquidity of the Bonds will be adversely affected if the Bonds are held or allocated to limited investors. Bondholders should note that they may need to hold their Bonds until maturity as there may not be an active secondary market for the Bonds. None of the Joint Lead Managers is obligated to make a market in the Bonds, and if the Joint Lead Managers do so, they may discontinue such market making activity at any time at their sole discretion. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, holders of the Bonds will only be able to resell their 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 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 has no control. Depreciation of the U.S. dollar 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.

The ratings of the Bonds may be downgraded or withdrawn.

The Bonds are expected to be assigned a rating of "BBB+" by Fitch. One or more independent credit rating agencies may assign credit ratings to an issue of the Bonds. The ratings represent the opinion of the rating agencies and their assessment of the ability of the Issuer to perform its obligations under the Bonds and the credit risks in determining the likelihood that payments will be made when due under the Bonds. Such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There can be no assurance that the ratings assigned to any Bonds will remain in effect for any given period or that the ratings will not be lowered, suspended or withdrawn by the rating agencies in the future if, in their judgment, the circumstances so warrant. The Issuer is not obligated to inform holders of the Bonds of any such suspension, revision, downgrade or withdrawal. A suspension, downgrade or withdrawal of the ratings of any Bond at any time may materially and adversely affect the market price of the Bonds and the Issuer's ability to access the debt capital markets.

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 would likely involve the insolvency laws of the PRC, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Bonds are familiar.

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

The Conditions are governed by English law. No assurance can be given as to the impact of any possible judicial decision or change in English law or administrative practice after the date of issue of the Bonds.

The Trustee may request holders of the Bonds to provide an indemnity and/or security and/or pre-funding to its satisfaction.

In certain circumstances (including without limitation the giving of notice pursuant to Condition 9 (*Events of Default*) of the Conditions and taking steps and/or actions and/or instituting proceedings pursuant to Condition 13 (*Enforcement*) of the Conditions), the Trustee may (at its sole and absolute discretion) request the Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any 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 unless first indemnified and/or provided with security and/or pre-funded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing. Negotiating and agreeing to any indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed or the Conditions 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 law, it will be for the Bondholders to take such steps and/or actions and/or institute such proceedings directly.

Decisions that may be made on behalf of all Bondholders may be adverse to the interests of individual Bondholders. Modifications and waivers may be made in respect of the Conditions, the Trust Deed or the Agency Agreement by the Trustee or less than all of the Bondholders.

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

The Conditions also provide that the Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of the Conditions or any of the provisions of the Trust Deed or the Agency Agreement that in its opinion is of a formal, minor or technical nature or is to correct a manifest error or to comply with any mandatory provision of law or with any rule or procedure of the relevant clearing system, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of the Bonds, any of the 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 interest of the Bondholders. Any such modification, waiver or authorisation shall be binding on the Bondholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the Issuer to the Bondholders as soon as practicable in accordance with Condition 16 (*Notices*).

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 Clearing Systems.

The Bonds will initially be represented by a Global Certificate. Such Global Certificate will be deposited with a common depositary for Euroclear and Clearstream (the "**Clearing Systems**" and each a "**Clearing System**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates. The Clearing Systems 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 the relevant Clearing System for distribution to their account holders. A holder of a beneficial interest in a 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 a 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.

Gains on the transfer of the Bonds may be subject to income tax and value-added tax under PRC tax laws.

Under the EIT Law which took effect on 29 December 2018 and its implementation rules, any gains realised on the transfer of the Bonds by holders 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 from the transfer of the Bonds would be treated as incomes derived from sources within the PRC and be subject to PRC tax. In addition, under the Individual Income Tax Law of the PRC (the "**IIT Law**") as last amended on 31 August 2018, and its implementation rules, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than one year shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders 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税和防止偷漏税的安排) (the "**Arrangement**") which was promulgated on 21 August 2006 and took effect on 1 January 2007, 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.

On 23 March 2016, the MOF and the State Administration of Taxation jointly issued the Circular of Full Implementation of Business Tax to VAT Reform (Cai Shui [2016] No. 36) (財政部、國家税務總局關於全面推開營業税改徵增值税試點的通知) (財税[2016]36號) ("**Circular 36**"), which provides that all business tax payers are included into the pilot programme to pay value-added tax (the "**VAT**") from 1 May 2016. Further, Circular 36 was partially amended by the Announcement of MOF, SAT and General Administration of Customs on Matters relating to Deepening the VAT Reform (財政部、税務總局、海關總署關於深化增值税改革有關政策的公告) which was issued on 20 March 2019 and became effective on 1 April 2019. VAT is applicable where the entities or individuals provide services within the PRC. The issuance of the Bonds is likely to be treated as the Bondholders providing loans to the Issuer, which consequently shall be regarded as financial services for VAT purposes. Therefore, the Bondholders may be regarded as providing financial services within the PRC and consequently, the Issuer may be obligated to withhold VAT of 6 per cent. on payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders who do not have business establishments in the PRC.

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 buyer of Bonds is located inside the PRC. As Circular 36 together with 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 income tax or VAT on gains on the transfer of the Bonds, the value of the relevant Bondholder's investment in the Bonds may be materially and adversely affected.

Bonds which have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The denominations of the Bonds are U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. Therefore, it is possible that the Bonds may be traded in amounts in excess of the minimum denomination of U.S.$200,000 that are not integral multiples of such U.S.$200,000 denomination. In such a case, a Bondholder who, as a result of trading such amounts, holds a principal amount of less than U.S.$200,000 will not receive a definitive Certificate in respect of such holding of Bonds (should definitive Certificates be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more denominations. If definitive Certificates are issued, Bondholders should be aware that Bonds with aggregate principal amounts that are not an integral multiple of U.S.$200,000 may be illiquid and difficult to trade.

TERMS AND CONDITIONS OF THE BONDS

The following are the terms and conditions of the Bonds (as defined below) substantially in the form in which they (other than the text in italics) will be endorsed on each definitive Certificate representing the bonds.

The U.S.$445,000,000 3.90 per cent. bonds due 2028 (the "**Bonds**", which expression, unless the context requires otherwise, includes any further bonds issued pursuant to Condition 15 and to be consolidated and forming a single series therewith) of Chengdu Xingcheng Investment Group Co., Ltd. (成都興城投資集團有限公司) (the "**Issuer**") are constituted by a trust deed (as amended, restated and/or supplemented from time to time, the "**Trust Deed**") dated on or about 16 December 2025 (the "**Issue Date**") made between the Issuer and CNCBI Trustee Limited (the "**Trustee**", which expression shall include its successor(s) and 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 (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Certificates referred to below.

The issue of the Bonds was authorised by resolutions of the board of directors of the Issuer dated 3 April 2025 and an approval of the shareholder of the Issuer on 10 June 2025.

Copies of the Trust Deed and the agency agreement dated on or about 16 December 2025 (as amended and/or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, the Trustee, China CITIC Bank International Limited as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Bonds), China CITIC Bank International Limited as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Bonds) and as transfer agent (the "**Transfer Agent**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Bonds) and any other Agents appointed thereunder, are available to the Bondholders (as defined below) (i) for inspection at all reasonable times during normal business hours (being between 9:00 am (Hong Kong time) and 3:00 pm (Hong Kong time) from Monday to Friday (other than public holidays)) at the principal office for the time being of the Trustee, being at the date of issue of the Bonds at 80/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, and at the specified office for the time being of the Principal Paying Agent and (ii) electronically to a requesting Bondholder, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or the Principal Paying Agent, as the case may be. References herein to "**Paying Agents**" includes the Principal Paying Agent, together with any additional or successor paying agent appointed in connection with the issue of the Bonds, and "**Agents**" means the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time with respect to the Bonds. 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 and deemed to have notice of all those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 Form, Specified Denomination and Title

The Bonds are issued in registered form in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (each, an "**Authorised Denomination**"). The Bonds are represented by registered certificates (the "**Certificates**") and, save as provided in Condition 3(b), 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 as described in Condition 3. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Bond shall be deemed to be and shall 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 it (or on the Certificate representing it) or its theft or loss (or that of the relevant Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Bondholder**", "**holder of the Bonds**" or, in respect of a Bond, "**holder**" means the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first name 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**"). The Conditions are modified by certain provisions contained in the Global Certificate while any of the Bonds are represented by the Global Certificate. See "Summary of Provisions relating to the Bonds in Global Form".*

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

2 Status

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a)) 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 laws and regulations and subject to Condition 4(a) at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

3 Transfers of Bonds and Issue of Certificates

(a) Register

The Issuer will cause the register (the "**Register**") to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement, on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds. Each holder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

(b) Transfer

Subject to the Agency Agreement and Conditions 3(e) and 3(f), a Bond may be transferred (in whole or in part but in any case in an Authorised Denomination) by surrendering the Certificate issued in respect of that Bond, with the form of transfer on the back of the Certificate duly completed and signed, at the specified office of the Registrar or any Transfer Agent and any other evidence as the Registrar or such Transfer Agent may require to prove the title and identity of the transferor (which shall be in the Authorised Denomination), provided that each such holding shall be mailed by uninsured post at the risk of the Bondholder to the address of such Bondholder appearing on the register of the Bondholders or as specified in the form of transfer, unless such Bondholder requests otherwise and pays in advance to the 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 and the authority of the individuals who have executed such form of transfer.

In the case of a transfer of only part 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 the Bonds to a person who is already a holder of the 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 and procedures of the relevant clearing systems.

(c) Delivery of New Certificates

Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 3(b) shall be made available for delivery within seven business days of receipt by the Registrar or, as the case may be, the Transfer Agent, of a duly completed and signed form of transfer and surrender of the existing Certificate(s) and provision of other evidence required by the Registrar or the relevant Transfer Agent. Delivery of the new Certificate(s) shall be made at the specified office of any 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 3(c), "**business day**" means a day, other than a Saturday, 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).

(d) Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge to the relevant Bondholder by or on behalf of the Issuer, Registrar or any Transfer Agent but only upon (i) payment (or the giving of such indemnity and/or security and/or prefunding as the Registrar or relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer; (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 Registrar or Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

(e) Closed Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (but excluding) the due date for any payment of principal (or premium) in respect of that Bond; or (ii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)); or (iii) after the Bonds have been called for redemption pursuant to Condition 6(b); or (iv) after any such Bond has been put for redemption pursuant to Condition 6(c).

(f) Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds, the initial form of which is scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, or by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be mailed (free of charge to the Bondholders at the cost of the Issuer) by the Registrar to any Bondholder who requests one in writing.

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 (other than any Listed Subsidiary) 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 (a) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (b) such other security as 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 15 Registration Business Days after the Issue Date, register or cause to be registered with SAFE the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (《外債登記管理辦法》(匯發[2013]19號)), effective as of 13 May 2013 and as amended on 4 May 2015, and its operating guidelines (《外債登記管理操作指引》) issued by SAFE and SAFE Foreign Exchange Guideline on Capital Account (2024) (《資本項目外匯業務指引》(2024)) (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record or evidence of filing from SAFE on or before the Registration Deadline, (iii) if applicable, as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Circular of the People's Bank of China on Matters Concerning the Macro Prudential Management of Full-Covered 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》(銀發[2017]9號)) (the "**Cross Border Financing Circular**") and (iv) comply with all applicable PRC laws and regulations in relation to the Bonds, including but not limited to any rules issued by SAFE and/or the People's Bank of China and any implementing measures promulgated thereunder from time to time.

(c) Notification to NDRC

The Issuer undertakes that it will (i) file or cause to be filed with the NDRC within 10 Registration Business Days after the Issue Date the requisite information and documents in respect of the Bonds in accordance with the Administrative Measures for the Review and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) issued by the NDRC with effect from 10 February 2023 (the "**Order 56**"), and any applicable implementation rules, regulations, certificates, circulars, notices or policies in connection therewith issued by the NDRC from time to time (the "**NDRC Post-issue Filing**"), and (ii) comply with all applicable PRC laws and regulations (including but not limited to requirements of Order 56 relating to the Bonds) in connection therewith.

(d) Notification of Completion of the Foreign Debt Registration and the NDRC Post-issue Filing

The Issuer shall within five Registration Business Days after the later of submission of the NDRC Post-issue Filing and receipt of the registration form or filing evidence from SAFE (or any other document evidencing the completion of registration issued by SAFE), provide the Trustee with (i) a certificate in English signed by an Authorised Signatory 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 the NDRC Post-issue Filing (if

any) and Foreign Debt Registration, each certified in English by an Authorised Signatory as a true and complete copy of the original (the items specified in (i) and (ii) together, the "**Registration Documents**"). In addition, the Issuer shall, within five Registration Business Days after the documents comprising the Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16 and substantially in the form scheduled to the Trust Deed) confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration.

The Trustee may rely conclusively without further investigation or verification on the Registration Documents and shall have no obligation to monitor or ensure the Foreign Debt Registration is completed as required by Condition 4(b) or the NDRC Post-issue Filing is made as required by Condition 4(c) or to assist with either the NDRC Post-issue Filing or the Foreign Debt Registration or to verify the accuracy, content, validity and/or genuineness of any Registration Documents or to procure that any Registration Documents which are not in English is translated into English, or if any English translation of any document is provided or retained, to verify the accuracy of any English translation, or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration, and shall not be liable to Bondholders, the Issuer or any other person for not doing so.

(e) Financial Information

So long as any Bond remains outstanding, the Issuer will furnish the Trustee with:

(i) (A) a Compliance Certificate (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 days of the end of each Relevant Period prepared in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**") (audited by a nationally or internationally recognised firm of independent accountants) of the Issuer and its Subsidiaries and if such statements shall be in the Chinese language, together with an English translation of the same translated by (x) a nationally or internationally recognised firm of independent accountants or (y) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants, together with a certificate in English signed by an Authorised Signatory certifying that such translation is complete and accurate; and (B) a copy of the Unaudited Financial Reports within 90 days of the end of each Relevant Period prepared on a basis consistent with the audited consolidated financial statements of the Issuer and its Subsidiaries (if any) and if such statements shall be in the Chinese language, together with an English translation of the same and translated by (x) a nationally or internationally recognised firm of independent accountants or (y) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants, together with a certificate in English signed by an Authorised Signatory certifying that such translation is complete and accurate; and

(ii) a Compliance Certificate within 14 days of any request therefor from the Trustee, and the Trustee may rely conclusively on any Compliance Certificate provided as contemplated in this Condition 4(e)(ii) and shall not be liable to the Issuer or any Bondholder or any other person for doing so.

The Trustee shall not be required to review any Audited Financial Reports, Unaudited Financial Reports or copies of any financial or other report furnished or delivered to it as contemplated in this Condition 4 and, if any of the same shall not be in the English language or accompanied by an English translation, the Trustee shall not be required to request or obtain an English translation of the same, and the Trustee shall not be liable to the Issuer, any Bondholder or any other person for not doing so.

(f) In these Conditions:

"**Audited Financial Reports**" means annual audited consolidated balance sheet, income statement, statement of cash flows and statements of changes in owner's equity of the Issuer together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**Compliance Certificate**" means a certificate in English and substantially in the form set out in the Trust Deed of the Issuer signed by any Authorised Signatory that, having made all reasonable enquiries, to the best of the 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:

(i) no Change of Control, Event of Default (as defined in Condition 9) or Potential Event of Default (as defined in the Trust Deed) had 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 obligations and covenants under the Trust Deed and the Bonds or, if non-compliance had occurred, giving details of it;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Listed Subsidiary**" means a Subsidiary of the Issuer whose ordinary shares are listed or dealt in or traded on any internationally recognized stock exchange;

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

"**person**" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof;

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

"**Registration 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;

"**Registration Deadline**" means the day falling 120 Registration Business Days after the Issue Date;

"**Relevant Indebtedness**" means any indebtedness outside 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 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, each period of six months ending on the last day of the Issuer's first half financial year (being 30 June of that financial year);

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

"**Subsidiary**" means, with respect to any person, (a) any corporation, association or other business entity of which more than 50 per cent. of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such person and one or more other Subsidiaries of such person; or (b) any corporation, association and other business entity which at any time has its accounts consolidated with those of that person or which, under the law, 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;

"**Unaudited Financial Reports**" means semi-annual (or any other interim reporting period required by applicable law or regulations) unaudited and unreviewed consolidated balance sheet, income statement, statement of cash flows and statements of changes in owners' equity of the Issuer together with any statements, reports (including any directors' and auditors' reports, if any) and notes attached to or intended to be read with any of them, if any; and

"**Voting Stock**" means, with respect to any person, capital stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such person.

5 Interest

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 3.90 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.$19.50 per Calculation Amount (as defined below) on 16 June and 16 December in each year (each an "**Interest Payment Date**") commencing on 16 June 2026.

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 day 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 day 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 Bondholders 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 U.S.$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 16 December 2028 (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 (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing (which notice shall be irrevocable), at their principal amount (together with interest accrued to (but excluding) the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) it has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the PRC or 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 9 December 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice 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 giving of any Tax Redemption Notice pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate signed by an Authorised Signatory 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 (B) 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 in or amendment to laws or regulations or change in the application or official interpretation thereof. The Trustee shall be entitled (but shall not be obliged) to accept and rely conclusively upon such certificate and opinion (without further investigation or inquiry and without liability to the Issuer, the Bondholders or any other person) as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b) without further enquiry and without liability to any Bondholder or any other person, in which event the same shall be conclusive and binding on the Bondholders and the Trustee shall be protected and shall have no liability to the Issuer, any Bondholder or any other person for so accepting and relying conclusively on such certificate or opinion.

Neither the Trustee nor any of the Agents shall be responsible for monitoring or taking any steps to ascertain whether any of the circumstances mentioned in this Condition 6(b) or Condition 6(c) has occurred or 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 and none of them shall 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 (the "**Relevant Event Put Right**"), at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Bonds on the Put Settlement Date (as defined below in this Condition 6(c)) 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 in each case with interest accrued to (but excluding) such Put Settlement Date. To exercise such right, the holder of the relevant Bond must deposit the Certificates representing such Bond(s) with the Principal Paying Agent or any other Paying Agent at its specified office together with a duly completed and signed notice of redemption, in the form for the time being

current, obtainable from the specified office of any Paying Agent (as applicable) (a "**Put Exercise Notice**"), by not later than 30 days following the occurrence of 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 (in the case of a redemption for a Change of Control) or the fifth day (in the case of a redemption for a No Registration Event) 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 which are the subject of the Put Exercise Notices delivered as aforesaid on the Put Settlement Date.

Not later than 14 days (in the case of a Change of Control) or five days (in the case of a No Registration Event) following the day on which the Issuer becomes aware of a Relevant Event, the Issuer shall procure that notice regarding such Relevant Event shall be delivered to the Trustee and Agents in writing and to the Bondholders (in accordance with Condition 16) stating:

(i) the Put Settlement Date;

(ii) the date of the Relevant Event and, briefly, the events causing, as applicable, the Change of Control or No Registration Event;

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

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

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

(vi) the procedures that holders must follow and the requirements that holders must satisfy in order to exercise the Relevant Event Put Right; and

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

Neither the Trustee nor the Agents shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred or may occur and each of them shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Issuer in accordance with this Condition 6(c) 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 in connection with any Relevant Event and none of them shall be liable to the Issuer, the Bondholders or any other person for not doing so.

For the purpose of these Conditions:

(A) a "**Change of Control**" occurs when:

(i) Chengdu SASAC and any other Person directly or indirectly Controlled by the Chengdu Municipal Government, Sichuan Provincial Government or the central government of the PRC (such Person and Chengdu SASAC, each a "**PRC Government Person**"), together 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 or Persons, acting together, except where such Person(s) is/are directly or indirectly Controlled by a PRC Government Person;

(B) "**Chengdu SASAC**" means the State-owned Assets Supervision and Administration Commission of the Chengdu Municipal Government or its successor;

(C) "**Control**" means (i) the ownership or control of more than 50 per cent. of the Voting Rights of the issued share capital of the relevant Person or (ii) the right to appoint and/or remove all or the majority of the members of the relevant Person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise, and the term "Controlled" has meanings correlative to the foregoing;

(D) a "**No Registration Event**" occurs when any of the SAFE Registration Documents have not been received by the Trustee on or prior to the Registration Deadline;

(E) 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);

(F) a "**Relevant Event**" will be deemed to occur if:

(i) there is a No Registration Event; or

(ii) there is a Change of Control; and

(G) "**Voting Rights**" means the right generally to vote at a general meeting of shareholders of a person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency, and any such voting power shall therefore be excluded for the purpose of this definition).

(d) Purchase

The Issuer or any of 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 such Subsidiary, shall not entitle the holder to vote at any meetings of the holders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the holders or for the purposes of Condition 9, Condition 12(a) and Condition 13.

(e) Notice of Redemption

All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date, in such place and in such manner as specified in such notice in accordance with this Condition. 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. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or Put Exercise Notice, or have any duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto, and none of them shall be liable to Bondholders, the Issuer or any other person for not doing so.

(f) Cancellation

All Certificates representing Bonds redeemed or purchased by or on behalf of the Issuer and/or its Subsidiaries may be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds and Certificates may be cancelled forthwith. Any Certificates 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 the 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 an account in U.S. dollars maintained by or on behalf of such holder with a bank, details of which appear in 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 December 25 and January 1.*

(b) **Payments subject to Fiscal Laws**: Payments will be subject in all cases to (i) any fiscal or other laws and regulations 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 (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 and premium (if any) where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on the first Payment Business Day on which the Principal Paying Agent is open for business and on or following 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 their respective 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 the Principal Paying Agent, the Registrar, any Transfer Agent or any of the other Agents 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 any other stock exchange on which the Bonds may be listed.

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, if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a transfer made in accordance with Condition 7(a)(ii) reaches the account after the due date for payment.

(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.

In this Condition 7, "**Payment Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks and foreign exchange markets are generally open for business in New York City, Hong Kong, and the place in which the specified office of the Principal Paying Agent is located.

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 without set-off or counterclaim and free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the PRC or any political subdivision or any 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 a rate up to and including the aggregate rate applicable on 9 December 2025 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount receivable by Bondholders equals the amounts 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 in respect of PRC tax in excess of the Applicable Rate, 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 (where presentation 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 surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days.

References in these Conditions to principal, premium (if any) and interest shall be deemed also to refer to any Additional Tax Amounts which may be payable under this Condition 8 or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

"**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 seven days after that on which notice is duly given to the Bondholders that, upon further 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 surrender.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, assessments, charges, withholding, deduction or other payment referred to in this Condition 8 or otherwise in connection with the Bonds 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 other party to pay such tax, duty, assessments, charges, withholding, deduction 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, assessment, charge, withholding, deduction 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 sole and absolute discretion may, and if so requested in writing by holders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided in any case that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion), 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 accrued but unpaid interest:

(a) **Non-Payment**: there has been a failure to pay (i) the principal of any of the Bonds when due or (ii) any interest on any of the Bonds within 14 days after the due date of such payment; 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 or the Trust Deed (other than those referred to in Condition 9(a) or 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 in the opinion of the Trustee capable of remedy, is not remedied within 30 days after the Trustee has given written notice thereof to the Issuer; or

(c) **Cross-Acceleration**: (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 in aggregate equals or exceeds U.S.$50 million 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 all or a material part of the property, assets or revenues of the Issuer or any of the Principal Subsidiaries and is not discharged or stayed within 45 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 the Principal Subsidiaries over all or a material part of their respective assets, as the case may be, 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 within 45 days; or

(f) **Insolvency**: the Issuer or any of the Principal Subsidiaries (i) is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as and when such debts fall due, (ii) stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts (or of any material part which it will or might otherwise be unable to pay when due), (iii) 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 (iv) a moratorium is agreed or declared in respect of or affecting all or a material part of the debts of the Issuer or any of the Principal Subsidiaries, as the case may be; or

(g) **Winding-up**: an order of any court of competent jurisdiction is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of the Principal Subsidiaries, or the Issuer or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustee acting pursuant to an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Principal Subsidiary, where (A) the undertaking and assets of any Principal Subsidiary are transferred to or otherwise vested in the Issuer or another Subsidiary, (B) there is a disposal of a Principal Subsidiary on an arm's length basis and the proceeds resulting from such disposal are fully invested in the Issuer and/or any other Subsidiary of the Issuer, or (C) a voluntary solvent winding-up of any Principal Subsidiary; or

(h) **Nationalisation**: any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of the Principal Subsidiaries; 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, the Register and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done, except in the case of (i) and (ii) of this Condition 9(i) where the failure to take, fulfil or do such action, condition or thing gives rise to a right of redemption pursuant to Condition 6(c); 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 or 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(j) (both inclusive).

In this Condition 9:

"**Principal Subsidiary**" means any Subsidiary of the Issuer:

(a) whose total operating income or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total operating income, as shown by its latest audited income statement is at least five per cent. of the consolidated total operating income 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;

(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, is 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, for the avoidance of doubt, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustments 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:

(I) 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;

(II) 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 operating income, 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;

(III) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total operating income, 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

(IV) if the accounts of any subsidiary (not being a Subsidiary referred to in proviso (I) above of this definition) 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.

A certificate in English (substantially in the form scheduled to the Trust Deed) signed by any Authorised Signatory, that in its opinion a Subsidiary is or is not, or was or was not, at any particular time or during any particular period, a Principal Subsidiary shall be conclusive and binding on the Issuer and the Bondholders, and the Trustee shall be entitled to rely conclusively upon such certificate without further investigation or enquiry and without liability to the Issuer, the Bondholders or any other person.

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 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 any Transfer Agent, 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, pre-funding 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, Waiver, Authorisation, Determination and Entitlement of Trustee

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Trustee or the Issuer 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. 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 the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, including 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 for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in aggregate principal amount of 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 (a "**Written Resolution**"), or (B) passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Bondholders duly convened and held. A resolution passed in writing as aforesaid and/or passed by Electronic Consent will be binding on all Bondholders whether or not they participated in such resolution. 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.

(b) Modification, Waiver, Authorisation and Determination

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 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 or with any rule or procedure of the relevant clearing system, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of the Bonds, 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 in accordance with Condition 16. The Trustee may request and rely conclusively upon a certificate signed by an Authorised Signatory and/or an opinion of counsel concerning the compliance with the above conditions in respect of any modification, authorisation, waiver, supplement, replacement and/or amendment.

(c) Entitlement of the Trustee

In connection with the performance and the exercise of its functions, duties, rights, powers and/or discretions (including but not limited to those referred to in this Condition 12), the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the interests of, or be responsible for 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 (but shall not be obliged to), at its sole and absolute 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, the Agency Agreement and/or the Bonds, but it need not take any steps and/or actions and/or institute any such 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 (as defined in the Trust Deed), 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 and for the Trustee to be paid its fees, costs, expenses and liabilities incurred in priority to the claims of the Bondholders. The Trustee is entitled to enter into business transactions with the Issuer and/or any entity related to the Issuer without accounting for any profit.

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, direction or request of the Bondholders. The Trustee shall be entitled to rely conclusively without further enquiry or investigation on any direction, request or resolution of Bondholders given by Bondholders holding the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed.

None of the Trustee or any Agent shall be responsible or liable for the performance (financial or otherwise) of the Issuer and any other person appointed by the Issuer in relation to the Bonds, of the duties and obligations on their part expressed in respect of the same and, unless it has express notice in writing from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed.

The Trustee shall have no obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or whether an Event of Default or a Potential Event of Default or a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred, and shall not be liable to the Bondholders or any other person for not doing so.

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 its 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 an Extraordinary Resolution, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

The Trustee may rely conclusively without further enquiry or investigation and without liability to the Issuer, the Bondholders or any other person on any report, confirmation or certificate or any opinion or advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not 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 or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely conclusively without further enquiry or investigation and on any such report, confirmation, certificate, opinion or advice and, in such event, such report, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Bondholders.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal of 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 or liability 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 save for the issue date, the issue price, the first payment of interest on them, the timing for submission of the NDRC Post-issue Filing and the timing for making and completing the Foreign Debt Registration and the related notifications to the Trustee and the Bondholders) 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 such other bonds issued pursuant to this Condition 15. Any further bonds forming a single series with the outstanding Bonds constituted by the Trust Deed or any deed supplemental to it shall, be constituted by a deed supplemental to the Trust Deed.

16 Notices

Notices required to be given to the holders of Bonds pursuant to these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) 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 on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.

17 Contracts (Rights of Third Parties) Act 1999

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 and the Agency Agreement (or any non-contractual obligations arising out of or in connection with them) and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Trust Deed and the Agency Agreement (or any non-contractual obligations arising out of or in connection with them) ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed and Agency Agreement, irrevocably submitted to the 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 Xingcheng International Investment Co., Limited at 58/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong, as its authorised agent in Hong Kong to accept service of process in any Proceedings in Hong Kong in relation to any of the Bonds, the Trust Deed or the Agency Agreement. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such authorised agent ceases to be such an agent, the Issuer will promptly appoint a substitute process agent and shall deliver to the Trustee and the Agents a copy of the substitute process agent's acceptance of that appointment within 30 days of such cessation and shall notify the Trustee and the Agents of such appointment. 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 Conditions set out in this Offering Circular. The following is a summary of certain of those provisions.

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

The Bonds will be initially evidenced 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, promises to pay such principal, interest and premium (if any) on the Bonds to the holder of the Bonds on such date or dates as the same may become payable in accordance with the Conditions, and to pay interest on such principal sum from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by the Global Certificate, together with any additional amounts payable under the Conditions, in accordance with the Conditions.

The Global Certificate will be exchanged in whole (but not in part) for duly authenticated and completed definitive Certificates if 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.

Whenever the Global Certificate is to be exchanged for definitive Certificates, such definitive Certificates shall be issued in an aggregate principal amount equal to the principal amount of the Global Certificate then outstanding. 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 whatever nature which may be levied or imposed in connection with such exchange.

In addition, the Global Certificate will contain provisions which modify the 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 evidenced by the Global Certificate, each payment in respect of the Global Certificate will be made to, or to the order of, the person shown as the holder of the Bonds in the Register at the close of business (of the relevant clearing system) on the record date which shall be the Clearing System Business Day immediately prior to the due date for such payments, where "**Clearing System Business Day**" means Monday to Friday inclusive except 1 January and 25 December.

Bondholder's Redemption

The Bondholder's redemption option in Condition 6(c) (*Redemption of Relevant Events*) of the 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 and presenting the Global Certificate for endorsement or exercise within the time limits specified in the Conditions in accordance with the rules and procedures of Euroclear and Clearstream or any Alternative Clearing System, and stating the principal amount of the Bonds in respect of which the option is exercised.

Issuer's Redemption

The option of the Issuer provided for in Conditions 6(b) (*Redemption for Taxation Reasons)* of the Conditions shall be exercised by the Issuer giving notice to the Bondholders and to Euroclear or Clearstream (or, as the case may be, any Alternative Clearing System) (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the 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

On cancellation of any Bond represented by the Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption), the details of such cancellation shall be entered in the records of the relevant Clearing Systems in accordance with the rules and procedures of Euroclear or Clearstream (or any Alternative Clearing System, as the case may be) and, upon any such entry being made, the principal amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by the Global Certificate shall be reduced by the aggregate principal amount of the Bonds so cancelled.

Notices

So long as the Bonds are evidenced by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Bonds shall be 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 Conditions.

Meetings

For the purposes of any meeting of Bondholders, the holder of the Bonds evidenced by the 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.

Trustee's Powers

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for the Clearing Systems, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obliged to do so, (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 holders of the Bonds in respect of which the Global Certificate is issued.

Authentication

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 from this offering, before the deduction of fees, commissions and expenses payable in connection with this offering, will be U.S.$445,000,000. The Group intends to use the proceeds for refinancing its existing offshore debts.

EXCHANGE RATE INFORMATION

The PBOC sets and publishes daily a base 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. 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 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. Following an announcement by the PBOC on 11 August 2015 to improve the central parity quotations of Renminbi against the U.S. dollar by authorising market-makers to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market, Renminbi depreciated significantly against the U.S. dollar in the remainder of 2015 and 2016 before rebounding in 2017. In 2018 the Renminbi has experienced further fluctuation in value against the U.S. dollar with significant depreciation occurring in the second quarter of 2018. The PRC Government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Renminbi as certified by the Federal Reserve Bank of New York for customs purposes for the periods indicated as set forth in the H.10 statistical release of the Federal Reserve Board:

	Noon buying rate[1]			
Period	**Period end**	**Average[2]**	**High**	**Low**
		(RMB per U.S.$1.00)		
2019	6.9618	6.9014	7.1786	6.6822
2020	6.5250	6.9042	7.1681	6.5208
2021	6.3726	6.4382	6.5716	6.3435
2022	6.8972	6.7518	7.3048	6.3084
2023	7.0999	7.0896	7.3166	6.7540
2024	7.2993	7.1957	7.2993	7.0106
2025				
May	7.8409	7.8015	7.8409	7.7500
June	7.1636	7.1804	7.1975	7.1636
July	7.2002	7.1741	7.2002	7.1541
August	7.1304	7.1727	7.2116	7.1304
September	7.1190	7.1235	7.1415	7.1033
October	7.1169	7.1200	7.1384	7.0980
November (through 28 November 2025)	7.0751	7.1069	7.1295	7.0751

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) Determined by averaging the rates on the last business day of each month during the relevant year, except for monthly average rates, which are determined by averaging the daily rates during the relevant month or period.

CAPITALISATION AND INDEBTEDNESS

The following table sets out the Group's consolidated capitalisation and indebtedness as at 31 December 2024 on an (i) actual basis and (ii) adjusted basis to give effect to the Bonds to be issued before deducting commissions and other fees expenses payable by the Issuer in connection with the offering of the Bonds. The summary consolidated financial information below should be read in conjunction with the Group's consolidated financial statements and the notes to those statements included elsewhere in this Offering Circular.

	As at 31 December 2024			
	Actual		As adjusted	
	(RMB) (audited)	(U.S.$)[1] (unaudited)	(RMB) (unaudited)	(U.S.$)[1] (unaudited)
	(in '000)			
Current indebtedness:				
Short-term borrowings	13,450,843	1,842,758	13,450,843	1,842,758
Non-current liabilities due within one year	32,234,228	4,416,071	32,234,228	4,416,071
Total current indebtedness	**45,685,071**	**6,258,829**	**45,685,071**	**6,258,829**
Non-current indebtedness:				
Long-term borrowings	61,896,102	8,479,731	61,896,102	8,479,731
Bonds payable	40,886,437	5,601,419	40,886,437	5,601,419
Long-term payables[2]	21,066,744	2,886,132	21,066,744	2,886,132
Bonds to be issued[3]	–	–	3,248,189	445,000
Total non-current indebtedness	**123,849,283**	**16,967,282**	**127,097,472**	**17,412,282**
Total indebtedness[4]	**169,534,354**	**23,226,111**	**172,782,543**	**23,671,111**
Total owner's equity	**150,527,670**	**20,622,206**	**150,527,670**	**20,622,206**
Total capitalisation[5]	**320,062,024**	**43,848,318**	**323,310,213**	**44,293,318**

Notes:

(1) For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB7.2993 to U.S.$1.00, based on the noon buying rate in the City of New York for cable transfers payable in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York on 31 December 2024.

(2) This amount represents the interest-bearing portion of long-term payables.

(3) This amount represents the aggregate principal amount of the Bonds to be issued, before deducting commissions and other fee expenses payable in connection with the offering of the Bonds.

(4) Total indebtedness equals the sum of total current indebtedness and total non-current indebtedness. As at 31 December 2024, the Group had other liabilities and indebtedness including borrowings from the Central Bank, funds borrowed, trading financial liabilities, financial assets sold for repurchase and lease liabilities.

(5) Total capitalisation represents the sum of total indebtedness and total owner's equity.

Since 31 December 2024, the Group has entered into additional financing arrangements and incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In particular, in January 2025, the Group issued CNY1,000,000,000 2.00 per cent. medium term notes due 2028, CNY1,000,000,000 2.16 per cent. medium term notes due 2030, and CNY800,000,000 2.17 per cent. corporate bonds due 2030. In February 2025, the Group issued CNY500,000,000 2.10 per cent. medium term notes due 2028, CNY1,100,000,000 2.24 per cent. medium term notes due 2030, CNY600,000,000 2.00 per cent. medium term notes due 2028, CNY1,300,000,000 2.19 per cent. medium term notes due 2030, CNY1,100,000,000 2.46 per cent. corporate bonds due 2030, and CNY1,100,000,000 2.30 per cent. corporate bonds due 2028. In February 2025, Chengdu Xingcheng Renju Property Investment Group Co., Ltd. (成都興城人居地產投資集團股份有限公司) issued CNY1,000,000,000 2.40 per cent. medium term notes due 2030. In April 2025, Chengdu Construction Engineering Group Co., Ltd. (成都建工集團有限公司) issued CNY1,000,000,000 2.02 per cent. super short-term financing notes due 2026. The Group will continue to seek external capital on favourable terms to fund its business operations and expansion and to optimise its debt structure.

Except as otherwise disclosed above, there has been no material change in the consolidated capitalisation and indebtedness of the Group since 31 December 2024.

DESCRIPTION OF THE GROUP

Overview of the Group

The Group is a leading integrated city operator owned by the Chengdu SASAC and Sichuan Provincial Department of Finance. Established in 2009, the Group is a designated entity to carry out the Chengdu Municipal Government's blueprint for primary land development, urban infrastructure construction and municipal development in Chengdu. Following the merger with Chengdu Construction Group in 2018, the Group's construction business became its core business. Over the years, the Group played a significant role in implementing the Chengdu Municipal Government's urban planning and developed into a key force to optimise the industrial structure and enhance the commercial attractiveness and competitiveness of Chengdu. The Group has received various honours and awards in recognition of its business achievements. For instance, in 2019, the Group was awarded the "National Best Practice Enterprise for Corporate Culture Award (全國企業文化最佳實踐企業)" by China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會). In 2020, the Group was named as one of the "China Top 100 Leading Enterprises in Emerging Industries (中國戰略性新興產業領軍企業一百強)" by China Enterprise Confederation and China Entrepreneurs Association. In 2022 and 2023, the Group was named on "The Fortune Global 500" by *Fortune* (財富) magazine. In 2023, the Group was named as one of the "China Top 500 Enterprises (中國企業五百強)" by China Enterprise Confederation and China Entrepreneurs Association.

As at the date of this Offering Circular, the Group's business operations primarily include (i) construction; (ii) property development; (iii) pharmaceutical and healthcare; (iv) banking and (v) miscellaneous. Below is a brief summary of each of the Group's business segments:

- *Construction.* Construction became the Group's core business since its merger with Chengdu Construction Group in 2018. In March 2019, the Group acquired an aggregate 29.28 per cent. share of Zhonghua Geotechnical (Stock Code: 002542) to further the Group's expansion in the construction industry. The Group's construction business includes building construction and building materials logistics. For the years ended 31 December 2022, 2023 and 2024, operating revenue from the Group's construction business amounted to RMB147,229.4 million, RMB84,180.3 million and RMB53,340.1 million, respectively, representing 70.1 per cent., 62.5 per cent. and 51.9 per cent. of the Group's total operating revenue for the relevant periods.

- *Property development.* The Group carries out commodity housing development projects and affordable housing development projects throughout Chengdu. In response to the Chengdu Municipal Government's plans to attract and retain talented individuals in Chengdu, the Group commenced the development and operation of talent apartments in 2017 and the development and operation of rental housing targeting youth and new urban citizens in 2021. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's property development business amounted to RMB15,644.0 million, RMB6,788.8 million and RMB7,101.6 million, respectively, representing 7.4 per cent., 5.0 per cent. and 6.9 per cent. of the Group's total operating revenue for the relevant periods.

- *Pharmaceutical and healthcare.* The Group commenced its pharmaceutical and healthcare business in 2019 after its acquisition of shares in Chase Sun (Stock Code: 300026). The Group produces a broad range of pharmaceutical products, spanning medicine formula granule, drug products, drug ingredients and excipients and medical equipment, and also provides medical services. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's pharmaceutical and healthcare business amounted to RMB6,602.6 million, RMB6,024.5 million and RMB5,756.5 million, respectively, representing 3.1 per cent., 4.5 per cent. and 5.6 per cent. of the Group's total operating revenue for the relevant periods.

- *Banking.* The Group commenced its banking business in 2021 after its acquisition of shares in Chengdu Rural Commercial Bank. The Group has a diverse portfolio of banking services and products including corporate banking, personal banking, investment activities, internet financial services and international banking services. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's banking business amounted to RMB29,395.2 million, RMB32,432.2 million and RMB33,580.0 million, respectively, representing 14.0 per cent., 24.1 per cent. and 32.7 per cent. of the Group's total operating revenue for the relevant periods.

- *Miscellaneous.* In addition, the Group participates in asset leasing, hotel and tourism, equipment leasing and sales, agricultural products trading and other businesses. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's miscellaneous business was RMB11,164.8 million, RMB5,253.2 million and RMB3,059.4 million, respectively, representing 5.3 per cent., 3.9 per cent. and 3.0 per cent. of the Group's total operating revenue for the relevant periods.

Overview of Sichuan Province and Chengdu

Sichuan Province

Sichuan province is, politically, economically, culturally and historically, one of the most important provinces in China's interior, and occupies an area of approximately 486,000.0 sq.km. Traditionally viewed as the centre of western China, Sichuan is situated at the upper Yangtze River valley and connected to China's southwestern, northwestern and central regions. It is the fifth largest province in China in terms of land area and consists of 21 cities and 183 counties according to the official website of the People's Government of Sichuan Province. According to the Statistics Bureau of Sichuan, Sichuan recorded an annual gross regional product ("**GRP**") of approximately RMB6,469.7 billion in 2024, representing a year-on-year growth of 5.7 per cent. as compared to 2023.

The following map shows the geographical location of Sichuan province:



Sichuan is located at the intersection linking the Yangtze River Economic Belt (長江經濟帶) and the areas covered by the PRC Government's "Belt and Road" initiative. It serves as a main traffic hub for railways, highways, airlines and river transportation in southwestern China and plays a key role in the national railway and highway network.

Sichuan abounds in natural resources, such as water, biological and energy resources including hydroelectric power, coal and natural gas. With approximately 1,400 rivers running through it, Sichuan is known as the "Province with A Thousand Rivers". Sichuan possesses well-developed hydroelectric power bases, which constitutes a material component of China's overall hydropower capacity and plays a key role in the national energy framework.

Sichuan has been involved in various government initiatives. Being part of the Chengdu-Chongqing Economic Zone (成渝經濟區), it has been positioned as a hub for advanced equipment manufacturing, modern services including logistics and financial services, high technology and agricultural product industries. It is also located in the region that forms the National Interior Open Model Area (國家內陸開放示範區) and National Ecological Preservation Area (國家生態安全保障區). In August 2016, the State Council announced the establishment of the China (Sichuan) Pilot Free Trade Zone ("**Sichuan Free Trade Zone**"), which is one of the seven new national free trade zones in China. Sichuan Free Trade Zone is expected to promote free trade among gateway cities in western China, establish support for strategic economic liberalisation inland and enhance synergies between the economies of the inland and coastal areas in China.

Chengdu

Chengdu is the capital city of Sichuan province and covers an area of approximately 14,335 sq.km. It is located in the western part of the Sichuan Basin and serves as a gateway to the southwestern, northwestern and central regions of China. Situated within the Yangtze River Economic Belt and the Chengdu-Chongqing Economic Zone, Chengdu plays a vital role in the implementation of the "Belt and Road" initiative of the PRC Government, and is expected to attract foreign investments from South Asia, Central Asia, Japan and South Korea.

The following map shows the geographical location of Chengdu in Sichuan province:



Chengdu enjoys an advanced transportation network. It is the railway hub of southwestern China and is the terminus for major railways such as Baoji – Chengdu (寶成線), Chengdu – Chongqing (成渝線), Chengdu – Kunming (成昆線), Chengdu – Lanzhou (成蘭線) and Chengdu – Dazhou (成達線), as well as high speed railways such as Shanghai – Wuhan – Chengdu (滬漢蓉高鐵), Xi'an – Chengdu (西成高鐵) and Chengdu – Guiyang (成貴高鐵). Chengdu is also easily accessible by air. It is served by the Chengdu Shuangliu International Airport, the busiest airport in central and western China. In addition, with the completion and commencement of operations of Chengdu Tianfu International Airport in June 2021, Chengdu, together with Beijing and Shanghai, became one of only three cities in China that is served by two international airports.

Historically, Chengdu has been a stronghold for the agriculture, manufacturing, finance and commerce industries. Its other major industries include electronics, pharmaceuticals, aeronautics, food and tobacco. Chengdu's high technology industry has experienced accelerated growth since 2010 and Chengdu is becoming one of the major information technology industrial centres in China. In recent years, Chengdu has been designated by the PRC Government as a centre for technology, commerce, finance, logistics transportation and communication in western China.

In October 2014, the State Council officially approved the establishment of Tianfu New Area as one of the state-level new areas. Tianfu New Area is located in the southern part of Chengdu and will span approximately 1,578 sq.km. The PRC Government plans to develop Tianfu New Area as a new international city offering a refined environment for work, business, leisure and living. The priority of Tianfu New Area is to develop the headquarters economy and circular economy, and accelerate the advancement of strategic industries such as energy resources, new materials, energy conservation, biotechnology, new-generation information technology and high-end equipment manufacturing.

Chengdu's population has steadily increased in recent years, while enjoying high per capita disposable income. According to the Chengdu Bureau of Statistics, the per capita disposable income for residents in Chengdu enjoyed stable growth over the years, with a year-on-year increase of 4.7 per cent. for urban residents and a year-on-year increase of 6.5 per cent. for rural residents (i.e., those residents in areas designated as "rural" within Chengdu municipality) in 2024 as compared to 2023. Chengdu's prime geographical location, advanced transportation network, strong industries and steadily increasing population have contributed to its sustained economic growth. According to the Chengdu Bureau of Statistics, Chengdu recorded an annual GRP of approximately RMB2,351.1 billion in 2024, which represented a year-on-year increase of 5.7 per cent. as compared to 2023.

Competitive Strengths

The Group believes the following competitive strengths have contributed to its success and are important to its future development:

Well-positioned to benefit from Chengdu's strategic location and economic development

The Group believes that its business and future growth potential will benefit from the strategic location and economic strength of Chengdu, where most of the Group's business activities are conducted. Chengdu is the capital city of Sichuan province and is one of the most important economic centres and transportation and communication hubs in southwestern China. Situated within the Yangtze River Economic Belt and the Chengdu-Chongqing Economic Zone, Chengdu plays a vital role in the implementation of the "Belt and Road" initiative of the PRC Government, and is expected to attract foreign investments from South Asia, Central Asia, Japan and South Korea. Chengdu's prime geographical location, advanced transportation network, strong industries and steadily increasing population have contributed to its sustained economic growth. According to the Chengdu Bureau of Statistics, Chengdu recorded an annual GRP of approximately RMB2,351.1 billion in 2024, which represented a year-on-year increase of 5.7 per cent. as compared to 2023. See "– *Overview of Sichuan Province and Chengdu*". The Group believes that the demand for building construction services and property development will further increase in Chengdu.

Chengdu from time to time enjoys preferential governmental policies to improve living standards and economic development. In 2016, the CPC Chengdu Municipal Committee issued the Implementation Opinions on Promoting Green Development and Building a Beautiful Model City in China (關於推進綠色發展建設美麗中國典範城市的實施意見), which set goals to build Chengdu into an environmentally friendly city suitable for working and living. In 2018, the General Office of CPC Chengdu Municipal Committee (中共成都市委辦公廳) and Chengdu Municipal Government (成都市政府) jointly issued Several Opinions on Further Accelerating the Construction of the Western Financial Centre of the Country (關於進一步加快建設國家西部金融中心的若干意見), pursuant to which Chengdu will be strategically positioned as a hub for financial institutions in western China. Guided by the Outline of the 14th Five-Year Plan for the National Economic and Social Development of Chengdu (成都市國民經濟和社會發展第十四個五年規劃綱要), Chengdu has identified priorities including advancing the Chengdu-Chongqing Twin-City Economic Circle, strengthening its role as an international gateway and inland opening-up hub, accelerating the construction of a Western Financial Centre, and developing a modern industrial system with emphasis on the digital economy, advanced manufacturing, life and health industries, and green, low-carbon development. The plan further promotes the park-city demonstration model, improvement of public services and healthcare, the cultivation of an international consumption centre city, and the deep integration of commerce, culture and tourism to enhance Chengdu's position as a leading international travel and consumption destination. As the Group's business encompasses building construction, property development, pharmaceutical and healthcare, banking, hotel and tourism and other emerging industries, it expects such development strategies and planning of Chengdu will bring significant business opportunities to the Group.

Accordingly, the Group believes it is well-positioned to and will continue to benefit from Chengdu's strategic location, strong economic growth and future urban development.

A key entity of urbanisation and industrialisation of Chengdu

The Group is one of the major construction service providers and property developers in Chengdu, and plays a crucial strategic role in supporting and promoting the urbanisation and industrialisation of Chengdu. The Group has historically been engaged by the Chengdu Municipal Government as a primary entity to carry out its blueprint for urban construction and municipal development, including large-scale demolition and resettlement projects, primary land development projects and infrastructure construction projects in Chengdu Southern New Area and Chengdu Eastern New Area. The Group has participated in several construction projects of great significance in Chengdu, such as Longquan Mountain Danjing Terrace (龍泉山丹景台), Tianfu Conference Centre (天府會議中心), Jincheng Park (錦城湖公園), Future Medical City (未來醫學城), Chengdu Centre Project (成都中心項目), Qinglong Lake Reservoir (Phase I) Project (青龍湖水庫(一期)工程), Chengdu University (成都大學), Chengdu Municipal Party School of CPC (成都市委黨校), Chengdu Archives (成都市檔案館), West Second Ring Road Reconstruction Project (西二環改造工程), Riyue Avenue Renovation Project (日月大道改造工程), Yuanhua Road Fairy Tree Intersection Project (元華路神仙樹節點項目), Chengdu-Chongqing Expressway City Entry Section Reconstruction Project (成渝高速入城段改造工程), Chengdu Museum (成都博物館), Tianfu Square (天府廣場), Giant Panda Base Expansion Area (大熊貓基地擴建區), Jincheng Fenghui Talent Apartments (人才公寓錦城峰薈) and Jiulinyu Guaranteed Rental Housing Project (保租房九林語項目). Furthermore, the Group actively contributed to the development, construction, and operation of key urban districts, including the establishment of sub-centers in Chengdu's Eastern New City (成都市東部新城) and Southern New Area (南部新區), the creation of landmark projects such as the Ring City Ecological Zone (環城生態區) and the Chengdu Football (蓉城足球), as well as the completion of significant infrastructure works like the East-West City Axis (成都東西城市軸線), Mohechi Park (摩訶池公園), and the Qinglong Lake Future Community Demonstration Project (青龍湖未來公園社區示範項目). In addition, the Group develops ancillary commercial facilities and car parks as part of its projects for commercial leasing.

Through its subsidiary Chengdu Xingcheng Renju Property Investment Group Co., Ltd. (成都興城人居投資集團股份有限公司) ("**Renju Property**"), the Group enjoys a strong market presence. It undertakes a number of affordable housing development projects and talent apartment development projects in Chengdu responding to Chengdu Municipal Government's urban development planning, such as Yinmu Jiayuan (銀木佳苑) and Haitang Jiayuan (海棠佳苑), and actively participates in commodity housing development projects. Over the years, the Group has established a leading market position in the property market in Chengdu with its prudent land selection strategy, strong regional brand awareness and high customer satisfaction. It is expected that the development of Tianfu New Area and Chengdu Eastern New Area will bring along ever-expanding housing needs in Chengdu, which provides significant opportunities to the Group's property development business.

Since the merger with Chengdu Construction Group in 2018, the Group has expanded its business into construction business, which has now become the Group's core business. With top-grade construction work related qualifications and extensive operational experience over building construction and other construction works such as municipal transportation infrastructure construction, Chengdu Construction Group completed a large number of building construction projects during the years ended 31 December 2022, 2023 and 2024. For the years ended 31 December 2022, 2023 and 2024, Chengdu Construction Group's newly-signed contract value under its building construction segment amounted to approximately RMB101,143.0 million, RMB101,758.0 million and RMB55,268.0 million, respectively.

The strength of the Group's extensive experience and local connections allow the Group to anticipate opportunities and challenges and deliver specialised solutions across a project's entire lifecycle. By leading the development of major construction projects in Chengdu, the Group has not only accumulated experience in the development and management of large-scale projects, but also consolidated its position as a key entity to implement the PRC Government's blueprint for developing Chengdu and further aligned its business with the interest of the PRC Government and Chengdu.

Strong support from the Chengdu Municipal Government

The Group is a state-owned company directly owned by the Chengdu SASAC and Sichuan Provincial Department of Finance and a key investment and financing platform in Chengdu. Throughout its

development, the Group has aligned its business interest and development plans with the Chengdu government's missions. The Group believes that its success in business operations and development is attributable to strong support provided by the Chengdu Municipal Government. As a result of the Group's state-owned background and in recognition of the strategic importance of the Group's business and operations to Chengdu, the Group has received, and expects to continue to receive, various kinds of support from the Chengdu Municipal Government, examples of which are set out below:

- *Capital injection*: the predecessor of the Group, Chengdu Xingcheng Investment Co., Ltd. (成都市興城投資有限公司) ("**Xingcheng Investment**"), was established with an initial registered capital of RMB3.0 billion through a merger of Chengdu Xingdong Investment Co., Ltd. (成都市興東投資有限公司) ("**Xingdong Investment**") and Chengdu Xingnan Investment Co., Ltd. (成都市興南投資有限公司) ("**Xingnan Investment**") in March 2009 and became a state-owned entity under the direct supervision of Chengdu SASAC. In 2012, the Chengdu SASAC made capital injection in the aggregate amount of RMB2,525.4 million in cash mainly to support the initial development of Tianfu New Area by the Group, increasing the Group's registered capital to RMB5,525.4 million. As at 31 December 2024, the Group's registered capital reached RMB24.0 billion.

- *Asset injection*: in September 2018, the Chengdu SASAC transferred its 100.0 per cent. equity interest in Chengdu Construction to the Group for nil consideration. In November 2018, January 2019 and July 2020, under the guidance of the Chengdu Municipal Government, the Group acquired in aggregate 29.28 per cent. equity interest in Zhonghua Geotechnical, 22.22 per cent. equity interest in Chase Sun and 35.00 per cent. equity interest in Chengdu Rural Commercial Bank, respectively. These quality assets enable the Group to diversify its business operation and create new sources of income.

- *Financial support*: the Group receives financial support and enjoys preferential treatment from the Chengdu SASAC in various forms, such as government subsidies and grants. For the years ended 31 December 2022, 2023 and 2024, government grants received by the Group amounted to approximately RMB11.3 billion, RMB12.2 billion and RMB5.8 billion, respectively.

The Group believes that the strong support from the Chengdu Municipal Government has been the key to the Group's success in carrying out the capital-intensive and large-scale urban construction and development projects.

A diversified business portfolio with optimised industrial structure

The Group has a diversified business portfolio. Since its inception, it has historically focused on infrastructure construction, primary land development and affordable housing projects in Chengdu. In recent years, the Group has actively sought to diversify its business portfolio to generate new sources of income. For example, since the merger with Chengdu Construction in 2018, construction has become the Group's core business. In 2019, the Group acquired 22.22 per cent. equity interest in Chase Sun and the Group commenced its pharmaceutical and healthcare business. In 2020, in response to the national initiative to establish the financial centre in western China region, the Group further acquired 35.0 per cent. equity interest in Chengdu Rural Commercial Bank, which became a consolidated subsidiary of the Group on 31 December 2020. The Group believes its expansion into the various industries will further optimise its industrial structure.

Compared to a business model with only one focus, the diversified portfolio enhances the Group's capability to mitigate market risks, enables the Group to achieve scale of operations and effectively respond to the general market conditions while enjoying a steady revenue stream.

Strong financing capability with diversified financing channels

The Group has access to diversified domestic and offshore financing channels to fund its project development in the PRC. The Group has in the past financed its operations primarily through banks loans, issuances of debt securities in the PRC capital market and international capital market and other forms of financing. The Group maintains long-term relationships with major commercial banks and other financial institutions in the PRC, which have provided low-cost capital to the Group. As at 31 December 2024, the Group had credit facilities in a total amount of approximately RMB360.0 billion, of which approximately RMB210.0 billion had not been used. In addition, the Group has successfully raised capital by issuing corporate bonds and medium-term notes in the PRC capital market and issuing debt securities in the international capital market. The Group's strong financing capability provides it with adequate funding sources for the expansion of its business. Through comprehensive budget management and prudent financial management, the Group believes that it will be able to effectively reduce its financing costs.

Sound corporate governance and dedicated senior management with extensive experience and in-depth industry knowledge

As the Group is majority-owned by and under the direct supervision of the Chengdu SASAC, the Chengdu SASAC closely participates in and monitors the decision-making process pertaining to the management of the Group's business goals, the management of the Group's key investment projects as well as the appointment of the Group's directors, supervisors and senior management.

The Group has set up an operational management system with the following departments at the headquarters level, namely the (1) Organisation and Human Resources Department, (2) Discipline, Inspection and Supervision Department, (3) General Office of the Board of Directors, (4) Party Committee Office, (5) Finance Department, (6) Auditing Department, (7) Legal and Risk Control Department, (8) Investment and Development Department, (9) Technology Innovation Department, (10) Operation Management Department and (11) Project Management Department. In the meantime, the Group has established policies mainly covering organisation management, information reporting, performance evaluation, contract management, financial management, fund management, investment and financing management, budget management, human resources management and external guarantee management.

The Group has a dedicated senior management team, among whom a number of directors and senior management have previously served as senior officials within various state-owned enterprises and government departments of the PRC. Their past experience and understanding of the regulatory framework and government policies allow the Group to better align its business interest with the development of Chengdu.

Strong commitment to social responsibility and sustainable development

The Group is dedicated to integrating social responsibility and sustainable development into its strategic framework and operational activities. This commitment is demonstrated through a multi-faceted approach that prioritizes community well-being, the support of major events, targeted poverty alleviation, and low-carbon development, all in alignment with the urban planning and long-term strategic goals of Chengdu.

To enhance community well-being, the Group addresses the housing requirements of youth and new urban citizens by increasing the availability of talent apartments and affordable rental housing. Through its subsidiary, Renju Property, the Group has completed the construction of nearly 8,000 housing units and approximately 1,000 units available for immediate occupancy. In its support of major international events, such as the 31st FISU World University Games, the Group deployed 1,061 personnel across 22 venues, where they conducted thorough inspections and executed 162 necessary repairs. Furthermore, the Group promotes Chengdu's status as a premier city for world-class events through the on-field success and broader industry ecosystem development of the Chengdu Rongcheng Football Club. In the area of targeted poverty alleviation, the Group's subsidiary, Chase Sun, has undertaken significant investment with committing over

RMB1.0 billion to establish industrial bases in the regions of Weiyuan, Xiushan, Yingshan, and Yiyang. With respect to green development, the Group incorporates ecological principles into its urban construction projects, thereby contributing to Chengdu's "park-city" model. This includes the completion of 650 kilometers of greenways, featuring a continuous 100-kilometer loop. The Group also adopts green supply chains and promotes resource efficiency. Through the Chengdu Construction Group, it has implemented advanced processes for the safe disposal and resource utilization of solid construction waste, achieving a utilization rate exceeding 90 per cent. and an annual treatment capacity of 2.9 million tonnes.

The Group's initiatives have received public and official recognition. Notably, the Mohechi Park project was awarded the "Most Beautiful Park-City Landscape" in 2023 and named one of the "Top Ten Citizen-Praised Projects" in the 2023 "Happiness and Better Life Top Ten Projects" awards. Additionally, the Group's project for the harmless disposal and resource utilization of solid construction waste was recognized as a "Top Ten Case" in the 2023 social responsibility evaluation of Chengdu's state-owned enterprises. These accomplishments underscore the Group's role as an integrated urban operator, enhance its brand credibility, and contribute to its pursuit of sustainable and high-quality growth.

Business Strategies

The Group intends to implement the following strategies to achieve its business objectives:

Continue to act as an integrated city operator in Chengdu

The Group intends to continue to act as an integrated city operator in Chengdu by leveraging its relationship with local governmental authorities, existing preferential policies and geographical advantages. Guided by its vision of becoming a world-class integrated city operator, the Group is committed to strengthening its capabilities across urban development, construction and operations, reflecting its ethos of being "born of the city and growing with the city." With a mission to foster a "Happy Lifestyle, Bright Future" in Chengdu, the Group aligns its strategic planning, industrial layout and product innovation with the blueprint for a livable and high-quality city. Its initiatives are designed to integrate into everyday scenarios that enhance residents' well-being, advancing to meet the aspirations of its citizens. The Group's core values emphasise pragmatism, innovation and steady progress for long-term success. In its operations, the Group adheres to objective principles, prioritises practical execution and tangible outcomes. Through continuous innovation, it seeks to cultivate internal drivers of growth and deliver high-quality development. By adopting a long-term perspective in decision-making, investment research and project execution, the Group aims to promote comprehensive, coordinated and sustainable development.

The Group believes that the PRC Government's "Belt and Road" initiative and the continuing development of the Yangtze River Economic Belt and Chengdu-Chongqing Economic Zone will also continue to bring significant needs for housing and properties in Chengdu, which will in turn bring growing business opportunities to the Group. As such, the Group will leverage the opportunity on the construction and development of Chengdu to further enhance its core competitive advantages in the construction business. In addition, the Group plans to undertake projects which have a positive impact on the overall development of Chengdu and will improve the quality of life for Chengdu residents. The Group has, for example, commenced and will continue to carry out the construction of several talent apartments as well as high-end commodity housing projects. In order to establish an integrated community infrastructure in Chengdu, the Group will build several community hospitals and specialist hospitals, which will in turn enhance its pharmaceutical and healthcare business.

Further improve its business portfolio to create new sources of income

The Group was historically positioned as a designated entity to undertake infrastructure construction, primary land development and affordable housing projects in Chengdu. In recent years, the Group has successfully diversified its business to include construction, property development, pharmaceutical and healthcare and banking businesses. While focusing on construction as its core business, the Group will continue to actively seek opportunities to grow other businesses to achieve optimal diversification and form

"4+1" strategies, centering around core segments of urban construction, urban development, urban operations and financial investment with pharmaceutical and healthcare as a key emerging segment. For example, to enhance its healthcare operation, the Group plans to build a number of community hospitals and specialist hospitals. The Group intends to explore projects in line with the Chengdu Municipal Government's policies and trends in the macro-economic environment, and will continue to evaluate business opportunities arising from different business segments from time to time.

Explore innovative financing channels and expand the financing sources of the Group

The Group plans ahead of time and takes proactive measures in conducting its financing activities. The Group plans to explore new financing channels to secure funding on more favourable terms. In implementing this strategy, the Group aims to rely on a wide range of financing channels including bond issuance, loans from banks and other financing channels such as trust financing. In relation to the funding requirements of large-scale construction projects, the Group may choose to finance projects through a public-private partnership model, where the projects can be funded and operated through a partnership representing the government and private companies. Furthermore, the Group plans to focus on lowering its financing cost. The Group seeks to control the cost of indirect financing below the benchmark interest rate as well as the cost of direct financing.

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 cash management policies and procedures to maintain efficient control over its cash and cash equivalents. For instance, the Group will continue to strengthen its stringent financial reporting and control system which emphasises centralised management and administration, consistent internal control policies and compliance with legal and regulatory requirements. The Group will also continue to work on establishing a standardised capital management mechanism to monitor capital efficiency and capital risk. The Group aims to effectively enhance the results and efficiency of its overall financial management through implementing a prudent investment policy that seeks to achieve a balance between investment return and risk taking.

Strategically invest in high-quality companies

The Group will continue to invest in high-quality companies which are in the key industries and sectors with large growth potential by means of a variety of financial instruments. The Group anticipates further alignment of its business strategies and corporate interest with the Chengdu SASAC's plans for industrial upgrading. It intends to focus on investments in the projects that are implementing the "Belt and Road" initiative and those that may lower operating cost or create other synergies as a result of business integration. The Group believes that this investment will give it the opportunity to integrate more social and industry resources in Chengdu. See "*Risk Factors – The Group's merger and acquisition activities expose it to various risks.*"

Recent Development

Performance of the Group as at and for the nine months ended 30 September 2025

On 31 October 2025, the Group published its 2025 September Interim Financial Statements, which were prepared by the Group's management, on the websites of the Shanghai Stock Exchange and Shanghai Clearing House. The 2025 September Interim Financial Statements are not and shall not be deemed to be incorporated by reference or otherwise included in this Offering Circular. Such information has not been subject to an audit or review by any independent auditor. Consequently, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or trends or their sufficiency for an assessment of the Group's financial condition, results of operations and results. The 2025 September Interim Financial Statements should not be relied upon by potential investors to provide the same quality

of financial information that has been subject to an audit or review. Potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations. Such financial information were extracted from the management accounts of the Group, and are not to be, and should not be taken as an indication of the expected financial condition, results of operations and results of the Group for the full financial year ending 31 December 2025. See "*Risk Factors – Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular*."

For the nine months ended 30 September 2025, the Group's total operating revenues remained stable with a slight decrease as compared to the same period in 2024. Total operating costs also decreased, reflecting lower selling expenses, R&D expenses and finance costs. As a result, the Group's operating profit and net profit increased as compared to the same period in 2024. As at 30 September 2025, the Group's total assets remained stable with a slight increase as compared to the balance as at 31 December 2024, mainly attributable to increases in loans and payments on behalf, investments in debt, investment property and construction in progress, partially offset by decreases in inventory and contract assets. As at 30 September 2025, the Group's total liabilities remained stable with a slight increase as compared to the balance as at 31 December 2024, primarily due to higher short-term borrowings, long-term borrowings and bonds payable.

Additional Indebtedness since 31 December 2024

Since 31 December 2024, the Group has entered into additional financing arrangements and incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In particular, in January 2025, the Group issued CNY1,000,000,000 2.00 per cent. medium term notes due 2028, CNY1,000,000,000 2.16 per cent. medium term notes due 2030, and CNY800,000,000 2.17 per cent. corporate bonds due 2030. In February 2025, the Group issued CNY500,000,000 2.10 per cent. medium term notes due 2028, CNY1,100,000,000 2.24 per cent. medium term notes due 2030, CNY600,000,000 2.00 per cent. medium term notes due 2028, CNY1,300,000,000 2.19 per cent. medium term notes due 2030, CNY1,100,000,000 2.46 per cent. corporate bonds due 2030, and CNY1,100,000,000 2.30 per cent. corporate bonds due 2028. In February 2025, Chengdu Xingcheng Renju Property Investment Group Co., Ltd. (成都興城人居地產投資集團股份有限公司) issued CNY1,000,000,000 2.40 per cent. medium term notes due 2030. In April 2025, Chengdu Construction Engineering Group Co., Ltd. (成都建工集團有限公司) issued CNY1,000,000,000 2.02 per cent. super short-term financing notes due 2026. The Group will continue to seek external capital on favourable terms to fund its business operations and expansion and to optimise its debt structure.

History and Development

On 26 March 2009, the Chengdu SASAC approved the establishment of Xingcheng Investment, the predecessor of the Group, through the merger of Xingdong Investment and Xingnan Investment for the purpose of primary land development in Chengdu. Xingcheng Investment was established with an initial registered capital of RMB3.0 billion.

Set forth below are certain key corporate historical events and milestones:

2009.....	In March 2009, Xingcheng Investment (the predecessor of the Group) was established through the merger of Xingdong Investment and Xingnan Investment.
2010.....	In January 2010, the resettlement project in Tongji Town of Pengzhou City constructed by the Group was awarded the "Planning & Environment Gold Award" in the 2009 National Classic Habitation on Planning and Design Competition (2009年全國人居經典建築規劃設計方案競賽) organised by China Urban Planning Society, China Landscape Architecture Society and China Architectural Society.

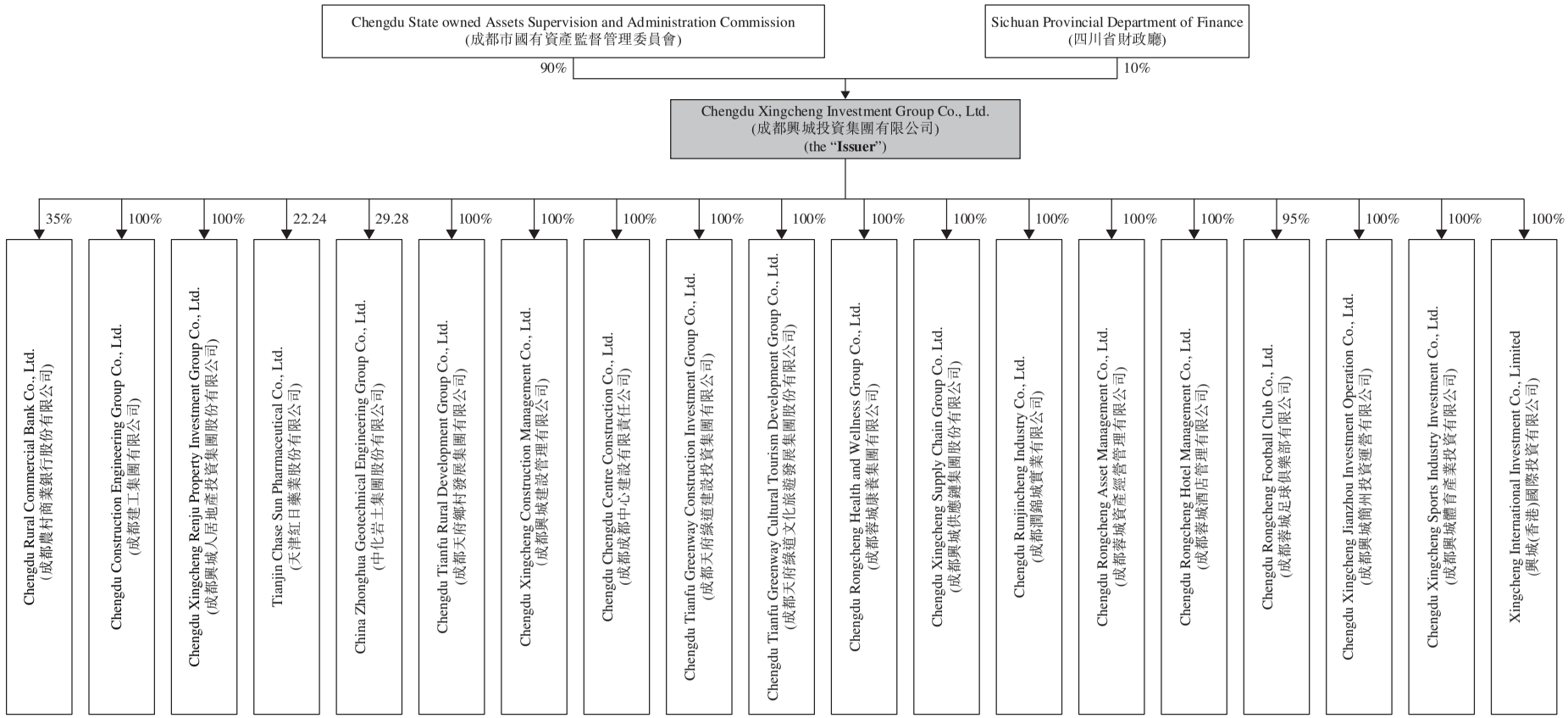
	In July 2010, the Group completed its construction of Tianfu Avenue (Ocean Park Section) Tunnel Construction Project (天府大道(海洋公園段)下穿隧道工程).
	In December 2010, the Group completed its construction of Chuanshaan Road Shantytown Renovation and Reconstruction Project (川陝路棚改擴建工程項目).
2011.....	In September 2011, the Group was ranked 40th among "2011 Chengdu Top 100 Enterprises (成都企業100強)" by Chengdu Enterprises Confederation (成都企業聯合會).
2012.....	In February 2012, as approved by the Chengdu SASAC, Xingcheng Investment was renamed as Chengdu Xingcheng Investment Group Co., Ltd. (成都興城投資集團有限公司).
	In April 2012, the Group's registered capital was increased to RMB5,525.4 million through capital injection from the Chengdu SASAC of RMB2,525.4 million.
	In October 2012, the Group was ranked 37th among "2012 Chengdu Top 100 Enterprises (成都企業100強)" by Chengdu Enterprises Confederation (成都企業聯合會).
2013.....	In April 2013, the Chengdu Planning Museum Comprehensive Building Project (成都規劃館綜合樓項目) constructed by the Group was awarded the "China Steel Structure Gold Award (中國鋼結構金獎)" by China Construction Metal Structure Association (中國建築金屬結構協會).
	In August 2013, the Group was ranked 35th among the "2013 Chengdu Top 100 Enterprises (成都企業100強)" by Chengdu Enterprises Confederation (成都企業聯合會).
2014.....	In June 2014, the Group's wholly-owned subsidiary, Chengdu Xingdong Property Co., Ltd. (成都市興東置業有限公司) obtained the real estate development enterprise second-level qualification issued by the MOHURD.
	In 2014, the Group completed several large-scale infrastructure construction projects including Qionglai City Post-disaster Recovery and Reconstruction Project (邛崍市災後恢復重建項目), Chengdu Municipal Party School of CPC New Campus Cultural and Sports Centre Project (成都市委黨校新校區文體館項目) and Jinshang Tianhua Project (錦尚天華).
2015.....	In July 2015, the Group was ranked the first for the third time in the Chengdu Municipal State-owned Enterprise Target Performance Evaluation (成都市屬國企目標績效考評).
	In December 2015, the Chengwen Road Renovation Project (成溫路改造工程) constructed by the Group was awarded the "2014-2015 National Quality Engineering Award (2014-2015年度國家優質工程獎)" by China Association of Construction Enterprise Management (中國施工企業管理協會).
2016.....	In June 2016, the Group's corporate rating was upgraded to "AAA" from "AA+" by China Lianhe Credit Rating Co., Ltd. (聯合資信評級公司).
	In November 2016, Fitch Ratings Inc. assigned a corporate rating of "BBB+" to the Group.

	In November 2016, the Group successfully issued US$300,000,000 3.25 per cent. senior bonds due 2021, representing the first issuance of offshore bonds by a state-owned enterprise in Sichuan province.
2017.....	In June 2017, Chengdu Tianfu Greenway Construction Investment Co., Ltd. (成都天府綠道建設投資有限公司), a wholly-owned subsidiary of the Group, was established to construct Tianfu Greenway Project (天府綠道項目).
	In August 2017, Xingcheng International Investment Co., Limited 興城(香港)國際投資有限公司, a wholly-owned subsidiary of the Group, was established to manage the Group's overseas operation.
	In November 2017, the General Office of CPC Chengdu Municipal Committee (中共成都市委辦公廳) and the General Office of Chengdu Municipal Government (成都市政府辦公廳) jointly issued the Work Plan to Optimising the Layout of Municipal State-owned Capital (優化市屬國有資本佈局的工作方案), according to which the Group will be reorganised to merge with Chengdu Construction. Chengdu SASAC agreed to transfer its 100.0 per cent. equity interest in Chengdu Construction to the Group for nil consideration.
2018.....	In March 2018, the Group successfully issued €365,000,000 2.50 per cent. bonds due 2021 and €135,000,000 2.95 per cent. bonds due 2023.
	In September 2018, the transfer of Chengdu SASAC's 100.0 per cent. equity interest in Chengdu Construction to the Group was completed, and Chengdu Construction became a subsidiary of the Group.
	In 2018, the Group was named as one of the "2018 China Top 500 Enterprises (2018中國企業五百強)" and one of the "China Top 500 Enterprises in Service Industries (中國服務業五百強)" by China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會).
2019.....	In March 2019, the Group acquired an aggregate 29.28 per cent. share of Zhonghua Geotechnical (Stock Code: 002542), the first listed company in geotechnical engineering industry in China, and became its largest shareholder.
	In October 2019, the Group was awarded "National Best Practice Enterprise for Corporate Culture Award (全國企業文化最佳實踐企業)" by China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會).
	In December 2019, the Group acquired an aggregate 22.22 per cent. share of Chase Sun (Stock Code: 300026) and became its largest shareholder.
2020.....	In June 2020, the Group acquired 35.0 per cent. of equity interest in Chengdu Rural Commercial Bank with a consideration of RMB16,508.0 million, and such share transfer was completed in July 2020.
	In September 2020, the Group was named on "China Top 500 Enterprises (中國企業五百強)" and "China Top 100 Leading Enterprises in Emerging Industries (中國戰略性新興產業領軍企業一百強)" China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會).
2021.....	In January 2021, the Group issued US$445,000,000 2.90 per cent. guaranteed notes due 2026.

	In July 2021, Chengdu Small Town Investment Co., Ltd. (成都市小城鎮投資有限公司), a subsidiary of the Group, has been reorganised into Chengdu Tianfu Rural Development Group Co., Ltd. ("**Chengdu Tianfu**") (成都天府鄉村發展集團有限公司). Chengdu Tianfu primarily undertakes the Group's rural revitalisation business.
	In September 2021, the Group issued US$300,000,000 2.375 per cent. guaranteed notes due 2026.
	In December 2021, pursuant to the Approval of the Conversion of Capital Reserve into Paid-in Capital by Chengdu Xingcheng Investment Group Co., Ltd. (Cheng Guo Zi Pi [2021] No. 48) (市國資委關於成都興城投資集團有限公司將資本公積轉增實收資本的批覆(成國資批[2021]48號)) by Chengdu SASAC, Chengdu SASAC approved the conversion of RMB18,474.6 million of the Group's capital reserve into paid-in capital.
2022.....	In 2022, the Group was named on "The Fortune Global 500" by *Fortune* (財富) magazine, the first Chengdu municipal state-owned enterprise making the list.
2023.....	In 2023, the Group was named as one of the "China Top 500 Enterprises (中國企業五百強)" by China Enterprise Confederation (中國企業聯合會) and China Entrepreneurs Association (中國企業家協會).
2024.....	As at 31 December 2024, the Group's registered capital reached RMB24.0 billion.
2025.....	In April, Chengdu SASAC transferred 10.0 per cent. of its equity interest in the Group to the Sichuan Provincial Department of Finance at nil consideration.

CORPORATE STRUCTURE

The following chart presents a simplified structure of the Group as at 30 June 2025:



Description of the Group's Business

Overview

The Group's business consists of five segments, namely (i) construction; (ii) property development; (iii) pharmaceutical and healthcare; (iv) banking and (v) miscellaneous.

The following table sets forth a breakdown of the Group's operating revenue from each business segment and as a percentage of its total operating revenue for the periods indicated:

	Year ended 31 December					
	2022		2023		2024	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	(audited)		(audited)		(audited)	
	(RMB in million, except for percentages)					
Construction	147,229.4	70.1%	84,180.3	62.5%	53,340.1	51.9%
– Building construction	76,649.7	36.5%	65,540.8	48.7%	45,165.2	43.9%
– Building materials logistics	70,579.6	33.6%	18,639.5	13.8%	8,174.8	7.9%
Property development	15,644.0	7.4%	6,788.8	5.0%	7,101.6	6.9%
Pharmaceutical and healthcare	6,602.6	3.1%	6,024.5	4.5%	5,756.5	5.6%
Banking[(1)]	29,395.2	14.0%	32,432.2	24.1%	33,580.0	32.7%
Miscellaneous[(2)]	11,164.8	5.3%	5,253.2	3.9%	3,059.4	3.0%
Total	**210,036.0**	**100.0%**	**134,679.0**	**100.0%**	**102,837.6**	**100.0%**

Notes:

1 This amount represents the aggregate of the Group's operating revenue from "interest income" and "service charges and commissions".

2 This amount represents the aggregate of the Group's operating revenue from operations of the "asset lease", "hotel and tourism", "equipment leasing and sales", "agricultural trade", "others" businesses under main business and "other" business, as reported in the Group's financial statements of the respective years.

The following table sets forth a breakdown of the Group's gross profit from each business segment and as a percentage of its total gross profit for the periods indicated:

	Year ended 31 December					
	2022		2023		2024	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	(audited)		(audited)		(audited)	
	(RMB in million, except for percentages)					
Construction	7,324.8	26.2%	7,417.8	27.0%	4,607.2	19.1%
– Building construction	6,212.6	22.2%	6,540.9	23.9%	4,389.8	18.2%
– Building materials logistics	1,112.2	4.0%	876.9	3.2%	217.4	0.9%
Property development	2,156.1	7.7%	919.4	3.4%	117.7	0.5%
Pharmaceutical and healthcare	3,799.1	13.6%	3,280.6	12.0%	3,018.2	12.5%
Banking[(1)]	13,560.0	48.5%	14,512.5	52.9%	15,386.9	63.6%
Miscellaneous[(2)]	1,099.6	3.9%	1,294.4	4.6%	1,047.4	4.3%
Total	**27,939.6**	**100.0%**	**27,424.6**	**100.0%**	**24,177.4**	**100.0%**

Notes:

1 This amount represents the aggregate of the Group's operating revenue from "interest income" and "service charges and commissions".

2 This amount represents the aggregate of the Group's operating revenue from operations of the "asset lease", "hotel and tourism", "equipment leasing and sales", "agricultural trade", "others" businesses under main business and "other" business, as reported in the Group's financial statements of the respective years.

Construction

Overview

Construction has become the Group's core business since its merger with Chengdu Construction in 2018. With premium construction qualifications and a proven track record of more than 60 years in the construction industry, Chengdu Construction has grown into a large and reputable construction company in Sichuan province. To further the Group's expansion in the construction industry, in March 2019, the Group acquired an aggregate 29.28 per cent. share of Zhonghua Geotechnical (Stock Code: 002542), the first company in the geotechnical engineering industry to be listed in China, and became its largest shareholder. As at the date of this Offering Circular, the Group conducts its construction business primarily through Chengdu Construction and Zhonghua Geotechnical.

The Group engages in a wide range of construction activities, such as building construction and building materials logistics. For the years ended 31 December 2022, 2023 and 2024, operating revenue from the Group's construction business amounted to RMB147,229.4 million, RMB84,180.3 million and RMB53,340.1 million, respectively, representing 70.1 per cent., 62.5 per cent. and 51.9 per cent. of the Group's total operating revenue for the relevant periods. The decline in operating revenue from the Group's construction business from the year ended 31 December 2023 to 2024 was primarily attributable to cyclical fluctuations in the real estate industry, which resulted in a contraction of construction orders. For the years ended 31 December 2022, 2023 and 2024, the Group's gross profit generated from its construction business amounted to RMB7,324.8 million, RMB7,417.8 million and RMB4,607.2 million, respectively, representing 26.2 per cent., 27.0 per cent. and 19.1 per cent. of the Group's total gross profit for the relevant years.

Building Construction

Chengdu Construction Group

Overview

Building construction has been the Group's core business since its merger with Chengdu Construction Group (hereinafter referred to as the "**CCG**") in 2018. Through the CCG, the Group primarily undertakes construction projects for residential buildings, commercial buildings and affordable housing. Other than these construction works, the CCG also participates in municipal road and bridge construction and provides other ancillary construction services, including construction equipment installation and building renovation and decoration.

The CCG holds both the premium class housing construction EPC qualification (房屋建築工程施工總承包企業特級資質) and the grade-A construction engineering design qualification (建築工程設計甲級資質) issued by the MOHURD. The premium class housing construction EPC qualification is the highest qualification awarded to building construction general contractors in China satisfying the high standards in relation to project management experience, technological innovation and scale of operations. The grade-A construction engineering design qualification is awarded to those that meet high standards in relation to personnel qualifications, management capabilities and internal control. The holding of these and other top-grade construction work related qualifications enables the CCG to provide fully-integrated construction solutions with increased complexity and higher returns nationwide.

For the years ended 31 December 2022, 2023 and 2024, the CCG's newly-signed contract value under its building construction segment amounted to approximately RMB101,143.0 million, RMB101,758.0 million and RMB55,268.0 million, respectively. As at 31 December 2022, 2023 and 2024, the backlog contract value of the CCG's building construction business amounted to approximately RMB219,623.0 million, RMB243,266.0 million and RMB246,981.0 million, respectively. As at 31 December 2024, the CCG had ten major building projects under construction with a total contract value of approximately RMB10,817.6 million.

For the years ended 31 December 2022, 2023 and 2024, operating revenue from the Group's building construction business amounted to RMB76,649.7 million, RMB65,540.8 million and RMB45,165.2 million, respectively, representing 36.5 per cent., 48.7 per cent. and 43.9 per cent. of the Group's total operating revenue for the relevant periods. For the years ended 31 December 2022, 2023 and 2024, the Group's gross profit generated from its building construction business amounted to RMB6,212.6 million, RMB6,540.9 million and RMB4,389.8 million, respectively, representing 22.2 per cent., 23.9 per cent. and 18.2 per cent. of the Group's total gross profit for the relevant periods.

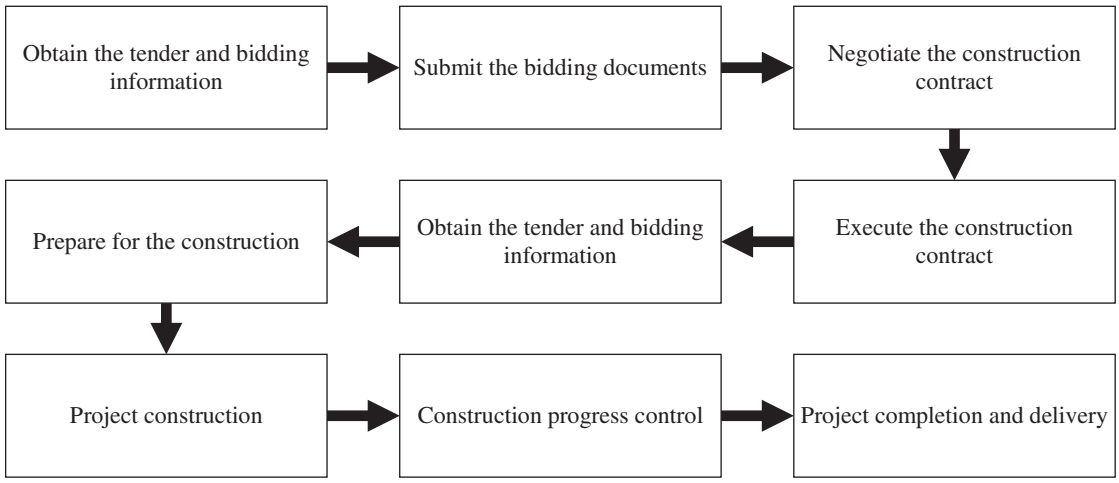
Business model

The CCG undertakes most of its building construction projects as a general contractor for engineering contracting and construction contracting. In such role, the CCG performs all engineering contracting, including survey, design, supervision, completion acceptance procedures and all major aspects of a construction project, including main structure, lighting and utilities installation and fitting-out works. The CCG is also responsible for coordinating the work of all parties, providing the major equipment and machinery, procuring raw materials and ensuring that the construction project is on schedule. In certain projects where specialised construction work is required, if applicable laws and regulations permit, the CCG may subcontract construction work to other professional companies to improve the time- and cost-efficiency of the relevant projects. The CCG needs to obtain consent from the property owner before engaging such subcontractors.

The CCG provides services as a professional contractor from time to time. When acting in such capacity, the CCG is engaged by the general contractor and is only responsible for the construction work within the scope of its professional license in certain projects where specialised construction work is required. The CCG occasionally provides services for labour outsourcing for certain projects when receiving construction work business from contractors. In addition, the CCG also undertakes PPP projects for municipal transportation infrastructure construction, such as highways and bridges in Chengdu.

Construction process

The following flowchart summarises the key operating stages of operation process in the CCG's building construction business, which mainly covers project bidding preparation, pre-construction preparation, construction control and completion and delivery of project:



The CCG primarily obtains orders for its building construction projects through a public tender and bidding process. Only a few of its construction projects were assigned directly by governmental bodies. If the CCG is required to submit a bid for a construction project, it will first conduct a detailed analysis of the proposed construction project, including a comprehensive review of the technical and commercial conditions and requirements, the work scope of the project and a cost and risk assessment. With such analysis, the CCG will put together a draft bid. A draft bid generally includes a proposed project schedule and timeline of each construction stage as well as a schedule of rates, which primarily includes the rates charged for raw materials, equipment and machinery and labour. The CCG typically submits its bid through its branches or subsidiaries in the relevant regions where the projects are located. When calculating the bids and proposals for a construction project, the CCG generally takes into consideration the engineering sketch and pricing list provided by the property owner, as well as the overall complexity of such construction project.

If the CCG is successful in its bid for a construction project, it will draft the construction contract based on tender and bidding documents. After negotiation of the terms in the construction contract, the negotiated terms will then undergo the CCG's sign-off process.

Upon execution of the construction contract, the CCG will establish a project management group to prepare for the construction project. The CCG will form construction plans in accordance with the construction blueprint design, terms of the construction contract and tender and bidding documents, as well as formulate plans to purchase raw materials and for leasing or procuring construction equipment.

The CCG has established project management and control procedures and conducts its construction business in accordance with such procedures to ensure compliance with contract requirements. During the course of the construction projects, the CCG's customers, or independent surveyors engaged by its customers, conduct regular inspection of its work. The CCG also communicates regularly with its customers during the construction process to ensure that its work meets customers' expectations.

Upon completion of the construction project and after the project passes the CCG's internal inspection, a project completion report will be submitted to the customers. The CCG's customers, or third-party inspectors engaged by its customers, and the relevant government authorities will then conduct inspection on the project. From time to time, the CCG's customers may require it to make certain modifications or reworks upon inspection. Upon passing the inspection, the CCG will receive an acceptance of project completion report issued by its customer and other parties involved in the inspection process.

Procurement

The primary raw materials of the CCG's building construction projects are steel and concrete. Under the CCG's construction contract entered into with property owners, the raw materials are procured either by the CCG or by property owners.

Self-procurement is the primary procurement model for the CCG's property construction projects. The CCG has subsidiaries specialising in procuring construction raw materials. As such, when comparing fee quotes from different suppliers, the fee quotes from the CCG's internal suppliers typically prevail as long as the terms and conditions therein are commercially reasonable to the CCG. The suppliers will commence procurement after the execution of relevant procurement contracts. Before the execution of procurement contracts, the CCG must also satisfy internal filing requirements if such contract is to be entered into with the CCG's external suppliers.

Payment arrangement

The payment of contracting fees is normally determined by reference to payment terms under the relevant contracting contract for construction project.

After the CCG executes the construction contract and before commencement of construction, certain property owners pay the CCG a deposit of approximately 5.0 per cent. to 10.0 per cent. of the contract value, which could be used by the CCG to replenish its working capital. For most construction projects,

however, the CCG needs to bear the construction costs of the projects before obtaining reimbursement. When the CCG commences its construction work, according to the terms in construction contracts, property owners typically provide progressive payments to the CCG according to milestones reached, which are typically assessed on a monthly basis. The CCG's project department is responsible for calculating the monthly construction costs and submitting to the property owner for the latter's approval. The CCG recognises operating revenue when a property owner approves a construction cost. The payment of contracting fees to the CCG is usually made by cash or bank acceptance bill. The CCG believes that such progressive payment arrangements ensure the effective collection of its contracting fees.

Upon settlement after audit of construction costs and any agreed adjustment to the original contract value, the project owner will normally pay 95.0 per cent. to 98.0 per cent. of the agreed settlement amount (including all the amounts the CCG has received prior to settlement). The remaining 2.0 per cent. to 5.0 per cent. of the settlement amount is typically withheld by the project owner for an average of two years after the construction is completed, determined on a case-by-case basis, as a warranty on quality for the relevant project.

Newly-signed construction contract for each period

The table below sets forth the key information of the CCG's then newly-signed building construction contracts for the years ended 31 December 2022, 2023 and 2024 respectively:

	Year ended 31 December		
	2022	2023	2024
	(RMB in million, except for the numbers)		
Number of newly-signed contracts	1,131	1,110	948
Contract value for newly-signed contracts	101,143.0	101,758.0	55,268.0
Of which			
Number of newly-signed contract with contract value exceeding RMB100 million	242	212	115
Contract value for newly-signed contracts with contract value exceeding RMB100 million	85,157.0	86,637.0	42,730.0
Completed contract value	87,185.0	77,500.0	51,553.0
Backlog contract value at the end of relevant period	219,623.0	243,266.0	246,981.0

As at 31 December 2024, the CCG's construction projects were mainly concentrated in Chengdu. While maintaining its competitive market position in Chengdu, the CCG also actively undertakes construction projects located in other cities in the PRC. The following table sets forth the geographic distribution of the CCG's newly-signed building construction value for the years ended 31 December 2022, 2023 and 2024, respectively:

	Year ended 31 December					
	2022		2023		2024	
Location of Projects	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	(RMB in million, except for percentages)					
Chengdu	64,795.0	64.1%	67,775.0	66.6%	31,791.0	57.5%
Cities in Sichuan province (Other than Chengdu)	24,220.0	23.9%	20,392.0	20.0%	19,794.0	35.8%
Cities outside Sichuan province	12,128.0	12.0%	13,591.0	13.4%	3,683.0	6.7%
Total	**101,143.0**	**100.0%**	**101,758.0**	**100.0%**	**55,268.0**	**100.0%**

The CCG primarily undertakes construction projects for residential buildings, commercial buildings and affordable housing. Other than these construction works, the CCG also participates in municipal road and bridge construction and provides other ancillary construction services, including construction equipment installation and building decoration. The following table sets forth the breakdown of the CCG's then newly-signed building construction contract value by types of projects for the years ended 31 December 2022, 2023 and 2024, respectively:

	Year ended 31 December					
	2022		2023		2024	
Type of Projects	**Amount**	**Per cent.**	**Amount**	**Per cent.**	**Amount**	**Per cent.**
	(RMB in million, except for percentages)					
Construction of various types of buildings	77,423.0	76.6%	83,831.0	82.4%	34,312.0	62.1%
Municipal road and bridge	16,514.0	16.3%	11,343.0	11.1%	15,366.0	27.8%
Building decoration	4,370.0	4.3%	3,332.0	3.3%	3,429.0	6.2%
Construction equipment installation	1,719.0	1.7%	1,985.0	2.0%	976.0	1.8%
Others	1,117.0	1.1%	1,267.0	1.2%	1,185.0	2.1%
Total	**101,143.0**	**100.0%**	**101,758.0**	**100.0%**	**55,268.0**	**100.0%**

Backlog

Backlog contract value represents the estimate of the contract value of work that remains to be completed as at a certain date. Backlog is not a measure defined by generally accepted accounting principles and may not be indicative of the CCG's future operating results. As at 31 December 2022, 2023 and 2024, the backlog of the CCG's building construction projects was approximately RMB219,623.0 million, RMB243,266.0 million and RMB246,981.0 million, respectively.

Completed projects

The table below sets forth particulars of major building construction projects the CCG had completed as at 31 December 2024:

No.	Project	Commencement date	Completion date	Payback period	Contract value	Total investment	Total payment to be received	Payment received
						(RMB in million)		
1.	Jade Garden Residential and Supporting Facilities Design – Construction General Contracting (玉石苑房建及配套工程設計–施工總承包)	June 2020	June 2023	2023-2025	1,880.9	1,720.3	1,204.2	1,204.2
2.	Yibin Lingang Economic and Technological Development Zone Bamboo Culture Ecological Industrial Park (Phase I) – Bamboo-themed Business Hotel, Bamboo Culture Museum, Bamboo Culture Street, and Master Studios Project (宜賓臨港經濟技術開發區竹文化生態產業園(一期)–竹主題商務酒店、竹文化博物館、竹文化街區及大師工作室項目)	January 2021	September 2023	2021-2026	1,111.0	892.4	569.0	569.0

No.	Project	Commencement date	Completion date	Payback period	Contract value	Total investment	Total payment to be received	Payment received
						(RMB in million)		
3.	Baiyun Court Survey – Design – Construction General Contracting (柏雲庭勘察–設計–施工總承包)	June 2018	February 2023	2020-2023	1,101.4	956.7	1,074.0	930.7
4.	Metro North Suburb Depot Resettlement Housing "Ruijing New City" Construction Project (地鐵北郊車輛段安置房"瑞景新城"建設工程項目)	September 2019	May 2023	2023-2026	826.8	734.5	587.6	584.4
5.	Wuyang Qingcheng (Pengzu New City Plot A-4) Real Estate Development Design and Construction EPC Project (武陽•傾城(彭祖新城A-4地塊)房地產建設項目設計施工總承包EPC)	January 2019	January 2022	2019-2024	724.2	746.6	0.0	738.7
6.	Suining City Hedong New District Erjiaosi Shantytown Redevelopment (Phase I) Urban Village EPC Project (遂寧市河東新區二教寺棚戶改造(一期)城中村EPC項目)	June 2019	July 2022	2018-2026	956.2	1,051.8	823.0	823.0
7.	Jinniu District Dawan B Zone Demolition Resettlement Housing Construction Survey – Design – Construction General Contracting Section II Project (1) (金牛區大灣B區拆遷安置房建設工程勘察–設計–施工總承包二標段項目(1))	August 2021	December 2023	2023-2028	1,056.0	1,006.5	839.7	839.7
8.	Golden Phoenix Elevated Road Xindu Section (Ring Expressway to Xiangcheng Avenue) Reconstruction Project Construction (金鳳凰高架新都段(繞城高速至香城大道)改建工程施工)	May 2019	December 2022	2019-2025	1,220.1	763.4	991.2	840.1
9.	Jincheng Yijing Phase II (Shisheng New Residence) Project (錦城逸景二期(石勝新居)項目)	January 2018	September 2021	2019-2026	1,126.8	1,000.4	782.3	782.3
10.	Tianfu Agricultural Expo Park Rural Collective Land Transfer Demonstration Project (天府農博園農村集體土地流轉示範項目)	November 2020	February 2023	2023-2026	814.4	730.7	511.5	516.1
Total...					**10,817.6**	**9,603.4**	**7,382.4**	**7,828.2**

Projects under construction

The table below sets forth particulars of the CCG's major building construction projects under construction as at 31 December 2024:

No.	Project	Commencement date	Estimated completion date	Contract value	Cost incurred	Payment received
					(RMB in million)	
1.....	Yellow River New City Shantytown Redevelopment and Two Other Construction Projects EPC (Survey, Design, and Construction General Contracting) (黃河新城棚改項目等三個建設項目EPC (勘察、設計、施工總承包))	May 2020	December 2025	3,555.9	2,444.4	2,039.7
2.....	Chengdu Fifth People's Hospital Guanghua Campus Construction Project (成都市第五人民醫院光華院區項目施工)	January 2023	September 2025	1,970.9	146.6	178.1
3.....	Huayang Water Purification Plant Project in Sichuan Tianfu New Area/Section (四川天府新區華陽淨水廠項目施工/標段)	July 2022	January 2025	1,656.4	859.3	612.0
4.....	Hehang Jiayuan North Park and Supporting Roads Design – Construction General Contracting (和航家園北園及配套道路設計–施工總承包)	November 2021	–	1,537.4	45.4	45.0
5.....	Affordable Rental Housing Project in Xihanggang Area, Shuangliu District, Chengdu (成都市雙流區西航港片區保障性租賃住房項目)	December 2022	–	1,240.4	874.3	693.1
6.....	Houjia 79-Mu EPC Project (侯家79畝EPC項目)	March 2023	–	1,191.9	994.8	635.8
7.....	Municipal Park and Supporting Facilities Project in Guobin Area, Jinniu District – Municipal Infrastructure Works (金牛區國賓片區市政公園及配套設施項目–市政基礎設施工程)	September 2019	December 2024	1,138.4	926.1	744.7
8.....	Aerospace Equipment Experimental Base Project (First Batch) Design – Construction General Contracting (航空裝備實驗基地項目(一批次)設計–施工總承包)	July 2022	–	1,064.1	732.6	520.6
9.....	Haikou Times Tianjie Phase II (海口時代天街二期)	December 2020	–	1,257.9	1,283.3	1,099.3
10.....	Jiaozi Zhigu Yunjin Phase II Project (交子智谷•雲錦二期項目)	January 2021	–	952.8	707.0	459.4

No.	Project	Commencement date	Estimated completion date	Contract value	Cost incurred	Payment received
					(RMB in million)	
11.	Supporting Housing Project in UESTC Park Construction Section II (電子科大園區配套用房項目施工二標段)	April 2023	March 2025	469.1	293.8	240.7
12.	Chengtou Jinxi City (Phases I, II, III, IV) Survey – Design – Construction General Contracting (城投錦溪城(一期、二期、三期、四期)勘察–設計–施工總承包)	November 2019	January 2025	928.9	1,259.0	986.2
13.	Heguang Tongcheng Photovoltaic Technology (Yibin) Co., Ltd. High-Efficiency Crystalline Silicon Solar Cell Project (Phase I) (和光同程光伏科技(宜賓)有限公司高效晶矽太陽能電池項目(一期))	April 2023	–	904.9	764.0	636.6
14.	Chengdu Jianzhou New City Shipan Town Resettlement Housing Project A (Phase II: Buildings 2, 3, 4 and 3 Public Service Supporting Plots and General Site Construction) (成都市簡州新城石盤鎮安置房A項目(二期2、3、4號住宅及3個公服配套地塊及總平施工))	January 2020	December 2024	889.7	878.8	535.0
15.	Kunming Wujia Dam Phase III (昆明巫家壩三期)	March 2021	July 2025	1,054.4	915.8	743.7
16.	Phoenix River Ergou Reclaimed Water Plant Project (鳳凰河二溝再生水廠工程)	April 2021	December 2024	756.5	665.0	543.5
17.	High-Efficiency Crystalline Silicon Solar Cell Project (Phase IV) Civil Construction General Contracting (高效晶矽太陽能電池項目(四期)土建總承包工程)	January 2023	December 2024	697.1	671.7	543.0
18	Affordable Rental Housing Plot No. 2, Huayang Subdistrict, Sichuan Tianfu New Area (四川天府新區華陽街道保障性租賃住房二號地塊)	November 2022	–	669.2	598.5	429.1
19.	Six Engineering Projects Including Jialing District Jianan Road Comprehensive Road Renovation (嘉陵區嘉南路道路綜合改造等六個工程項目)	December 2021	–	627.0	302.4	115.0
Total ...				**22,562.8**	**15,362.9**	**11,800.4**

PPP projects

In recent years, the PRC Government has encouraged the development of the private-public partnership, or PPP model whereby private enterprises partner with local government in the financing, construction, operation and maintenance of infrastructure projects and other public works. The CCG began to undertake projects under the PPP model in 2016. As at 31 December 2024, most of the PPP projects the CCG entered into were for the construction of municipal infrastructure including roads and bridges in Sichuan province.

Under the PPP model, the CCG, together with investors, acts as the private party of a PPP project to participate in public tenders of government projects. In the event the CCG wins the bid, it will set up a project company through a joint venture with a designated government institution. With respect to such cooperative arrangement under the PPP model, the CCG typically takes up an equity stake of no more than 20.0 per cent. in the joint venture, which is recorded as the CCG's financial assets available-for-sale on its balance sheet.

The PPP model sets out the specific time frame of both the construction period and the operating period of a project. During the construction period, the CCG is primarily responsible for project construction according to the terms of the construction contract entered into between the relevant government institution and the CCG. It also receives construction fees, which represent the CCG's major source of profit in undertaking PPP projects, from the relevant government institution in accordance with such construction contract.

Investors under the PPP model are responsible for fund-raising and satisfying the capital needs in a PPP project, while the relevant government institution is responsible for land supply and project supervision. During the operating period of a PPP project, the CCG records operating revenue from the dividend declared by the joint venture. At the end of the operating period, the CCG receives its portion of the remaining assets upon the dissolution of the joint venture.

The table below sets forth particulars of building construction PPP projects CCG participated as at 31 December 2024:

No.	Project	Contract value	Construction period	Operation period	The CCG's equity stake in the joint venture	Cost incurred	Payment received
		(RMB in million)	(years)	(years)	(per cent.)	(RMB in million)	
1.	Tongjiang High School Gaoming Campus Construction Project PPP Procurement (四川省通江中學高明校區建設項目PPP採購)	718.0	2	10	90.0	681.6	622.9
2.	Ziyun Industrial Park Phase II PPP Project (紫雲工業園二期PPP項目)	238.7	2	10	2.0	181.7	59.0
3.	Xiaojiaba Bridge and Hanjia Mountain Tunnel PPP Project in Cangxi County (蒼溪縣肖家壩大橋和韓家山隧道PPP項目)	440.0	2	10	51.0	270.0	246.5
4.	Gan Zi Road Transportation Infrastructure Construction PPP Project in Hejiang County (合江縣甘自路交通基礎設施建設PPP項目)	687.0	3	8	20.0	–	–
5.	S409 Si'an to Lancao Section Construction Project (S409澌岸至蘭草段建設項目)		3.3	10		432.3	395.5

No.	Project	Contract value	Construction period	Operation period	The CCG's equity stake in the joint venture	Cost incurred	Payment received
		(RMB in million)	(years)	(years)	(per cent.)	(RMB in million)	
6.	G542 Tanxi to Jinbao Avenue Construction Project (Phase I) (G542坦溪至金寶大道建設工程(一期)項目)	1,200.3[(1)]	3	10	56.0[(1)]	539.4	493.8
7.	Dong Interchange to Tonghe Bridge Connector Line Construction Project (東互通至通河橋連接線建設項目)		3	9		211.1	193.6
8.	Sichuan Health Vocational College Phase I Construction Project (四川健康職業學院一期建設項目)	560.0	2	10	15.56	525.2	476.7
9.	Qinba Logistics Park "One Vertical and Three Horizontals" Roads and Infrastructure in Helong Reservoir Area (秦巴物流園"一縱三橫"道路及河龍水庫片區基礎設施項目)	1,500.0	3	7	4.98	1,436.9	1,366.2
10.	Yibin County Industrial Park Municipal Road Infrastructure Phase I PPP Project Contract (宜賓縣工業園區市政道路基礎設施一期工程PPP項目合同)	1,219.6	3	10	48.0	874.0	848.6
11.	Wuhou District "Livable Waterfront" Phase II PPP Project Cooperation Contract (武侯區"宜居水岸"二期PPP項目合作合同)	837.3	2	13	4.5	851.4	778.5
Total....		**7,400.9**				**6,003.8**	**5,481.3**

Note:

1 This amount represents the aggregate of S409 Si'an to Lancao Section Construction Project (S409澌岸至蘭草段建設項目), G542 Tanxi to Jinbao Avenue Construction Project (Phase I) (G542坦溪至金寶大道建設工程(一期)項目) and Dong Interchange to Tonghe Bridge Connector Line Construction Project (東互通至通河橋連接線建設項目).

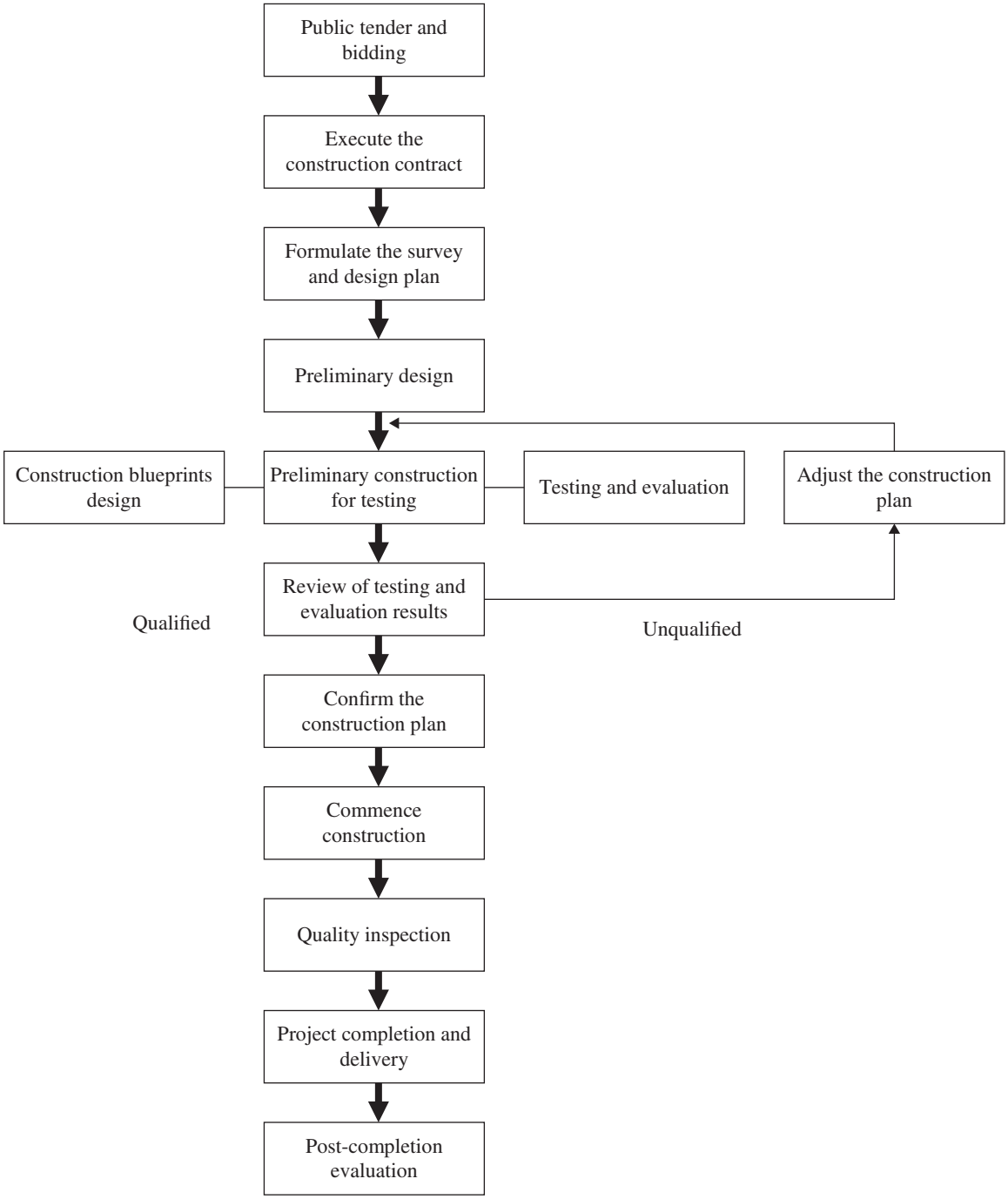
Zhonghua Geotechnical Group

Overview

In 2019, the Group further acquired an aggregate 29.28 per cent. share of Zhonghua Geotechnical, which primarily provides geotechnical engineering services and underground construction services. The Zhonghua Geotechnical Group holds top-grade engineering qualifications such as foundation engineering professional contracting qualification (level I) (地基基礎工程專業承包一級資質), which enables it to provide a wide range of geotechnical engineering services including investigation, engineering designing, engineering testing, engineering evaluation and other ancillary services.

Business model

The Zhonghua Geotechnical Group undertakes most of its geotechnical engineering construction projects as a general contractor. In such role, the Zhonghua Geotechnical Group is responsible for all major aspects of a construction project. The Zhonghua Geotechnical Group provides services as a professional contractor from time to time. The following flowchart summarises the key stages of operation process in the Zhonghua Geotechnical Group's construction business:



The Zhonghua Geotechnical Group obtains orders for its building construction projects through a public tender and bidding process. If the Zhonghua Geotechnical Group is successful in its bid for a construction project, it will prepare the construction contract for execution and form the survey and design plan. The design process primarily covers the design of construction drawing, experimental construction and experimental testing and evaluation. If the experimental testing and evaluation results are not satisfying, the Zhonghua Geotechnical Group will continue to adjust the design plan before determining the concrete construction plan. The Zhonghua Geotechnical Group will carry out its project construction in accordance with the design parameters determined through the experiments.

The Zhonghua Geotechnical Group has established project management and control procedures and conducted its construction business in accordance with such procedures to ensure compliance with contract requirements. During the course of the construction projects, the Zhonghua Geotechnical Group's customers, or independent surveyors engaged by its customers, conduct regular inspection of its work.

Upon completion of the construction project, the Zhonghua Geotechnical Group, together with its customers, or third-party inspectors engaged by its customers, and the relevant government authorities will commence the inspection on the project. Upon passing the inspection, the Group will settle its accounts with the customer in accordance with the construction contract.

Newly-signed construction contract for each period

The table below sets forth the key information of the Zhonghua Geotechnical Group's then newly-signed uncompleted construction contracts for the years ended 31 December 2022, 2023 and 2024 respectively:

	Year ended 31 December		
	2022	2023	2024
	(RMB in million, except for the numbers)		
Number of newly-signed contracts	201	264	154
Contract value for newly-signed contracts	3,213.0	2,552.1	287.0
Contract value recognized for the year	2,176.8	2,205.7	1,866.2
Number of uncompleted contracts by the year end	583	507	442
Value of uncompleted contracts by the year end	4,759.4	3,494.7	2,628.7

Building Materials Logistics

Overview

Leveraging the rapid development of the construction industry in China and the Group's merger with Chengdu Construction, the Group commenced its building materials logistics business in 2018. The Group's building materials logistics business mainly includes trading of steel, electronics and industrial materials, iron ore and coal. The Group conducts its building materials logistics business through its subsidiaries, namely, Chengdu Xingcheng Supply Chain Group Co., Ltd. (成都興城供應鏈集團股份有限公司), Chengdu Construction Materials Co., Ltd. (成都建工物資有限責任公司), Chengdu Construction Building Materials Co., Ltd. (成都建工建材有限責任公司), Chengdu Jiangong Pre-built Technology Co., Ltd. (成都建工預築科技有限公司), Chengdu Jiangong Saili Concrete Engineering Co., Ltd. (成都建工賽利混凝土工程有限公司) and Chengdu Jiangong Industrial Construction Co., Ltd. (成都建工工業化建築有限公司). The Group funds its building materials logistics business primarily through its operating cash flow.

For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's building materials logistics business was RMB70,579.6 million, RMB18,639.5 million and RMB8,174.8 million, respectively, representing 33.6 per cent., 13.8 per cent. and 7.9 per cent. of the Group's operating revenue for the relevant periods. The decrease in operating revenue from the Group's building materials logistics business from 2022 to 2024 was primarily attributable to the Group's strategic decision to reduce low-margin business operations in accordance with the requirements for high-quality development of state-owned enterprises, shifting its focus from pursuing scale effects through business volume to

generating returns from higher-margin business activities. For the years ended 31 December 2022, 2023 and 2024, gross profit generated from the Group's building materials logistics business was RMB1,112.2 million, RMB876.9 million and RMB217.4 million, respectively, representing 4.0 per cent., 3.2 per cent. and 0.9 per cent. of the Group's total gross profit for the relevant periods.

The following table sets forth a breakdown of the operating revenue, after eliminating intra-group sales, from each main sub-category of the Group's building materials logistics business for the periods indicated:

	Year ended 31 December					
	2022		2023		2024	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	(RMB in million, except for percentages)					
Steel	13,356.0	21.3%	4,149.4	33.4%	1,458.6	20.2%
Electronics and industrial materials	40,786.7	65.0%	7.8	0.1%	8.4	0.1%
Iron ore	4,813.9	7.7%	5,266.8	42.4%	3,866.2	53.6%
Coal	712.5	1.1%	2,648.3	21.3%	1,334.3	18.5%
Commercial concrete, concrete elements and miscellaneous	3,068.3	4.9%	356.6	2.8%	552.0	7.6%
Total	**62,737.4**	**100.0%**	**12,428.9**	**100.0%**	**7,219.6**	**100.0%**

Business model

Steel

The Group's steel trading involves procurement of steel from its suppliers and on-selling them to its customers. At the beginning of a year, the Group usually negotiates with large-scale domestic steel mills for preferable prices and terms for purchasing steel, which will subsequently be reflected in annual cooperative agreements entered into between the Group and each of the selected steel mills. When receiving orders from its downstream customers, the Group places order with upstream suppliers taking into consideration the prices, volume and arrival time for the steel ordered, among other factors. When a customer places order with the Group on credit, the Group will charge a premium fee according to the sales agreement with such customer. If the selected supplier is not able to supply the steel ordered by the Group in its entirety and on time, the Group will seek other steel suppliers, and place orders with the supplier with the most desirable price and quality, to satisfy its customers' demand of steel.

As at 31 December 2024, the Group's major suppliers were reputable steel mills located in Sichuan province, and the Group's downstream customers for steel were spread across all major cities and counties in Sichuan province, as well as Yunnan, Guizhou, Gansu and Hunan provinces.

Commercial concrete

The Group procures cement and mortar to produce commercial concrete. In addition to producing commercial concrete to satisfy the Group's internal needs, the Group also establishes long-term cooperative relationships with its external customers to provide them with commercial concrete as well as other ancillary services, such as technical consulting and inspection services.

When procuring cement from upstream suppliers, if the customer has designated a specific brand of cement, the Group will arrange for bidding and auction to select the most competitive supplier of such brand of cement. The company that wins the bid will be responsible for the Group's supply of cement under such brand. If the brand of cement is not confirmed by the customer, or the customer expresses no particular preference, the Group will procure cement from renowned suppliers with which it has extensive cooperative relationships. When selecting its suppliers of mortar, the Group generally compares the supply capacity of different quarries, as well as the quality and price of mortar they produce.

As at 31 December 2024, the Group procured most of its cement and mortar from suppliers in Sichuan province, while most of its customers for commercial concrete were located within Chengdu. The Group derives profit in its commercial concrete trading from the difference between costs of raw materials and resale price of commercial concrete.

Electronics and industrial materials

Apart from steel and commercial cement, the Group also provides trading services for electronics and industrial materials, including but not limited to building materials, metals (excluding rare and precious metals), metal products, wood, lubricants, chemical products (excluding hazardous chemicals), rubber products, machinery and equipment, household appliances, mechanical and electrical products, computer software and hardware, office equipment, electronic products, wires and cables, sports equipment and accessories and fire-fighting equipment, among others. The Group derives profit in its electronics and industrial materials trading from the difference between the purchase price and resale price.

Payment arrangement

The Group generally purchases materials directly from its upstream suppliers, which reduces the Group's procurement costs since no sales agencies will be engaged in the procurement process. Such procurement arrangement also allows the Group to obtain advantageous trade credit from its suppliers. When the Group's credit period expires, it will make payment to its suppliers through bank acceptance bills that mature in three months.

The Group also grants trade credit to its downstream customers on a case-by-case basis, and the Group has a sales department primarily responsible for collecting payments from its downstream customers, which is usually made through bank transfer.

Property Development

Overview

The Group has historically played a substantial role in developing affordable housing in Chengdu since 2010 and expanded its property development business into commodity housing in 2009. In addition, the Group has also participated in the development and operation of apartments targeting talented individuals, in Chengdu since 2017 and the development and operation of rental housing targeting youth and new urban citizens since 2021. The Group carries out its property development projects through its subsidiary Renju Property, which holds the Class One Property Development Qualification (國家一級房地產開發資質).

For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's property development business was RMB15,644.0 million, RMB6,788.8 million and RMB7,101.6 million, respectively, representing 7.4 per cent., 5.0 per cent. and 6.9 per cent. of the Group's operating revenue for the relevant periods. The decrease in operating revenue from the Group's property development business in 2023 as compared to 2022 was primarily attributable to a reduction in the number of projects delivered during the period. For the years ended 31 December 2022, 2023 and 2024, gross profit generated from the Group's property development business was RMB2,156.1 million, RMB919.4 million and RMB117.7 million, respectively, representing 7.7 per cent., 3.4 per cent. and 0.5 per cent. of the Group's total gross profit for the relevant periods. The decrease in gross profit from the Group's property development business in 2024 as compared to 2023 was primarily attributable to a higher proportion of property projects located in the second- and third-tier suburban areas, which generated lower profit margins.

Business Model

Commodity housing

The Group primarily develops mid-end residential properties for homebuyers seeking maximal living space within budget, and other supporting commercial properties, to satisfy the increasing housing need in Chengdu.

The Group's commodity housing development process involves site selection and market positioning, land acquisition, financing of property developments, design, marketing and promotion, pre-sales, sales, payment and mortgage financing and after-sales services. The Group obtains the land use rights through the public bidding, auction and listing process, and engages contractors for the construction of most of its commodity housing developments. To ensure the quality of construction, the Group's construction contracts set out specific quality requirements in which, for example, the Group requires its contractors to provide performance guarantees and detailed construction plan. The Group typically obtains its pre-sale permit approximately ten months after it commences construction. After the Group obtains the pre-sale permit for a commodity housing, it develops its sales strategies and arranges for the distribution and sale of the properties by itself or through sales agents.

Consistent with industry practice, the Group typically enters into purchase contracts with customers while the properties are still under development, after satisfying the conditions for pre-sales. The Group does not recognise any operating revenue from the pre-sales of its commodity housing until the development of such commodity housing is completed and the properties are delivered to the purchasers. Before the delivery of a pre-sold property upon the completion of development, deposits and purchase price or portions thereof received from the Group's customers are recorded as advances from customers under current liabilities on the Group's balance sheet.

The Group typically funds the development of its commodity housing through its working capital, pre-sale proceeds and external funding such as bank loans. When the Group obtains external funding, lenders will generally require the Group to pledge the Group's land use rights as security for the land on which the relevant property will be developed.

Talent apartment

Pursuant to the Action Plan to Implement the Talent Priority Development Strategy (成都實施人才優先發展戰略行動計劃) issued by the Chengdu Municipal Government in 2017 and other relevant policies, the Group was appointed by the Chengdu SASAC to develop talent apartments in Chengdu to attract and retain talented individuals in Chengdu. The Group's talent apartments primarily target qualified talents specified in the Catalog of Talent in Short Supply and High-end Talent in Chengdu (成都市急需緊缺人才和高端人才目錄), which covers scholars, scientists and technicians with prestigious international, national, provincial or other similar awards or recognition.

After the completion of the development, the Group is also responsible for the operation of such talent apartments, including property sales and leasing. The Group's operating revenue from developing talent apartments comprises the income from its sales or leases of talent apartments to qualified talents.

Affordable housing

The Group develops affordable housing projects either as the developer or on an agency basis. If the Group acts as the developer and undertakes affordable housing construction, it records operating revenue from its sales of affordable housing. Revenues from sales of affordable housing are recognised when the relevant properties are delivered to the purchasers. The Group typically funds the development of its properties through its working capital and bank loans.

If the affordable housing construction is developed by the Group on an agency basis, the Group enters into agency construction agreements with the Chengdu Guaranteed Housing Centre (成都市住房保障中心) and is generally entitled to an agency construction management fee of a certain percentage of the total investment costs, which it recognises as operating revenue for affordable housing construction projects. According to the agency construction agreement, the Chengdu Guaranteed Housing Centre is responsible for arranging the funding for the projects, while the Group manages the construction process throughout the projects and applies for progress payment by submitting the construction supervision reports indicating the progress of the construction.

Affordable rental housing

Pursuant to the Implementation Opinions of the General Office of the Chengdu Municipal People's Government on Accelerating the Development of Affordable Rental Housing (成都市人民政府辦公廳關於加快發展保障性租賃住房的實施意見) issued by the Chengdu Municipal Government in 2021, the Group was appointed to develop affordable rental housing. The Group's rental housing primarily targets youth and new urban residents. The Group primarily engages affordable rental housing through renovation of existing housing and construction of new apartments. Upon completion, affordable rental housing units are generally leased in accordance with pre-determined arrangement. The Group's operating revenue from affordable rental housing comprises the rental income, after deducting the operating service fees.

Project Description

Over the years, the Group has undertaken and completed a large number of property development projects in Chengdu. The table below sets forth the operational indicators of the Group's property development business as at and for the years ended 31 December 2022, 2023 and 2024:

	Year ended 31 December		
	2022	**2023**	**2024**
Land bank (in 10,000 sq.m.)	110.9	114.0	118.5
Newly commenced GFA (in 10,000 sq.m.)	70.2	52.6	60.6
GFA under construction (in 10,000 sq.m.)	420.3	447.4	426.4
Completed GFA (in 10,000 sq.m.)	179.8	25.4	81.6
Contracted sales GFA (in 10,000 sq.m.)	78.4	121.4	34.7
Contracted sales value (RMB million)	125.9	181.8	58.4

Land Bank

The Group acquires land interests mainly through public tenders, acquisitions and list-for-sale from governments. The following table sets forth details of the Group's land bank as at 31 December 2024:

No.	**Land/Project**	**Location**	**Site area**	**Land transfer cost**
			(Mu)	**(RMB in million)**
1.	Zongfu Road Project (總府路項目)	Jinjiang District	12.1	412.7
2.	Wenjiachang Project (文家場項目)	Qingyang District	56.2	109.9
3.	Dujiangyan Chengda Project (都江堰成大項目)	Dujiangyan	84.4	358.2
4.	90 Mu (90畝)	Dujiangyan	90.3	344.8
5.	78 Mu (78畝)	Dujiangyan	78.9	104.2
6.	85 Mu (85畝)	Dujiangyan	85.6	113.0
7.	Dujiangyan 61.92 Mu (都江堰61.92畝)	Dujiangyan	61.9	427.2
8.	Qingbaijiang Qixingdao 51 Mu (青白江七星島51畝)	Qingbaijiang District	51.0	166.6
9.	Chongzhou 86 Mu (崇州86畝)	Chongzhou	86.0	288.0
10.	Cuiyue Lake 125 Mu (翠月湖125畝)	Dujiangyan	125.2	169.0
11.	Cuiyue Lake 153 Mu (翠月湖153畝)	Dujiangyan	153.3	208.4
12.	Qingbaijiang 96.81 Mu (青白江96.81畝)	Qingbaijiang District	96.8	271.1
13.	Qingbaijiang 97.13 Mu (青白江97.13畝)	Qingbaijiang District	97.1	326.3
14.	Xindu 139 Mu (新都139畝)	Xindu District	138.9	625.0
15.	Longquanyi 15.78 Mu (龍泉驛15.78畝)	Longquanyi District	15.8	373.3
16.	Longquanyi 22.88 Mu (龍泉驛22.88畝)	Longquanyi District	22.9	541.4
17.	Xiyuhe 66.4 Mu (西御河66.4畝)	Qingyang District	66.4	3,474.2
18.	Longquan 24 Mu (龍泉24畝)	Longquanyi District	23.9	321.3

No.	Land/Project	Location	Site area	Land transfer cost
			(Mu)	(RMB in million)
19.	Longquan 34 Mu (龍泉34畝)	Longquanyi District	33.9	511.3
20.	Longquanyi 63.26 Mu (龍泉驛63.26畝)	Longquanyi District	63.3	956.5
21.	Longquanyi 22.45 Mu (龍泉驛22.45畝)	Longquanyi District	22.4	335.2
22.	Longquanyi 36.15 Mu (龍泉驛36.15畝)	Longquanyi District	36.1	809.6
23.	Longquanyi 78.64 Mu (龍泉驛78.64畝)	Longquanyi District	78.6	1,848.4
24.	Longquanyi 65.94 Mu (龍泉驛65.94畝)	Longquanyi District	65.9	958.4
25	Yixin Lake 45 Mu (怡心湖45畝)	Shuangliu County	45.0	542.6
26.	Yixin Lake 85 Mu (怡心湖85畝)	Shuangliu County	85.0	1,020.5
Total.			**1,777.1**	**15,617.3**

Pharmaceutical and Healthcare

Overview

The Group commenced its pharmaceutical and healthcare business in 2019 after its acquisition of shares in Chase Sun (Stock Code: 300026). The Group produces a broad range of pharmaceutical products, spanning medicine formula granule, drug product, drug ingredients and excipients and medical equipment, while also providing medical services. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's pharmaceutical and healthcare business was RMB6,602.6 million, RMB6,024.5 million and RMB5,756.5 million, respectively, representing 3.1 per cent., 4.5 per cent. and 5.6 per cent. of the Group's operating revenue for the relevant periods. For the years ended 31 December 2022, 2023 and 2024, gross profit generated from the Group's pharmaceutical and healthcare business was RMB3,799.1 million, RMB3,280.6 million and RMB3,018.2 million, respectively, representing 13.6 per cent., 12.0 per cent. and 12.5 per cent. of the Group's total gross profit for the relevant periods.

Product Portfolio

Formula granule

The Group produces herbal formula granules through a subsidiary of Chase Sun, namely Beijing Tcmages Pharmaceutical Co., Ltd. (北京康仁堂藥業有限公司) ("**Beijing Tcmages**"), which specialises in research and production of herbal formula granules. Based on the theories of traditional Chinese medicine, Beijing Tcmages formulates the "full-composition" concept ("全成分"理論) and focuses on producing full-composition herbal formula granules, which provides more stable curative effect than traditional Chinese medicine.

Drug products

The Group produces drug products through Chase Sun. The drug products it manufactures include Xuebijing Injection (血必淨注射液), Fasudil Hydrochloride Injection (鹽酸法舒地爾注射液) and Low Molecular Weight Heparin Calcium Injection (低分子量肝素鈣注射液).

Drug ingredients and excipients

The Group also manufactures drug ingredients and excipients by Huzhou Zhanwang Pharmaceutical Co., Ltd. (湖州展望藥業有限公司) ("**Huzhou Zhanwang**") and Hubei Enoray Biopharmaceutical Co., Ltd. (湖北億諾瑞生物製藥有限公司) ("**Hubei Enoray**"), subsidiaries of Chase Sun, to downstream pharmaceutical manufacturers. Huzhou Zhanwang primarily produces hydroxypropyl methylcellulose (羥丙甲纖維素), hydroxypropyl cellulose (羥丙纖維素) and microcrystalline cellulose (微晶纖維素). Hubei Enoray primarily produces heparin and graded low-molecular-weight heparin (肝素和分級低分子肝素), which have obtained certificates issued by the Food and Drug Administration of the United States.

Medical equipment

In addition to pharmaceutical products and components, the Group also manufactures medical equipments, including pulse oximeter (脈搏血氧儀), pulse monitor (脈搏監護儀), electrocardiogram (ECG) tester (心電檢測儀), breathing exerciser (呼吸訓練器) and other innovative electronic medical devices, through Beijing Choice Electronic Tech Co., Ltd. (北京超思電子技術有限責任公司), a subsidiary of Chase Sun.

Medical services

The Group operates a traditional Chinese medicine clinic named Yizhentang (醫珍堂) and an online health management platform named Hongkang Cloud (紅康雲) to provide healthcare services. The Group also through its subsidiary has an investment and management platform in the healthcare, specializing in the investment and operation of traditional Chinese medicine healthcare services.

Banking

Overview

The Group commenced its banking business in 2021 after its acquisition of equity interest in Chengdu Rural Commercial Bank. Chengdu Rural Commercial Bank has a diverse portfolio of banking services and products including corporate banking, personal banking, investment activities, internet financial services and international banking services. Chengdu Rural Commercial Bank has historically conducted its business activities in Chengdu, and it gradually expands its business into other cities and counties in Sichuan province. As at 31 December 2024, Chengdu Rural Commercial Bank has one headquarter, 28 first-tier branches, and over 500 business outlets in Chengdu area. It has instituted 39 banks in rural areas in China, covering Shandong, Jiangsu, Fujian, Hebei, Sichuan and Yunnan provinces and Xinjiang autonomous region, among others. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's banking business was RMB29,395.2 million, RMB32,432.2 million and RMB33,580.0 million, respectively, representing 14.0 per cent., 24.1 per cent. and 32.7 per cent. of the Group's operating revenue for the relevant periods. For the years ended 31 December 2022, 2023 and 2024, gross profit generated from the Group's banking business was RMB13,560.0 million, RMB14,512.5 million and RMB15,386.9 million, respectively, representing 48.5 per cent., 52.9 per cent. and 63.6 per cent. of the Group's total gross profit for the relevant periods.

Product Portfolio

Corporate banking

Chengdu Rural Commercial Bank provides its corporate banking customers with diversified financial products and services, including corporate loans, corporate deposits, bill discounting, clearing and settlement, small and micro enterprises business and institutional banking business. Chengdu Rural Commercial Bank's major corporate banking customers include state-owned enterprises, private enterprises, governmental departments and other institutional customers in the PRC. Corporate loans have historically constituted a major component of Chengdu Rural Commercial Bank's loan portfolio. Chengdu Rural Commercial Bank provides loans to its corporate customers for a wide range of business purposes, including infrastructure development and construction in Chengdu. In line with the PRC Government's policy to support the development of small and micro enterprises, Chengdu Rural Commercial Bank has also diversified its financial services to cater to small and micro enterprises and seeks to provide professional, efficient and convenient financial services to small and micro enterprises.

Personal banking

Chengdu Rural Commercial Bank offers a wide range of products and services to individual customers, such as personal loans, personal deposits, personal wealth management business, debit cards and credit cards and other agency services. Chengdu Rural Commercial Bank's personal loans primarily include personal loans for residential and business mortgages, and loans for start-up companies. In recent years, as a result of the development of internet technology and online banking services, Chengdu Rural Commercial Bank has further improved its digital service offerings, simplified the application process for its banking cards and enhanced the functions and services of its card products to provide unique and innovative services to its customers.

Investment activities

Aligned with government policies and market trends, Chengdu Rural Commercial Bank strives to optimise its investment portfolio to mitigate risks relating to its investment activities. Chengdu Rural Commercial Bank primarily invests in bonds with high liquidity.

Internet financial services

Chengdu Rural Commercial Bank's internet financial services primarily consist of electronic banking services, operations of automatic teller machines, payment and settlement services and telephone banking services. In recent years, Chengdu Rural Commercial Bank has optimised the transaction process of self-service terminals and increased the amount of transactions through ATMs. In recent years, as electronic payment technology evolves, Chengdu Rural Commercial Bank has partnered with merchant customers, government authorities and educational institutions to provide efficient and convenient payment methods for its customers.

International banking services

Chengdu Rural Commercial Bank provides international settlement services to its customers in Renminbi and major foreign currencies. Chengdu Rural Commercial Bank is among the first group of banks in Sichuan province licensed to provide domestic and foreign currency exchange services.

Miscellaneous

The Group's miscellaneous business includes asset leasing, hotel and tourism, equipment leasing and sales, agricultural products trading and other businesses. For the years ended 31 December 2022, 2023 and 2024, operating revenue generated from the Group's miscellaneous business amounted to RMB11,164.8 million, RMB5,253.2 million and RMB3,059.4 million, respectively, representing 5.3 per cent., 3.9 per cent. and 3.0 per cent. of the Group's operating revenue for the relevant periods. For the years ended 31 December 2022, 2023 and 2024, gross profit generated from the Group's miscellaneous business amounted to RMB1,099.6 million, RMB1,294.4 million and RMB1,047.4 million, respectively, representing 3.9 per cent., 4.6 per cent. and 4.3 per cent. of the Group's total gross profit for the relevant periods.

Risk Management

The Group's risk management system covers different aspects of its operations, including strategic management, financial and capital management, asset management, investment management, connected transaction and information disclosure. To ensure compliance with regulatory requirements and to implement risk control measures to lower operational and investment risks, each department is well-informed of the Group's internal control and risk management policies. The Group's systematic approach has helped the Group manage risk in a disciplined manner.

Occupational Safety and Environmental Protection

The Group has adopted a comprehensive work safety system which is run by its main construction engineering department to ensure employee safety. The Group has established safety protocols and also implemented guidelines setting out the responsibilities of safety officers. The safety officer is involved in the planning and implementation of each project to ensure that safety targets are met and plays a key role in monitoring the effectiveness of the safety measures, educating project members on the safety requirements, handling any infractions, ensuring safety records are properly kept and managing onsite safety and emergency incidents. The Group believes that it has complied in all material respects with applicable safety regulations.

The Group is subject to environmental laws and regulations governing air pollution, noise emissions, hazardous substances, water and waste discharge and other environmental matters issued by governmental authorities in the PRC. The Group believes that it has complied in all material respects with applicable environmental laws and regulations. As at the date of this Offering Circular, the Group is not aware of any material environmental proceedings or investigations to which it might become a party.

Employees

As at 31 December 2024, the Group had approximately 24,000 employees.

The Group believes that its workforce is one of its most important assets and relies on its employees for its future success. The Group enjoys a good relationship with its employees and has not had any material turnover of staff or disruption to its business operations due to labour disputes. In order to equip the Group's employees with greater opportunities to enhance their work performance, the Group provides vocational training to its employees. The Group believes that its management has and will continue to maintain good relations with its employees.

Insurance

The Group is required to obtain contractors' all-risk and third-party liability insurance for most of the projects it undertakes. Such policies generally extend for the entire contract period, including the maintenance period following completion of the project. In addition, for its construction business, the Group generally purchases insurance for its fixed assets. The Group also purchases pension insurance, unemployment insurance and medical insurance for its employees according to applicable PRC laws and regulations.

The Group believes it maintains adequate insurance coverage for its operations and that the scope of the coverage is in line with industry norms. However, there are certain risks for which the Group is not insured, and it may not have sufficient insurance coverage for damages and liabilities that may arise in the course of the Group's business operations. See "*Risk Factors – Risks Relating to the Group's Business – The insurance coverage of the Group may not adequately protect it against all operational risks*".

Legal Proceedings and Regulatory Compliance

From time to time, the Group may be involved in legal proceedings or other disputes in the ordinary course of business. As at the date of this Offering Circular, the Group is not aware of any legal proceedings, claims or disputes currently existing or pending against it that may have a material adverse effect on its business or results of operations and financial condition.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors

As at the date of this Offering Circular, the Issuer's board of directors (the "**Board**") is comprised of eight members, including the chairman, two vice chairmen and five directors. The members of the Board, except for the employee representative director, are appointed and removed by the Chengdu SASAC. The Board reports to the Chengdu SASAC and are primarily responsible for establishing and implementing the Issuer's strategic development and management plans, formulating the Issuer's annual financial budget plans and major financing plans, appointing and removing the Issuer's general manager and financial principals, deciding the Issuer's corporate structure, financial affairs and other major matters of the Issuer. The following table sets forth the Issuer's directors as at the date of this Offering Circular:

Name	Year of Birth	Position
Li Benwen (李本文)	1966	Chairman of the Board
Chen Dayong (陳大用)	1974	Vice Chairman of the Board and General Manager
Li Dingkui (李定葵)	1973	Vice Chairman of the Board
Song Yan (宋焰)	1973	Employee Representative Director
Zhao Hai (趙海)	1969	Independent Director
Zhang Tianjin (張天勁)	1966	Independent Director
Xiang Jie (向傑)	1966	Independent Director
Deng Tao (鄧濤)	1962	Independent Director

Mr. Li Benwen (李本文) has been the chairman of the Board since September 2023. Mr. Li previously served as a staff member and the director of the business section of Family Planning Commission of Shuangliu County (雙流縣計劃生育委員會), an assistant to the director of Jinqiao Town (金橋鎮) and the director of the Party Committee Office of Jinqiao Town, a member of the Party Leadership Group, an assistant to the director and a deputy director of Family Planning Commission of Shuangliu County, a member of the Party Leadership Group, a deputy director, the secretary of the Party Leadership Group and the director of Family Planning Bureau of Shuangliu County (雙流縣計劃生育局), the Party Committee secretary and the chairman of the People's Congress of Zhonghe Town (中和鎮), the Party Committee secretary and chairman of the board of directors of Chengdu Xingrong Group Co., Ltd. (成都市興蓉集團有限公司), the Party Committee secretary and chairman of the board of directors of Chengdu Environment Group Co., Ltd. (成都環境集團有限公司), the Party Committee secretary and director of Chengdu SASAC, the executive deputy secretary and the secretary of Working Committee for Party Affairs of State-Owned Enterprises of the Chengdu Municipal Committee (成都市委國資國企工委). He holds a postgraduate degree.

Mr. Chen Dayong (陳大用) has been the vice chairman of the Board since February 2024. Mr. Chen previously served as an assistant engineer of the Airport Expressway Project Construction Quarters (機場高速公路工程建設指揮部), an assistant engineer of the Chengguan Expressway Project Construction Quarters (成灌高速公路工程建設指揮部), an assistant engineer of the Ring Expressway (West Section) Project Construction Quarters (繞城高速公路(西段)工程建設指揮部), an engineer, a deputy director of the traffic engineering department, the director of the monitoring centre and an assistant to the general manager of the Chengwenqiong Expressway Project Construction Quarters (成溫邛高速公路工程建設指揮部), the director of the contract management department, the director of the investment development department and a deputy general manager of Chengdu Communications Investment Group Co., Ltd. (成都交通投資集團有限公司), a member of the Standing Committee of Jintang County Party Committee (金堂縣縣委常委), a deputy secretary of the Party Group of the county government and a deputy director of Jintang County (金堂縣), the Deputy Party Committee secretary, a director and the general manager of Chengdu Environment Investment Group Co., Ltd. (成都環境投資集團有限公司), the deputy secretary of Dayi County Party Committee (大邑縣縣委) and a deputy director and the director of Dayi County (大邑縣). He holds a master's degree.

Mr. Li Dingkui (李定葵) has been the vice chairman of the Board since December 2023. Mr. Li previously served as a deputy director of the diversion design office of Chengdu Hydroelectric Investigation & Design Institute of State Power Corporation of China (國家電力公司成都勘測設計研究院導流設計室), an assistant to the director, a member of the Party Leadership Group and a deputy director of the Planning Bureau of Wenjiang District in Chengdu (成都市溫江區規劃局), a member of the Party Leadership Group, the deputy director and the director of Planning Administration Bureau (Surveying and Mapping Management Office) of Wenjiang District, Chengdu (成都市溫江區規劃管理局(測繪管理辦公室)), a deputy director of General Office of Wenjiang District Committee in Chengdu (中共成都市溫江區委辦公室), a member of the Party Leadership Group and a deputy director of General Office of Wenjiang District People's Government in Chengdu (成都市溫江區人民政府辦公室), the secretary of the Party Leadership Group and the director of the Planning Administration Bureau (Surveying and Mapping Management Office) of Wenjiang District in Chengdu (成都市溫江區規劃管理局(測繪管理辦公室)), a deputy general manager of Chengdu Metro Co., Ltd. (成都地鐵有限責任公司), a deputy general manager of Chengdu Rail Transit Group Co., Ltd. (成都軌道交通集團有限公司), a deputy general manager of Chengdu Xingrong Group Co., Ltd. (成都興蓉集團有限公司), a deputy general manager of Chengdu Environment Group (成都環境集團), a member of the Party Leadership Group and a deputy director of Chengdu Park Urban Construction Administration Bureau (成都市公園城市建設管理局) and a deputy director of Chengdu Emergency Management Bureau (成都市應急局). He currently also serves as a director and the chairman of the board of directors of Chengdu Construction. He holds a postgraduate degree and is qualified as an electrical engineering technician engineer and a certified urban planner.

Ms. Song Yan (宋焰) has been an employee director of the Issuer since April 2023. Ms. Song previously served as a staff member of the Party Committee Office of Sansheng Subdistrict of Jinjiang District in Chengdu (成都市錦江區三聖鄉黨委辦公室), a staff member of the information section of General Office of Jinjiang District Committee in Chengdu (成都市錦江區委辦公室), an associate section chief, a section chief, a deputy director, an investigator and the director of the organization and personnel division of General Office of Chengdu Municipal Committee (成都市委辦公廳) and the director of the third division of General Office of Chengdu Municipal Committee (成都市委辦公廳綜合三處). She holds a bachelor's degree and is qualified as a senior political worker.

Mr. Zhao Hai (趙海) has been an independent director of the Issuer since June 2022. Mr. Zhao previously served as a section chief and a deputy section chief of the secretariat section of President's Office of Sichuan University (四川大學校長辦公室), a deputy director of the general office and the director of the policy research office of Wenjiang District Committee in Chengdu (成都市溫江區委), the director and the secretary of the Party Leadership Group of Convention and Exhibition Industry Development Office of Wenjiang District in Chengdu (成都市溫江區會展業發展辦公室), the director of the policy and regulations division of Chengdu SASAC, the chairman of board of directors and the general manager of Chengdu Dingli Asset Management Co., Ltd. (成都鼎立資產經營管理有限公司), a member of the Party Committee and a deputy general manager of Chengdu Investment Holding Group Co., Ltd. (成都投資控股集團有限公司), the chairman of board of directors of Chengdu United Assets and Equity Exchange (成都聯合產權交易所), the deputy secretary of the Party Committee and the secretary of the Commission for Discipline Inspection, a deputy general manager and the chairman of the board of supervisors of Chengdu Investment Holding Group Co., Ltd. (成都投資控股集團有限公司), a member of the Party Committee, a deputy general manager, a director and the general manager of Chengdu Investment Holding Group Co., Ltd., a member of the Party Committee, the deputy secretary of the Party Committee, a director and the general manager of Chengdu Financial Holding Group Co., Ltd. (成都金融控股集團有限公司), a director and senior specialist of Bank of Chengdu Co., Ltd. (成都銀行) and an external director of Chengdu Industry Investment Group Co., Ltd. (成都產業投資集團有限公司). He holds a postgraduate degree.

Mr. Zhang Tianjin (張天勁) has been an independent director of the Issuer since June 2025. Mr. Zhang previously served as a staff member, the deputy director, the director of the information section and the deputy director of the policy research office of Wuhou District Party Committee in Chengdu (成都市武侯區委辦公室), a deputy secretary of the Party Working Committee, the director of the general office, the secretary of the Party Working Committee and the director of the Working Committee of the People's Congress of Jiangxi Street Subdistrict Party Working Committee of Wuhou District in Chengdu (成都市武侯區漿洗街街道), the secretary and director of the Party Working Committee of Education Bureau of

Wuhou District in Chengdu (成都市武侯區教育局黨工委), a staff member and the director of the publicity department of the Standing Party Committee of Wuhou District Party Committee in Chengdu (成都市武侯區委常委), the deputy director of Wuhou District and a deputy general manager and a member of the Party Committee of Chengdu Urban Construction Investment & Management Group Co., Ltd. (成都城投集團有限公司). He holds a bachelor's degree and is qualified as a first-grade teacher.

Mr. Xiang Jie (向傑) has been an independent director of the Issuer since June 2025. Mr. Xiang previously served as a staff member, an associate section chief, a section chief, the director of the construction land section, a member of the Party Group and a deputy director of the Land Bureau of Chenghua District in Chengdu (成都市成華區國土局), the director and Party Branch secretary of Chengdu Land Acquisition Affairs Centre (成都市徵地事務中心), the secretary of the Party Group and director of the Jinniu Branch of the Chengdu Municipal Bureau of Land and Resources (成都市國土資源局金牛分局), a deputy general manager of Chengdu Urban Construction Investment & Management Group Co., Ltd. (成都城建投資管理集團有限責任公司) and a deputy general manager of Chengdu Industry Investment Group Co., Ltd. (成都產業集團有限公司). He holds a bachelor's degree.

Mr. Deng Tao (鄧濤) has been an independent director of the Issuer since November 2024. Mr. Deng previously served as an officer of the People's Armed Forces Department of Beichuan County in Sichuan Province (四川省北川縣武裝部), an officer and a deputy officer of the organization division of the Political Department of Mianyang Military Sub-Command (綿陽軍分區政治部), a staff member of Sichuan Mianyang Economic Information Centre (四川省綿陽市經濟資訊中心), an associate section chief of the organization division of Political Department of Sichuan Provincial Planning and Economic Commission (四川省計經委政治部組織處), a section chief and a deputy director of the organization division of Political Department of Sichuan Provincial Economic and Trade Commission (四川省經貿委政治部), a deputy factory director of Yibin Factory 799 (宜賓799廠), the director of the organization division of Political Department of Sichuan Provincial Economic and Trade Commission, a deputy director of the organization department of Sichuan Provincial Party Committee Enterprise Work Commission (四川省委企業工作委員會), the director of the party building division of Sichuan Provincial State-owned Assets Supervision and Administration Commission (四川省國資委黨建), the director of the organization department of the Party Committee of Sichuan State-owned Assets Supervision and Administration Commission (四川省國資委), the Party Committee secretary and deputy director of Sichuan Institute of Industrial Antibiotics of China National Pharmaceutical Group Corporation (中國醫藥集團總公司四川抗菌素工業研究所), a deputy director of the Management Committee of Sichuan Institute of Industrial Antibiotics (四川抗菌素工業研究所管理委員會), a deputy general manager of Chengdu Urban-Rural Commerce, Trade and Logistics Development Investment (Group) Co., Ltd. (成都城鄉商貿物流發展投資(集團)有限公司), a member of the Party Committee and a deputy general manager of Chengdu Urban-Rural Commerce, Trade and Logistics Development Investment (Group) Co., Ltd., an external director of Chengdu Xingrong Group Co., Ltd. (成都市興蓉集團有限公司), an external director of Chengdu Environment Investment Group Co., Ltd. (成都環境投資集團有限公司) and an external director of Chengdu Public Transport Group Co., Ltd. (成都市公共交通集團有限公司). He holds a postgraduate degree.

Supervisors

As at the date of this Offering Circular, according to the articles of association, the Issuer's does not have a board of supervisors or independent supervisors. The audit and risk control committee and internal audit institutions established under the board of directors exercise the duties of the board of supervisors.

Senior Management

The Issuer currently has one general manager, who is responsible for overseeing the day-to-day management of the Issuer's business and operations. The general manager is appointed by the board of directors, is accountable to the board of directors, and performs his duties pursuant to the Issuer's articles of association and the board of directors' authorisation. The following table sets forth the Issuer's senior management as at the date of this Offering Circular:

Name	Year of Birth	Position
Chen Dayong (陳大用).....	1974	Vice Chairman of the Board and General Manager
Zhang Hang (張航).....	1976	Deputy General Manager
Wen Changgen (文長根).....	1979	Deputy General Manager
Xue Yuan (薛淵).....	1977	Deputy General Manager
Yuan Yuan (袁媛).....	1977	Deputy General Manager
Yin Zhidong (尹志東).....	1978	Deputy General Manager

Mr. Chen Dayong (陳大用) has been the vice chairman of the Board since February 2024. For Mr. Chen's biography, see "– *Directors*".

Ms. Zhang Hang (張航) has been a deputy general manager of the Issuer since December 2017. Ms. Zhang previously served as a cashier in Chengdu No. 9 Construction Engineering Co., Ltd. (成都市第九建築工程公司) ("**Chengdu No. 9 Construction**"), an accountant and a secretary of the Joint Party Committee of the water and electricity branch of Chengdu No. 9 Construction, a standing deputy manager and a secretary of the Joint Party Committee of the decoration branch of Chengdu No. 9 Construction, a deputy secretary of the Party Committee, the secretary of the commission for discipline and inspection, the chairman of labour union, the secretary of the Party Committee, a deputy general manager and the general manager of Chengdu No.9 Construction. She holds a bachelor's degree, and is qualified as a senior economist and a senior political worker.

Mr. Wen Changgen (文長根) has been a deputy general manager of the Issuer since December 2024. Mr. Wen previously served as a staff member of Party and Government Office of Xinglong Town in Longquanyi District of Chengdu (成都市龍泉驛區興龍鎮黨政辦公室), a staff member, an officer, an associate section chief, a deputy head of the secretariat section and the head of the secretariat section of General Office of Longquanyi District Committee in Chengdu (成都市龍泉驛區委辦), a deputy secretary of the Party Committee, a deputy head of the town government and a deputy director of the subdistrict office of Xihe Town of Longquanyi District in Chengdu (成都市龍泉驛區西河鎮), a member of the Party Leadership Group and a deputy director of the Commerce Bureau of Longquanyi District in Chengdu (成都市龍泉驛區商務局), the director of the coordination committee of Longquanyi District in Chengdu, the secretary of the Party Leadership Group and the director of the water bureau of Longquanyi District in Chengdu, the Party Committee secretary of Xihe Town of Longquanyi District in Chengdu, the secretary of the Party Leadership Group and the director of the Development and Reform Bureau of Chengdu Economic Development Zone (成都經開區發改局), the director of the Grain and Reserves Bureau of Chengdu Economic Development Zone (成都經開區糧食和儲備局), the secretary of the Party Leadership Group and the director of the Regional Cooperation Bureau of Chengdu Economic Development Zone (成都經開區區域合作局), the Party Committee secretary and the chairman of the board of directors of Chengdu Jingkai Development Group Co., Ltd. (成都經開發展集團公司), and the Party Committee secretary, the chairman of the board of directors and the general manager of Chengdu Jingkai State-owned Investment Group Co., Ltd. (成都經開國投集團公司). He holds a master's degree in public administration.

Mr. Xue Yuan (薛淵) has been a deputy general manager of the Issuer since December 2024. Mr. Xue previously worked at China State Construction Engineering Corporation (中國建築工程總公司), Chengdu Vanke Real Estate Co., Ltd. (成都萬科房地產有限公司), Chengdu Heneng Real Estate Co., Ltd. (成都合能房地產有限公司) and Chengdu Xingguanghua Urban Construction Co., Ltd. (成都市興光華城市建設有限公司). He previously served as a deputy general manager of Chengdu Runhong Real Estate Development Co., Ltd. (成都市潤弘房產開發有限公司), a member of the Party Committee and a deputy director of Deyuan

Town of Pixian County in Sichuan (四川省郫縣德源鎮), a member of the Party Leadership Group and a deputy director of the Transport Bureau of Pidu District in Chengdu (成都市郫都區交通運輸局), the Party Committee secretary and general manager of Chengdu Xihui Urban Construction Co., Ltd. (成都市西匯城市建設有限公司) and the Party Committee secretary and the chairman of the board of directors of Chengdu Xisheng Group Co., Ltd. (成都市西盛集團公司). He holds a master's degree in science.

Ms. Yuan Yuan (袁媛) has been a deputy general manager of the Issuer since December 2023. Ms. Yuan previously served as an asset and tax operations specialist, a senior operations supervisor and the deputy head of the finance department of Sichuan Chengfa Aero Science and Technology Co., Ltd. (四川成發航空科技股份有限公司), an audit operations specialist in the audit department of Sichuan Chengfa Aero Science and Technology Co., Ltd., the finance manager of Plant No. 1 of Sichuan Chengfa Aero Science and Technology Co., Ltd. (四川成發航空科技股份有限公司一廠), a deputy head of the finance department of Chengdu Industrial Investment Group Co., Ltd. (成都工業投資集團有限公司), the head of the financial management department and the head of the capital department of Chengdu Industrial Investment Group Co., Ltd. and the chief accountant of Chengdu Urban Construction Investment and Management Group Co., Ltd. (成都城建投資管理集團有限責任公司). She holds a postgraduate degree and is qualified as a senior accountant.

Mr. Yin Zhidong (尹志東) is currently a deputy general manager of the Issuer. Mr. Yin previously served as a staff member, an officer, a deputy principal staff member, a deputy head and the head of the First Secretariat Section, and the head of the Second Secretariat Section of the General Office of Chenghua District Government in Chengdu (成都市成華區政府辦), a member and a deputy director of the Party Leadership Group of the Commerce Bureau of Chenghua District in Chengdu (成都市成華區商務局), Standing Committee member of the Chenghua District Commission for Discipline Inspection in Chengdu (成都市成華區紀委), deputy director of the Supervision Bureau (監察局), the manager of Chenghua District Modern Service Industry Investment Management Service Center (Construction Road Traffic Circle Construction Promotion Office) (成都市成華區現代服務業投資管理服務中心(建設路商圈建設推進辦公室)), the executive director and general manager of Chengdu Dongfang Guangyi Investment Co., Ltd. (成都東方廣益投資有限公司), the member, the secretary and the manager of the Party Committee of the Government Office of Chenghua District in Chengdu (成都市成華區政府辦黨組), the manager of the General Office of Chenghua District Committee in Chengdu (成都市成華區委辦), the manager of the Foreign Affairs Office of the District Government (區政府外事辦), the director of the Archives Bureau of Chenghua District (區檔案局), the manager of the Chengdu Panda Reproduction Research Base (成都大熊猫繁育研究) and the deputy manager of Chengdu Panda International Tourism Resort (Chengdu Panda Base Scenic Area) Management Committee (熊貓國際旅遊度假區(成都市熊貓基地景區管委會)). He holds a postgraduate degree.

Corporate Governance

The Issuer has established and implemented an effective corporate governance structure. It has set up the departments at the headquarter level, namely the (1) Organisation and Human Resources Department, (2) Discipline, Inspection and Supervision Department, (3) General Office of the Board of Directors, (4) Party Committee Office, (5) Finance Department, (6) Auditing Department, (7) Legal and Risk Control Department, (8) Investment and Development Department, (9) Technology Innovation Department, (10) Operation Management Department and (11) Project Management Department. The primary duties of these 10 departments are set forth as follows:

Organisation and Human Resources Department is primarily responsible for recruiting and promoting employees, formulating the Group's human resources strategic plan, salary management plan and staff assessment method, managing the Group's employment contracts and relevant files of its employees, processing the employees' social security affairs and making payment of housing provident funds for its employees, formulating the Group's annuity plan, assisting the compensation and assessment committee of the board of directors of the Issuer in carrying out its work, managing the employee's international travels, managing the employee's retirement, etc.

Discipline, Inspection and Supervision Department is primarily responsible for inspecting the Issuer and its subsidiaries in observing the applicable laws and regulations, establishing the penalty system within the Group to prevent the risks relating to corruption, organising educational activities regarding anti-corruption, managing the complaint letters and visits, processing the appeals from the Group's management or Party members, establishing the inspection and supervision team in the Group, handling daily secretarial works, organising conference, maintaining the confidentiality policies and managing seals and files for the Group's discipline and inspection committee, etc.

General Office of the Board of Directors is primarily responsible for carrying out the daily work of the Issuer's board of directors, communicating with directors and assisting the chairman of the board of directors in dealing with daily works, preparing the documents to be submitted to the board of directors and the shareholder, organising the meetings for the board of directors, formulating the relevant policies of the board of directors, preparing amendments to the Issuer's articles of association, assisting the strategy and investment committee of the board of directors in formulating the Group's development plan, handling the Group's daily legal affairs, managing the usage of the special funds for the board of directors of the Group, evaluating the resolution and decision made by the board of directors and reporting to the chairman of board of directors regularly, etc.

Party Committee Office is primarily responsible for implementing Communist Party policies and higher-level decisions, formulating relevant systems and work plans, managing daily Party affairs and implementing Party building responsibilities, executing strict Party self-governance duties, organizing Party meetings and inspection-related work, overseeing ideological education and publicity, managing Party organizational development and membership, administering Party commendations, united front, and youth league work, coordinating social responsibility initiatives, maintaining official seals, and performing other assigned duties, etc.

Finance Department is primarily responsible for formulating the Group's financing plan, managing the Group's financing and guarantee activities, managing the Group's funds, preparing and managing annual budget of the Issuer, preparing the final financial accounts for the Group's completed projects, managing daily financial accounts and preparing financial statements, participating in internal control and risk management, participating in researches and operation of the Group's material investment or financing plans, etc.

Auditing Department is primarily responsible for performing audit of the Group under the supervision of state-owned assets management authorities, national audit authorities and the auditing committee of the board of directors of the Issuer, assisting the auditing committee of the board of directors to reviewing the Group's audit policies and financial information, formulating the internal auditing policies and management guidelines, communicating with external auditors regarding engagement and cooperation, preparing annual auditing work plan and submit to the auditing committee of the board of directors of the Issuer, performing audit of the Group's annual salary payment, guiding and evaluating the internal auditing work of the Issuer's subsidiaries, etc.

Legal and Risk Control Department is primarily responsible for implementing relevant laws and regulations while formulating the Group's management systems, overseeing legal affairs, contracts, procurement, and the risk control and compliance framework, conducting legal research and analysis, establishing compliance systems and conducting legality reviews and risk assessments for major investments, managing material contracts and subsidiaries' contract filings, and handling centralised procurement and bidding or tendering activities, etc.

Investment and Development Department is primarily responsible for preparing the Group's annual investment and development plan, formulating the Group's domestic investment management policies, investment project management policies and offshore business development policies, attracting investments and managing the external investment and cooperation, proposing investment projects and conducting relevant review and filing, managing the Issuer's indirect subsidiaries, supervising and inspecting the overseas projects and operations, managing the listing matters of the Issuer's subsidiaries, assisting the strategy and investment committee of the board of directors, etc.

Technology Innovation Department is primarily responsible for implementing relevant laws and regulations while formulating Group's management systems and technical standards, managing innovation projects, intellectual property and technical collaborations, overseeing technology introduction, process upgrades and equipment replacement, coordinating territorial spatial planning and urban design adjustments, reviewing technical proposals for construction projects, maintaining technical expert databases, and performing other assigned duties, etc.

Operation Management Department is primarily responsible for overseeing annual production and operation processes including task supervision and performance analysis, managing asset evaluation filings, leasing, disposal, and transfers, coordinating fixed-asset management and digital systems, handling state-owned property registrations, setting and monitoring project construction and safety targets, and reviewing major project variations and filings, etc.

Project Management Department is primarily responsible for establishing and updating the Group's project management systems. It sets annual project targets and monitors implementation, tracks milestones and issues early warnings, analyzes schedule, cost, quality, safety, compliance and output, leads safety management and emergency response, and guides subsidiaries on safety and progress and oversees investigations, etc. It administers change management and review meetings, conducts post-project evaluations to capture lessons learned and promote best practices, oversees cost control and related estimates and budgets, coordinates internal and external project matters including dispute resolution and resource allocation, participates in pre-investment evaluations, manages project archives, and provides system-wide guidance, supervision and assessments, etc.

PRC REGULATIONS

This section summarises the principal PRC laws and regulations which are relevant to the Group's businesses and operations. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations which are relevant to the Group's businesses and operations.

The PRC Legal System

The PRC legal system is based on the PRC Constitution (中華人民共和國憲法) and is made up of written laws, regulations, directives and local laws, laws of Special Administrative Regions 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 (the "**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. In the event that a conflict arises, the Standing Committee of the NPC has the power to annul such administrative rules, regulations, directives and orders.

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.

The PRC Constitution vests the power to interpret laws in the Standing Committee of the NPC. The Supreme People's Court, in addition to its power to give general interpretation on the application of laws in judicial proceedings, also has the power to interpret specific cases. The State Council and its ministries and commissions are also vested with the power to interpret rules and regulations that they have promulgated. At the regional level, the power to interpret regional rules and regulations is vested in the regional legislative and administrative bodies which promulgated such laws.

The PRC Judicial System

Under the PRC Constitution and Organic Law of the People's Courts (中華人民共和國人民法院組織法), the judicial system is made up of the Supreme People's Court, the local courts and other special courts.

The local courts are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The primary people's courts are organised into civil, criminal, economic, administrative and other divisions. The intermediate courts are organised into divisions similar to those of the primary people's courts, and are further organised into other special divisions, such as the intellectual property division. The higher level courts supervise the primary and intermediate people's courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the administration of justice by all other courts.

The courts employ a two-tier appellate system. A party may appeal against a judgment or order of a local court to the court at the next higher level. Second judgments or orders given at the next higher level and the first judgments or orders given by the Supreme People's Court are final. First judgments or orders of the Supreme People's Court are also final. If, however, the Supreme People's Court or a court at a higher level finds an error in a judgment which has been given by any court at a lower level, or the president of a court finds an error in a judgment which has been given in the court over which he presides, the case may then be retried in accordance with the judicial supervision procedures.

The Civil Procedure Law of the PRC (中華人民共和國民事訴訟法), which was adopted on 9 April 1991 and last amended on 1 September 2023, sets forth the criteria for instituting a civil action, the jurisdiction of the courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. Generally, a civil case is initially heard by a local court of the municipality or province in which the defendant resides. The parties to a contract may, by express agreement, select a jurisdiction where civil actions may be brought, provided that the jurisdiction is either the plaintiff's or the defendant's place of residence, the place of execution or implementation of the contract or the place of the object of the contract. However, such selection cannot violate the stipulations of grade jurisdiction and exclusive jurisdiction in any case.

A foreign individual or enterprise generally has the same litigation rights and obligations as a citizen or legal person of the PRC. If a foreign country's judicial system limits the litigation rights of PRC citizens and enterprises, the PRC courts may apply the same limitations to the citizens and enterprises of that foreign country within the PRC. If any party to a civil action refuses to comply with a judgment or order made by a court or an award granted by an arbitration panel in the PRC, the aggrieved party may apply to the court to request for enforcement of the judgment, order or award. The time limit imposed on the right to apply for such enforcement is two years calculated from the last day of the enforcement period stipulated in the judgment by the court. If a person fails to satisfy a judgment made by the court within the stipulated time, the court will, upon application by either party, mandatorily enforce the judgment.

A party seeking to enforce a judgment 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 judgment or order. A foreign judgment 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 judgment or ruling satisfies the court's examination in accordance with the principle of reciprocity, unless the court finds that the recognition or enforcement of such judgment 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.

Main Regulatory Authorities and Contents of Supervision

China's building and construction industry implements a regulatory system with the combination of comprehensive supervision and professional supervision. Government supervision over the building and construction industry mainly includes three aspects: the management on the competency and qualification of market players, the whole process management on the construction projects, and the management on the economic and technical standards of construction projects. The main regulatory authorities include:

- Ministry of Housing and Urban-Rural Development of the People's Republic of China ("**MOHURD**") (formerly Ministry of Construction of the People's Republic of China, "**MOC**") and the competent local departments of MOHURD at various levels are responsible for the comprehensive supervision over the construction industry as well as the real estate development qualifications. Such management mainly includes: management on the competency and qualification of market players, approval and verification of the qualifications of various construction enterprises for access to market, examination and approval of occupational qualifications of individuals in the construction industry, supervision over and management on construction projects, and establishment of industrial standards, etc.

- Ministry of Transport of the People's Republic of China ("**MOT**") and the competent local departments of MOT at various levels are responsible for the construction projects of ports and highways nationwide.

- National Railway Administration of the People's Republic of China (formerly Ministry of Railways, "**MOR**") and the competent local departments of MOR at various levels are responsible for the railway construction projects nationwide. NDRC and the local development and reform commissions at various levels are responsible for the investment planning, examination and approval of city infrastructure construction projects.

- Ministry of Ecology and Environment of the People's Republic of China ("**MEE**", formerly Ministry of Environmental Protection of the People's Republic of China and State Environmental Protection Administration, "**SEPA**") and the competent local departments of environmental protection at various levels are responsible for the environmental protection management of construction projects.

Regulation on Fiscal Debts of Local Governments

In accordance with Guidance on Further Strengthening Adjustment of Credit Structure to Promote Fast and Smooth Development of National Economy (中國人民銀行、中國銀行業監督管理委員會關於進一步加強信貸結構調整促進國民經濟平穩較快發展的指導意見) issued jointly by PBOC and CBRC in March 2009, local governments are encouraged to establish financing platforms to issue financing instruments such as enterprise bonds and medium term notes. In order to strengthen the management of financing platforms and effectively prevent fiscal financial risks, the Notice on Strengthening Management of Financing Platform of Local Government (國務院關於加強地方政府融資平台公司管理有關問題的通知) ("**Circular 19**") and the Notice on Further Regulating Issuance of Bonds by Financing Platform of Local Government (國家發展改革委辦公廳關於進一步規範地方政府投融資平台公司發行債券行為有關問題的通知) ("**Circular 2881**") were separately promulgated in June 2010 and November 2010. In accordance with Circular 19, all levels of local governments shall clear up the debts of their respective financing platforms. In accordance with Circular 2881, the level of indebtedness of local governments will impact a financing platform's issuance of enterprise bonds. In July 2021, the CBIRC issued the Guidelines for Banking and Insurance Institutions to Further Prevent and Defuse the Risks of Implicit Local Government Debt (銀行保險機構進一步做好地方政府隱性債務風險防範化解工作的指導意見) ("**Circular 15**"), which provides that the banks and insurance institutions shall not increase any new local government implicit debt in any form.

In September 2014, the State Council released Circular 43. Circular 43 aims at regulating the financing system of local government and three channels are presented. In accordance with Circular 43, financing platforms shall no longer serve the fiscal financing functions nor incur new government debts. Public interest projects may be funded by the government through issuing government bonds, since the Budget Law of the PRC (中華人民共和國預算法), which took effect on 1 January 1995 and was last modified in 2018, empowers local governments to issue government bonds, and public interest projects with income generated, such as city infrastructure construction, may be operated independently by social investors or jointly by the government and social investors through the establishment of special purpose companies. Social investors or such special purpose companies shall invest in accordance with market-oriented principles and may be funded by, among other market-oriented approaches, bank loans, enterprise bonds, project revenue bonds and asset-backed securitisation. Social investors or the special purpose companies shall bear the obligation to pay off such debts and the government shall not be liable for any of the social investors' or special purpose companies' debts. Circular 43 also sets forth the general principles of dealing with existing debts of financing platforms. Based on the auditing results of such debts run by the local governments, the existing debts that should be repaid by the local governments shall be identified, reported to State Council for approval, and then included in the budget plan of local governments.

On 11 May 2015, Opinion on the Proper Solution of the Follow-up Financing Issues for Projects under Construction of Financing Platform of Local Governments issued jointly by the Ministry of Finance of the PRC, PBOC and the CBRC (財政部人民銀行銀監會關於妥善解決地方政府融資平台公司在建項目後續融資問題的意見) ("**Circular 40**") was promulgated by the General Office of the State Council of the PRC. In accordance with Circular 40, local governments at all levels and banking financial institutions shall properly deal with follow-up financing issues for projects under construction of financing platform companies. Projects under construction refer to projects that have started construction upon the completion of examination, approval or filing procedures in accordance with relevant regulations by competent investment authorities before the date when the Circular 43 was promulgated.

The key tasks of local governments and banking financial institutions are as follows:

- Support stock financing needs for projects under construction. Local governments at all levels and banking financial institutions shall ensure the orderly development of projects under construction. For the loans to the projects under construction of financing platform companies, if the loan contracts with legal effect have been signed before 31 December 2014 and the loans have been granted but the contracts have not yet expired, banking financial institutions shall, under the premise of fully controlling risks and implementing credit conditions, continue to grant loans as agreed in the contracts, and shall not blindly call in loans in advance, delay or suspend the granting of loans.

- Regulate increment financing for projects under construction. Local governments at all levels shall pay close attention to the incremental financing needs which are expected to be given fiscal support for the projects under construction of the financing platform companies, and shall, under the premise of compliance with laws and regulations and standard administration, make overall arrangements for various kinds of capitals such as fiscal capital and social capital and ensure the continuation and completion of projects under construction. For the projects under construction of financing platform companies for which the loan amount in the contracts that have been signed fails to meet the construction needs, if it is suitable for them to adopt a government and social capital cooperation mode, they shall prioritise such mode to make up the needs. And if they are in compliance with the relevant state provisions without any other funding sources for construction, but temporarily the government and social capital cooperation mode is not suitable, the incremental financing needs shall be incorporated into government budget management and solved through issuing government bonds by local governments as required by laws and relevant regulations.

- Administer in an effective and proper manner follow-up financing for projects under construction. Banking financial institutions shall carefully check the destinations of the loans, and focus on supporting the projects under construction of financing platform companies, such as farmland water conservancy facilities, affordable housing projects and urban railway systems.

- Improve supporting measures. Under the premise of ensuring fiscal expenditure needs, in the regions where there are corresponding amounts of government bonds issuance and where the treasury balances exceed the treasury payment for one and a half months, the local financial departments are allowed to, within the limit of the amount of government bonds issuance, make more efforts to effectively use the stock of fiscal funds in the previous years and use the surplus amount of the treasury for capital flow before government bond issuance, so as to address the time difference between the financing for projects under construction and government bonds issuance.

On 26 April 2017, the MOF, the NDRC, the Ministry of Justice, the PBOC, the CBRC and the China Securities Regulatory Commission jointly issued the Circular on Further Regulating the Debt Financing Behaviors of Local Government (財政部、發展改革委、司法部、人民銀行、銀監會、證監會關於進一步規範地方政府舉債融資行為的通知) ("**Circular 50**"). Circular 50 reaffirmed that local government debts shall only be incurred through the issuance of local government bonds within the quota approved by the State Council, and the local governments and their departments are not permitted to use any other means for debt financing.

On 11 May 2018, the NDRC and the MOF jointly issued the Circular of the National Development and Reform Commission and the Ministry of Finance on Improving the Market Restraint Mechanism and Taking Strict Precautions against Foreign Debt Risks and Local Debt Risks (國家發展改革委、財務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通知) ("**Circular 706**"). According to Circular 706, any enterprise that intends to incur medium and long-term foreign debt is prohibited to include public schools, public hospitals, public cultural facilities, parks, public squares, office buildings of government departments and public institutions, municipal roads, non-toll roads, non-operating water conservancy facilities, pipe network facilities, other public assets and the land use rights of reserve land in its assets.

Regulation on the Issuance of Foreign Bonds

On 14 September 2015, the NDRC issued the NDRC Circular, which became effective on the same day. In order to encourage the use of low-cost capital in the international capital markets in promoting investment and steady growth and to facilitate cross-border financing, the NDRC Circular abolished the case-by-case quota review and approval system for the issuance of foreign debts by PRC enterprises. The NDRC issued the Order 56 on 5 January 2023, which came into effect from 10 February 2023 and replaced the NDRC Circular. For the purposes of the Order 56, the medium- and long-term foreign debts of enterprises mentioned in the Order 56 refer to debt instruments with a tenor of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas companies or branches controlled by them, denominated in local or foreign currency, and of which principal and interest on the foreign debts are repaid as agreed. Debt instruments include, but are not limited to, senior debts, perpetual debts, capital debts, medium-term notes, convertible bonds, exchangeable bonds, financial leasing, and commercial loans. According to this definition, offshore bonds issued by both PRC enterprises and their controlled offshore enterprises or branches shall be regulated by the Order 56.

According to the Order 56, domestic enterprises and their overseas controlled entities prior to issuing any foreign debts with a tenor of more than one year shall obtain from the NDRC a certificate of review and registration of enterprise borrowing of foreign debts (企業借用外債審核登記證明) (the "**Certificate of Review and Registration**") and shall report certain details of the foreign debts to the NDRC within ten working days upon the completion of issuance through the online system for the review, registration, management and service of enterprise foreign debts established by the NDRC (the "**NDRC Online Reporting System**"). An enterprise shall, with the Certificate of Review and Registration, go through the relevant procedures of foreign exchange registration, account opening, proceeds receipt, payment and remittance, and use of proceeds in accordance with the applicable laws and regulations.

Moreover, pursuant to the Order 56, an enterprise shall, among other things, (i) report certain details of the foreign debts to the NDRC within ten working days upon the completion of issuance; (ii) within ten working days after expiry of the NDRC Certificate or the Certificate of Review and Registration, report the foreign debts borrowing information through the NDRC Online Reporting System; (iii) within five working days before the end of January and end of July of each year that any of the foreign debts remains outstanding, report the information relating to, inter alia, use of proceeds, repayment of principal and interest and related plans, and major business indicators, through the NDRC Online Reporting System; and (iv) so long as any of the foreign debts remains outstanding, submit relevant information to the NDRC upon the occurrence of any material event that may affect the due performance of debt obligations, such as liquidity issue or significant assets restructuring, and take measures to isolate such risks to prevent cross default risks. If the enterprise fails to report the relevant information described above in accordance with the Order 56, the NDRC may direct the enterprise to make corrections within a prescribed time period and if the violation is serious or if the enterprise fails to correct within the prescribed time period, the NDRC may give a warning to the relevant enterprise and its main responsible persons. As the Order 56 were issued recently, certain detailed aspects of its interpretation and application remain subject to further clarification.

Foreign Exchange Controls

The lawful currency of the PRC is the Renminbi, which is subject to foreign exchange controls and is not freely exchangeable into foreign exchange at this time. SAFE, under the authority of the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

Prior to 31 December 1993, a quota system was used for the management of foreign currency. Any enterprise requiring foreign currency was required to obtain a quota from the local SAFE office before it could exchange Renminbi into foreign currency through the PBOC or other designated banks. Such conversion had to be effected at the official rate prescribed by SAFE on a daily basis. Renminbi could also be exchanged into foreign currency at swap centres. The exchange rates used by swap centres were largely determined by the demand for, and supply of, the foreign currency and the Renminbi requirements of enterprises in the PRC. Any enterprise that wished to buy or sell foreign currency at a swap centre had to obtain the prior approval of the SAFE.

On 28 December 1993, the PBOC, under the authority of the State Council, promulgated the Notice of PBOC Concerning Further Reform of the Foreign Currency Control System (中國人民銀行關於進一步改革外匯管理體制的公告), effective from 1 January 1994. The notice announced the abolition of the foreign exchange quota system, the implementation of conditional exchangeability of Renminbi in current account items, the establishment of the system of settlement and payment of foreign exchange by banks, the unification of the official Renminbi exchange rate and the market rate for Renminbi established at swap centres. On 26 March 1994, the PBOC promulgated the Provisional Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (結匯、售匯及付匯管理暫行規定) (the "**Provisional Regulations**"), which set out detailed provisions regulating the trading of foreign exchange by enterprises, economic organisations and social organisations in the PRC.

On 1 January 1994, the former dual exchange rate system for Renminbi was abolished and replaced by a controlled floating exchange rate system, which was determined by demand and supply of Renminbi. Pursuant to such system, the PBOC set and published the daily Renminbi-U.S. dollar exchange rate. Such exchange rate was determined with reference to the transaction price for Renminbi-U.S. dollar in the inter-bank foreign exchange market on the previous day. Also, the PBOC, with reference to exchange rates in the international foreign exchange market, announced the exchange rates of Renminbi against other major foreign currencies. In foreign exchange transactions, designated foreign exchange banks may, within a specified range, freely determine the applicable exchange rate in accordance with the rate announced by PBOC.

On 29 January 1996, the State Council promulgated Regulations of the PRC on Foreign Exchange Administration (中華人民共和國外匯管理條例) (the "**Foreign Exchange Administration Regulations**") which became effective from 1 April 1996. The Foreign Exchange Administration Regulations classifies all international payments and transfers into current account items and capital account items. Most current account items are subject to the approval by relevant banks that are duly authorised by SAFE to do so, while capital account items are still subject to SAFE approval directly. The Foreign Exchange Administration Regulations was subsequently amended on 14 January 1997 and 5 August 2008. Such amendment affirms that the State shall not restrict international current account payments and transfers.

On 20 June 1996, the PBOC promulgated the Regulations for Administration of Settlement, Sale and Payment of Foreign Exchange (結匯、售匯及付匯管理規定) (the "**Settlement Regulations**") which became effective on 1 July 1996. The Settlement Regulations superseded the Provisional Regulations and abolished the remaining restrictions on exchangeability of foreign exchange in respect of current account items while retaining the existing restrictions on foreign exchange transactions in respect of capital account items. On the basis of the Settlement Regulations, the PBOC published the Announcement on the Implementation of Foreign Exchange Settlement and Sale through Banks by Foreign-invested Enterprises (外商投資企業實行銀行結售匯工作實施方案). The announcement permits foreign-invested enterprises to open, on the basis of their needs, foreign exchange settlement accounts for current account receipts and payments of foreign exchange, and specialised accounts for capital account receipts and payments at designated foreign exchange banks.

On 25 October 1998, the PBOC and SAFE promulgated the Notice Concerning the Discontinuance of Foreign Exchange Swapping Business (中國人民銀行、國家外匯管理局關於停辦外匯調劑業務的通知) pursuant to which and with effect from 1 December 1998, all foreign exchange swapping business in the PRC for foreign-invested enterprises shall be discontinued, while the trading of foreign exchange by foreign-invested enterprises shall be regulated under the system for the settlement and sale of foreign exchange applicable to banks.

On 8 January 2003, Interim Provision on Foreign Debts Management (外債管理暫行辦法) was promulgated by the NDRC, SAFE and MOF, according to which, the summation of the accumulated medium-term and long-term loans borrowed by a foreign invested entity and the balance of short-term shall not exceed the surplus between the total investment and the registered capital of the foreign-invested entity. Within the range of the surplus, the foreign invested entity may borrow foreign loans at its own will. If the loans exceed the surplus, the total investment of the foreign invested entity shall be re-examined by its original examination and approval authorities.

On 21 July 2005, the PBOC announced that, beginning from 21 July 2005, the PRC will implement a regulated and managed floating exchange rate system based on market supply and demand and by reference to a basket of currencies. The Renminbi exchange rate is no longer pegged to the U.S. dollar. The PBOC will announce the closing price of a foreign currency such as the U.S. dollar traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each business day, setting the central parity for trading of the Renminbi on the following business day.

Save for foreign-invested enterprises or other enterprises which are specially exempted by relevant regulations, all entities in the PRC (except for foreign trading companies and production enterprises having import and export rights, which are entitled to retain part of foreign exchange income generated from their current account transactions and to make payments using such retained foreign exchanges in their current account transactions or approved capital account transactions) must sell their foreign exchange income to designated foreign exchange banks. Foreign exchange income from loans issued by organisations outside the territory or from the issuance of Securities and shares is not required to be sold to designated banks, but may be deposited in foreign exchange accounts with designated banks.

Enterprises in the PRC (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange account or exchange and pay at the designated foreign exchange banks, upon presentation of valid receipts and proof. Foreign-invested enterprises which need foreign currencies for the distribution of profits to their shareholders, and Chinese enterprises which, in accordance with regulations, are required to pay dividends to shareholders in foreign currencies, may with the approval of board resolutions on the distribution of profits, effect payment from their foreign exchange account or exchange and pay at the designated foreign exchange banks.

Exchangeability of foreign exchange in respect of capital account items, like direct investment and capital contribution, is still subject to restriction, and prior approval from SAFE or its competent branch.

In January and April 2005, SAFE issued two regulations that require PRC residents to register with and receive approvals from SAFE in connection with their offshore return/round-trip investment activities. SAFE also announced that the purpose of these regulations is to achieve the proper balance of foreign exchange and the standardisation of all cross-border flows of funds.

On 21 October 2005, SAFE issued the Notice on Issues Relating to the Administration of Foreign Exchange in Fund-raising and Round-trip Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知) which became effective as at 1 November 2005. The notice replaced the two regulations issued by SAFE in January and April 2005 mentioned above. On 4 July 2014, SAFE issued the Notice of the State Administration of Foreign Exchange on the Administration of Foreign Exchange Involved in Overseas Investment, Financing and Return on Investment Conducted by Residents in China via Special-Purpose Companies (國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知), which became effective at the same day. This notice replaced the notice issued by SAFE in October 2005 mentioned above. According to the notice, "special purpose company" refers to the overseas enterprises that are directly established or indirectly controlled for the purpose of investment and financing by Mainland residents (including Mainland institutions and resident individuals) with their legitimate holdings of the assets or interests in Mainland enterprises, or their legitimate holdings of overseas assets or interests. Under the notice, a mainland resident can make contribution to a special purpose company with legitimate holdings of domestic or overseas assets or interests, and a mainland enterprise directly or indirectly controlled by a Mainland resident may, on the basis of real and reasonable needs, disburse loans to its registered special purpose companies pursuant to prevailing provisions, and, a mainland resident may, on the basis of real and reasonable needs, purchase foreign exchanges to remit funds overseas for the establishment, share repurchase, delisting, etc. of a special purpose company. Prior to the establishment or assumption of control of such special purpose company, each PRC resident, whether a natural or legal person, must complete the overseas investment foreign exchange registration procedures with the relevant local SAFE branch.

On 5 August 2008, the State Council amended and issued the Regulation of the PRC on Foreign Exchange Administration (中華人民共和國外匯管理條例) (the "**New Forex Regulation**"). The New Forex Regulation came into effect with the intention to further limit the inbound of foreign currency while relaxing the requirement of outbound investment, taking into consideration the capital reserve structure of the PRC then. Under the New Forex Regulation, foreign currency received under the current account by domestic entities will not be asked to be settled into Renminbi automatically, while foreign currency under capital account may also be maintained upon approval. Unless otherwise required by laws and regulations, applicants may go to commercial banks directly for capital investment overseas without SAFE approval.

On 30 March 2015, SAFE issued the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知), effective from 1 June 2015, which replaced the Notice of the General Affairs Department of the State Administration of Foreign Exchange on Relevant Issues Relating to the Business Operation to Improve the Administration of Payment and Exchange Settlement of Capital of Foreign-Funded Enterprises (Hui Zong Fa [2008] No. 142) (國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知(匯綜發[2008]142號)) and the Supplementary Notice of the General Affairs Department of the State Administration of Foreign Exchange on Relevant Issues Relating to the Business Operation to Improve the Administration of Payment and Exchange Settlement of Capital of Foreign-Funded Enterprises (Hui Zong Fa [2011] No. 88 (國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的補充通知(匯綜發[2011]88號)). Under the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知), foreign-invested enterprises are allowed to settle their foreign exchange capitals on a discretionary basis, and a foreign-invested enterprise shall be facilitated to make domestic equity investment with the amount of foreign exchanges settled.

On 1 July 2009, the PBOC, MOF, MOFCOM, the General Administration of Customs, the State Administration of Taxation and the China Banking Regulatory Commission jointly promulgated the Measures for the Administration of Pilot Renminbi Settlement in Cross-border Trade (跨境貿易人民幣結算試點管理辦法), under which, eligible enterprises as designated by relevant authorities located in the cities or provinces which have been chosen by the State Council to execute the pilot Renminbi trade settlement scheme, are allowed to settle the cross-border trade transactions in Renminbi.

The PBOC, MOF, MOFCOM, the General Administration of Customs, the State Administration of Taxation and the China Banking Regulatory Commission jointly promulgated the Circular on Issues Concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (中國人民銀行、財政部、商務部、海關總署、國家税務總局、銀監會關於擴大跨境貿易人民幣結算試點有關問題的通知) on 17 June 2010 and the Circular on Expansion of the Region of Renminbi Settlement of Cross-Border Trades on 27 July 2011, which, together, extended the pilot scheme to the whole of the PRC and to make Renminbi trade and other current account item settlement available in all countries worldwide.

Regulations regarding Overseas Investment and Acquisition Activities

NDRC Supervision

According to Administrative Measures for the Outbound Investment by Enterprises (企業境外投資管理辦法) issued on 26 December 2017 and became effective on 1 March 2018 which replaced Measures for the Administration of Approval and Filing of Overseas Investment Projects (境外投資項目核准和備案管理辦法), projects subject to approval are sensitive projects to be carried out by investors either directly or through overseas enterprises controlled thereby. The approval authority is NDRC. The sensitive projects referred to in these Measures include: (i) projects involving sensitive countries and regions; and (ii) projects involving sensitive industries. The sensitive countries and regions include (i) countries and regions that have not yet established diplomatic relations with China; (ii) countries and regions where wars and civil strife occur; (iii) countries and regions where investment made by enterprises shall be restricted according to the international treaties and protocols concluded or acceded by China; and (iv) other sensitive countries and regions. The sensitive industries include: (i) research, production, maintenance and repair of weapons and equipment; (ii) development and utilisation of cross-border water resources; (iii) news media; and (iv) industries for which outbound investments by enterprises shall be restricted according to Chinese laws, regulations and related regulatory policies. The category of sensitive industries shall be released by NDRC.

Projects subject to filing are non-sensitive projects directly carried out by investors, namely the non-sensitive projects involving the direct investment of assets and equities or the provision of financing or guarantees. For a project requiring filing, the authority in charge of filing is (i) NDRC, if the investor is a centrally administered enterprise (a centrally administered financial enterprise or an enterprise directly subordinate to the administration by the State Council or its subordinate organ, the same below); (ii) NDRC, if the investor is a local enterprise and the amount of investment by the Chinese investor is U.S.$0.3 billion or above; and (iii) the provincial development and reform authority at the place where the investor is registered, if the investor is a local enterprise and the amount of investment by the Chinese investor is less than U.S.$0.3 billion.

According to the Notice of the NDRC on Issues Concerning the Implementation of Measures for the Administration of Approval and Filing of Overseas Investment Projects (國家發展改革委關於實施《境外投資項目核准和備案管理辦法》有關事項的通知), the Circular of the NDRC on Properly Handling the Delegation of Approval Authority over Outbound Investment Projects to Lower-level Authorities (國家發展改革委關於做好境外投資項目下放核准權限工作的通知) terminated.

Investment projects to be carried out in the Hong Kong Special Administrative Region and/or the Macau Special Administrative Region shall be governed by Measures for the Administration of Approval and Filing of Overseas Investment Projects.

MOFCOM supervision

MOFCOM issued the new version of the Administration of Overseas Investment (境外投資管理辦法) on 6 September 2014, effective from 6 October 2014 (the "**New Overseas Investment Rules**"). Under the New Overseas Investment Rules, a domestic enterprise intending to carry out any overseas investment shall report to the competent department of commerce for verification or filing and shall, with regard to an enterprise so verified or filed, issue thereto an Enterprise Overseas Investment Certificate. If two or more enterprises make joint investment to establish an overseas enterprise, the larger (or largest) shareholder shall be responsible for the verification or filing procedure after soliciting written consent of other investing parties.

An enterprise that intends to invest in a sensitive country or region or a sensitive industry shall apply for the verification by MOFCOM. "**Sensitive countries and regions**" mean those countries without a diplomatic relationship with the PRC, or subject to the UN sanctions or otherwise under the list of verified countries and regions published by MOFCOM from time to time. "**Sensitive industries**" mean those industries involving the products and technologies which are restricted from being exported, or affecting the interests of more than one country (or region). In accordance with the New Overseas Investment Rules, a central enterprise shall apply to MOFCOM for verification and MOFCOM shall, within 20 working days of accepting such application, decide whether or not the verification is granted.

For a local enterprise, it shall apply through the provincial department of commerce to MOFCOM for such verification. The provincial department of commerce shall give a preliminary opinion within 15 working days of accepting such local enterprise's application and report all application documents to MOFCOM, while MOFCOM shall decide whether or not the verification is granted within 15 working days of receipt of such preliminary opinion from the provincial department of commerce. Upon verification, the Enterprise Overseas Investment Certificate shall be issued to the investing enterprise by MOFCOM.

Other than those overseas investments subject to MOFCOM verification as described above, all other overseas investments are subject to a filing requirement. The investing enterprise shall fill and complete the filing form through the Overseas Investment Management System, an online system maintained by MOFCOM and print out a copy of such filing form for stamping with the company chop, and then submit such stamped filing form together with a copy of its business license, for filing at MOFCOM (for a central enterprise) or the provincial department of commerce (for a local enterprise) respectively. MOFCOM or the provincial department of commerce shall accept the filing and issue the Enterprise Overseas Investment Certificate within three working days of receipt of such filing form. The investing enterprise must carry out the investment within two years of the date of the relevant Enterprise Overseas Investment Certificate,

otherwise such Certificate will automatically expire and a new filing or verification application has to be made by the investing enterprise after such expiry. In addition, if any item recorded in such Certificate is changed, the investing enterprise shall handle an updating process at MOFCOM or the provincial department of commerce (as the case may be).

If an overseas invested company carries out a re-investment activity offshore, the investing enterprise shall report such re-investment activity to MOFCOM or the provincial department of commerce (as the case may be) after the investment is completed offshore. The investing enterprise shall fill in and print out a copy of the Overseas Chinese-invested Enterprise Re-investment Report Form from the Overseas Investment Management System and stamp and submit such Report Form to MOFCOM or the provincial department of commerce.

The New Overseas Investment Rules specifically provide that an overseas invested company cannot use the words of "China" ("中國" or "中華") in its name, unless otherwise approved.

Foreign Exchange Administration

According to Administrative on Foreign Exchange of PRC (中華人民共和國外匯管理條例) and Circular of the State Administration of Foreign Exchange on Promulgating the Administrative Provisions on Foreign Exchange of the Outbound Direct Investments of Domestic Institutions (國家外匯管理局關於發佈境內機構境外直接投資外匯管理規定的通知), corporations, enterprises or other economic organisations (domestic investors) that have been permitted to make outbound investment shall go through the procedures of registration to the Foreign Exchange Bureau. The Foreign Exchange Bureau shall issue the Foreign Exchange Registration Certificate for overseas direct investment to the domestic institution. The domestic institution shall go through the formalities for outward remittance of funds for overseas direct investment at a designated foreign exchange bank by presenting the approval document issued by the department in charge of overseas direct investment and the Foreign Exchange Registration Certificate for overseas direct investment. The scope of foreign exchange funds for overseas direct investment of domestic institutions includes their own foreign exchange funds, domestic loans in foreign currencies in compliance with relevant provisions, foreign exchange purchased with Renminbi, material objects, intangible assets and other foreign exchange funds approved by the Foreign Exchange Bureau for overseas direct investment. The profits gained from overseas direct investment of domestic institutions may be deposited in overseas banks and used for overseas direct investment.

The SAFE promulgated Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知) (the "**2015 SAFE Circular**") on 13 February 2015. The 2015 SAFE Circular aims to deepen the reform of foreign exchange administration of capital accounts, promote and facilitate the capital operation of enterprises in making cross-border investments, regulate the direct investment-related foreign exchange administration business, improve the administration efficiency. The 2015 SAFE Circular sets forth the following reformation: (i) cancel two administrative examination and approval items: verification and approval of foreign exchange registration under domestic direct investment, and verification and approval of foreign exchange registration under overseas direct investment; After the implementation hereof, a bank that has obtained the financial institution identification code assigned by the relevant Foreign Exchange Bureau and has activated the capital account information system with the Foreign Exchange Bureau at its domicile may handle Foreign Exchange Registration of Direct Investment for foreign-invested enterprises in the Mainland and the domestic investors of enterprises invested overseas directly through the capital account information system of the Foreign Exchange Bureau; (ii) cancel the confirmation and registration of foreign investors' non-monetary contribution and the confirmation and registration of foreign investors' contribution to purchasing the equity held by the Chinese party under domestic direct investment; (iii) the confirmation and registration of foreign investors' monetary contribution is adjusted to book-entry registration of domestic direct investment monetary contribution.

The 2015 SAFE Circular, which is new regulation, has been promulgated to control the remittance of Renminbi for payment of transactions categorised as capital account items and such new regulation 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.

State-owned Assets Supervision

Relevant applicable laws and regulations include Interim Measures for Administration of Overseas State-owned Property Rights of Central Enterprises (中央企業境外國有產權管理暫行辦法) and Interim Measures for the Supervision and Management of Overseas Investment of Central Enterprises (中央企業境外投資監督管理辦法).

If the domestic enterprise is a central enterprise, it shall establish and perform investment decision-making procedures and management control systems, shall establish and improve administration systems to be submitted to the SASAC for record-filing, and shall establish an annual investment plan and submit it to SASAC and make a copy of the project approval documents to SASAC.

Overseas enterprises which have completed overseas registration shall make state-owned assets ownership registration with SASAC.

Enterprise Income Tax Law

Prior to 1 January 2008, under the then applicable PRC law and regulations (the "**Old EIT Law**"), entities established in the PRC were generally subject to a 33 per cent. enterprise income tax, or EIT. However, entities that satisfied certain conditions enjoyed preferential tax treatment. In accordance with the tax laws and regulations effective until 31 December 2007, foreign invested manufacturing enterprises scheduled to operate for a period not less than ten years were exempted from paying state income tax for two years starting from its first profit making year and were allowed a 50 per cent. reduction in its tax rate in the third, fourth and fifth years ("**two-year exemption and three-year reduction by half**").

On 16 March 2007, the NPC enacted the EIT Law, which was amended on 24 February 2017 and 29 December 2018, respectively, together with its related implementation rules (中華人民共和國企業所得税法實施條例) which was issued by the State Council on 6 December 2007, became effective on 1 January 2008 and was last amended on 6 December 2024. The EIT Law imposes a single uniform income tax rate of 25 per cent. on all Chinese enterprises, including foreign invested enterprises, and eliminates or modifies most of the tax exemptions, reductions and preferential treatments available under the previous tax laws and regulations. On 26 December 2007, the State Council issued a Notice on the Implementation of the Transitional Preferential Tax Policies (國務院關於實施企業所得税過渡優惠政策的通知). Further, as at 1 January 2008, the enterprises that previously enjoyed "two-year exemption and three-year reduction by half" of the enterprise income tax and other preferential treatments in the form of tax deductions and exemptions within specified periods may, after the implementation of the EIT Law, continue to enjoy the relevant preferential treatments until the expiration of the time period. However, if such an enterprise has not enjoyed the preferential treatments yet because of its failure to make profits, its preferential time period shall be calculated from 2008.

Under the Announcement of the State Administration of Taxation on Issues Relating to Enterprise Income Tax Pertaining to Implementation of the Catalogue of Encouraged Industries in Western Region (國家税務總局關於執行<西部地區鼓勵類產業目錄>有關企業所得税問題的公告) which issued by the State Administration of Taxation on 10 March 2015 and became effective on 1 October 2014, the preferential tax treatment for encouraged enterprises located in western China and certain industry-oriented tax incentives are still available. The Chinese and foreign-invested enterprises within the state-encouraged industry located in western China may be taxed at a preferential income tax rate of 15 per cent. for years from 1 January 2011 to 31 December 2020 after being approved by the competent tax authority.

Value Added Tax

According to the Tentative Regulations on the Value-added Tax of the PRC (中華人民共和國增值税暫行條例) which was promulgated by the State Council on 13 December 1993, and last amended on 19 November 2017, and the Detailed Implementation Rules of the Tentative Regulations on the Value-added Tax of the PRC (中華人民共和國增值税暫行條例實施細則) promulgated by MOF which came into effect on 25 December 1993 and was last amended on 28 October 2011, organisations or individuals who sell commodities, provide processing, repairing or replacement services, or import commodities within the PRC's territories are subject to value-added tax, and shall pay the value-added tax accordingly. The rate of the value-added tax shall be 17 per cent. or 11 per cent., depending on the commodities being sold. For taxpayers exporting commodities, the tax rate shall be zero per cent.

With the reform of value-added tax since 2012, MOF and the State Administration of Taxation promulgated a series of regulations and commenced pilot from the transport industry and part of the modern service industries which gradually expands to the scope of the pilot reform region and the applicable industry scope, and ultimately under the Notice of the Ministry of Finance and the State Administration of Taxation on Overall Implementation of the Pilot Program of Replacing Business Tax with Value-added Tax (財政部、國家税務總局關於全面推開營業税改徵增值税試點的通知) which was promulgated on 23 March 2016 and came into effect on 1 May 2016, the pilot program of replacing business tax with value-added tax shall be implemented nationwide effective since 1 May 2016 and all business tax payers in construction industry, real estate industry, finance industry and service industry, etc. shall be included in the scope of the pilot program and pay value-added tax instead of business tax. Under the Decision of State Council on Abolition of the Provisional Regulations of the People's Republic of China on Business Tax and Revision of the Provisional Regulations of the People's Republic of China on Value-added Tax (國務院關於廢止《中華人民共和國營業税暫行條例》和修改《中華人民共和國增值税暫行條例》的決定) which was promulgated on 19 November 2017 and came into effect at the same day, business tax is officially replaced by value-added tax.

Environmental Protection Laws

The Ministry of Ecology and Environment is responsible for the overall supervision and management of environmental protection in the PRC. All manufacturers in the PRC must comply with environmental laws and regulations including the Environmental Protection Law of the PRC (中華人民共和國環境保護法), Prevention and Control of Water Pollution Law of the PRC (中華人民共和國水污染防治法), Prevention and Control of Air Pollution Law of the PRC (中華人民共和國大氣污染防治法), Prevention and Control of Noise Pollution Law of the PRC (中華人民共和國噪聲污染防治法) and Prevention and Control of Environmental Pollution by Solid Waste Law of the PRC (中華人民共和國固體廢物污染環境防治法), and relevant environmental regulations such as provisions regarding the treatment and disposal of pollutants and sewage, discharge of polluted fumes and the prevention of industrial pollution. Depending on the circumstances and the seriousness of the violation of the environmental regulations, the local authorities are authorised to impose various types of penalties on the persons or entities in violation of the environmental regulations. The penalties which could be imposed include the issue of warnings, suspension of operation or installation and use of preventive facilities which are incomplete and fail to meet the prescribed standards, reinstallation of preventive facilities which have been dismantled or left idle, administrative sanction against office-in-charge, suspension of business operations or shut-down of the enterprise or institution. Fines could also be levied together with these penalties. The relevant local authorities may apply to the court for compulsory enforcement of environmental compliance. The persons or entities in violation of the applicable laws and regulations may also be liable to pay damages to the victims and/or result in criminal liability.

Other major environmental protection laws applicable to the Group include: Regulations of Environmental Management on Project (建設項目環境保護管理條例), Interim Measures of Environmental Protection Acceptance Inspection on Projects Completion (建設項目竣工環境保護驗收暫行辦法) and Environmental Impact Evaluation Law of the PRC (中華人民共和國環境影響評價法).

TAXATION

The following summary of certain 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 interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or initial transfer of a Bond.

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).

Interest 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) interest 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) interest 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) interest 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) interest 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 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 Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, 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 addition, with effect from 1 January 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the "**FSIE Amendments**"), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

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.

The PRC

The following summary describes certain PRC tax consequences of ownership and disposition 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 Bondholders in this "Taxation – PRC" section. In considering whether to invest in the Bonds, investors should consult their own tax advisers 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.

EIT and IIT

Pursuant to the EIT Law, the IIT Law and the implementation regulations in relation to both the EIT Law and the 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, interest 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).

Such income tax shall be withheld by the Issuer that is acting as the obligatory withholder and such PRC enterprise shall withhold the tax amount from each payment or payment due. To the extent that the PRC has entered into arrangements relating to the avoidance of double taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified non-PRC resident enterprise Bondholders.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Bonds by holders 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 non-resident enterprise holders would be treated as incomes derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, under the IIT Law, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than 183 days cumulated in a tax year shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on

the transfer of the Bonds by individual holders 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 an arrangement between mainland China and Hong Kong for the avoidance of double taxation, the 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.

VAT

According to Circular 36, the entities and individuals providing services within PRC will be subject to VAT. Services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. Services subject to VAT include the provision of financial services, such as the provision of loans and the transfer of financial products. It is further clarified under Circular 36 that "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon.

The Issuer may be obliged to withhold VAT of 6 per cent. on payments of interest 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 However, there is uncertainty as to the applicability of VAT if either a seller or buyer of Bonds is located within the PRC.

Circular 36 remains subject to further clarification and/or interpretations by the competent tax authority. There is uncertainty as to the application of the Circular 36 in the context of the issuance of the Bonds, payments thereunder, and their sale and transfer.

Pursuant to the VAT reform detailed above, the Issuer may need to withhold VAT (should such tax apply) from the payments of interest in respect of the Bonds for any Bondholders located outside of the PRC. The Issuer has agreed to pay additional amounts to Bondholders, subject to certain exceptions, so that Bondholders would receive the full amount of the scheduled payment, as further set out in the Conditions.

Stamp Duty

No PRC stamp duty will be chargeable upon on non-resident Bondholders, either upon the issue or transfer of a Bond (for so long as the register of Bondholders is maintained outside the PRC and the issuance and the sale of the Bonds is made outside of the PRC).

The 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 Binds (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 participating Member States. 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 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 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. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. 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 the date that is two years after the date on which final regulations defining foreign pass thru payments are published in the U.S. Federal Register and, Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are 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. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Bonds.

SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with the Joint Lead Managers dated 9 December 2025 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to severally, but not jointly, subscribe and pay for, or to procure subscribers to subscribe and pay for, the aggregate principal amount of the Bonds set forth opposite its name below:

Joint Lead Manager	**Principal amount of the Bonds to be subscribed**
	(U.S.$)
China International Capital Corporation Hong Kong Securities Limited	106,000,000
China CITIC Bank International Limited	106,000,000
Bank of China Limited	106,000,000
Guotai Junan Securities (Hong Kong) Limited	106,000,000
ABCI Capital Limited	1,000,000
CCB International Capital Limited	1,000,000
CEB International Capital Corporation Limited	1,000,000
China Galaxy International Securities (Hong Kong) Co., Limited	1,000,000
China Industrial Securities International Brokerage Limited	1,000,000
China Securities (International) Corporate Finance Company Limited	1,000,000
China Zheshang Bank Co., Ltd. (Hong Kong Branch)	1,000,000
CLSA Limited	1,000,000
CMB International Capital Limited	1,000,000
CMBC Securities Company Limited	1,000,000
CNCB (Hong Kong) Capital Limited	1,000,000
Guosen Securities (HK) Capital Company Limited	1,000,000
Huatai Financial Holdings (Hong Kong) Limited	1,000,000
Hua Xia Bank Co., Limited Hong Kong Branch	1,000,000
ICBC International Securities Limited	1,000,000
Industrial and Commercial Bank of China (Macau) Limited	1,000,000
Industrial Bank Co., Ltd. Hong Kong Branch	1,000,000
SDIC Securities (Hong Kong) Limited	1,000,000
Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch	1,000,000
Shenwan Hongyuan Securities (H.K.) Limited	1,000,000
SPDB International Capital Limited	1,000,000
Total	445,000,000

The Subscription Agreement provides that the Joint Lead Managers and their respective affiliates, and their respective directors, officers and employees will be indemnified against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Joint Lead Managers and certain of their respective subsidiaries or affiliates have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with, the Issuer and/or its subsidiaries, from time to time, for which they have received customary fees and expenses. The Joint Lead Managers and their respective subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer and/or its subsidiaries in the ordinary course of business.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliate(s) may act as an investor for their own account and may take up Bonds in the offering and in that capacity may retain, purchase or sell for their own account such securities and any securities of the Issuer and may

offer or sell such securities or other investments otherwise than in connection with the offering. Accordingly, references herein to the Bonds being "offered" should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Joint Lead Managers or their respective affiliates may purchase the Bonds for their own account or for the accounts of their customers and enter into transactions, including credit derivative, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of their or their 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). Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Bonds. If this is the case, liquidity of trading in the Bonds may be constrained. See "*Risk Factors – Risks relating to the Bonds – The liquidity and price of the Bonds following this offering may be volatile*". The Issuer and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Bonds amongst individual investors.

In connection with the issue of the Bonds, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager may, to the extent permitted by applicable laws and regulations, over-allot the Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail, but in so doing, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager shall act as principal and not as agent of the Issuer. However, there is no assurance that the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Stabilisation Manager.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks): This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Joint Lead Managers accordingly.

CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Joint Lead Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to IB_Project_XC2025@cicc.com.cn, TMG_Syndicate@cncbinternational.com, dcmhk@bocgroup.com, dcm.XC@gtjas.com.hk, abcic.dcm@abci.com.hk, dcm.execution@chinastock.com.hk, dcm_HK@csci.hk, dcm_hk@czbank.com and dcm@hxb.com.cn.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that it and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint lead Manager with such evidence within the timeline requested.

General

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.

No action has been or will be taken in any jurisdiction by the Issuer and the Joint Lead Managers that would permit a public offering, or any other offering under circumstances not permitted by applicable law, of the Bonds, or possession or distribution of this Offering Circular, any amendment or supplement thereto issued in connection with the proposed offering of the Bonds or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Bonds may be distributed or published, by the Issuer and the Joint Lead Managers in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer or the Joint Lead Managers.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of a Joint Lead Manager is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

United States

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

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each of the Joint Lead Managers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an 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 the 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.

The European Economic Area

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by this Offering Circular in relation thereto 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:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of Directive (EU)2016/97 (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.

The PRC

Each of the Joint Lead Managers has represented, warranted and agreed that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

Hong Kong

Each of the Joint Lead Managers has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO or (ii) 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(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) 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 the 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.

Singapore

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Joint Lead Managers has represented and agreed 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 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

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 of the Joint Lead Managers has represented and agreed 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 or, 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 and regulations of Japan.

Macau

The Bonds have not been and will not be promoted, distributed, sold or delivered in Macau, or any document relating to the Bonds be distributed or circulated in Macau, except under the terms of and in compliance with the Macau Financial System Act and any other laws in Macau that may apply to the offer and sale of the Bonds in Macau. The Bonds have not been and will not be registered or otherwise authorised for public offer under the Financial System Act of Macau, thus may not be offered or sold in Macau, unless such offer is made by Macau licensed entities according to the Macau Financial System Act and upon their communication to the Macau Monetary Authority, in observation of the guidelines and recommendations issued by the Macau local regulatory authority from time to time.

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The Audited Financial Statements included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS, except for certain modifications that still exist between PRC GAAP and IFRS, which might be relevant to the financial information of the Group included herein.

The following is a general summary of certain differences between PRC GAAP and IFRS as applicable to the Group. The differences identified below are limited to those significant differences that are appropriate to the Group's financial statements. The Group is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there can be no assurance regarding the completeness of the summary. The Group has not prepared a complete reconciliation of the consolidated financial information and related footnote disclosure between PRC GAAP and IFRS and has not quantified such differences. Had any such quantification or reconciliation been undertaken by the Group, other potentially significant accounting and disclosure differences may be 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 standard. Regulatory bodies that promulgate PRC GAAP and IFRS have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between PRC GAAP and IFRS that may affect the financial information as a result of transactions or events that may occur in the future. Accordingly, no assurance is provided that the following summary of differences between PRC GAAP and IFRS is complete.

In making an investment decision, investors must rely upon their own examination of the Group, the terms of the offering and other disclosure contained herein. Investors should consult their 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.

Provision for Future Development Fund and Work Safety Cost

Under PRC GAAP, in accordance with relevant regulations of the Chinese authorities, the Group has to accrue special reserves such as future development funds and work safety cost, which are presented as cost of expenses of the period and the amount that has been accrued, are presented in special reserve of owner's equity. Work safety cost, which belongs to cost of expenses, directly offset the special reserves. The accrued work safety reserve, which is used by enterprises and used to form fixed assets, shall be charged as "construction in progress", and recognised as a fixed asset upon the project being completed and reaching the expected operational standard. Meanwhile, the special reserves are offset in accordance with the cost of fixed asset formation, while the equivalent amount of accumulated depreciation is recorded. The fixed asset so formed shall cease to accrue depreciation in the following periods.

Pursuant to the IFRS, these expenditures should be recognised when incurred. Relevant capital expenditures are recognised as part of cost of non-current assets when they are incurred and depreciated according to the respective depreciation policy. The differences between the above mentioned standards give rise to differences in deferred tax.

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 and loss.

Reversal of Impairment Loss

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including 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.

Related Party Disclosures

Under PRC GAAP, government-related entities are not treated as related parties. Under IFRS, government-related entities are still treated as related parties.

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.

GENERAL INFORMATION

1. **Clearing Systems**: The Bonds have been accepted for clearance through Euroclear and Clearstream with Common Code 322574614 and ISIN XS3225746141.

2. **LEI**: The Issuer's Legal Entity Identifier is 3003000DDWSSUM6F4V55.

3. **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 a board resolution of the Issuer dated 3 April 2025 and a shareholders' resolution of the Issuer dated 10 June 2025. PRC counsels to the Issuer and the Joint Lead Managers have advised that no other approvals or consents are required from any regulatory authorities or other relevant authorities in the PRC for the Issuer to issue the Bonds except for the Enterprise Foreign Debt Pre-Issuance Registration Certificate in respect of the issue of the Bonds from the NDRC, which has been obtained and dated 2 September 2025 pursuant to the NDRC Circular, the reporting of the information relating to the issue of the Bonds with the NDRC in accordance with the Notice, the registration of the Bonds with SAFE pursuant to the Cross Border Financing Circular effective as at 12 January 2017 and the approval from the Hong Kong Stock Exchange on the listing of the Bonds on the Hong Kong Stock Exchange.

4. **No Material Adverse Change**: There has been no material adverse change in the financial or trading position or prospects of the Issuer and the Group since 31 December 2024.

5. **Litigation**: None of the Issuer or any other member of the Group is involved in any litigation or arbitration proceedings that the Issuer believes are material in the context of the Bonds, nor is the Issuer aware that any such proceedings are pending or threatened.

6. **Available Documents**: Copies of the Audited Financial Statements and the Articles of Association of the Issuer will be available for inspection from the Issue Date at the Issuer's registered office at No. 99 Zhuojin East Road, Hi-tech Industrial Development Zone, Chengdu, Sichuan, China. Copies of the Trust Deed and the Agency Agreement will be available (i) for inspection by the Bondholders from the Issue Date at the specified office of the Trustee (being as at the Issue Date, at 80/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong) and at the specified office of the Principal Paying Agent (being as at the Issue Date, at 80/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong) following prior written request and proof of holding and identity satisfactory to the Trustee or, as the case may be, the Principal Paying Agent at all reasonable times during normal business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) Monday to Friday, public holidays excepted) and (ii) electronically to a requesting Bondholder, following prior written request and proof of holding and identity satisfactory to the Trustee or, as the case may be, the Principal Paying Agent, so long as any of the Bonds remains outstanding.

7. **Financial Statements**: This Offering Circular contains the Audited Financial Statements. The Audited Financial Statements were prepared in accordance with PRC GAAP and audited by Zhongshen, independent auditor of the Issuer.

8. **Listing**: Application will be 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 listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange will commence on 17 December 2025.

INDEX TO FINANCIAL STATEMENTS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

	Page
Audit Report	F-3
Consolidated Balance Sheet	F-7
Consolidated Income Statement	F-9
Consolidated Cash Flow Statement	F-10
Consolidated Statement on Changes in Owner's Equity	F-11
Balance Sheet Statement	F-13
Income Statement	F-15
Cash Flow Statement	F-16
Statement on Changes in Owner's Equity	F-17
Notes to Financial Statements	F-19

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

	Page
Audit Report	F-327
Consolidated Balance Sheet	F-331
Consolidated Income Statement	F-333
Consolidated Cash Flow Statement	F-334
Consolidated Statement on Changes in Owner's Equity	F-335
Balance Sheet Statement	F-337
Income Statement	F-339
Cash Flow Statement	F-340
Statement on Changes of Owner's Equity	F-341
Notes to Financial Statements	F-343

Chengdu Xingcheng Investment Group Co., Ltd.

Auditors' Report

ZHSZ（2025）No. 2800012

Table of Contents

	No. of pages
Auditors' Report	
Financial Statements	
Consolidated Balance Sheet	1
Consolidated Income Statement	3
Consolidated Statement of Cash Flows	4
Consolidated Statement of Changes in Owners' Equity	5
Balance Sheet	7
Income Statement	9
Statement of Cash Flows	10
Statement of Changes in Owners' Equity	11
Notes to the Financial Statements	13

AUDITOR'S REPORT

ZHSZ (2025) No. 2800012

To all shareholders of Chengdu Xingcheng Investment Group Co., Ltd.:

Opinion

We have audited the financial statements of Chengdu Xingcheng Investment Group Co., Ltd. (hereinafter referred to as "the Group"), which consist of the consolidated and the parent company's balance sheets as at December 31, 2024, the consolidated and the parent company's income statements, the statements of cash flows, and the changes in owners' equity for the year then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and parent company's financial position as at December 31, 2024, and their financial performance and cash flows for the year then ended in accordance with the Accounting Standards for Business Enterprises.

Basis of Opinion

We conducted our audit in accordance with the Chinese Standards on Auditing (CSA). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for Auditing the Financial Statements" section of our report. We are independent of the Group in accordance with Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management of the Group (hereinafter referred to as "the Management") is responsible for the preparing and presenting fair the financial statements in accordance with the Accounting Standards for Business Enterprises, and designing, implementing, and maintaining internal control which is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for Auditing the Financial Statements

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

As part of an audit in accordance with the CSA, we exercise professional judgement and maintain professional skepticism throughout the audit. At the same time, we also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

• Conclude on the appropriateness of the Management’s use of the assumption of going concern and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair representation.

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

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

Zhongshenzhonghuan Certified Public Accountants LLP

Chinese Certified Public Accountant: _____

HUANG Jian

Chinese Certified Public Accountant: _____

WANG Jie

Wuhan, China April 30, 2025

Consolidated Balance Sheet (Assets)

December 31, 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Assets	Note	Ending balance	Beginning balance
Current assets:		——	
Cash and cash equivalents	VII(1)	64,096,184,707.63	86,525,378,701.72
△Provision of settlement fund			
△Funds lent	VII(2)	36,330,125,332.57	24,895,050,881.13
Trading financial assets	VII(3)	59,615,754,560.31	59,935,216,641.60
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivables	VII(4)	359,490,475.43	397,051,900.68
Accounts receivables	VII(5)	27,421,510,402.00	26,392,076,245.85
Accounts receivables financing	VII(6)	142,581,990.06	120,646,239.15
Prepayment	VII(7)	3,582,310,006.15	4,680,554,679.31
△Premium receivable			
△Reinsurance accounts receivable			
△Provision of reinsurance receivable			
Other receivables	VII(8)	10,225,547,378.54	14,660,472,333.92
Including: Interest receivable		50,450,294.91	26,172,279.53
Dividends receivable			914,180.00
△ Redemptory monetary capital for sale	VII(9)	24,519,493,060.73	7,798,945,645.60
Inventory	VII(10)	80,347,803,290.73	78,373,337,285.18
Contract assets	VII(11)	57,932,932,964.10	65,729,652,412.32
Held-for-sale assets			
Non-current assets due within one year	VII(12)	27,165,124.71	69,989,496.71
Other current assets	VII(13)	6,286,419,313.09	6,348,185,615.59
Total current assets		**370,887,318,606.05**	**375,926,558,078.76**
Non-current assets:		——	——
△Loans and payments on behalf	VII(14)	458,304,753,259.03	400,172,541,719.65
Investments in debt	VII(15)	231,002,300,698.08	235,039,443,555.45
Available-for-sale financial assets			
Other investments in debt	VII(16)	45,827,703,074.37	37,099,187,161.34
Held-to-maturity investment			
Long-term receivables	VII(17)	2,658,352,517.26	3,243,101,550.48
Long-term equity investments	VII(18)	5,416,617,345.50	5,358,908,751.30
Other investments in equity instrument	VII(19)	2,705,704,307.00	2,448,514,720.15
Other non-current financial assets	VII(20)	303,686,988.66	507,581,515.70
Investment property	VII(21)	32,585,245,299.32	28,182,086,800.92
Fixed assets	VII(22)	12,308,099,105.86	13,147,980,434.77
Construction in progress	VII(23)	95,621,281,016.04	104,215,886,560.57
Productive biological assets	VII(24)	71,106,044.52	93,797,241.93
Oil and gas assets			
Right-of-use assets	VII(25)	1,028,249,563.10	1,069,384,811.16
Intangible assets	VII(26)	3,665,737,708.48	3,641,158,674.28
Development expenditure	VII(27)	442,893,777.40	455,735,444.40
Goodwill	VII(28)	1,730,211,116.78	1,811,739,076.36
Long-term deferred expenses	VII(29)	330,019,182.53	411,152,248.95
Deferred tax assets	VII(30)	10,438,603,230.90	9,111,034,731.53
Other non-current assets	VII(31)	4,173,449,283.30	4,784,576,307.83
Total non-current assets		**908,614,013,518.13**	**850,793,811,306.77**
Total assets		**1,279,501,332,124.18**	**1,226,720,369,385.53**

Legal Representative: Chief Financial Officer: Chief Accountant: 张旭松

Consolidated Balance Sheet (Liabilities and Owners' Equity)

December 31, 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Liabilities and owners' equity	Note	Ending balance	Beginning balance
Current liabilities:			
Short-term borrowings	VII(32)	13,450,843,047.79	12,670,086,174.51
△Borrowings from the Central Bank	VII(33)	57,923,018,462.36	79,093,412,825.71
△Funds borrowed	VII(34)	2,801,574,471.33	2,081,803,994.59
Trading financial liabilities	VII(35)	1,380,685,613.84	2,925,284,616.39
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payables	VII(36)	978,847,345.16	3,009,750,382.86
Accounts payables	VII(37)	71,764,669,431.74	81,608,030,876.32
Advance from customers	VII(38)	157,922,124.37	219,963,046.58
Contract liabilities	VII(39)	11,994,873,131.28	13,517,809,556.41
△Financial assets sold for repurchase	VII(40)	8,272,941,996.32	8,619,539,105.01
△Savings absorbed and deposits from other banks	VII(41)	669,005,462,062.15	605,072,664,016.73
△Acting trading securities			
△Acting underwriting securities			
Payroll payables	VII(42)	2,534,919,525.95	3,657,634,947.62
Taxes payables	VII(43)	2,578,630,472.71	2,844,411,076.94
Other payables	VII(44)	16,705,240,656.54	15,916,927,122.03
Including: Interest payable			
Dividends payable			
△Service charge and commission fees payable			
△Reinsurance accounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	VII(45)	32,234,228,272.88	30,052,540,137.38
Other current liabilities	VII(46)	2,330,217,890.06	3,093,425,893.02
Total current liabilities		**894,114,074,504.48**	**864,383,283,772.10**
Non-current liabilities:			
△Provision of insurance contract			
Long-term borrowings	VII(47)	61,896,102,204.47	80,697,539,136.58
Bonds payable	VII(48)	40,886,436,966.14	31,580,116,755.41
Lease liability	VII(49)	844,097,878.43	442,017,956.04
Long-term payables	VII(50)	34,640,299,050.52	41,589,598,878.54
Long-term payroll payable	VII(51)	1,844,384,715.49	9,544,782.79
Accrued liabilities	VII(52)	272,514,871.47	227,729,317.29
Deferred income	VII(53)	276,782,218.85	260,365,166.47
Deferred tax liabilities	VII(30)	4,018,933,133.69	3,966,346,383.47
Other non-current liabilities	VII(54)	90,180,036,115.32	59,652,613,856.75
Total non-current liabilities		**234,859,587,154.38**	**218,425,872,233.34**
Total liabilities		**1,128,973,661,658.86**	**1,082,809,156,005.44**
Owners' equity:			
Paid-in capital	VII(55)	24,000,000,000.00	24,000,000,000.00
Other equity instruments	VII(56)	25,150,000,000.00	18,792,500,000.00
Including: Preferred shares			
Perpetual bonds	VII(56)		
Capital reserve	VII(57)	21,662,334,764.04	20,152,284,445.00
Less: Treasury shares			
Other comprehensive income	VII(58)	2,643,306,222.73	2,212,196,543.56
Special reserve	VII(59)	280,913,421.02	252,080,811.45
Surplus reserve	VII(60)	685,364,235.43	685,364,235.43
△General risk reserve		1,245,485,967.24	774,653,105.93
Undistributed profits	VII(61)	5,163,549,389.50	7,690,566,079.74
Total equity attributable to owners of the parent company		**80,830,953,999.96**	**74,559,645,221.11**
*Minority interests		69,696,716,465.36	69,351,568,158.98
Total owners' equity		**150,527,670,465.32**	**143,911,213,380.09**
Total liabilities & owners' equity		**1,279,501,332,124.18**	**1,226,720,369,385.53**

Legal Representative: Chief Financial Officer: Chief Accountant: 张旭松

Consolidated Income Statement

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd | RMB '0

Item	Note	Year 2024	Year 2023
I. Total operating revenues	VII(62)	102,837,590,568.70	134,678,997,333.70
Including: Operating revenues	VII(62)	69,257,609,676.88	102,246,771,331.58
△Interest income	VII(62)	32,846,627,645.63	31,549,024,246.78
△Insurance premiums earned	VII(62)		
△Service charges and commissions earned	VII(62)	733,353,246.19	883,201,755.34
II. Total operating costs		95,084,210,832.64	124,352,691,785.42
Including: Operating costs	VII(62)	60,467,094,586.88	89,334,676,630.71
△Interest expenses	VII(62)	17,910,329,752.85	17,656,063,750.50
△Service charge and commission fees paid	VII(62)	282,732,705.48	263,686,373.76
△Surrender value	VII(62)		
△Net payment for insurance claims	VII(62)		
△Net value of appropriation of deposit for duty for insurance contract	VII(62)		
△Expenditures dividend policy	VII(62)		
△Amortized reinsurance expenditure	VII(62)		
Taxes and surcharges		916,788,062.47	1,141,255,134.13
Selling expenses	VII(63)	2,609,699,237.75	2,429,276,880.48
Administrative expenses	VII(63)	8,533,149,073.01	9,042,895,762.48
R&D expenses	VII(63)	1,318,123,192.71	1,720,930,815.45
Finance costs	VII(63)	3,046,294,221.49	2,763,906,437.91
Including: Interest expenses	VII(63)	3,499,582,618.52	3,880,581,478.48
Interest income	VII(63)	520,586,184.67	1,259,500,104.76
Others			
Add: Other income	VII(64)	259,982,329.28	699,313,915.91
Investment income ("-" means loss)	VII(65)	1,877,242,918.66	1,492,723,121.41
Including: Income from investment in associates and joint ventures	VII(65)	-90,878,637.67	-12,639,737.31
Income from derecognition of financial assets measured at amortized cost		264,338,449.59	26064923.22
△Exchange gains or losses ("-" means loss)			
Income from net exposure hedging ("-" means loss)			
Gains from changes in fair value ("-" means loss)	VII(66)	525,430,011.01	688,124,829.19
Impairment loss on credit ("-" means loss)	VII(67)	-6,333,290,587.92	-6,356,800,135.34
Impairment loss on assets ("-" means loss)	VII(68)	-1,065,503,955.39	-624,227,241.09
Gains from disposal of assets ("-" means loss)	VII(69)	40,629,829.78	22,771,938.66
III. Operating profit ("-" means loss)		3,057,870,281.48	6,248,211,977.02
Add: Non-operating income	VII(70)	126,927,331.05	189,615,795.50
Less: Non-operating expenses	VII(71)	105,449,895.22	66,575,854.38
IV. Total profit ("-" means total loss)		3,079,347,717.31	6,371,251,918.14
Less: Income tax expenses	VII(72)	892,192,693.58	1,431,664,164.95
V. Net profit ("-" means net loss)		2,187,155,023.73	4,939,587,753.19
(I) Classification in accordance with attribution		——	——
Attributable to equity holders of the parent company		-1,185,365,797.38	1,037,261,737.72
*Minority interests		3,372,520,821.11	3,902,326,015.47
(II) Classification in accordance with going concern		——	——
Net profit from continuing operations		2,187,155,023.73	4,939,587,753.19
Net profit from discontinued operations			
VI. Other comprehensive income after tax		971,059,121.90	-285,815,670.13
(I) Attributable to equity holders of the parent company		431,109,679.17	-286,012,609.61
A. Not reclassified subsequently to profit or loss		-18,231,651.43	4,872,109.80
Including: 1. Changes in the remeasurement of defined benefit plans		-13,793,500.00	
2. Not reclassified to profit or loss for the invested entity under the equity method			
3. Changes in fair value of other equity instrument investments		-4,438,151.43	4,872,109.80
4. Changes in fair value of the Company's own credit risk			
5. Other			
B. Reclassified subsequently to profit or loss		449,341,330.60	-290,884,719.41
Including: 1. Reclassified subsequently to profit or loss for the invested entity under the equity method		7,502,279.23	698,585.17
2. Changes in fair value of other debt investments		193,746,694.82	44,151,941.44
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Profit or loss from the reclassification of financial assets to other comprehensive income			
☆5. Profit and loss from reclassification of held-to-maturity investment to available-for-sale financial assets			
6. Provisions for credit impairment of other debt investments		120,032,515.21	2,065,727.56
7. Cash flow hedging reserve (Effective portion of profit or loss from cash flow hedging)			
8.Translation difference from financial statements denominated in foreign currency		556,198.17	3,057,244.51
9.Other		127,503,643.17	-340,858,218.09
*Other comprehensive income after tax attributable to minority shareholders		539,949,442.73	196,939.48
VII. Total comprehensive income		3,158,214,145.63	4,653,772,083.06
Attributable to equity holders of the parent company		-754,256,118.21	751,249,128.11
*Attributable to minority shareholders		3,912,470,263.84	3,902,522,954.95
VIII. Earnings per share		——	——
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Chief Financial Officer: Chief Accountant: 张旭松

Consolidated Statement of Cash Flows

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:		—	—
Cash received from sales and services		83,841,133,130.57	153,509,818,884.14
△Net increase in deposits from customers or other banks		61,463,257,810.74	79,596,708,780.93
△Net increase in borrowings from the Central Bank			37,058,017,834.00
△Net increase in funds borrowed from other financial institutions			
△Cash received from the issuance of insurance contract premiums			
△Net cash received from into reinsurance contracts			
▲Cash received from premium of the original insurance contract			
▲Net cash received from reinsurance business			
▲Net increase in insurance customer deposits and investments			
△Net increase in disposal of financial assets at fair value through profit or loss			
△Cash received from interest income, service charges and commissions earned		26,806,307,762.67	25,251,448,110.55
△Net increase in funds borrowed		720,000,000.00	195,177,000.00
△Net increase in cash of repurchase business funds			4,877,710,407.36
△Net cash received from acting trading securities			
Tax refunds received		466,039,804.44	139,593,963.87
Other cash receipts relating to operating activities		17,509,264,624.54	12,174,689,512.14
Sub-total cash inflows from operating activities		**190,806,003,132.96**	**312,803,164,492.99**
Cash paid for goods and services		78,542,858,275.85	137,571,685,993.86
△Net increase in customer loans and advances		61,707,141,693.13	56,727,719,713.02
△Net increase of deposits in the Central Bank and other banks		1,702,547,598.05	2,160,136,788.43
△Cash paid for claims on insurance contracts issued			
△Net cash paid out of reinsurance contracts			
△Net increase in policy pledge loans			
▲Cash paid for claims under the original insurance contracts			
△Net increase in funds lent		3,148,845,347.71	6,059,674,764.12
△Cash paid for interests, service charges and commission fees		14,611,017,866.79	13,754,449,315.39
△Cash paid for insurance dividend			
Cash paid to and on behalf of employees		7,700,903,670.51	7,928,760,805.78
Payment of taxes and surcharges		7,371,476,069.80	9,211,250,472.23
Other cash payments relating to operating activities		42,894,176,816.32	29,276,427,379.31
Sub-total cash outflows from operating activities		**217,678,967,338.16**	**262,690,105,232.14**
Net cash flows from operating activities		**-26,872,964,205.20**	**50,113,059,260.85**
II. Cash flows from investing activities:		—	—
Cash received from withdrawal of investments		183,679,249,288.84	81,164,017,255.19
Cash received from investment income		234,941,307.42	136,022,639.09
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		94,545,371.70	100,592,792.27
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities		2,943,029,208.08	117,228,961.41
Sub-total cash inflows from investing activities		**186,951,765,176.04**	**81,517,861,647.96**
Cash paid for fixed assets, intangible assets and other long-term assets		1,271,873,647.93	9,207,098,316.68
Cash payments for investments		175,384,306,484.96	124,473,782,890.73
△Net increase of pledged loan			
Net cash paid for acquiring subsidiaries and other business units		136,926,122.66	85,051,071.72
Other cash payments relating to investing activities		1,195,464,878.64	53,034,416.57
Sub-total cash outflows from investing activities		**177,988,571,134.19**	**133,818,966,695.70**
Net cash flows from investing activities		**8,963,194,041.85**	**-52,301,105,047.74**
III. Cash flows from financing activities:		—	—
Cash proceeds from investments by others		9,082,195,000.00	7,776,383,072.07
Including: Cash received by subsidiaries from minority shareholders' investments		86,580,000.00	1,770,328,372.07
Cash received from borrowings		158,946,110,536.01	79,508,361,257.97
Other cash receipts relating to financing activities		14,165,984,186.22	97,331,774,963.51
Sub-total cash inflows from financing activities		**182,194,289,722.23**	**184,616,519,293.55**
Cash repayments for debts		131,818,856,014.87	159,498,063,155.34
Cash payments for distribution of dividends, profits and payment of interest expenses		11,384,427,590.49	12,887,547,207.40
Including: Dividends or profit paid by subsidiaries to minority shareholders		1,326,407,465.53	1,432,558,671.54
Other cash payments relating to financing activities		19,328,826,980.52	3,530,297,370.86
Sub-total cash outflows from financing activities		**162,532,110,585.88**	**175,915,907,733.60**
Net cash flows from financing activities		**19,662,179,136.35**	**8,700,611,559.95**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		14,923,896.51	7,535,851.56
V. Net increase in cash and cash equivalents		**1,767,332,869.51**	**6,520,101,624.62**
Add: Opening balance of cash and cash equivalents		64,694,864,226.77	58,174,762,602.15
VI. Closing balance of cash and cash equivalents		**66,462,197,096.28**	**64,694,864,226.77**

Legal Representative: Chief Financial Officer: Chief Accountant: 张旭松

Consolidated Statement of Changes in Owners' Equity

Prepared by: Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2024													
	Equity attributable to the shareholder of the parent company												Minority interests	Total owners' equity
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total		
		Preferred shares	Perpetual bonds	Other										
I. Balance at the end of the previous year	**24,000,000,000.00**		**18,792,500,000.00**		**20,152,284,445.00**		**2,212,196,543.56**	**252,080,811.45**	**685,364,235.43**	**774,653,105.93**	**7,690,566,079.74**	**74,559,645,221.11**	**69,351,568,158.98**	**143,911,213,380.09**
Add: Change in accounting policies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Correction of previous accounting errors	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others														
II. Balance at the beginning of the current year	**24,000,000,000.00**		**18,792,500,000.00**		**20,152,284,445.00**		**2,212,196,543.56**	**252,080,811.45**	**685,364,235.43**	**774,653,105.93**	**7,690,566,079.74**	**74,559,645,221.11**	**69,351,568,158.98**	**143,911,213,380.09**
III. Increase/decrease during the current year ("-" means decrease)			**6,357,500,000.00**		**1,510,050,319.04**		**431,109,679.17**	**28,832,609.57**		**470,832,861.31**	**-2,527,016,690.24**	**6,271,308,778.85**	**345,148,306.38**	**6,616,457,085.23**
A.Total comprehensive income	—	—	—	—	—	—	431,109,679.17	—	—	—	-1,185,365,797.38	-754,256,118.21	3,912,470,263.84	3,158,214,145.63
B. Increase and decrease of capital by owners			6,357,500,000.00		1,510,050,319.04							7,867,550,319.04	-2,261,539,342.82	5,606,010,976.22
1. Common shares contributed by owners	—	—	—	—	1,510,050,319.04	—	—	—	—	—	—	1,510,050,319.04	87,042,295.00	1,597,092,614.04
2. Capital paid in by holders of other equity instruments			6,357,500,000.00		—	—	—	—	—	—	—	6,357,500,000.00	1,840,450,870.79	8,197,950,870.79
3. Amount of share-based payment recorded into owners' equity	—	—	—	—	—	—	—	—	—	—	—			
4. Others	—	—	—	—									-4,189,032,508.61	-4,189,032,508.61
C. Special reserve	—	—	—	—				28,832,609.57				28,832,609.57	1,368,805.06	30,201,414.63
1. Accrual for the current year	—	—	—	—	—	—	—	2,000,163,364.31	—	—	—	2,000,163,364.31	15,227,351.06	2,015,390,715.37
2. Use for the current year	—	—	—	—	—	—	—	-1,971,330,754.74	—	—	—	-1,971,330,754.74	-13,858,546.00	-1,985,189,300.74
D. Profit distribution										470,832,861.31	-1,341,650,892.86	-870,818,031.55	-1,307,151,419.70	-2,177,969,451.25
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—		—			—	
Including: Statutory reserve	—	—	—	—	—	—	—	—		—			—	
Discretionary reserve	—	—	—	—	—	—	—	—		—			—	
#Reserve fund	—	—	—	—	—	—	—	—		—			—	
#Company development fund	—	—	—	—	—	—	—	—		—			—	
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—		—			—	
△2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—	470,832,861.31	-470,832,861.31		—	
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	—	-212,514,293.21	-212,514,293.21	-1,307,151,419.70	-1,519,665,712.91
4. Others											-658,303,738.34	-658,303,738.34		-658,303,738.34
E. Transfer within owners' equity														
1. Capital reserve transferred to capital	—	—	—	—	—	—	—	—	—	—	—		—	
2. Surplus reserve transferred to capital	—	—	—	—	—	—	—	—		—			—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—		—			—	
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—	—	—	—	—			—	
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—		—			—	
6. Others														
IV. Balance at the end of the current year	**24,000,000,000.00**		**25,150,000,000.00**		**21,662,334,764.04**		**2,643,306,222.73**	**280,913,421.02**	**685,364,235.43**	**1,245,485,967.24**	**5,163,549,389.50**	**80,830,953,999.96**	**69,696,716,465.36**	**150,527,670,465.32**

Legal Representative: 李本 Chief Financial Officer: Chief Accountant: 张旭松

Consolidated Statement of Changes in Owners' Equity

Prepared by Chengdu Xingcheng Investment Group Co., Ltd.

RMB '0

Item	Year 2023													
	Equity attributable to the shareholder of the parent company												Minority interests	Total owners' equity
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total		
		Preferred shares	Perpetual bonds	Other										
I. Balance at the end of the previous year	24,000,000,000.00		16,092,500,000.00		16,850,535,151.87		2,498,209,153.17	209,441,584.08	610,944,157.21	276,268,150.39	8,362,647,184.53	68,900,545,381.25	61,949,850,164.36	130,850,395,545.61
Add: Change in accounting policies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Correction of previous accounting errors	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others											-241,953,577.25	-241,953,577.25		-241,953,577.25
II. Balance at the beginning of the current year	24,000,000,000.00		16,092,500,000.00		16,850,535,151.87		2,498,209,153.17	209,441,584.08	610,944,157.21	276,268,150.39	8,120,693,607.28	68,658,591,804.00	61,949,850,164.36	130,608,441,968.36
III. Increase/decrease during the current year ("-" means decrease)			2,700,000,000.00		3,301,749,293.13		-286,012,609.61	42,639,227.37	74,420,078.22	498,384,955.54	-430,127,527.54	5,901,053,417.11	7,401,717,994.62	13,302,771,411.73
A.Total comprehensive income	—	—	—	—	—	—	-286,012,609.61	—	—	—	1,037,261,737.72	751,249,128.11	3,902,522,954.95	4,653,772,083.06
B. Increase and decrease of capital by owners			2,700,000,000.00		3,301,749,293.13							6,001,749,293.13	4,914,723,536.20	10,916,472,829.33
1. Common shares contributed by owners	—	—	—	—	3,301,749,293.13	—	—	—	—	—	—	3,301,749,293.13	-2,380,520,382.20	921,228,910.93
2. Capital paid in by holders of other equity instruments			2,700,000,000.00		—	—	—	—	—	—	—	2,700,000,000.00	7,200,000,000.00	9,900,000,000.00
3. Amount of share-based payment recorded into owners' equity	—	—	—	—	—	—	—	—	—	—	—			
4. Others	—	—	—	—									95,243,918.40	95,243,918.40
C. Special reserve	—	—	—	—				42,639,227.37				42,639,227.37	9,537,898.26	52,177,125.63
1. Accrual for the current year	—	—	—	—	—	—	—	2,060,308,298.74	—	—	—	2,060,308,298.74	19,452,762.42	2,079,761,061.16
2. Use for the current year	—	—	—	—	—	—	—	-2,017,669,071.37	—	—	—	-2,017,669,071.37	-9,914,864.16	-2,027,583,935.53
D. Profit distribution									74,420,078.22	498,384,955.54	-1,467,389,265.26	-894,584,231.50	-1,425,066,394.79	-2,319,650,626.29
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	74,420,078.22	—	-74,420,078.22		—	
Including: Statutory reserve	—	—	—	—	—	—	—	—	74,420,078.22	—	-74,420,078.22		—	
Discretionary reserve	—	—	—	—	—	—	—	—		—			—	
#Reserve fund	—	—	—	—	—	—	—	—		—			—	
#Company development fund	—	—	—	—	—	—	—	—		—			—	
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—		—			—	
☆2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—	498,384,955.54	-498,384,955.54		—	
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	—	-274,010,377.33	-274,010,377.33	-1,425,066,394.79	-1,699,076,772.12
4. Others											-620,573,854.17	-620,573,854.17		-620,573,854.17
E. Transfer within owners' equity														
1. Capital reserve transferred to capital	—	—	—	—	—	—	—	—	—	—	—		—	
2. Surplus reserve transferred to capital	—	—	—	—	—	—	—	—		—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—		—			—	
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—	—			—	
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—		—			—	
6. Others														
IV. Balance at the end of the current year	24,000,000,000.00		18,792,500,000.00		20,152,284,445.00		2,212,196,543.56	252,080,811.45	685,364,235.43	774,653,105.93	7,690,566,079.74	74,559,645,221.11	69,351,568,158.98	143,911,213,380.09

Legal Representative: 李本

Chief Financial Officer: 袁斌

Chief Accountant: 张旭松

Balance Sheet (Assets)

December 31, 2024

Prepared by: Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Assets	Note	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents		4,455,055,065.67	11,355,842,281.87
Trading financial assets			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivables			
Accounts receivables	XII(1)	183,744,615.74	245,136,620.30
Accounts receivables financing			
Prepayment		716,066,154.68	696,788,952.15
Other receivables	XII(2)	28,616,185,088.92	16,793,401,708.00
Including: Interests receivable			
Dividends receivable		446,336,059.12	9,752,806.48
Inventory		9,442.35	12,137.35
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		1,231,403,101.37	1,141,740,588.36
Total current assets		**35,202,463,468.73**	**30,232,922,288.03**
Non-current assets:			
Investments in debt			
Available-for-sale financial assets			
Other investments in debt			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investment	XII(3)	58,556,515,684.31	58,384,686,749.11
Other investments in equity instrument			
Other non-current financial assets		183,568,000.00	280,068,890.67
Investment property		12,245,994,452.02	12,277,665,786.68
Fixed assets		23,528,338.83	24,909,392.66
Construction in progress		67,216,444,167.92	72,949,928,338.49
Productive biological assets			
Oil and gas assets			
Right-of-use assets		63,199,128.52	73,044,143.34
Intangible assets			
Development expenditure			
Goodwill			
Long-term deferred expenses		39,262,871.73	60,222,757.65
Deferred tax assets		19,941,438.91	21,663,369.94
Other non-current assets		58,871,894.90	58,871,894.90
Total non-current assets		**138,407,325,977.14**	**144,131,061,323.44**
Total assets		**173,609,789,445.87**	**174,363,983,611.47**

Legal Representative: **Chief Financial Officer:** **Chief Accountant:** 张旭松

Balance Sheet (Liabilities and Owners' Equity)

December 31, 2024

Prepared by: Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Liabilities and owners' equity	Note	Ending balance	Beginning balance
Current liabilities:		——	
Short-term borrowings			
Trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payables			300,486,870.67
Accounts payables		4,288,999,292.47	4,521,514,653.23
Advance from customers		8,805,632.26	8,241,343.06
Contract liabilities			
Payroll payables		3,450,837.41	1,135,307.76
Taxes payable		66,523,342.38	32,966,599.35
Other payables		7,209,964,977.65	6,959,713,141.97
Including: Interest payable			
Dividends payable		90,290,877.59	90,290,877.59
Held-for-sale liabilities			
Non-current liabilities due within one year		23,686,794,453.93	18,724,268,124.20
Other current liabilities			
Total current liabilities		**35,264,538,536.10**	**30,548,326,040.24**
Non-current liabilities:			
Long-term borrowings		18,480,484,694.08	36,070,948,321.43
Bonds payable		30,363,660,627.02	20,258,179,047.43
Including: Preferred shares			
Perpetual bonds			
Lease liability		68,311,131.38	73,626,425.63
Long-term payables		19,615,145,968.06	24,919,426,889.53
Long-term payroll payables			
Accrued liabilities			
Deferred income			
Deferred tax liabilities		1,734,986,637.63	1,651,296,106.30
Other non-current liabilities			
Total non-current liabilities		**70,262,589,058.17**	**82,973,476,790.32**
Total liabilities		**105,527,127,594.27**	**113,521,802,830.56**
Owners' equity:			
Paid-in capital		24,000,000,000.00	24,000,000,000.00
Other equity instruments		25,150,000,000.00	18,792,500,000.00
Including: Preferred shares			
Perpetual bonds		25,150,000,000.00	18,792,500,000.00
Capital reserve		16,733,860,627.07	15,373,665,627.07
Less: Treasury shares			
Other comprehensive income		1,497,809,488.51	1,361,882,525.53
Special reserve			
Surplus reserve		677,610,584.24	677,610,584.24
Undistributed profits		23,381,151.78	636,522,044.07
Total owners' equity		**68,082,661,851.60**	**60,842,180,780.91**
Total liabilities & owners' equity		**173,609,789,445.87**	**174,363,983,611.47**

Legal Representative: **Chief Financial Officer:** 裴 曦 **Chief Accountant:** 张旭松

Income Statement

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2024	Year 2023
I. Total operating revenues	**XII(4)**	**1,083,680,244.38**	**842,043,473.84**
Less: Operating costs	XII(4)	100,300,864.21	108,293,353.17
Taxes and surcharges		94,302,757.85	68,294,025.45
Selling expenses			
Administrative expenses		81,387,208.91	86,691,902.67
R&D expenses			
Finance costs		1,490,755,362.70	905,971,615.88
Including: Interest expenses		1,720,902,946.70	1,081,101,157.86
Interest income		238,386,540.89	188,132,124.14
Add: Other income		387,150.33	148,812.99
Investment income ("-" means loss)	XII(5)	985,977,896.51	1,151,060,435.58
Including: Income from investment in associates and joint ventures	XII(5)	-1,580,782.78	-60,588,336.37
Income from derecognition of financial assets measured at amortized cost			
Income from net exposure hedging ("-" means loss)			
Gains from changes in fair value ("-" means loss)		1,418,849.29	51,375,306.94
Impairment loss on credit ("-" means loss)		-1,006,283.94	-390,575.80
Impairment loss on assets ("-" means loss)			
Gains from disposal of assets ("-" means loss)			
II. Operating profit ("-" means loss)		**303,711,662.90**	**874,986,556**
Add: Non-operating income		602.11	312,976.23
Less: Non-operating expenses		3,678,275.49	701,032.02
III. Total profit ("-" means total loss)		**300,033,989.52**	**874,598,500.59**
Less: Income tax expenses		42,356,850.26	37,743,688.08
IV. Net profit ("-" means net loss)		**257,677,139.26**	**836,854,812.51**
1. Net profit from continuing operations ("-" means net loss)		257,677,139.26	836,854,812.51
2. Net profit from discontinued operations ("-" means net loss)			
V. Other comprehensive income after tax		**135,926,962.98**	**9,985,499.71**
A. Not reclassified subsequently to profit or loss			
Including: 1. Changes in the remeasurement of defined benefit plans			
2. Not reclassified to profit or loss for the invested entity under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of the Company's own credit risk			
5. Others			
B. Reclassified subsequently to profit or loss		**135,926,962.98**	**9,985,499.71**
Including: 1. Reclassified subsequently to profit or loss for the invested entity under the equity method		6,760,126.68	9,985,499.71
2. Changes in fair value of other debt investments			
3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Profit or loss from the reclassification of financial assets to other comprehensive income			
5. Profit and loss reclassification of held-to-maturity investment to available-for-sale financial assets			
6. Provisions for credit impairment of other debt investments			
7. Cash flow hedging reserve (Effective portion of profit or loss from cash flow hedging)			
8.Translation difference from financial statements denominated in foreign currency			
9.Others		129,166,836.30	
VI. Total comprehensive income		**393,604,102.24**	**846,840,312.22**

Legal Representative: 李本 **Chief Financial Officer :** **Chief Accountant :** 张旭松

Statement of Cash Flows

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:		—	—
Cash received from sales and services		1,072,425,633.55	695,525,656.14
△Net increase in deposits from customers or other banks			
△Net increase in borrowings from the Central Bank			
△Net increase in funds borrowed from other financial institutions			
△Cash received from the issuance of insurance contract premiums			
△Net cash received from into reinsurance contracts			
▲Cash received from premium of the original insurance contract			
▲Net cash received from reinsurance business			
▲Net increase in insurance customer deposits and investments			
△Net increase in disposal of financial assets at fair value through profit or loss			
△Cash received from interest income, service charges and commissions earned			
△Net increase in funds borrowed			
△Net increase in cash of repurchase business funds			
△Net cash received from acting trading securities			
Tax refunds received		54,480.80	70,535.97
Other cash receipts relating to operating activities		9,802,379,043.76	9,399,205,702.80
Sub-total cash inflows from operating activities		**10,874,859,158.11**	**10,094,801,894.91**
Cash paid for goods and services		114,982,557.96	110,338,033.00
△Net increase in customer loans and advances			
△Net increase of deposits in the Central Bank and other banks			
△Cash paid for claims on insurance contracts issued			
△Net cash paid out of reinsurance contracts			
△Net increase in policy pledge loans			
▲Cash paid for claims under the original insurance contracts			
△Net increase in funds lent			
△Cash paid for interests, service charges and commission fees			
▲Cash paid for insurance dividend			
Cash paid to and on behalf of employees		46,903,418.04	48,859,778.73
Payment of taxes and surcharges		88,062,119.92	87,696,798.46
Other cash payments relating to operating activities		14,662,478,133.70	6,896,158,153.44
Sub-total cash outflows from operating activities		**14,912,426,229.62**	**7,143,052,763.63**
Net cash flows from operating activities		**-4,037,567,071.51**	**2,951,749,131.28**
II. Cash flows from investing activities:		—	—
Cash received from withdrawal of investments		429,501,000.00	316,520,000.00
Cash received from investment income		588,174,670.96	1,125,175,472.77
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Sub-total cash inflows from investing activities		**1,017,675,670.96**	**1,441,695,472.77**
Cash paid for fixed assets, intangible assets and other long-term assets		75,189.82	749,589.72
Cash payments for investments		3,237,035,806.14	4,530,602,562.50
▲Net increase in pledged loans			
Net cash paid for acquiring subsidiaries and other business units			
Other cash payments relating to investing activities			
Sub-total cash outflows from investing activities		**3,237,110,995.96**	**4,531,352,152.22**
Net cash flows from investing activities		**-2,219,435,325.00**	**-3,089,656,679.45**
III. Cash flows from financing activities:		—	—
Cash proceeds from investments by others		9,060,195,000.00	3,090,000,000.00
Including: Cash received by subsidiaries from minority shareholders' investments			
Cash received from borrowings		14,451,266,002.21	20,362,184,500.00
Other cash receipts relating to financing activities			
Sub-total cash inflows from financing activities		**23,511,461,002.21**	**23,452,184,500.00**
Cash repayments for debts		20,595,714,399.74	18,023,717,833.87
Cash payments for distribution of dividends, profits and payment of interest expenses		3,559,380,134.97	3,793,237,044.79
Including: Dividends or profit paid by subsidiaries to minority shareholders			
Other cash payments relating to financing activities		151,287.19	11,865,684.83
Sub-total cash outflows from financing activities		**24,155,245,821.90**	**21,828,820,563.49**
Net cash flows from financing activities		**-643,784,819.69**	**1,623,363,936.51**
IV. Effect of foreign exchange rate changes on cash and cash equivalents			
V. Net increase in cash and cash equivalents		**-6,900,787,216.20**	**1,485,456,388.34**
Add: Opening balance of cash and cash equivalents		11,355,842,281.87	9,870,385,893.53
VI. Closing balance of cash and cash equivalents		**4,455,055,065.67**	**11,355,842,281.87**

Legal Representative: Chief Financial Officer : Chief Accountant : 张旭松

Statement of Changes in Owners' Equity

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2024										
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Distributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Other							
I. Balance at the end of the previous year	**24,000,000,000.00**		**18,792,500,000.00**		**15,373,665,627.07**		**1,361,882,525.53**		**677,610,584.24**	**636,522,044.07**	**60,842,180,780.91**
Add: Change in accounting policies											
Correction of previous accounting errors											
Others											
II. Balance at the beginning of the current year	**24,000,000,000.00**		**18,792,500,000.00**		**15,373,665,627.07**		**1,361,882,525.53**		**677,610,584.24**	**636,522,044.07**	**60,842,180,780.91**
III. Increase/decrease during the current year ("-" means decrease)			**6,357,500,000.00**		**1,360,195,000.00**		**135,926,962.98**			**-613,140,892.29**	**7,240,481,070.69**
A.Total comprehensive income							135,926,962.98			257,677,139.26	393,604,102.24
B. Increase and decrease of capital by owners			6,357,500,000.00		1,360,195,000.00						7,717,695,000.00
1. Common shares contributed by owners					1,360,195,000.00						1,360,195,000.00
2. Capital paid in by holders of other equity instruments			6,357,500,000.00								6,357,500,000.00
3. Amount of share-based payment recorded into owners' equity											
4. Others											
C. Special reserve											
1. Accrual for the current year											
2. Use for the current year											
D. Profit distribution										-870,818,031.55	-870,818,031.55
1. Accrual of surplus reserve											
Including: Statutory reserve											
Discretionary reserve											
#Reserve fund											
#Company development fund											
#Profits capitalized on return of investment											
△2. Accrual of general risk reserves											
3. Distribution to owners (or shareholders)										-212,514,293.21	-212,514,293.21
4. Others										-658,303,738.34	-658,303,738.34
E. Transfer within owners' equity											
1. Capital reserve transferred to capital											
2. Surplus reserve transferred to capital											
3. Surplus reserve offsetting losses											
4. Change of defined benefit plan carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
IV. Balance at the end of the current year	**24,000,000,000.00**		**25,150,000,000.00**		**16,733,860,627.07**		**1,497,809,488.51**		**677,610,584.24**	**23,381,151.78**	**68,082,661,851.60**

Legal Representative: 李本 **Chief Financial Officer :** 袁媛 **Chief Accountant :** 张旭松

Statement of Changes in Owners' Equity

Year 2024

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2023										
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Distributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Other							
I. Balance at the end of the previous year	**24,000,000,000.00**		**16,092,500,000.00**		**12,287,116,250.37**		**1,351,897,025.82**		**603,190,506.02**	**768,671,541.28**	**55,103,375,323.49**
Add: Change in accounting policies											
Correction of previous accounting errors											
Others											
II. Balance at the beginning of the current year	**24,000,000,000.00**		**16,092,500,000.00**		**12,287,116,250.37**		**1,351,897,025.82**		**603,190,506.02**	**768,671,541.28**	**55,103,375,323.49**
III. Increase/decrease during the current year ("-" means decrease)			**2,700,000,000.00**		**3,086,549,376.70**		**9,985,499.71**		**74,420,078.22**	**-132,149,497.21**	**5,738,805,457.42**
A.Total comprehensive income	—	—	—	—	—	—	9,985,499.71	—	—	836,854,812.51	846,840,312.22
B. Increase and decrease of capital by owners			2,700,000,000.00		3,086,549,376.70						5,786,549,376.70
1. Common shares contributed by owners	—	—	—	—	3,086,549,376.70	—	—	—	—	—	3,086,549,376.70
2. Capital paid in by holders of other equity instruments			2,700,000,000.00			—	—	—	—	—	2,700,000,000.00
3. Amount of share-based payment recorded into owners' equity	—	—	—	—		—	—	—	—	—	
4. Others	—	—	—	—							
C. Special reserve	—	—	—	—							
1. Accrual for the current year	—	—	—	—	—	—	—		—	—	
2. Use for the current year	—	—	—	—	—	—	—		—	—	
D. Profit distribution									74,420,078.22	-969,004,309.72	-894,584,231.50
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	74,420,078.22	-74,420,078.22	
Including: Statutory reserve	—	—	—	—	—	—	—	—	74,420,078.22	-74,420,078.22	
Discretionary reserve	—	—	—	—	—	—	—	—			
#Reserve fund	—	—	—	—	—	—	—	—			
#Company development fund	—	—	—	—	—	—	—	—			
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—			
△2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—		
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	-274,010,377.33	-274,010,377.33
4. Others										-620,573,854.17	-620,573,854.17
E. Transfer within owners' equity											
1. Capital reserve transferred to capital	—	—	—	—	—	—	—	—	—	—	
2. Surplus reserve transferred to capital	—	—	—	—	—	—	—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—			
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—		
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—			
6. Others											
IV. Balance at the end of the current year	**24,000,000,000.00**		**18,792,500,000.00**		**15,373,665,627.07**		**1,361,882,525.53**		**677,610,584.24**	**636,522,044.07**	**60,842,180,780.91**

Legal Representative: Chief Financial Officer : Chief Accountant : 张旭松

Chengdu Xingcheng Investment Group Co., Ltd

NOTES TO THE FINANCIAL STATEMENTS

For the year ended on December 31, 2024

(All amounts in RMB ‘0 unless otherwise stated)

I. Company profile

Chengdu Xingcheng Investment Group Co., Ltd. is hereinafter referred to as "the Company", "Company" or "Xingcheng Group". Chengdu Xingcheng Investment Group Co., Ltd. and all its subsidiaries are collectively referred to as "the Group".

1. The registered address, organization structure and the headquarters address

The Company was established on March 26, 2009 as a limited liability company. The State-owned Assets Supervision and Administration Commission of Chengdu is the investor to the Company. The Company renewed the business license with the unified social credit code of 915101006863154368 on December 13, 2023. As of December 31, 2024, the registered capital and paid-in capital are RMB 24 billion.

The legal representative is Mr. Li Benwen.

The registered address and office address is No. 99 Zhuojin East Road, High-tech Zone, Chengdu.

2. Nature of business and major operating activities

The major operating activities of the Company include the following general items: Investment activities with the Company’s own equity funds; Asset management services with the Company’s own equity funds; Corporate headquarters management; Brand management; Financing consulting services; Public utility management services; City park management; Medical research and experimental development; Supply chain management services; Park management services; Engineering management services; Agricultural professional and auxiliary activities; Hotel management. Non-residential real estate leasing; Sports security organization; Property management. (Except for projects that need to be approved according to law, the Company

independently carries out business activities according to law as listed in the business license) Licensed projects include wholesale of drug; Construction project construction; construction engineering design; General aviation services; Tourism business. (Projects that need to be approved according to law can only be operated after being approved by the relevant departments, and the specific business projects shall be subject to the approval documents or permits of the relevant departments).

3. The parent company and the ultimate controller

The parent company and the ultimate controller of the Company are the Chengdu State-owned Assets Supervision and Administration Commission.

4. Approval and issuance of the financial statements

The financial statements have been approved by the Board of Directors of the Company and issued on April 30, 2025.

II. Basis of preparation of the financial statements

1. Basis of preparation

According to the actual events and transactions, the consolidated financial statements of the Company have been prepared on the basis of going concern and in accordance with the "Accounting Standards for Business Enterprises - Basic Standard" (issued by the No. 33 Order of the Ministry of Finance and revised by the No. 76 Order of the Ministry of Finance) and 40 specific accounting standards, the Guidelines for the Application of Accounting Standards for Business Enterprise, the Interpretation of the Accounting Standards for Business Enterprise and other relevant regulations promulgated and amended on and after February 15, 2006 (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises") and the disclosure provisions of the China Securities Regulatory Commission's "Information Disclosure and Reporting Rules No. 15 for Companies that Issue Securities Publicly - General Provisions for Financial Reporting (Revised in 2023)".

In accordance with the relevant provisions of the Accounting Standards for Business Enterprises, the Company's accounting is based on the accrual basis. Except for certain financial instruments,

these financial statements are measured on a historical cost basis. Non-current assets held for sale are accounted for at the lower of their fair value less estimated charges or their original carrying value if the conditions for holding for sale are met. If the asset is impaired, the corresponding impairment provision shall be made in accordance with the relevant provisions.

2. Going concern

The Company has evaluated its ability to continue as a going concern for the 12 months since the end of the current year and has not identified matters affecting the Company's ability to continue as a going concern and it is reasonable for the Company to prepare its financial statements on the basis of its continue as a going concern.

III. Declaration of compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company are in accordance with the requirements of the Accounting Standards for Business Enterprises and have truly and completely reflect the Company's financial status as of December 31, 2024, the operating results and cash flows of the year 2024. In addition, the financial statements of the Company comply in all material respects with the disclosure requirements of the financial statements and the notes thereto as set out in the China Securities Regulatory Commission's "Information Disclosure and Reporting Rules No. 15 for Companies that Issue Securities Publicly - General Provisions for Financial Reporting (Revised in 2023)".

IV. Significant accounting policies and accounting estimates

1. Accounting period

The accounting period of the Group is divided into annual period and interim period. Interim accounting period refers to the reporting period shorter than a complete accounting year. The Group’s accounting year refers to the Gregorian calendar year, which begins on January 1 and ends on December 31 every year.

2. Functional currency

RMB is the currency used in the main economic environment in which the Company and its

subsidiaries in China operate. The Company and its subsidiaries use RMB as the functional currency for accounting. The Group uses RMB for preparing the financial statements.

3. Accounting basis and measurement principle

According to the relevant provisions of the Accounting Standards for Business Enterprises, the Group's accounting is using the accrual basis. Except for certain financial instruments and investment property, the measurement basis of financial statements shall be historical cost. Held-for-sale non-current assets shall be measured at the lower of the fair value less estimated expenses and the original book value when the sales conditions are met. If an asset is impaired, the corresponding impairment provision shall be made in accordance with relevant provisions.

4. Business combination

Business combination refers to the combination of two or more separate enterprises that are combined to form a reporting entity. Business combination is divided into business combination under common control and business combination not under common control.

(1) Business combination under common control

A business combination under common control is a business combination in which the enterprises involved in the combination are ultimately controlled by the same party or parties before and after the combination, and the control is not temporary. For business combination under common control, the party that obtains control over the other enterprises in the combination on the combination date is the combining party, and the other enterprises in the combination are the combined party. Combination date refers to the date on which the combining party actually obtains control over the combined party.

The assets and liabilities that acquired by the combining party in a business combination shall be measured at their book value in the combined party on the combination date. The difference between the book value of net assets acquired by the combining party and the book value of the consideration paid for the combination (or total par value of the shares issued) shall be adjusted to capital reserve. If the capital reserve is insufficient to absorb the difference, any excess shall be adjusted against retained earnings.

The business combination costs that are directly attributable to the combination are recorded into

the current profit and loss when they occur.

(2) Business combination not under common control

Business combination not under common control means that the enterprises involved in the combination are not ultimately controlled by the same party or parties before and after the combination. For business combination not under common control, the party that obtains control over the other enterprises in the combination on the acquisition date is the acquirer, and the other enterprise in the combination is the acquiree. Acquisition date refers to the date on which the acquirer actually obtains control over the acquiree.

For business combination not under common control, the cost of business combination is the aggregate of the fair value, on the acquisition date, of assets given, liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree. The audit fees, valuation and consulting fees, legal service fees and other administrative expenses incurred in the business combination shall be recognized in the current profit or loss when they occur. Commissions and other expenses incurred in the business combination for the issuance of equity or debt securities shall be included in the initial recognition amounts of equity or debt securities. Any contingent consideration involved shall be included in the combination cost according to its fair value on the acquisition date. If there is new or further evidence on the existing situation on the acquisition date emerging within 12 months after the acquisition date, the contingent consideration needs to be adjusted and the combination goodwill shall be adjusted accordingly. The combination cost incurred by the acquirer and the identifiable net assets obtained in the combination shall be measured at the fair value on the acquisition date. The difference between the combination costs and the fair value of the identifiable net assets obtained from the acquiree on the acquisition date shall be recognized as goodwill. If the combination costs are lower than the fair value of the identifiable net assets obtained from the acquiree, the acquirer shall review the measurement of the fair value of the identifiable assets, liabilities and contingent liabilities acquired as well as the combination costs; and if the combination cost is still lower than the fair value of the identifiable net assets of the acquiree obtained in the combination after the review, the difference shall be recorded into the current profit and loss.

For the deductible temporary difference of the acquiree that is being acquired and is not

recognized on the acquisition date because the conditions for recognizing deferred income tax assets are not met, it shall be recognized as the relevant deferred income tax assets when the following conditions are met: (1) New or further evidence is obtained within 12 months after the acquisition date indicating that the relevant situation on the acquisition date already exists; (2) The economic benefits brought by the deductible temporary difference of the acquiree on the acquisition date are expected to be realized. In the meanwhile, the goodwill shall be reduced. If the goodwill is insufficient to be offset, the difference shall be recognized as the current profit and loss. In addition to the aforementioned situations, the deferred income tax assets related to the business combination that are recognized shall be recorded into the current profit and loss.

For the business combination not under common control realized step by step through multiple transactions, it shall be determined whether the multiple transactions are identified as "package deal" in accordance with the "Notice on Issuing Interpretation of Accounting Standards for Enterprises No. 5 from the Ministry of Finance" (Cai Kuai [2012] No. 19) and the judgement criteria of "package deal" in the Article 51 of the "Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements" (refers to Note IV 5 (2) "Preparation of consolidated financial statements"). If the multiple transactions are identified as "package deal", the accounting treatment refers to the previous paragraphs of this part and Note IV 14 "Long-term equity investment". If the multiple transactions are not identified as "package deal", accounting treatment shall be carried out differently in individual and consolidated financial statements:

① In individual financial statements, the sum of the book value of equity investment in the acquiree held by the acquirer before the acquisition date and the increase in the cost of equity investment shall be recognized as the initial investment cost. If the equity investment in the acquiree before the acquisition date involves the other comprehensive income, when disposing the investment, the other comprehensive income related to the investment shall be accounted for on the same basis as that of the acquiree’s direct disposal of the relevant assets or liabilities (i.e., except for the corresponding share in the changes caused by the re-measurement of the net liabilities or net assets of the defined benefit plan by the acquiree in accordance with the equity method, the rest shall be transferred into the current investment income).

② In consolidated financial statements, equity investment in the acquiree held by the acquirer before the acquisition date shall be revalued at fair value on the acquisition date, and the

difference between the fair value and the book value shall be recorded into the current investment income. If equity investment in the acquiree before the acquisition date involves other comprehensive income, the other comprehensive income related to the investment shall be accounted for on the same basis as that of the acquiree's direct disposal of the relevant assets or liabilities (i.e., except for the corresponding share in the changes caused by the re-measurement of the net liabilities or net assets of the defined benefit plan by the acquiree in accordance with the equity method, the rest shall be transferred into the investment income in the current period of the acquisition date).

5. Preparation of consolidated financial statements

(1) The scope of consolidated financial statements

The scope of consolidated financial statements shall be determined on the basis of control. Control exists when the Group has power over the investee, rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. A subsidiary is an entity that is controlled by the Group.

Once the factors of the above-mentioned definition of control change due to the changes of relevant facts and circumstances, the Group will reassess them.

(2) Preparation of consolidated financial statements

From the date of acquiring the subsidiary's net assets and actual control of production and operation decisions, the Group begins to include it in the scope of consolidation and exclude it from the scope of consolidation from the date of loss of actual control. For the disposed subsidiaries, the operating results and cash flows before the disposal date have been appropriately included in the consolidated income statement and consolidated statement of cash flows; for the subsidiaries disposed in the current period, the opening balance of the consolidated balance sheet shall not be adjusted. The operating results and cash flows of subsidiaries increased by business combinations not under common control after the acquisition date have been appropriately included in the consolidated income statement and consolidated statement of cash flows, and the opening balance and comparative amounts of the consolidated financial statements shall not be adjusted. The operating results and cash flows of subsidiaries increased by business combinations

under common control and the consolidated company by merger from the beginning of the current period of combination to the date of combination have been appropriately included in the consolidated income statement and consolidated statement of cash flows, and the comparative amounts of the consolidated financial statements shall be adjusted at the same time.

For any difference in accounting policies and accounting periods between the Company and its subsidiaries, necessary adjustments shall be made to subsidiaries based on accounting policies and periods of the Company when preparing consolidated financial statements. Financial statements of subsidiaries shall be adjusted based on the fair value of identifiable net assets defined on the purchasing date for the subsidiaries acquired not under the common control.

All significant transaction balances, transactions and unrealized profits within the Group shall be offset in the preparation of the consolidated financial statements.

The portion of a subsidiary's equity and net profit and loss that is not attributable to the Group are treated as minority interests and presented separately under the equity item and net profit item in the consolidated financial statements. The portion of net profit or loss of subsidiaries for the period attributable to minority interests shall be presented in the consolidated income statement below the net profit line item as minority interests. When the amount of loss for the current period attributable to the minority shareholders' portion exceeds the opening balance of owner's equity of the subsidiary attributable to the minority shareholders' portion, the excess shall be allocated against the minority interests in the consolidated financial statements.

When the Company loses control over a former subsidiary due to disposing part of equity investment or other reasons, the remaining part of the equity investment should be re-measured at fair value at the date when losing control over the investee. The sum of consideration received on disposal of the equity investment and the fair value of the remaining part of equity investment, deducting net assets proportion calculated by original share percentage since the acquisition date should be recorded into investment income for the period in which control is lost. Subsequently, the remaining part of equity investment shall be measured in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 2 – Long-term Equity Investment" or "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments". For details, please refer to note IV (14) "Long-term Equity Investment " or note IV (9) "Financial Instruments".

If the Group disposes the equity investment in subsidiaries step by step through multiple transactions until losing the control, it is necessary to distinguish whether the transactions of disposing the equity investment in subsidiaries until losing the control is a package deal. When the parent company disposes the equity investment of its subsidiary and the trade terms, conditions and economic impact satisfy one or more of the following conditions, multiple transactions shall be accounted for as a package deal: a) These deals are concluded at the same time or under the conditions of considering the impact on each other; b) These transactions shall be bundled as a whole to achieve a complete business result; c) The occurrence of a deal depends on at least one of the other transactions; d) A deal is not economically feasible on its own but becomes economically feasible when combined with other deals. If the transactions are not a package deal, the accounting treatment for each transaction shall be carried out in accordance with the above-mentioned accounting policies for "Partial disposal of long-term equity investment in subsidiary without losing control over the subsidiary" (details refer to Note IV 14 2(4) "Long-term equity investment") and "The loss of control of the subsidiary resulted from the disposal of partial equity investment in subsidiary or other reasons" respectively. When various transactions to dispose the equity investment of a subsidiary by the parent company till losing control over the subsidiary are a package deal, they shall be accounted for as one transaction for disposal of the equity investment which results in the loss of control. However, before the control is lost, the difference between each disposal income and the corresponding share of net assets of the subsidiary shall be recognized into other comprehensive income in the consolidated financial statement, and then the difference shall be transferred into the current profit and loss when the control is lost.

6. Classification of joint arrangement and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Group classifies joint arrangements into joint operations and joint ventures based on the rights and obligations in the venture arrangement. A joint operation is a joint arrangement whereby the Group can have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the Group can only have rights to the net assets of the arrangement.

The Group's investment in joint ventures shall be accounted by equity method in accordance with

the accounting policies described in note IV (14) "Long-term equity investment" and 2 (2) "Long-term equity investment under the equity method".

As a joint operator to the joint arrangement, the Group shall recognize (a) its solely-held assets and solely-assumed liabilities, its share of the jointly-held assets and jointly-assumed liabilities; (b) the revenue from the sale of its share of the joint operation outputs; (c) its share of the revenue from the sale of the joint operation outputs; and (d) its solely-incurred expenses and its share of expenses incurred jointly.

When the Group invests or sells assets to the joint operation as a joint operator (the assets does not constitute a business, same below), before these assets are sold to third parties, the Group shall recognize gains and losses from the transaction only to the extent of the other parties' interests in the joint operation. When the assets comply with the regulations of "Accounting Standard for Business Enterprises No. 8 - Impairment of Assets", the Group shall recognize the loss in full amount. When the Group purchases assets from the joint operation, it shall recognize its share of the gains and losses.

7. Recognition basis of cash and cash equivalents

This part is applicable to companies other than Chengdu Rural Commercial Bank Co., Ltd.

The cash and cash equivalents of the Group refers to cash on hand, deposits that can be used for payment at any time and short-term (less than three months) investments with high liquidity and can be easily converted into known amount of with low risk of changes in value.

This part is applicable to companies other than Chengdu Rural Commercial Bank Co., Ltd.

8. Translation of transactions and financial statements denominated in foreign currency

(1) Translation of foreign currency transactions

The Group's foreign currency transaction shall be converted into the functional currency according to the spot rate (usually refers to central parity rate of the day on which the exchange rate is announced by the People's Bank of China, and the same as follows) on the transaction date.

(2) Translation method for monetary items and non-monetary items denominated in foreign currency

On balance sheet date, the monetary items denominated in foreign currencies are translated at the spot exchange rates on the balance sheet date. Foreign exchange gains and losses arising from the difference are recognized in current profit and loss, except that: ① The exchange differences arising from the special foreign currency borrowings related to the acquisition and construction of assets eligible for capitalization shall be treated in accordance with the principle of capitalization of borrowing costs; ② The exchange differences of hedging instruments used for effective hedging of net investment in overseas operations (the differences shall be included in other comprehensive income, and shall not be recognized as current profit and loss until the net investment is disposed); ③ Foreign currency monetary items measured at fair value through other comprehensive income shall be included in the current profit and loss, while exchange difference arising from other changes in book value (excluding amortized cost and impairment) shall be included in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency shall be translated using the spot exchange rates on the transaction dates. Non-monetary items denominated in foreign currencies that are stated at fair value are translated using the spot exchange rates on the dates when the fair value was determined, the difference between the amount of functional currency after translation and the original amount of functional currency shall be treated as part of change in fair value (including change in exchange rate) and recognized in current profit and loss or other comprehensive income.

(3) Translations of financial statements denominated in foreign currencies

The Group translates the financial statements of its foreign operation in accordance with the following methods: The asset and liability items in the balance sheets shall be translated at a spot exchange rate on the balance sheet date. Among the owner’s equity items, except for "retained earnings", other items shall be translated at the spot exchange rate at the time when they occur; The income and expense items in the income statements shall be translated at the spot rate on the transaction date. The opening balance of retained earnings for the current year shall be the closing balance of retained earnings for the prior year after the translation. The closing balance of retained earnings for the current year shall be calculated by each translated item. The difference between the asset items and the sum of the liability items and the shareholders’ equity items after the

translation shall be accounted for as a translation difference in financial statements denominated in foreign currency and shall be recognized as other comprehensive income. In case of disposal of overseas operation and loss of control, the translation difference in foreign currency financial statements that is related to the overseas operation shall be transferred into the current profit and loss in full or in proportion to the disposal of the overseas operation.

Foreign currency cash flows and cash flows of overseas subsidiaries shall be translated using the spot exchange rate on the date of cash flow incurred. The impact of exchange rate changes on cash is used as a reconciliation item and shall be separately presented in the statement of cash flows.

The amount at the beginning of the year and the actual amount of the prior year shall be presented in accordance with the translated amount of the financial statements for the prior year.

When disposing all the shareholders' equity of the Group's overseas operation or losing the control over the overseas operation due to the disposal of part of the equity investment or other reasons, the translation difference in foreign currency financial statements that is related to the shareholders' equity of the parent company related to the overseas operation shall be transferred into the current profit and loss of disposal in full.

When the proportion of overseas operating interests is reduced but the control over the overseas operation is not lost due to the disposal of part of equity investment or other reasons, the translation difference of foreign currency financial statements related to the disposal part of overseas operation shall be attributed to minority interests and shall not be transferred into the current profit and loss. When disposing part of the equity of an overseas operation as an associate or joint venture, the translation difference of foreign currency financial statements related to the overseas operation shall be transferred into the current profit and loss of disposal according to the disposal proportion of the overseas operation.

If there is a foreign currency monetary item that substantially constitutes a net investment in overseas operations, in the consolidated financial statements, the exchange difference arising from the change in the exchange rate shall be regarded as "Translation difference of foreign currency financial statements" to be recognized as other comprehensive income; when disposing of overseas operations, it shall be recorded into the current profit and loss of disposal.

9. Financial instrument

Financial assets or financial liabilities shall be recognized when the Group becomes a party to a contract of financial instrument.

(1) Classification, recognition and measurement of financial assets

According to the business model of managing financial assets and the characteristics of contractual cash flow from the financial assets, the Group shall divide financial assets into financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss.

Financial assets shall be measured at fair value at the initial recognition. For financial assets at fair value through profit or loss, the relevant transaction costs shall be directly included in the current profit and loss. For other types of financial assets, the relevant transaction costs shall be included in the initial recognition amount. Accounts receivable or notes receivable that arise from selling products or rendering services and do not include or consider significant financing components shall be initially recognized as the consideration amount which the Group is entitled to.

① Financial assets measured at amortized cost

The Group's business model of managing financial assets measured at amortized cost is to collect contractual cash flows whose characteristics are consistent with that of the basic lending arrangements, that is, the cash flow generated on a specific date is only the payment of principal and interest based on the amount of outstanding principal. Such financial assets shall be subsequently measured at amortized cost using the effective interest method. Gains or losses arising from the amortization or impairment of these financial assets shall be included in the current profit and loss.

② Financial assets at fair value through other comprehensive income

The Group's business model of managing these financial assets is to collect and sell the contractual cash flows. The characteristics of the contractual cash flows of these financial assets are consistent with that of the basic lending arrangements. Such financial assets shall be measured at fair value with changes recorded in other comprehensive income. Impairment losses, exchange gain or loss or interest income calculated by the real interest rate shall be included in the current profit and loss.

In addition, some non-tradable equity instrument investments shall be irrevocably designated by the Group as financial assets at fair value through other comprehensive income. The Group shall

record the dividend income of such financial assets into the current profit and loss, and the changes in fair value into other comprehensive income. When the financial asset is derecognized, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income to retained income and not included in the current profit and loss.

③ Financial assets at fair value through the current profit or loss

The Group classifies the other types of financial assets other than those mentioned above as financial assets at fair value through profit or loss. In addition, in order to eliminate or significantly reduce accounting mismatch, the Group shall designate some financial assets as those measured at fair value through profit or loss in initial recognition. These assets shall be measured at fair value subsequently, and the changes in their fair value shall be included in the current profit or loss.

(2) Classification, recognition and measurement of financial liabilities

At the initial recognition, financial liabilities shall be classified as financial liabilities at fair value through the profit or loss and other financial liabilities. Transaction costs of financial liabilities at fair value through profit or loss shall be directly included in the current profit and loss, while the transaction costs of other financial liabilities shall be included in the initial amount of recognition.

① Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include trading financial liabilities (such as derivatives classified as financial liabilities) and those designated as fair value through profit or loss at initial recognition.

Trading financial liabilities (including derivatives classified as financial liabilities) shall be subsequently measured at fair value, except those changes of fair value related to hedging accounting shall be included in the current profit and loss.

For financial liabilities designated as fair value through profit or loss, changes of fair value that are caused by the changes of the Group’s own credit risk shall be recorded in other comprehensive income and the accumulated amount shall be transferred to retained earnings when such liabilities are derecognized. The other changes of fair value shall be included in the current profit and loss. If accounting for changes in the own credit risk of such financial liabilities will lead to or increase

accounting mismatch in the profit and loss, the Group shall include the total profits or losses of such financial liabilities (including the amount impacted by changes of the Company's own credit risk) in the current profit and loss.

② Other financial liabilities

The gain or loss arising from de-recognition or amortization financial liabilities measured at the amortized cost initially and subsequently shall be recorded in the current profit or loss. However, this rule does not apply to financial liabilities and financial guarantee contracts formed by the transfer of financial assets that do not meet the de-recognition conditions or continue to be part of the transferred financial assets.

(3) Impairment of financial assets

The Group shall recognize impairment of financial assets including financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, lease receivables (such as notes receivable, accounts receivable, financing receivables, lease receivables, other receivables, creditor's rights investment, other creditor's rights investment, long-term receivables, etc.). In addition, for contract assets and some financial guarantee contracts, provision for impairment and recognition of credit impairment losses shall also be made in accordance with the accounting policies described in this section.

① Method of making the provisions for impairment

Based on the expected credit loss, the Group shall make provisions for the above items according to the applicable expected credit loss measurement method (general method or simplified method) and recognize the credit impairment loss.

Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be received by the Group discounted at the original effective interest rate, that is, the present value of all cash shortfalls. Among them, the financial assets that are purchased or generated by the Group and have incurred credit impairment shall be discounted according to the actual interest rate adjusted by the credit of the financial assets.

When using the general method of measuring expected credit loss, the Group shall assess whether the credit risk of financial assets (including other items of contact assets, the same below) on each balance sheet date has increased significantly since the initial recognition. The amount of expected

credit loss shall be measured to the extent of expected credit loss in the whole duration if the credit risk has increased significantly since its initial recognition. The amount of expected credit loss shall be measured to the extent of expected credit loss in the next 12 months if the credit risk has not increased significantly since its initial recognition. When evaluating the expected credit loss, the Group considers all reasonable and available information, including forward-looking information.

For financial instruments with low credit risk on the balance sheet date, the Group shall assume the credit risk has not increased significantly since the initial recognition, and provide for loss according to the amount of expected credit loss in the next 12 months.

② Criteria for judging whether credit risk has increased significantly since initial recognition

If the default probability of a financial asset in the expected duration which is determined on the balance sheet date is significantly higher than that in the expected duration which is determined on the initial recognition, it indicates that the credit risk of the financial asset has increased significantly. Except for special circumstances, the Group shall use the change of default risk in the next 12 months as a reasonable estimate of the change of default risk in the whole duration to determine whether the credit risk has increased significantly since the initial recognition.

③ Portfolio-based approach to evaluate expected credit risk

The Group shall evaluate the credit risk of financial assets with significantly different credit risks, such as the receivables that are in dispute with the other party or involved in litigation or arbitration; or there are obvious signs showing that the debtor is probable to be unable to fulfill the repayment obligations of receivables.

In addition to the financial assets with single credit risk assessment, the Group shall divide financial assets into different portfolios based on the common risk characteristics, and assess the credit risk on the basis of the portfolios.

④ Accounting treatment for impairment of financial assets

At the end of the period, the Group shall calculate the expected credit loss of various financial assets. If the expected credit loss is greater than the book value of its current impairment provision, the difference shall be recognized as impairment loss. If it is less than the book amount of the current impairment provision, the difference shall be recognized as impairment gains.

(4) Recognition and measurement of transfer of financial assets

Financial assets meeting one of the following conditions shall be de-recognized:① The contractual right to receive the cash flow of the financial asset is terminated; ② The financial asset has been transferred and almost all the risks and rewards of the ownership of the financial asset have been transferred to the transferee; ③ The financial asset has been transferred. Although the enterprise has neither transferred nor retained almost all the risks and rewards of the ownership of the financial asset, it has given up the control over the financial asset.

If the Company has neither transferred nor retained substantially all risks and rewards of the ownership of the financial assets, and the Company has not given up the control over the financial assets, the relevant financial assets shall still be recognized according to the degree of its continuous involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly. The degree of continuous involvement in the transferred financial assets refers to the risk level faced by the Company due to changes in the value of the financial assets.

If the overall transfer of financial assets meets the conditions for de-recognition, the difference between the book value of the transferred financial assets and the sum of the consideration received due to the transfer and the accumulated changes in fair value originally included in other comprehensive income shall be included in the current profit and loss.

If the partial transfer of financial assets meets the conditions for de-recognition, the book value of the transferred financial assets shall be apportioned according to its relative portion of the fair value of the de-recognized part and the non-derecognized part, and the difference between the afore-mentioned book value apportioned and the sum of the consideration received due to the transfer and the accumulated changes in fair value originally included in other comprehensive income that should be apportioned to the de-recognized part shall be included in the current profits and losses.

The Group needs to determine whether almost all risks and rewards on the ownership of the financial assets have been transferred when they sell the financial assets with recourse or transfer the financial assets held by endorsement. If substantially all the risks and rewards in the ownership of the financial asset have been transferred to the transferee, the financial asset shall be de-recognized; if substantially all the risks and rewards in the ownership of the financial asset have been retained, the financial asset shall not be de-recognized; if substantially all the risks and

rewards in the ownership of the financial asset have not been transferred nor retained, they shall continue to judge whether the companies shall retain the control of the asset and the accounting treatment shall be performed in accordance with the principles described in the preceding paragraphs.

(5) De-recognition of financial liabilities

Only when the prevailing obligations of a financial liability are relieved in all or in part, the recognition of the financial liability shall be terminated in all or in part. Where the Group (the debtor) enters into an agreement with the creditors so as to substitute the existing financial liabilities by assuming a new financial liability, and if the contractual stipulations regarding the new financial liability is substantially different from that of the existing financial liability, the Group shall terminate the recognition of the existing financial liability and recognize the new financial liability at the same time.

Where the recognition of a financial liability is totally or partially terminated, the difference between the book value of the de-recognized part and the consideration has paid (including the non-cash asset which has been transferred out and the newly assumed financial liability) shall be recorded into the current profit and loss.

(6) Offsetting of financial assets and financial liabilities

When the Group has legal rights to offset the recognized financial assets and financial liabilities, and this kind of legal rights is currently executable, and plans to settle in net amount, or realize the financial assets and settle the financial liabilities at the same time, financial assets and financial liabilities shall be presented in the balance sheet at the amount after offsetting each other. Otherwise, financial assets and financial liabilities shall be presented separately in the balance sheet, not offsetting each other.

(7) Equity instrument

Equity instruments refer to contracts that can validate the remaining equity of the Group’s assets after deducting all liabilities. The Group’ issuance (including refinancing), repurchases, sale or cancellation of equity instruments shall be treated as changes in equity. Transaction costs related to

equity transactions shall be deducted from equity.

Such companies' various distributions (excluding share dividends) to the holders of equity instruments shall reduce owners' equity. Such companies shall not recognize changes in the fair value of equity instruments.

10. Notes receivable

The Group shall make the loss provisions for notes receivable according to the amount equivalent to the expected credit loss in the whole duration and evaluate the credit risk of notes receivable separately with significantly different credit risks, such as notes receivable from related parties and those with obvious evidence showing that it is probable the acceptor is unable to perform the acceptance obligations. In addition to the notes receivable assessed for credit risk separately, notes receivable shall be divided into different portfolios based on their credit risk characteristics.

Item	Basis for determining portfolios
Bank acceptance bill	The acceptor is a bank with low credit risk.
Commercial acceptance bill	According to the credit risk classification of the acceptor, it should be the same as that of "accounts receivable".

11. Accounts receivable

This part applies to companies other than Chengdu Rural Commercial Bank Co., Ltd.

Accounts receivable include accounts receivable, other accounts receivable, etc.

(1) Accounts receivable

For accounts receivable without major financing components, the Group shall provide for the impairment loss to the extent of the amount of expected credit loss in the whole duration. For accounts receivable, contract assets and lease receivables with significant financing components, the Group shall choose to provide for the impairment loss to the extent of the amount of expected credit loss in the whole duration on a constant basis.

The Group shall assess the credit risk of accounts receivable with significantly different credit risks, such as accounts receivable from related parties, government receivables, accounts

receivable in dispute with the other party or involving litigation and arbitration, accounts receivable that have obvious evidence showing that the debtor is highly likely to be unable to fulfill the repayment obligations.

In addition to the accounts receivable individually assessed for credit risk, accounts receivable shall be divided into different portfolios based on their credit risk characteristics.

Item	Basis for determining the portfolio
Accounts receivable	
Portfolio 1:Aging portfolio	Aging of accounts receivable
Portfolio 2:Related party portfolio	Portfolio of related parties within the consolidation scope
Portfolio 3:Government debt	Accounts receivable from government agencies and departments at all levels
Portfolio 4:Credit period portfolio	Credit period for export customers of Chase Sun Pharmaceutical.
Contract assets	
Portfolio 1:Unsettled construction funds	Construction project funds not settled by the owner
Portfolio 2:Warranty deposit	Warranty deposit
Portfolio 3: PPP Projects under the financial asset model	PPP Projects under the financial asset model
Portfolio 4:Others	Other types of portfolios other than those mentioned above.

(2) Other receivables

The Group shall measure the impairment loss to the equivalent amount of the expected credit loss in the next 12 months or the whole duration to according to whether the credit risk of other receivables has increased significantly since initial recognition. The Group shall assess the credit risk of other receivables with significantly different credit risks, such as accounts receivable from related parties, receivables in dispute with the other party or involving litigation and arbitration, receivables with obvious evidence showing that the debtor is highly likely to be unable to perform

its repayment obligations.

In addition to other receivables that are individually assessed for credit risk, they shall be divided into different portfolios based on their credit risk characteristics.

Item	Basis for determining the portfolio
Portfolio 1:Aging portfolio	Aging of accounts receivable
Portfolio 2:Related party portfolio	Portfolio of related parties within the consolidation scope
Portfolio 3:Government debt	Accounts receivable from government agencies and departments at all levels
Portfolio 4:Warranty deposit	Various deposits, advances, quality assurance deposits and other receivables in daily regular activities

12. Inventory

（1） Classification of inventory

The Company's inventories include raw materials, goods in process, self-made semi-finished products, revolving materials, finished products, and goods in stock.

(2) Pricing method for obtaining and delivering inventories

The inventories acquired by the Company shall be initially measured at actual costs, including purchase costs, processing costs and other costs.

Disclosure of inventory for real estate development companies:

Inventories shall be initially measured at cost. Inventories of real estate companies can be divided into raw materials, development costs, developed products and entrusted construction projects.

The development cost refers to the property that has not been completed and is constructed for sale and lease. After the project is completed and the financial settlement is made, the development cost shall be transferred to the developed products.

The developed products refer to the properties completed and to be sold. When sales of real estate occur, the costs shall be carried forward according to the unit cost (total cost of project divided by

saleable area) and the sold area.

Entrusted construction projects refer to projects which the company is entrusted by the government departments or other units to build and manage as an agent. After the completion of the entrusted construction project, it will be handed over to the designated owner, and the "Entrusted construction projects " and "special accounts payable" shall be carried forward after the financial settlement is made.

(3) Determination of net realizable value and inventory falling price reserves

Net realizable value refers to the amount of the estimated selling price of inventory less the estimated cost to be incurred at the time of completion, estimated selling expenses and relevant taxes in daily operations. The Company shall determine the net realizable value of inventories based on solid evidence obtained and take into consideration the purpose of holding the inventory and the impact of events after balance sheet date.

Inventories shall be measured at the lower of cost and net realizable value on the balance sheet date. If the net realizable value is lower than the cost, the difference shall be recognized as inventory falling price reserves for each item of inventory. For inventory with large quantity and low unit price, the inventory falling price reserves shall be made according to the inventory category respectively. For the inventory related to the series of products made and sold in the same region, those with the same or similar end use or purpose, those difficult to be measured separately from other items, the inventory falling price reserves shall be made for the same type of inventory collectively.

After the provision for inventory falling price is made, if the factors leading to the previous write-down of inventory value have ceased to exist and the net realizable value of inventory becomes higher than its book value, the reserves shall be reversed to the extent of the amount of reserves that has been made, and the reversed amount shall be included in the current profit and loss.

(4) The Company adopts perpetual inventory system for the inventory taking.

(5) Amortization of low value consumables and packaging materials

Low value consumables and packaging materials shall be amortized by the one-off amortization method at receipt.

13. Contract assets

The Group shall present the right to which the Group has fulfilled its performance obligations according to the contract but the customer has not paid the contract consideration, right that does not belong to the unconditional (i.e., only depending on the passage of time) right to collect payment from the customer as contract assets in the balance sheet. Contract assets and contract liabilities under the same contract shall be presented in net amount, and the contract assets and contract liabilities under different contracts shall not offset each other.

For the determination and accounting treatment of expected credit loss of contract assets, please refer to Note IV (9) "Financial instruments".

14. Long-term equity investment

The long-term equity investment in this part refers to the long-term equity investment in which the Group has control, joint control or significant influence over the investee. The Group's long-term equity investment that does not have control, joint control or significant influence on the investee shall be accounted as a financial asset at fair value through current profit or loss. If it is non-tradable, the Group can choose to designate it as a financial asset at fair value through other comprehensive income at initial recognition. Please refer to note IV (9) "Financial instruments" for the accounting policies.

Joint control refers to the Group's common control over an arrangement in accordance with relevant agreements, and the relevant activities of the arrangement can only be decided after the consensus of the participants sharing the control right. Significant impact means that the Group has the right to participate in the decision-making of the financial and operating policies of the invested entity, but it cannot control or jointly control the formulation of these policies with the other parties.

(1) Measurement of investment cost

If the long-term equity investment is obtained in business combination under common control, the initial cost of the investment is the book value of the share of the acquiree’s equity in the

consolidated financial statements of the ultimate controller at the acquisition date. The difference between cash paid, the book value of the non-monetary asset exchanged and the acquiree's liabilities assumed and the initial cost of the long-term equity investment should be adjusted to capital reserve. If the capital reserve is insufficient for adjustment, retained earnings are adjusted respectively. If the acquirer issuing equity securities as consideration, the initial cost is the book value of the share of the acquiree's equity in the consolidated financial statements of the ultimate controller at the acquisition date. Amount of share capital equal to the par value of the shares issued. The difference between initial cost of the long-term equity investment and the par value of shares issued shall be adjusted to capital reserve. If the capital reserve is insufficient for adjustment, retained earnings are adjusted respectively. If the equity of the acquiree under common control is acquired step by step through multiple transactions, and the business combination under common control is ultimately formed, it shall be handled separately whether it is the "package deal": if it is the "package deal", each transaction shall be accounted for as a transaction obtaining the control; if it is not the "package deal", the share of the book value of the acquiree's equity in the consolidated financial statements of the ultimate controller on the date of combination shall be taken as the initial investment cost of the long-term equity investment. The difference between the initial investment cost of the long-term equity investment and the sum of the book value of the long-term equity investment before the combination plus the book value of the newly paid consideration for the shares on the combination date shall be adjusted to the capital reserve; if the capital reserve is insufficient to offset, the retained earnings shall be adjusted. For the equity investment that is held before the combination date and measured under the equity method, or other comprehensive income generated from the financial assets measured at fair value through other comprehensive income shall not be accounted for temporarily.

For the long-term equity investment obtained from the business combination not under common control, the initial investment cost of the long-term equity investment shall be the combination cost on the acquisition date. The combination cost includes the sum of the assets paid by the acquirer, the liabilities incurred or undertaken, and the fair value of the issued equity securities. If the equity of the acquiree is acquired step by step through multiple transactions, and the business combination not under common control is ultimately formed, it shall be handled separately whether it is the "package deal": if it is the "package deal", each transaction shall be accounted as

a transaction obtaining the control; if it is not the "package deal", the sum of the book value of the equity investment originally held by the acquiree plus the newly increased investment cost shall be taken as the initial investment cost of the long-term equity investment measured at cost. If the originally held equity is accounted for under equity method, the relevant other comprehensive income shall not be accounted for temporarily.

The business combination costs that are directly attributable to the combination, such as audit fees, valuation fees, legal service fees and other administrative expenses shall be recognized in the current profit and loss when they occur.

For long-term equity investment obtained in any method other than business combination, other equity investment shall be initially measured at cost. The cost shall be determined respectively according to the actual cash purchase price paid by the Company, the fair value of equity securities issued by the Company, the value agreed in the investment contract or agreement, the fair value or original book value of assets exchanged in the exchange transaction of non-monetary assets, and the fair value of the long-term equity investment, etc. based on the different ways of obtaining the long-term equity investment. Expenses, taxes and other necessary expenses directly related to the acquisition of long-term equity investment are also included in the investment cost. If the additional investment can have a significant influence on the investee or implement joint control but does not constitute control, the cost of long-term equity investment shall be the sum of the fair value of the original equity investment determined in accordance with the "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" plus the cost of newly increased investment.

(2) Subsequent measurement and recognition of profit or loss

The equity method shall be used when the Company has joint control (except for joint operation) or significant influence over the investee. The cost method is used when the Company has control over the investee.

① Long-term equity investment under the cost method

The long-term equity investment under cost method shall be priced in accordance with the initial investment cost. Additional investment or recovered investment shall be adjusted to the cost of long-term equity investment. Unless the price or consideration actually paid of obtaining the

investment includes cash dividends or profits that are declared but not yet paid, the current investment income shall be recognized according to the cash dividends or profits declared and paid by the investee

② Long-term equity investment under the equity method

For the long-term equity investment under equity method, when the initial cost of long-term equity investments exceeds the Company's interest in the fair value of identifiable net assets of the investee, the initial cost of the long-term equity investment shall not be adjusted; while the initial cost of long-term equity investments is less than the share of the fair value of identifiable net assets of the investee, the difference is charged to profit or loss for the current period and the cost of the long-term equity investment shall be adjusted accordingly.

Under the equity method, shares of the investee's net profit or losses or the investee's other comprehensive income shall be recognized as investment income or losses and other comprehensive income respectively, and the book value of the long-term equity investment shall also be adjusted accordingly. The book value of long-term equity investment shall be reduced according to the profit or cash dividend declared to be distributed by the investee. If the investee's equity changes other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, the book value of the long-term equity investment shall be adjusted accordingly and recorded into capital reserve. When confirming the share of the net profit and loss of the investee, the net profit of the investee shall be recognized after adjustment on the basis of the fair value of all identifiable assets of the investee at the time of investment. When the accounting policies adopted by the investee are different from those adopted by the Company, the financial statements of the investee shall be adjusted and the investment income and other comprehensive income shall be recognized according to the Group's accounting policies. For transactions between the Group, associates and joint ventures, if the assets invested or sold do not constitute a business, the unrealized internal transaction profit and loss shall be offset according to the proportion attributable to the Group, and the investment profit and loss shall be recognized accordingly. However, if the unrealized internal transaction losses between the Group and the investee are classified as impairment loss of transferred assets, the loss shall not be offset. If the assets invested by the Group to a joint venture or an associate constitute a business, and the investor obtains long-term equity investment but does not obtain the control right, the fair value of

the invested business shall be taken as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the book value of the invested business shall be included in the current profit and loss in full. If the assets sold by the Group to a joint venture or an associate constitute a business, the difference between the consideration obtained and the book value of the business shall be included in the current profit and loss in full. If the assets purchased by the Group from joint ventures or associates constitute a business, the accounting treatment shall be carried out in accordance with the "Accounting Standards for Business Enterprises No. 20 - Business Combination", and the gains or losses related to the transaction shall be recognized in full.

The net loss incurred by the investee shall be recognized based on the book value of the long-term equity investment and other investments essentially constituting the long-term equity of the investee till the book value is reduced to zero. In addition, if the Group has the obligation to undertake extra losses for the investee, it should recognize the accrued liabilities according to the expected obligations and record them in the current investment loss. Once the investee realizes net profit in the subsequent period, the Group shall start to recognize its share of profits after the share of previously unrealized losses has been recovered.

For the long-term equity investment in joint ventures and joint ventures held by the Group before the implementation of the Accounting Standards for Business Enterprises the first time, if there is a debit balance of equity investment related to the investment, it shall be included in the current profits and losses according to the amount of straight-line amortization for the original remaining period.

③ Purchase of minority interests

In the preparation of consolidated financial statements, the difference between the newly increased long-term equity investment which is due to the purchase of minority equity and the share of net assets of the subsidiary calculated continuously from the acquisition date (or combination date) according to the newly increased shareholding ratio shall be adjusted to the capital reserve. If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

④ Disposal of long-term equity investment

In the consolidated financial statements, the parent company disposes part of the long-term equity investment in the subsidiary without losing the control, and the difference between the disposal

price and the amount of long-term equity investment in relation to its share of net asset in the subsidiary shall be included in the owners' equity; if the parent company disposes part of the long-term equity investment in the subsidiary, resulting in the loss of the control, it shall be treated in accordance with the relevant accounting policies described in Note IV 5 "Preparation of consolidated financial statements".

For the disposal of long-term equity investment under other circumstances, the difference between the book value of the disposed equity and the price actually obtained shall be included in the current profit and loss.

For long-term equity investment measured under equity method, if the remaining equity after disposal is still measured under equity method, the other comprehensive income originally included in the owners' equity shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities according to the corresponding proportion. The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward to the current profit and loss in proportion.

For long-term equity investment measured under cost method, if the remaining equity is still measured under cost method after disposal, the other comprehensive income recognized by equity method or determined from the recognition and measurement standard of financial instrument before obtaining the control over the investee shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities, and shall be carried forward to the current profit and loss in proportion; The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution under equity method shall be carried forward to the current profit and loss in proportion.

If the Group losses control in a subsidiary due to partial disposal of equity investment but can still exercise joint control or exert significant influence on the investee, the measurement of long-term equity investment shall be changed from the cost method to the equity method in an individual financial statements, and the remaining equity shall be deemed to be adjusted by equity method when it is acquired. If the remaining equity after disposal cannot exercise joint control or exert significant influence on the investee, it shall be accounted according to the relevant provisions of recognition and measurement standards of financial instruments, and the difference between the

fair value and book value on the date of loss of control shall be included in the current profit and loss. Before the Group obtains the control over the investee, the other comprehensive income recognized by equity method or determined from the recognition and measurement standard of financial instrument shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities when the control over the investee is lost. The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward to the current profit and loss when the control over the investee is lost. Among them, if the remaining equity after disposal is accounted by equity method, other comprehensive income and other owners' equity shall be carried forward in proportion; if the remaining equity after disposal is changed to be accounted according to the recognition and measurement standards of financial instruments, the other comprehensive income and other owners' equity shall be carried forward in full.

If the Group loses joint control or significant influence on the investee due to the disposal of part of equity investment, the remaining equity after disposal shall be accounted according to the recognition and measurement standards of financial instruments, and the difference between the fair value and book value on the date of losing joint control or significant influence shall be included in the current profit and loss. Other comprehensive income of the original equity investment recognized by the equity method shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities when the equity method is ceased to be used. The owners' equity recognized by the investee due to changes in the owners' equity other than net profit and loss, other comprehensive income and profit distribution shall be fully transferred into the current investment income when the equity method is ceased to be used.

The Group disposes the equity investment in subsidiaries step by step through multiple transactions until the control is lost. If the above transactions are a package deal, each transaction shall be treated as a transaction to dispose the equity investment in subsidiaries and lose the control for accounting treatment. Before the loss of control, the difference between the price of each disposal and the book value of the long-term equity investment corresponding to the disposed equity shall be first recognized as other comprehensive income, and then transferred to the current profit and loss when the control is lost.

(3) Recognition and accrual of impairment provision for long-term equity investment

Please refer to Note IV (22) "Impairment of non-current and non-financial assets" for the recognition and accrual method of impairment provision for long-term equity investment.

15. Investment property

Investment property refers to the property held for generating rent and/or capital appreciation or both, including: a) A land use right that is leased out; b) A land use right held and ready to transfer after appreciation; c) A building that is leased out. In addition, for the vacant buildings held by the Group for operating lease, if the Board of Directors (or other similar organization) makes a written resolution to clearly indicate that they will be used for operating lease and the intend to hold them will not change in the short term, they shall also be recorded as investment property.

The Group shall measure the investment property at fair value for subsequent measurement.

When selecting accounting policy for investment property measured subsequently at the fair value, the basis of selection is as follows:

① There are active property trading markets for the investment property;

② The Group can obtain market price or other relevant information of the same or similar real estate, and can make reasonable estimate for the fair value of the investment property.

The Group shall not provide for depreciation or amortization for investment property. On the balance sheet date, its book value shall be adjusted based on the fair value of the property. The difference between the fair value and the original book value shall be included in the current profit and loss.

When determining the fair value of the investment property, reference shall be made to the current market price of the same or similar real estate in an active market; if the current market price of the same or similar real estate cannot be obtained, reference shall be made to the latest transaction price of the same or similar real estate in an active market, the transaction situation, transaction date, region and other factors, so as to make a reasonable estimate of the fair value of the investment property; or the fair value shall be determined on the basis of the present value of the expected future rental income and relevant cash flow.

In rare cases, if there is evidence showing that when the Group obtains an investment property for

the first time (or when an existing property is converted into an investment property for the first time after construction or development is completed or the purposes for usage has changed), the fair value of the investment property cannot be obtained continuously and reliably, the investment property shall be measured at cost until disposal, and it is assumed that there is no residual value.

When the self-use real estate or inventory is converted into investment property, it shall be valued according to the fair value on the date of conversion. If the fair value on the date of conversion is less than the original book value, the difference shall be included in the current profit and loss; if the fair value on the date of conversion is greater than the original book value, the difference shall be recognized as other comprehensive income. When the investment property is converted into the self-use real estate, the fair value on the date of conversion shall be taken as the book value of the self-use real estate, and the difference between the fair value and the original book value shall be included in the current profit and loss.

When investment property is converted into to self-use property, the property shall be converted into fixed assets or intangible assets from the date of conversion. If the purpose of holding the self-use property has been changed to earn rent or capital appreciation, fixed assets or intangible assets shall be converted into investment property from the date of conversion. In case of conversion into investment property measured by cost model, the book value before conversion shall be used as the entry value after conversion. In case of conversion into investment property measured by the fair value model, the fair value on the conversion date shall be used as the entry value after conversion.

When the investment property is disposed, or is permanently withdrawn from use, and it is expected that no economic benefits can be obtained from its disposal, the recognition of the investment property shall be terminated. The disposal income from the sale, transfer, scrap or damage of investment property after deducting its book value and relevant taxes and surcharges shall be included in the current profit and loss.

16. Fixed assets

(1) Recognition criteria of fixed assets

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others or for administrative purposes with useful life more than one year. A

fixed asset shall be initially recognized at cost when the following conditions are satisfied: a) It is probable that future economic benefits associated with the assets will flow to the Group; b) The cost of the assets can be measured reliably. Fixed assets shall be initially measured at cost, taking into account the impact of expected disposal costs.

(2) Classification and depreciation of fixed assets

The depreciation of fixed assets shall be accrued within the service life from the next month when they reach the expected serviceable state. The service life, estimated net residual value, annual depreciation rate and depreciation method of various fixed assets are as follows.

Category of assets	Estimated useful life (year)	Estimated net residual value rate (%)	Annual depreciation rate (%)
Land assets			
Housing and buildings	20-40	5	2.38-4.75
Machinery and equipment	6-10	5	9.5-15.83
Electronic equipment	3-5	5	19-31.67
Transportation equipment	4-8	5	11.88-23.75
Office equipment	3-10	5	9.5-31.67
Hotel furniture	3-10	5	9.5-31.67
Other equipment	3-10	5	9.5-31.67

The estimated net residual value refers to the amount obtained by the Group from the disposal of the asset after deducting the estimated disposal expenses, assuming that the expected service life of the fixed asset has expired and is in the expected state at the end of its service life.

(3) Methods for conducting impairment test and making provisions for fixed assets

Please refer to Note IV (22) "Impairment of non-current and non-financial assets" for the details.

(4) Other information

For subsequent expenditure relating to a fixed asset, if the economic benefits related to the fixed asset are probable to flow in and their costs can be reliably measured, they shall be included in the cost of the fixed asset and the book value of the replaced part shall be derecognized. Other subsequent expenditures shall be included in the current profit and loss when they occur.

When a fixed asset is being disposed or it is expected to produce no economic benefits through use or disposal, the recognition of the fixed asset shall be terminated. The difference of the disposal income from the sale, transfer, scrap or damage of fixed assets after deducting the book value and relevant taxes shall be included in the current profit and loss.

The Group shall review the useful life, estimated residual value and depreciation method of a fixed asset at the end of each financial year. If there are any changes, they shall be treated as changes in accounting estimates.

17. Construction in progress

Construction in progress shall be measured according to the actual costs, including the construction costs, other necessary expenses incurred to make the construction in progress reach the expected serviceable state, and the borrowing costs that meet the capitalization conditions before the assets reach the expected serviceable state. Construction in progress shall be converted to fixed assets or investment real estate after reaching the expected serviceable state.

For the impairment testing and provision method of construction in progress, please refer to note IV (22) "Impairment of non-current non-financial assets".

18. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, auxiliary costs and exchange differences arising from foreign currency borrowings, etc. When the borrowing costs incurred by the Company can be directly attributable to the acquisition and construction or production of assets which are eligible for capitalization, it shall be capitalized and recorded into the costs of relevant assets when the following requirements are simultaneously met: a) The asset disbursements have already incurred; b) The borrowing costs have already incurred; c) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started. When the qualified asset under acquisition and

construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased. Other borrowing costs shall be recorded into the current profit and loss when they occur.

The amount of interest expenses actually incurred in the current period of a special borrowing after deducting the interest income from unused borrowing funds deposited in the bank or the investment income from temporary investment shall be capitalized. The capitalization amount of a general borrowing is the capitalization rate of the general borrowing used multiplied by the portion of the weighted average asset disbursement, which is calculated by deducting the special loan from the accumulative asset disbursements. The capitalization rate shall be calculated and determined based on the weighted average interest rate of the general borrowing.

During the period of capitalization, the foreign exchange differences on foreign currency specific borrowings shall be capitalized; exchange differences on foreign currency general borrowings shall be recorded into the current profit and loss.

Assets eligible for capitalization refer to assets such as fixed assets, investment property, inventories and other assets which need to go through the acquisition and construction or production activities for quite a long time to reach the intended use or status for sale.

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended, till the acquisition and construction or production of the asset restarts.

19. Intangible assets

(1) Recognition of intangible assets

Intangible assets are identifiable non-monetary asset that are owned or controlled by the Group and do not have a physical substance.

An intangible asset shall be measured initially at its cost. For subsequent expenditure relating to an intangible asset, if the economic benefits related to the intangible asset are probable to flow in and their costs can be reliably measured, it shall be included in the cost of the intangible asset. Other subsequent expenditures shall be included in the current profit and loss when they occur.

The acquired land use right shall be usually accounted for as an intangible asset. For self-development and construction of buildings such as factories, etc., the related land use right

expenditures and building construction costs are accounted for as intangible assets and fixed assets respectively. For houses and buildings purchased, the relevant price shall be allocated between the land use rights and the buildings. If it is difficult to allocate them reasonably, all of them shall be treated as fixed assets.

(2) Amortization of intangible assets

When intangible assets with limited useful life are available for use, they shall be amortized based on the original value minus the estimated net residual value and the accumulated amount of the impairment provision using the straight-line method within the expected useful life. Intangible assets with uncertain useful life shall not be amortized.

At the end of the reporting period, for an intangible asset with limited useful life, the useful life and amortization method shall be reviewed. If there are changes incurred, it shall be treated as changes in the accounting estimates. In addition, for an intangible asset with uncertain useful life, the useful life shall be reviewed. If there is evidence indicating that the economic benefits brought to the Company by the intangible asset is foreseeable, estimate for its useful life shall be made and amortization shall also be made in accordance with the amortization policy of intangible assets with limited useful life.

(3) Research and development expenditure

The expenditure from the internal research and development project of the Group shall be classified as the expenditure in research stage and those in development stage. Among them, research refers to original and planned investigations for acquiring and understanding new scientific or technical knowledge, such as activities that are intended to acquire knowledge; applied research, evaluation and final selection of research results or other knowledge; research on alternatives of materials, equipment, products, processes, systems or service; preparation, design, evaluation and final selection of possible alternatives of new or improved materials, equipment, products, processes, systems or service. Development refers to the application of research results or other knowledge to a plan or design to produce new or substantially improved materials, devices, products, etc. before commercial production or use, such as the design, construction and testing of prototypes and models before production or use; design, construction and operation of

trial production facilities without commercial production economic scale.

The expenditures in research stage shall be recorded into the current profit and loss when they occur.

The expenditures in development stage shall be recognized as intangible assets that should meet all the conditions as follows, otherwise they shall be recorded into the current profit and loss:

① It is technically feasible to finish intangible assets for use or sale;

② It is intended to finish and use or sell the intangible assets;

③ The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally;

④ It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources;

⑤ The development expenditures of the intangible assets can be reliably measured.

If it is impossible to distinguish the expenditure in the research stage or those in the development stage, all the R&D expenditures incurred shall be recorded into the current profit and loss.

(4) Method for testing impairment and making provisions for intangible assets

Please refer to note IV (22) "Impairment of non-current and non-financial assets" for more details.

20. Long-term deferred expenses

Long-term deferred expenses refer to all expenses with an amortization period of more than one year that have occurred and will be split between the reporting period and subsequent periods. Long-term deferred expenses shall be amortized by stages according to the period of each expense item.

21. Debt-paying assets

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

Debt-paying assets refer to the physical assets or property rights of the Group which are

compensated by the debtor, guarantor or the third party by exercising the creditor's rights or security interests according to law.

For debt-paying financial assets, they shall be classified and measured subsequently according to note IV (9) "Financial instruments".

For debt-paying non-financial assets, they shall be initially measured according to the fair value of the relinquished creditor's rights and the taxes and other costs directly attributable to the asset, and subsequently measured at the lower of its book value and recoverable amount. Details of impairment testing and provision method are set in note IV (22).

22. Impairment of non-current and non-financial assets

The Group assesses fixed assets, constructions in progress, right-of-use assets, intangible assets with limited useful life, investment property measured at cost model, long-term equity investment in subsidiaries, joint ventures and associates, goodwill and other non-current non-financial assets for impairment at the balance sheet date. If there is any indication that an asset may be impaired, the Group should assess the asset for impairment and estimate the recoverable amount of the impaired asset. The Group shall conduct impairment tests each year on goodwill, intangible assets with uncertain useful life and intangible assets that not reach the usable status yet no matter whether indication that an asset may be impaired exists or not.

If the result of impairment test indicates that the book value of an asset is higher than its recoverable amount, impairment provision should be made and recorded into the impairment loss based on the difference. Recoverable amount is measured as the higher of an asset’s fair value less disposal costs and the present value of estimated future cash flows. The fair value of the asset is determined according to the sales agreement price in the fair transaction; if there is no sales agreement but there is an active market for the asset, the fair value is determined according to the buyer’s bid for the asset; if there is no sales agreement and an active market for the asset, the fair value of the asset is estimated based on the best information available. Disposal costs include legal expenses, relevant taxes and handling expenses related to the disposal of assets and direct expenses incurred to make the assets reach a saleable state. The present value of the expected future cash flow of the asset shall be determined according to the expected future cash flow generated in the process of continuous use and final disposal of the asset, and the appropriate

discount rate shall be selected to discount the amount. If there is any indication that an asset may be impaired, the Group usually estimates its recoverable amount on an individual item basis. However, if it's not possible to estimate recoverable amount of the individual asset, the Group should determine the recoverable amount of the asset group to which the asset belongs. An asset group is the smallest group of assets that can independently generates cash inflows.

For the goodwill separately listed in the financial statements, during the impairment test, the book value of goodwill shall be allocated to the asset group or combination of asset groups expected to benefit from the synergistic effect of business combination. If the test results show that the recoverable amount of the asset group or asset group combination containing the allocated goodwill is lower than its book value, the corresponding impairment loss shall be recognized. The amount of impairment loss shall first offset the book value of goodwill allocated to the asset group or combination of asset groups, and then offset the book value of other assets in proportion according to the proportion of the book value of assets other than goodwill in the asset group or combination of asset groups.

Once impairment loss is recognized, it cannot be reversed in the subsequent financial periods.

23. Contract liabilities

Contract liability refers to the obligation of the Group to transfer goods to customers after receiving customers' consideration or have the rights of collecting the consideration. If the customer has paid the contract consideration or the Group has obtained the unconditional right of collecting the consideration before the transfer of goods to the customer, the Group shall record the consideration received or receivable as the contract liability at the earlier of the actual payment and due payment. The contract assets and liabilities of the same contract shall be presented in net amount, and the contract assets and liabilities of different contracts shall not be offset.

24. Employee benefits

Employee benefits of the Group include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

Short-term employee benefits include salary, bonus, allowance & subsidy, employee welfare, medical insurance, work-related injury insurance, maternity insurance, housing fund, union funds,

employee education expenses and non-monetary welfare, etc. The actual short-term employee benefits shall be recognized as the debt during the accounting period when the employees provide service and included in the current profit and loss or the cost of relevant assets, and the non-monetary welfare shall be measured at fair value.

Post-employment benefits include defined contribution plans and defined benefit plans. Defined contribution plans mainly include basic endowment insurance, unemployment insurance and annuity, etc. The corresponding payable amount shall be included in the relevant asset cost or current profit and loss when it occurs.

To terminate the labor relationship with the employee before the expiration of the labor contract, or to propose compensation to encourage employees to voluntarily accept the layoff, the employees' compensation liabilities arising from the termination benefits are recognized and charged into the current profit and loss at the earlier date of the two following situations: (1) the Group is unable to unilaterally withdraw the termination benefits provided by terminating the labor relationships plans or the layoff proposals; (2) the Group recognize the costs or expenses in connection with the reorganization involving the termination benefits. However, if the termination benefits are not expected to be fully paid within 12 months after the end of the annual report period, they shall be treated as other long-term employee benefits.

Employee internal retirement plans shall be handled according to the same principles as above for termination benefits. The salaries and social insurance premiums to be paid to the early retired employees from the date when the employees stop providing services to the normal retirement date, when they meet the conditions for the recognition of accrued liabilities, shall be included in the current profit and loss (termination benefits).

If the other long-term employee benefits provided by the Group to employees are in accordance with the defined contribution plan, the accounting treatment shall be carried out in accordance with the defined contribution plan, and otherwise shall be accounted for in accordance with the defined benefit plan.

25. Share-based payment

(1) Classification of share-based payment

The Group's share-based payment scheme is as follows.

Share-based payment is a transaction in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed for the purpose of obtaining services provided by employees or other parties. Share-based payment is divided into equity- settled and cash-settled share-based payment. As of December 31, 2022, the Group's share-based payment scheme being implemented is the equity-settled share-based payment.

① Equity-settled share-based payments

Equity-settled share-based payments in exchange of service provided by employees shall be measured at the fair value of the equity instruments granted to the employees on the grant date. If the right cannot be exercised until the services are completed or the prescribed performance conditions are satisfied during the vesting period, based on the best estimate of the number of vested equity instruments during the vesting period, it shall be accounted for as the relevant costs or expenses by using straight-line method, and the capital reserve shall be increased accordingly.

When the fair value of the granted equity instrument cannot be measured reliably, it shall be measured at the intrinsic value of the equity instrument on the service date, each subsequent balance sheet date and settlement date, and the change in the intrinsic value shall be included in the current profit and loss.

② Cash-settled share-based payments

The cash-settled share-based payments shall be measured at the fair value of liabilities calculated and confirmed on the basis of the shares or other equity instruments undertaken by the Group. If the right can be exercised immediately after the grant, it shall be accounted for as the relevant costs or expenses on the grant date, and the liability shall be increased accordingly. If the right cannot be exercised until the services are completed or the prescribed performance conditions are satisfied during the vesting period, on each balance sheet date during the vesting period, based on the best estimate of the number of vested equity instruments, it shall be accounted for as the relevant costs or expenses according to the fair value of the liabilities undertaken by the Group on the grant date, and the liability shall be increased accordingly.

On each balance sheet date and settlement date before the settlement of the relevant liabilities, the fair value of the liabilities shall be re-measured, and the changes shall be included in the current profit and loss.

(2) Measurement of fair value of equity instruments

The fair value of equity instruments such as options granted in an active market shall be determined according to the quotation in the active market. For equity instruments such as options granted without an active market, the fair value shall be determined by option pricing model. The following factors shall be considered in the option pricing model: (A) the exercise price of option, (B) the valid period of the option, (C) the current price of the underlying shares, (D) the expected volatility of share price, (E) expected dividends on shares, (F) the risk-free interest rate during the validity of the option.

(3) Basis for the best estimation of exercisable equity instruments

On each balance sheet date within the vesting period, the best estimate shall be made by the Company based on the latest available information such as the number of employees with vesting rights, and the number of equity instruments expected to be exercised shall be revised. On the vesting date, the final estimated number of exercisable equity instruments shall be equivalent to the actual number of exercisable equity instruments.

(4) Accounting treatment for amendment and termination of the share-based payment plan

If the amendment increases the fair value of the equity instruments granted, the Group shall recognize the increase in service acquired according to the increase in the fair value of the equity instruments. The increase in the fair value of equity instruments refers to the difference between the fair value of equity instruments before and after amendment on the amendment date. If the amendment decreases the total fair value of the equity instruments granted or adopts other methods that are not conducive to the employees, the accounting treatment for the acquired services shall be continued, regardless of the change as mentioned-above, unless the Group cancels part or all of the granted equity instruments.

During the vesting period, if the equity instruments granted are canceled (except for those canceled due to failure to meet the vesting conditions), the Group shall treat the cancellation of the granted equity instrument as an accelerated exercise, and the amount that should be recognized in the remaining vesting period shall be immediately included in the current profit and loss, and the capital reserve shall be recognized at the same time. If the employee or other party can choose to

meet the conditions of non-exercise rights but is not met within the vesting period, the Group shall treat it as a cancellation of the granted equity instruments.

26. Bonds payable

The non-convertible corporate bonds issued by the Group shall be treated as liabilities according to the amount actually received (deducting relevant transaction costs); the difference between the amount actually received and the total par value of the bond shall be treated as the premium or discount of the bonds, which shall be amortized during the duration of the bond according to the effective interest rate when the interest is accrued, and shall be treated according to the treatment principle of borrowing costs.

The convertible corporate bond issued by the Group shall be divided into the liability and equity components at initial recognition and treated separately. Firstly, the fair value of the liability component shall be recognized as its initial recognition amount. Secondly, the initial recognition amount of the equity component shall be determined according to the total issue price of the convertible corporate bonds (deducting relevant transaction costs) after deducting the initial recognition amount of the liability component.

27. Accrued liabilities

An obligation related to a contingency shall be recognized as the accrued liability when all the following conditions are satisfied:

① The obligation is a present obligation of the Group;

② It is probable that an outflow of economic benefits from the Group will be required to settle the obligation;

③ The amount of the obligation can be measured reliably.

On the balance sheet date, considering the factors such as risks, uncertainties and time value of money, etc. related to the contingency, accrued liabilities shall be measured at the best estimate of the payment required to perform the relevant current obligations.

Where some or all the expenditures are expected to be reimbursed by a third party, the reimbursement shall be separately recognized as an asset only when it is virtually received. The amount of the reimbursement shall not exceed the book value of the liability recognized.

28. Other financial instruments such as preferred shares, perpetual bonds

(1) Distinction between perpetual bonds and preferred shares

The Group classifies the financial instruments issued such as perpetual debts and preferred shares, etc. as equity instruments when the following conditions are met at the same time:

① The financial instrument shall not include the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

② For the financial instrument issued by the Group that requires or can be settled by the enterprise's own equity instruments in the future, if it is a non-derivative instrument, it shall not include the contractual obligation to deliver a variable number of its own equity instruments for settlement; if it is a derivative instrument, the Group may settle the financial instrument only by exchanging a fixed amount of its own equity instruments for cash or other financial assets.

Except for financial instruments that can be classified as equity instruments according to the above conditions, other financial instruments issued by the Group should be classified as financial liabilities.

If the financial instrument issued by the Group is a compound financial instrument, it shall be recognized as a liability according to the fair value of the liability component. The amount after deducting the fair value of the liability component from the amount actually received shall be recognized as "Other equity instrument". The transaction costs incurred in the issuance of compound financial instruments shall be apportioned between the liability component and the equity component according to their respective proportions of the total issuance price.

(2) Accounting treatment of perpetual debts and preferred shares

The interest, dividend (or share dividend), gain or loss, as well as the gain or loss arising from redemption or refinancing related to the financial instruments such as perpetual debts and preferred shares, etc., which are classified as financial liabilities, shall be included in the current profit and loss, except for the borrowing costs meeting the capitalization conditions (details refer to Note IV (18) "Borrowing costs").

For the financial instruments such as perpetual bonds and preferred shares, etc. classified as equity

instruments, when they are issued (including refinancing), repurchased, sold or written off, the Group shall treat them as changes in equity, and the relevant transaction costs shall be deducted from the equity. The Group's distribution to the holders of equity instruments shall be treated as the profit distribution.

The Group shall not recognize the changes in fair value of equity instruments.

29. Entrusted business

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

The Group is the manager, trustee or agent of customers in the entrusted business. The balance sheet of the Group does not include the assets held by the Group due to entrusted business and the commitment to return such assets to customers. The risks and benefits of such assets are borne by customers.

The Group signed an entrusted loan agreement with the customers, and the customers provided funds to the Group (hereinafter referred to as "entrusted loan funds"). The Group issued loans to third parties (hereinafter referred to as "entrusted loans") according to the customer's instructions. Since the Group does not bear the risks and rewards of entrusted loans and related funds, entrusted loans and funds shall be recorded as off-balance sheet items based on their principal, and no provisions shall be made for these entrusted loans.

30. Revenue

The Group shall recognize revenue from contract with customers when customers confirm receipt of control of goods if all the following conditions have been satisfied:

a) All parties have approved the contract and promised to meet their own obligations;

b) The contract specifies the rights and obligations of all parties related to the goods transferred or the services provided;

c) The contract has clear payment terms related to the goods transferred;

d) The contract has commercial substance, that is, the performance of the contract will change the risk, timing or amount of the Company's future cash flow;

e) The consideration that the Group is entitled to due to the transfer of goods to customers is probable to be recovered.

On the inception date of the contract, the Group shall identify the individual performance obligations existing in the contract, and allocate the transaction price to the individual performance obligations according to the relative proportion of the price of goods. In determining the transaction price, factors such as variable consideration, significant financing components in the contract, non-cash consideration and consideration payable to customers shall be considered.

For each single performance obligation in the contract, if one of the following conditions is met, the Group shall recognize the transaction price apportioned to the single performance obligation as revenue according to the progress when performing the obligations: The customers can obtain and consume the economic benefits brought by the Group's performance of contract at the same time; The customers can control the goods under construction during the performance of the contract by the Group; The goods produced by the Group in the course of performance of contract have irreplaceable use, and the Group has the right to collect payment for the performance so far during the whole contract period. The performance schedule shall be determined by the input method or output method according to the nature of the transferred goods. If the performance schedule cannot be reasonably determined and the costs incurred by the Group are expected to be compensated, the revenue shall be recognized according to the cost incurred until the performance schedule can be reasonably determined.

If one of the above conditions is not met, the Group shall recognize the revenue from the transaction price apportioned to the single performance obligation when the customer obtains the right of the goods. When judging whether a customer has acquired control over the goods, the Group shall consider the following signs: The companies have the right to collect the consideration now and the customer has the obligation to pay for the goods now; The companies have transferred the legal ownership of the goods to the customer and the customer has the legal ownership of the goods; The companies have transferred the goods in kind to the customer and the customer has possessed the goods in kind; The companies have transferred the main risks and rewards of the ownership of the goods to the customer and the customer has obtained the major risks and rewards of the ownership of the goods; The customer has accepted the goods; There are other indications that the customer has taken control of the goods.

Revenue recognition method:

(1) The revenue from the sale of goods and the provision of services of Tianjin Chase Sun

Pharmaceutical Co., Ltd. is the performance of obligations at a certain point of time.

① For domestic sales of goods, revenue recognition should meet the following conditions: The company has delivered the goods to the buyer according to the contract and the buyer has confirmed the acceptance of the products, the amount of sales revenue of goods has been determined, the payment for goods has been recovered or the certificate of collection has been obtained, and the relevant economic benefits are probable to flow in, the cost related to the goods can be reliably measured.

② For overseas sales of goods, revenue recognition should meet the following conditions: Under the FOB, the company has recognized revenue according to the contract when the goods are declared and shipped, the payment for goods has been collected or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in; the cost related to the products can be measured reliably. Under the CIF, the company has declared and shipped the goods according to the contract and shipped them to the place designated by the customer, the sales revenue of the goods has been recognized, the payment for goods has been collected or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in, and the cost related to the products can be measured reliably.

③ The following conditions should be met for the revenue recognition of service rendered: the company has completed the service according to the contract, the service revenue has been determined, the corresponding payment has been received or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in, and the cost related to the provision of service can be reliably measured.

(2) Provision of construction-related services of China Zhonghua Geotechnical Engineering Group Co., Ltd,:

① Revenue recognition of construction business

If the construction contract business is performed within a certain period of time, the Group shall recognize the revenue according to the performance progress by the output method. The performance progress shall be determined according to the proportion of the actual completion as confirmed by the supervisor or the entrusting party in the estimated total workload.

For projects completed and settled in the current period, the operating revenue of the current

period shall be recognized according to the amount of the final income minus the accumulated revenue recognized in previous accounting years.

For project that has not been settled in the current period, the difference between the performance progress on the reporting day and the performance progress of the accumulated revenue recognized in the previous period shall be regarded as the current performance progress. The current operating revenue shall be recognized by multiplying the estimated total contract revenue by the current performance progress.

② Revenue recognition of survey / engineering design business

Revenue recognition of survey / engineering design business is as follows:

In accordance with the survey / engineering design business contract, the Group shall recognize revenue after completing the relevant survey / engineering design and submitting technical achievements or reports to customers.

③ Revenue recognition of the rental business of shield machines

For projects completed and settled in the current period, the operating income of the current period shall be recognized according to the amount of the final income minus the accumulated income recognized in the previous accounting year.

For projects that have not been settled in the current period, the operating revenue of the current period shall be recognized according to the actual completed quantity, i.e., the driving meters and the unit price agreed in the contract. The actual completed quantity is the workload confirmed by the bill of quantities for pricing which is confirmed by the customer or the supervisor, and the confirmation time point is the signing date of the bill of quantities which is confirmed by the customer or the supervisor.

④ Revenue recognition of sales of shield machines

After the assembly of large structural parts, 30% of revenue shall be recognized according to the amount in contract.

After the factory acceptance, installation and commissioning of the goods are completed and accepted by both parties, 40% of revenue shall be recognized according to the amount in contract.

After the product is installed in the well, the commissioning is qualified and accepted by the buyer, and the remaining income shall be recognized after obtaining the acceptance report of installation in the well signed by both parties or three parties (if there is a supervisor).

(3) Revenue recognition policies of Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.:

① Revenue from sales of goods

When the real estate is completed and the completion settlement is made, the delivery conditions agreed in the sales contract are met, that is, the buyer and the seller have completed the delivery procedures and obtained the payment certificate according to which the buyer will deliver the real estate, sales revenue shall be recognized at the time when the customer obtains the control right of relevant goods or services.

The Company shall include the payment received but not meeting the revenue recognition conditions into the contract liability, and transfer it to the operating revenue account after the above revenue recognition conditions are met.

② Housing rental income

According to the contract or agreement signed with the lessee, the housing rental income shall be recognized according to the straight-line method when the rent from the lessee has been received and the tax payment certificate has been issued.

③ Entrusted construction management fee income

According to the agreement of agent construction, the income fee shall be recognized when the labor service has been provided, the right to collect agent construction management fee has been obtained and the tax payment certificate has been issued.

(4) Revenue recognition policies of Chengdu Rural Commercial Bank Co., Ltd.:

① Interest income

For all financial assets measured at amortized cost and those measured at fair value through other comprehensive income, the interest income shall be measured at the effective interest rate, which refers to the interest rate that discounts the expected future cash inflow or outflow of the financial instrument to the book balance of the financial asset or the amortized cost of the financial liability based on the expected duration of the financial instrument. In calculating effective interest rate, it is necessary to consider the contractual terms of financial instruments (such as prepayment right) and include all expenses and transaction costs attributable to the components of effective interest

rate, excluding expected credit loss.

The Group shall determine the interest income based on the book balance of financial assets multiplied by the effective interest rate, except for the following circumstances:

- For the financial assets purchased or generated with credit impairment, the interest income shall be calculated and determined according to the amortized cost of the financial assets and the actual interest rate after credit adjustment from initial recognition.

-For the financial assets purchased or generated without credit impairment but incurs credit impairment in the subsequent period, the interest income shall be calculated and determined according to the amortized cost of the financial assets (i.e., net book balance after deducting the provision for expected credit losses) and the effective interest rate. If the financial instrument no longer incurs credit impairment due to the improvement of its credit risk in the subsequent period which is objectively related to an event after the application of the above provisions, the interest income shall be calculated and determined by multiplying the effective interest rate by the book balance of the financial asset.

② Handling fee and commission income

The Group shall collect handling fees and commissions by providing various services to customers. The handling fee and commission income recognized by the Group is the amount of consideration it is expected to be entitled to receive, and the income is recognized when the performance obligations in the contract are fulfilled.

If one of the following conditions is met, the Group shall perform the performance obligation within a certain period of time. Otherwise, it shall perform the performance obligation at a certain point of time:

-The customer obtains and consumes the economic benefits brought by the Group's performance when the Group performs the obligation.

-The customer can control the services provided during the Group’s performance.

-The services provided by the Group during the performance of obligation have irreplaceable uses, and the Group has the right to collect payment for the performed part during the whole contract period.

③ Dividend income

Dividend income from equity instruments shall be recognized in the current profit and loss when

the Group has right to receive dividends.

(5) Revenue recognition policies of income of other companies are as follows:

① Project construction revenue: the project construction business of these companies shall be classified as the performance obligation to be performed within a certain period of time, and the contract completion progress shall be determined according to the input method. The construction business of the Company shall be classified as goods under construction controlled by the customer in the process of the company's performance of obligation. Such goods have irreplaceable uses, and the Company has the right to collect payment for the performed part during the whole contract period.

② Product sales revenue: the Company's product sales revenue shall be classified as business revenue recognized at a certain point in time. The revenue shall be recognized when the Company transfers the control of the products to the buyer.

③ Income from transferring the right-to-use assets: the income from transferring the right-to-use assets of the Company is mainly the rental income of houses and buildings, which shall be classified as obligation to be performed within a certain period of time. The progress shall be recognized according to the lease period. The rental income of assets shall be calculated and determined according to the time and method agreed in contracts or agreements.

31. Expenditure

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

(1) Interest expense

The interest expense of financial liabilities shall be calculated according to the amortized cost of financial liabilities and the length of funds occupied according to the effective interest rate method, and shall be recognized in the corresponding period.

(2) Others expenditure

Other expenses shall be recognized on the accrual basis.

32. Contract costs

If the incremental cost incurred by the Group to obtain the contract is expected to be recovered, it

shall be recognized as an asset as part of the contract acquisition cost. However, if the amortization period of the asset is less than one year, it shall be included in the current profits and losses when incurred.

If the cost incurred for the performance of the contract does not fall within the "Accounting Standards for Business Enterprises No. 14 - Revenue (Revised in 2017)" and meets the following conditions at the same time, it shall be recognized as an asset as part of the contract performance cost:

① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs explicitly borne by the customer and other costs incurred solely as a result of the contract;

② This cost increases the Group's resources for fulfilling its performance obligations in the future;

③ The cost is expected to be recovered.

The assets related to the contract cost shall be amortized on the same basis as the commodity income related to the assets, and shall be included in the current profits and losses.

The Group shall make the impairment provision for the excess part and recognize it as the asset impairment loss if the book value of the assets related to the contract cost is higher than the difference between (a) the residual consideration expected to be obtained by the Group due to the transfer of goods related to the asset and (b) the estimated costs to be incurred for the transfer of the relevant goods. If the factors of impairment in previous periods change later, so that the difference between (a) and (b) is higher than the book value of the asset, the Group shall reverse the asset impairment provision made and record it into the current profit and loss, but the book value of the asset after reversal shall not exceed the book value of the asset on the reversal date assuming that the impairment provision had not been made.

33. Government subsidy

Government subsidies refer to the monetary assets or non-monetary assets (excluding the capital invested by the government as the owner) that are obtained by the Group. Government subsidies shall be mainly divided into two types: asset-related government subsidies and income-related government subsidies. The Group shall define government subsidies obtained for the acquisition

and construction of long-term assets in other ways as asset-related government subsidies and other government subsidies as income-related government subsidies. If the government document does not specify the target, the subsidy shall be divided into income-related and asset-related government subsidy in the following ways: (1) if the government document specifies the specific project for which the subsidy is targeted, it shall be divided according to the relative proportion between the expenditure related to the formation of assets and the expenditure included in the expense and the proportion shall be reviewed on each balance sheet date and changed if necessary; (2) The government documents has only made a general statement of the subsidy purpose and has not specified any project, it shall be regarded as income-related government subsidy. If the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured at its fair value. If the fair value cannot be obtained reliably, it shall be measured at the nominal amount. Government subsidies measured at nominal amount shall be directly included in current profit and loss.

The Group shall recognize and measure government subsidies according to the actually received amount at the time of receipt. However, if there is conclusive evidence at the end of the period showing that the Group can meet the relevant conditions specified in the financial support policy and is expected to receive financial support funds, government subsidies shall be measured according to the amount receivable, which shall meet all of the following conditions at the same time: (1) The amount of subsidy receivable has been confirmed by the competent government department, or it can be reasonably calculated according to the relevant provisions of the officially issued Management Measures on Financial Fund, and the amount is not expected to be exposed to significant uncertainty; (2) The subsidy is based on the financial support projects officially issued by the local Financial Department and actively disclosed in accordance with the provisions of the regulations on Government Information Disclosure and the Management Measures on Financial Fund, and should be inclusive (any enterprise meeting the specified conditions can apply for the subsidy), rather than targeting any specific enterprises; (3) The appropriation period has been clearly set in the relevant subsidy approval document, and the appropriation of fund is guaranteed by the corresponding financial budget, and therefore it can be reasonably guaranteed that it can be received within the specified period; (4) Other relevant conditions (if any) that should be met

according to the specific circumstances of the Group and the subsidy.

Asset-related government subsidies shall be recognized as deferred income and included in the current profit and loss in stages in a reasonable and systematic manner within the service life of relevant assets. Income-related government subsidies that are used to compensate for relevant costs or losses in subsequent periods shall be recognized as deferred income and included in the current profit and loss during the period when relevant costs or losses are recognized. Income-related government subsidies that are used to compensate for the relevant costs or losses already incurred shall be directly included in the current profit and loss.

Government subsidies that are related to both assets and income shall be accounted for separately for different portions. If it is difficult to distinguish between the portions, the subsidies shall be classified as income-related government subsidies as a whole.

Government subsidies related to the daily activities of the Group shall be included in other income or offset relevant costs and expenses according to the economic nature of business. Government subsidies not related to daily activities shall be included in non-operating income and expenditure.

When the recognized government subsidy needs to be returned, if there is a balance of relevant deferred income, the book balance of the deferred income shall be offset, and the excess part shall be included in the current profit and loss. Under other circumstances, it shall be directly included in the current profit and loss.

34. Deferred tax asset and deferred tax liability

The difference between the book value of certain assets and liabilities and their tax bases, and the temporary difference caused by the difference between the book value of the items that are not recognized as assets and liabilities but whose tax bases can be determined according to the tax law and their tax bases, shall be recognized as deferred income tax assets and deferred income tax liabilities by using the balance sheet liability method.

The deferred income tax liabilities shall not be recognized for the taxable temporary differences related to the initial recognition of goodwill and the initial recognition of assets or liabilities arising from transactions that are neither business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur. In addition, for the taxable temporary differences related to the investments in subsidiaries, associates and joint ventures, if the Group

can control the time when the temporary differences are reversed, and the temporary differences are unlikely to be reversed in the foreseeable future, the relevant deferred income tax liabilities shall not be recognized. Except for the above exceptions, the Group shall recognize all other deferred income tax liabilities arising from taxable temporary differences.

The deferred income tax assets shall not be recognized for the deductible temporary differences related to the initial recognition of assets or liabilities arising from transactions that are neither business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur. In addition, for the deductible temporary differences related to the investments in subsidiaries, associates and joint ventures, if the temporary differences are likely not to be reversed in the foreseeable future, or it is not very likely to obtain taxable income that can be used to offset temporary differences in the future, the relevant deferred income tax assets shall not be recognized. Except for the above exceptions, the Group recognizes all other deferred income tax assets arising from deductible temporary differences to the extent of the taxable income, which is probable to be obtained by the Group to offset the deductible temporary differences.

For the deductible losses and tax deductions that can be carried forward in subsequent years, the corresponding deferred income tax assets shall be recognized to the extent of the future taxable income, which is likely to be obtained and used to offset the deductible losses and tax deductions.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured according to the applicable tax rate during the period when the relevant assets are expected to be recovered or the relevant liabilities are expected to be paid off in accordance with the tax law.

On the balance sheet date, the book value of the deferred income tax assets shall be reviewed. If it is likely that sufficient taxable income will not be obtained in the future to offset the benefits of the deferred income tax assets, the book value of the deferred income tax assets shall be written down. When it is likely to obtain sufficient taxable income, the amount written down shall be reversed.

35. Lease

Lease refers to a contract in which the Group transfers or obtains the right to control the use of one or more identified assets within a certain period of time in exchange for or pay for consideration.

On the commencement date of a contract, the Group shall evaluate whether the contract is a lease or includes a lease.

(1) The Group is the lessee

The Group's leased assets mainly include houses, buildings, machinery and equipment.

① Initial measurement

On the beginning date of the lease term, the Group shall recognize the right to use the leased asset during the lease term as a right-to-use asset, and recognize the present value of the unpaid lease payment as the lease liability, except for short-term lease and low value leased asset. When calculating the present value of lease payments, the Group shall use the interest rate embedded in the lease as the discount rate. If the interest rate embedded in the lease cannot be determined, the lessee's incremental loan interest rate shall be used as the discount rate.

② Subsequent measurement

The Group shall depreciate the right-of-use assets in accordance with the relevant depreciation provisions in the "Accounting Standards for Business Enterprises No. 4 - Fixed Assets" (please refer to note IV (16) "Fixed assets" for details). If it can reasonably determine that the ownership of the leased assets will be obtained at the expiration of the lease term, the leased assets shall be depreciated within the remaining service life. If it is impossible to reasonably determine that the ownership of the leased asset will be obtained at the expiration of the lease term, d the leased assets shall be depreciated within the shorter of the lease term and the remaining service life of the leased asset.

For lease liabilities, the Group shall calculate the interest expense of each period within the lease term according to the fixed periodic interest rate and record it into the current profit and loss. The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit and loss when actually incurred.

After the commencement date of the lease term, when there are changes in actual fixed payment amount, the expected payable amount of the guaranteed residual value, the index or ratio used to determine the lease payment amount, the evaluation results or actual exercise of the purchase option, renewal option or termination option, the Group shall remeasure the lease liability according to the present value of the changed lease payment amount, and adjust the book value of the right-of-use assets accordingly. If the book value of the right-of-use asset has been reduced to

zero, but the lease liability still needs to be further reduced, the remaining amount shall be included in the current profit and loss.

③ Low lease value and short-term leased assets

For short-term leases (those with a lease term shorter than 12 months since the lease commencement date) and low value asset leases, the Group shall adopt a simplified accounting treatment, which does not recognize the right-of use-assets and lease liabilities, and in each period of the lease term, the lease payment shall be included in the relevant asset cost or current profit and loss using the straight-line method or other systematic and reasonable methods.

(2) The Group is the lessor

On the lease commencement date, based on the essence of the transaction, the Group shall divide the lease into financial lease and operating lease. Finance lease refers to a lease that essentially transfers almost all the risks and rewards associated with the ownership of leased assets. Operating leases refer to leases other than finance leases.

① Operating lease

The group adopts the straight-line method to recognize the lease receipts of operating leases as the rental income in each period of the lease term. The variable lease payments related to operating leases that are not included in the lease receipts are included in the current profits and losses when they actually occur.

② Finance lease

On the beginning date of the lease term, the Group recognizes the financial lease receivables and terminates the recognition of financial lease assets. The finance lease receivables are initially measured at the net amount of the lease investment (the sum of the unguaranteed residual value and the present value of the lease receipts not received on the beginning date of the lease term discounted according to the implicit interest rate of the lease), and the interest income during the lease term is calculated and recognized according to the fixed periodic interest rate. The variable lease payments obtained by the group that are not included in the measurement of net lease investment are included in the current profit and loss when they actually occur.

36. Held-for-sale assets

The Group mainly classifies a non-current asset or disposal group whose book value is recovered by selling (including non-monetary assets exchange with commercial substance, the same below) instead of being used continuously into a held-for-sale asset. The non-current assets or disposal group is recognized as held-for-sale assets when all the following requirements are satisfied.

a) Based on the practice of selling such an asset or a disposal group in a similar transaction, it can be sold immediately under current conditions;

b) A sale is very likely to happen, that is, the Group has already made a resolution on a sales plan and obtained a certain purchase commitment, and it is expected that the sale will be completed within one year.

A disposal group refers to a group of assets that are disposed of together as a whole through sale or other means in a transaction, and the liabilities directly related to these assets transferred in the transaction. Where the asset group or combination of asset groups to which the disposal group belongs apportions the goodwill acquired in a business combination in accordance with the "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", the disposal group shall include the goodwill allocated to the disposal group.

Non-current assets and disposal groups classified as held-for-sale assets are initially measured or re-measured at the lower of their book values and their fair value less the disposal expenses by the Group. If the net amount of the fair value minus the disposal expenses is lower than the original book value, the difference shall be recognized as the impairment loss of the assets in the current profit and loss, and the impairment provisions of the held-for-sale assets shall be made. For the amount of impairment loss recognized for a held-for-sale disposal group, firstly, it shall be offset against the book value of the goodwill of the disposal group, and then offset against the book value of non-current assets, to which the measurement in the "Accounting Standard for Business Enterprises No. 42 - Held-for-sale Non-current Assets, Disposal Group and De-recognition" is applicable, in proportion of the individual book value of non-current assets to the total value of the disposal group. If the net value of fair value of the held-for-sale disposal group on the balance sheet date less the selling expenses increases after the balance sheet date, the previously written-down amount shall be recovered and reversed within the amount of the assets impairment loss recognized after being classified as held for sale, and the reversed amount shall be recognized in the current profit and loss. When the amount of the impairment loss on the held-for-sale

disposal group is reversed subsequently, the book value of non-current assets except the goodwill within the disposal group shall be increased in proportion of the book value of various non-current assets to the total value. The book value of the goodwill that has been offset, and the impairment losses on non-current assets recognized prior to classification as held for sale shall not be reversed. The held-for-sale non-current assets or disposal group are not subject to depreciation or amortization. Interests and other expenses related to the liabilities in the held-for-sale disposal group continue to be recognized.

When a certain asset or disposal group held-for sale assets no longer meet the recognition conditions, the Group shall stop classifying held-for-sale assets or remove non-current assets from held-for-sale disposal groups, and recognize as the lower value of the following two amounts: (1) the book value of the asset or disposal group before it is classified as a held-for-sale asset adjusted by the depreciation, amortization or impairment recognized with the assumption that it had not been classified as a held-for-sale asset; (2) the recoverable amount.

37. Fair value measurement

Fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Whether the fair value is observable or estimated by valuation techniques, the fair value measured and / or disclosed in the financial statements shall be determined on this basis.

(1) Assets and liabilities measured at fair value

The assets of the Group measured at fair value at the end of the reporting period mainly include financial instruments and investment property. The liabilities of the Group measured at fair value at the end of the reporting period mainly include bond payable and accrued liabilities.

(2) Valuation techniques

The Group adopts valuation techniques, which are applicable in the current circumstances and have sufficient available data and other information to support them, to measure the relevant assets or liabilities at fair value. The valuation techniques used mainly include the market method, the income method and the cost method. The Group uses one or more of its valuation techniques in a consistent manner to measure fair value, fully considers the rationality of each valuation result,

and selects the amount that can best represent the fair value under current circumstances.

Based on the observability of and the importance to the measurement as a whole, the input values used in fair value measurement of the Group are divided into three levels:

The first level of input values are the unadjusted quoted price of the same assets or liabilities that can be obtained on the measurement date in an active market. An active market refers to a market in which the transaction volume and transaction frequency of relevant assets or liabilities are sufficient to continuously provide pricing information.

The second level of input values are the direct or indirect observable inputs of the relevant assets or liabilities other than the first level of input values, which mainly include: ① Quotes for similar assets or liabilities in active markets; ② Quotes for the same or similar assets or liabilities in inactive markets; ③ Other observable input values other than quotation, including observable interest rate, yield curve, implied volatility, credit spread, etc. during the normal quotation interval; ④ The input values verified by the market. The third level of input value is the value of un-observable input. The Group only uses the third level of input values when there is no market activity or there is little market activity for the relevant assets or liabilities that makes the relevant observable input values unavailable or impracticable to obtain.

The third level of input values means the un-observable inputs. The Group only uses the third level of input values when there is no market activity or there is little market activity for the relevant assets or liabilities that makes the relevant observable input values unavailable or impracticable to obtain.

When the Group measures the assets and liabilities at fair value, the input values at the first level shall be used firstly, the input values at the second level shall be used secondly, and the input values at the third level shall be used last.

(3) Accounting treatment

For the issues such as the Group measures the relevant assets or liabilities at fair value, and the changes in fair value should be included in the current profit or loss or other comprehensive income, etc., the accounting treatment is regulated by other relevant accounting standards that require or allow the Group to measure or disclose at fair value and the relevant contents refer to Note IV.

38. Asset Securitization

The Company shall securitize certain part of the project funds receivable. Generally, these assets are sold to the special purpose entity, and then the entity issues securities to investors. The transfer of these financial assets meets the conditions for complete or partial derecognition. Please refer to the preceding paragraphs for the preconditions for derecognition of financial assets. The Company shall retain part of the equity of the transferred financial assets, and the retained part shall be classified as financial assets measured at fair value through profit or loss. The book value of the transferred financial assets as a whole shall be apportioned between the derecognized part and the non-derecognized part according to their respective relative fair values, and the difference between the book value of the derecognized part and its consideration shall be included in the current profit and loss.

39. Explanation of changes in accounting policies, accounting estimates and correction of errors

1. Other significant accounting policies and accounting estimates

Discontinuance of operations means a component that satisfies one of the following conditions, can be separately distinguished and has been disposed of or classified as held for sale by the Company: (1) The component represents a separate principal business or a separate principal operating region; (2)The component is part of an associated plan to dispose of a separate principal business or a separate principal operating area; (3) The component is a subsidiary acquired exclusively for resale.

The accounting treatment for discontinued operations is described in Notes IV, 14, "Assets Held for Sale and Disposal Group".

2.Changes in significant accounting policies and accounting estimates

(1) Changes in accounting policy

① The "Interpretation of the Accounting Standards for Business Enterprises No. 17"

"The Interpretation of the Accounting Standards for Business Enterprises No. 17" (hereinafter referred to as "the Interpretation No. 17") was issued by the Ministry of Finance on November 9,

2023, which will take effect on January 1, 2024. According to the provisions of Article 1 of Interpretation No. 17 "Classification of Current Liabilities and Non-Current Liabilities", the Company is required to reclassify the items of liabilities and make retroactive adjustments.

This accounting policy change has no impact on the presentation of the company's financial statements.

② The "Interpretation of the Accounting Standards for Business Enterprises No. 18"

"The Interpretation of the Accounting Standards for Business Enterprises No. 18" (hereinafter referred to as "the Interpretation No. 18") was issued by the Ministry of Finance on December 31, 2024, which will take effect on the date of promulgation. The Company has elected to implement this interpretation in advance from the year of publication (year 2024). The company's provision of guarantee quality assurance that is not a single performance obligation was originally included in "sales expenses". According to the provisions of Article 2 of Interpretation No. 18 "Accounting Treatment of guarantee quality assurance that is not a single performance obligation", it is now included in "main business costs", "other business costs" and other items and presented in the "operating costs" item in the income statement, and etroactive adjustments are made.

This accounting policy change has no impact on the presentation of the company's financial statements.

(2)Changes in accounting policy

The Group has no changes in accounting policy that need to be disclosed during the reporting period.

(3)Correction of significant errors in the previous periods

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
Adjustments made for the subsidiary	Retroactive	Other receivables	2,189,238,840.00

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
Chengdu Rongcheng Hotel Management Co., Ltd. According to the "Report of Chengdu Xingcheng Cultural Industry Development Investment Co., Ltd. on Accounting Adjustment of the Relocation Project of Chengdu Physical Education Institute" on June 7, 2024, Chengdu Municipal People's Government issued the "Summary of the Special Meeting on the Relocation Project of Chengdu Physical Education Institute" (Chengfu Reading [2024] No.13) on April 10, 2024, which agreed in principle to adjust the original "agreed relocation model" of the project to the "land purchase and storage model" according to laws, regulations and procedures. The main body of the project is adjusted from Chengdu Xingcheng Investment Group Co., Ltd. to the municipal land reserve Center, which will purchase and store the state-owned construction land of the old campus	adjustment		
	Retroactive adjustment	Construction in progress	-2,444,651,827.10
	Retroactive adjustment	Undistributed profit	-255,412,987.09
	Retroactive adjustment	Total shareholders' equity attributable to the parent company	-255,412,987.09
	Retroactive adjustment	Total owners' equity	-255,412,987.09
	Retroactive adjustment	Taxes and surcharges	100,766.31
	Retroactive adjustment	Administrative expenses	17,949,215.78
	Retroactive adjustment	Finance costs	76,435,975.06
	Retroactive adjustment	Net profit	-94,485,957.15
	Retroactive adjustment	Undistributed profit at the beginning of the year	-160,927,029.94
	Retroactive adjustment	Net profit attributable to the shareholders of the parent company	-94,485,957.15

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
of Chengdu Physical Education Institute. After communication and coordination, the Land Reserve Center will only bear the 2.5 billion yuan relocation payment directly paid to Chengdu Physical Education Institute, and the Company will bear the interest on funds and project management fees originally paid by the Company. Due to changes in the project model, the Company is no longer the main body of the relocation project of Chengdu Physical Education Institute, retroactively adjusting the balance of RMB 2,466,887,913.42 of projects under construction as of the end of May 2024, including: 1, The relocation payment of RMB 2,189,238,840.00 that has been adjusted to the amount payable to the Municipal Land Reserve Center; 2, The pre-project expenses of RMB 255,412,987.09 incurred by the end of 2023 will be adjusted to the profit			

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
and loss of the previous year.			
Adjustments made for the prior reporting period event for the subsidiary Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	Retroactive adjustment	Other current assets	31,997,585.86
	Retroactive adjustment	Construction in progress	-109,411,100.00
	Retroactive adjustment	Undistributed profit	-77,413,514.14
	Retroactive adjustment	Total shareholders' equity attributable to the parent company	-77,413,514.14
	Retroactive adjustment	Total owners' equity	-77,413,514.14
	Retroactive adjustment	Undistributed profit at the beginning of the year	-77,413,514.14
Adjustments made for the subsidiary Chengdu Construction Engineering Group Co., Ltd. According to the status of income tax settlement and tax inspection, the Company adjusted the deferred income tax assets of RMB 12,166,748.62, deferred income tax liabilities of RMB -4,968,212.90 , income tax expense of RMB 7,296,808.83, tax payable of RMB 28,441,677.51, undistributed profit at	Retroactive adjustment	Long-term receivables	-135,000,000.00
	Retroactive adjustment	Investment in other equity instruments	135,000,000.00
	Retroactive adjustment	Deferred tax assets	12,166,748.62
	Retroactive adjustment	Taxes payable	28,441,677.51
	Retroactive adjustment	Deferred tax liabilities	-4,968,212.90
	Retroactive	Undistributed profit	-11,306,715.99

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
the beginning of the year of RMB -3,613,033.17. The Company also adjusted the classification of investment at the beginning of the period.	adjustment		
	Retroactive adjustment	Total shareholders' equity attributable to the parent company	-11,306,715.99
	Retroactive adjustment	Total owners' equity	-11,306,715.99
	Retroactive adjustment	Administrative expenses	396,873.99
	Retroactive adjustment	Income tax expenses	7,296,808.83
	Retroactive adjustment	Net profit	-7,693,682.82
	Retroactive adjustment	Net profit attributable to the shareholders of the parent company	-7,693,682.82
	Retroactive adjustment	Undistributed profit at the beginning of the year	-3,613,033.17

3. Significant accounting judgments and estimates

In the process of applying accounting policies, due to the inherent uncertainty of business activities, the Group needs to judge, estimate and assume the book value of statement items that cannot be accurately measured. These judgments, estimates and assumptions are based on the historical experience of the Group's management and take into account other relevant factors. These judgments, estimates and assumptions affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the balance sheet date. However, the uncertainty in these estimates may result in actual results that differ from the current estimates of the Company's management, resulting in a material adjustment of the carrying amount of the

affected assets or liabilities in the future.

The Group periodically reviews the foregoing judgments, estimates and assumptions on a going concern basis, and if changes in accounting estimates only affect the current period of change, the impact will be recognized in the current period of change; Where the change affects both the current and future periods, the impact is recognized in the current and future periods of the change.

At the balance sheet date, the significant areas in which the Group is required to make judgments, estimates and assumptions regarding the amounts of items in the financial statements are as follows:

(1) Lease

1) Identification of lease

In identifying whether a contract is a lease or contains a lease, the Group companies need to assess whether there is an identified asset and the customer controls the use of the asset for a certain period of time. In this assessment, consideration needs to be given to the nature of the asset, substantial replacement rights, and whether the customer is entitled to receive virtually all of the economic benefits arising from the use of the asset during that period and to be able to direct the use of the asset.

2) Classification of leases

When acting as a lessor, the Group classifies leases into operating leases and finance leases. In making the classification, the Management needs to make an analysis and judgment as to whether all the risks and rewards associated with ownership of the leased asset have been substantially transferred to the lessee.

3) Lease liability

When the Group is a lessee, the lease liability is initially measured at the present value of the outstanding lease payments on the commencement date of the lease term. In measuring the present value of lease payments, the Group estimates the discount rate used and the lease term of a lease contract with a renewal or termination option. In assessing the lease term, the Group takes into account all relevant facts and circumstances relating to the economic benefits arising from the exercise of the option by the Group, including expected changes in facts and circumstances between the commencement date of the lease term and the exercise date of the option. Different

judgments and estimates may affect the recognition of lease liabilities and use-of-rights assets and will affect profit or loss in subsequent periods.

(2) Impairment of financial assets

The Group uses the expected credit loss model to evaluate the impairment of financial instruments, and the application of the expected credit loss model requires significant judgments and estimates that take into account all reasonable and evidence-based information, including forward-looking information. In making such judgments and estimates, the Group extrapolates the expected changes in the debtors' credit risk based on historical data and factors such as changes in economic policies, macroeconomic indicators, industry risks, external market conditions, technological environment and customer conditions.

(3) Provision for stock

In accordance with the Group's inventory accounting policy, it is measured at the lower of cost or net realisable value, and a provision is made for inventory depreciation for inventories whose cost is higher than net realisable value and for obsolete and unsalable inventories. The impairment of inventory to net realizable value is based on assessing the marketability of the inventory and its net realizable value. Assessment of inventory impairment requires the management to make judgments and estimates on the basis of obtaining solid evidence and considering factors such as the purpose of holding inventory and the impact of events after the balance sheet date. The difference between actual results and the original estimate will affect the carrying value of inventory and the provision or reversal of the reserve for inventory provision during the period in which the estimate is changed.

(4) Fair value of financial instruments

For financial instruments that do not have an active trading market, the Group determines their fair value through various valuation methods. These valuation methods include discounted cash flow model analysis. In valuation, the Group is required to estimate future cash flows, credit risk, market volatility and correlation, and select an appropriate discount rate. These related assumptions are subject to uncertainty, and changes in them can have an impact on the fair value of financial instruments. Where equity instrument investments or contracts are publicly quoted, the Group does not use cost as the best estimate of their fair value.

(5) Provision for impairment of long-term assets

At the balance sheet date, the Group determines whether non-current assets other than financial assets have signs of possible impairment. For intangible assets with uncertain service life, in addition to the annual impairment tests, impairment tests are also conducted when there are signs of impairment. For other non-current assets other than financial assets, when there are indications that their carrying amount is not recoverable, the impairment test is conducted.

An impairment occurs when the carrying value of an asset or group of assets is higher than the recoverable amount, which is the higher of the net fair value less disposal charges and the present value of estimated future cash flows.

The net of fair value less disposal charges is determined by reference to the sale agreement price or observable market price of a similar asset in a fair transaction, less the incremental cost directly attributable to the disposal of the asset.

When estimating the present value of future cash flows, it is necessary to make significant judgments about the production of the asset (or group of assets), its quantity, selling price, related operating costs, and the discount rate used in calculating the present value. The Group uses all relevant information available to it in estimating recoverable amounts, including projections of production volumes, selling prices and related operating costs based on reasonable and supportable assumptions.

The Group tests goodwill for impairment at least annually. This requires an estimate of the present value of the future cash flows of the asset group or combination of asset groups to which goodwill has been allocated. When estimating the present value of future cash flows, the Group needs to estimate the cash flows generated by a group of future assets or a combination of asset groups and select an appropriate discount rate to determine the present value of future cash flows.

(6) Depreciation and amortization

The Group depreciates and amortizes investment real estate, fixed assets and intangible assets on a straight-line basis over their useful lives, taking into account their salvage value. The Group periodically reviews the useful life to determine the amount of depreciation and amortisation charges to be included in each reporting period. The useful life is determined by the Group based on previous experience with similar assets combined with expected technological updates. If there is a material change in previous estimates, an adjustment is made to depreciation and amortization expense in future periods.

(7) Deferred tax assets

The Group recognizes deferred tax assets for all unutilized tax losses to the extent that it is likely to have sufficient taxable profits to offset the losses. This requires the management of the Group to use a lot of judgment to estimate the time and amount of future taxable profits, combined with tax planning strategies, to determine the amount of deferred income tax assets to be recognized.

(8) Income tax

In the normal business activities of the Group, there are certain uncertainties in the final tax treatment and calculation of some transactions. Whether some items can be itemized before tax needs the examination and approval of the competent tax authorities. If the final determination of these tax matters is different from the initial estimate, the difference will affect the current income tax and deferred income tax during the final determination period.

(9) Estimated liabilities

Based on the contract terms, existing knowledge and historical experience, the Group estimates and makes corresponding provisions for product quality assurance, expected contract loss and liquidated damages for late delivery. Where such contingencies have formed a current obligation and the performance of such current obligations is highly probable to result in an outflow of economic benefits from the Group, the Group recognizes the contingencies as estiamted liabilities based on the best estimate of the expenditure required to perform the relevant current obligations. The recognition and measurement of estiamted liabilities relies to a large extent on the management's judgment. In making its judgment, the Group shall assess the risks, uncertainties and time value of money associated with such contingencies.

Among them, the Group will be expected to incur estiamted liabilities for after-sales quality maintenance commitments provided to customers in connection with the sale, maintenance and transformation of goods sold. The estimated liability has taken into account the company's recent maintenance experience, which may not reflect future maintenance. Any increase or decrease in this provision may affect profit and loss in future years.

V.Taxation

1. Main tax categories and tax rates

Tax categories	Tax basis	Tax rate
Value-added tax	Taxable income	1%、3%、5%、6%、9%、11%、13%
Corporate income tax	Taxable income	For details, please refer to "Taxpayers applicable to different corporate income tax rates"
Property tax	The self-use part of the property is taxed at 70% of the original value of the property, and the rental part is taxed based on the rental income.	1.2%、12%
Urban maintenance & construction tax	Turnover tax payable	7%、5%、1%
Educational surcharge	Turnover tax payable	3%
Local educational surcharge	Turnover tax payable	2%
Land-value increment tax	The tax is calculated and levied according to the value-added amount from the transfer of real estate and the prescribed tax rate.	Extra progressive tax rate of 30%~60%

Taxpayers applicable to different corporate income tax rates:

The taxpayers	Income tax rate
Chengdu Xinyuan Construction and Development Co., Ltd.	20%
Chengdu Construction Engineering Group Yibin Sanjiang Construction Co., Ltd.	2.50%

The taxpayers	Income tax rate
Chengdu Construction Engineering Decoration Co., Ltd.	15%
Chengdu Construction Engineering Pre Construction Technology Co., Ltd.	15%
Chengdu Construction Engineering Road and Bridge Construction Co., Ltd.	15%
Chengdu Jiangong Concrete Engineering Co., Ltd.	15%
Chengdu Construction Engineering Industrial Construction Co., Ltd.	15%
Chengdu Construction Fifth Construction Engineering Co., Ltd.	15%
Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd.	15%
Chengdu Construction Engineering Architectural Design Co., Ltd.	20%
Chengdu Construction Engineering Wuxing Zhisheng Construction Engineering Co., Ltd.	20%
Chengdu Construction Fourth Construction Engineering Co., Ltd.	15%
Chengdu Construction Engineering Sixth Construction Engineering Co., Ltd.	15%
Chengdu Construction Eighth Construction Engineering Co., Ltd.	15%
Tianjin Chase Sun Pharmaceutical Co., Ltd.	15%
Beijing Tcmages Pharmaceutical Co., Ltd.	15%
Chongqing Chase SUN Tcmages Pharmaceutical Co., Ltd.	15%
Huzhou Zhanwang Pharmaceutical Co., Ltd.	15%
Huzhou Hopetop Pharmaceutical Co., Ltd	15%
Beijing Choice Electronic Technology Co., Ltd.	15%
ChoiceTrade Capital Group LLC	Note 1
Chaos Canada, LLC	Note 2
Beijing ChoiceMMed Technology Co., Ltd.	5%
ChoiceMMed Germany GmbH	15%
ChoiceMMed Singpore Pte.LTD	Note 3
Lianyungang Wantai Pharm Excipients Tech Co., Ltd.	5%
Lanzhou Wenhe Medical Device Research and Development Co., Ltd.	15%
Lanzhou Lanjinling Medical Technology Co., Ltd.	5%
Gansu Wenhe Kangyuan Health Technology Co., Ltd.	5%
Zibo Zhangdian Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Yantai Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Fuzhou Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Chongqing Shangyi Mingjia Traditional Chinese Medicine Outpatient Department Co., Ltd.	5%
Weifang Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Jining Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Linyi Lanshan Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%

The taxpayers	Income tax rate
Hubei Enoray Biopharmaceutical Co., Ltd.	15%
CHASE SUN INTERNATIONAL HOLDINGS LIMITED	Note 4
Australia chasesun pty ltd	27.50%
Zhengkang Medical Technology Co., Ltd.	15%
China Zhonghua Geotechnical Engineering Group Co., Ltd.	15%
Shang Hai QiangJin Foundation Engineering Co., Ltd.	15%
Shanghai Long-Team Groundwork Engineering Co., Ltd.	15%
Beijing Changdao Municipal Engineering Group Co., Ltd.	15%
Shanghai Lixing Engineering Technology Development Co., Ltd.	15%
QIANGJIN INTERNATIONAL ENGINEERING LIMITED	17%
Quantai (Shaoxing) Airport Co., Ltd.	5%
Quantai (Anji) Airport Co., Ltd.	5%
Beijing Zhongyan Engineering Management Co., Ltd.	5%
Quantai Cultural Development Co., Ltd.	5%
Beijing Taist Engineering Testing Co., Ltd.	5%
Beijing Theme Latitude Urban Planning and Design Institute Co., Ltd.	5%
Dezhou Qingxiang Urban Construction and Operation Co., Ltd.	5%
Zhonghua Geotechnical Investment Management Co., Ltd.	5%
All Thai General Aviation Co., Ltd.	5%
Huarong (Tianjin) Landscape Engineering Co., Ltd.	5%
Chengdu Rural Commercial Bank Co., Ltd.	15%
Other companies	25%

Note 1: The applicable taxes of ChoiceMMed America mainly include federal tax and state tax. The income tax rate in Pennsylvania is 9.99%, and the federal tax rate is 21.00%.

Note 2: The federal income tax rate in Canada is 15.00%, and the income tax rate in British Columbia is 12.00%.

Note 3: Singapore adopts a two-tier system of income tax. The tax rate for taxable income not exceeding S$300,000 is 8.50%, and the tax rate for taxable income exceeding S$300,000 is 17.00%.

Note 4: Hong Kong has adopted a two-tier system of income tax since 2018. The tax rate for assessable profits not exceeding HK$2 million is 8.25%, and the tax rate for assessable profits exceeding HK $2 million is 16.50%.

2. Tax preferential policy and official approval

（1） Value-added tax

According to the transitional policy provisions set in Annex 3 in the "Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot of Replacing Business Tax with VAT" (Cai Shui [2016] No. 36), Beijing Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Guangzhou Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Hebei Yizhentang Traditional Chinese Medicine Clinic Co., Ltd.、Jinan Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Tianjin Yizhentang Traditional Chinese Medicine Clinic Co., Ltd.、Chongqing Yizhentang Traditional Chinese Medicine Outpatient Department Co., Ltd.、Hohhot Shangyi Mingjia Traditional Chinese Medicine Outpatient Co., Ltd.、Tai'an Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Zibo Zhangdian Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Zouping Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Qingdao Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Yantai Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Fuzhou Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Kunming Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Chongqing Shangyi Mingjia Traditional Chinese Medicine Outpatient Department Co., Ltd.、Yuxi Shangyi Renjia Traditional Chinese Medicine Outpatient Co., Ltd.、Weifang Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Chengdu Jinjiang Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Jining Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Linyi Lanshan Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd. are value-added taxpayers providing medical services and they shall be exempted from VAT.

（2） Corporate income tax

① Preferential policies for income tax of high-tech enterprises

1) China Zhonghua Geotechnical Engineering Group Co., Ltd. and some of its subsidiaries have met the criteria set by the re-examination for high-tech enterprises. According to relevant regulations, the enterprise income tax of high-tech enterprises is levied at the rate of 15%. The details are as follows.

On October 26, 2023, China Zhonghua Geotechnical Engineering Group Co., Ltd. (the parent company) met the criteria set by the reexamination for high-tech enterprises and obtained the

"High-tech Enterprise Certificate" (Certificate No.: GR202311002397). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2023 to December 31, 2025. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On December 14, 2022, Shang Hai QiangJin Foundation Engineering Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231007923). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 15, 2022, Shanghai Long-Team Groundwork Engineering Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231001946). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 2, 2022, Beijing Changdao Municipal Engineering Group Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202211002881). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 15, 2022, Shanghai Lixing Engineering Technology Development Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231001691). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

2) Tianjin Chase Sun Pharmaceutical Co., Ltd. and some of its subsidiaries have been identified as high-tech enterprises. According to the relevant provisions, the income tax high-tech enterprises shall be levied at the rate of 15%. The details are as follows.

In December 2023, Tianjin Chase Sun Pharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202312002028) jointly issued by Tianjin Science and Technology Bureau, Tianjin Finance Bureau and Tianjin Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 29, 2024, Beijing Tcmages Pharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GS202411000034) jointly issued by Beijing Municipal Commission of Science and Technology, Beijing Finance Bureau and Beijing Taxation Bureau of the State Administration of Taxation. From 2024 to 2026, the company's income tax will be calculated and paid at a reduced rate of 15%.

In October 10 2023, Beijing Choice Electronic Technology Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202311000186) jointly issued by Beijing Municipal Commission of Science and Technology, Beijing Finance Bureau and Beijing Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In December 2023, Huzhou Zhanwang Pharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202333010762) jointly issued by Department of Science and Technology of Zhejiang Province, Zhejiang Finance Bureau and Zhejiang Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In December 2023, Huzhou Hopetop Pharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202333009776) jointly issued by the Department of Science and Technology of Zhejiang Province, Zhejiang Finance Bureau and Zhejiang Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In October 2023, Hubei Enoray Biopharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202342002183) jointly issued by Department of Science and Technology of Hubei Province, Hubei Finance Bureau and Hubei Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 28, 2024, Lanzhou Wenhe Medical Device Research and Development Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202462000310) jointly issued by Department of Science and Technology of Gansu Province, Gansu Finance Bureau and Gansu Taxation Bureau of the State Administration of Taxation. From 2024 to 2026, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 12, 2022, Chongqing Chase SUN Tcmages Pharmaceutical Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251100435) jointly issued by Chongqing Science and Technology Bureau, Chongqing Finance Bureau and Chongqing Taxation Bureau of the State Administration of Taxation. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

3) Chengdu Construction Engineering Group Co., Ltd. and some of its subsidiaries have been identified as high-tech enterprises. According to the relevant provisions, the income tax high-tech enterprises shall be levied at the rate of 15%. The details are as follows.

On October 16, 2023, Chengdu Construction Engineering Decoration Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351002362)) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 2, 2022, Chengdu Construction Engineering Pre Construction Technology Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251000049) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 5, 2024, Chengdu Construction Engineering Road and Bridge Construction Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202451001452) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2024 to 2026, the company's income tax will be calculated and paid at a reduced rate of 15%.

The encouraged industrial enterprises of Chengdu Jiangong Concrete Engineering Co., Ltd. located in the western region shall be taxed at a reduced tax rate of 15% (Sichuan Jingxin Industry

Letter (2013) No. 471 document, obtaining the qualification of Xidakai and enjoying the 15% tax rate of enterprise income tax, valid until December 31, 2030).

On December 12, 2023, Chengdu Construction Engineering Industrial Construction Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351005939) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 16, 2023, Chengdu Construction Fifth Construction Engineering Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351002472) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 2, 2022, Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251002233) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 5, 2024, Chengdu Construction Fourth Construction Engineering Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GRGR202451001026) issued by Sichuan Provincial Department of Science and Technology, Sichuan Provincial Department of Finance and Sichuan Provincial Taxation Bureau of the State Administration of Taxation. The certificate is valid for three years. From 2024 to 2026, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 16, 2023, Chengdu Construction Engineering Sixth Construction Engineering Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351000205) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 5, 2024, Chengdu Construction Eighth Construction Engineering Co., Ltd. obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202451001464) issued by High-tech

Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2024 to 2026, the company's income tax will be calculated and paid at a reduced rate of 15%.

② Tax preferential policy for primary processing of agricultural products

According to Article 27 of the "Corporate Income Tax Law", "Income from agricultural, forestry, animal husbandry and fishery business shall be exempted from the corporate income tax". According to the "Regulations of the People's Republic of China on the Implementation of Corporate Income Tax" and the "Notice of the Ministry of Finance and the State Administration of Taxation on the Scope of Primary Processing of Agricultural Products Entitled to Preferential Corporate Income Tax (Trial)" (Cai Shui [2008] No. 149), etc., Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative, a sub-subsidiary of the Company can be entitled to the preferential policy of income tax exemption only after the income from processing and sales of Chinese herbal medicines is reported to the competent tax authorities. As of the approval and issuance date of the financial report, Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative has not carried out the calculation and settlement of corporate income tax in 2024. Considering that the business model and main business of Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative have not changed significantly, combined with the analysis of the calculation and settlement of income tax in 2023 and previous year and the company's record of preferential corporate income tax in Wenquan Town Branch of State Administration of Taxation of Yingshan County, Hubei Province in previous years, Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative can still be entitled to the above-mentioned preferential corporate income tax policies. Therefore, the income from processing and sales of Chinese herbal medicine of Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative in 2024 will be treated as tax-free temporarily.

③ Income tax preferential policy for small-size enterprises with low profits

According to the "Announcement of the Ministry of Finance and the State Administration of Taxation on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises" (Announcement No. 13 by the Ministry of Finance and the State Administration of Taxation, 2022) from January 1, 2022 to December 31, 2024, if the annual taxable income of small small-size enterprises exceeds RMB 1 million but does not exceed RMB 3 million, 25% of

the income shall be included in the taxable income and the corporate income tax shall be paid at the rate of 20%. According to Article 3 of the No. 12 Announcement of the Administration of Taxation of the Ministry of Finance on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Businesses issued by the State Administration of Taxation in 2023, the policy of reducing the taxable income of small and low-profit enterprises to 25% and allowing them to pay the enterprise income tax at the rate of 20% will be implemented until December 31, 2027.

1）Some subsidiaries of China Zhonghua Geotechnical Engineering Group Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

Dezhou Qingxiang Urban Construction and Operation Co., Ltd.、Beijing Zhongyan Engineering Management Co., Ltd.、Beijing Taist Engineering Testing Co., Ltd.、All Thai General Aviation Co., Ltd. etc. meet the above requirements for income tax reduction policy, and the income tax of these companies shall be calculated and levied at the preferential tax rate of5%.

QIANGJIN INTERNATIONAL ENGINEERING LIMITED is registered in Hong Kong and shall pay for the tax at the rate of 16.50% based on its income in Hong Kong.

2） Some subsidiaries of Tianjin Chase Sun Pharmaceutical Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

On November 9, 2024, Lianyungang Wantai Pharm Excipients Tech Co., Ltd. obtained the High-tech Enterprise Certificate (Certificate no.: GR202432004667). From 2024 to 2026, the corporate income tax of the company will be paid at a reduced rate of 15% according to the preferential tax policy for high-tech enterprises. Meanwhile, Lianyungang Wantai Pharm Excipients Tech Co., Ltd. is qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax according to the preferential tax policies for small and micro enterprises.

Beijing ChoiceMMed Technology Co., Ltd.、Lanzhou Lanjinling Medical Technology Co., Ltd.、Gansu Wenhe Kangyuan Health Technology Co., Ltd.、Zibo Zhangdian Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Tai'an Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Zouping Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd., Yantai Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Fuzhou Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Chongqing Shangyi Mingjia Traditional

Chinese Medicine Outpatient Department Co., Ltd.、Weifang Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Linyi Lanshan Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.、Jining Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd. are qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax according to the preferential tax policies for small and micro enterprises.

3） Some subsidiaries of Chengdu Construction Engineering Group Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

Chengdu Xinyuan Construction and Development Co., Ltd.、Chengdu Construction Engineering Architectural Design Co., Ltd.、Chengdu Construction Engineering Wuxing Zhisheng Construction Engineering Co., Ltd. are qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax at the rate of 20% according to the preferential tax policies for small and micro enterprises.

4） Preferential tax policies in the Western Region

① According to the "Notice of the People's Government of the Tibet Autonomous Region on Printing and Distributing Several Provisions on Preferential Policies for Attracting Investment in the Tibet Autonomous Region" (Zang Zheng Fa (2021) No. 9), from January 1, 2021 to December 31, 2030, enterprises engaged in industrial projects specified in the "Catalogue of Encouraged Industries in the Western Region" and whose main business income accounts for more than 60% of the total corporate income shall pay for the corporate income at the tax rate of 15% in accordance with the western development policy. Zhengkang Medical Technology Co., Ltd. is entitled to the preferential income tax policy for the large-scale development of the western region, and the enterprise income tax is calculated and paid at a tax rate of 15%.

② According to the Announcement of the Ministry of Finance, State Administration of Taxation and the National Development and Reform Commission on the "Continuation of the Income Tax Policy for the Western Development Enterprises" (Announcement No. 23 of the Ministry of Finance, State Administration of Taxation and the National Development and Reform Commission on the Continuation in 2020) and after communicating with the competent tax authorities, some subsidiaries of Chengdu Rural Commercial Bank Co., Ltd. will be entitled to corporate income tax at a reduced rate of 15%.

5) Other preferential policy

According to Announcement No. 12 of 2023 of the General Administration of "Taxation of the Ministry of Finance on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Businesses", from January 1, 2023 to December 31, 2027, resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities transaction stamp tax), cultivated land occupation tax, education surcharge and local education surcharge will be levied by half on small-scale VAT taxpayers, small low-profit enterprises and individual industrial and commercial households; The policy of reducing the taxable income of small and low-profit enterprises by 25% and paying the enterprise income tax at the tax rate of 20% will be implemented until December 31, 2027.

VI. Business combination and consolidated financial statements

1. Subsidiaries of the Group(unit:0'000)

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
1	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Real estate development	500,000.00	100.00 (Note 1)	100.00	737,644.00	1
2	Chengdu Runjincheng Industry Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Property management	10,000.00	100.00	100.00	10,000.00	1
3	Chengdu Xingcheng Construction Management Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Construction management	6,000.00	100.00	100.00	6,003.53	1
4	Chengdu Tianfu Rural Development Group	Second	Domestic non-financia	Chengdu	Chengdu	Urban construction	335,000.00	100.00	100.00	274,241.25	4

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
	Co., Ltd.		l subsidiary								
5	Chengdu Xingcheng Capital Management Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	138,330.00	100.00	100.00	143,330.00	1
6	Chengdu Center Construction Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Urban construction	30,000.00	100.00	100.00	190,950.00	1
7	XINGCHENG INTERNATIONAL INVESTMENT CO., LIMITED	Second	Domestic subsidiary	Hong Kong	Hong Kong	Investment management	11,870.71	100.00	100.00	11,873.34	1
8	Chengdu Tianfu Greenway Construction Investment Group Co.,	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Urban construction	500,000.00	100.00	100.00	500,000.00	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
	Ltd.										
9	Chengdu Rongcheng Hotel Management Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	60,000.00	100.00	100.00	60,000.00	1
10	Chengdu Medical and Health Investment Group Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	158,552.50	100.00	100.00	158,552.50	1
11	Chengdu Rongcheng Football Club Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Culture, sports and entertainment	3,000.00	95.00	95.00	2,850.00	1
12	Chengdu Construction Engineering Group Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Housing construction	544,907.96	100.00	100.00	1,032,298.39	4
13	Chengdu Tianfu	Second	Domestic	Chengdu	Chengdu	Business	5,000.00	100.00	100.00	4,500.00	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
	Greenway Cultural Tourism Development Group Co., Ltd.		non-financial subsidiary			services		(Note 2)			
14	China Zhonghua Geotechnical Engineering Group Co., Ltd.	Second	Domestic non-financial subsidiary	Beijing	Beijing	Housing construction	180,611.67	29.28	29.28	234,667.95	3
15	Tianjin Chase Sun Pharmaceutical Co., Ltd.	Second	Domestic non-financial subsidiary	Tianjin	Tianjin	Manufacturing	300,415.48	22.24	22.24	248,022.74	3
16	Chengdu Rural Commercial Bank Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Finance	1,000,000.00	35.00	35.00	1,706,488.45	3
17	Chengdu Xingcheng	Second	Domestic	Chengdu	Chengdu	Retail	400,000.00	100.00	100.00	160,000.00	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights （%）	Invested amount	Method of acquisition
	Supply Chain Group Co., Ltd.		non-financial subsidiary					(Note 3)			
18	Chengdu Xingcheng Jianzhou Investment and Operation Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Business services	46,000.00	100.00	100.00	46,000.00	1
19	Chengdu Xingcheng Sports Industry Investment Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Sports	57,000.00	100.00	100.00	57,000.00	1

Note: Acquisition methods are classified as 1. Investment; 2. Business combination under the common control; 3. Business combination not under the common control; 4. Others.

Note1: Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd. is jointly invested and established by the Company and its subsidiaries Chengdu Xingcheng Capital Management Co., Ltd.In this company, the Company directly holds 99% and indirectly holds 100.00% of the equity.

Note2: Chengdu Tianfu Greenway Cultural Tourism Development Group Co., Ltd. is jointly invested and established by the Company and its subsidiaries Chengdu Xingcheng Capital Management Co., Ltd.. In this company, the Company directly holds 90% and indirectly holds 100.00% of the equity.

Note3: Chengdu Xingcheng Supply Chain Group Co., Ltd. is jointly invested and established by the Company and its subsidiaries Chengdu Construction Engineering Group Co., Ltd.、Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.、Chengdu Medical and Health Investment Group Co., Ltd.、Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.、Chengdu Xingcheng Construction Management Co., Ltd. In this company, the Company directly holds 40% and indirectly holds 100.00% of the equity.

2. Reasons for the parent company exerting control over the invested entity while owning less than half of the voting rights

Unit: RMB 0'000

No.	Company name	Shareholding ratio（%）	Percentage of voting rights（%）	Registered capital	Invested amount	Level	Reasons for inclusion in the scope of consolidation
1	China Zhonghua Geotechnical Engineering Group Co., Ltd.	29.28	29.28	180,611.67	234,667.95	Second	Substantial control
2	Tianjin Chase Sun Pharmaceutical Co., Ltd.	22.24	22.24	300,415.48	248,022.74	Second	Substantial control
3	Chengdu Rural Commercial Bank Co., Ltd.	35.00	35.00	1,000,000.00	1,718,411.54	Second	Substantial control

3. Reasons for the parent company not being able to exert control over invested entity in which it directly or indirectly owns more than half of the voting

rights

None.

4. Explanation of inconsistency between accounting periods of subsidiaries and parent companies

None.

5. Previous subsidiary that is no longer included in the consolidation scope in the current year

None.

6. Entities newly included in the consolidation scope in the current year

None.

7. Business combinations under the same control in the current year

None.

8. Business combinations not under the same control in the current year

None.

VII. Notes to the significant items in the consolidated financial statements

Unless otherwise specified in the following notes, the unit is RMB ‘0. "Beginning of the year" refers to January 1, 2024. "End of the year" refers to December 31, 2024, "Previous year" refers to year 2023, "Current year" refers to year 2024.

1. Cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	2,478,730,659.87	2,675,297,962.05
Bank deposits	23,468,875,891.39	34,122,981,956.66
Other cash and cash equivalents	307,551,196.51	436,583,013.31
Statutory deposit reserves	32,665,124,117.66	31,158,886,739.61
Excess deposit reserves	4,908,208,197.72	5,908,707,107.60
Fiscal deposits	253,742,000.00	34,555,000.00
Accrued interests	13,952,644.48	27,876,144.05
Deposits in other banks and other financial institutions		12,160,490,778.44
Total	64,096,184,707.63	86,525,378,701.72
Including: Total amount of deposits in overseas	61,324,513.20	78,846,447.39

Item	Closing balance	Opening balance
countries		
Including: Total amount of deposits with finance company		

For details of restricted cash and cash equivalents, please refer to note VII, (75) assets with restricted ownership and use rights.

2. Funds lent

Item	Closing balance	Opening balance
Funds lent		
In China		
Including: Banks	9,906,034,311.54	1,035,413,500.00
Other financial institutions	28,025,732,374.20	24,882,431,611.06
Accrued interests		67,108,760.50
Less:Impairment provisions	1,601,641,353.17	1,089,902,990.43
Subtotal	36,330,125,332.57	24,895,050,881.13
Total	36,330,125,332.57	24,895,050,881.13

3. Trading financial assets

Item	Fair value at the end of the year	Fair value at the beginning of the year
Financial assets at fair value through profits and losses	59,615,754,560.31	59,935,216,641.60
Including: Debt instrument investment	1,813,689,066.26	1,368,780,058.07
Equity instrument investment	396,551,921.09	768,304,510.02
Others	57,405,513,572.96	57,798,132,073.51
Total	59,615,754,560.31	59,935,216,641.60

4. Notes receivables

(1) Classification of notes receivables

Classification	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Bank acceptance bill	118,234,959.17		118,234,959.17	131,201,956.17		131,201,956.17
Commercial acceptance bill	246,954,889.52	5,699,373.26	241,255,516.26	271,253,742.60	5,403,798.09	265,849,944.51
Total	365,189,848.69	5,699,373.26	359,490,475.43	402,455,698.77	5,403,798.09	397,051,900.68

(2) Details of notes receivables provided for bad debts

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate (%)	
Notes receivables that are individually provided for bad debts					
Notes receivables that are provided for bad debts based on portfolio	365,189,848.69	100	5,699,373.26	1.56	359,490,475.43
Total	365,189,848.69	100	5,699,373.26	—	359,490,475.43

Classification	Opening balance				
	Book balance		Provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate (%)	

Classification	Opening balance				
	Book balance		Provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
Notes receivables that are individually provided for bad debts					
Notes receivables that are provided for bad debts based on portfolio	402,455,698.77	100.00	5,403,798.09	1.34	397,051,900.68
Total	402,455,698.77	100.00	5,403,798.09	—	397,051,900.68

① Notes receivables that are individually provided for bad debts

There are no notes receivable that are individually provided for bad debt at the end of the year.

② Notes receivables that are provided for bad debts based on portfolio

Classification	Closing balance		
	Book balance	Provisions	Expected credit loss rate（%）
Subtotal of commercial acceptance bill	246,954,889.52	5,699,373.26	2.31
Subtotal of bank acceptance bill	118,234,959.17		
Total	365,189,848.69	5,699,373.26	——
Classification	Opening balance		

	Book balance	Provisions	Expected credit loss rate（%）
Subtotal of commercial acceptance bill	271,253,742.60	5,403,798.09	1.99
Subtotal of bank acceptance bill	131,201,956.17		
Total	402,455,698.77	5,403,798.09	——

③ Bad debt provisions for notes receivables made, recovered or reversed in the current year

Classification	Opening balance	Change in the current year				Closing balance
		Provisions made	Provisions recovered or reversed	Provisions written off	Other changes	
Notes receivables that are individually provided for expected credit loss	-					
Notes receivables that are provided for expected credit loss in portfolio	5,403,798.09	1,153,782.17	858,207.00			5,699,373.26
Total	5,403,798.09	1,153,782.17	858,207.00			5,699,373.26

(3) Notes receivable pledged at the end of the year

Classification	Amount pledged at the end of the year
Bank acceptance bill	6,042,100.25
Commercial acceptance bill	
Total	6,042,100.25

(4) Notes receivable endorsed or discounted at the end of the year and not yet due on the balance sheet date

Classification	Amount derecognized at the end of the year	Amount not derecognized at the end of the year
Bank acceptance bill	147,235,323.06	41,822,981.20
Commercial acceptance bill	253,453,207.55	13,932,210.07
Total	400,688,530.61	55,755,191.27

(5) Notes receivable converted to accounts receivable due to non-performance of the drawer at the end of the year

Classification	Amount converted to accounts receivable at the end of the year
Commercial acceptance bill	193,066,380.23
Total	193,066,380.23

5. Accounts receivables

（1） Basic information of accounts receivables

① Accounts receivables by method of making provisions for bad debts

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
Accounts receivables	7,409,465,808.67	20.57	4,059,238,247.41	54.78	3,350,227,561.26

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
that are individually provided for bad debts					
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	28,613,528,409.71	79.43	4,542,245,568.97	15.87	24,071,282,840.74
Including:					
Portfolio 1:Aging portfolio	26,887,148,668.66	74.64	4,537,175,656.07	16.87	22,349,973,012.59
Portfolio 2:Related party portfolio					
Portfolio 3:Government debt	1,672,698,056.73	4.64			1,672,698,056.73
Portfolio 4:Credit aging portfolio	53,681,684.32	0.15	5,069,912.90	9.44	48,611,771.42
Total	36,022,994,218.38	100	8,601,483,816.38	23.88	27,421,510,402.00

Continued:

Classification	Opening balance				
	Book balance		Provisions		
	Amount	(%)	Amount	Expected credit loss rate (%)	Book value
Accounts receivables that are individually provided for bad debts	6,540,430,332.82	19.46	3,037,930,721.51	46.45	3,502,499,611.31
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	27,064,429,286.91	80.54	4,174,852,652.37	15.43	22,889,576,634.54
Including:					
Portfolio 1:Aging portfolio	25,972,906,724.42	77.29	4,170,260,752.93	16.06	21,802,645,971.49
Portfolio 2:Related party portfolio					
Portfolio 3:Government debt	1,053,142,049.97	3.14			1,053,142,049.97
Portfolio 4:Credit aging portfolio	38,380,512.52	0.11	4,591,899.44	11.96	33,788,613.08
Total	33,604,859,619.73	100.00	7,212,783,373.88	21.46	26,392,076,245.85

Note: The proportion in book balance is calculated by dividing such accounts receivables by total accounts receivable at the end of the year, and the proportion of bad debt provisions is calculated by dividing such bad debt provisions accrued at the end of the period by the total amount of accounts receivable at the end of the period.

② Accounts receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	15,114,734,010.66	15,520,762,775.89
1-2 years	7,506,900,805.07	6,688,869,687.44
2-3 years	5,337,232,544.26	5,676,067,804.39
Over 3 years	8,064,126,858.39	5,719,159,352.01
Subtotal	36,022,994,218.38	33,604,859,619.73
Less: Provisions for bad debts	8,601,483,816.38	7,212,783,373.88
Total	27,421,510,402.00	26,392,076,245.85

（2） Accounts receivables that are individually provided for bad debts

Name of the debtor	Book balance	Provisions	Expected credit loss rate （%）	Reasons for making the provisions
Zigong Xinmao Property Co., Ltd.	448,815,790.35	359,052,632.28	80.00	Negative list
Nanchong Evergrande Yufeng-Wei Zhao	445,976,200.51	356,780,960.41	80.00	Be involved in a lawsuit
Chengdu Runlixin Real Estate Co., Ltd.	364,204,103.70	364,204,103.70	100.00	Be involved in a lawsuit
Meishan Longhe Tourism Development Co., Ltd.	323,866,197.58	259,092,958.06	80.00	Expect credit losses to increase
Meishan Evergrande Yuefu Project-Wei Zhao	307,478,239.58	245,982,591.66	80.00	Be involved in a lawsuit
Chengdu Senyu Group Co., Ltd.	291,611,570.02	29,161,157.00	10.00	Be involved in a lawsuit
Yan'an New Area Investment and Development Construction Co., Ltd.	216,089,121.69	28,091,585.82	13.00	Debt restructuring
China Evergrande Group	208,854,659.89	163,999,849.26	78.52	Financial difficulties of the other party
Guanghan Meiyijia Home Decoration City Management Co., Ltd.	195,180,736.65	58,554,221.00	30.00	Be involved in a lawsuit
Guangyuan Century City	195,095,268.55	97,547,634.28	50.00	Litigant works

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Investment and Development Co., Ltd.				
Chengdu Dingdi Automotive Trade Co., Ltd.	158,819,310.44	47,645,793.13	30.00	Litigant works
Chengdu Senyu Group Co., Ltd.	154,845,573.00	62,865,573.00	40.60	Litigant works
Sichuan Xinkaiyuan Mining Industry Co., Ltd.	143,614,642.17	143,614,642.17	100.00	Bankruptcy liquidation enterprise
Suining Kaihe Real Estate Co., Ltd.	138,790,730.47	87,519,613.70	63.06	Litigation items are impaired based on the value of preserved assets
Sichuan Yinhe Investment Group Co., Ltd.	135,056,826.00	92,496,826.00	68.49	Litigant works
Greenland Group Haikou Real Estate Co., Ltd.	131,014,184.07	39,304,255.22	30.00	Greenland Group series projects
Chongqing Hangyue Real Estate Co., Ltd.	126,991,405.03	101,593,124.02	80.00	Evergrande projects will be impaired at 80%
Zunyi Evergrande Qiangui Real Estate Development Co., Ltd.	125,728,198.49	47,360,158.79	37.67	Negative list real estate enterprises
Chengdu Sunwind Group Co., Ltd.	115,645,815.33	11,564,581.53	10.00	Be involved in a lawsuit
Sichuan Yuanzhong Beike Industrial Development Co., Ltd.	112,175,656.14	8,022,436.60	7.15	Litigant works
Sichuan Chuanta Hengyuan Industry Co., Ltd.	111,552,998.94	20,672,997.00	18.53	Be involved in a lawsuit
Chengdu Yuhui Real Estate Development Co., Ltd.	109,493,781.00	55,153,781.00	50.37	Litigant works
Chengdu Jujin Trading Co., Ltd.	91,360,945.69	27,408,283.71	30.00	Expect credit losses to increase
Tianfu Shui'an Residential Community Project-Zhun Zhao	89,402,646.65	8,940,264.67	10.00	Be involved in a lawsuit
Sichuan Wenshi Industrial Co., Ltd.	88,537,690.00	54,726,410.16	61.81	Be involved in a lawsuit
Chongqing Tongjing Gonghao Real Estate Co.,	83,631,002.26	63,415,240.21	75.83	Negative list real estate enterprises

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Ltd.				
Suining Hengkuo Real Estate Co., Ltd.	83,420,834.37	73,688,618.30	88.33	The case has been decided and there are no enforceable assets
Receivables from litigation project-customers and other small individual items	80,498,785.78	38,897,461.74	48.32	Large credit losses are expected
Yanting Yongyi Square Construction General Contracting Project-Linli Lu	78,728,300.00	39,364,150.00	50.00	Be involved in a lawsuit
Greenland Group Chengdu Shenxin Real Estate Co., Ltd.	75,668,429.69	6,226,895.39	8.23	Negative list
Chengdu Changhu Cultural Tourism Development Co., Ltd.	74,867,793.37	13,720,748.00	18.33	Be involved in a lawsuit
Ya'an Xiwang Development Co., Ltd.	74,413,184.15	14,882,636.83	20.00	The construction party already has significant financial risks and has filed a lawsuit to withdraw bad debts on a single basis.
iyang Wanxin Real Estate Development Co., Ltd.	72,068,040.69	43,240,824.41	60.00	Bankruptcy reorganization + litigation
Chengdu Qiangxun Xinhe Real Estate Development Co., Ltd.	71,658,964.52	16,658,964.52	23.25	Be involved in a lawsuit
Greenland Group Chengdu Shenlong Real Estate Development Co., Ltd.	70,888,782.53	22,907,463.57	32.31	Greenland Group series projects
Nanchong Greenland Shenchuan Real Estate Co., Ltd.	69,744,896.06	57,193,386.78	82.00	Greenland Group series projects
Sichuan Baima Wanglang Tourism Investment Management Co., Ltd.	69,442,504.76	69,442,504.76	100.00	There are relatively large expected losses in related creditor's rights

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Ya'an Xiwang Real Estate Co., Ltd.	65,562,882.21	13,112,576.44	20.00	Be involved in a lawsuit
Dazhou Blue Light and Jun Real Estate Co., Ltd.	62,762,542.03	18,828,762.61	30.00	Negative list companies
Zhongtai·Maker Center-Zongliang Zhu	62,206,301.34	31,103,150.67	50.00	Be involved in a lawsuit
Greenland Group Chengdu Xindu Real Estate Co., Ltd.	60,092,024.12	32,307,830.28	53.76	Greenland Group series projects
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	55,282,685.07	55,282,685.07	100.00	Irrecoverable
Jiangyou Wantong Huafu-Linli Lu	54,738,930.40	27,369,465.20	50.00	Be involved in a lawsuit
Dafang Jiuheng International City Phase II-Yongdong Xu	54,650,543.41	27,325,271.71	50.00	Be involved in a lawsuit
Tianjin Blue Light Baoheng Real Estate Development Co., Ltd.	50,904,006.85	15,271,202.06	30.00	Expect credit losses to increase
Tangshan Bozhi Real Estate Development Co., Ltd.	47,461,846.95	37,969,477.56	80.00	Evergrande projects will be impaired at 80%
Kexing Park Phase 3-Zongliang Zhu	47,196,048.00	23,598,024.00	50.00	Be involved in a lawsuit
Jiangxi Yunfa Industrial Co., Ltd.	46,626,104.23	46,626,104.23	100.00	Irrecoverable
Greenland Group Chengdu Shufeng Real Estate Development Co., Ltd.	44,333,219.28		0.00	Sign a debt settlement agreement
Yibin's Huanle Guansong Haoting Project-Changlin Li	42,701,145.60	12,810,343.68	30.00	Be involved in a lawsuit
Chengdu Xinli Jinye Real Estate Development Co., Ltd.	42,515,946.82	7,402,784.05	17.41	Negative list
Yunnan Tengjun Multimodal Transport Co., Ltd.	39,804,223.32	39,804,223.32	100.00	Provision based on individual comprehensive judgment

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Ya'an New Field Real Estate Development Co., Ltd.	38,989,822.88	11,696,946.86	30.00	Negative list companies
Sichuan Huaye Linzhi Real Estate Co., Ltd.	38,292,905.98	30,634,324.78	80.00	Be involved in a lawsuit
Greenland Group Sichuan Shenhong Real Estate Co., Ltd.	36,676,979.41	36,676,979.41	100.00	Negative list real estate enterprises
Mianning County Country Garden Real Estate Development Co., Ltd.	36,274,286.32	10,882,285.90	30.00	Country Garden Project is impaired at 30%
Guangyuan Jiayuan Real Estate Co., Ltd.	33,536,391.35	15,004,127.70	44.74	Be involved in a lawsuit
Chengdu Longbo Real Estate Development Co., Ltd.	31,433,163.14		0.00	Sign a debt settlement agreement
Greenland Group Deyang Real Estate Co., Ltd.	31,377,438.00	9,413,231.40	30.00	Greenland Group series projects
Chengdu Maochuan Investment Management Co., Ltd.	29,273,897.50	7,318,474.38	25.00	Debt agreement
Chengdu Yudu Investment Co., Ltd.	27,815,339.23	5,563,067.85	20.00	Be involved in a lawsuit
Zhengzhou Fangxing Real Estate Development Co., Ltd.	27,584,045.00	9,654,415.75	35.00	Be involved in a lawsuit
Leshan Lingchuang Real Estate Development Co., Ltd.	24,902,834.81	7,470,850.44	30.00	Impairment of territorial projects is accrued at 30%
Sichuan Century Vision Real Estate Co., Ltd.	23,392,795.20	23,392,795.20	100.00	There are relatively large expected losses in related creditor's rights
Chengdu Dingdi Automotive Trade Co., Ltd.	23,220,140.10	5,078,714.95	21.87	Litigant works
Long Xin. Park Capital-Yongbo Luo	22,871,317.61	2,287,131.76	10.00	Be involved in a lawsuit
Langzhong Tianhe Lijing Project-Xuegao Ye	21,919,619.76	6,575,885.93	30.00	Be involved in a lawsuit

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Yuyao Lanjun Real Estate Co., Ltd.	21,346,167.32	6,403,850.20	30.00	Expect credit losses to increase
Nanchong Lingyue Real Estate Development Co., Ltd.	20,775,618.47	6,232,685.54	30.00	Negative list companies
Dujiangyan Irrigation Project Bluelight Hejun Real Estate Co., Ltd.	18,828,248.52	5,648,474.56	30.00	Expect credit losses to increase
Deyang Guanghuang Real Estate Co., Ltd.	17,507,899.58	7,003,159.83	40.00	Be involved in a lawsuit
Evergrande Real Estate Group Dayi Co., Ltd.	17,145,129.09	17,145,129.09	100.00	Negative list companies
Phoenix City-Gang Meng	16,625,160.00	8,312,580.00	50.00	Be involved in a lawsuit
Kaixuan Mansion-Shichuan Cheng	15,838,999.00	4,751,699.70	30.00	Be involved in a lawsuit
Nanchong Lingyue Real Estate Development Co., Ltd	15,659,842.76	4,697,952.83	30.00	Negative list companies
Chengdu Xingyue Real Estate Co., Ltd.	15,313,252.36	15,313,252.36	100.00	Collection difficulty
Chengdu Jintang BRC Hejun Industrg Co., Ltd.	15,291,383.45	4,587,415.04	30.00	Negative list companies
Chengdu Dingdi Automotive Trade Co., Ltd.	14,635,925.23	1,614,464.29	11.03	Litigant works
Chengdu Lanrun Jinhong Industrial Co., Ltd.	14,063,093.00	4,218,927.90	30.00	Negative list companies
Sichuan Haiaosi Biotechnology Development Co., Ltd.	13,914,588.00	13,914,588.00	100.00	The case has been decided and there are no enforceable assets
Dujiangyan Modern Agriculture Development Investment Co., Ltd.	13,258,816.44	13,258,816.44	100.00	There are relatively large expected losses in related creditor's rights
Chengdu Runlixin Real Estate Co., Ltd.	12,301,723.42	12,301,723.42	100.00	Be involved in a lawsuit
Sichuan Daxing Hongye Group Co., Ltd.	10,698,659.52	10,698,659.52	100.00	Litigation items are impaired at 100%
Summary disclosure of	196,628,066.47	121,678,406.82	61.88	Based on the amount most

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
amount less than 10 million				likely to be recovered
Total	7,409,465,808.67	4,059,238,247.41	54.78	

(3) Trade receivables that are provided for bad debts based on the portfolio of credit risk characteristics

① Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	(%)		Amount	(%)	
Within 1 year (including 1 year)	14,199,812,686.21	52.81	388,012,043.83	14,074,619,456.48	54.19	242,201,028.43
1-2 years (including 2 years)	5,326,496,003.31	19.81	327,876,665.94	4,647,452,409.07	17.89	293,275,800.52
2-3 years (including 3 years)	2,538,219,637.01	9.44	353,858,301.37	3,255,952,266.91	12.54	606,836,729.53
Over 3 years	4,822,620,342.13	17.94	3,467,428,644.93	3,994,882,591.96	15.38	3,027,947,194.45
Total	26,887,148,668.66	100	4,537,175,656.07	25,972,906,724.42	100.00	4,170,260,752.93

② Other portfolios

Portfolio	Closing balance	Opening balance

	Book balance	（%）	Provisions	Book balance	（%）	Provisions
Government debt	1,672,698,056.73			1,053,142,049.97		
Credit aging portfolio	53,681,684.32	9.44	5,069,912.90	38,380,512.52	11.96	4,591,899.44
Total	1,726,379,741.05	0.29	5,069,912.90	1,091,522,562.49	0.42	4,591,899.44

(4) Details of provisions for bad debts reversed or recovered

Name of the debtor	Amount reversed or recovered	Accumulated amount of bad debt provisions made before the reversal or recovery	Reasons and ways of reversal or recovery
Chengdu Tianren Real Estate Development Co., Ltd.	13,378,658.44	13,378,658.44	Recovery of fund
China Electric Construction Road and Bridge Chengdu Ring Ecological Construction Co., Ltd.	12,163,915.14	12,163,915.14	Recovery of fund
Chengdu Aerotropolis City Development Group Co., Ltd.	11,882,937.59	11,882,937.59	Recovery of construction cost
Chengdu Tiantou Environment Co., Ltd.	3,002,553.40	3,002,553.40	Refund
China Communications Chengdu Rail Transit Investment and Construction Co., Ltd.	2,722,388.92	2,722,388.92	Recovery of construction cost
Shangqiu Huashang Logistics Investment Co., Ltd.	2,605,842.38	2,605,842.38	Recovery of construction cost
China Railway Shanghai Engineering Bureau Group Huahai Engineering Co., Ltd.	1,410,692.57	1,410,692.57	Recovery of construction cost
China Construction Fourth Engineering Bureau Co., Ltd.	1,403,863.58	1,403,863.58	Refund
Chengdu Jiaotou Construction Co., Ltd.	1,293,397.19	1,293,397.19	Recovery of construction cost

Name of the debtor	Amount reversed or recovered	Accumulated amount of bad debt provisions made before the reversal or recovery	Reasons and ways of reversal or recovery
Chengdu Tianren Real Estate Development Co., Ltd.	8,748,659.86	8,748,659.86	Recovery of construction cost
Total	281,375,899.37	281,375,899.37	—

(5) Accounts receivable actually written off this year.

Name of debtor	Nature of accounts receivable	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related transactions
Yichang Yongmao Medicine Co., Ltd.	Payment for goods	6,171,579.06	Irrecoverable as confirmed	After approval by the company executives	no
Sichuan Intercontinental Gastrointestinal and Anal Disease Hospital Co., Ltd.	Payment for goods	3,523,618.60	Irrecoverable as confirmed	Approval by company leaders	no
Cixian Hospital of Traditional Chinese Medicine	Payment for goods	2,803,937.48	Irrecoverable as confirmed	Approval by company leaders	no
Xinmin City Hospital of Traditional Chinese Medicine	Payment for goods	549,215.71	Irrecoverable as confirmed	Approval by company leaders	no
Tianjin Paradise Hospital	Payment	450,325.08	Irrecoverable	Approval by	no

Name of debtor	Nature of accounts receivable	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related transactions
	for goods		as confirmed	company leaders	
Kunming Oriental Hospital	Payment for goods	141,686.84	Irrecoverable as confirmed	Approval by company leaders	no
Kunming Yadong Hospital	Payment for goods	65,854.62	Irrecoverable as confirmed	Approval by company leaders	no
Guantao County Hospital of Traditional Chinese Medicine	Payment for goods	11,798.71	Irrecoverable as confirmed	Approval by company leaders	no
Puyang Xinliu Agriculture and Animal Husbandry Technology Co., Ltd.	Payment for goods	7,206.16	The two sides finally reached a consensus on the reduction of funds due to differences over the reduction of seedlings	Direct write-off method	no
Total	—	13,725,222.26	—	—	—

(6) The top 5 debtors based on the closing balance of accounts receivable

Name of debtor	Book balance	Proportion in total accounts receivable（%）	Provisions
No. 1	448,815,790.35	1.25	359,052,632.28
No. 2	446,457,143.02	1.24	62,865,573.00
No. 3	445,976,200.51	1.24	356,780,960.41
No. 4	376,284,566.11	1.04	17,081,699.65
No. 5	368,822,787.12	1.02	15,569,936.91
Total	2,086,356,487.11	5.79	811,350,802.25

6. Accounts receivable financing

Classification	Closing balance	Opening balance
Notes receivable	133,782,077.26	
Accounts receivable	8,799,912.80	120,646,239.15
Total	142,581,990.06	120,646,239.15

7. Prepayment

Prepayment by aging

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions for bad debts
	Amount	Percentage (%)		Amount	Percentage (%)	
Within 1 year (including 1 year)	569,334,013.96	15.88		2,456,081,039.53	52.44	3,003,325.00
1-2 years (including 2 years)	1,140,065,492.10	31.80	3,003,325.00	615,489,189.64	13.14	

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions for bad debts
	Amount	Percentage (%)		Amount	Percentage (%)	
2-3 years (including 3 years)	373,371,290.38	10.41		959,128,931.93	20.48	
Over 3 years	1,502,759,420.00	41.91	216,885.29	653,075,728.50	13.94	216,885.29
Total	3,585,530,216.44	100.00	3,220,210.29	4,683,774,889.60	100.00	3,220,210.29

Note: The decrease of prepayments in the current period compared to the previous period is mainly due to the adjustment of the settlement model of the procurement business of the supply chain company.

(1) Prepayment that is significant in amount and ages over 1 year

Name of the creditors	Name of the debtors	Closing balance	Aging	Reasons for unsettlement
Chengdu Medical and Health Investment Group Co., Ltd.	Office of Chengdu East New District Management Committee	408,603,781.43	2-3 years, Over 3 years	Outstanding payment
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	Chengdu Jincheng Huachuang Real Estate Co., Ltd.	357,850,715.00	1-2 years	Still under construction
Chengdu Medical and Health Investment Group Co., Ltd.	Bureau of Finance and Economics, Chengdu East New Area Management Committee	229,852,209.60	Over 3 years	Outstanding payment
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Chenghua District Unified Construction Office	193,270,050.53	Over 3 years	Settlement is not due yet.
Chengdu Xingcheng Investment Group Co., Ltd.	Damian Street Office	176,152,832.83	Over 3 years	Settlement is not due yet.
Chengdu Tianfu Greenway Construction Investment	Chengdu Jinniu Environmental	175,613,400.00	1-2 years	Still under construction

Name of the creditors	Name of the debtors	Closing balance	Aging	Reasons for unsettlement
Group Co., Ltd.	Investment and Development Group Co., Ltd.			
Chengdu Medical Investment Proton Heavy Ion Hospital Management Co., Ltd.	Sichuan Shangtou Medical Supply Chain Co., Ltd.	131,705,839.36	1-2 years	Outstanding payment
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Shiyu Railways Co., Ltd.	110,000,000.00	Over 3 years	Settlement is not due yet.
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	Chengdu Chengtie Engineering Project Management Co., Ltd.	103,103,981.81	2-3 years, 3-4 years	Still under construction
Total		1,886,152,810.56	—	—

(2) The top 5 debtors based on the closing balance of prepayment

Name of the debtors	Book balance	Percentage in the total prepayment (%)	Provisions
No. 1	468,850,715.00	13.08	
No. 2	408,603,781.43	11.4	
No. 3	229,852,209.60	6.41	
No. 4	193,270,050.53	5.39	
No. 5	176,152,832.83	4.91	
Total	1,476,729,589.39	41.19	

8. Other receivables

Item	Closing balance	Opening balance
Interests receivable	30,261,433.15	
Dividends receivable	27,664,296.24	26,172,279.53
Other receivables	10,167,621,649.15	14,634,300,054.39
Total	10,225,547,378.54	14,660,472,333.92

(1) Dividends receivable

Item	Closing balance	Opening balance	Reasons of not being received	Whether there is an impairment and the evidence
Dividends receivable aged less one year				
Including: China Communications (Hangzhou) Infrastructure Investment Co., Ltd	17,911,489.76	15,505,296.30	Resolution passed, not issued	No
Dividends receivable aged over one year	9,752,806.48	10,666,983.23	——	——
Including: Tianjin Chase Sun Pharmaceutical Co., Ltd.	9,752,806.48	9,752,806.48	Note 1	No
Including: Chengdu Huacheng Co., Ltd.	0.00	914,176.75	The current portion has been received	No
Total	27,664,296.24	26,172,279.53	——	——

Note 1: Dividends receivable from Tianjin Chase Sun Pharmaceutical Co., Ltd. has been paid. As the share pledge is temporarily frozen by the China Securities Registration and Clearing Center, no offsetting treatment has been made.

(2)Other receivables

① Basic information of other receivables

1) Oher receivables disclosed by method of making provisions for bad debt

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
Other receivables that are individually provided for bad debts	2,228,217,632.83	17.14	1,424,221,235.04	63.92	803,996,397.79
Other receivables provided for bad debts based on the portfolio of credit risk characteristics	10,768,280,393.75	82.86	1,404,655,142.39	13.04	9,363,625,251.36
Total	12,996,498,026.58	100.00	2,828,876,377.43	19.93	10,167,621,649.15

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
Other receivables that are individually provided for bad debts	1,559,165,036.75	8.98	1,237,325,596.22	79.36	321,839,440.53
Other receivables provided for bad debts based on the portfolio of credit	15,809,706,923.70	91.02	1,497,246,309.84	9.47	14,312,460,613.86

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	(%)	Amount	Expected credit loss rate（%）	
risk characteristics					
Total	17,368,871,960.45	100.00	2,734,571,906.06	15.74	14,634,300,054.39

Note:The proportion in the book balance is calculated by dividing other receivables by the closing balance of total amount, and the proportion of bad debt provision is calculated by dividing the provision provided for at the end of the period by the amount of other receivables at the end of the period.

2) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	4,799,230,305.24	8,171,489,494.46
1-2 years	3,187,220,261.50	6,075,696,889.18
2-3 years	2,396,393,252.15	1,135,079,749.91
Over 3 years	2,613,654,207.69	1,986,605,826.91
Subtotal	12,996,498,026.58	17,368,871,960.45
Less:Bad debt provisions	2,828,876,377.43	2,734,571,906.06
Total	10,167,621,649.15	14,634,300,054.39

① Other receivables that are provided for bad debt separately

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Sichuan Senmeng Property Co., Ltd.	418,157,558.05	418,157,558.05	100.00	Actual loss incurred

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Leshan Fanhua Real Estate Co., Ltd.	89,035,202.74	51,189,664.25	57.49	Actual loss incurred
Longquan Zhima Store-Honglin Wang	150,623,618.07	75,311,809.03	50.00	The loss is being compensated
ChengDu Chengtong Building Materials Co., Ltd.	146,180,248.36	146,180,248.36	100.00	The debtor has been ruled bankrupt
Guanghan Meiyijia Home Decoration City Management Co., Ltd.	125,967,225.97	37,790,167.79	30.00	Actionable matter
Chengdu Jiangong Lifeng Construction Installation Co., Ltd.	116,737,956.40	116,737,956.40	100.00	Be involved in a lawsuit
Lezhi Venice-Honglin Wang	99,414,758.94	9,941,475.89	10.00	The loss is being compensated
Chengdu Meilianshu Real Estate Development Co., Ltd.	80,000,000.00	80,000,000.00	100.00	Not recovered after the time limit
Chengdu East Group Co., Ltd.	72,711,210.97	3,635,560.55	5.00	Bad debt sprovided for additionally
Ao'cheng Phase II 12 #Building, 15#, 16 #Commercial and Residential Building and Basement Project- Bo Qin	69,017,712.21	2,263,021.56	3.28	The loss is being compensated
Happy Family Project Department - Bo Qin	56,961,260.13	56,961,260.13	100.00	The loss is being compensated
Chengdu Maochuan Investment Management Co., Ltd.	54,102,325.03	13,525,581.26	25.00	Agreement on debt
Happy Family Project Department Phase II- Bo Qin	50,599,575.51	50,599,575.51	100.00	The loss is being compensated
Chengdu Juancheng Zhuangyuan Company	47,164,229.67	14,149,268.90	30.00	Performance bond
Songlin Chen of the Project Department	101,820,069.40	17,544,092.86	17.23	Payment made up for the housing funds
Chengdu Runlixin Real Estate Co., Ltd.	40,189,915.05	40,189,915.05	100.00	Not recovered after the time limit
Times Haoting-Wen Dai	31,014,148.51	1,550,707.43	5.00	The loss is being compensated
New Hope Guida Jinyue Beifu	30,610,089.91	1,530,504.50	5.00	The loss is being

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
project - Youshi Zeng				compensated
Bid Section 1 of Evergrande Shanshui City - Jianbing Huang	29,185,704.15	1,459,285.21	5.00	The loss is being compensated
Wenxuan Zhao	26,236,391.09	26,236,391.09	100.00	Actual loss incurred
Sichuan Road Plastic relocation and technological transformation project-Bo Qin	23,705,169.52	2,370,516.95	10.00	The loss is being compensated
Danfeng Chaoyang Project - Jian 'an Lu	23,269,159.05	23,269,159.05	100.00	The loss is being compensated
Hengda Real Estate Group Chongqing Co., Ltd.	19,900,000.00	15,920,000.00	80.00	Evergrande project provied for impairment at 80%
Chengdu Tianfu International Airport grass pool housing - Guozhong Zhang	19,241,997.26	18,279,897.40	95.00	Loss on project
High-tech 10 Haodi Phase II-Genlin Wei	18,363,567.91	918,178.40	5.00	The loss is being compensated
Chengdu Xinbotai Real Estate Development Co., Ltd.	18,000,000.00	5,400,000.00	30.00	Litigant is decided
Licheng Packaging Co., Ltd.	17,857,776.23	17,857,776.23	100.00	Judgement of action
Sichuan Huaye Linzhi Real Estate Co., Ltd.	15,996,464.02	15,996,464.02	100.00	The project involves litigation, and the court ruling enjoys the priority of repayment of the debtor's debt
Xia Literature and Art Project Department	14,134,364.65	14,134,364.65	100.00	Actual loss incurred
Mike Biology-Yulin Mou	13,523,900.06	676,195.00	5.00	The loss is being compensated
Buildings 1-5, Guard Room and Basement Project of Phase II of Nanyang Yulongfu Project-Xiaozhou Wei	12,063,207.10	603,160.36	5.00	The loss is being compensated
Sichuan Jingrong Hotel Co., Ltd.	12,000,000.00	12,000,000.00	100.00	Not recovered after the time limit
Bai Lingyun Project Department	20,981,711.87	20,981,711.87	100.00	Actual loss incurred

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Longcanggou Scenic Area-Honglin Wang	11,200,567.83	1,120,056.78	10.00	The loss is being compensated
Southwest International Trade, Huitong Bank, and China Housing Group	9,505,846.44	9,505,846.44	100.00	Involved in litigation, where the debtor is in bankruptcy
Kanghui Lu Project Department	9,365,809.23	9,365,809.23	100.00	Actual loss incurred
Zhenghuai Wu Project Department	8,219,471.80	8,219,471.80	100.00	Actual loss incurred
Guanjian Liu Project Department	10,005,492.01	10,005,492.01	100.00	Actual loss incurred
Sichuan Zhongkeying Cultural Tourism Development Co., Ltd.	7,730,000.00	7,730,000.00	100.00	The lawsuit has been judged and there are no enforceable assets
Bing Wei Project Department	7,662,874.95	7,662,874.95	100.00	Actual loss incurred
Guose Tianxiang Commercial Street - Bo Qin	6,924,346.01	6,924,346.01	100.00	The loss is being compensated
New Hope Jinyueli Commercial Building 2- 1 #Building and Basement - Youshi Zeng	6,758,246.98	337,912.35	5.00	The loss is being compensated
Reconstruction of footpaths in the living area of base 9071（Phase I）and vehicular roads in the living area - Zhihong Wu	5,946,631.86	297,331.59	5.00	The loss is being compensated
Chengdu Evergrande City Phase 4 59- 61 #High-rise Main and Supporting Projects - Yanghe Liu	5,774,887.61	288,744.38	5.00	The loss is being compensated
Tianxing Repulse Bay Community-Genlin Wei	5,595,658.51	279,782.93	5.00	The loss is being compensated
Agricultural University Post-Disaster Reconstruction Agricultural Products Research and Development and Inspection Center - Qianhui Hu	4,539,087.49	226,954.37	5.00	The loss is being compensated
Wenjiang "Yufu Sunshine" Residence-Faquan Tao	4,281,087.00	4,281,087.00	100.00	Not recovered after the time limit
Sichuan Jiayu Construction & Installation Engineering Co., Ltd.	3,460,399.83	3,460,399.83	100.00	Filed for bankruptcy

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Xiaozhou Wei	3,412,428.44	3,412,428.44	100.00	Actual loss incurred
Dujiangyan Irrigation Project Zhongji Investment Development Co., Ltd.	3,000,000.00	3,000,000.00	100.00	Not recovered after the time limit
0103030017/Danjun. Lanting General Contracting Project-Rao Dan [Tender Project Name:0171/Chengdu Runheng City General Contracting Project]	2,990,000.00	2,990,000.00	100.00	Not recovered after the time limit
Dijing Bay Jade County Bid Section 1-Yunzhong Huang	2,932,334.52	146,616.73	5.00	The loss is being compensated
First middle school experimental school - Ming Li	2,759,585.16	137,979.26	5.00	The loss is being compensated
Henan Tonghui Real Estate Co., Ltd.	2,172,491.64	2,172,491.64	100.00	Involved in a lawsuit
Chengdu Hechuang Jaguar Land Rover 4S Store-Nan Chai	2,147,992.75	107,399.64	5.00	The loss is being compensated
Gang Luo	2,036,080.32	2,036,080.32	100.00	Actual loss incurred
Chongqing Tongxi Real Estate Development Co., Ltd.	2,000,000.00	2,000,000.00	100.00	Not recovered after the time limit
Chengdu Yongrun Real Estate Co., Ltd.	1,930,000.00	1,930,000.00	100.00	The lawsuit has been judged and there are no enforceable assets
104 Subproject Reconstruction Project - Zhihong Wu	1,842,740.06	92,137.00	5.00	The loss is being compensated
Sichuan ForNew Technologies Co., Ltd.	1,600,000.00	1,600,000.00	100.00	Not recovered after the time limit
Engineering Science Innovation and R & D Center of Chengdu Base of the Chinese Academy of Physics - Zhihong Wu	1,481,458.82	74,072.94	5.00	The loss is being compensated
Zhengzhou Fangxing Real Estate Development Co., Ltd.	1,400,000.00	490,000.00	35.00	The project involves litigation and the creditor's rights are being confirmed according to the civil mediation

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Chongqing Greenland Marine Real Estate Development Co., Ltd.	1,350,183.09	472,564.08	35.00	The Negative list
Jiankun International Trade Logistics Hardware Electromechanical Market and Music Culture Square-Yunzhong Huang	1,208,288.53	60,414.43	5.00	The loss is being compensated
Yonghong Zhang	1,074,494.44	1,074,494.44	100.00	Involved in a litigation
Henan Shengda General Aviation Co., Ltd.	4,300,000.00	4,300,000.00	100.00	Involved in a lawsuit
Henan Yongchang Construction Group Co., Ltd. Qingdao Branch	3,301,479.13	3,301,479.13	100.00	It is not expected to be recovered
Qingyun County People's Court	1,851,130.00	1,851,130.00	100.00	It is not expected to be recovered
Other small amounts	11,690,020.55	9,904,369.57	84.72	Other items each worths less than 10 million yuan
Total	2,228,217,632.83	1,424,221,235.04	63.92	____

② Other receivables provided for bad debt according to portfolio of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	(%)		Amount	(%)	
Within 1 year (including 1 year)	3,008,308,501.34	55.69	67,312,037.72	3,560,267,103.80	59.27	57,240,106.49
1-2 years	749,014,907.56	13.87	38,034,384.12	682,315,297.30	11.36	35,253,232.03

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	(%)		Amount	(%)	
(including 2 years)						
2-3 years (including 3 years)	133,505,239.08	2.47	17,814,172.73	225,164,189.52	3.75	28,440,212.46
Over 3 years	1,510,627,574.79	27.97	1,259,150,778.86	1,538,666,143.52	25.62	1,351,075,655.95
Total	5,401,456,222.77	100.00	1,382,311,373.43	6,006,412,734.14	100.00	1,472,009,206.93

2) Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	(%)	Provisions	Book balance	(%)	Provisions
Government debt	2,424,242,130.65			5,199,562,708.49		
Deposit and margin	2,942,582,040.33	0.76	22,343,768.96	4,603,731,481.07	0.55	25,237,102.91
Total	5,366,824,170.98	0.42	22,343,768.96	9,803,294,189.56	0.26	25,237,102.91

3) Details of bad debt provisions made for other receivables

Provisions	Stage 1	Stage 2	Stage 3	Total

	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	1,459,232,579.37	23,457,589.19	1,251,881,737.50	2,734,571,906.06
Opening balance in the current year:				
——Transferred to stage 2				
—— Transferred to stage 3	-2,582,858.11		2,582,858.11	
—— Reversed to stage 2				
—— Reversed to stage 1				
Provisions made in the current year	-84,802,280.60	-1,490,723.46	187,954,495.86	101,661,491.80
Provisions reversed in the current year	-2,785,114.06	-117,119.89	-4,277,899.65	-7,180,133.60
Provisions cancelled in the current year		-186,537.96		-186,537.96
Provisions written off in the current year				
Other changes	4,864.96		4,786.17	9,651.13

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Closing balance	1,369,067,191.56	21,663,207.88	1,438,145,977.99	2,828,876,377.43

4) The top 5 debtors based on the closing balance of other receivables

Name of debtor	Nature of funds	Book balance	Aging	Proportion in total other receivables (%)	Provisions
Chengdu City Soil Storage Center	Investment receivables	329,238,840.00	1-2 years	2.53	
Pingchang County Transportation Bureau	Subsidies during construction	225,445,132.91	over 5 years	1.73	
Chengdu Chenghua District Housing Construction and Transportation Bureau	Margin	177,570,000.00	1-2 years, 3-4 years	1.37	
Chengdu Xindu District Land Reserve Center	Performance bond	158,410,000.00	2-3 years	1.22	
Chengdu Wenjiang District Land Reserve Center	Current account	150,000,000.00	over 3 years	1.15	
Total	—	1,040,663,972.91		8.01	

9. Redemptory monetary capital for sale

Item	Closing balance	Opening balance
Redemptory bond for sale	24,519,493,060.73	7,806,753,214.67
Accrued interests		
Less: Impairment provisions		7,807,569.07
Total	24,519,493,060.73	7,798,945,645.6

10. Inventory

(1) Classification of inventory

Item	Closing balance		
	Book balance	Inventory falling price reserves / contract performance cost provisions	Book value
Raw materials	712,457,976.48	9,265,267.04	703,192,709.44
Self-made semi-finished products and products in process	54,101,451,588.84	10,231,624.50	54,091,219,964.34
Including: Development expenditure (Filled in by property development company)	53,226,285,234.47	7,093,557.00	53,219,191,677.47
Inventory goods (finished products)	23,715,470,014.12	622,293,631.86	23,093,176,382.26
Including: Developed products (Filled in by property development company)	22,211,919,523.00	496,298,477.31	21,715,621,045.69
Revolving materials（Packaging materials and low-value consumables, etc.）	59,797,306.29	504,419.66	59,292,886.63
Contract performance cost	13,912,571.36		13,912,571.36
Consumptive biological assets	129,327,649.25		129,327,649.25
Others	2,257,681,127.45		2,257,681,127.45
Total	80,990,098,233.79	642,294,943.06	80,347,803,290.73

Continued:

Item	Opening balance		
	Book balance	Inventory falling price reserves / contract performance cost provisions	Book value
Raw materials	141,804,790.10	7,008,253.53	134,796,536.57
Self-made semi-finished products and products in process	55,356,830,378.25	10,449,671.31	55,346,380,706.94
Including: Development expenditure (Filled in by property development company)	50,417,481,273.54	7,093,557.00	50,410,387,716.54
Inventory goods (finished products)	20,629,732,926.65	248,191,505.50	20,381,541,421.15
Including: Developed products (Filled in by property development company)	18,090,338,144.36	172,553,708.42	17,917,784,435.94
Revolving materials（Packaging materials and low-value consumables, etc.）	77,467,164.18	538,194.20	76,928,969.98
Contract performance cost	6,411,218.01		6,411,218.01
Consumptive biological assets	137,031,513.67		137,031,513.67
Others	2,290,246,918.86		2,290,246,918.86
Total	78,639,524,909.72	266,187,624.54	78,373,337,285.18

Note:Please refer to Note VIII(74) "Assets with limited ownership and use right" for details of inventories with limited ownership such as those used for mortgage and pledge.

11. Contract assets

Details of contract assets

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Construction project	56,422,453,633.50	1,447,985,919.94	54,974,467,713.56	63,242,870,485.55	917,711,725.63	62,325,158,759.92
Unexpired warranty deposit	2,467,951,763.48	11,412,671.44	2,456,539,092.04	3,070,853,848.24	5,156,915.14	3,065,696,933.10
PPP project under the financial asset model	493,737,819.75		493,737,819.75	328,554,127.90		328,554,127.90
Contract assets formed by sale of goods	7,128,292.62	352,522.16	6,775,770.46	8,131,501.60	405,431.01	7,726,070.59
Others	1,412,568.29		1,412,568.29	2,516,520.81		2,516,520.81
Total	59,392,684,077.64	1,459,751,113.54	57,932,932,964.10	66,652,926,484.10	923,274,071.78	65,729,652,412.32

12. Non-current assets due within one year

Item	Closing balance	Opening balance
Long term receivables due within one year	27,165,124.71	66,875,792.61
Long-term deferred expenses due within one year		3,113,704.10
Sales of goods by installment		
Finance lease receivables		
Total	27,165,124.71	69,989,496.71

13. Other current assets

Item	Closing balance	Opening balance
Input tax to be deducted	3,990,753,413.70	4,184,815,314.15
Prepaid tax	2,057,596,409.01	1,666,781,441.15
Acquisition costs of contract	108,928,261.88	275,155,012.14
Deferred expenses	789,660.14	1,558,564.10
Tax refundable	25,804,504.72	31,997,585.86
Other receivables of rural commercial bank		187,666,956.17
Other rural commercial bank	100,792,377.02	
Others	1,754,686.62	210,742.02
Total	6,286,419,313.09	6,348,185,615.59

14. Loans and payments on behalf

(1) Loans and payments on behalf by individuals and companies

Item	Closing balance	Opening balance
Loans and payments on behalf measured at amortized cost		
Personal loans and advances		
- Personal business loans	53,995,325,667.43	49,986,423,339.52
- Housing mortgage loans	68,644,012,047.27	57,078,806,888.06

Item	Closing balance	Opening balance
- Credit card	6,289,627,087.96	7,879,900,604.88
- Personal consumption loan	8,922,814,126.15	6,965,228,998.47
Subtotal	137,851,778,928.81	121,910,359,830.93
Corporate loans and advances		
- Corporate loans	334,130,115,109.73	295,482,748,254.90
-Bills discounted	3,231,160.18	8,641,467.08
Subtotal	334,133,346,269.91	295,491,389,721.98
Loans and payments on behalf measured at fair value through other comprehensive income		
Corporate loans and advances		
-Bills discounted	7,028,348,849.97	14,599,833.73
- Corporate loans		61,379,266.77
Subtotal	7,028,348,849.97	75,979,100.50
Accrued interests	852,942,852.57	757,520,484.68
Less: Impairment provisions	21,561,663,642.23	18,062,707,418.44
Book value of loans and advances	458,304,753,259.03	400,172,541,719.65

(2) Loans and payments on behalf by industries (not including accrued interests)

Industry	Closing balance	Percentage (%)	Opening balance	Percentage (%)
Leasing and business service	87,469,590,444.93	18.26	68,801,535,356.16	16.48
Water conservancy, environment and public facilities management	68,659,017,718.68	14.33	64,284,868,722.96	15.40
Real estate	29,496,701,507.48	6.16	31,492,303,632.58	7.54
Construction	41,298,229,705.79	8.62	39,276,326,952.75	9.41
Manufacturing	22,564,208,025.16	4.71	20,190,238,544.80	4.84
Wholesale and retail	37,329,035,072.54	7.79	23,126,915,956.02	5.54
Agriculture, forestry, animal	7,458,891,185.69	1.56	9,122,325,340.66	2.19

Industry	Closing balance	Percentage (%)	Opening balance	Percentage (%)
husbandry and fishery				
Transportation, storage and postal services	8,062,650,391.93	1.68	8,647,466,163.00	2.07
Finance	3,840,650,959.77	0.80	5,056,631,500.00	1.21
Health and social work	2,546,260,915.76	0.53	3,194,366,939.02	0.77
Public administration, social security and social organizations	2,347,001,800.00	0.49	2,893,532,000.00	0.68
Electricity, heat, gas and water production and supply	4,980,808,957.55	1.04	4,600,926,608.90	1.10
Accommodation and catering	2,128,018,416.08	0.44	3,178,748,856.30	0.76
Education	2,039,132,573.52	0.43	2,300,051,034.25	0.55
Others	13,909,917,434.85	2.90	9,377,889,914.27	2.25
Subtotal of corporate loans and advances	334,130,115,109.73	69.75	295,544,127,521.67	70.79
Personal loans and advances	137,851,778,928.81	28.78	121,910,359,830.93	29.20
Bills discounted	7,031,580,010.15	1.47	23,241,300.81	0.01
Total	479,013,474,048.69	100	417,477,728,653.41	100.00

(3) Loans and advances by ways of guarantees (not including accrued interests)

Item	Closing balance	Opening balance
Credit loan	69,727,276,840.17	65,187,203,960.55
Guaranteed loan	237,514,336,738.17	190,417,301,969.52
Collateral loan	168,377,371,104.31	157,783,726,515.55
Pledge loan	3,394,489,366.04	4,089,496,207.79
Total	479,013,474,048.69	417,477,728,653.41

(4) Loans and advances by ways of guarantees (not including accrued interests)

Item	Closing balance				
	Overdue within 3 months (including 3 months)	Overdue for 3 months to 1 year (including 1 year)	Overdue for 1 year to 3 years (including 3 years)	Overdue for over 3 years	Total
Credit loan	201,449,553.39	358,388,374.38	199,995,255.37	79,782,587.98	839,615,771.12
Guaranteed loan	65,481,506.46	73,709,761.67	44,398,401.99	6,524,849.36	190,114,519.48
Collateral loan	950,237,293.65	923,659,024.64	1,154,554,836.83	906,341,658.91	3,934,792,814.03
Pledge loan	3,190,000.00	0.00	0.00	378,009,681.44	381,199,681.44
Total	1,220,358,353.50	1,355,757,160.69	1,398,948,494.19	1,370,658,777.69	5,345,722,786.07

Continued:

Item	Opening balance				
	Overdue within 3 months (including 3 months)	Overdue for 3 months to 1 year (including 1 year)	Overdue for 1 year to 3 years (including 3 years)	Overdue for over 3 years	Total
Credit loan	156,173,508.73	143,531,762.02	97,597,658.72	75,795,911.55	473,098,841.02
Guaranteed loan	80,726,677.40	18,756,407.95	27,043,614.72	201,014,782.28	327,541,482.35
Collateral loan	398,497,251.49	589,640,645.51	1,727,044,374.20	881,966,840.57	3,597,149,111.77
Pledge loan	1,225,925,924.82	0.00	0.00	418,419,410.10	1,644,345,334.92
Total	1,861,323,362.44	751,928,815.48	1,851,685,647.64	1,577,196,944.50	6,042,134,770.06

(5) Provisions for loan losses

Changes in provision for impairment of loans and advances measured at amortized cost

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	11,708,913,393.62	1,935,889,870.22	4,417,904,154.61	18,062,707,418.44
Opening balance in the current year:				
——Transferred to stage 1	292,753,521.45	-279,110,340.31	-13,643,181.14	
—— Transferred to stage 2	-73,261,336.31	84,508,116.35	-11,246,780.04	
—— Reversed to stage 3	-16,247,882.45	-184,116,592.16	200,364,474.61	
Provisions made (reversed) in the current year	2,847,986,282.80	1,062,316,166.54	534,101,127.59	4,444,403,576.93
Provisions cancelled in the current year			-1,440,210,772.36	-1,440,210,772.36
Provisions written off in the current year			494,763,419.22	494,763,419.22
Closing balance	14,760,143,979.11	2,619,487,220.64	4,182,032,442.49	

				21,561,663,642.23

Changes in provisions of loans and advances measured at fair value through other comprehensive income

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	100,386.55			100,386.55
Opening balance in the current year:				
——Transferred to stage 1				
—— Transferred to stage 2				
—— Reversed to stage 3				
Provisions made (reversed) in the current year	4,656,397.49			4,656,397.49
Provisions cancelled in the current year				
Provisions written off in the current year				
Closing balance	4,756,784.04			4,756,784.04

15. Debt investment

Details of debt investment

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Dazhou Qinba Logistics Park Construction and Development Co., Ltd.	29,900,000.00		29,900,000.00	29,900,000.00		29,900,000.00
Directional debt investment	706,121,620.71		706,121,620.71	795,872,584.53		795,872,584.53
Debt investment In Chengdu Rural Commercial Bank Co., Ltd.	241,191,914,826.99	10,925,635,749.62	230,266,279,077.37	245,294,964,825.20	11,081,293,854.28	234,213,670,970.92
Total	241,927,936,447.70	10,925,635,749.62	231,002,300,698.08	246,120,737,409.73	11,081,293,854.28	235,039,443,555.45

16. Other debt investment

Item	Closing balance	Opening balance
Debt investment and interbank deposit in Chengdu Rural Commercial Bank Co., Ltd.	45,827,703,074.37	37,099,187,161.34
Total	45,827,703,074.37	37,099,187,161.34

17. Long-term receivables

(1) Details of long-term receivables

Item	Closing balance		
	Book balance	Provisions	Book value
Sales of goods by installment	174,171,643.50	57,536,137.00	116,635,506.50
Provision of labor services by installment	532,988,227.65		532,988,227.65
Others	2,155,128,586.23	146,399,803.12	2,008,728,783.11
Total	2,862,288,457.38	203,935,940.12	2,658,352,517.26

Continued:

Item	Opening balance		
	Book balance	Provisions	Book value
Sales of goods by installment	198,708,403.79	38,036,833.29	160,671,570.50
Provision of labor services by installment	665,069,742.71		665,069,742.71
Others	2,660,940,880.27	243,580,643.00	2,417,360,237.27
Total	3,524,719,026.77	281,617,476.29	3,243,101,550.48

18. Other equity instrument investments

(1) Details of other equity instrument investments

Item	Closing balance	Opening balance
Sichuan Chuantou Jinshi Kangjian Equity Investment Fund Partnership (L.P.)	22,782,852.69	45,000,000.00
Zhejiang Qiqiaopu Information Technology Co., Ltd.	166,145.22	1,000,000.00
Beijing Tongcheng Fanhua Construction Engineering Consulting Co., Ltd.		3,000,000.00
Kyushu Dream Factory International Cultural Communication Co., Ltd.	16,788,361.27	16,788,361.27
Tianjin Kangshun Health Information Consulting Partnership Enterprise (Limited Partnership)	50,000.00	50,000.00
Tianjin Zhibaicao Pharmaceutical Technology Development Co., Ltd.	300,000.00	300,000.00
Haining Ruinuo Investment Partnership Enterprise (Limited Partnership)	300,100.00	300,100.00
Haining Xuefei Investment Partnership Enterprise (Limited Partnership)	400,000.00	400,000.00
Tianjin Tianhao Qiyuan Health Information Consulting Partnership Enterprise (Limited Partnership)	440,500.00	440,500.00
Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd.	8,125,000.00	8,125,000.00
Tianjin Modern Innovative TCM Technology Co., Ltd.	20,000,000.00	20,000,000.00
Jiangsu Microdiag Biomedicine Technology Co., Ltd.	193,000,000.00	193,000,000.00
Chengdu Jiaotou Construction Industrialization Co., Ltd.	15,507,137.03	14,801,936.68
Neijiang Tiancheng Construction Engineering Co., Ltd.	7,024,663.60	5,117,699.01
Xinjin Chenghuan Water Service Co., Ltd.	7,255,576.78	6,916,357.98
Chengdu Construction Tiancheng Foundation	24,501,691.31	24,501,709.92

Item	Closing balance	Opening balance
Sichuan Langchuan Expressway Co., Ltd.	8,656,900.00	
Sichuan Chuanwen Expressway Co., Ltd.	29,144,400.00	
Sichuan Ningxi Expressway Construction and Development Co., Ltd.	200,243,200.00	202,500,000.00
Sichuan Huilu Expressway Co., Ltd.	40,500,000.00	40,500,000.00
Sichuan Xixiang Expressway Construction and Development Co., Ltd.	148,500,000.00	81,000,000.00
China Communications Chengdu Construction and Development Co., Ltd.	2,328,521.00	9,133,348.51
Chengdu Huacheng Co., Ltd.	24,055,361.90	23,994,917.69
Sichuan Chuanhong Expressway Co., Ltd.	8,223,300.00	
Xiong'an Xiongshang Real Estate Co., Ltd.	302,091,750.30	302,117,222.00
Sichuan Huanchan Livable Waterfront Water Environment Treatment Co., Ltd.	13,901,268.90	13,278,087.54
Sichuan Zhenguang Expressway Co., Ltd.	428,421,705.07	255,852,042.51
Yibin Xuzhou Yucai Project Management Co., Ltd.	228,654.34	225,340.00
Sichuan Benxin Rongsheng Construction Engineering Management Co., Ltd.	1,203,016.19	1,203,730.99
Hunan Beikong Water Development Co., Ltd.	5,993,972.50	5,747,591.10
Chengdu Huada Construction Decoration Engineering Co., Ltd.	417,173.13	417,173.13
Pengzhou Chenghuan Water Service Co., Ltd.	3,042,776.55	2,642,295.11
Puge County Luojishan Construction Project Management Co., Ltd.	671,687.78	662,076.22
Sichuan Federation of Associations		1,000,000.00
China Union Pay Co., Ltd.	7,500,000.00	7,500,000.00
Chengdu High Tech Integrated Circuit Industrial Park Co.,	360,013,818.52	360,013,818.52

Item	Closing balance	Opening balance
Ltd.		
Renrenxing Holdings Co., Ltd.	924,772.92	985,411.97
Chengdu Financing Re Guarantee Co., Ltd.	200,000,000.00	200,000,000.00
Chengdu Major Industrialization Project Phase I Equity Investment Fund Co., Ltd.	600,000,000.00	600,000,000.00
Chengdu Xingyuan Resource Recycling Technology Co., Ltd.	3,000,000.00	
Total	2,705,704,307.00	2,448,514,720.15

19. Other non-current financial assets

Item	Fair value at the end of the year	Fair value at the beginning of the year
Trust Protection Fund	262,226,660.66	466,121,187.70
Equity investment	41,460,328.00	41,460,328.00
Total	303,686,988.66	507,581,515.70

20. Investment property

(1) Details of investment property

Item	Fair value at the beginning of the year	Increase in the current year			Decrease in the current year		Fair value at the end of the year
		Purchase	Converted from self-use property or inventory	Profit or loss from change in fair value	Disposal	Converted to self-use property	
I. Total costs	27,153,655,316.10	47,971,518.45	4,424,071,754.33	—	200,623,100.00	4,188,654.00	32,630,737,456.29
Including: Houses and buildings	26,571,094,039.50	47,971,518.45	4,424,071,754.33	—	200,623,100.00	4,188,654.00	32,048,176,179.69
Land-use right	582,561,276.60			—			582,561,276.60
II.Total changes in fair value	1,028,431,484.82	9,048,691.75	227,270,985.39	-28,697,739.50	67,146,358.02	4,548,600.00	-45,492,156.97
Including: Houses and buildings	976,673,847.42	9,048,691.75	227,270,985.39	-16,366,108.50	67,146,358.02	4,548,600.00	-84,918,163.37
Land-use right	51,757,637.40			-12,331,631.00			39,426,006.40
III. Total book value	28,182,086,800.92	57,020,210.20	4,651,342,739.72	-28,697,739.50	267,769,458.02	8,737,254.00	32,585,245,299.32
Including: Houses and buildings	27,547,767,886.92	57,020,210.20	4,651,342,739.72	-16,366,108.50	267,769,458.02	8,737,254.00	31,963,258,016.32
Land-use right	634,318,914.00			-12,331,631.00			621,987,283.00

21. Fixed assets

Item	Book value at the end of the year	Book value at the beginning of the year
Fixed assets	12,298,218,727.02	13,137,457,954.04
Disposal of fixed assets	9,880,378.84	10,522,480.73
Total	12,308,099,105.86	13,147,980,434.77

(1) Details of fixed assets

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
I.Total original book value	19,912,962,675.43	515,634,365.26	475,669,111.63	19,952,927,929.06
Including:Land assets	53,580,164.44			53,580,164.44
Houses and buildings	12,955,272,761.03	302,075,313.93	326,950,740.61	12,930,397,334.35
Machinery equipment	4,175,208,810.10	86,033,244.73	83,114,479.84	4,178,127,574.99
Transportation equipment	347,863,178.79	9,609,105.41	20,966,108.34	336,506,175.86
Electronic equipment	1,612,588,835.07	79,673,657.83	21,570,664.51	1,670,691,828.39
Office equipment	185,307,965.15	2,707,746.57	7,087,586.35	180,928,125.37
Hotel furniture	57,964,313.71	1,595,705.92	6,752,537.55	52,807,482.08
Others	525,176,647.14	33,939,590.87	9,226,994.43	549,889,243.58
II.Total accumulated depreciation	6,755,596,124.69	990,324,060.78	176,505,605.59	7,569,414,579.88
Including:Land				

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
assets				
Houses and buildings	2,633,614,791.01	477,810,388.29	65,432,486.84	3,045,992,692.46
Machinery equipment	2,395,896,675.31	258,645,924.04	44,734,457.11	2,609,808,142.24
Transportation equipment	279,719,736.88	18,268,342.88	19,269,114.17	278,718,965.59
Electronic equipment	961,633,783.93	162,711,691.07	19,806,849.35	1,104,538,625.65
Office equipment	129,054,979.01	14,321,377.26	6,924,216.90	136,452,139.37
Hotel furniture	43,234,785.84	5,575,267.55	6,697,490.94	42,112,562.45
Others	312,441,372.71	52,991,069.69	13,640,990.28	351,791,452.12
III.Total net book value	13,157,366,550.74			12,383,513,349.18
Including:Land assets	53,580,164.44			53,580,164.44
Houses and buildings	10,321,657,970.02			9,884,404,641.89
Machinery equipment	1,779,312,134.79			1,568,319,432.75
Transportation equipment	68,143,441.91			57,787,210.27
Electronic equipment	650,955,051.14			566,153,202.74
Office equipment	56,252,986.14			44,475,986.00
Hotel furniture	14,729,527.87			10,694,919.63
Others	212,735,274.43			198,097,791.46

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
IV.Total provisions	19,908,596.70	65,437,240.54	51,215.08	85,294,622.16
Including:Land assets				
Houses and buildings	16,949,800.42			16,949,800.42
Machinery equipment	2,607,296.16	64,966,895.37	50,280.93	67,523,910.60
Transportation equipment	217,866.91	20,813.94		238,680.85
Electronic equipment	106,883.71		934.15	105,949.56
Office equipment	5,364.16	449,531.23		454,895.39
Hotel furniture				
Others	21,385.34			21,385.34
V.Total book value	13,137,457,954.04			12,298,218,727.02
Including:Land assets	53,580,164.44			53,580,164.44
Houses and buildings	10,304,708,169.60			9,867,454,841.47
Machinery equipment	1,776,704,838.63			1,500,795,522.15
Transportation equipment	67,925,575.00			57,548,529.42
Electronic equipment	650,848,167.43			566,047,253.18
Office equipment	56,247,621.98			44,021,090.61
Hotel furniture	14,729,527.87			10,694,919.63

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Others	212,713,889.09			198,076,406.12

(2) Fixed assets whose certificate of title has not been issued

Item	Book value	Reasons why the certificate of title has not been issued
Zhangwang the pharmaceutical methotrexate refining workshop	2,242,013.28	Information submitted for the certificate is insufficient
Zhangwangpharmaceutical methotrexate freezing workshop	438,379.82	Information submitted for the certificate is insufficient
Zhangwang Tianming API warehouse	4,977,822.00	Information submitted for the certificate is insufficient
Zhangwang Tianming new cellulose workshop	17,681,453.75	Information submitted for the certificate is insufficient
Zhangwang Tianming power workshop	3,009,848.06	Information submitted for the certificate is insufficient
Lanzhou Wenhe production R & D center	31,978,400.20	Still in process
Office Building of Geotechnical Engineering Technology and Equipment Development Base	176,954,949.60	Processing
Supporting Facilities of Anji General Aviation Airport	38,303,501.58	The project is not yet complete
Total	275,586,368.29	

Note:For the details of fixed assets with limited ownership such as those with mortgage and pledge, please refer to the note VII (75) "Assets with limited ownership and use right".

(3) Disposal of fixed assets

Item	Book value at the end of the year	Book value at the beginning of the year	Reasons for disposal
Fixed assets' disposal	9,880,378.84	10,522,480.73	Scrap, disposal, demolition
Total	9,880,378.84	10,522,480.73	

22. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Investment in joint ventures	61,866,295.68	2,199,313.69		64,065,609.37
Investment in associates	5,311,384,203.74	191,215,635.03	135,706,354.52	5,366,893,484.25
Subtotal	5,373,250,499.42	193,414,948.72	135,706,354.52	5,430,959,093.62
Less:Impairment provisions of long-term equity investment	14,341,748.12			14,341,748.12
Total	5,358,908,751.30	193,414,948.72	135,706,354.52	5,416,617,345.50

(2) Details of long-term equity investments

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Total	4,895,895,416.29	5,373,250,499.42	281,158,196.15	104,250,719.87	-90,878,637.67	6,794,009.26		31,455,634.65		-3,658,619.02	5,430,959,093.62	14,341,748.12
I. Joint venture	65,401,700.00	61,866,295.68			2,199,313.69						64,065,609.37	
Chengdu China Railway Construction Kunlun Zhenrong Ecological Construction Co., Ltd.	15,000,000.00	16,056,141.92			71,675.50						16,127,817.42	
Chengdu Jinxuan Urban	2,400,000.00	2,400,000.00									2,400,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Construction and Development Co., Ltd.												
Chengdu Tiantou Development and Construction Co., Ltd.	18,001,700.00	16,630,704.53			-545,392.60						16,085,311.93	
China Electric Construction Road and Bridge	15,000,000.00	11,779,449.23			2,641,747.31						14,421,196.54	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Chengdu Ring Ecological Construction Co., Ltd.												
Chengdu Zhongjian Steel Structure Construction Co., Ltd.	15,000,000.00	15,000,000.00			31,283.48						15,031,283.48	
2. Associates	4,830,493,716.29	5,311,384,203.74	281,158,196.15	104,250,719.87	-93,077,951.36	6,794,009.26		31,455,634.65		-3,658,619.02	5,366,893,484.25	14,341,748.12

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Chengdu Xingyuan Resource Recycling Technology Co., Ltd.		3,032,408.79			-32,408.79					-3,000,000.00		
Chengdu Xingchuanghe Medical Beauty Industry Investment Partnership (Limited Partnership)	20,250,000.00	20,416,782.01			15,786.33						20,432,568.34	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Chengdu Meixiaomao Supply Chain Technology Co., Ltd.		3,685,082.22		4,000,000.00	314,917.78							
China Electronics Sichuan Data Services Co., Ltd.	10,000,000.00	5,013,403.16			-1,685,494.36						3,327,908.80	
Chengdu Health Medical Association Information	2,450,000.00	1,277,564.04			-1,014,969.85	33,882.58					296,476.77	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Industry Co., Ltd.												
Chengdu Urban Modern Agricultural Industry Technology Research Institute Co., Ltd.	2,500,000.00									2,500,000.00	2,500,000.00	
Hainan Xingwei Supply Chain Co., Ltd.	1,356,794,206.87	1,356,581,752.18			-1,124,868.00					-2,633,352.05	1,352,823,532.13	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Chengdu Guowan Technology Service Co., Ltd.	4,000,000.00	4,282,579.99			325,824.45						4,608,404.44	
Yibin Sanjiang Xingcheng Supply Chain Co., Ltd.		90,714,892.21		87,500,000.00	-1,392,241.23					-1,822,650.98		
Chengdu Runzhen Tourism Resources Development	21,382,257.00	12,646,257.00	8,736,000.00								21,382,257.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Co., Ltd.												
Sichuan Eying Tianfu Film and Television Cultural Tourism Equity Investment Fund Partnership Enterprise (Limited Partnership)		1,917,920.50		1,917,920.50								
Chengdu	566,005,104.42	565,644,954.66			-6,057,994.63						559,586,960.03	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Habitat Xingyi Real Estate Co., Ltd.												
Chengdu Habitat Longxing Real Estate Co., Ltd.	1,000,000.00	898,057.45			-87,055.95						811,001.50	
Chengdu Habitat Xinglin Real Estate Co., Ltd.	196,000,000.00	196,006,257.99			42,623.51						196,048,881.50	
Chengdu	15,000,000.00	14,999,449.75			-2,183,847.73						12,815,602.02	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Deming Land Consolidation Co., Ltd.												
Shenzhen Qianhai Zhaoxing Jushi Industrial Co., Ltd.	45,000,000.00	37,232,400.28	742,152.55		-9,616,864.55						28,357,688.28	
Guangzhou Hongyao Real Estate Development Co., Ltd.	315,000,000.00	151,077,786.36			-59,072,275.20						92,005,511.16	
Chengdu	9,800,000.00	65,283,674.63			-41,040,335.69						24,243,338.94	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Zhongjian Habitat Yayuan Real Estate Development Co., Ltd.												
Ya'an Chengjian Industrial Construction Co., Ltd.	28,002,000.00	24,539,676.48			623,019.65						25,162,696.13	
Hejiang County Ganzi Highway Construction	6,000,000.00	5,831,878.27									5,831,878.27	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Engineering Co., Ltd.												
Chengdu Environmental Science and Technology Resource Recycling Co., Ltd.	78,000,000.00	79,306,294.87			166,360.18						79,472,655.05	
Chengdu Jiaozi Commercial Factoring Co., Ltd.	182,000,000.00	197,294,769.98			13,399,524.09			4,676,962.05			206,017,332.02	
Chengdu	618,040.00	892,269.11			50,323.69						942,592.80	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Large World Center Commercial Building Property Co., Ltd.												
Mianyang Kexing Construction Management Co., Ltd.	600,000.00	600,000.00									600,000.00	
ChengDu Chengtong Building Materials Co.,	4,900,000.00	4,900,000.00									4,900,000.00	4,900,000.00

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Ltd.												
Chengdu Neiteng Furniture Manufacturing Co., Ltd.	5,561,203.04	5,561,203.04									5,561,203.04	5,561,203.04
Luzhou Lingang Industrial Construction Technology Co., Ltd.	35,000,000.00	24,742,385.60			-5,174,433.21						19,567,952.39	
Chengdu Science and Technology	480,000,000.00	504,851,884.61			40,679,686.50			6,413,389.58			539,118,181.53	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Innovation Investment Group Co., Ltd.												
Sichuan Zipingpu Reservoir Environmental Treatment Co., Ltd.	1,800,000.00	1,272,196.67									1,272,196.67	
Chengdu Horticultural Expo Operation and Development	220,000,000.00	221,649,189.68			-47,577,275.72						174,071,913.96	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Co., Ltd.												
Jintai Property & Casualty Insurance Co., Ltd.	271,680,043.60		271,680,043.60		3,396,689.61	-548,709.12		332,793.26			274,195,230.83	
Chengdu Tianfu Art Park Investment Co., Ltd.	150,000,000.00	908,509,287.09			-7,532,769.59						900,976,517.50	
Chengdu Huaneng Xingcheng Human Settlements	49,000,000.00	33,952,287.63			-12,654,863.94						21,297,423.69	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Technology Co., Ltd.												
Chuantou International Nepal Hydropower Joint Development Company	20,305,718.00	17,247,836.16			8,132.88	-191,939.29					17,064,029.75	
CHINA SICHUAN INTERNATIONAL INVESTMENT LIMITED	271,984,000.00	224,232,206.06			4,814,118.10	7,500,775.09					236,547,099.25	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Sichuan Chuantou Power Sales Co., Ltd.	105,000,000.00	109,057,608.03			-3,334,267.41			2,100,000.00			103,623,340.62	
Chengdu Dongjing Gas Co., Ltd.	13,720,000.00	15,474,372.68			178,065.51						15,652,438.19	
Aerospace Changfeng Medical Technology (Chengdu) Co., Ltd.	14,000,000.00	14,018,624.88			-266,878.49			21,000.00			13,730,746.39	
Himmatar Hydroelectric	50,515,276.96	58,830,006.58								1,286,930.32	60,116,936.90	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Co.												
Marsyangdi Transmission Company Private Limited	489,636.78	489,636.78								10,453.69	500,090.47	
Tianjin Tianyi Biopharmaceutical Equity Investment Fund Co., Ltd.		10,610,562.75		10,382,799.37	-227,763.38							
Tianjin Hongrilikang Biotechnology Co., Ltd.	200,000.00	1,288,787.16			-193,653.66						1,095,133.50	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative		450,000.00		450,000.00								
Tianjin Huarui Health Information Consulting Partnership Enterprise (Limited	250,000.00	250,000.00									250,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Partnership)												
Gansu Foci Hongri Pharmaceutical Sales Co., Ltd.	8,800,000.00	9,248,538.33			-1,237,637.56						8,010,900.77	
Beijing San Li Kang Cell Technology Co., Ltd.	2,571,500.00	3,154,918.29			453,855.82						3,608,774.11	
China Communications (Hangzhou) Infrastructure	245,000,000.00	295,023,278.66			43,960,907.29			17,911,489.76			321,072,696.19	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Investment Co., Ltd.												
Chengdu Xinjiada Construction Engineering Co., Ltd.	5,000,000.00	3,512,736.05			112.19						3,512,848.24	
Beijing Sikai Aote Information Technology Co., Ltd.	6,000,000.00	3,880,545.08									3,880,545.08	3,880,545.08

23. **Construction in progress**

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Construction in progress	95,625,669,873.91	4,388,857.87	95,621,281,016.04	104,220,275,418.44	4,388,857.87	104,215,886,560.57
Construction materials						
Total	95,625,669,873.91	4,388,857.87	95,621,281,016.04	104,220,275,418.44	4,388,857.87	104,215,886,560.57

(1) Changes in significant constructions in progress in the current year

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
Infrastructure construction in the eastern region	9,594,700,000.00	17,193,303,906.91	-1,261,812,178.73		4,037,435,574.88	11,894,056,153.30
Infrastructure construction in the southern region	4,700,610,000.00	7,529,582,719.53	18,983,809.21		235,028.99	7,548,331,499.75

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
Shuangliu District construction waste resource utilization demonstration base project	155,250,900.00	106,568,527.64	11,189,715.49		26,320,030.58	91,438,212.55
Sichuan Tianfu New District construction building construction project	1,534,825,000.00	239,842,568.42	156,823,397.85			396,665,966.27
Tianfu Cultural Park (former Chengdu Center)	14,400,000,000.00	6,863,648,856.41	670,210,777.76		882,357,582.09	6,651,502,052.08
Comprehensive ecological restoration project of Chengdu City eco-zone	28,900,000,000.00	18,799,328,006.72	1,867,919,057.04			20,667,247,063.76
Chengdu Health Medical Center (Future Medical City) project	25,800,000,000.00	407,667,551.61	3,602.87		587,980.00	407,083,174.48
Chengdu Medical Investment West China	3,907,440,000.00	752,233,308.53	231,178,290.56			983,411,599.09

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
International Tumor Treatment Center (heavy ion proton) project phase I						
Expansion project of Zhanwang Tianming raw and auxiliary material production workshop	445,000,000.00	38,455,718.88	48,672,341.30	4,140,537.47		82,987,522.71
Total	89,437,825,900.00	51,930,631,164.65	1,743,168,813.35	4,140,537.47	4,946,936,196.54	48,722,723,243.99

Continued:

Project	Proportion of accumulated investment in the budget (%)	Construction progress (%)	Cumulative amount of interest capitalization	Including: The amount of interest capitalized in the current year	Interest capitalization rate in the current year (%)
Infrastructure construction in the eastern region	100.00	100.00	13,707,787,726.53	613,041,448.57	-48.58
Infrastructure construction in the southern region	100.00	100.00	1,490,139,282.50	-50,444.44	-0.27
Shuangliu District construction waste resource utilization demonstration base project	68.64	68.64	7,564,052.54	2,451,573.35	79.75
Sichuan Tianfu New District construction building construction project	43.54	52.97	11,422,276.89	4,881,035.58	2.89
Tianfu Cultural Park (former Chengdu Center)	95.81	98.73	1,530,417,619.16	217,240,598.25	100.00
Comprehensive ecological restoration project of Chengdu City eco-zone	71.53	71.53	2,372,717,963.44	557,711,037.75	23.51
Chengdu Health Medical Center (Future Medical City) project	1.58	1.58			

Project	Proportion of accumulated investment in the budget (%)	Construction progress (%)	Cumulative amount of interest capitalization	Including: The amount of interest capitalized in the current year	Interest capitalization rate in the current year (%)
Chengdu Medical Investment West China International Tumor Treatment Center (heavy ion proton) project phase I	25.17	25.17	97,667,956.33	41,333,956.67	3.68
Expansion project of Zhanwang Tianming raw and auxiliary material production workshop	23.00	23.00			
Total	——	——	19,217,716,877.39	1,436,609,205.73	——

24. Productive biological assets

Item	Beginning book value	Increase in the current year	Decrease in the current year	Closing book value
I.Planting industry				
II. Animal husbandry	93,797,241.93		22,691,197.41	71,106,044.52
Pig rearing				
breeding pig	93,797,241.93		22,691,197.41	71,106,044.52
III. Forestry				
IV. Aquaculture				
Total	93,797,241.93		22,691,197.41	71,106,044.52

25. Right-of-use assets

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
I.Total original book value	1,644,353,460.36	280,937,724.80	171,882,119.20	1,753,409,065.96
Including:Land use rights	121,685,140.70	1,673,348.73		123,358,489.43
Houses and buildings	1,405,799,251.67	279,264,376.07	164,319,216.59	1,520,744,411.15
Machinery equipment	17,220,641.06		190,348.73	17,030,292.33
Others	99,648,426.93		7,372,553.88	92,275,873.05
II.Total accumulated depreciation	574,968,649.20	260,077,154.84	109,886,301.18	725,159,502.86
Including:Land use rights	11,280,290.85	4,489,059.57	1,181,186.87	14,588,163.55
Houses and buildings	547,934,315.23	245,361,819.10	102,164,216.88	691,131,917.45
Machinery equipment	2,120,231.21	4,293,083.91	190,348.73	6,222,966.39

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Others	13,633,811.91	5,933,192.26	6,350,548.70	13,216,455.47
III.Total net book value	1,069,384,811.16			1,028,249,563.10
Including:Land use rights	110,404,849.85			108,770,325.88
Houses and buildings	857,864,936.44			829,612,493.70
Machinery equipment	15,100,409.85			10,807,325.94
Others	86,014,615.02			79,059,417.58
IV.Total provisions				
Including:Land use rights				
Houses and buildings				
Machinery equipment				
Others				
V. Total book value	1,069,384,811.16			1,028,249,563.10
Including:Land assets	110,404,849.85			108,770,325.88
Houses and buildings	857,864,936.44			829,612,493.70
Machinery equipment	15,100,409.85			10,807,325.94
Others	86,014,615.02			79,059,417.58

26. Intangible assets

(1) Classification of intangible assets

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
I.Total original price	5,168,790,564.66	396,147,667.42	20,836,272.02	5,544,101,960.06
Including:Software	970,395,708.00	94,799,586.66	16,941,410.26	1,048,253,884.40
Land use rights	3,173,407,209.93	275,028,050.18	3,894,861.76	3,444,540,398.35

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
Patents	928,475,261.13			928,475,261.13
Non-patent technology	67,141,924.83			67,141,924.83
Trademark right	70,460.74			70,460.74
Contractual rights and human resources				
Concession	29,300,000.03	26,320,030.58		55,620,030.61
II.Total accumulated amortization	1,482,096,637.09	367,786,468.20	17,054,107.00	1,832,828,998.29
Including:Software	553,328,087.68	150,683,362.02	16,616,726.53	687,394,723.17
Land use rights	444,758,741.44	120,628,776.62	434,244.78	564,953,273.28
Patents	432,165,860.16	90,201,552.50	3,135.69	522,364,276.97
Non-patent technology	50,430,924.54	4,760,041.40		55,190,965.94
Trademark right	31,772.88	7,981.52		39,754.40
Contractual rights and human resources				
Concession	1,381,250.39	1,504,754.14		2,886,004.53
III.Total provisions	45,535,253.29			45,535,253.29
Including:Software				
Land use rights	4,840,420.73			4,840,420.73
Patents	36,911,350.20			36,911,350.20
Non-patent technology	3,783,482.36			3,783,482.36
Trademark right				
Contractual rights and human resources				
Concession				
IV.Total book value	3,641,158,674.28			3,665,737,708.48

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
Including:Software	417,067,620.32			360,859,161.23
Land use rights	2,723,808,047.76			2,874,746,704.34
Patents	459,398,050.77			369,199,633.96
Non-patent technology	12,927,517.93			8,167,476.53
Trademark right	38,687.86			30,706.34
Contractual rights and human resources				
Concession	27,918,749.64			52,734,026.08

27. Development expenditure

Item	Opening balance	Increase in the amount of the current year		Decrease in the amount of the current year			Closing balance
		Internal development expenditure	Others	The amount recognized as intangible assets	The amount transferred to the current profit and loss	Others	
Research and development of drugs and instruments	448,570,743.72	26,559,330.96	2,127,126.70	4,156,821.00	17,531,777.11	25,733,868.53	429,834,734.74
Investment operation system	4,156,526.89			4,156,526.89			
Mercure System		730,188.68					730,188.68
Group procurement management platform		384,198.11					384,198.11
Digital office base 1.0		551,731.67					551,731.67
Human Resource Management System 1.0	258,794.20	699,834.67					958,628.87
Xingcheng Cloud 1.0 project	2,749,379.59	4,146,481.84					6,895,861.43
File Management System 1.0		717,718.08					717,718.08
Xingcheng group financial system upgrading project		892,785.10					892,785.10
Financial Sharing Center System Project		1,973,113.86					1,973,113.86

Item	Opening balance	Increase in the amount of the current year		Decrease in the amount of the current year			Closing balance
		Internal development expenditure	Others	The amount recognized as intangible assets	The amount transferred to the current profit and loss	Others	
Research and development		-45,183.14					-45,183.14
Total	455,735,444.40	36,610,199.83	2,127,126.70	8,313,347.89	17,531,777.11	25,733,868.53	442,893,777.40

28. Goodwill

Name of the invested entity or the matters forming goodwill	Original carrying value of goodwill			
	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Tianjin Chase Sun Pharmaceutical Co., Ltd.	641,315,150.74			641,315,150.74
China Zhonghua Geotechnical Engineering Group Co., Ltd.	1,074,357,626.97			1,074,357,626.97
Chengdu Rural Commercial Bank Co., Ltd.	651,466,058.75			651,466,058.75
Total	2,367,138,836.46			2,367,138,836.46

Continued:

Name of the invested entity or the matters forming goodwill	Goodwill impairment reserve			
	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Tianjin Chase Sun Pharmaceutical Co., Ltd.				
China Zhonghua Geotechnical Engineering Group Co., Ltd.	555,399,760.10	81,527,959.58		636,927,719.68
Chengdu Rural Commercial Bank Co., Ltd.				
Total	555,399,760.10	81,527,959.58		636,927,719.68

29. Long-term deferred expenses

Item	Opening balance	Increase in the amount of the current year	Amortization in the current year	Other decrease	Closing balance	Reasons of other decrease
Renovation and renovation expenses	223,940,259.66	46,342,486.07	79,559,093.74	22,007,363.51	168,716,288.48	Due to the termination of the lease, archives transferred and the remaining part of the decoration of the original leasing will be amortized in a lump sum.
Software service fee	116,708.49	1,735.85	90,422.53		28,021.81	
Third party medical disinfection project	2,105,232.24		191,393.16		1,913,839.08	
Rental expenses	43,385,768.25	25,067,208.07	20,453,911.90		47,999,064.42	
Amortization of office furniture	1,304,368.75	706,639.05	906,258.08		1,104,749.72	
Cost of maintenance	940,745.41	76,123.80	497,792.64		519,076.57	

Item	Opening balance	Increase in the amount of the current year	Amortization in the current year	Other decrease	Closing balance	Reasons of other decrease
Afforestation of gardens	10,754,896.04	0.02	2,531,829.76		8,223,066.30	
Jiangjia art Garden fan high paradise	48,818.51		27,896.28		20,922.23	
Bauhinia City Phase II	52,856,119.05	-349,566.71	5,432,917.71		47,073,634.63	
Other	75,699,332.55	22,151,200.90	43,430,014.16		54,420,519.29	
Total	411,152,248.95	93,995,827.05	153,121,529.96	22,007,363.51	330,019,182.53	

30. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented as net amount after offset

① Deferred tax assets and liabilities that have been recognized

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible/taxable temporary differences	Deferred tax assets/ liabilities	Deductible/taxable temporary differences
I.Deferred tax assets	3,599,919,541.37	17,310,340,865.72	3,165,016,853.39	14,751,079,283.36
Impairment provisions for assets	2,440,237,972.84	11,937,217,427.60	2,089,092,368.44	10,172,972,471.77
Deductible losses	542,710,435.33	2,608,912,164.76	357,623,399.94	1,903,495,069.06
Termination benefits	11,136,790.22	44,547,160.88		
Staff training expense	3,759,310.65	17,770,175.33	4,052,424.52	19,009,633.97
Accrued and unpaid land value-added tax	139,774,226.14	559,096,904.55	286,105,681.72	604,092,341.90

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible/taxable temporary differences	Deferred tax assets/ liabilities	Deductible/taxable temporary differences
Unrealized gross profit from internal transactions	224,652,825.23	931,717,312.86	228,563,343.36	940,936,990.10
Accrued expenses	2,258,872.95	15,059,153.02	2,357,908.41	15,719,389.35
Amortization of intangible assets	2,287,972.06	15,253,147.12	1,611,581.75	10,743,878.33
Fair value change	5,943,353.19	25,306,954.64	7,278,113.33	30,752,117.84
Accrued expenses	23,229,823.23	95,242,828.08		
Others	147,279,835.23	821,350,371.01	146,402,210.22	870,293,259.55
Lease liability	56,648,124.30	238,867,265.87	41,929,821.70	183,064,131.49
II.Deferred tax liabilities	4,018,933,133.69	17,001,927,342.21	3,966,346,383.47	16,274,263,487.10
Retroactive adjustment of changes in accounting policy	1,337,707,478.03	5,350,829,912.12	1,337,707,478.03	5,350,829,912.12
Income tax expenses (depreciation)	5,913,869.26	35,913,192.72	123,826,646.03	527,483,027.10
Changes in fair value of investment property	1,905,263,065.42	7,750,550,015.97	1,460,739,493.29	5,792,807,837.52
Liabilities - company assets and capital verification, assessment and appreciation	241,323,920.18	999,456,682.61	269,370,992.34	1,110,400,288.62
Other changes in fair value of other equity investments	174,811,054.22	701,566,460.65	415,934,496.87	1,198,167,694.69

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible/taxable temporary differences	Deferred tax assets/ liabilities	Deductible/taxable temporary differences
Valuation and appreciation of assets in business combination not under common control	298,203,029.94	1,926,557,504.24	318,327,797.17	2,118,377,077.70
Valuation of trading financial instruments and derivative financial instruments	137,229.23	914,861.51		
Right-of-use assets	55,573,487.41	236,138,712.39	40,439,479.74	176,197,649.35

(2) Deferred tax assets and liabilities presented at the net amount after offset (this part is applicable to Chengdu Rural Commercial Bank Co., Ltd.)

① Deferred tax assets or liabilities after offset and the corresponding deductible or taxable temporary differences after offset

Item	Deferred tax assets/ liabilities after offset at the end of the year	Deductible/taxable temporary differences after offset at the end of the year	Deferred tax assets/ liabilities after offset at the end of the year	Deductible/taxable temporary differences after offset at the end of the year
Deferred tax assets	6,838,683,689.53	27,375,684,073.67	5,946,017,878.14	23,797,106,147.78
Impairment provisions for assets	7,830,268,456.31	31,342,014,493.80	6,663,418,597.64	26,653,674,390.56
Payroll payables	346,554,479.72	1,386,226,565.89	356,019,969.79	1,437,114,514.35
Changes in fair value	-451,316,105.65	-1,805,264,422.61	-140,508,010.52	-562,032,042.09
Others	84,711,058.01	338,844,232.04	71,662,764.00	286,651,056.00
Valuation and appreciation of assets in business combination not under common control	-971,534,198.86	-3,886,136,795.44	-1,004,575,442.77	-4,018,301,771.04

31. Other non-current assets

Item	Closing balance	Opening balance
Loans by mandate	56,483,469.54	405,898,788.51
Houses and buildings to be sold	114,873,521.94	114,873,521.94
Temporary facilities	651,933,514.69	643,404,511.56
Land-use right of Qingbai River	334,400.00	334,400.00
Prepayment for purchase of long- term assets	310,883,153.38	359,247,827.04
Investment fund of Qingbai Qixing Island Project, New Industrial Village Project in Jinxing Village, Dayi County and Pidu District	1,734,785,932.60	1,734,785,932.60

Item	Closing balance	Opening balance
Project		
Contract performance costs	1,211,239,586.84	1,295,769,309.70
Debt assets and litigation advance costs of the Rural Commercial Bank		132,536,705.67
Others	92,915,704.31	97,725,310.81
Total	4,173,449,283.30	4,784,576,307.83

32. Short-term borrowings

Classification of short-term borrowings

Item	Closing balance	Opening balance
Pledge loans	326,231,756.38	3,152,840.00
Mortgage loans	8,082.19	40,022,305.55
Guaranteed loans	1,074,588,574.81	1,942,920,190.30
Credit loans	11,986,975,475.83	10,622,295,612.57
Discount of commercial acceptance bills	62,569,763.16	61,069,763.16
Short-term loan interests	469,395.42	625,462.93
Total	13,450,843,047.79	12,670,086,174.51

33. Borrowings from the Central Bank

Item	Closing balance	Opening balance
Borrowings from the Central Bank	57,923,018,462.36	79,093,412,825.71
Total	57,923,018,462.36	79,093,412,825.71

34. Funds borrowed

Item	Closing balance	Opening balance
Funds borrowed from banks in China		
Including: Banks	2,800,000,000.00	2,080,000,000.00
Accrued interests	1,574,471.33	1,803,994.59
Total	2,801,574,471.33	2,081,803,994.59

35. Trading financial liabilities

Item	Fair value at the end of the year	Fair value at the beginning of the year
Trading financial liabilities	1,380,685,613.84	2,925,284,616.39
Including: Bonds issued for trading		
Financial liabilities measured at fair value through profit or loss		
Trading financial liabilities of Chengdu Rural Commercial Bank	1,380,685,613.84	2,925,284,616.39
Total	1,380,685,613.84	2,925,284,616.39

36. Notes payable

Classification	Closing balance	Opening balance
Commercial acceptance bill	124,464,683.83	376,416,700.14
Bank acceptance bill	854,382,661.33	2,633,333,682.72
Total	978,847,345.16	3,009,750,382.86

37. Accounts payable

Aging	Closing balance	Opening balance
Less than 1 year（including 1 year）	44,467,584,117.28	58,548,949,006.02
1-2 years（including 2 years）	13,243,604,907.16	10,647,629,708.35

Aging	Closing balance	Opening balance
2-3 years（including 3 years）	5,390,775,929.33	7,453,050,271.40
Over 3 years	8,662,704,477.97	4,958,401,890.55
Total	71,764,669,431.74	81,608,030,876.32

Including: Significant accounts payable aged over 1 year.

Name of the creditor	Closing balance	Reasons for non-repayment
Beijing Changdao Municipal Engineering Group Co., Ltd.	1,180,573,047.03	unsettled
China State Construction Engineering Corporation Limited	557,745,830.18	unsettled
Sichuan Jinghui Construction Labor Service Co., Ltd.	233,658,474.04	Outstanding settlement
Chengdu ETDZ State-owned Investment Group Co., Ltd.	142,411,730.53	unsettled
Chengdu Shenghong Labor Service Co., Ltd.	116,703,354.36	Outstanding settlement
Sichuan Jiruijiangcheng Construction Labor Service Co., Ltd.	100,298,551.84	Outstanding settlement
Sichuan Haohong Road and Bridge Engineering Co., Ltd.	93,440,556.41	Outstanding settlement
China National Chemical Engineering & Construction Corporation Seven, Ltd	89,501,811.01	Contract settlement period not reached
China Construction Science and Industry Corporation Ltd.	88,333,058.17	Contract settlement period not reached
China Southweat Architectural Design and Research Institute Co., Ltd.	82,178,801.96	Contract settlement period not reached
Chengdu Xingguangshun Construction Engineering Co., Ltd.	76,653,207.12	Contract settlement time not reached

Name of the creditor	Closing balance	Reasons for non-repayment
Total	2,761,498,422.65	—

38. Prepayment

(1) Aging of prepayment

Aging	Closing balance	Opening balance
Less than 1 year (including 1 year)	123,685,405.19	200,732,493.37
Over 1 year	34,236,719.18	19,230,553.21
Total	157,922,124.37	219,963,046.58

(2) There are no significant prepayment aged over 1 year at the end of the year.

39. Contract liabilities

Item	Closing balance	Opening balance
Construction project contracting	5,083,890,341.16	4,009,212,674.21
PPP project under the financial asset model		6,592,619.18
Advance property purchase payments	6,624,658,797.90	8,779,362,275.19
Advance goods payments	160,676,026.89	584,963,584.25
Advance service payments	64,519,598.31	56,472,038.62
Settled amount of unfinished construction project	59,649,515.38	63,894,832.99
Others	1,478,851.64	17,311,531.97
Total	11,994,873,131.28	13,517,809,556.41

40. Financial assets sold for repurchase

Item	Closing balance	Opening balance
Bonds sold for repurchase	8,260,474,073.27	8,614,162,834.62
Commercial bills sold for	1,997,958.12	

Item	Closing balance	Opening balance
repurchase		
Subtotal	8,262,472,031.39	8,614,162,834.62
Accrued interests	10,469,964.93	5,376,270.39
Total	8,272,941,996.32	8,619,539,105.01

41. Savings absorbed and deposits from other banks

Item	Closing balance	Opening balance
Deposits from other banks or financial institutions		
Other banks or financial institutions in China		
Including:Banks	71,884,648.20	989,363.33
Other financial institutions	120,800,379.46	555,970,503.85
Accrued interests	143,015.90	13,274,912.07
Subtotal	192,828,043.56	570,234,779.25
Savings absorbed		
Including: Current deposits	159,003,448,378.20	154,453,452,106.75
Time deposits	484,956,684,263.04	423,157,335,803.29
Margin deposits	5,262,658,344.17	9,394,889,359.47
Accrued interests	19,589,843,033.18	17,496,751,967.97
Subtotal	668,812,634,018.59	604,502,429,237.48
Total	669,005,462,062.15	605,072,664,016.73

42. Payroll payable

(1) Details of payroll payable

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Short-term	2,165,583,848.31	7,010,543,332.80	6,754,121,411.86	2,422,005,769.25

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
compensation				
2. Post-employment benefits - defined contribution plan	11,383,135.15	932,570,968.04	935,353,024.77	8,601,078.42
3. Termination benefits	149,496,708.35	47,265,741.13	92,449,771.20	104,312,678.28
4. Other benefits due within one year	0.00	0.00	0.00	0.00
5. Other employee benefits	1,331,171,255.81	2,937,942.94	1,334,109,198.75	0.00
Total	3,657,634,947.62	7,993,317,984.91	9,116,033,406.58	2,534,919,525.95

(2) Details of short-term compensation

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Salary, bonus, allowance, and subsidy	1,796,291,881.40	5,649,779,161.69	5,388,061,087.10	2,058,009,955.99
2. Employee welfare	439,698.40	184,700,414.27	184,731,945.53	408,167.14
3. Social insurance	4,818,136.82	417,139,755.21	417,866,035.04	4,091,856.99
Including:Medical insurance and maternity insurance	4,515,349.16	375,168,339.63	376,106,084.63	3,577,604.16
Work injury insurance	292,495.80	34,931,291.31	34,900,034.69	323,752.42
Others	10,291.86	7,040,124.27	6,859,915.72	190,500.41

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
4. Housing funds	8,550,298.47	517,618,066.51	517,181,525.34	8,986,839.64
5. Union funds and employee education expenses	332,028,903.32	144,516,449.21	133,058,081.07	343,487,271.46
6. Short-term paid absence	689,996.07	2,337,709.03	2,762,770.21	264,934.89
7. Short-term profit-sharing plan				0.00
8. Other short-term compensation	22,764,933.83	94,451,776.88	110,459,967.57	6,756,743.14
Total	2,165,583,848.31	7,010,543,332.80	6,754,121,411.86	2,422,005,769.25

(3) Details of defined contribution plans

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Basic endowment insurance	8,785,150.95	722,250,450.35	723,709,803.72	7,325,797.58
2.Unemployment insurance	362,520.88	26,565,038.53	26,666,072.36	261,487.05
3. Annuity payment	2,235,463.32	183,755,479.16	184,977,148.69	1,013,793.79
Total	11,383,135.15	932,570,968.04	935,353,024.77	8,601,078.42

43. Taxes payable

Item	Closing balance	Opening balance
VAT	948,189,724.13	1,050,526,318.15
Resource tax	98,981.93	135,360.12

Item	Closing balance	Opening balance
Corporate income tax	540,241,377.37	736,845,582.75
Urban maintenance and construction tax	105,389,068.45	99,689,238.81
Property tax	34,162,091.43	11,143,657.62
Land use tax	1,564,713.03	2,160,218.86
Personal income tax	36,894,356.37	64,672,052.81
Educational surcharge (including local educational surcharge)	75,666,006.53	71,831,472.14
Other taxes	836,424,153.47	807,407,175.68
Total	2,578,630,472.71	2,844,411,076.94

44. Other payables

Item	Closing balance	Opening balance
Interests payable	362,202,690.39	361,793,293.71
Dividends payable	614,458,396.53	90,421,763.69
Other payables	15,728,579,569.62	15,464,712,064.63
Total	16,705,240,656.54	15,916,927,122.03

(1) Interests payable

Item	Closing balance	Opening balance
Interests on long-term loans with interest paid in installments and principal paid at maturity	39,175.00	2,442,070.35
Interests payable on short -term loans	65,666.67	
Other interest	362,097,848.72	359,351,223.36
Total	362,202,690.39	361,793,293.71

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends of common shares	443,203,223.33	
Dividends of preferred share / perpetual bond classified as equity instruments	90,290,877.59	90,290,877.59
Others	80,964,295.61	130,886.10
Total	614,458,396.53	90,421,763.69

(3) Other accounts payable

① Other accounts payable by nature of funds

Item	Closing balance	Opening balance
Accounts payable	10,400,926,843.98	9,168,603,233.85
Margin and deposit payable	2,511,804,205.71	2,926,909,680.15
Funds withheld temporarily	2,702,361.12	3,603,166.77
Compensations for the difference of resettlement area	128,217,845.63	126,703,078.63
Funds collected on behalf	638,420,289.10	682,370,216.68
Construction funds	9,932,296.29	15,624,590.01
Project cost	1,376,991,381.10	1,809,134,579.27
Others	659,584,346.69	731,763,519.27
Total	15,728,579,569.62	15,464,712,064.63

② Significant other accounts payable aged over 1 year

Name of the creditor	Closing balance	Reason for non-repayment
West China Hospital of Sichuan University	153,421,427.00	The settlement period has not been reached
No. 78006 PLA Troops	75,694,320.00	The settlement period has not been reached
Logistics Department of Sichuan Military Region of PLA	65,000,000.00	The settlement period has not been reached
Sichuan Zhongjian Government and Social Capital Equity Investment Fund Partnership (Limited Partnership)	56,189,384.82	Not due, not settled
Sichuan Shufu Housing Construction and Development Co., Ltd.	45,000,000.00	The settlement period has not reached
Total	395,305,131.82	—

45. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term borrowings due within one year	26,627,237,836.90	20,549,341,605.34
Bonds payable due within one year	4,107,652,151.56	8,317,953,201.24
Long-term payables due within one year	715,685,975.82	488,157,070.70
Other long-term borrowings due within one year	684,391,032.83	623,103,877.37
Lease liabilities due within one year	99,261,275.77	73,984,382.73
Total	32,234,228,272.88	30,052,540,137.38

46. Other current liabilities

Item	Closing balance	Opening balance
Short-term bonds payable		
Output tax to be transferred	1,536,842,998.02	1,721,566,925.62
Other accounts	793,374,892.04	1,371,858,967.40
Total	2,330,217,890.06	3,093,425,893.02

47. Long-term borrowings

Classification	Closing balance	Opening balance
Pledged loans	3,740,835,480.30	5,486,058,714.42
Mortgage loans	20,157,297,176.54	16,743,336,559.18
Guaranteed loans	17,011,600,118.04	26,751,522,145.02
Credit loans	20,986,369,429.59	31,716,621,717.96
Total	61,896,102,204.47	80,697,539,136.58

48. Bonds payable

(1) Details of bonds payable

Item	Closing balance	Opening balance
21 Red Sun 01		598,562,079.78
PPN	3,700,000,000.00	700,000,000.00
cmbs		1,300,000,000.00
21 Renju debt	1,500,000,000.00	1,500,000,000.00
Medium-term note（MTN）	3,000,000,000.00	3,000,000,000.00
20 Chengdu built MTN001	601,045,000.00	601,925,000.00
23 Chengdu Construction Engineering MTN001	1,017,866,666.64	1,020,933,333.36
23 corporate bond	1,417,779,999.98	1,419,950,000.00
Xingcheng (BVI) Co. Ltd	3,150,029,566.15	3,145,552,866.88
23 Xingcheng V2	499,794,105.18	499,742,131.02
23 Xingcheng investment GN001	1,500,000,000.00	1,500,000,000.00
23 Xingcheng 01 bond	999,780,282.19	999,612,759.24
22 Xingcheng invested in MTN001 bonds	999,866,726.74	999,810,674.01
22 Xingcheng 03 bond	999,586,875.58	999,586,875.58
2021 Offshore Medium-Term Notes (Second Issue)	2,121,204,145.81	2,118,988,132.00
22 Xingcheng 0102	1,999,603,643.29	1,999,413,753.43
21 Xingcheng Investment PPN002		500,000,000.00
Green medium-term Note 01		499,868,625.42
21 Xingcheng Investment PPN001		2,099,967,175.61
21 Xingcheng Investment MTN002	999,904,895.92	999,836,217.04
21 Xingcheng G1		1,999,830,760.68

Item	Closing balance	Opening balance
21 Xingcheng Investment MTN001	999,906,124.41	999,847,897.92
21 Rongxing bond 02	1,998,372,261.76	1,998,150,583.45
21 Rongxing bond 01	2,498,001,090.64	2,497,768,531.44
19 Rongxing bond 01		1,499,740,973.24
23 Xingcheng 03	1,000,000,000.00	1,000,000,000.00
23 Xingcheng Investment SCP002		999,700,000.00
24 Xingcheng 01	1,000,000,000.00	
24 Xingcheng 0203 bond	999,493,235.68	
23 Xingcheng 0405 bond	1,000,000,000.00	
23 Xingcheng 06 bond	999,514,167.52	
23 Xingcheng 07 bond	999,496,431.60	
23 Xingcheng 09 bond	2,499,245,404.60	
24 Xingcheng Investment MTN002	499,861,669.95	
24 Xingcheng Investment MTN003	2,100,000,000.00	
24 Xingcheng Investment MTN005	500,000,000.00	
24 Xingcheng Investment SCP002	999,700,000.00	
24 Xingcheng Investment SCP003	599,830,188.68	
Medium-term note	1,794,206,635.38	2,391,721,586.55
Subtotal	44,994,089,117.70	39,890,509,956.65
Minus: Part due within one year	4,107,652,151.56	8,310,393,201.24
Total	40,886,436,966.14	31,580,116,755.41

(2) Increase and decrease of bond payable (excluding preferred shares, perpetual bond and other financial instruments classified as financial liabilities)

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
21 Red Sun 01	600,000,000.00	2021/8/20	5	600,000,000.00	598,562,079.78	0.00	22,680,000.00	-1,437,920.22	622,680,000.00		
cmbs	1,304,000,000.00	2020/3/6	3	1,304,000,000.00	1,300,000,000.00	0.00	0.00	0.00	1,300,000,000.00		
21 Renju debt	1,500,000,000.00	2021/4/2	3	1,500,000,000.00	1,500,000,000.00	0.00	0.00	0.00			1,500,000,000.00
Rental housing PPN	3,000,000,000.00	2022/5/11	3	3,000,000,000.00	700,000,000.00	3,000,000,000.00	0.00	0.00			3,700,000,000.00
Medium-term note（MTN）	3,000,000,000.00	2023/3/1	3	3,000,000,000.00	3,000,000,000.00	0.00	0.00	0.00			3,000,000,000.00
21 Chengdu constru	600,000,000.00	2021/11/12	3	600,000,000.00	601,925,000.00	0.00	22,220,000.00	0.00	23,100,000.00		601,045,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
ction engineering phase I corporate bonds											
23 Chengdu Construction Engineering MTN001	1,000,000,000.00	2023/4/23	2	1,000,000,000.00	1,020,933,333.36	0.00	28,333,333.28	0.00	31,400,000.00		1,017,866,666.64
23 corporate bond	1,400,000,000.00	2023/7/12	3	1,400,000,000.00	1,419,950,000.00	0.00	37,729,999.98	0.00	39,900,000.00		1,417,779,999.98

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
23 Xingcheng 01 bond	1,000,000,000.00	2023/2/22	3	1,000,000,000.00	999,612,759.24	0.00	167,522.95	0.00	0.00		999,780,282.19
23 Xingcheng investment GN001	1,500,000,000.00	2023/7/5	5	1,500,000,000.00	1,500,000,000.00	0.00	0.00	0.00	0.00		1,500,000,000.00
23 Xingcheng 03	1,000,000,000.00	2023/11/3	5	1,000,000,000.00	1,000,000,000.00	0.00	0.00	0.00	0.00		1,000,000,000.00
23 Xingcheng V2	500,000,000.00	2023/9/18	5	500,000,000.00	499,742,131.02	0.00	51,974.16	0.00	0.00		499,794,105.18
19 Rongxing bond	1,500,000,000.00	2019/8/20	5	1,500,000,000.00	1,499,740,973.24	0.00	259,026.76	0.00	1,500,000,000.00		

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
01											
Xingcheng（BVI）Co., Ltd. $445M	2,885,202,000.00	2021/1/20	5	2,885,202,000.00	3,145,552,866.88	0.00	4,476,699.27	0.00	0.00		3,150,029,566.15
21 Rongxing bond 01	2,500,000,000.00	2021/2/9	10	2,500,000,000.00	2,497,768,531.44	0.00	232,559.20	0.00	0.00		2,498,001,090.64
21 Rongxing bond 02	2,000,000,000.00	2021/4/16	10	2,000,000,000.00	1,998,150,583.45	0.00	221,678.31	0.00	0.00		1,998,372,261.76
21 Xingcheng G1	2,000,000,000.00	2021/7/21	3	2,000,000,000.00	1,999,830,760.68	0.00	169,239.32	0.00	2,000,000,000.00		

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
21 Xingcheng Investment MTN001	1,000,000,000.00	2021/7/29	5	1,000,000,000.00	999,847,897.92	0.00	58,226.49	0.00	0.00		999,906,124.41
Green Medium-term Notes 01	500,000,000.00	2021/8/19	5	500,000,000.00	499,868,625.42	0.00	131,374.58	0.00	500,000,000.00		
21 Xingcheng Investment MTN002	1,000,000,000.00	2021/9/9	5	1,000,000,000.00	999,836,217.04	0.00	68,678.88	0.00	0.00		999,904,895.92

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
21 Xingcheng Investment PPN001	2,100,000,000.00	2021/9/24	3	2,100,000,000.00	2,099,967,175.61	0.00	32,824.39	0.00	2,100,000,000.00		
21 Xingcheng Investment PPN002	500,000,000.00	2021/11/25	3	500,000,000.00	500,000,000.00	0.00	0.00	0.00	500,000,000.00		
22 Xingcheng 0102	2,000,000,000.00	2022/3/11	5	2,000,000,000.00	1,999,413,753.43	0.00	189,889.86	0.00	0.00		1,999,603,643.29
22 Xingch	1,000,000,000.00	2022/4/14	5	1,000,000,000.00	999,810,674.01	0.00	56,052.73	0.00	0.00		999,866,726.74

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
eng MTN001 bond											
22 Xingcheng 03 bond	1,000,000,000.00	2022/6/2	5	1,000,000,000.00	999,586,875.58	0.00	0.00	0.00	0.00		999,586,875.58
2021 Overseas Medium-term Notes	1,938,120,000.00	2021/10/8	5	1,938,120,000.00	2,118,988,132.00	0.00	2,216,013.81	0.00	0.00		2,121,204,145.81
23 Xingcheng Investment SCP00	1,000,000,000.00	2023/6/27	269 天	1,000,000,000.00	999,700,000.00	0.00	300,000.00	0.00	1,000,000,000.00		

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
2											
24 Xingcheng 01	1,000,000,000.00	2024/1/15	5	1,000,000,000.00	0.00	1,000,000,000.00	0.00	0.00	0.00		1,000,000,000.00
24 Xingcheng 0203 bond	1,000,000,000.00	2024/3/11	5、10	1,000,000,000.00	0.00	1,000,000,000.00	43,235.68	550,000.00	0.00		999,493,235.68
23 Xingcheng 0405 bond	1,000,000,000.00	2024/4/8	5	1,000,000,000.00	0.00	1,000,000,000.00	550,000.00	550,000.00	0.00		1,000,000,000.00
24 Xingcheng 06 bond	1,000,000,000.00	2024/7/10	5	1,000,000,000.00	0.00	1,000,000,000.00	33,035.44	518,867.92	0.00		999,514,167.52
24 Xingch	1,000,000,000.00	2024/7/10	10	1,000,000,000.00	0.00	1,000,000,000.00	15,299.52	518,867.92	0.00		999,496,431.60

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
eng 07 bond											
24 Xingcheng 09 bond	2,500,000,000.00	2024/8/5	10	2,500,000,000.00	0.00	2,500,000,000.00	567,315.38	1,321,910.78	0.00		2,499,245,404.60
24 Xingcheng Investment MTN002	500,000,000.00	2024/8/8	10	500,000,000.00	0.00	500,000,000.00	3,179.38	141,509.43	0.00		499,861,669.95
24 Xingcheng Investment MTN003	2,100,000,000.00	2024/9/12	5、10	2,100,000,000.00	0.00	2,100,000,000.00	0.00	0.00	0.00		2,100,000,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
24 Xingcheng Investment MTN005	500,000,000.00	2024/11/5	5	500,000,000.00	0.00	500,000,000.00	0.00	0.00	0.00		500,000,000.00
24 Xingcheng Investment SCP001	1,000,000,000.00	2024/3/14	180 天	1,000,000,000.00	0.00	1,000,000,000.00	300,000.00	300,000.00	1,000,000,000.00		
24 Xingcheng Investment SCP00	1,000,000,000.00	2024/9/3	270 天	1,000,000,000.00	0.00	1,000,000,000.00	0.00	300,000.00	0.00		999,700,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
2											
24 Xingcheng Investment SCP003	600,000,000.00	2024/11/5	269 天	600,000,000.00	0.00	600,000,000.00	0.00	169,811.32	0.00		599,830,188.68
Convertible corporate bonds	603,660,000.00	2018/3/15	6	603,660,000.00	609,229,291.71	0.00	14,145,588.49	-2,577,892.92	24,097,873.12	601,854,900.00	
China Zhonghua Geotechnical Engineering	800,000,000.00	2020/9/7	5	800,000,000.00	779,069,506.01	0.00	27,650,000.00	-11,185,790.23	27,650,000.00		790,255,296.24

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
Group Co., Ltd. 2020 First Phase of Medium-term Notes											
China Zhonghua Geotechnical Engineering Group Co., Ltd.	500,000,000.00	2023/8/25	5	500,000,000.00	504,837,883.17	0.00	18,500,000.00	-265,512.45	18,500,000.00		505,103,395.62

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
2023 First Phase of Medium-term Notes											
China Zhonghua Geotechnical Engineering Group Co., Ltd. 2023 Second Phase	500,000,000.00	2023/12/22	5	500,000,000.00	498,584,905.66	0.00	17,500,000.00	-263,037.86	17,500,000.00		498,847,943.52

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	The current period was converted into shares	Closing balance
of Medium-term Notes											
Total	54,930,982,000.00	——	——	54,930,982,000.00	39,890,509,956.65	16,200,000,000.00	198,902,747.86	-11,359,186.31	10,704,827,873.12	601,854,900.00	44,994,089,117.70

49. Lease liabilities

Item	Closing balance	Opening balance
Lease payments	1,145,679,875.24	749,614,775.31
Less: Unrecognized financing expenses	202,320,721.04	233,612,436.54
Lease liabilities reclassified to non-current liabilities due within one year	99,261,275.77	73,984,382.73
Net lease liabilities	844,097,878.43	442,017,956.04

50. Long-term payables

Item	Closing balance	Opening balance
Long-term accounts payable	16,459,637,344.00	18,880,198,983.87
Special accounts payable	18,180,661,706.52	22,709,399,894.67
Total	34,640,299,050.52	41,589,598,878.54

(1) Top 5 long-term accounts payable based on the closing balance

Item	Closing balance	Opening balance
Tianfu greenway construction special debt funds	11,000,000,000.00	11,000,000,000.00
Chengdu Finance Bureau special debt fund	2,242,530,000.00	2,616,030,000.00
Chengdu Jianzhou New City automotive aesthetic science and innovation space innovation infrastructure project	1,100,000,000.00	1,100,000,000.00
Chengdu Medical Investment West China International Tumor Treatment Center (heavy ion proton) project	882,000,000.00	882,000,000.00
Shipangu town urban renewal project	100,000,000.00	100,000,000.00
Total	15,324,530,000.00	15,698,030,000.00

(2) Top 5 special accounts payable based on the closing balance

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Earmarked funds for infrastructure in the eastern and southern starting areas	9,189,915,281.53	3,047,356,917.21	4,037,406,608.42	8,199,865,590.32
Special appropriation for other construction agent projects	10,852,798,010.15	1,198,594,417.00	5,234,009,709.66	6,817,382,717.49
Major municipal construction projects	1,735,700,000.00	150,000,000.00		1,885,700,000.00
Party school construction project special funds	120,239,700.00	400,200,000.00		520,439,700.00
Zhangjiayan reservoir direct water to Eagle reservoir pipeline project	260,033,171.91			260,033,171.91
Total	22,158,686,163.59	4,796,151,334.21	9,271,416,318.08	17,683,421,179.72

51. Long-term payroll payable

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Post-employment benefits - net liabilities of defined benefit plan	0.00	1,494,049,670.28	25,569,346.34	1,468,480,323.94
2.Termination benefits	9,544,782.79	213,683.28	2,005,556.67	7,752,909.40
3.Other long-term benefits	0.00	366,040,559.27	-2,110,922.88	368,151,482.15
Total	9,544,782.79	1,860,303,912.83	25,463,980.13	1,844,384,715.49

52. Accrued liabilities

Item	Closing balance	Opening balance
Accrued liabilities	272,514,871.47	227,729,317.29
Total	272,514,871.47	227,729,317.29

53. Deferred income

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Government subsidies	260,365,166.47	51,107,329.82	34,690,277.44		276,782,218.85
Including:					
Subsidy fund for industry-university research innovation alliance of leading enterprises in science and technology (innovation of pharmaceutical excipients)	345,849.06		345,849.06		
Intelligent manufacturing digital workshop project of traditional Chinese medicine formula granules	188,036.64		36,990.84		151,045.80

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Xuebijing production expansion project	1,449,999.56		50,000.04		1,399,999.52
Fund project of supporting the transformation and upgrading of thousands enterprise in Wuqing District	1,006,250.25		174,999.96		831,250.29
Automatic production base of traditional Chinese medicine products	3,326,440.78		119,944.92		3,206,495.86
High-tech industrialization project of traditional Chinese medicine extraction	3,155,993.18		133,807.08		3,022,186.10
Intelligent construction of formula granule workshop	100,917.52		41,874.96		59,042.56
Intelligent WMS management system construction of Chinese medicine	3,857,090.36		380,645.16		3,476,445.20
Special fund for intelligent	5,863,838.94		520,329.00		5,343,509.94

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
manufacturing in 2018					
Central special fund for air pollution prevention and control (online monitoring construction)	96,536.35		8,044.68		88,491.67
Industrial development subsidy funds	579,135.19		14,849.28		564,285.91
Construction project of standardized production base of high-quality medicinal material "Anze Forsythia"	294,651.94		8,075.04		286,576.90
Subsidy for automatic production base of traditional Chinese medicine formula granules	4,697,957.86		161,750.04		4,536,207.82
Improvement of Tcmages production line	1,279,546.75		358,877.16		920,669.59
Wastewater advanced treatment project	1,486,964.62		45,288.24		1,441,676.38
Logistics	106,309.82		34,863.84		71,445.98

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
standardization project of Tcmages					
Chinese medicine formula granule production capacity improvement automation transformation project	1,947,764.20		256,155.96		1,691,608.24
Equipment purchase subsidy	5,722,222.04		666,666.72		5,055,555.32
Industry guiding fund	16,367,507.20		359,067.80		16,008,439.40
Agricultural equipment subsidy	891,016.29		104,825.44		786,190.85
Technical transformation project of hydroxypropyl cellulose with an annual output of 3,000 tons	3,619,069.57		716,257.12		2,902,812.45
Industrial Development Fund allocated by the Finance Bureau in 2015	871,397.77		174,820.72		696,577.05
Industrial Development Fund of Huzhou Finance Bureau	197,148.91		39,551.92		157,596.99

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Wireless remote digital multi-parameter monitoring project	115,036.81		74,339.78		40,697.03
G20 backup company cultivation project	61,169.79		41,291.85		19,877.94
Relocation compensation	1,768,042.49		286,242.00		1,481,800.49
Development and application of automatic intelligent dispensing technology based on direct liquid transfer method	84,000.00		48,000.00		36,000.00
Medical materials supply capacity reserve fund	210,000.00		120,000.00		90,000.00
Chinese medicine formula granule project fixed assets investment subsidy	1,918,940.84		68,376.06		1,850,564.78
2022 agricultural industrialization leading enterprise classification standard award project	948,717.91		138,958.62		809,759.29

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Shandong Shanghe Economic Development Zone allocates subsidies for fixed assets investment		7,000,000.00	81,277.87		6,918,722.13
Testing and evaluation of pharmaceutical excipients and packaging materials and industrialization project of innovative achievements		619,200.00			619,200.00
Cultivation of new quality productivity of Xuebijing Injection		900,000.00	62,068.96		837,931.04
Pharmaceutical and clinical study of randilol hydrochloride for injection project		150,000.00	4,411.76		145,588.24
Advanced manufacturing plus deduction		72,091.59	62,021.48		10,070.11
Subsidy for purchase of deep foundation pit support equipment	71,698.39		59,116.91		12,581.48

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Industrial Internet platform software security access password application technology project	500.00	1,649,500.00	1,650,000.00		
Aerated concrete technical renovation project subsidy funds	1,429,967.84		155,475.84		1,274,492.00
Special fund for the development of construction projects for workers' bases in construction industry	1,370,000.00				1,370,000.00
Research and application demonstration of integrated BIM design and application system tools for prefabricated buildings		50,000.00	8,828.80		41,171.20
Subsidies for non farm water intake online monitoring and measurement facilities of Jianyang Water		13,000.00	764.71		12,235.29

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Bureau					
Other government subsidies	194,935,447.60	40,653,538.23	27,075,567.82		208,513,418.01
Total	260,365,166.47	51,107,329.82	34,690,277.44		276,782,218.85

54. Other non-current liabilities

Item	Closing balance	Opening balance
The recovery of non-performing loans and settlement funds which are payable by Chengdu Rural Commercial Bank Co., Ltd. and purchased by the promoters		
Certificates of deposit issued by Chengdu Rural Commercial Bank Co., Ltd.	90,180,036,115.32	59,652,613,856.75
Total	90,180,036,115.32	59,652,613,856.75

55. Paid-in capital

Investor	Opening balance		Increase in the current year	Decrease in the current year	Closing balance	
	Amount of investment	Percentage (%)			Amount of investment	Percentage (%)
Total	24,000,000,000.00	100.00			24,000,000,000.00	100.00
Chengdu State-owned Assets	24,000,000,000.00	100.00			24,000,000,000.00	100.00

Investor	Opening balance		Increase in the current year	Decrease in the current year	Closing balance	
	Amount of investment	Percentage (%)			Amount of investment	Percentage (%)
Supervision and Administration Commission						

56. Other equity instruments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
23 Xingcheng Y1	1,000,000,000.00			1,000,000,000.00
23 Xingcheng Y2	1,000,000,000.00			1,000,000,000.00
23 Xingcheng Y3	900,000,000.00			900,000,000.00
23 Xingcheng Y5	1,300,000,000.00			1,300,000,000.00
23 Xingcheng Y6	500,000,000.00			500,000,000.00
23 Xincheng Investment MTN002	2,000,000,000.00			2,000,000,000.00
23 Xincheng Investment MTN003	1,000,000,000.00			1,000,000,000.00
20 Xingcheng YK01		500,000,000.00		500,000,000.00
20 Xingcheng Y2	200,000,000.00			200,000,000.00
24 Xingcheng YK02		1,500,000,000.00		1,500,000,000.00

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
24 Xingcheng YK03		300,000,000.00		300,000,000.00
24 Xingcheng YK04		700,000,000.00		700,000,000.00
Perpetual bonds of Guangdong Yuecai Trust Co., Ltd.	792,500,000.00		42,500,000.00	750,000,000.00
22 Xingcheng Y1	500,000,000.00			500,000,000.00
22 Xingcheng Y2	1,500,000,000.00			1,500,000,000.00
22 Xincheng Investment MTN002A	1,500,000,000.00			1,500,000,000.00
22 Xincheng Investment MTN002B	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN003A	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN003B	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN004A	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN004B	500,000,000.00			500,000,000.00
22 Xingcheng Y3	1,000,000,000.00			1,000,000,000.00
22 Xingcheng Y4	1,000,000,000.00			1,000,000,000.00
22 Xingcheng Y6	1,300,000,000.00		1,300,000,000.00	
Barry Trust Renewable trust fund	800,000,000.00			800,000,000.00
24 Xincheng Investment		2,000,000,000.00		2,000,000,000.00

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
MTN001				
24 Xincheng Investment MTN004		1,400,000,000.00		1,400,000,000.00
24 Xingcheng YK05		800,000,000.00		800,000,000.00
24 Xingcheng YK06		500,000,000.00		500,000,000.00
Total	18,792,500,000.00	7,700,000,000.00	1,342,500,000.00	25,150,000,000.00

57. Capital reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Capital premium		28,547,409.44		28,547,409.44
2.Other capital reserve	20,152,284,445.00	1,759,530,409.47	278,027,499.87	21,633,787,354.60
Total	20,152,284,445.00	1,788,077,818.91	278,027,499.87	21,662,334,764.04

Note:

1.The Company received RMB 1,363,580,000.00 of project funds allocated by Chengdu Municipal Treasury Payment Center this year and included the funds in the capital reserve.

2.The Company reduced RMB 3,385,000.00 of the handling fees and underwriting fees directly related to the issuance of other equity instruments this year for capital reserve.

3. The subsidiary of the company Habitat Co., Ltd. reduced RMB 272,796,610.37 of capital reserve due to the Department Archives Project transfer which is free of charge.

4.The subsidiary Chengdu Medical and Health Investment Group Co., Ltd. increased RMB 338,825,800.00 due to other changes in owner's equity other than net profit and loss, other comprehensive income and profit distribution of the invested entity recognized by equity method for capital reserve.

5. The subsidiary Chengdu Tianfu Greenway Construction Investment Group Co., Ltd. received RMB 393,018,800.00 of project capital allocation from the government.

6. The subsidiary Chengdu Construction Engineering Group Co., Ltd. reduced RMB 1,845,889.50 due to changes in acquired assets for capital reserve.

7.The subsidiary Chengdu Tianfu Greenway Cultural Tourism Development Group Co., Ltd. increased RMB 2,804,616.14 due to the free transfer of equity of subsidiaries by Chengdu Academy of Agriculture and Forestry Sciences for the capital reserve.

8.The subsidiary Tianjin Chase Sun Pharmaceutical Co., Ltd. had RMB 90,462.72 cancellation of subsidiary Tianyi Chase Sun Pharmaceutical Technology Development (Tianjin) Co., Ltd. to reduce capital reserves according to its shareholding ratio.

9. The subsidiary China Zhonghua Geotechnical Engineering Group Co., Ltd. had RMB 2,648.02 of the convertible bonds issued earlier are redeemed and transferred to capital reserve at the maturity of the current period according to its shareholding ratio.

10. The subsidiary Chengdu Rural Commercial Bank Co., Ltd. had RMB 26,786,644.33 of purchase minority shareholders' equity of subsidiaries according to its shareholding ratio.

11. The subsidiary Chengdu Rural Commercial Bank Co., Ltd. had RMB 1,760,765.11 of purchase non-performing loans to clear collection according to its shareholding ratio.

58. Other comprehensive income

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
I. Other comprehensive income after tax attributable to the owners of the parent company	2,212,196,543.56	533,507,657.15			102,397,977.97	431,109,679.18	-9,758,715.11	2,643,306,222.73
1.Other comprehensive income that cannot be subsequently reclassified into	-65,313,807.05	-20,109,583.75			-1,877,691.29	-18,231,892.46		-83,545,699.51

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
profit and loss								
(1) Changes in the re-measurement of defined benefit plans		-13,793,500.00				-13,793,500.00		-13,793,500.00
(2) Not reclassified to profit or loss for the invested entity under the equity method								
(3) Changes in fair	-65,313,807.05	-6,316,083.75			-1,877,691.29	-4,438,392.46		-69,752,199.51

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
value of other equity instrument investments								
(3) Changes in fair value of the Company's own credit risk								
(4) Others								
2.Other comprehensive income subsequently reclassified into	2,277,510,350.61	553,617,240.90			104,275,669.26	449,341,571.64	-9,758,715.11	2,726,851,922.24

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
profit and loss								
(1) Reclassified subsequently to profit or loss for the invested entity under the equity method	3,884,995.02	7,502,279.23				7,502,279.23		11,387,274.24
(2) Changes in fair value of other debt investments	59,952,691.44	258,328,926.42			64,582,231.61	193,746,694.81		253,699,386.25
(3) Profit or loss from changes in fair value								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
of available-for-sale financial assets								
(4) Profit or loss from the reclassification of financial assets to other comprehensive income								
(5) Profit and loss from								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
reclassification of held-to-maturity investment to available-for-sale financial assets								
(6) Provisions for credit impairment of other debt investments	5,855,580.63	160,043,353.62			40,010,838.41	120,032,515.21		125,888,095.84
(7) Cash flow								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
hedging reserve								
(8) Translation difference from financial statements denominated in foreign currency	9,395,407.56	556,439.22				556,439.22		9,951,846.78
(9)The portion where fair value is greater than book value on the date when self-use property or	2,198,421,675.96	127,186,242.41			-317,400.76	127,503,643.17	-9,758,715.11	2,325,925,319.13

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
inventory is converted into investment property measured at fair value								
(10) Others								

59. Special reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Safe production fees	252,080,811.45	2,000,163,364.31	1,971,330,754.74	280,913,421.02
Total	252,080,811.45	2,000,163,364.31	1,971,330,754.74	280,913,421.02

60. Surplus reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Statutory surplus reserve	685,364,235.43			685,364,235.43
Total	685,364,235.43			685,364,235.43

61. Undistributed profits

Item	Amount in the current year	Amount in the previous year
Closing balance of the previous year	7,690,566,079.74	8,362,647,184.53
Adjusted amount at the beginning of the current year		-241,953,577.25
Opening balance of the current year	7,690,566,079.74	8,120,693,607.28
Increase in the current year	-1,185,365,797.38	1,037,261,737.72
Including: Those transferred in from net profit in the current year	-1,185,365,797.38	1,037,261,737.72
Other adjusting factors		
Decrease in the current year	1,341,650,892.86	1,467,389,265.26
Including: The amount of surplus reserve accrued for the current year		74,420,078.22

Item	Amount in the current year	Amount in the previous year
The amount of general risk provisions made for the current year	470,832,861.31	498,384,955.54
Distribution of cash dividends for the current year	212,514,293.21	274,010,377.33
Increased capital		
Dividends to holders of other equity instruments	658,303,738.34	620,573,854.17
Closing balance of the current year	5,163,549,389.50	7,690,566,079.74

62. Operating income and expenses

Item	Amount of the current year		Amount of the previous year	
	Revenue	Cost	Revenue	Cost
Subtotal of main businesses	68,488,926,883.67	60,248,879,826.55	101,132,870,955.58	88,925,864,871.94
Construction industry	45,165,236,837.94	40,775,397,060.57	65,540,849,077.59	58,999,964,485.88
Real estate development and sales	7,101,649,922.16	6,983,950,267.27	6,788,837,673.40	5,869,417,366.89
Asset lease	636,429,335.01	182,598,806.74	480,111,840.46	126,372,709.63
Hotel and tourism	415,874,024.10	399,852,832.94	474,889,912.45	386,001,613.08
Building materials logistics	8,174,834,805.25	7,957,449,647.61	18,639,500,135.73	17,762,623,393.73
Pharmaceutical manufacturing and sales	5,756,527,943.84	2,738,325,574.97	6,024,542,151.47	2,743,976,830.17
Equipment leasing and sales	4,393,750.88	4,161,319.15	164,497,004.41	155,627,983.70
Agricultural trade	547,667,463.88	529,733,396.84	1,649,027,396.29	1,608,444,979.25
Others	686,312,800.61	677,410,920.46	1,370,615,763.78	1,273,435,509.61
Subtotal of other	768,682,793.21	218,214,760.33	1,113,900,376.00	408,811,758.77

Item	Amount of the current year		Amount of the previous year	
	Revenue	Cost	Revenue	Cost
businesses				
Others	768,682,793.21	218,214,760.33	1,113,900,376.00	408,811,758.77
Interest income	32,846,627,645.63	17,910,329,752.85	31,549,024,246.78	17,656,063,750.50
Service charges and commissions	733,353,246.19	282,732,705.48	883,201,755.34	263,686,373.76
Total	102,837,590,568.70	78,660,157,045.21	134,678,997,333.70	107,254,426,754.97

63. Selling expenses, administrative expenses, R&D expenses, and finance expenses

(1) Selling expenses

Item	Amount of the current year	Amount of the previous year
Adjustment service fee	1,037,304,369.76	862,458,855.95
Employee compensations	366,990,716.57	420,138,523.10
Academic promotion fees	309,824,662.54	333,883,199.87
Market research fees	140,336,870.02	183,319,275.80
Sales service fees	273,581,223.34	172,528,115.73
Commission fees for consigned products	25,166,243.36	101,023,854.43
Advertising expenses	112,871.15	91,518,311.23
Depreciation charges	94,264,374.99	81,768,736.30
Materials consumption	31,224,049.53	58,856,813.85
Conference expenses	40,046,645.42	32,706,532.63
Operating expenses	31,641,270.53	28,055,678.13
Travel expenses	30,725,310.38	23,930,427.05
Office expenses	17,535,514.97	16,294,194.31
Storage fees	16,724,500.61	6,296,891.39
Car expenses	1,613,800.84	1,488,682.00
Freight fees	109,614.96	288,935.10

Item	Amount of the current year	Amount of the previous year
Exhibition fee	69,074.93	28,532.22
Repair cost	18,060.48	3,330.96
Others	155,185,863.37	14,687,990.43
Total	2,572,475,037.75	2,429,276,880.48

(2) Administrative expenses

Item	Amount of the current year	Amount of the previous year
Employee compensations	5,912,025,654.91	6,133,249,646.26
Insurance premiums	292,555,394.85	230,391,082.93
Depreciation and amortization	922,701,004.76	890,902,912.72
Repair costs	45,857,975.86	49,021,990.28
Inventory losses	4,561,968.98	2,262,685.73
Business entertainment expenses	48,863,549.11	56,056,196.68
Travel expenses	29,924,483.06	33,438,662.28
Office expenses	127,080,705.25	145,726,929.26
Conference expenses	5,204,862.84	5,742,669.66
Legal expenses	7,365,008.64	22,002,468.61
Expenses of hiring intermediaries	61,996,542.95	65,514,069.99
Consulting fees	115,211,919.58	165,402,719.18
Board of Directors Fees	3,543,218.08	3,628,760.81
Others	956,256,784.14	1,239,554,968.09
Total	8,533,149,073.01	9,042,895,762.48

Others are from subsidiary Chengdu Rural Commercial Bank.

(3) R&D expenses

Item	Amount of the current year	Amount of the previous year
Employee compensations	215,907,333.37	251,458,407.92
Material costs	915,091,721.13	1,284,128,307.41
Depreciation and amortization	24,121,895.43	28,321,530.19
Technological development expenses	29,599,931.47	18,238,874.63
Energy costs	11,249,615.08	16,785,655.36
Interlocutory costs of experiments	6,543,720.18	8,203,663.82
Maintenance and testing fees	5,099,377.61	5,774,557.09
Material fees	769,338.58	904,090.10
Registration and approval fees	670,731.77	1,284,371.00
Machinery usage fee	37,720,981.26	41,117,219.23
Others	71,348,546.83	64,714,138.70
Total	1,318,123,192.71	1,720,930,815.45

(4) Finance costs

Item	Amount of the current year	Amount of the previous year
Interest expense	3,499,582,618.52	3,880,581,478.48
Less: Interest income	520,586,184.67	1,259,500,104.76
Exchange gain or loss	-16,018,165.22	-8,311,141.03
Others	83,315,952.86	151,136,205.22
Total	3,046,294,221.49	2,763,906,437.91

64. Other income

Item	Amount of the current year	Amount of the previous year
Refund for stable employment and tax reduction	25,594,407.02	53,471,625.38
Government support and incentive funds	205,204,869.86	614,494,226.15
Others	29,183,052.40	31,348,064.38
Total	259,982,329.28	699,313,915.91

65. Investment income

Item	Amount of the current year	Amount of the previous year
Long-term equity investment income under the equity method	-90,878,637.67	-12,639,737.31
Long-term equity investment income under the cost method		-26,996,209.50
Investment income from disposal of long-term equity investment	-4,423,266.81	-8,118,681.91
Investment income from the trading financial assets during the holding period	1,677,576,851.93	1,469,227,213.34
Investment income from disposal of trading financial assets	8,833,541.46	10,154,962.24
Investment income from other equity instrument investment during the holding period	1,868,906.57	3,161,159.02
Investment income from disposal of debt instrument	264,338,449.59	26,064,923.22
Investment income from disposal of other debt instrument	12,992,862.13	23,146,119.31
Disposal of loans and advances at fair value through other comprehensive income		
Investment income from disposal of other non-current	89,687.50	

Item	Amount of the current year	Amount of the previous year
financial assets		
Others	6,844,523.96	8,723,373.00
Total	1,877,242,918.66	1,492,723,121.41

66. Gains from changes in fair value

Sources of gains from changes in fair value	Amount of the current year	Amount of the previous year
Trading financial assets	535,770,103.58	459,746,035.55
Investment property measured at fair value	15,799,869.54	228,768,616.23
Trading financial liabilities	-30,620,370.00	
Derivative financial liabilities	5,290,119.96	
Other non-current financial assets	-809,712.07	
Others		-389,822.59
Total	525,430,011.01	688,124,829.19

67. Impairment loss on credit

Item	Amount of the current year	Amount of the previous year
Bad debt loss	-5,688,971,130.13	-4,978,136,163.44
Credit impairment loss of debt investment	364,974,283.67	-1,102,956,919.30
Impairment loss of other debt investment	-452,610,327.13	-12,013,657.32
Funds lent	-498,817,250.72	-312,108,679.04
Accrued liabilities	-21,211,703.95	1,129,909.15
Other assets	8,518,995.75	38,457,289.46
Redemptory monetary capital for sale	-37,354,974.53	5,864,620.05
Deposits in other banks and financial institutions	-3,162,083.39	-1,180,753.87

Item	Amount of the current year	Amount of the previous year
Loans and advances from comprehensive income	-4,656,397.49	4,144,218.97
Others		
Total	-6,333,290,587.92	-6,356,800,135.34

Note:"-" refers to loss in the above table.

68. Impairment loss of asset

Item	Amount of the current year	Amount of the previous year
Inventory falling price loss	-373,829,237.07	-94,197,718.24
Impairment loss of contract assets	-530,660,354.56	-172,481,932.78
Impairment losses of fixed assets	-65,437,240.54	-1,461,246.57
Impairment loss of goodwill	-81,527,959.58	-262,914,206.02
Other impairment loss	-14,049,163.64	-93,172,137.48
Total	-1,065,503,955.39	-624,227,241.09

Note:"-" refers to loss in the above table.

69. Gain on disposal of asset

Item	Amount of the current year	Amount of the previous year
Profit and loss from disposal of fixed assets	36,620,489.96	22,771,938.66
Profit and loss from disposal of intangible assets	-3,046,079.27	
Profit and loss from disposal of debt-paying assets	2,081,843.46	
Profit and loss from disposal of right-of-use assets	5,076,367.99	

Item	Amount of the current year	Amount of the previous year
Profit and loss from disposal of productive biological assets	-58,394.74	
Profit and loss from disposal of other assets	-44,397.62	
Total	40,629,829.78	22,771,938.66

70. Non-operating income

(1) Classification of non-operating income

Item	Amount of the current year	Amount of the previous year
Gains from damage and scrapping of non-current assets	19,081,360.44	530,439.70
Donations received		
Government subsidies not related to the daily activities of the Company	30,760,302.60	124,695,055.43
Income from fines and liquidated damages	17,874,442.21	27,360,026.78
Others	59,211,225.80	37,030,273.59
Total	126,927,331.05	189,615,795.50

71. Non-operating expenses

Item	Amount of the current year	Amount of the previous year
Gains from damage and scrapping of non-current assets	10,030,364.73	11,615,230.49
Donations made to external parties	3,325,800.56	11,280,158.18
Litigation compensation	39,753,932.64	33,073.00
Fine and overdue surcharges	27,182,916.37	29,052,117.87

Item	Amount of the current year	Amount of the previous year
Others	25,156,880.92	14,595,274.84
Total	105,449,895.22	66,575,854.38

72. Income tax expenses

Item	Amount of the current year	Amount of the previous year
Current income tax expense	2,436,411,006.07	2,506,866,424.77
Adjustment of deferred income tax	-1,544,218,312.49	-1,040,380,939.43
Others		-34,821,320.39
Total	892,192,693.58	1,431,664,164.95

73. Consolidated statement of cash flow

(1) Adjustment of net profit to cash flow from operating activities using the indirect method

Supplementary information	Amount of the current year	Amount of the previous year
1.Adjust net profit to cash flow from operating activities:		—
Net profit	2,187,155,023.73	4,939,587,753.19
Add: Impairment loss for asset	1,065,503,955.39	624,227,241.09
Impairment loss for credit asset	6,333,290,587.92	6,356,800,135.34
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	802,814,004.22	795,660,541.54
Depreciation of right-of-use assets	402,340,423.49	294,111,667.09
Amortization of intangible assets	146,946,368.87	140,063,543.63
Amortization of long-term deferred expenses	145,457,605.89	144,175,978.52
Loss on disposal of fixed assets, intangible assets and other non-current assets ("-" means profit)	3,760,376.42	-21,868,860.49
Loss on scrapping of fixed assets ("-" means profit)	-8,445,797.57	19,376,136.23
Loss from changes in fair value ("-" means profit)	-525,430,011.01	-688,124,829.19

Supplementary information	Amount of the current year	Amount of the previous year
Finance expenses ("-" means profit)	3,046,294,221.49	2,763,906,437.91
Investment losses ("-" means profit)	-1,877,242,918.66	-1,492,723,121.41
Decrease in deferred tax assets ("-" means increase)	-1,316,595,462.56	-1,204,073,924.72
Increase in deferred income tax liabilities ("-" means decrease)	52,586,750.22	-63,467,373.21
Decrease in inventory ("-" means increase)	-1,974,466,005.55	-9,810,564,811.92
Decrease in operating receivables ("-" means increase)	-71,376,584,278.24	-67,783,545,155.25
Increase in operating payables ("-" means decrease)	36,019,650,950.75	115,099,517,902.50
Others		
Net cash flow from operating activities	-26,872,964,205.20	50,113,059,260.85
2. Major investing and financing activities that do not involve cash receipts and payments:		—
Debt transferred to capital		
Convertible corporate bonds due within one year		
Financing leasing of fixed assets		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	66,462,197,096.28	64,694,864,226.77
Less: Opening balance of cash	64,694,864,226.77	58,174,762,602.15
Add:Closing balance of cash equivalents		
Less:Opening balance of cash equivalents		
Net increase in cash and cash equivalents	1,767,332,869.51	6,520,101,624.62

(2) Details of cash and cash equivalents

Item	Closing balance	Opening balance
1. Cash	41,903,329,092.01	56,896,540,730.86
Including: Cash on hand	2,478,730,659.87	2,675,297,962.05
Bank deposits that can be used for payment at any time	19,556,590,890.95	29,250,456,363.26

Item	Closing balance	Opening balance
Other currency funds that can be used for payment at any time	307,551,196.51	436,583,013.31
Deposits in the Central Bank that can be used for payment at any time	4,908,208,197.72	5,908,707,107.60
Deposits in other banks	9,351,035,340.09	11,307,366,247.17
Interbank placements	2,060,695,200.00	3,456,240,500.00
2. Cash equivalents	24,558,868,004.27	7,798,323,495.91
Including: Bond investment due within three months		
3. Closing balance of cash and cash equivalents	66,462,197,096.28	64,694,864,226.77
Including: Restricted cash and cash equivalents of the parent company or subsidiaries within the Group		

74. Foreign currency monetary items

Item	Foreign currency balance at the end of the year	Conversion rate	Balance converted into RMB at the end of the year
Cash and cash equivalents	——	——	177,862,397.80
Including: US Dollar	14,000,291.26	7.1884	100,639,693.69
Euro	1,930,428.33	7.5257	14,527,824.48
HK Dollar	54,817,594.25	0.9260	50,761,092.28
Australian Dollar	1,516,694.87	4.5070	6,835,743.78
Canadian Dollar	43,878.60	5.0498	221,578.15
Singapore Dollar	89,979.40	5.3214	478,816.38
Indian Rupee	38,011,958.80	0.0854	3,246,221.28
Macau Patacas	1,281,500.00	0.8985	1,151,427.75
Accounts receivable	——	——	37,669,759.76
Including: US Dollar	5,237,346.40	7.1884	37,648,140.86
Euro	25.40	7.5257	191.15
Indian Rupee	250,910.40	0.0854	21,427.75
Other receivables	——	——	3,159,612.91
Including: US Dollar	2,561.00	7.1884	18,409.49
Euro	178.50	7.5257	1,343.34
HK Dollar	1,385,666.25	0.9260	1,283,126.95
Indian Rupee	307,567.10	0.0854	26,266.23
Macau Patacas	2,037,315.55	0.8985	1,830,466.90
Accounts payable	——	——	8,020,129.74
Including: US Dollar	509,544.27	7.1884	3,662,808.03
HK Dollar	4,623,537.52	0.9260	4,281,580.69
Macau Patacas	84,300.00	0.8985	75,741.02

Item	Foreign currency balance at the end of the year	Conversion rate	Balance converted into RMB at the end of the year
Payroll payable	——	——	35,147.24
Including: US Dollar	2,201.15	7.1884	15,822.75
Indian Rupee	226,282.08	0.0854	19,324.49
Tax payable	——	——	156,524.83
Including: US Dollar	5,233.26	7.1884	37,618.77
Euro	15,800.00	7.5257	118,906.06
Other payables	——	——	4,653,641.43
Including: US Dollar	273,389.68	7.1884	1,965,234.38
Euro	30,352.62	7.5257	228,424.71
Canadian Dollar	3,031.00	5.0498	15,305.94
Indian Rupee	389,733.96	0.0854	33,283.28
HK Dollar	2,600,000.00	0.9260	2,407,704.00
Macau Patacas	4,106.00	0.8985	3,689.12

75. Assets with restricted ownership or use right

Unit: RMB Ten thousand

Item	Book value at the end of the year	Reasons for the restrictions
Cash and cash equivalents	3,362,291.50	Acceptance bill deposit, frozen assets, legal deposit reserve of Chengdu Rural Commercial Bank, and financial deposit, etc.
Notes receivable	604.21	Bill pool pledge
Inventory	524,876.79	Mortgage loan
Fixed assets	68,401.70	Mortgage loan, counter guarantee, leaseback after sale and lease

Item	Book value at the end of the year	Reasons for the restrictions
Intangible assets	3,846.36	Mortgage loan, counter guarantee
Long-term equity investment	232,116.98	Pledge loan , Pledge , Freeze
Investment property	339,306.18	Mortgage loan
Receivables	17,685.07	Pledge
Receivables financing	1,711.72	Bill pool pledge
Other	18,134.70	Pledge loan

VIII. Contingencies

1. Major pending litigation

(1) Construction Engineering Group

As of December 31, 2024, there are 1426 pending litigations involving Construction Engineering Group and its subsidiaries with a total amount of RMB10,128,739,900.00. Among them, in a total of 179 litigations with an amount of RMB7,863,525,400.00 the Group and its subsidiaries are the plaintiffs, in a total of 1189 litigations with an amount of RMB 2,186,927,500.00 the Group and its subsidiaries are the defendants ; The details of litigations with large amount in which Construction Engineering Group and its subsidiaries are plaintiffs are as follows.

① In December 2023, Chengdu Construction Engineering Group Co., Ltd. filed a lawsuit against Sichuan Furen Real Estate Development Co., Ltd. for construction contract dispute involving the amount RMB 286,206,700.00 for the project of "Sunshine Shuiyun project in Hanyuan County". The original first instance is case No. (2023) Chuan 1823 Minchu No. 2627, and the second instance is case No. (2024) Chuan 18 Minzhong No. 817, and the first instance after retrial is case No. (2024) Chuan 1823 Minchu No. 2884. At present, after the retrial, the first instance has been cross-examined and appraisal institutions selected, the first trial was reopened on 21 November 2024.

② In July 2024, Chengdu Construction Engineering Group Co., Ltd. filed a lawsuit against Yunnan Huigang Investment Co., Ltd. for construction contract dispute involving the amount

RMB 894,160,000.00 for the project of "Financing and construction project of Kunming Airport Modern Plaza in Airport Economic Zone", case No. (2024) Yun 01 Minchu No. 494. In January 2025, the company received the judgment of the first instance of the case, and at present, the company has filed an appeal of the second instance.

③ In September 2023, Chengdu Construction Fourth Construction Engineering Co., Ltd. filed a lawsuit against Sichuan Dongyang Real Estate Development Co., Ltd. for construction project construction contract, case No. (2023) Chuan 1602 Minchu No. 6786, the amount involved was RMB 233,219,500.00 for the project of "Dongyang International Jinnan City". The court of first instance has ruled. The case has been appealed by the defendant and has not yet been heard.

④ In September 2023, Chengdu Construction Fourth Construction Engineering Co., Ltd. filed a lawsuit against Sichuan Dongyang Real Estate Development Co., Ltd. for construction project construction contract, case No. (2023) Chuan 1602 Minchu No. 6787, the amount involved was RMB467,900,500.00 for the project of "Dongyang International Bonan City". The court of first instance has ruled. The case has been appealed by the defendant and has not yet been heard.

⑤ In January 2021, Chengdu Construction Fifth Construction Engineering Co., Ltd. filed a lawsuit against Jiangyou Junhun Real Estate Development Co., Ltd. to Mianyang Municipal Intermediate People's Court, case No. (2021) Chuan 07 Minchu No. 21, demanding the defendant to pay RMB 201,171,500.00 of project payment, overdue interest, shutdown loss and other expenses for the project of "Jiangyou Wantong Huafu project". The first instance has been decided and the case is currently in the second instance.

⑥ In June 2024, Chengdu Construction Engineering Sixth Construction Engineering Co., Ltd. filed a lawsuit against Zigong Zhonggang Cultural Tourism Investment and Development Co., Ltd., Chengdu Gangruihuafeng Technology Co., Ltd. to Zigong Ziliujing District People's Court, case No. (2024) Chuan 0302 Minchu 2408, demanding the defendant to pay RMB 221,015,000.00 of project payment, overdue interest and other expenses for the project of "Zigong Zhonggang Shenhai Forest Project". The case is currently being heard.

⑦ In August 2024, Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd. filed a lawsuit against Dazhou Hongrun Real Estate Co., Ltd., Lanrun Real Estate Co., Ltd., Chengdu Haohua Junyu Real Estate Co., Ltd., Chengdu Shenghe Ruixing Real Estate Co., Ltd., Chengdu Lanrun Yaoheng Real Estate Co., Ltd., Nanchong Ruidahui Real Estate Co., Ltd.,

Nanchong Duhe Real Estate Co., Ltd., Dazhou Renhe Spring Investment Co., Ltd., Dazhou Renhe Spring Real Estate Co., Ltd., and Dazhou Shenghe Ruixiang Real Estate Co., Ltd., Chengdu Mingxin Xihao Industrial Co., Ltd., Nanchong Mingyue Industrial Co., Ltd. for construction project construction contract, case No. (2024) Chuan 1702 Minchu No. 6118, demanding the defendants to pay RMB 258,684,300.00 of project payment, interests and confirmation of priority for the project of "Dazhou Lanrun City Project". The first instance has been decided and the case is currently in the second instance.

⑧ In June 8, 2023, Chengdu Construction Eighth Construction Engineering Co., Ltd. filed a lawsuit against Chengdu Lanrun Yaoheng Real Estate Co., Ltd., Chengdu Lanrun Yaoheng Real Estate Co., Ltd., Lanrun Real Estate Co., Ltd., Shenzhen Lanrun Holdings Co., Ltd., case No. (2023) Chuan 01 Minchu No. 588, demanding the defendant to pay RMB 250,186,800.00 of project payment, shutdown loss, overdue interestand and other expenses for the project of "Lanrun City project No. 2 plot phase III general contracting project" and terminate the Construction Project Construction Contract and claim the priority right of compensation for the project price. Now the case has completed the judicial appraisal and trial procedures, and the first-instance judgment will be issued.

⑨ In April 2024, Chengdu Construction Eighth Construction Engineering Co., Ltd. filed a lawsuit against Chongqing Lanshen Real Estate Co., Ltd. to Chongqing Third Intermediate People's Court, case No. (2024) Yu 03 Minchu No. 3, demanding the defendant to pay RMB 229,456,700.00 for the project of "Chongqing Fuling Yongjinwan Project". At present, the case is in the first-instance trial stage, in the process of judicial appraisal of the project cost.

⑩ In January 2021, Chengdu No.9 Construction Engineering Co., Ltd. filed a lawsuit against Yilong Hengjun Xuefu Real Estate Development Co., Ltd., Nanchong Kainuo Real Estate Co., Ltd. to Yilong County People's Court, case No. (2024) Chuan 1324 Minchu No. 3710, demanding the defendant to pay RMB 239,990,700.00 for the project payment and overdue interest of "Ding Ren Heng Junfu Project". At present, the case is in the first-instance.

(2) As of December 31, 2024, Construction Engineering Group and its subsidiaries are involved in 1189 pending lawsuits in which they are the defendants, with a total value of RMB 2,186,927,500.00. Amount them, litigations with large amounts are as follows.

① In April 2024, Ovivo China Co., Ltd. filed a lawsuit against Chengdu Construction Engineering Group Co., Ltd. for construction project subcontract contract dispute case, case No. (2024) Chuan 0191 Minchu No. 7490, the amount involved was RMB 112,878,900.00 for the project payment and overdue interest of "Gexin integrated circuit". At present, the case is in the first-instance.

② In December 2023, Wenxiang Dai filed a lawsuit against Chengdu Construction First Construction Engineering Co., Ltd., Chengdu Tianzhifu Industry Co., Ltd. to Pidu District People's Court of Chengdu City, case No. (2024) Chuan 0117 Minchu No. 1547, the amount involved was RMB 47,261,200.00 the project of "Shidai Haoting Project". On August 23, 2024, the People's Court of Pidu District, Chengdu City issued a first-instance judgment:it rejected all claims of the plaintiff Dai Wen. Dai Wenfang has appealed and the case is currently in the second instance.

③ On November 14, 2023, Wenxiang Dai filed a lawsuit against Chengdu Construction First Construction Engineering Co., Ltd.、Chengdu Xinyizhou Urban Construction and Development Co., Ltd. to Pidu District People's Court of Chengdu City, case No. (2023) Chuan 0117 Minchu No. 11388, the amount involved was RMB 32,562,900.00 the project of "Xinyizhou Project". On October 29, 2024, the Pidu District Court of Chengdu City issued a first-instance judgment partially supporting Dai Wen's application. All three parties appealed. The case is currently in the second instance.

④ In February 2024, JD Cloud Computing Co., Ltd. filed a lawsuit against Chengdu Construction Fourth Construction Engineering Co., Ltd., Chongqing Romero Trading Co., Ltd., Chengdu Construction Engineering Group Co., Ltd. for the company's sales contract dispute case, case No. (2024) Chuan 0104 Minchu No. 3499, the amount involved was RMB 54,002,100.00 the project of "Ten Million Project" the 12th Division modern animal husbandry construction project, fanning farm and living area of strong and weak electricity, fire fighting, HVAC and water supply and drainage engineering and other installation projects. At present, the first trial has been held and no judgment has been made. Both parties have reported the criminal issues involved in this case, and the results have not been issued yet.

⑤ In November 2024, Sichuan Dingshi Hantou Development Co., Ltd. filed a lawsuit against Chengdu Construction Fourth Construction Engineering Co., Ltd. for the company's sales contract

dispute case, case No. (2024) Chuan 1823 Minchu No. 2709, the amount involved was RMB 23,912,400.00 the project of "General contracting project of plot A of new residence in Licheng" . At present, the first trial has been held and no judgment has been made. Both parties are negotiating mediation.

⑥ In June 2024, SuZhou Mackay System Integration Co., Ltd. filed a lawsuit against Chengdu Construction Fifth Construction Engineering Co., Ltd. , case No. (2024) Chuan 01 Minchu No. 705, demanding the defendant to pay RMB 124,371,200.00 for the project of "Subcontracting works of clean room, air conditioning, secondary process equipment and space exhaust in Zone A, Phase II of Jiepu Industrial Park" . The case was heard on July 31, 2024, and no judgment of first instance has been issued.

⑦ In March 2023, Chengdu Golden Valley Real Estate Co., Ltd filed a lawsuit against MCC Chengdu Survey and Research Institute Co., Ltd., Chengdu JZFZ Architectural Design Associates, Shenzhen Guoteng Architectural Design Consulting Co., Ltd., Sichuan Nancheng Construction Engineering Co., Ltd., Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd., Chengdu Xindu District 12 Construction Engineering Co., Ltd., Sichuan Xinghao Construction Engineering Testing Co., Ltd., Sichuan Kangli Project Management Co., Ltd. to Wenjiang District People's Court of Chengdu City, case No. (2023) Chuan 0115 Minchu No. 1631, case No. (2023) Chuan 01 Minchu No. 31285, demanding the defendant to pay total of joint and several compensation for losses, interest, new expenses and salaries of management personnel of RMB 47,946,800.00 for the "Golden Valley IV-2" Project. The first instance judgment rejects the plaintiff's claim; The plaintiff appealed, and the case is now in a second trial. The first instance rejected all the plaintiff's claims; The plaintiff appealed, Chengdu Intermediate People's Court of the second instance ruled to retrial, currently by the Wenjiang District court to apply the first instance procedure.

⑧ In March 2020, Chengdu Xingyue Real Estate Co., Ltd. applied appealed for an arbitration against Chengdu Construction Engineering Group Co., Ltd. to Chengdu Arbitration Commission, , case No. (2020) Chengzhong No. 257, demanding the respondent to bear the repair, redo the project payment and liquidated damages of RMB 55,596,900.00 for the project of "Xingyue Shangxiyuan". In January 2025, Chengdu Xingyue Real Estate Co., Ltd. withdrew its arbitration application.

⑨ In August 2022, Zhigang Wu filed a lawsuit against Chengdu No.9 Construction Engineering Co., Ltd. to Chengdu Wenjiang District People's Court, case No. (2022) Chuan 0115 Minchu No. 5384, demanding the defendant to pay the construction fee of RMB189,207,700.00. At the same time, Chengdu No.9 Construction Engineering Co., Ltd. applied to the court for judicial appraisal of the profit and loss situation of Jianianhua New Life Phase III project. The case is currently under judicial audit appraisal.

⑩ In December 2023, Sichuan Xinke Hongsheng Industrial Co., Ltd. filed a lawsuit against Chengdu Construction Engineering Decoration Co., Ltd, Shijiazhuang Zhongyuan Construction Design Co., Ltd. to Chengdu Jinjiang District People's court , case No. (2023) Chuan 0104 Minchu No. 26593, demanding the defendant to pay the construction fee of RMB35,443,800.00 for required to cancel the "General Contract for Construction Projects" signed with the defendant and the defendant's need to return the project funds and delayed construction costs of the "Chengdu Karamay Building Decoration and Reconstruction Project" project. At the same time, Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd. filed a counterclaim demanding termination of the Construction Project General Contracting Contract signed by both parties and the defendant to pay the construction fee and interest on overdue payments of RMB7,478,400.00. The case is currently in the first instance, quality appraisal has been issued waiting for the court hearing.

⑪ In October 2024, Chengdu Fengxiang Dada Trading Co., Ltd. filed a lawsuit against Chengdu Construction Engineering Group Co., Ltd. for the company's sales contract dispute case, case No. (2024) Chuan 0105 Minchu No. 17938, the amount involved was RMB19,981,300.00 the project of "Shuangnan Shangpin, Chengdu Public Kindergarten (the third batch) Xinjin Area, Farmers' Market, Jingrong Times". On December 23, 2024, the Company received the judgment of the first instance, and the judgment has become effective, after which the Company reached a settlement agreement withChengdu Fengxiang Dada Trading Co., Ltd.

⑫ In August 2024, Sichuan Shudao Shunxin Building Decoration Engineering Co., Ltd. filed a lawsuit against Chengdu Construction Fourth Construction Engineering Co., Ltd. for the company's sales contract dispute case, case No. (2023) Chuan 0104 Minchu No. 23196 the amount involved was RMB 19,184,200.00 (After that, the lawsuit request was increased by RMB 9,907,100.00) the project of "Block B, Beicheng Times" . The first-instance court has made a

judgment, and at present Chengdu Construction Fourth Construction Engineering Co., Ltd. has appealed, and reported the criminal issues involved in this case. It is understood that the second-instance court is expected to reject the plaintiff's lawsuit.

⑬ In May 2024, Wuxi Shi'anpu Cable Co., Ltd. filed a lawsuit against Chengdu Construction Fifth Construction Engineering Co., Ltd. to Jinniu District People's Court, case No. (2024) Chuan 0106 Minchu No. 11576, demanding the defendant to pay for purchase payment and interest of wire and cable RMB 19,063,100.00 for the project of "Jabu Industrial Park Phase II Zone A". The case was heard on August 29, 2024, and no judgment of first instance has been issued.

⑭ In November 2024, Jie Dong filed a lawsuit against Chengdu Construction Engineering Industrial Equipment Installation Co., Ltd., Sichuan Anhan Industrial Investment Group Co., Ltd., Sichuan Xiongzhou Industrial Co., Ltd., Chengdu Construction Engineering Group Co., Ltd. to People's Court of Jianyang City, case No. (2024) Chuan 0180 Minchu No. 6584, the amount involved was RMB20,908,000.00 for the project of "Relocation and construction of municipal Party school project in Jianyang city".At present, the court has held a pre-court conference on January 15, 2025, and several parties have conducted evidence exchange and cross-examination. In the future, they will continue to actively promote matters related to the litigation.

⑮ On September 4, 2024, Chengdu Huilong Commercial Concrete Co., Ltd. Longquan Branch filed a lawsuit against Chengdu Construction Engineering Group Co., Ltd., Chengdu Xingcheng Hongye Trading Co., Ltd. to People's Court of Sichuan Pilot Free Trade Zone, case No. (2024) Chuan 0193 Minchu No. 7520, he amount involved was RMB19,087,500.00 for the project of "Xinglong Lake Street Tianming village 84 mu ". The case is currently in the first trial.

2. China Zhonghua Geotechnical Engineering Group Co., Ltd.

Unit: 0’000

Plaintiff	Defendant	Cause of action	Court of acceptance/arbitration institution	Amount involved	Process of the case

Plaintiff	Defendant	Cause of action	Court of acceptance/arbitration institution	Amount involved	Process of the case
QIANGJIN INTERNATIONAL ENGINEERING LIMITED	CONNETE HONG KONG LIMITED	Disputes over construction subcontract	Hong Kong International Arbitration Centre	97,004.42 (HK dollar)	Arbitration stage (Note)
CONNETE HONG KONG LIMITED	QIANGJIN INTERNATIONAL ENGINEERING LIMITED	Disputes over construction contract	Hong Kong International Arbitration Centre	30,369.73 (HK dollar)	
Zhao Li,Liping Gu	China Zhonghua Geotechnical Engineering Group Co., Ltd Third party: Beijing Changdao Municipal Engineering Group Co., Ltd., Beijing New Tunnel Construction Engineering Co., Ltd.	Contract dispute	Daxing District People's Court of Beijing City	2,737.47	Stage of first instance
Xinjiang Gaohaitong Engineering Co., Ltd	Xinjiang Jingdai Weilu Earthwork Engineering Co., Ltd., Beijing Changdao Municipal Engineering Group Co., Ltd.	Dispute over contract of carriage	Urumqi Railway Transportation Court	2,579.42	Stage of first instance
Yunqing Liang	Shanghai Yuanfang Engineering Co., Ltd.	Guangzhou Arbitration Commission	Guangzhou Arbitration Commission	1,987.32	Stage of first instance
China Construction Fourth Engineering Bureau Co., Ltd	Shanghai Long-Team Groundwork Engineering Co., Ltd	Lanzhou Intermediate People's Court	Shenzhen Futian District People's Court	1,155.47	Stage of first instance

Note1: Dispute over construction contract between CONNETE HONG KONG LIMITED (hereinafter referred to as "Penstone Hong Kong" or the “claimant”) and QIANGJIN INTERNATIONAL ENGINEERING LIMITED (hereinafter referred to as the “respondent”) and the process is as follows.

In February 2022, QIANGJIN INTERNATIONAL ENGINEERING LIMITED received an email sent by Hong Kong International Arbitration Center which contains the arbitration request filed by CONNETE HONG KONG LIMITED on the disputes over the Subcontract Agreement for PVD, Gravel Pile, DCM and Vibro Compaction of the Main Reclamation Works of the Third Runway System Project (contract lot-3206) of Hong Kong Airport. The company disclosed the announcement on Litigation and Arbitration on February 19, 2022 (announcement number: 2022-008). For details, please refer to the announcement of that day. Qiangjin International received an email from Penstone Hong Kong in May 2022 concerning the Arbitration Application that Penstone Hong Kong had sent to HONG KONG INTERNATIONAL ARBITRATION CENTRE. The request for arbitration is as follows: 1) The respondent shall pay for HK $303,697,313.50 referred to in paragraphs 157 and 158 of the Application for Arbitration or the amount owed to the claimant under the subcontract of by the Arbitration Tribunal; 2) The respondent shall immediately provide the claimant with the parent company guarantee and performance guarantee referred to in paragraphs 163 and 167 of the Application for Arbitration; 3) If any part of the costs of HK $3,091,878.35 for the settlement of the labour dispute of the workers referred to in paragraph 131 of the Application for Arbitration has not been incurred, the respondent shall make a declaration that "the claimant is entitled to seek compensation from the respondent for the same amount"; 4) If any part of the HK $3,850,202.00 maintenance costs for crawler crane and generator mentioned in paragraph 140 of the Application for Arbitration has not been incurred, the respondent shall make a declaration that "the claimant is entitled to recover the same amount from the respondent"; 5) The respondent shall make a declaration referred to in paragraph 150 of the Application for Arbitration concerning, "If the claimant is liable to the general contractor for breach of contract under the general subcontract agreement, the respondent shall indemnify the claimant for such breach of contract; At the same time, the applicant shall have the right to claim compensation from the respondent for any other damages, costs and expenses incurred by the respondent as a result of the delay in subcontracting the construction"; 6) The

respondent shall make compensations for further/alternative damages in case of breach of contract and / or subcontract; 7) The respondent shall make payment of interests on the above amount; 8) The respondent shall make payment of fees and such further or other relief as the tribunal deems appropriate.

In August 2022, QIANGJIN INTERNATIONAL ENGINEERING LIMITED submitted the Defense and Counterclaim to the HONG KONG INTERNATIONAL ARBITRATION CENTRE, whichprovides defense and counterclaim to the arbitration matters of the above case. The counterclaim request of QIANGJIN INTERNATIONAL ENGINEERING LIMITED is as follows: 1) CONNETE HONG KONG LIMITED shall pay construction settlement fee of HK $970,044,185.67 to QIANGJIN INTERNATIONAL ENGINEERING LIMITED, or additional amounts payable by CONNETE HONG KONG LIMITED to QIANGJIN INTERNATIONAL ENGINEERING LIMITED according to the subcontract (modified by a supplementary agreement) as decided by the arbitrator; 2) As an alternative claim, QIANGJIN INTERNATIONAL ENGINEERING LIMITED demands CONNETE HONG KONG LIMITED to pay RMB 184,931,686.00 for the loss caused by cancelling the rubble pile project and HK $57,974,155.81 for other loss caused by missed/delayed work; 3) In addition, as an alternative claim, QIANGJIN INTERNATIONAL ENGINEERING LIMITED demand that CONNETE HONG KONG LIMITED pay damages due to improper cancellation of the project and breach of the subcontract and supplementary agreement; 4) CONNETE HONG KONG LIMITED pays ay for the compound interests on the above amount; 5) CONNETE HONG KONG LIMITED pays for arbitration costs; 6) CONNETE HONG KONG LIMITED provides uch further and/or other relief the arbitrator deems appropriate.

The formal hearing of the HONG KONG INTERNATIONAL ARBITRATION CENTRE (HKIC) was held from February 18 to March 5, 2024.

In August 2024, the Hong Kong International Arbitration Center issued the "Partial Award". The "Partial Award" only rules on liability issues. Regarding quantitative issues, further opinions from quantitative experts are needed to determine the correct balance between the parties.

On November 19, 2024, the Hong Kong International Arbitration Center issued the "Second Partial Award" to supplement the ruling on some qualitative matters.

3. Other matters

（1） Letter of Guarantee issued by China Zhonghua Geotechnical Engineering Group Co., Ltd.

Classification of the Letter of Guarantee	Date of issuance	Due date	Beneficiary/project	Amount （RMB）
Foreign quality guarantee	2024-3-1	2025-11-28	Celanese (NANJING) Chemical Company Ltd.	1,142,082.86
Foreign quality guarantee	2024-3-1	2025-11-28	Celanese (NANJING) Chemical Company Ltd.	1,573,309.51
Performance guarantee	2024-8-5	2025-6-30	Shandong Electric POWER Engineering Consulting Institute Corporation Limited	4,631,198.46
Migrant workers wage guarantee	2024-8-5	2025-6-30	Shandong Electric POWER Engineering Consulting Institute Corporation Limited	694,679.77
Performance guarantee	2024-8-23	2025-8-21	Zhonghua Bluestar Andisu Animal Nutrition Technology (Quanzhou) Co., Ltd.	4,835,769.54
Bid security	2024-9-10	2025-1-22	CNOOC and Shell Petrochemicals Company Limited	800,000.00
Bid security	2024-9-10	2025-1-22	Zhonghua Bluestar Andisu Animal Nutrition Technology (Quanzhou) Co., Ltd.	800,000.00
Bid security	2024-9-10	2025-1-22	CNOOC and Shell Petrochemicals Company Limited	800,000.00
Bid security	2024-9-10	2025-1-21	Zhonghua Bluestar Andisu Animal Nutrition Technology (Quanzhou) Co., Ltd.	800,000.00
Bid security	2024-10-30	2025-3-31	CNOOC and Shell Petrochemicals Company Limited	300,000.00
Bid security	2024-11-22	2025-4-18	Zhonghua Bluestar Andisu Animal Nutrition Technology (Quanzhou) Co., Ltd.	800,000.00
Advance payment guarantee	2024-11-22	2025-2-21	CNOOC and Shell Petrochemicals Company Limited	3,048,975.15
Performance guarantee	2024-11-22	2025-5-21	Zhonghua Bluestar Andisu Animal Nutrition Technology (Quanzhou) Co., Ltd.	3,713,820.91
Bid security	2024-11-25	2025-3-6	Cofco Real Estate (Beijing) Co., Ltd.	50,000.00
Performance guarantee	2024-12-4	2025-12-3	National Energy Group Xinjiang Hami Energy Chemical Co., Ltd.	1,873,706.61
Bid security	2024-12-30	2025-6-14	CNOOC and Shell Petrochemicals Company Limited	800,000.00
Bid security	2024-12-30	2025-6-14	CNOOC and Shell Petrochemicals Company Limited	800,000.00
Performance guarantee	2022-9-2	2025-3-3	CNOOC and Shell Petrochemicals Company Limited	30,106,952.06

Classification of the Letter of Guarantee	Date of issuance	Due date	Beneficiary/project	Amount （RMB）
Performance guarantee	2022-9-5	2025-3-1	Chengdu Xingcheng Investment Group Co., Ltd.	3,000,000.00
Performance guarantee	2023-10-27	2026-8-25	Chengdu Xingcheng Investment Group Co., Ltd.	26,542,619.75
Migrant workers wage deposit bank guarantee	2023-12-29	2026-10-31	Guangxi Airport Management Group Co., Ltd.	2,654,261.97
Performance guarantee	2021-1-25	2026-1-25	Nanning Human Resources and Social Security Bureau (Nanning Foreign Experts Bureau)	22,626,306.66
Warranty Guarantee	2024-2-8	2026-11-5	Wenzhou Longda Reclamation Development and Construction Co., Ltd.	6,513,930.72
Performance guarantee	2024-7-8	2025-6-25	Haikou Meilan International Airport Co., Ltd.	622,377.00
Advance payment refund guarantee	2024-9-13	2025-8-31	Shanghai International Airport Co., Ltd.	18,226,131.98
Performance guarantee	2021-7-15	2026-7-15	Yunnan Airport Group Co., Ltd. Xishuangbanna Regional Airport Management Branch	400,000.00
Performance bond	2024-8-1	2025-8-1	Nanjing Construction Personnel Service Management Center	1,656,711.84
Performance guarantee	2024-3-8	2025-3-5	CCCC Second Harbour Engineering Co., Ltd.	2,299,090.00
Performance guarantee	2023-3-17	2025-12-31	China Construction Eighth Bureau Rail Transit Construction Co., Ltd.	65,000.00
Performance guarantee	2022-8-19	2025-6-8	China State Construction Engineering Corporation Limited	111,750.00
Performance guarantee	2023-9-8	2028-8-31	Zhonghao Chenguang (Zigong) Fluorine Materials Co., Ltd.	441,728.38

（2） Credit commitment of Chengdu Rural Commercial Bank Co., Ltd.

The credit commitment of Chengdu Rural Commercial Bank Co., Ltd. is the approved but unused credit card overdraft limit, issued and accepted bank acceptance bill, financial guarantee and letter of credit services. Chengdu Rural Commercial Bank Co., Ltd. regularly evaluates the contingent losses of credit commitments and recognizes the estimated liabilities.

Credit card limit amount refers to the amount at which the card is fully used. Acceptance bill refers to the commitment made by Chengdu Rural Commercial Bank Co., Ltd. towards the bill issued by the customer. Chengdu Rural Commercial Bank Co., Ltd. expects that most of the acceptance bills will be settled at the same time as the customer's payment. The contract amount of letter of guarantee and letter of credit refers to the maximum loss that may occur if the other party of the transaction fails to fully perform the contract.

The credit card limit may not be used before expiration, and hence the contract amount below does not represent the expected cash outflow in the future.

RMB'000

Item	Closing balance	Opening balance
Unused credit card limit	20,410,134.00	29,154,348.00
Bank acceptance bill	7,040,483.00	11,305,343.00
Letter of guarantee	2,862,746.00	3,024,728.00
Letter of credit	1,184,967.00	825,269.00
Total	31,498,330.00	44,309,688.00

(3) Capital commitment

RMB'000

Item	Closing balance	Opening balance
Signed not paid	154,648.00	123,165.00
Approved but not signed	1,870.00	13,421.00
Total	156,518.00	136,586.00

(4) Bond underwriting and cashing commitment of Chengdu Rural Commercial Bank Co., Ltd.

As of December 31, 2024, the Group had no irrevocable bond underwriting commitment (as of December 31, 2023: none). As the underwriter of Chinese treasury bonds, Chengdu Rural Commercial Bank Co., Ltd. is responsible for cashing the bonds for the bondholders if they cash the bonds before the maturity according to the face value plus the unpaid interests on the cashing date. The accrued interests of the holders of issued debt securities is calculated in accordance with

the relevant rules of the Ministry of Finance and the Central Bank. The cashing amount may be different from the fair value of similar bonds traded in the market on the cashing date. On December 31, 2024, Chengdu Rural Commercial Bank Co., Ltd. commitment to pay RMB 3,699,000,000.00 for the sold but not yet matured treasury bonds based on the face value of the bonds（December 31, 2023:RMB 2,679,000,000.00）. The management believes that the amount of treasury bonds that Chengdu Rural Commercial Bank Co., Ltd. needs to pay in advance before the maturity date of these treasury bonds is not significant.

IX. Entrusted loan business

The entrusted loan business of Chengdu Rural Commercial Bank Co., Ltd. includes the acceptance of the entrustinggovernment departments, enterprises or individuals to issue entrusted loans with the funds provided by these parties. The Bank does not need to bear any credit risk in undertaking such business. The Bank only needs to hold and manage these assets and liabilities as an agent according to the instructions of the entrusting party, and charges handling fees for the services provided. Since the entrusted assets are not the assets of the Bank, they shall not be recognized in the balance sheet.

RMB'000

	December 31, 2024	December 31, 2023
Entrusted loan	5,223,189.00	4,711,676.00
Funds of entrusted loan	5,223,189.00	4,711,676.00

X.Events after balance sheet date

The Group has no events after the balance sheet date that need to be disclosed.

XI. Related party relations and transactions

1.The parent company

The parent company	Registered address	Business nature	Registered capital	Shareholding ratio owned by the parent company (%)	Proportion of voting rights owned by the parent company (%)
Chengdu State-owned Assets Supervision and Administration Commission	Chengdu	——	——	100.00	100.00

2. Subsidiaries

Please refer to note VI "Business combination and consolidated financial statements" for details.

3.Joint ventures and associates

Please refer to note VII (18) "Long-term equity investment".

4. Other related parties

Related party company	Relationship with the Group
Chengdu Zhihui New City Investment and Development Co., Ltd.	Minority shareholders of the subsidiary
Chengdu Yuexiu Real Estate Development Co., Ltd.	Minority shareholders of the subsidiary
Chengdu Jiaozi Modern Urban Industrial Development Co., Ltd.	Minority shareholders of the subsidiary
Sichuan Yajule Real Estate Development Co., Ltd.	Minority shareholders of the subsidiary
Long Success (Chengdu) Property Development Co., Ltd.	Minority shareholders of the subsidiary
China Railway Real Estate Group Huazhong	Related parties of the subsidiary's minority

Related party company	Relationship with the Group
Co., Ltd.	shareholders
Foshan Nanhai District Yuejia Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Dongxiu Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Dongyao Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongjing Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongsheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Southern Smart Media Industrial Park Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Baizheng Industrial Investment Partnership Enterprise (Limited Partnership)	Related parties of the subsidiary's minority shareholders
Guangzhou City Construction & Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Conghua Yueheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongjin Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Charcon REAL Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Wanhong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yingsheng Investment Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuehe Real Estate Development	Related parties of the subsidiary's minority

Related party company	Relationship with the Group
Co., Ltd.	shareholders
Guangzhou Yuerong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Crowd CAPITAL Limited	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Huacheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Jingyao Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou PengYe Trade Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Baicheng Investment Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Dongfeng Chemical Industry Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Zengcheng Yuehua Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Xinyue Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yajule Real Estate Management Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yongheng City Industry Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuehong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Chengkai Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Financial City	Related parties of the subsidiary's minority

Related party company	Relationship with the Group
Development Co., Ltd.	shareholders
Guangzhou Zhensui Investment Co., Ltd.	Related parties of the subsidiary's minority shareholders
Kunming Aigle Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Nantong Yajule Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Shanghai Lingyu Architectural Design Co., Ltd.	Related parties of the subsidiary's minority shareholders
Shanghai SongJiang Agile Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Xi'an Tiesheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Xishuangbanna Agile Tourism Property Co., Ltd.	Related parties of the subsidiary's minority shareholders
Agile Property LAND Co., Ltd.	Related parties of the subsidiary's minority shareholders
Agile Shared Services Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yahao Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yaheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yapei Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yunhe Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Xi'an China Railway Jingmao Real Estate	Related parties of the subsidiary's minority

Related party company	Relationship with the Group
Development Co., Ltd.	shareholders
Chengdu Yazhuo Zhengxin Real Estate Consulting Co., Ltd.	Related parties of the subsidiary's minority shareholders
China Railway Construction Group Northwest Branch	Related parties of the subsidiary's minority shareholders
China Merchants Xingcheng International Exhibition Center Co.	Associate of subsidiary
Ya'an Chengjian Industrial Construction Co., Ltd.	Associate of subsidiary
Gansu Foci Hongri Pharmaceutical Sales Co., Ltd.	Associate of subsidiary
Tianjin Hongrilikang Biotechnology Co., Ltd.	Associate of subsidiary
Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd.	A company invested by subsidiary
Beijing San Li Kang Cell Technology Co., Ltd.	Associate of subsidiary
Sichuan Jubaoyuan Investment Co., Ltd.	Minority shareholders of the subsidiary company's subsidiary
Sichuan Zhongjian Government and Social Capital Equity Investment Fund Partnership Enterprise (Limited Partnership)	Minority shareholders of the subsidiary company's subsidiary

5. Related party transactions

（1） Related party transactions

① Sales of goods

Related party	Amount in the current year	Amount in the previous year
Gansu Foci Hongri Pharmaceutical Sales Co., Ltd.	18,662,767.76	55,913,530.86
Tianjin Hongrilikang Biotechnology Co., Ltd.		259,530.96

Related party	Amount in the current year	Amount in the previous year
Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd.	1,687,609.92	3,245,131.78

② Purchase of goods or receipt of services

Related party	Amount in the current year	Amount in the previous year
Tianjin Hongrilikang Biotechnology Co., Ltd.	1,175,473.00	7,531,519.72
Beijing San Li Kang Cell Technology Co., Ltd.	8,230,000.00	8,230,000.00

③ Guarantee

1) The Company (Parent company) as the guarantor RMB0’000

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Construction Engineering Group Co., Ltd.	16,237.66	2025-3-18	No
Chengdu Xingcheng Investment Group Co., Ltd.	Sichuan Zhenguang Expressway Co., Ltd.	37,500.00	2053-8-9	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	70,000.00	2025-6-22	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	64,000.00	2028-1-25	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	150,000.00	2026-4-2	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	2,694.00	2025-1-17	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	116,700.00	2033-1-9	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	70,000.00	2025-7-17	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	170,000.00	2033-1-31	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	50,000.00	2031-9-15	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	20,000.00	2025-2-24	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	74,900.00	2025-11-29	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	135,200.00	2032-4-7	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	48,000.00	2032-4-26	No
Chengdu Xingcheng Investment Group	Chengdu Xingcheng Human Settlements Real	44,400.00	2032-5-25	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Co., Ltd.	Estate Investment Group Co., Ltd.			
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	89,850.00	2026-2-22	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	60,000.00	2025-3-15	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	50,650.00	2027-3-30	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	300,000.00	2028-8-14	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	163,800.00	2026-6-16	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	27,976.32	2025-6-28	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	300,000.00	2029-7-12	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	35,000.00	2026-3-1	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	33,620.00	2026-11-15	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	12,000.00	2027-6-25	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Merchants Xingcheng International Exhibition Center Co.	6,527.25	2036-11-24	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.）	7,519.00	2026-4-30	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.）/Chengdu Xingdong Real Estate Co., Ltd.	50,000.00	2042-12-21	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Medical and Health Investment Group Co., Ltd.	8,983.98	2045-12-16	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Medical and Health Investment Group Co., Ltd.	4,847.01	2045-12-16	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Center Construction Co., Ltd.	100,000.00	2026-7-26	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Center Construction Co., Ltd.	175,000.00	2028-6-21	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Rongcheng Hotel Management Co., Ltd.	17,500.00	2040-9-29	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Construction Engineering Group Tourism Co., Ltd.	42,800.00	2025-8-7	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	12,000.00	2025-9-30	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	253.92	2025-4-18	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	271.54	2025-11-28	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	10,000.00	2027-7-10	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	79,000.00	2025-9-7	No
Xingcheng Investment Group Co., Ltd./ Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	50,000.00	2028-8-28	No
Chengdu Xingcheng Investment Group Co., Ltd.	China Zhonghua Geotechnical Engineering Group Co., Ltd.	50,000.00	2028-12-25	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Home Housing Leasing Co., Ltd.	53,346.05	2048-3-16	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Home Housing Leasing Co., Ltd.	20,957.50	2048-3-17	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Commercial Operation Management Co., Ltd.	51,367.76	2033-3-16	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Home Housing Leasing Co., Ltd.	155,294.00	2053-8-4	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Home Housing Leasing Co., Ltd.	152,849.00	2053-8-31	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Commercial Operation Management Co., Ltd.	45,454.96	2034-2-22	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	82,000.00	2032-4-9	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	58,800.00	2036-6-30	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Huaneng Xingcheng Human Settlements Technology Co., Ltd.	6,392.04	2029-8-10	No
Chengdu Xingcheng Investment Group Co., Ltd.	Xingcheng (BVI) Limited	319,883.80	2026-1-20	No
Chengdu Xingcheng Investment Group Co., Ltd.	Xingcheng (BVI) Limited	215,652.00	2026-10-8	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu BOE Display Technology Co., Ltd.	100,000.00	2028-8-24	No
Chengdu Xingcheng Investment Group Co., Ltd.	Dujiangyan Irrigation Project Investment Development Group Co., Ltd.	89,940.00	2025-9-29	No
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Xingcheng Sports Industry Investment Co., Ltd.)	22,486.21	2044-2-8	No

2) The Company as the vouchee:

None

3) The subsidiaries of the Group who provided related guarantees to other subsidiaries, joint ventures and joint ventures.

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Rongou Beicheng Real Estate Co., Ltd.	240,810.78	2025/2/4	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Jinxing Real Estate Co., Ltd.	46,831.91	2031/11/29	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Baoyuan Real Estate Development Co., Ltd.	31,860.00	2024/12/20	Fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Baoyuan Real Estate Development Co., Ltd.	22,700.00	2024/12/20	Fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Duxin Real Estate Co., Ltd.	30,960.00	2024/12/29	Fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Chengxing Real Estate Co., Ltd.	44,253.66	2047/2/17	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Shuxing Real Estate Co., Ltd.	71,537.00	2032/3/27	Ongoing

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingyao Real Estate Co., Ltd.	4,492.00	2025/3/24	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingyao Real Estate Co., Ltd.	18,631.00	2025/3/22	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingyi Real Estate Co., Ltd.	47,415.00	2032/3/31	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingyi Real Estate Co., Ltd.	52,300.00	2032/4/11	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingqing Real Estate Co., Ltd.	87,690.00	2032/4/28	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingqing Real Estate Co., Ltd.	76,750.00	2032/5/9	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Deshang Real Estate Co., Ltd.	68,070.04	2025/4/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Deshang Real Estate Co., Ltd.	35,926.84	2046/12/20	Ongoing

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingle Real Estate Co., Ltd.	62,930.31	2025/6/30	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingya Real Estate Co., Ltd.	76,746.33	2025/6/30	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xinghui Real Estate Co., Ltd.	75,417.89	2025/6/30	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xiangcheng Real Estate Co., Ltd.	34,243.81	2047/7/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Chengxing Real Estate Co., Ltd.	32,042.93	2047/1/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Duxin Real Estate Co., Ltd.	19,765.00	2025/12/21	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Du'an Real Estate Co., Ltd.	20,228.23	2025/2/4	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Rong Ouqing Investment Industry Co., Ltd.	22,270.40	2028/1/20	Ongoing

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xinghuai Real Estate Co., Ltd.	6,439.50	2047/8/8	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xinghuai Real Estate Co., Ltd.	55,880.00	2027/2/27	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Chengxing Real Estate Co., Ltd.	14,094.00	2026/3/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Shuxing Real Estate Co., Ltd.	50,000.00	2038/3/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Jinxing Real Estate Co., Ltd.	18,600.00	2026/3/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xiangcheng Real Estate Co., Ltd.	22,699.22	2048/1/20	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xiangcheng Real Estate Co., Ltd.	68,090.00	2027/1/19	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Deshang Real Estate Co., Ltd.	20,000.00	2024/12/31	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment	Chengdu Habitat Xingle Real Estate Co., Ltd.	2,705.67	2049/3/27	Ongoing

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Group Co., Ltd.				
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingya Real Estate Co., Ltd.	2,913.92	2049/3/27	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xinghui Real Estate Co., Ltd.	10,405.24	2049/3/27	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingxin Real Estate Co., Ltd.	9,101.00	2029/5/28	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Residential Commercial Management Co., Ltd.	52,980.00	2039/5/30	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xingwang Real Estate Co., Ltd.	6,439.50	2029/7/11	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Tourism Hotel Co., Ltd.	4,000.00	2025/7/18	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Du'an Real Estate Co., Ltd.	35,000.00	2027/8/13	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Marketing Consulting Co., Ltd.	3,000.00	2025/8/30	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment	Chengdu Habitat Xingyao Real Estate Co., Ltd.	15,000.00	2026/9/10	Ongoing

The guarantor	The vouchee	Guaranteed amount (RMB0'000)	Ending date of the guarantee	Has the guarantee been fulfilled
Group Co., Ltd.				
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Xingcheng Human Settlements Marketing Consulting Co., Ltd.	6,000.00	2025/9/29	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Xixian New Area Xingcheng Residential Real Estate Co., Ltd.	4,397.50	2026/4/15	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Xinggang Real Estate Co., Ltd.	80,000.00	2027/11/25	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Guangzhou Hongyao Real Estate Development Co., Ltd.	9,450.00	2025/9/24	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	China Merchants Xingcheng International Exhibition Center Co.	6,527.25	2036/11/24	Ongoing
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Chengdu Habitat Jincheng Real Estate Co., Ltd.	2,718.60	2025/5/26	Ongoing
Chengdu Construction Engineering Real Estate Development Co., Ltd.	Sichuan Nanxingheng Real Estate Co., Ltd.	6,549.90	2025/10/27	Ongoing
Chengdu No.9 Construction Engineering Co., Ltd.	Chengdu Xingcheng Investment Group Co., Ltd.	600,000.00	2026/12/31	No
Chengdu Xingcheng Supply Chain Group Co., Ltd.	Chengdu Construction Tianfu Construction Development Co., Ltd.	36,915.30	2048/3/7	No

Continued:

The guarantee made by Construction Engineering Real Estate to its subsidiaries, joint ventures and associates

The vouchess	Matter of guarantee	Debt guarantee amount (RMB 0'000)	Latest guarantee expiration date	Notes
I. Subsidiaries				
Chengdu Construction First Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	800.00	2025-12-31	
Chengdu Construction Third Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	7,000.00	2025-1-4	
Chengdu Construction Fourth Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	500.19	2026-8-31	
Chengdu Construction Fifth Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	10,164.03	2026-1-26	
Chengdu Construction Engineering Sixth Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	5,356.00	2025-10-30	
Chengdu Construction Engineering Seventh Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	13,160.00	2026-11-15	

The vouchess	Matter of guarantee	Debt guarantee amount (RMB 0'000)	Latest guarantee expiration date	Notes
Chengdu Construction Eighth Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	1,445.28	2026-4-19	
Chengdu No.9 Construction Engineering Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	18.00	2025-6-30	
Chengdu Construction Engineering Decoration Co., Ltd.	Bank loan, letter of guarantee, bank acceptance guarantee	2,000.00	2025-1-4	
II. Other companies.				
Sichuan Zhenguang Expressway Co., Ltd.	Bank loan	42,600.00	2053-8-9	

The above guarantees of Construction Engineering Real Estate involve a large number of guaranteed amountsand is the aggregate amount of each company's guarantee, consisting of multiple guarantees. The above expiration date is the expiration date for the last guarantee.

④ Provision of funds (loans)

Related party	Funding to related parties	Related parties provide funds to the group
Sichuan Jubaoyuan Investment Co., Ltd.		31,170,000.00
Sichuan Zhongjian Government and Social Capital Equity Investment Fund		163,120,000.00

Partnership Enterprise (Limited Partnership)		

⑤ Other related party transactions

There are no related party transactions that need to be disclosed other than the above-mentioned transactions.

⑥ Balance of receivables and payables of related parties

Item	Related party	Closing balance	Opening balance
Accounts receivable	Gansu Foci Hongri Pharmaceutical Sales Co., Ltd.	10,095,707.35	13,117,292.97
Prepayment	Beijing San Li Kang Cell Technology Co., Ltd.	2,740,000.00	8,230,000.00
Other receivables	Shenzhen Qianhai Zhaoxing Jushi Industrial Co., Ltd.	11,292,046.14	11,512,531.27
Other receivables	Chengdu Deming Land Consolidation Co., Ltd.	61,000,000.00	61,000,000.00
Other receivables	Guangzhou Yuexiu Chengkai Real Estate Development Co., Ltd.	26,192,661.01	37,668,028.03
Other receivables	Guangzhou City Construction & Development Co., Ltd.	1,628,031,264.12	919,499.04
Other receivables	Crowd CAPITAL Limited		379,948.71
Other receivables	Chengdu Kasha Decoration Design Co., Ltd.		300,561.60
Other receivables	Chengdu Zhihui New City Investment and Development Co., Ltd.		95,840.63
Other receivables	Long Success (Chengdu) Property Development Co., Ltd.	42,750.00	538,234.96
Other	Chengdu Deming Land Consolidation Co.,	19,483,986.64	77,935,946.56

Item	Related party	Closing balance	Opening balance
receivables	Ltd.		
Long-term payables	Chengdu Zhihui New City Investment and Development Co., Ltd.	261,384,553.83	1,952,876,342.37
Long-term payables	Long Success (Chengdu) Property Development Co., Ltd.	34,993,688.33	202,602,520.82
Long-term payables	Guangzhou Yuexiu Chengkai Real Estate Development Co., Ltd.	8,707,686.67	80,806,244.45
Contractual liability	Tianjin Hongrilikang Biotechnology Co., Ltd.		12,106.20
Contractual liability	Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd.	9,433.96	9,433.96
Other current liabilities	Tianjin Hongrilikang Biotechnology Co., Ltd.		1,573.80
Other current liabilities	Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd.	566.04	566.04

XII. Main items in the financial statements of the parent company

1. Accounts receivables

（1） Basic information of accounts receivables

① Accounts receivables by the method of making the bad debt provisions

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage（%）	Amount	Expected credit loss rate / percentage（%）	

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage (%)	Amount	Expected credit loss rate / percentage (%)	
Accounts receivables that are individually provided for bad debts					
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	185,602,253.30	100.00	1,857,637.56	1.00	183,744,615.74
Including:					
Portfolio 1:Aging portfolio	32,053,423.00	17.27	1,857,637.56	5.80	30,195,785.44
Portfolio 2:Related party portfolio	144,515,674.09	77.86			144,515,674.09
Portfolio 3:Government debt	9,033,156.21	4.87			9,033,156.21
Portfolio 4:Credit period portfolio					
Total	185,602,253.30	——	1,857,637.56	——	183,744,615.74

Continued:

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage (%)	Amount	Expected credit loss rate / percentage (%)	
Accounts receivables that are individually provided for bad debts	245,987,973.92	100.00	851,353.62	0.56	245,136,620.30
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics					
Including:					
Portfolio 1:Aging portfolio	27,301,335.55	11.10	851,353.62	3.12	26,449,981.93
Portfolio 2:Related party portfolio	101,641,324.95	41.32			101,641,324.95
Portfolio 3:Government debt	117,045,313.42	76.33			117,045,313.42
Portfolio 4:Credit period portfolio					
Total	245,987,973.92	——	851,353.62	——	245,136,620.30

Note: The proportion in book balance is calculated by dividing accounts receivable by the total amount of accounts receivable at the end of the year, and the proportion of bad debt provisions is calculated by dividing the bad debt provisions accrued at the end of the year by the amount of accounts receivable at the end of the period.

② Accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	148,033,010.50	193,218,027.32
1-2 years	32,733,896.83	45,134,978.61
2-3 years	42,033.01	2,101,080.32
Over 3 years	4,793,312.96	5,533,887.67
Subtotal	185,602,253.30	245,987,973.92
Less: Provisions for bad debts	1,857,637.56	851,353.62
Total	183,744,615.74	245,136,620.30

（2） There are no accounts receivables individually provided for bad debt provisions at the end of the year.

（3） Accounts receivable provided for bad debt according to portfolio of credit risk characteristics

① Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage（%）		Amount	Percentage（%）	
Within 1 year (including 1 year)	6,759,241.42			23,383,120.74	85.65	
1-2 years (including 2 years)	22,711,780.55	5.00	1,135,589.03			
2-3 years (including 3 years)				28,740.00	0.10	1,437.00

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage (%)		Amount	Percentage (%)	
Over 3 years	2,582,401.03	27.96	722,048.53	3,889,474.81	14.25	849,916.62
Total	32,053,423.00	—	1,857,637.56	27,301,335.55	100	851,353.62

② Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	Percentage (%)	Bad debt provisions	Book balance	Percentage (%)	Bad debt provisions
Portfolio 2:Related party portfolio	144,515,674.09			101,641,324.95		
Portfolio 3:Government debt	9,033,156.21			117,045,313.42		
Total	153,548,830.30	—		218,686,638.37	—	

(4) There are no bad debt provisions recovered or reversed in the current year.

(5) There are no accounts receivable that are actually written off in the current year.

(6) The top 5 debtors based on the closing balance of the accounts receivables

Debtor	Book balance	Proportion in total accounts receivable (%)	Bad debt provisions

Debtor	Book balance	Proportion in total accounts receivable（%）	Bad debt provisions
Chengdu Xingcheng Tianfu International Hotel Co., Ltd. East New Area Branch	118,321,488.44	63.75	
Chengdu Construction Engineering Group Tourism Co., Ltd.	16,638,164.00	8.96	
Chengdu Runjincheng Industry Co., Ltd.	7,747,366.50	4.17	
Chengdu Shentai Hotel Co., Ltd.	3,847,256.52	2.07	192,362.83
Chengdu Youth Palace	3,293,900.00	1.77	
Total	149,848,175.46	80.74	192,362.83

（7） There are no accounts receivable derecognized due to the transfer of financial assets in the current year.

（8） There are no accounts receivable transferred in the current year.

2. Other receivables

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	446,336,059.12	9,752,806.48
Other receivables	28,169,849,029.80	16,783,648,901.52
Total	28,616,185,088.92	16,793,401,708.00

（1） Dividends receivable

Item	Closing balance	Opening balance	Reasons of not being received	Whether there is impairment and the evidence

Item	Closing balance	Opening balance	Reasons of not being received	Whether there is impairment and the evidence
Dividends receivable due within one year	436,583,252.64		——	——
Including: Chengdu Runjincheng Industry Co., Ltd.)	11,005,848.85			No
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	13,587,279.93			No
Chengdu Tianfu Rural Development Group Co., Ltd.	4,797,441.28			No
Chengdu Xingcheng Capital Management Co., Ltd.	6,257,904.72			No
Chengdu Construction Engineering Group Co., Ltd.	346,883,151.00			No
Chengdu Tianfu Greenway Cultural Tourism Development Group Co., Ltd.	6,051,626.86			No
Chengdu Xingcheng Supply Chain Group Co., Ltd.	48,000,000.00			No
Dividends receivable due over one year	9,752,806.48	9,752,806.48	——	——
Including; Tianjin Chase Sun Pharmaceutical Co., Ltd.	9,752,806.48	9,752,806.48	Be frozen	No
Total	446,336,059.12	9,752,806.48		

(2) Other receivables

① Basic information of other receivables

1) Other receivables by the method of making provision for bad debt

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage (%)	Amount	Expected credit loss rate (%)	
Other receivables that are individually provided for bad debts					
Other receivables that are provided for bad debts based on the portfolio of credit risk characteristics	28,171,566,518.20	100.00	1,717,488.40	0.01	28,169,849,029.80
Total	28,171,566,518.20	100.00	1,717,488.40	0.01	28,169,849,029.80

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage (%)	Amount	Expected credit loss rate /percentage of provisions (%)	
Other receivables that are individually provided for bad debts					

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage（%）	Amount	Expected credit loss rate /percentage of provisions（%）	
Other receivables that are provided for bad debts based on the portfolio of credit risk characteristics	16,785,366,389.92	100.00	1,717,488.40	0.01	16,783,648,901.52
Total	16,785,366,389.92	100.00	1,717,488.40	0.01	16,783,648,901.52

Note: the proportion in book balance is calculated by dividing the other receivables by the total amount of other receivables at the end of the year, and the proportion of bad debt provision is calculated by dividing the bad debt provisions accrued at the end of the year by the amount of such other receivables at the end of the year.

2) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	19,633,109,027.16	10,690,863,042.99
1-2 years	4,081,875,077.23	582,286,705.51
2-3 years	581,716,126.94	2,659,613,558.63
Over 3 years	3,874,866,286.87	2,852,603,082.79
Subtotal	28,171,566,518.20	16,785,366,389.92
Less: Provisions for bad debts	1,717,488.40	1,717,488.40
Total	28,169,849,029.80	16,783,648,901.52

② There are no other receivables provided for bad debt individually in the current year.

③ Other receivables provided for bad debt according to portfolio of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage (%)		Amount	Percentage (%)	
Within 1 year (including 1 year)						
1-2 years (including 2 years)						
2-3 years (including 3 years)						
Over 3 years	4,293,720.98	100.00	1,717,488.40	4,293,720.98	100.00	1,717,488.40
Total	4,293,720.98	—	1,717,488.40	4,293,720.98	100.00	1,717,488.40

2) Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	Percentage(%)	Bad debt provisions	Book balance	Percentage (%)	Bad debt provisions
Related party transactions	28,126,978,071.68			16,747,116,495.47		

Portfolio	Closing balance			Opening balance		
	Book balance	Percentage（%）	Bad debt provisions	Book balance	Percentage（%）	Bad debt provisions
Government bond and margin portfolio	31,264,991.51			27,289,701.08		
Settlement of imprest funds and other items	9,000,914.82			6,666,472.39		
Total	28,167,243,978.01			16,781,072,668.94	—	

3) Details of other receivables provided for bad debts

Bad debt provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	1,717,488.40			1,717,488.40
Opening balance in the current year:				
——Transferred to stage 2				
—— Transferred to stage				

Bad debt provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
3				
—— Reversed to stage 2				
—— Reversed to stage 1				
Provisions made in the current year				
Provisions reversed in the current year				
Provisions cancelled in the current year				
Provisions written off in the current year				
Other changes				
Closing balance	1,717,488.40			1,717,488.40

④ There are no bad debt provisions recovered or reversed in the current year.

⑤ There are no other receivables actually written off in the current year.

⑥ The top 5 debtors based on the closing balance of the other receivables

Debtor	Nature of the receivables	Book balance	Aging	Percentage in total other receivables (%)	Bad debt provisions

Debtor	Nature of the receivables	Book balance	Aging	Percentage in total other receivables (%)	Bad debt provisions
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.	Related party borrowings	16,274,478,038.92	Less than 1 year	57.77	
Chengdu Runjincheng Industry Co., Ltd.)	Related party borrowings	2,400,000,000.00	Less than 1 year 115,000,000, 1-2 years 2,285,000,000	8.52	
Chengdu Center Construction Co., Ltd.	Related party borrowings	671,000,000.00	Less than 1 year 1	2.38	
Chengdu Construction Engineering Group Co., Ltd.	Related party borrowings	250,132,603.60	1-2 years 13,063,194.45, 2-3 years 236,848,809.15, over 3 years 220,600	0.89	
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	Related party borrowings	4,452,656,582.44	Less than 1 year 1 1,414,559,589.03, 1-2 years 1,780,450,320.77, 2-3 years	15.81	

Debtor	Nature of the receivables	Book balance	Aging	Percentage in total other receivables (%)	Bad debt provisions
			238,792,610.69, over 3 years 1,018,854,061.95		
Total	—	24,048,267,224.96		85.36	

⑦ There are no other receivables derecognized due to the transfer of financial assets in the current year.

⑧ There are no other receivables transferred in the current year.

⑨ There are no other receivables related to government subsidies in the current year.

3. Long-term equity investments

（1） Classification of long-term equity investments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Investment in subsidiaries	55,644,221,515.09	796,375,613.35		56,440,597,128.44
Investment in associates				
Investment in joint ventures	2,740,465,234.02	248,675,118.04	873,221,796.19	2,115,918,555.87
Subtotal	58,384,686,749.11	1,045,050,731.39	873,221,796.19	58,556,515,684.31
Less:Impairment provisions of long-term equity				

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
investment				
Total	58,384,686,749.11	1,045,050,731.39	873,221,796.19	58,556,515,684.31

（2） Details of long-term equity investment

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Total	58,081,262,162.90	58,384,686,749.11	1,068,055,656.95	813,000,000.00	-1,580,782.78	6,760,126.68		30,617,062.72		-57,789,002.93	58,556,515,684.31	
1.Subsidiaries	55,763,452,444.90	55,644,221,515.09	796,375,613.35								56,440,597,128.44	
Chengdu Xingcheng Sports Industry Investment Co., Ltd.)	570,000,000.00	570,000,000.00									570,000,000.00	
Chengdu Rural Commercial Bank Co.,	17,184,115,400.00	17,064,884,469.13									17,064,884,469.13	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Ltd.												
Chengdu Xingcheng Jianzhou Investment and Operation Co., Ltd.	460,000,000.00	460,000,000.00									460,000,000.00	
Chengdu Xingcheng Supply Chain Group Co., Ltd.	1,600,000,000.00	1,600,000,000.00									1,600,000,000.00	
Chengdu Tianfu	45,000,000.00	45,000,000.00									45,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Greenway Cultural Tourism Development Group Co., Ltd.												
Tianjin Chase Sun Pharmaceutical Co., Ltd.	2,480,227,394.00	2,480,227,394.18									2,480,227,394.18	
Chengdu Construction Engineering Group Co., Ltd.	10,322,983,939.00	10,322,983,938.95									10,322,983,938.95	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Chengdu Rongcheng Football Club Co., Ltd.	28,500,000.00	28,500,000.00									28,500,000.00	
China Zhonghua Geotechnical Engineering Group Co., Ltd.）	2,346,679,490.00	2,346,679,490.44									2,346,679,490.44	
Chengdu Medical and Health Investment Group Co.,	1,585,525,000.00	1,585,525,000.00									1,585,525,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Ltd.												
Chengdu Rongcheng Hotel Management Co., Ltd.	600,000,000.00	600,000,000.00									600,000,000.00	
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.)	4,800,000,000.00	4,800,000,000.00	200,000,000.00								5,000,000,000.00	
XINGCHENG	118,733,403.90	118,733,403.90									118,733,403.90	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
INTERNATIONAL INVESTMENT CO., LIMITED												
Chengdu Center Construction Co., Ltd.	1,909,500,000.00	1,909,500,000.00	65,000,000.00								1,974,500,000.00	
Chengdu Xingcheng Capital Management Co., Ltd.	1,433,300,000.00	1,433,300,000.00	531,375,613.35								1,964,675,613.35	
Chengdu Runjincheng Industry	100,000,000.00	100,000,000.00									100,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Co., Ltd.												
Chengdu Tianfu Rural Development Group Co., Ltd.	2,742,412,518.00	2,742,412,518.49									2,742,412,518.49	
Chengdu Xingcheng Human Settlements Real Estate Investment Group Co., Ltd.)	7,376,440,000.00	7,376,440,000.00									7,376,440,000.00	
Chengdu	60,035,300.00	60,035,300.00									60,035,300.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Xingcheng Construction Management Co., Ltd.												
2. Joint venture												
3.Associate	1,476,489,761.60	2,740,465,234.02	271,680,043.60	813,000,000.00	-1,580,782.78	6,760,126.68		30,617,062.72		-57,789,002.93	2,115,918,555.87	
Chengdu Dongjing Gas Co., Ltd.	13,720,000.00	13,692,738.09			178,065.51						13,870,803.60	
Sichuan Chuantou	105,000,000.00	109,057,608.03			-3,334,267.41			2,100,000.00			103,623,340.62	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Power Sales Co., Ltd.												
CHINA SICHUAN INTERNATIONAL INVESTMENT LIMITED	271,984,000.00	224,232,206.06			4,814,118.10	7,500,775.09					236,547,099.25	
Chuantou International Nepal Hydropower Joint Development Company	20,305,718.00	17,247,836.16			8,132.88	-191,939.29					17,064,029.75	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Chengdu Huaneng Xingcheng Human Settlements Technology Co., Ltd.	49,000,000.00	33,952,287.63			-12,654,863.94						21,297,423.69	
Chengdu Tianfu Art Park Investment Co., Ltd.	150,000,000.00	908,509,287.09			-7,532,769.59						900,976,517.50	
Jintai Property & Casualty Insurance Co., Ltd.	271,680,043.60		271,680,043.60		3,396,689.61	-548,709.12		332,793.26			274,195,230.83	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Chengdu Horticultural Expo Operation and Development Co., Ltd.	220,000,000.00	221,649,189.68			-47,577,275.72						174,071,913.96	
Chengdu Huanxi Xingcheng Investment Management Center (Limited Partnership)		134,000,000.00		134,000,000.00	5,645,892.66			5,645,892.66			0.00	
Sichuan Zipingpu	1,800,000.00	1,272,196.67									1,272,196.67	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Reservoir Environmental Treatment Co., Ltd.												
Chengdu Guangzhi Xingcheng Investment Management Center (Limited Partnership)		199,000,000.00		199,000,000.00	8,402,657.55			8,402,657.55			0.00	
Chengdu Hanze Xingcheng Investment	200,000,000.00	200,000,000.00			7,941,423.60			7,941,423.60			200,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Management Center (Limited Partnership)												
Chengdu Zhonghe Xingcheng Investment Management Center (Limited Partnership)	167,000,000.00	167,000,000.00			6,194,295.65			6,194,295.65			167,000,000.00	
Chengdu Science and Technology Innovation Investment		504,851,884.61		480,000,000.00	32,937,118.32					-57,789,002.93	0.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Group Co., Ltd.												
Chengdu Xingcheng Green Building Materials Co., Ltd.	6,000,000.00	6,000,000.00									6,000,000.00	

4. Operating income and operating expenses

Item	Amount of the current year		Amount of the previous year	
	Income	Expense	Income	Expense
1.Subtotal of main businesses	859,159,913.48	100,300,864.21	616,998,274.55	108,293,353.17
Income from agent construction business	370,211,741.23		122,830,729.69	
Income from asset leasing	479,175,436.44	100,300,864.21	475,962,827.79	108,293,353.17
Income from agency construction business	9,772,735.81		18,204,717.07	
2.Subtotal of other businesses	224,520,330.90		225,045,199.29	
Income from land use fee	6,862,978.71		6,985,384.06	
Other income from property services	327,788.43		666,464.94	
Others	217,329,563.76		217,393,350.29	
Total	1,083,680,244.38	100,300,864.21	842,043,473.84	108,293,353.17

5. Investment income

Item	Amount of the current year	Amount of the previous year
Investment income from long-term equity investment income under the equity method	-1,580,782.78	21,851,691.91
Investment income from long -term equity investment income under the cost method	981,623,175.15	1,122,928,975.28
Investment income from trading financial assets during the holding period	5,935,504.14	900,497.49
Other		5,379,270.90
Total	985,977,896.51	1,151,060,435.58

XIII. Others disclosure in accordance with relevant financial accounting provisions

According to the "Equity Transfer Agreement of Beijing Changdao Municipal Engineering Group Co., Ltd" signed by the Company and the original shareholders of Beijing Changdao Municipal Engineering Group Co., Ltd., "the businesses and assets not included in the acquisition scope shall be separately handled by both parties through negotiation". According to the supplementary agreement signed by both parties, the properties and vehicles to be divested are specified. As of December 31, 2024, the Company and the original shareholders of Beijing Changdao Municipal Engineering Group Co., Ltd. are in the process of all divestiture matters.

Chengdu Xingcheng Investment Group Co., Ltd.

April 30, 2025

Legal Representative: **Chief Financial Officer:** **Chief Accountant:** 张旭松

Chengdu Xingcheng Investment Group Co., Ltd.

Auditors' Report

ZHSZ（2024）No. 2800012

Table of Contents

	No. of pages
Auditors' Report	
Financial Statements	
Consolidated Balance Sheet	1
Consolidated Income Statement	3
Consolidated Statement of Cash Flows	4
Consolidated Statement of Changes in Owners' Equity	5
Balance Sheet	7
Income Statement	9
Statement of Cash Flows	10
Statement of Changes in Owners' Equity	11
Notes to the Financial Statements	13

AUDITOR'S REPORT

ZHSZ (2024) No. 2800012

To all shareholders of Chengdu Xingcheng Investment Group Co., Ltd.:

Opinion

We have audited the financial statements of Chengdu Xingcheng Investment Group Co., Ltd. (hereinafter referred to as "the Group"), which consist of the consolidated and the parent company's balance sheets as at December 31, 2023, the consolidated and the parent company's income statements, the statements of cash flows, and the changes in owners' equity for the year then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and parent company's financial position as at December 31, 2023, and their financial performance and cash flows for the year then ended in accordance with the Accounting Standards for Business Enterprises.

Basis of Opinion

We conducted our audit in accordance with the Chinese Standards on Auditing (CSA). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for Auditing the Financial Statements" section of our report. We are independent of the Group in accordance with Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management of the Group (hereinafter referred to as "the Management") is responsible for the preparing and presenting fair the financial statements in accordance with the Accounting Standards for Business Enterprises, and designing, implementing, and maintaining internal control which is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for Auditing the Financial Statements

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

As part of an audit in accordance with the CSA, we exercise professional judgement and maintain professional skepticism throughout the audit. At the same time, we also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

• Conclude on the appropriateness of the Management’s use of the assumption of going concern and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair representation.

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

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

Zhongshenzhonghuan Certified Public Accountants LLP

Chinese Certified Public Accountant:

HUANG Jian

Chinese Certified Public Accountant:

WANG Jie

Wuhan, China

April 17, 2024

Consolidated Balance Sheet (Assets)

December 31, 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Assets	Note	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents	VII(1)	86,525,378,701.72	65,705,140,794.12
△Provision of settlement fund			
△Funds lent	VII(2)	24,895,050,881.13	24,903,990,053.97
Trading financial assets	VII(3)	59,935,216,641.60	62,267,035,516.47
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivables	VII(4)	397,051,900.68	1,262,866,807.32
Accounts receivables	VII(5)	26,392,076,245.85	27,657,344,070.53
Accounts receivables financing	VII(6)	120,646,239.15	124,934,855.36
Prepayment	VII(7)	4,680,554,679.31	7,879,535,463.42
△Premium receivable			
△Reinsurance accounts receivable			
△Provision of reinsurance receivable			
Other receivables	VII(8)	12,471,233,493.92	11,858,670,376.58
Including: Interest receivable		26,172,279.53	10,666,983.23
Dividends receivable			914,180.00
△ Redemptory monetary capital for sale	VII(9)	7,798,945,645.60	14,638,916,662.79
Inventory	VII(10)	78,373,337,285.18	68,562,772,473.26
Contract assets	VII(11)	65,729,652,412.32	58,096,304,911.69
Held-for-sale assets			
Non-current assets due within one year	VII(12)	69,989,496.71	838,618,515.20
Other current assets	VII(13)	6,316,188,029.73	4,681,203,321.90
Total current assets		**373,705,321,652.90**	**348,477,333,822.61**
Non-current assets:			
△Loans and payments on behalf	VII(14)	400,172,541,719.65	346,637,855,283.42
Investments in debt	VII(15)	235,039,443,555.45	211,658,286,583.22
Available-for-sale financial assets			
Other investments in debt	VII(16)	37,099,187,161.34	11,729,812,781.66
Held-to-maturity investment			
Long-term receivables	VII(17)	3,378,101,550.48	7,118,493,931.00
Long-term equity investments	VII(18)	5,358,908,751.30	2,699,048,262.81
Other investments in equity instrument	VII(19)	2,313,514,720.15	1,854,206,635.34
Other non-current financial assets	VII(20)	507,581,515.70	549,271,563.12
Investment property	VII(21)	28,182,086,800.92	24,589,577,927.21
Fixed assets	VII(22)	13,147,980,434.77	12,033,836,354.59
Construction in progress	VII(23)	106,769,949,487.67	87,431,293,378.82
Productive biological assets	VII(24)	93,797,241.93	
Oil and gas assets			
Right-of-use assets	VII(25)	1,069,384,811.16	896,968,781.16
Intangible assets	VII(26)	3,641,158,674.28	2,979,645,064.19
Development expenditure	VII(27)	455,735,444.40	383,011,850.24
Goodwill	VII(28)	1,811,739,076.36	2,031,371,948.53
Long-term deferred expenses	VII(29)	411,152,248.95	355,862,740.84
Deferred tax assets	VII(30)	9,098,867,982.91	7,894,794,058.19
Other non-current assets	VII(31)	4,784,576,307.83	4,268,396,876.77
Total non-current assets		**853,335,707,485.25**	**725,111,734,021.11**
Total assets		**1,227,041,029,138.15**	**1,073,589,067,843.72**

Legal Representative: Chief Financial Officer: 袁媛 Chief Accountant: 王薇

Consolidated Balance Sheet (Liabilities and Owners' Equity)

December 31, 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Liabilities and owners' equity	Note	Ending balance	Beginning balance
Current liabilities:			
Short-term borrowings	VII(32)	12,670,086,174.51	11,956,810,698.73
△Borrowings from the Central Bank	VII(33)	79,093,412,825.71	41,571,754,253.71
△Funds borrowed	VII(34)	2,081,803,994.59	1,886,202,015.50
Trading financial liabilities	VII(35)	2,925,284,616.39	1,795,615,468.57
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payables	VII(36)	3,009,750,382.86	4,702,399,160.71
Accounts payables	VII(37)	81,608,030,876.32	73,929,007,595.29
Advance from customers	VII(38)	219,963,046.58	264,643,346.63
Contract liabilities	VII(39)	13,517,809,556.41	9,174,881,874.40
△Financial assets sold for repurchase	VII(40)	8,619,539,105.01	3,737,809,783.44
△Savings absorbed and deposits from other banks	VII(41)	605,072,664,016.73	523,894,591,104.49
△Acting trading securities			
△Acting underwriting securities			
Payroll payables	VII(42)	3,657,634,947.62	2,698,277,107.80
Taxes payables	VII(43)	2,815,969,399.43	4,066,662,927.96
Other payables	VII(44)	15,916,927,122.04	11,792,037,697.67
Including: Interest payable		90,421,763.69	90,421,763.69
Dividends payable			
△Service charge and commission fees payable			
△Reinsurance accounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	VII(45)	30,052,540,137.38	17,570,540,149.37
Other current liabilities	VII(46)	3,093,425,893.02	3,261,188,580.28
Total current liabilities		**864,354,842,094.60**	**712,302,421,764.55**
Non-current liabilities:			
△Provision of insurance contract			
Long-term borrowings	VII(47)	80,697,539,136.58	82,416,554,585.82
Bonds payable	VII(48)	31,580,116,755.41	27,551,570,338.68
Including: Preferred shares			
Lease liability	VII(49)	442,017,956.04	338,785,115.74
Long-term payables	VII(50)	41,589,598,878.54	29,211,828,125.63
Long-term payroll payable	VII(51)	9,544,782.79	11,232,453.38
Accrued liabilities	VII(52)	227,729,317.29	229,633,041.90
Deferred income	VII(53)	260,365,166.47	214,997,608.11
Deferred tax liabilities	VII(30)	3,971,314,596.37	4,034,781,969.58
Other non-current liabilities	VII(54)	59,652,613,856.75	86,426,867,294.72
Total non-current liabilities		**218,430,840,446.24**	**230,436,250,533.56**
Total liabilities		**1,082,785,682,540.84**	**942,738,672,298.11**
Owners' equity:			
Paid-in capital	VII(55)	24,000,000,000.00	24,000,000,000.00
Other equity instruments	VII(56)	18,792,500,000.00	16,092,500,000.00
Including: Preferred shares			
Perpetual bonds	VII(56)	18,792,500,000.00	16,092,500,000.00
Capital reserve	VII(57)	20,152,284,445.00	16,850,535,151.87
Less: Treasury shares			
Other comprehensive income	VII(58)	2,212,196,543.56	2,498,209,153.17
Special reserve	VII(59)	252,080,811.45	209,441,584.08
Surplus reserve	VII(60)	685,364,235.43	610,944,157.21
△General risk reserve		774,653,105.93	276,268,150.39
Undistributed profits	VII(61)	8,034,699,296.96	8,362,647,184.53
Total equity attributable to owners of the parent company		**74,903,778,438.33**	**68,900,545,381.25**
*Minority interests		69,351,568,158.98	61,949,850,164.36
Total owners' equity		**144,255,346,597.31**	**130,850,395,545.61**
Total liabilities & owners' equity		**1,227,041,029,138.15**	**1,073,589,067,843.72**

Legal Representative: **Chief Financial Officer:** **Chief Accountant:**

Consolidated Income Statement

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2023	Year 2022
I. Total operating revenues	VII(62)	134,678,997,333.70	210,036,034,202.07
Including: Operating revenues	VII(62)	102,246,771,331.58	180,640,870,926.05
△Interest income	VII(62)	31,549,024,246.78	28,676,981,545.27
△Insurance premiums earned	VII(62)		
△Service charges and commissions earned	VII(62)	883,201,755.34	718,181,730.75
II. Total operating costs		124,257,808,954.28	198,267,957,061.01
Including: Operating costs	VII(62)	89,334,676,630.71	166,261,307,065.68
△Interest expenses	VII(62)	17,656,063,750.50	15,623,346,795.08
△Service charge and commission fees paid	VII(62)	263,686,373.76	211,780,442.53
△Surrender value	VII(62)		
△Net payment for insurance claims	VII(62)		
△Net value of appropriation of deposit for duty for insurance contract	VII(62)		
△Expenditures dividend policy	VII(62)		
△Amortized reinsurance expenditure	VII(62)		
Taxes and surcharges		1,141,154,367.82	1,348,874,620.74
Selling expenses	VII(63)	2,429,276,880.48	3,017,204,559.90
Administrative expenses	VII(63)	9,024,549,672.71	7,520,886,327.66
R&D expenses	VII(63)	1,720,930,815.45	1,803,278,365.83
Finance costs	VII(63)	2,687,470,462.85	2,481,278,883.59
Including: Interest expenses	VII(63)	3,801,259,052.02	3,258,867,156.09
Interest income	VII(63)	1,256,613,653.36	838,798,335.02
Others			
Add: Other income	VII(64)	699,313,915.91	500,200,829.18
Investment income ("-" means loss)	VII(65)	1,492,723,121.41	1,335,177,508.88
Including: Income from investment in associates and joint ventures	VII(65)	-12,639,737.31	-55,850,259.95
Income from derecognition of financial assets measured at amortized cost		26,064,923.22	
△Exchange gains or losses ("-" means loss)			
Income from net exposure hedging ("-" means loss)			
Gains from changes in fair value ("-" means loss)	VII(66)	688,124,829.19	-168,735,989.87
Impairment loss on credit ("-" means loss)	VII(67)	-6,356,800,135.34	-6,859,024,621.47
Impairment loss on assets ("-" means loss)	VII(68)	-624,227,241.09	-137,975,091.13
Gains from disposal of assets ("-" means loss)	VII(69)	22,771,938.66	97,525,246.34
III. Operating profit ("-" means loss)		6,343,094,808.16	6,535,245,022.99
Add: Non-operating income	VII(70)	189,615,795.50	136,010,665.52
Less: Non-operating expenses	VII(71)	66,575,854.38	119,552,663.01
IV. Total profit ("-" means total loss)		6,466,134,749.28	6,551,703,025.50
Less: Income tax expenses	VII(72)	1,424,367,356.12	1,284,783,492.50
V. Net profit ("-" means net loss)		5,041,767,393.16	5,266,919,533.00
(I) Classification in accordance with attribution		——	——
Attributable to equity holders of the parent company		1,139,441,377.69	1,128,780,398.06
*Minority interests		3,902,326,015.47	4,138,139,134.94
(II) Classification in accordance with going concern		——	——
Net profit from continuing operations		5,041,767,393.16	5,266,919,533.00
Net profit from discontinued operations			
VI. Other comprehensive income after tax		-285,815,670.13	-410,569,486.52
(I) Attributable to equity holders of the parent company		-286,012,609.61	-430,325,202.56
A. Not reclassified subsequently to profit or loss		4,872,109.80	-533,282.41
Including: 1. Changes in the remeasurement of defined benefit plans			
2. Not reclassified to profit or loss for the invested entity under the equity method			
3. Changes in fair value of other equity instrument investments		4,872,109.80	-533,282.41
4. Changes in fair value of the Company's own credit risk			
5. Other			
B. Reclassified subsequently to profit or loss		-290,884,719.41	-429,791,920.15
Including: 1. Reclassified subsequently to profit or loss for the invested entity under the equity method		698,585.17	9,279,974.21
2. Changes in fair value of other debt investments		44,151,941.44	-15,122,450.00
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Profit or loss from the reclassification of financial assets to other comprehensive income			
☆5. Profit and loss from reclassification of held-to-maturity investment to available-for-sale financial assets			
6. Provisions for credit impairment of other debt investments		2,065,727.56	3,420,900.00
7. Cash flow hedging reserve (Effective portion of profit or loss from cash flow hedging)			
8.Translation difference from financial statements denominated in foreign currency		3,057,244.51	16,006,773.68
9.Other		-340,858,218.09	-443,377,118.04
*Other comprehensive income after tax attributable to minority shareholders		196,939.48	19,755,716.04
VII. Total comprehensive income		4,755,951,723.03	4,856,350,046.48
Attributable to equity holders of the parent company		853,428,768.08	698,455,195.50
*Attributable to minority shareholders		3,902,522,954.95	4,157,894,850.98
VIII. Earnings per share		——	——
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Chief Financial Officer: 袁娟 Chief Accountant: 王薇

Consolidated Statement of Cash Flows

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2023	Year 2022
I. Cash flows from operating activities:		—	—
Cash received from sales and services		153,509,818,884.14	170,631,992,035.75
△Net increase in deposits from customers or other banks		79,596,708,780.93	55,368,238,182.35
△Net increase in borrowings from the Central Bank		37,058,017,834.00	7,770,820,738.00
△Net increase in funds borrowed from other financial institutions			
△Cash received from premium of the original insurance contract			
△Net cash received from reinsurance business			
△Net increase in insurance customer deposits and investments			
△Net increase in disposal of financial assets at fair value through profit or loss			
△Cash received from interest income, service charges and commissions earnec		25,251,448,110.55	22,636,018,853.54
△Net increase in funds borrowed		195,177,000.00	784,823,000.00
△Net increase in cash of repurchase business funds		4,877,710,407.36	2,182,903,157.60
△Net cash received from acting trading securities			
Tax refunds received		139,593,963.87	1,276,851,812.78
Other cash receipts relating to operating activities		12,174,689,512.14	10,934,789,771.40
Sub-total cash inflows from operating activities		**312,803,164,492.99**	**271,586,437,551.42**
Cash paid for goods and services		137,571,685,993.86	169,545,560,910.57
△Net increase in customer loans and advances		56,727,719,713.02	58,460,181,790.58
△Net increase of deposits in the Central Bank and other banks		2,160,136,788.43	
△Payment for claims under the original insurance contracts			
△Net increase in funds lent		6,059,674,764.12	
△Cash paid for interests, service charges and commission fees		13,754,449,315.39	11,390,214,124.44
△Cash paid for insurance dividend			
Cash paid to and on behalf of employees		7,928,760,805.78	7,727,230,373.99
Payment of taxes and surcharges		9,211,250,472.23	8,295,835,681.18
Other cash payments relating to operating activities		29,276,427,379.31	10,871,859,888.49
Sub-total cash outflows from operating activities		**262,690,105,232.14**	**266,290,882,769.25**
Net cash flows from operating activities		**50,113,059,260.85**	**5,295,554,782.17**
II. Cash flows from investing activities:		—	—
Cash received from withdrawal of investments		81,164,017,255.19	67,611,572,246.78
Cash received from investment income		136,022,639.09	595,744,603.85
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		100,592,792.27	134,567,965.66
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities		117,228,961.41	28,511,747.06
Sub-total cash inflows from investing activities		81,517,861,647.96	68,370,396,563.35
Cash paid for fixed assets, intangible assets and other long-term assets		9,207,098,316.68	4,915,754,952.81
Cash payments for investments		124,473,782,890.73	108,250,356,446.48
△Net increase of pledged loan			
Net cash paid for acquiring subsidiaries and other business units		85,051,071.72	84,204,773.72
Other cash payments relating to investing activities		53,034,416.57	513,593,355.21
Sub-total cash outflows from investing activities		**133,818,966,695.70**	**113,763,909,528.22**
Net cash flows from investing activities		**-52,301,105,047.74**	**-45,393,512,964.87**
III. Cash flows from financing activities:		—	—
Cash proceeds from investments by others		7,776,383,072.07	8,591,981,033.21
Including: Cash received by subsidiaries from minority shareholders' investments		1,770,328,372.07	5,256,691,000.00
Cash received from borrowings		79,508,361,257.97	172,732,212,129.09
Other cash receipts relating to financing activities		97,331,774,963.51	1,487,082,195.85
Sub-total cash inflows from financing activities		**184,616,519,293.55**	**182,811,275,358.15**
Cash repayments for debts		159,498,063,155.34	130,634,238,355.47
Cash payments for distribution of dividends, profits and payment of interest expenses		12,887,547,207.40	11,759,607,706.60
Including: Dividends or profit paid by subsidiaries to minority shareholders		1,432,558,671.54	1,086,339,096.80
Other cash payments relating to financing activities		3,530,297,370.86	1,362,221,706.44
Sub-total cash outflows from financing activities		**175,915,907,733.60**	**143,756,067,768.51**
Net cash flows from financing activities		**8,700,611,559.95**	**39,055,207,589.64**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		7,535,851.56	31,032,659.90
V. Net increase in cash and cash equivalents		**6,520,101,624.62**	**-1,011,717,933.16**
Add: Opening balance of cash and cash equivalents		58,174,762,602.15	59,186,480,535.31
VI. Closing balance of cash and cash equivalents		**64,694,864,226.77**	**58,174,762,602.15**

Legal Representative: 李本 Chief Financial Officer : 袁媛 Chief Accountant : 王薇

Consolidated Statement of Changes in Owners' Equity

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2023													
	Equity attributable to the shareholder of the parent company												Minority interests	Total owners' equity
	Other equity instruments				Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total		
	Paid-in capital	Preferred shares	Perpetual bonds	Other										
I. Balance at the end of the previous year	24,000,000,000.00		16,092,500,000.00		16,850,535,151.87		2,498,209,153.17	209,441,584.08	610,944,157.21	276,268,150.39	8,362,647,184.53	68,900,545,381.25	61,949,850,164.36	130,850,395,545.61
Add: Change in accounting policies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Correction of previous accounting errors	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others														
II. Balance at the beginning of the current year	24,000,000,000.00		16,092,500,000.00		16,850,535,151.87		2,498,209,153.17	209,441,584.08	610,944,157.21	276,268,150.39	8,362,647,184.53	68,900,545,381.25	61,949,850,164.36	130,850,395,545.61
III. Increase/decrease during the current year ("-" means decrease)			2,700,000,000.00		3,301,749,293.13		-286,012,609.61	42,639,227.37	74,420,078.22	498,384,955.54	-327,947,887.57	6,003,233,057.08	7,401,717,994.62	13,404,951,051.70
A.Total comprehensive income	—	—	—	—	—	—	-286,012,609.61	—	—	—	1,139,441,377.69	853,428,768.08	3,902,522,954.95	4,755,951,723.03
B. Increase and decrease of capital by owners			2,700,000,000.00		3,301,749,293.13							6,001,749,293.13	4,914,723,536.20	10,916,472,829.33
1. Common shares contributed by owners	—	—	—	—	3,301,749,293.13	—	—	—	—	—	—	3,301,749,293.13	-2,380,520,382.20	921,228,910.93
2. Capital paid in by holders of other equity instruments			2,700,000,000.00			—	—	—	—	—	—	2,700,000,000.00	7,200,000,000.00	9,900,000,000.00
3. Amount of share-based payment recorded into owners' equity			—	—		—	—	—	—	—	—			
4. Others			—	—									95,243,918.40	95,243,918.40
C. Special reserve	—	—	—	—				42,639,227.37				42,639,227.37	9,537,898.26	52,177,125.63
1. Accrual for the current year	—	—	—	—	—	—	—	2,060,308,298.74	—	—	—	2,060,308,298.74	19,452,762.42	2,079,761,061.16
2. Use for the current year	—	—	—	—	—	—	—	-2,017,669,071.37	—	—	—	-2,017,669,071.37	-9,914,864.16	-2,027,583,935.53
D. Profit distribution									74,420,078.22	498,384,955.54	-1,467,389,265.26	-894,584,231.50	-1,425,066,394.79	-2,319,650,626.29
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	74,420,078.22	—	-74,420,078.22		—	
Including: Statutory reserve	—	—	—	—	—	—	—	—	74,420,078.22	—	-74,420,078.22		—	
Discretionary reserve	—	—	—	—	—	—	—	—		—			—	
#Reserve fund	—	—	—	—	—	—	—	—		—			—	
#Company development fund	—	—	—	—	—	—	—	—		—			—	
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—		—			—	
△2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—	498,384,955.54	-498,384,955.54		—	
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	—	-274,010,377.33	-274,010,377.33	-1,425,066,394.79	-1,699,076,772.12
4. Others											-620,573,854.17	-620,573,854.17		-620,573,854.17
E. Transfer within owners' equity														
1. Capital reserve transferred to capital	—	—	—	—	—	—	—	—	—	—	—		—	
2. Surplus reserve transferred to capital	—	—	—	—	—	—	—			—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—			—			—	
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—	—			—	
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—		—			—	
6. Others														
IV. Balance at the end of the current year	24,000,000,000.00		18,792,500,000.00		20,152,284,445.00		2,212,196,543.56	252,080,811.45	685,364,235.43	774,653,105.93	8,034,699,296.96	74,903,778,438.33	69,351,568,158.98	144,255,346,597.31

Legal Representative: Chief Financial Officer: 袁媛 Chief Accountant: 王薇

Consolidated Statement of Changes in Owners' Equity

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2022													
	Equity attributable to the shareholder of the parent company													
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total	Minority interests	Total owners' equity
		Preferred shares	Perpetual bonds	Other										
I. Balance at the end of the previous year	24,000,000,000.00		11,500,000,000.00		13,373,967,418.99		3,178,559,808.41	170,698,170.38	588,279,789.52	1,992,900.00	9,132,735,269.77	61,946,233,357.07	62,745,477,522.84	124,691,710,879.91
Add: Change in accounting policies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Correction of previous accounting errors	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others							-250,025,452.68				-501,228,244.30	-751,253,696.98	18,393,289.51	-732,860,407.47
II. Balance at the beginning of the current year	24,000,000,000.00		11,500,000,000.00		13,373,967,418.99		2,928,534,355.73	170,698,170.38	588,279,789.52	1,992,900.00	8,631,507,025.47	61,194,979,660.09	62,763,870,812.35	123,958,850,472.44
III. Increase/decrease during the current year ("-" means decrease)			4,592,500,000.00		3,476,567,732.88		-430,325,202.56	38,743,413.70	22,664,367.69	274,275,250.39	-268,859,840.94	7,705,565,721.16	-814,020,647.99	6,891,545,073.17
A.Total comprehensive income	—	—	—	—	—	—	-430,325,202.56	—	—	—	1,128,780,398.06	698,455,195.50	4,157,894,850.98	4,856,350,046.48
B. Increase and decrease of capital by owners	—	—	4,592,500,000.00	—	3,476,567,732.88	—	—	—	—	—	—	8,069,067,732.88	-4,165,946,281.42	3,903,121,451.46
1. Common shares contributed by owners	—	—	—	—	3,476,567,732.88	—	—	—	—	—	—	3,476,567,732.88	5,256,691,000.00	8,733,258,732.88
2. Capital paid in by holders of other equity instruments	—	—	4,592,500,000.00	—	—	—	—	—	—	—	—	4,592,500,000.00		4,592,500,000.00
3. Amount of share-based payment recorded into owners' equity	—	—	—	—	—	—	—	—	—	—	—	—		
4. Others	—	—	—	—	—	—	—	—	—	—	—	—	-9,422,637,281.42	-9,422,637,281.42
C. Special reserve	—	—	—	—	—	—	—	38,743,413.70	—	—	—	38,743,413.70	6,090,778.38	44,834,192.08
1. Accrual for the current year	—	—	—	—	—	—	—	1,726,189,326.58	—	—	—	1,726,189,326.58	17,747,604.83	1,743,936,931.41
2. Use for the current year	—	—	—	—	—	—	—	-1,687,445,912.88	—	—	—	-1,687,445,912.88	-11,656,826.45	-1,699,102,739.33
D. Profit distribution	—	—	—	—	—	—	—	—	22,664,367.69	274,275,250.39	-1,397,640,239.00	-1,100,700,620.92	-812,059,995.93	-1,912,760,616.85
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	22,664,367.69	—	-22,664,367.69		—	
Including: Statutory reserve	—	—	—	—	—	—	—	—	22,664,367.69	—	-22,664,367.69		—	
Discretionary reserve	—	—	—	—	—	—	—	—		—			—	
#Reserve fund	—	—	—	—	—	—	—	—		—			—	
#Company development fund	—	—	—	—	—	—	—	—		—			—	
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—		—			—	
☆2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—	274,275,250.39	-274,275,250.39		—	
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	—	-460,588,373.70	-460,588,373.70	-812,059,995.93	-1,272,648,369.63
4. Others											-640,112,247.22	-640,112,247.22		-640,112,247.22
E. Transfer within owners' equity														
1. Capital reserve transferred to capital	—	—	—	—	—	—	—	—	—	—	—		—	
2. Surplus reserve transferred to capital	—	—	—	—	—	—	—	—		—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—		—			—	
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—	—			—	
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—		—			—	
6. Others														
IV. Balance at the end of the current year	24,000,000,000.00		16,092,500,000.00		16,850,535,151.87		2,498,209,153.17	209,441,584.08	610,944,157.21	276,268,150.39	8,362,647,184.53	68,900,545,381.25	61,949,850,164.36	130,850,395,545.61

Legal Representative: Chief Financial Officer: Chief Accountant:

Balance Sheet (Assets)

December 31, 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Assets	Note	Ending balance	Beginning balance
Current assets:		——	
Cash and cash equivalents		11,355,842,281.87	9,870,385,893.53
Trading financial assets			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivables			
Accounts receivables	XII(1)	152,482,589.96	97,701,253.18
Accounts receivables financing			
Prepayment		696,788,952.15	710,540,770.01
Other receivables	XII(2)	16,793,401,708.00	10,822,975,458.98
Including: Interests receivable			
Dividends receivable		9,752,806.48	9,752,806.48
Inventory		12,137.35	9,433.35
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			720,642,785.27
Other current assets		1,141,740,588.36	936,344,413.86
Total current assets		**30,140,268,257.69**	**23,158,600,008.18**
Non-current assets:			
Investments in debt			
Available-for-sale financial assets			
Other investments in debt			
Held-to-maturity investments			
Long-term receivables			4,060,671,768.13
Long-term equity investment	XII(3)	58,384,686,749.11	54,159,853,299.10
Other investments in equity instrument			
Other non-current financial assets		280,068,890.67	277,391,000.00
Investment property		12,277,665,786.68	10,368,722,832.58
Fixed assets		24,909,392.66	25,554,256.01
Construction in progress		72,949,928,338.49	61,263,706,024.22
Productive biological assets			
Oil and gas assets			
Right-of-use assets		73,044,143.34	82,889,158.16
Intangible assets			
Development expenditure			
Goodwill			
Long-term deferred expenses		60,222,757.65	82,179,343.58
Deferred tax assets		21,663,369.94	1,057,785.26
Other non-current assets		58,871,894.90	58,871,894.90
Total non-current assets		**144,131,061,323.44**	**130,380,897,361.94**
Total assets		**174,271,329,581.13**	**153,539,497,370.12**

Legal Representative: **Chief Financial Officer:** 袁媛 **Chief Accountant:** 王薇

Balance Sheet (Liabilities and Owners' Equity)

December 31, 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Liabilities and owners' equity	Note	Ending balance	Beginning balance
Current liabilities:		——	
Short-term borrowings			353,700,000.00
Trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payables		300,486,870.67	661,742,762.30
Accounts payables		4,521,514,653.23	3,803,857,068.66
Advance from customers		8,241,343.06	10,583,361.15
Contract liabilities			
Payroll payables		1,135,307.76	1,490,629.32
Taxes payable		32,966,599.35	28,689,442.50
Other payables		6,959,713,141.97	2,420,051,298.64
Including: Interest payable			
Dividends payable		90,290,877.59	90,290,877.59
Held-for-sale liabilities			
Non-current liabilities due within one year		18,724,268,124.20	10,850,627,373.56
Other current liabilities			
Total current liabilities		**30,548,326,040.24**	**18,130,741,936.13**
Non-current liabilities:			
Long-term borrowings		36,070,948,321.43	42,197,587,608.95
Bonds payable		20,258,179,047.43	22,263,795,931.80
Including: Preferred shares			
Lease liability		73,626,425.63	73,979,478.43
Long-term payables		24,919,426,889.53	14,177,070,257.78
Long-term payroll payables			
Accrued liabilities			
Deferred income			
Deferred tax liabilities		1,651,296,106.30	1,592,946,833.54
Other non-current liabilities			
Total non-current liabilities		**82,973,476,790.32**	**80,305,380,110.50**
Total liabilities		**113,521,802,830.56**	**98,436,122,046.63**
Owners' equity:			
Paid-in capital		24,000,000,000.00	24,000,000,000.00
Other equity instruments		18,792,500,000.00	16,092,500,000.00
Including: Preferred shares			
Perpetual bonds		18,792,500,000.00	16,092,500,000.00
Capital reserve		15,373,665,627.07	12,287,116,250.37
Less: Treasury shares			
Other comprehensive income		1,361,882,525.53	1,351,897,025.82
Special reserve			
Surplus reserve		677,610,584.24	603,190,506.02
Undistributed profits		543,868,013.73	768,671,541.28
Total owners' equity		**60,749,526,750.57**	**55,103,375,323.49**
Total liabilities & owners' equity		**174,271,329,581.13**	**153,539,497,370.12**

Legal Representative: Chief Financial Officer: 袁媛 Chief Accountant: 王薇

Income Statement

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2023	Year 2022
I. Total operating revenues	**XII(4)**	**749,389,443.50**	**695,313,650.80**
Less: Operating costs	XII(4)	108,293,353.17	122,515,606.44
Taxes and surcharges		68,294,025.45	48,580,272.84
Selling expenses			
Administrative expenses		86,691,902.67	102,138,659.53
R&D expenses			
Finance costs		905,971,615.88	949,511,439.17
Including: Interest expenses		1,081,101,157.86	1,126,444,446.61
Interest income		188,132,124.14	194,305,508.04
Add: Other income		148,812.99	183,594.77
Investment income ("-" means loss)	XII(5)	1,151,060,435.58	829,621,939.80
Including: Income from investment in associates and joint ventures	XII(5)	21,851,691.91	-60,588,336.37
Income from derecognition of financial assets measured at amortized cost			
Income from net exposure hedging ("-" means loss)			
Gains from changes in fair value ("-" means loss)		51,375,306.94	10,891,711.92
Impairment loss on credit ("-" means loss)		-390,575.80	-197,284.38
Impairment loss on assets ("-" means loss)			
Gains from disposal of assets ("-" means loss)			
II. Operating profit ("-" means loss)		**782,332,526.04**	**313,067,635**
Add: Non-operating income		312,976.23	6,311,536.51
Less: Non-operating expenses		701,032.02	1,627,459.46
III. Total profit ("-" means total loss)		**781,944,470.25**	**317,751,711.98**
Less: Income tax expenses		37,743,688.08	91,108,035.08
IV. Net profit ("-" means net loss)		**744,200,782.17**	**226,643,676.90**
1. Net profit from continuing operations ("-" means net loss)		744,200,782.17	226,643,676.90
2. Net profit from discontinued operations ("-" means net loss)			
V. Other comprehensive income after tax		**9,985,499.71**	**5,992,653.18**
A. Not reclassified subsequently to profit or loss			
Including: 1. Changes in the remeasurement of defined benefit plans			
2. Not reclassified to profit or loss for the invested entity under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of the Company's own credit risk			
5. Others			
B. Reclassified subsequently to profit or loss		**9,985,499.71**	**5,992,653.18**
Including: 1. Reclassified subsequently to profit or loss for the invested entity under the equity method		9,985,499.71	5,992,653.18
2. Changes in fair value of other debt investments			
3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Profit or loss from the reclassification of financial assets to other comprehensive income			
5. Profit and loss reclassification of held-to-maturity investment to available-for-sale financial assets			
6. Provisions for credit impairment of other debt investments			
7. Cash flow hedging reserve (Effective portion of profit or loss from cash flow hedging)			
8.Translation difference from financial statements denominated in foreign currency			
9.Others			
VI. Total comprehensive income		**754,186,281.88**	**232,636,330.08**

Legal Representative: 李本文印 **Chief Financial Officer :** 袁媛 **Chief Accountant :** 王薇

Statement of Cash Flows

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Note	Year 2023	Year 2022
I. Cash flows from operating activities:		—	—
Cash received from sales and services		695,525,656.14	785,748,678.03
△Net increase in deposits from customers or other banks			
△Net increase in borrowings from the Central Bank			
▲Cash received from premium of the original insurance contract			
▲Net cash received from reinsurance business			
▲Net increase in insurance customer deposits and investments			
△Net increase in disposal of financial assets at fair value through profit or loss			
△Cash received from interest income, service charges and commissions earned			
△Net increase in funds borrowed			
△Net increase in cash of repurchase business funds			
△Net cash received from acting trading securities			
Tax refunds received		70,535.97	244,268,529.65
Other cash receipts relating to operating activities		9,399,205,702.80	6,271,313,609.22
Sub-total cash inflows from operating activities		**10,094,801,894.91**	**7,301,330,816.90**
Cash paid for goods and services		110,338,033.00	133,016,661.77
△Net increase in customer loans and advances			
△Net increase of deposits in the Central Bank and other banks			
▲Payment for claims under the original insurance contracts			
△Net increase in funds lent			
△Cash paid for interests, service charges and commission fees			
▲Cash paid for insurance dividend			
Cash paid to and on behalf of employees		48,859,778.73	58,459,261.11
Payment of taxes and surcharges		87,696,798.46	94,773,822.12
Other cash payments relating to operating activities		6,896,158,153.44	7,229,403,190.03
Sub-total cash outflows from operating activities		**7,143,052,763.63**	**7,515,652,935.03**
Net cash flows from operating activities		**2,951,749,131.28**	**-214,322,118.13**
II. Cash flows from investing activities:		—	—
Cash received from withdrawal of investments		316,520,000.00	
Cash received from investment income		1,125,175,472.77	889,946,025.47
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Sub-total cash inflows from investing activities		**1,441,695,472.77**	**889,946,025.47**
Cash paid for fixed assets, intangible assets and other long-term assets		749,589.72	5,352,703.20
Cash payments for investments		4,530,602,562.50	4,318,525,000.00
▲Net increase in pledged loans			
Net cash paid for acquiring subsidiaries and other business units			
Other cash payments relating to investing activities			
Sub-total cash outflows from investing activities		**4,531,352,152.22**	**4,323,877,703.20**
Net cash flows from investing activities		**-3,089,656,679.45**	**-3,433,931,677.73**
III. Cash flows from financing activities:		—	—
Cash proceeds from investments by others		3,090,000,000.00	2,634,114,380.00
Including: Cash received by subsidiaries from minority shareholders' investments			
Cash received from borrowings		20,362,184,500.00	25,234,563,568.94
Other cash receipts relating to financing activities			
Sub-total cash inflows from financing activities		**23,452,184,500.00**	**27,868,677,948.94**
Cash repayments for debts		18,023,717,833.87	11,621,156,553.26
Cash payments for distribution of dividends, profits and payment of interest expenses		3,793,237,044.79	4,303,599,362.80
Including: Dividends or profit paid by subsidiaries to minority shareholders			
Other cash payments relating to financing activities		11,865,684.83	6,300,321,276.45
Sub-total cash outflows from financing activities		**21,828,820,563.49**	**22,225,077,192.51**
Net cash flows from financing activities		**1,623,363,936.51**	**5,643,600,756.43**
IV. Effect of foreign exchange rate changes on cash and cash equivalents			
V. Net increase in cash and cash equivalents		**1,485,456,388.34**	**1,995,346,960.57**
Add: Opening balance of cash and cash equivalents		9,870,385,893.53	7,875,038,932.96
VI. Closing balance of cash and cash equivalents		**11,355,842,281.87**	**9,870,385,893.53**

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Owners' Equity

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2023										
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Distributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Other							
I. Balance at the end of the previous year	**24,000,000,000.00**		**16,092,500,000.00**		**12,287,116,250.37**		**1,351,897,025.82**		**603,190,506.02**	**768,671,541.28**	**55,103,375,323.49**
Add: Change in accounting policies	—	—	—	—	—	—	—	—	—	—	
Correction of previous accounting errors	—	—	—	—	—	—	—	—	—	—	
Others											
II. Balance at the beginning of the current year	**24,000,000,000.00**		**16,092,500,000.00**		**12,287,116,250.37**		**1,351,897,025.82**		**603,190,506.02**	**768,671,541.28**	**55,103,375,323.49**
III. Increase/decrease during the current year ("-" means decrease)			**2,700,000,000.00**		**3,086,549,376.70**		**9,985,499.71**		**74,420,078.22**	**-224,803,527.55**	**5,646,151,427.08**
A.Total comprehensive income	—	—	—	—	—	—	9,985,499.71	—	—	744,200,782.17	754,186,281.88
B. Increase and decrease of capital by owners			2,700,000,000.00		3,086,549,376.70						5,786,549,376.70
1. Common shares contributed by owners		—	—	—	3,086,549,376.70	—	—	—	—	—	3,086,549,376.70
2. Capital paid in by holders of other equity instruments			2,700,000,000.00			—	—	—	—	—	2,700,000,000.00
3. Amount of share-based payment recorded into owners' equity		—	—	—		—	—	—	—	—	
4. Others		—	—	—							
C. Special reserve		—	—	—							
1. Accrual for the current year	—	—	—	—	—	—	—		—	—	
2. Use for the current year	—	—	—	—	—	—	—		—	—	
D. Profit distribution									74,420,078.22	-969,004,309.72	-894,584,231.50
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	74,420,078.22	-74,420,078.22	
Including: Statutory reserve	—	—	—	—	—	—	—	—	74,420,078.22	-74,420,078.22	
Discretionary reserve	—	—	—	—	—	—	—	—			
#Reserve fund	—	—	—	—	—	—	—	—			
#Company development fund	—	—	—	—	—	—	—	—			
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—			
△2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—		
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	-274,010,377.33	-274,010,377.33
4. Others										-620,573,854.17	-620,573,854.17
E. Transfer within owners' equity											
1. Capital reserve transferred to capital		—	—	—		—	—	—	—	—	
2. Surplus reserve transferred to capital		—	—	—	—	—	—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—			
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—		
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—			
6. Others											
IV. Balance at the end of the current year	**24,000,000,000.00**		**18,792,500,000.00**		**15,373,665,627.07**		**1,361,882,525.53**		**677,610,584.24**	**543,868,013.73**	**60,749,526,750.57**

Legal Representative: 李本 Chief Financial Officer : 袁媛 Chief Accountant : 王薇

Statement of Changes in Owners' Equity

Year 2023

Prepared by Chengdu Xingcheng Investment Group Co., Ltd. RMB '0

Item	Year 2022										
	Paid-in capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Distributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Other							
I. Balance at the end of the previous year	**24,000,000,000.00**		**11,500,000,000.00**		**9,275,298,784.80**		**1,593,946,220.05**		**580,526,138.33**	**1,601,355,369.66**	**48,551,126,512.84**
Add: Change in accounting policies											
Correction of previous accounting errors							-248,041,847.41				
Others											
II. Balance at the beginning of the current year	**24,000,000,000.00**		**11,500,000,000.00**		**9,275,298,784.80**		**1,345,904,372.64**		**580,526,138.33**	**1,601,355,369.66**	**48,303,084,665.43**
III. Increase/decrease during the current year ("-" means decrease)			**4,592,500,000.00**		**3,011,817,465.57**		**5,992,653.18**		**22,664,367.69**	**-832,683,828.38**	**6,800,290,658.06**
A.Total comprehensive income	—	—	—	—	—	—	5,992,653.18	—	—	226,643,676.90	232,636,330.08
B. Increase and decrease of capital by owners			4,592,500,000.00		3,011,817,465.57						7,604,317,465.57
1. Common shares contributed by owners		—	—	—	3,011,817,465.57	—	—	—	—	—	3,011,817,465.57
2. Capital paid in by holders of other equity instruments			4,592,500,000.00			—	—	—	—	—	4,592,500,000.00
3. Amount of share-based payment recorded into owners' equity		—	—	—		—	—	—	—	—	
4. Others		—	—	—							
C. Special reserve		—	—	—							
1. Accrual for the current year	—	—	—	—	—	—	—		—	—	
2. Use for the current year	—	—	—	—	—	—	—		—	—	
D. Profit distribution									22,664,367.69	-1,059,327,505.28	-1,036,663,137.59
1. Accrual of surplus reserve	—	—	—	—	—	—	—	—	22,664,367.69	-22,664,367.69	
Including: Statutory reserve	—	—	—	—	—	—	—	—	22,664,367.69	-22,664,367.69	
Discretionary reserve	—	—	—	—	—	—	—	—			
#Reserve fund	—	—	—	—	—	—	—	—			
#Company development fund	—	—	—	—	—	—	—	—			
#Profits capitalized on return of investment	—	—	—	—	—	—	—	—			
△2. Accrual of general risk reserves	—	—	—	—	—	—	—	—	—		
3. Distribution to owners (or shareholders)	—	—	—	—	—	—	—	—	—	-460,588,373.70	-460,588,373.70
4. Others										-576,074,763.89	-576,074,763.89
E. Transfer within owners' equity											
1. Capital reserve transferred to capital		—	—	—		—	—	—	—	—	
2. Surplus reserve transferred to capital		—	—	—	—	—	—	—		—	
3. Surplus reserve offsetting losses	—	—	—	—	—	—	—	—			
4. Change of defined benefit plan carried forward to retained earnings	—	—	—	—	—	—		—	—		
5. Other comprehensive income carried forward to retained earnings	—	—	—	—	—	—		—			
6. Others											
IV. Balance at the end of the current year	**24,000,000,000.00**		**16,092,500,000.00**		**12,287,116,250.37**		**1,351,897,025.82**		**603,190,506.02**	**768,671,541.28**	**55,103,375,323.49**

Legal Representative: 李春 Chief Financial Officer : 袁媛 Chief Accountant : 王薇

NOTES TO THE FINANCIAL STATEMENTS

For the year ended on December 31, 2023

(All amounts in RMB ’0 unless otherwise stated)

I. Company profile

Chengdu Xingcheng Investment Group Co., Ltd. is hereinafter referred to as "the Company", "Company" or "Xingcheng Group". Chengdu Xingcheng Investment Group Co., Ltd. and all its subsidiaries are collectively referred to as "the Group".

1. The registered address, organization structure and the headquarters address

The Company was established on March 26, 2009 as a limited liability company. The State-owned Assets Supervision and Administration Commission of Chengdu is the investor to the Company. The Company renewed the business license with the unified social credit code of 915101006863154368 on December 13, 2023. As of December 31, 2023, the registered capital and paid-in capital are RMB 24 billion.

The legal representative is Mr. Li Benwen.

The registered address and office address is No. 99 Zhuojin East Road, High-tech Zone, Chengdu.

2. Nature of business and major operating activities

The major operating activities of the Company include the following general items: Investment activities with the Company’s own equity funds; Asset management services with the Company’s own equity funds; Corporate headquarters management; Brand management; Financing consulting services; Public utility management services; City park management; Medical research and experimental development; Supply chain management services; Park management services; Engineering management services; Agricultural professional and auxiliary activities; Hotel management. Non-residential real estate leasing; Sports security organization; Property management. (Except for projects that need to be approved according to law, the Company independently carries out business activities according to law as listed in the business license) Licensed projects include wholesale of drug; Construction project construction; construction

engineering design; General aviation services; Tourism business. (Projects that need to be approved according to law can only be operated after being approved by the relevant departments, and the specific business projects shall be subject to the approval documents or permits of the relevant departments).

3. The parent company and the ultimate controller

The parent company and the ultimate controller of the Company are the State-owned Assets Supervision and Administration Commission of Chengdu.

4. Approval and issuance of the financial statements

The financial statements have been approved by the Board of Directors of the Company and issued on April 17, 2024.

II. Basis of preparation of the financial statements

1. Basis of preparation

According to the actual events and transactions, the consolidated financial statements of the Company have been prepared on the basis of going concern and in accordance with the "Accounting Standards for Business Enterprises - Basic Standard" (issued by the No. 33 Order of the Ministry of Finance and revised by the No. 76 Order of the Ministry of Finance) and 40 specific accounting standards, the Guidelines for the Application of Accounting Standards for Business Enterprise, the Interpretation of the Accounting Standards for Business Enterprise and other relevant regulations promulgated and amended on and after February 15, 2006 (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises") and the disclosure provisions of the China Securities Regulatory Commission's "Information Disclosure and Reporting Rules No. 15 for Companies that Issue Securities Publicly - General Provisions for Financial Reporting (Revised in 2023)".

In accordance with the relevant provisions of the Accounting Standards for Business Enterprises, the Company's accounting is based on the accrual basis. Except for certain financial instruments, these financial statements are measured on a historical cost basis. Non-current assets held for sale are accounted for at the lower of their fair value less estimated charges or their original carrying

value if the conditions for holding for sale are met. If the asset is impaired, the corresponding impairment provision shall be made in accordance with the relevant provisions.

2. Going concern

The Company has evaluated its ability to continue as a going concern for the 12 months since the end of the current year and has not identified matters affecting the Company's ability to continue as a going concern and it is reasonable for the Company to prepare its financial statements on the basis of its continue as a going concern.

III. Declaration of compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company are in accordance with the requirements of the Accounting Standards for Business Enterprises and have truly and completely reflect the Company's financial status as of December 31, 2023, the operating results and cash flows of the year 2023. In addition, the financial statements of the Company comply in all material respects with the disclosure requirements of the financial statements and the notes thereto as set out in the China Securities Regulatory Commission's "Information Disclosure and Reporting Rules No. 15 for Companies that Issue Securities Publicly - General Provisions for Financial Reporting (Revised in 2023)".

IV. Significant accounting policies and accounting estimates

1. Accounting period

The accounting period of the Group is divided into annual period and interim period. Interim accounting period refers to the reporting period shorter than a complete accounting year. The Group’s accounting year refers to the Gregorian calendar year, which begins on January 1 and ends on December 31 every year.

2. Functional currency

RMB is the currency used in the main economic environment in which the Company and its subsidiaries in China operate. The Company and its subsidiaries use RMB as the functional currency for accounting. The Group uses RMB for preparing the financial statements.

3. Accounting basis and measurement principle

According to the relevant provisions of the Accounting Standards for Business Enterprises, the Group's accounting is using the accrual basis. Except for certain financial instruments and investment property, the measurement basis of financial statements shall be historical cost. Held-for-sale non-current assets shall be measured at the lower of the fair value less estimated expenses and the original book value when the sales conditions are met. If an asset is impaired, the corresponding impairment provision shall be made in accordance with relevant provisions.

4. Business combination

Business combination refers to the combination of two or more separate enterprises that are combined to form a reporting entity. Business combination is divided into business combination under common control and business combination not under common control.

(1) Business combination under common control

A business combination under common control is a business combination in which the enterprises involved in the combination are ultimately controlled by the same party or parties before and after the combination, and the control is not temporary. For business combination under common control, the party that obtains control over the other enterprises in the combination on the combination date is the combining party, and the other enterprises in the combination are the combined party. Combination date refers to the date on which the combining party actually obtains control over the combined party.

The assets and liabilities that acquired by the combining party in a business combination shall be measured at their book value in the combined party on the combination date. The difference between the book value of net assets acquired by the combining party and the book value of the consideration paid for the combination (or total par value of the shares issued) shall be adjusted to capital reserve. If the capital reserve is insufficient to absorb the difference, any excess shall be adjusted against retained earnings.

The business combination costs that are directly attributable to the combination are recorded into the current profit and loss when they occur.

(2) Business combination not under common control

Business combination not under common control means that the enterprises involved in the combination are not ultimately controlled by the same party or parties before and after the combination. For business combination not under common control, the party that obtains control over the other enterprises in the combination on the acquisition date is the acquirer, and the other enterprise in the combination is the acquiree. Acquisition date refers to the date on which the acquirer actually obtains control over the acquiree.

For business combination not under common control, the cost of business combination is the aggregate of the fair value, on the acquisition date, of assets given, liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree. The audit fees, valuation and consulting fees, legal service fees and other administrative expenses incurred in the business combination shall be recognized in the current profit or loss when they occur. Commissions and other expenses incurred in the business combination for the issuance of equity or debt securities shall be included in the initial recognition amounts of equity or debt securities. Any contingent consideration involved shall be included in the combination cost according to its fair value on the acquisition date. If there is new or further evidence on the existing situation on the acquisition date emerging within 12 months after the acquisition date, the contingent consideration needs to be adjusted and the combination goodwill shall be adjusted accordingly. The combination cost incurred by the acquirer and the identifiable net assets obtained in the combination shall be measured at the fair value on the acquisition date. The difference between the combination costs and the fair value of the identifiable net assets obtained from the acquiree on the acquisition date shall be recognized as goodwill. If the combination costs are lower than the fair value of the identifiable net assets obtained from the acquiree, the acquirer shall review the measurement of the fair value of the identifiable assets, liabilities and contingent liabilities acquired as well as the combination costs; and if the combination cost is still lower than the fair value of the identifiable net assets of the acquiree obtained in the combination after the review, the difference shall be recorded into the current profit and loss.

For the deductible temporary difference of the acquiree that is being acquired and is not recognized on the acquisition date because the conditions for recognizing deferred income tax assets are not met, it shall be recognized as the relevant deferred income tax assets when the

following conditions are met: (1) New or further evidence is obtained within 12 months after the acquisition date indicating that the relevant situation on the acquisition date already exists; (2) The economic benefits brought by the deductible temporary difference of the acquiree on the acquisition date are expected to be realized. In the meanwhile, the goodwill shall be reduced. If the goodwill is insufficient to be offset, the difference shall be recognized as the current profit and loss. In addition to the aforementioned situations, the deferred income tax assets related to the business combination that are recognized shall be recorded into the current profit and loss.

For the business combination not under common control realized step by step through multiple transactions, it shall be determined whether the multiple transactions are identified as "package deal" in accordance with the "Notice on Issuing Interpretation of Accounting Standards for Enterprises No. 5 from the Ministry of Finance" (Cai Kuai [2012] No. 19) and the judgement criteria of "package deal" in the Article 51 of the "Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements" (refers to Note IV 5 (2) "Preparation of consolidated financial statements"). If the multiple transactions are identified as "package deal", the accounting treatment refers to the previous paragraphs of this part and Note IV 14 "Long-term equity investment". If the multiple transactions are not identified as "package deal", accounting treatment shall be carried out differently in individual and consolidated financial statements:

① In individual financial statements, the sum of the book value of equity investment in the acquiree held by the acquirer before the acquisition date and the increase in the cost of equity investment shall be recognized as the initial investment cost. If the equity investment in the acquiree before the acquisition date involves the other comprehensive income, when disposing the investment, the other comprehensive income related to the investment shall be accounted for on the same basis as that of the acquiree’s direct disposal of the relevant assets or liabilities (i.e., except for the corresponding share in the changes caused by the re-measurement of the net liabilities or net assets of the defined benefit plan by the acquiree in accordance with the equity method, the rest shall be transferred into the current investment income).

② In consolidated financial statements, equity investment in the acquiree held by the acquirer before the acquisition date shall be revalued at fair value on the acquisition date, and the difference between the fair value and the book value shall be recorded into the current investment income. If equity investment in the acquiree before the acquisition date involves other

comprehensive income, the other comprehensive income related to the investment shall be accounted for on the same basis as that of the acquiree's direct disposal of the relevant assets or liabilities (i.e., except for the corresponding share in the changes caused by the re-measurement of the net liabilities or net assets of the defined benefit plan by the acquiree in accordance with the equity method, the rest shall be transferred into the investment income in the current period of the acquisition date).

5. Preparation of consolidated financial statements

(1) The scope of consolidated financial statements

The scope of consolidated financial statements shall be determined on the basis of control. Control exists when the Group has power over the investee, rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. A subsidiary is an entity that is controlled by the Group.

Once the factors of the above-mentioned definition of control change due to the changes of relevant facts and circumstances, the Group will reassess them.

(2) Preparation of consolidated financial statements

From the date of acquiring the subsidiary's net assets and actual control of production and operation decisions, the Group begins to include it in the scope of consolidation and exclude it from the scope of consolidation from the date of loss of actual control. For the disposed subsidiaries, the operating results and cash flows before the disposal date have been appropriately included in the consolidated income statement and consolidated statement of cash flows; for the subsidiaries disposed in the current period, the opening balance of the consolidated balance sheet shall not be adjusted. The operating results and cash flows of subsidiaries increased by business combinations not under common control after the acquisition date have been appropriately included in the consolidated income statement and consolidated statement of cash flows, and the opening balance and comparative amounts of the consolidated financial statements shall not be adjusted. The operating results and cash flows of subsidiaries increased by business combinations under common control and the consolidated company by merger from the beginning of the current period of combination to the date of combination have been appropriately included in the

consolidated income statement and consolidated statement of cash flows, and the comparative amounts of the consolidated financial statements shall be adjusted at the same time.

For any difference in accounting policies and accounting periods between the Company and its subsidiaries, necessary adjustments shall be made to subsidiaries based on accounting policies and periods of the Company when preparing consolidated financial statements. Financial statements of subsidiaries shall be adjusted based on the fair value of identifiable net assets defined on the purchasing date for the subsidiaries acquired not under the common control.

All significant transaction balances, transactions and unrealized profits within the Group shall be offset in the preparation of the consolidated financial statements.

The portion of a subsidiary's equity and net profit and loss that is not attributable to the Group are treated as minority interests and presented separately under the equity item and net profit item in the consolidated financial statements. The portion of net profit or loss of subsidiaries for the period attributable to minority interests shall be presented in the consolidated income statement below the net profit line item as minority interests. When the amount of loss for the current period attributable to the minority shareholders' portion exceeds the opening balance of owner's equity of the subsidiary attributable to the minority shareholders' portion, the excess shall be allocated against the minority interests in the consolidated financial statements.

When the Company loses control over a former subsidiary due to disposing part of equity investment or other reasons, the remaining part of the equity investment should be re-measured at fair value at the date when losing control over the investee. The sum of consideration received on disposal of the equity investment and the fair value of the remaining part of equity investment, deducting net assets proportion calculated by original share percentage since the acquisition date should be recorded into investment income for the period in which control is lost. Subsequently, the remaining part of equity investment shall be measured in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 2 – Long-term Equity Investment" or "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments". For details, please refer to note IV (14) "Long-term Equity Investment " or note IV (9) "Financial Instruments".

If the Group disposes the equity investment in subsidiaries step by step through multiple transactions until losing the control, it is necessary to distinguish whether the transactions of

disposing the equity investment in subsidiaries until losing the control is a package deal. When the parent company disposes the equity investment of its subsidiary and the trade terms, conditions and economic impact satisfy one or more of the following conditions, multiple transactions shall be accounted for as a package deal: a) These deals are concluded at the same time or under the conditions of considering the impact on each other; b) These transactions shall be bundled as a whole to achieve a complete business result; c) The occurrence of a deal depends on at least one of the other transactions; d) A deal is not economically feasible on its own but becomes economically feasible when combined with other deals. If the transactions are not a package deal, the accounting treatment for each transaction shall be carried out in accordance with the above-mentioned accounting policies for "Partial disposal of long-term equity investment in subsidiary without losing control over the subsidiary" (details refer to Note IV 14 2(4) "Long-term equity investment") and "The loss of control of the subsidiary resulted from the disposal of partial equity investment in subsidiary or other reasons" respectively. When various transactions to dispose the equity investment of a subsidiary by the parent company till losing control over the subsidiary are a package deal, they shall be accounted for as one transaction for disposal of the equity investment which results in the loss of control. However, before the control is lost, the difference between each disposal income and the corresponding share of net assets of the subsidiary shall be recognized into other comprehensive income in the consolidated financial statement, and then the difference shall be transferred into the current profit and loss when the control is lost.

6. Classification of joint arrangement and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Group classifies joint arrangements into joint operations and joint ventures based on the rights and obligations in the venture arrangement. A joint operation is a joint arrangement whereby the Group can have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the Group can only have rights to the net assets of the arrangement.

The Group's investment in joint ventures shall be accounted by equity method in accordance with the accounting policies described in note IV (14) "Long-term equity investment" and 2 (2) "Long-term equity investment under the equity method".

As a joint operator to the joint arrangement, the Group shall recognize (a) its solely-held assets and solely-assumed liabilities, its share of the jointly-held assets and jointly-assumed liabilities; (b) the revenue from the sale of its share of the joint operation outputs; (c) its share of the revenue from the sale of the joint operation outputs; and (d) its solely-incurred expenses and its share of expenses incurred jointly.

When the Group invests or sells assets to the joint operation as a joint operator (the assets does not constitute a business, same below), before these assets are sold to third parties, the Group shall recognize gains and losses from the transaction only to the extent of the other parties' interests in the joint operation. When the assets comply with the regulations of "Accounting Standard for Business Enterprises No. 8 - Impairment of Assets", the Group shall recognize the loss in full amount. When the Group purchases assets from the joint operation, it shall recognize its share of the gains and losses.

7. Recognition basis of cash and cash equivalents

This part is applicable to companies other than Chengdu Rural Commercial Bank Co., Ltd.

The cash and cash equivalents of the Group refers to cash on hand, deposits that can be used for payment at any time and short-term (less than three months) investments with high liquidity and can be easily converted into known amount of with low risk of changes in value.

This part is applicable to companies other than Chengdu Rural Commercial Bank Co., Ltd.

8. Translation of transactions and financial statements denominated in foreign currency

(1) Translation of foreign currency transactions

The Group's foreign currency transaction shall be converted into the functional currency according to the spot rate (usually refers to central parity rate of the day on which the exchange rate is announced by the People's Bank of China, and the same as follows) on the transaction date.

(2) Translation method for monetary items and non-monetary items denominated in foreign currency

On balance sheet date, the monetary items denominated in foreign currencies are translated at the spot exchange rates on the balance sheet date. Foreign exchange gains and losses arising from the

difference are recognized in current profit and loss, except that: ① The exchange differences arising from the special foreign currency borrowings related to the acquisition and construction of assets eligible for capitalization shall be treated in accordance with the principle of capitalization of borrowing costs; ② The exchange differences of hedging instruments used for effective hedging of net investment in overseas operations (the differences shall be included in other comprehensive income, and shall not be recognized as current profit and loss until the net investment is disposed); ③ Foreign currency monetary items measured at fair value through other comprehensive income shall be included in the current profit and loss, while exchange difference arising from other changes in book value (excluding amortized cost and impairment) shall be included in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency shall be translated using the spot exchange rates on the transaction dates. Non-monetary items denominated in foreign currencies that are stated at fair value are translated using the spot exchange rates on the dates when the fair value was determined, the difference between the amount of functional currency after translation and the original amount of functional currency shall be treated as part of change in fair value (including change in exchange rate) and recognized in current profit and loss or other comprehensive income.

(3) Translations of financial statements denominated in foreign currencies

The Group translates the financial statements of its foreign operation in accordance with the following methods: The asset and liability items in the balance sheets shall be translated at a spot exchange rate on the balance sheet date. Among the owner’s equity items, except for "retained earnings", other items shall be translated at the spot exchange rate at the time when they occur; The income and expense items in the income statements shall be translated at the spot rate on the transaction date. The opening balance of retained earnings for the current year shall be the closing balance of retained earnings for the prior year after the translation. The closing balance of retained earnings for the current year shall be calculated by each translated item. The difference between the asset items and the sum of the liability items and the shareholders’ equity items after the translation shall be accounted for as a translation difference in financial statements denominated in foreign currency and shall be recognized as other comprehensive income. In case of disposal of

overseas operation and loss of control, the translation difference in foreign currency financial statements that is related to the overseas operation shall be transferred into the current profit and loss in full or in proportion to the disposal of the overseas operation.

Foreign currency cash flows and cash flows of overseas subsidiaries shall be translated using the spot exchange rate on the date of cash flow incurred. The impact of exchange rate changes on cash is used as a reconciliation item and shall be separately presented in the statement of cash flows.

The amount at the beginning of the year and the actual amount of the prior year shall be presented in accordance with the translated amount of the financial statements for the prior year.

When disposing all the shareholders' equity of the Group's overseas operation or losing the control over the overseas operation due to the disposal of part of the equity investment or other reasons, the translation difference in foreign currency financial statements that is related to the shareholders' equity of the parent company related to the overseas operation shall be transferred into the current profit and loss of disposal in full.

When the proportion of overseas operating interests is reduced but the control over the overseas operation is not lost due to the disposal of part of equity investment or other reasons, the translation difference of foreign currency financial statements related to the disposal part of overseas operation shall be attributed to minority interests and shall not be transferred into the current profit and loss. When disposing part of the equity of an overseas operation as an associate or joint venture, the translation difference of foreign currency financial statements related to the overseas operation shall be transferred into the current profit and loss of disposal according to the disposal proportion of the overseas operation.

If there is a foreign currency monetary item that substantially constitutes a net investment in overseas operations, in the consolidated financial statements, the exchange difference arising from the change in the exchange rate shall be regarded as "Translation difference of foreign currency financial statements" to be recognized as other comprehensive income; when disposing of overseas operations, it shall be recorded into the current profit and loss of disposal.

9. Financial instrument

Financial assets or financial liabilities shall be recognized when the Group becomes a party to a contract of financial instrument.

(1) Classification, recognition and measurement of financial assets

According to the business model of managing financial assets and the characteristics of contractual cash flow from the financial assets, the Group shall divide financial assets into financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss.

Financial assets shall be measured at fair value at the initial recognition. For financial assets at fair value through profit or loss, the relevant transaction costs shall be directly included in the current profit and loss. For other types of financial assets, the relevant transaction costs shall be included in the initial recognition amount. Accounts receivable or notes receivable that arise from selling products or rendering services and do not include or consider significant financing components shall be initially recognized as the consideration amount which the Group is entitled to.

① Financial assets measured at amortized cost

The Group's business model of managing financial assets measured at amortized cost is to collect contractual cash flows whose characteristics are consistent with that of the basic lending arrangements, that is, the cash flow generated on a specific date is only the payment of principal and interest based on the amount of outstanding principal. Such financial assets shall be subsequently measured at amortized cost using the effective interest method. Gains or losses arising from the amortization or impairment of these financial assets shall be included in the current profit and loss.

② Financial assets at fair value through other comprehensive income

The Group's business model of managing these financial assets is to collect and sell the contractual cash flows. The characteristics of the contractual cash flows of these financial assets are consistent with that of the basic lending arrangements. Such financial assets shall be measured at fair value with changes recorded in other comprehensive income. Impairment losses, exchange gain or loss or interest income calculated by the real interest rate shall be included in the current profit and loss.

In addition, some non-tradable equity instrument investments shall be irrevocably designated by the Group as financial assets at fair value through other comprehensive income. The Group shall record the dividend income of such financial assets into the current profit and loss, and the changes in fair value into other comprehensive income. When the financial asset is derecognized,

the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income to retained income and not included in the current profit and loss.

③ Financial assets at fair value through the current profit or loss

The Group classifies the other types of financial assets other than those mentioned above as financial assets at fair value through profit or loss. In addition, in order to eliminate or significantly reduce accounting mismatch, the Group shall designate some financial assets as those measured at fair value through profit or loss in initial recognition. These assets shall be measured at fair value subsequently, and the changes in their fair value shall be included in the current profit or loss.

(2) Classification, recognition and measurement of financial liabilities

At the initial recognition, financial liabilities shall be classified as financial liabilities at fair value through the profit or loss and other financial liabilities. Transaction costs of financial liabilities at fair value through profit or loss shall be directly included in the current profit and loss, while the transaction costs of other financial liabilities shall be included in the initial amount of recognition.

① Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include trading financial liabilities (such as derivatives classified as financial liabilities) and those designated as fair value through profit or loss at initial recognition.

Trading financial liabilities (including derivatives classified as financial liabilities) shall be subsequently measured at fair value, except those changes of fair value related to hedging accounting shall be included in the current profit and loss.

For financial liabilities designated as fair value through profit or loss, changes of fair value that are caused by the changes of the Group’s own credit risk shall be recorded in other comprehensive income and the accumulated amount shall be transferred to retained earnings when such liabilities are derecognized. The other changes of fair value shall be included in the current profit and loss. If accounting for changes in the own credit risk of such financial liabilities will lead to or increase accounting mismatch in the profit and loss, the Group shall include the total profits or losses of such financial liabilities (including the amount impacted by changes of the Company’s own credit

risk) in the current profit and loss.

② Other financial liabilities

The gain or loss arising from de-recognition or amortization financial liabilities measured at the amortized cost initially and subsequently shall be recorded in the current profit or loss. However, this rule does not apply to financial liabilities and financial guarantee contracts formed by the transfer of financial assets that do not meet the de-recognition conditions or continue to be part of the transferred financial assets.

(3) Impairment of financial assets

The Group shall recognize impairment of financial assets including financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, lease receivables (such as notes receivable, accounts receivable, financing receivables, lease receivables, other receivables, creditor's rights investment, other creditor's rights investment, long-term receivables, etc.). In addition, for contract assets and some financial guarantee contracts, provision for impairment and recognition of credit impairment losses shall also be made in accordance with the accounting policies described in this section.

① Method of making the provisions for impairment

Based on the expected credit loss, the Group shall make provisions for the above items according to the applicable expected credit loss measurement method (general method or simplified method) and recognize the credit impairment loss.

Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be received by the Group discounted at the original effective interest rate, that is, the present value of all cash shortfalls. Among them, the financial assets that are purchased or generated by the Group and have incurred credit impairment shall be discounted according to the actual interest rate adjusted by the credit of the financial assets.

When using the general method of measuring expected credit loss, the Group shall assess whether the credit risk of financial assets (including other items of contact assets, the same below) on each balance sheet date has increased significantly since the initial recognition. The amount of expected credit loss shall be measured to the extent of expected credit loss in the whole duration if the credit risk has increased significantly since its initial recognition. The amount of expected credit loss

shall be measured to the extent of expected credit loss in the next 12 months if the credit risk has not increased significantly since its initial recognition. When evaluating the expected credit loss, the Group considers all reasonable and available information, including forward-looking information.

For financial instruments with low credit risk on the balance sheet date, the Group shall assume the credit risk has not increased significantly since the initial recognition, and provide for loss according to the amount of expected credit loss in the next 12 months.

② Criteria for judging whether credit risk has increased significantly since initial recognition

If the default probability of a financial asset in the expected duration which is determined on the balance sheet date is significantly higher than that in the expected duration which is determined on the initial recognition, it indicates that the credit risk of the financial asset has increased significantly. Except for special circumstances, the Group shall use the change of default risk in the next 12 months as a reasonable estimate of the change of default risk in the whole duration to determine whether the credit risk has increased significantly since the initial recognition.

③ Portfolio-based approach to evaluate expected credit risk

The Group shall evaluate the credit risk of financial assets with significantly different credit risks, such as the receivables that are in dispute with the other party or involved in litigation or arbitration; or there are obvious signs showing that the debtor is probable to be unable to fulfill the repayment obligations of receivables.

In addition to the financial assets with single credit risk assessment, the Group shall divide financial assets into different portfolios based on the common risk characteristics, and assess the credit risk on the basis of the portfolios.

④ Accounting treatment for impairment of financial assets

At the end of the period, the Group shall calculate the expected credit loss of various financial assets. If the expected credit loss is greater than the book value of its current impairment provision, the difference shall be recognized as impairment loss. If it is less than the book amount of the current impairment provision, the difference shall be recognized as impairment gains.

(4) Recognition and measurement of transfer of financial assets

Financial assets meeting one of the following conditions shall be de-recognized: ① The

contractual right to receive the cash flow of the financial asset is terminated; ② The financial asset has been transferred and almost all the risks and rewards of the ownership of the financial asset have been transferred to the transferee; ③ The financial asset has been transferred. Although the enterprise has neither transferred nor retained almost all the risks and rewards of the ownership of the financial asset, it has given up the control over the financial asset.

If the Company has neither transferred nor retained substantially all risks and rewards of the ownership of the financial assets, and the Company has not given up the control over the financial assets, the relevant financial assets shall still be recognized according to the degree of its continuous involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly. The degree of continuous involvement in the transferred financial assets refers to the risk level faced by the Company due to changes in the value of the financial assets.

If the overall transfer of financial assets meets the conditions for de-recognition, the difference between the book value of the transferred financial assets and the sum of the consideration received due to the transfer and the accumulated changes in fair value originally included in other comprehensive income shall be included in the current profit and loss.

If the partial transfer of financial assets meets the conditions for de-recognition, the book value of the transferred financial assets shall be apportioned according to its relative portion of the fair value of the de-recognized part and the non-derecognized part, and the difference between the afore-mentioned book value apportioned and the sum of the consideration received due to the transfer and the accumulated changes in fair value originally included in other comprehensive income that should be apportioned to the de-recognized part shall be included in the current profits and losses.

The Group needs to determine whether almost all risks and rewards on the ownership of the financial assets have been transferred when they sell the financial assets with recourse or transfer the financial assets held by endorsement. If substantially all the risks and rewards in the ownership of the financial asset have been transferred to the transferee, the financial asset shall be de-recognized; if substantially all the risks and rewards in the ownership of the financial asset have been retained, the financial asset shall not be de-recognized; if substantially all the risks and rewards in the ownership of the financial asset have not been transferred nor retained, they shall continue to judge whether the companies shall retain the control of the asset and the accounting

treatment shall be performed in accordance with the principles described in the preceding paragraphs.

(5) De-recognition of financial liabilities

Only when the prevailing obligations of a financial liability are relieved in all or in part, the recognition of the financial liability shall be terminated in all or in part. Where the Group (the debtor) enters into an agreement with the creditors so as to substitute the existing financial liabilities by assuming a new financial liability, and if the contractual stipulations regarding the new financial liability is substantially different from that of the existing financial liability, the Group shall terminate the recognition of the existing financial liability and recognize the new financial liability at the same time.

Where the recognition of a financial liability is totally or partially terminated, the difference between the book value of the de-recognized part and the consideration has paid (including the non-cash asset which has been transferred out and the newly assumed financial liability) shall be recorded into the current profit and loss.

(6) Offsetting of financial assets and financial liabilities

When the Group has legal rights to offset the recognized financial assets and financial liabilities, and this kind of legal rights is currently executable, and plans to settle in net amount, or realize the financial assets and settle the financial liabilities at the same time, financial assets and financial liabilities shall be presented in the balance sheet at the amount after offsetting each other. Otherwise, financial assets and financial liabilities shall be presented separately in the balance sheet, not offsetting each other.

(7) Equity instrument

Equity instruments refer to contracts that can validate the remaining equity of the Group's assets after deducting all liabilities. The Group' issuance (including refinancing), repurchases, sale or cancellation of equity instruments shall be treated as changes in equity. Transaction costs related to equity transactions shall be deducted from equity.

Such companies' various distributions (excluding share dividends) to the holders of equity

instruments shall reduce owners' equity. Such companies shall not recognize changes in the fair value of equity instruments.

10. Notes receivable

The Group shall make the loss provisions for notes receivable according to the amount equivalent to the expected credit loss in the whole duration and evaluate the credit risk of notes receivable separately with significantly different credit risks, such as notes receivable from related parties and those with obvious evidence showing that it is probable the acceptor is unable to perform the acceptance obligations. In addition to the notes receivable assessed for credit risk separately, notes receivable shall be divided into different portfolios based on their credit risk characteristics.

Item	Basis for determining portfolios
Bank acceptance bill	The acceptor is a bank with low credit risk.
Commercial acceptance bill	According to the credit risk classification of the acceptor, it should be the same as that of "accounts receivable".

11. Accounts receivable

This part applies to companies other than Chengdu Rural Commercial Bank Co., Ltd.

Accounts receivable include accounts receivable, other accounts receivable, etc.

(1) Accounts receivable

For accounts receivable without major financing components, the Group shall provide for the impairment loss to the extent of the amount of expected credit loss in the whole duration. For accounts receivable, contract assets and lease receivables with significant financing components, the Group shall choose to provide for the impairment loss to the extent of the amount of expected credit loss in the whole duration on a constant basis.

The Group shall assess the credit risk of accounts receivable with significantly different credit risks, such as accounts receivable from related parties, government receivables, accounts receivable in dispute with the other party or involving litigation and arbitration, accounts receivable that have obvious evidence showing that the debtor is highly likely to be unable to

fulfill the repayment obligations.

In addition to the accounts receivable individually assessed for credit risk, accounts receivable shall be divided into different portfolios based on their credit risk characteristics.

Item	Basis for determining the portfolio
Accounts receivable	
Portfolio 1：Aging portfolio	Aging of accounts receivable
Portfolio 2：Related party portfolio	Portfolio of related parties within the consolidation scope
Portfolio 3：Government debt	Accounts receivable from government agencies and departments at all levels
Portfolio 4：Credit period portfolio	Credit period for export customers of Chase Sun Pharmaceutical.
Contract assets	
Portfolio 1：Unsettled construction funds	Construction project funds not settled by the owner
Portfolio 2：Warranty deposit	Warranty deposit
Portfolio 3： PPP Projects under the financial asset model	PPP Projects under the financial asset model
Portfolio 4：Others	Other types of portfolios other than those mentioned above.

(2) Other receivables

The Group shall measure the impairment loss to the equivalent amount of the expected credit loss in the next 12 months or the whole duration to according to whether the credit risk of other receivables has increased significantly since initial recognition. The Group shall assess the credit risk of other receivables with significantly different credit risks, such as accounts receivable from related parties, receivables in dispute with the other party or involving litigation and arbitration, receivables with obvious evidence showing that the debtor is highly likely to be unable to perform its repayment obligations.

In addition to other receivables that are individually assessed for credit risk, they shall be divided

into different portfolios based on their credit risk characteristics.

Item	Basis for determining the portfolio
Portfolio 1: Aging portfolio	Aging of accounts receivable
Portfolio 2: Related party portfolio	Portfolio of related parties within the consolidation scope
Portfolio 3: Government debt	Accounts receivable from government agencies and departments at all levels
Portfolio 4: Warranty deposit	Various deposits, advances, quality assurance deposits and other receivables in daily regular activities

12. Inventory

（1） Classification of inventory

The Company's inventories include raw materials, goods in process, self-made semi-finished products, revolving materials, finished products, and goods in stock.

（2） Pricing method for obtaining and delivering inventories

The inventories acquired by the Company shall be initially measured at actual costs, including purchase costs, processing costs and other costs.

Disclosure of inventory for real estate development companies:

Inventories shall be initially measured at cost. Inventories of real estate companies can be divided into raw materials, development costs, developed products and entrusted construction projects.

The development cost refers to the property that has not been completed and is constructed for sale and lease. After the project is completed and the financial settlement is made, the development cost shall be transferred to the developed products.

The developed products refer to the properties completed and to be sold. When sales of real estate occur, the costs shall be carried forward according to the unit cost (total cost of project divided by saleable area) and the sold area.

Entrusted construction projects refer to projects which the company is entrusted by the

government departments or other units to build and manage as an agent. After the completion of the entrusted construction project, it will be handed over to the designated owner, and the "Entrusted construction projects " and "special accounts payable" shall be carried forward after the financial settlement is made.

(3) Determination of net realizable value and inventory falling price reserves

Net realizable value refers to the amount of the estimated selling price of inventory less the estimated cost to be incurred at the time of completion, estimated selling expenses and relevant taxes in daily operations. The Company shall determine the net realizable value of inventories based on solid evidence obtained and take into consideration the purpose of holding the inventory and the impact of events after balance sheet date.

Inventories shall be measured at the lower of cost and net realizable value on the balance sheet date. If the net realizable value is lower than the cost, the difference shall be recognized as inventory falling price reserves for each item of inventory. For inventory with large quantity and low unit price, the inventory falling price reserves shall be made according to the inventory category respectively. For the inventory related to the series of products made and sold in the same region, those with the same or similar end use or purpose, those difficult to be measured separately from other items, the inventory falling price reserves shall be made for the same type of inventory collectively.

After the provision for inventory falling price is made, if the factors leading to the previous write-down of inventory value have ceased to exist and the net realizable value of inventory becomes higher than its book value, the reserves shall be reversed to the extent of the amount of reserves that has been made, and the reversed amount shall be included in the current profit and loss.

(4) The Company adopts perpetual inventory system for the inventory taking.

(5) Amortization of low value consumables and packaging materials

Low value consumables and packaging materials shall be amortized by the one-off amortization method at receipt.

13. Contract assets

The Group shall present the right to which the Group has fulfilled its performance obligations according to the contract but the customer has not paid the contract consideration, right that does not belong to the unconditional (i.e., only depending on the passage of time) right to collect payment from the customer as contract assets in the balance sheet. Contract assets and contract liabilities under the same contract shall be presented in net amount, and the contract assets and contract liabilities under different contracts shall not offset each other.

For the determination and accounting treatment of expected credit loss of contract assets, please refer to Note IV (9) "Financial instruments".

14. Long-term equity investment

The long-term equity investment in this part refers to the long-term equity investment in which the Group has control, joint control or significant influence over the investee. The Group's long-term equity investment that does not have control, joint control or significant influence on the investee shall be accounted as a financial asset at fair value through current profit or loss. If it is non -tradable, the Group can choose to designate it as a financial asset at fair value through other comprehensive income at initial recognition. Please refer to note IV (9) "Financial instruments" for the accounting policies.

Joint control refers to the Group's common control over an arrangement in accordance with relevant agreements, and the relevant activities of the arrangement can only be decided after the consensus of the participants sharing the control right. Significant impact means that the Group has the right to participate in the decision-making of the financial and operating policies of the invested entity, but it cannot control or jointly control the formulation of these policies with the other parties.

(1) Measurement of investment cost

If the long-term equity investment is obtained in business combination under common control, the initial cost of the investment is the book value of the share of the acquiree’s equity in the consolidated financial statements of the ultimate controller at the acquisition date. The difference between cash paid, the book value of the non-monetary asset exchanged and the acquiree’s

liabilities assumed and the initial cost of the long-term equity investment should be adjusted to capital reserve. If the capital reserve is insufficient for adjustment, retained earnings are adjusted respectively. If the acquirer issuing equity securities as consideration, the initial cost is the book value of the share of the acquiree's equity in the consolidated financial statements of the ultimate controller at the acquisition date. Amount of share capital equal to the par value of the shares issued. The difference between initial cost of the long-term equity investment and the par value of shares issued shall be adjusted to capital reserve. If the capital reserve is insufficient for adjustment, retained earnings are adjusted respectively. If the equity of the acquiree under common control is acquired step by step through multiple transactions, and the business combination under common control is ultimately formed, it shall be handled separately whether it is the "package deal": if it is the "package deal", each transaction shall be accounted for as a transaction obtaining the control; if it is not the "package deal", the share of the book value of the acquiree's equity in the consolidated financial statements of the ultimate controller on the date of combination shall be taken as the initial investment cost of the long-term equity investment. The difference between the initial investment cost of the long-term equity investment and the sum of the book value of the long-term equity investment before the combination plus the book value of the newly paid consideration for the shares on the combination date shall be adjusted to the capital reserve; if the capital reserve is insufficient to offset, the retained earnings shall be adjusted. For the equity investment that is held before the combination date and measured under the equity method, or other comprehensive income generated from the financial assets measured at fair value through other comprehensive income shall not be accounted for temporarily.

For the long-term equity investment obtained from the business combination not under common control, the initial investment cost of the long-term equity investment shall be the combination cost on the acquisition date. The combination cost includes the sum of the assets paid by the acquirer, the liabilities incurred or undertaken, and the fair value of the issued equity securities. If the equity of the acquiree is acquired step by step through multiple transactions, and the business combination not under common control is ultimately formed, it shall be handled separately whether it is the "package deal": if it is the "package deal", each transaction shall be accounted as a transaction obtaining the control; if it is not the "package deal", the sum of the book value of the equity investment originally held by the acquiree plus the newly increased investment cost shall be

taken as the initial investment cost of the long-term equity investment measured at cost. If the originally held equity is accounted for under equity method, the relevant other comprehensive income shall not be accounted for temporarily.

The business combination costs that are directly attributable to the combination, such as audit fees, valuation fees, legal service fees and other administrative expenses shall be recognized in the current profit and loss when they occur.

For long-term equity investment obtained in any method other than business combination, other equity investment shall be initially measured at cost. The cost shall be determined respectively according to the actual cash purchase price paid by the Company, the fair value of equity securities issued by the Company, the value agreed in the investment contract or agreement, the fair value or original book value of assets exchanged in the exchange transaction of non-monetary assets, and the fair value of the long-term equity investment, etc. based on the different ways of obtaining the long-term equity investment. Expenses, taxes and other necessary expenses directly related to the acquisition of long-term equity investment are also included in the investment cost. If the additional investment can have a significant influence on the investee or implement joint control but does not constitute control, the cost of long-term equity investment shall be the sum of the fair value of the original equity investment determined in accordance with the "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" plus the cost of newly increased investment.

(2) Subsequent measurement and recognition of profit or loss

The equity method shall be used when the Company has joint control (except for joint operation) or significant influence over the investee. The cost method is used when the Company has control over the investee.

① Long-term equity investment under the cost method

The long-term equity investment under cost method shall be priced in accordance with the initial investment cost. Additional investment or recovered investment shall be adjusted to the cost of long-term equity investment. Unless the price or consideration actually paid of obtaining the investment includes cash dividends or profits that are declared but not yet paid, the current investment income shall be recognized according to the cash dividends or profits declared and

paid by the investee

② Long-term equity investment under the equity method

For the long-term equity investment under equity method, when the initial cost of long-term equity investments exceeds the Company's interest in the fair value of identifiable net assets of the investee, the initial cost of the long-term equity investment shall not be adjusted; while the initial cost of long-term equity investments is less than the share of the fair value of identifiable net assets of the investee, the difference is charged to profit or loss for the current period and the cost of the long-term equity investment shall be adjusted accordingly.

Under the equity method, shares of the investee's net profit or losses or the investee's other comprehensive income shall be recognized as investment income or losses and other comprehensive income respectively, and the book value of the long-term equity investment shall also be adjusted accordingly. The book value of long-term equity investment shall be reduced according to the profit or cash dividend declared to be distributed by the investee. If the investee's equity changes other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, the book value of the long-term equity investment shall be adjusted accordingly and recorded into capital reserve. When confirming the share of the net profit and loss of the investee, the net profit of the investee shall be recognized after adjustment on the basis of the fair value of all identifiable assets of the investee at the time of investment. When the accounting policies adopted by the investee are different from those adopted by the Company, the financial statements of the investee shall be adjusted and the investment income and other comprehensive income shall be recognized according to the Group's accounting policies. For transactions between the Group, associates and joint ventures, if the assets invested or sold do not constitute a business, the unrealized internal transaction profit and loss shall be offset according to the proportion attributable to the Group, and the investment profit and loss shall be recognized accordingly. However, if the unrealized internal transaction losses between the Group and the investee are classified as impairment loss of transferred assets, the loss shall not be offset. If the assets invested by the Group to a joint venture or an associate constitute a business, and the investor obtains long-term equity investment but does not obtain the control right, the fair value of the invested business shall be taken as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the book value of the

invested business shall be included in the current profit and loss in full. If the assets sold by the Group to a joint venture or an associate constitute a business, the difference between the consideration obtained and the book value of the business shall be included in the current profit and loss in full. If the assets purchased by the Group from joint ventures or associates constitute a business, the accounting treatment shall be carried out in accordance with the "Accounting Standards for Business Enterprises No. 20 - Business Combination", and the gains or losses related to the transaction shall be recognized in full.

The net loss incurred by the investee shall be recognized based on the book value of the long-term equity investment and other investments essentially constituting the long-term equity of the investee till the book value is reduced to zero. In addition, if the Group has the obligation to undertake extra losses for the investee, it should recognize the accrued liabilities according to the expected obligations and record them in the current investment loss. Once the investee realizes net profit in the subsequent period, the Group shall start to recognize its share of profits after the share of previously unrealized losses has been recovered.

For the long-term equity investment in joint ventures and joint ventures held by the Group before the implementation of the Accounting Standards for Business Enterprises the first time, if there is a debit balance of equity investment related to the investment, it shall be included in the current profits and losses according to the amount of straight-line amortization for the original remaining period.

③ Purchase of minority interests

In the preparation of consolidated financial statements, the difference between the newly increased long-term equity investment which is due to the purchase of minority equity and the share of net assets of the subsidiary calculated continuously from the acquisition date (or combination date) according to the newly increased shareholding ratio shall be adjusted to the capital reserve. If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

④ Disposal of long-term equity investment

In the consolidated financial statements, the parent company disposes part of the long-term equity investment in the subsidiary without losing the control, and the difference between the disposal price and the amount of long-term equity investment in relation to its share of net asset in the subsidiary shall be included in the owners' equity; if the parent company disposes part of the

long-term equity investment in the subsidiary, resulting in the loss of the control, it shall be treated in accordance with the relevant accounting policies described in Note IV 5 "Preparation of consolidated financial statements".

For the disposal of long-term equity investment under other circumstances, the difference between the book value of the disposed equity and the price actually obtained shall be included in the current profit and loss.

For long-term equity investment measured under equity method, if the remaining equity after disposal is still measured under equity method, the other comprehensive income originally included in the owners' equity shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities according to the corresponding proportion. The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward to the current profit and loss in proportion.

For long-term equity investment measured under cost method, if the remaining equity is still measured under cost method after disposal, the other comprehensive income recognized by equity method or determined from the recognition and measurement standard of financial instrument before obtaining the control over the investee shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities, and shall be carried forward to the current profit and loss in proportion; The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution under equity method shall be carried forward to the current profit and loss in proportion.

If the Group losses control in a subsidiary due to partial disposal of equity investment but can still exercise joint control or exert significant influence on the investee, the measurement of long-term equity investment shall be changed from the cost method to the equity method in an individual financial statements, and the remaining equity shall be deemed to be adjusted by equity method when it is acquired. If the remaining equity after disposal cannot exercise joint control or exert significant influence on the investee, it shall be accounted according to the relevant provisions of recognition and measurement standards of financial instruments, and the difference between the fair value and book value on the date of loss of control shall be included in the current profit and loss. Before the Group obtains the control over the investee, the other comprehensive income

recognized by equity method or determined from the recognition and measurement standard of financial instrument shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities when the control over the investee is lost. The owners' equity recognized due to changes in the owners' equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward to the current profit and loss when the control over the investee is lost. Among them, if the remaining equity after disposal is accounted by equity method, other comprehensive income and other owners' equity shall be carried forward in proportion; if the remaining equity after disposal is changed to be accounted according to the recognition and measurement standards of financial instruments, the other comprehensive income and other owners' equity shall be carried forward in full.

If the Group loses joint control or significant influence on the investee due to the disposal of part of equity investment, the remaining equity after disposal shall be accounted according to the recognition and measurement standards of financial instruments, and the difference between the fair value and book value on the date of losing joint control or significant influence shall be included in the current profit and loss. Other comprehensive income of the original equity investment recognized by the equity method shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities when the equity method is ceased to be used. The owners' equity recognized by the investee due to changes in the owners' equity other than net profit and loss, other comprehensive income and profit distribution shall be fully transferred into the current investment income when the equity method is ceased to be used.

The Group disposes the equity investment in subsidiaries step by step through multiple transactions until the control is lost. If the above transactions are a package deal, each transaction shall be treated as a transaction to dispose the equity investment in subsidiaries and lose the control for accounting treatment. Before the loss of control, the difference between the price of each disposal and the book value of the long-term equity investment corresponding to the disposed equity shall be first recognized as other comprehensive income, and then transferred to the current profit and loss when the control is lost.

(3) Recognition and accrual of impairment provision for long-term equity investment

Please refer to Note IV (22) "Impairment of non-current and non-financial assets" for the

recognition and accrual method of impairment provision for long-term equity investment.

15. Investment property

Investment property refers to the property held for generating rent and/or capital appreciation or both, including: a) A land use right that is leased out; b) A land use right held and ready to transfer after appreciation; c) A building that is leased out. In addition, for the vacant buildings held by the Group for operating lease, if the Board of Directors (or other similar organization) makes a written resolution to clearly indicate that they will be used for operating lease and the intend to hold them will not change in the short term, they shall also be recorded as investment property.

The Group shall measure the investment property at fair value for subsequent measurement.

When selecting accounting policy for investment property measured subsequently at the fair value, the basis of selection is as follows:

① There are active property trading markets for the investment property;

② The Group can obtain market price or other relevant information of the same or similar real estate, and can make reasonable estimate for the fair value of the investment property.

The Group shall not provide for depreciation or amortization for investment property. On the balance sheet date, its book value shall be adjusted based on the fair value of the property. The difference between the fair value and the original book value shall be included in the current profit and loss.

When determining the fair value of the investment property, reference shall be made to the current market price of the same or similar real estate in an active market; if the current market price of the same or similar real estate cannot be obtained, reference shall be made to the latest transaction price of the same or similar real estate in an active market, the transaction situation, transaction date, region and other factors, so as to make a reasonable estimate of the fair value of the investment property; or the fair value shall be determined on the basis of the present value of the expected future rental income and relevant cash flow.

In rare cases, if there is evidence showing that when the Group obtains an investment property for the first time (or when an existing property is converted into an investment property for the first time after construction or development is completed or the purposes for usage has changed), the

fair value of the investment property cannot be obtained continuously and reliably, the investment property shall be measured at cost until disposal, and it is assumed that there is no residual value.

When the self-use real estate or inventory is converted into investment property, it shall be valued according to the fair value on the date of conversion. If the fair value on the date of conversion is less than the original book value, the difference shall be included in the current profit and loss; if the fair value on the date of conversion is greater than the original book value, the difference shall be recognized as other comprehensive income. When the investment property is converted into the self-use real estate, the fair value on the date of conversion shall be taken as the book value of the self-use real estate, and the difference between the fair value and the original book value shall be included in the current profit and loss.

When investment property is converted into to self-use property, the property shall be converted into fixed assets or intangible assets from the date of conversion. If the purpose of holding the self-use property has been changed to earn rent or capital appreciation, fixed assets or intangible assets shall be converted into investment property from the date of conversion. In case of conversion into investment property measured by cost model, the book value before conversion shall be used as the entry value after conversion. In case of conversion into investment property measured by the fair value model, the fair value on the conversion date shall be used as the entry value after conversion.

When the investment property is disposed, or is permanently withdrawn from use, and it is expected that no economic benefits can be obtained from its disposal, the recognition of the investment property shall be terminated. The disposal income from the sale, transfer, scrap or damage of investment property after deducting its book value and relevant taxes and surcharges shall be included in the current profit and loss.

16. Fixed assets

(1) Recognition criteria of fixed assets

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others or for administrative purposes with useful life more than one year. A fixed asset shall be initially recognized at cost when the following conditions are satisfied: a) It is probable that future economic benefits associated with the assets will flow to the Group; b) The

cost of the assets can be measured reliably. Fixed assets shall be initially measured at cost, taking into account the impact of expected disposal costs.

(2) Classification and depreciation of fixed assets

The depreciation of fixed assets shall be accrued within the service life from the next month when they reach the expected serviceable state. The service life, estimated net residual value, annual depreciation rate and depreciation method of various fixed assets are as follows.

Category of assets	Estimated useful life （year）	Estimated net residual value rate（%）	Annual depreciation rate（%）
Land assets			
Housing and buildings	20-40	5	2.38-4.75
Machinery and equipment	6-10	5	9.5-15.83
Electronic equipment	3-5	5	19-31.67
Transportation equipment	4-8	5	11.88-23.75
Office equipment	3-10	5	9.5-31.67
Hotel furniture	3-10	5	9.5-31.67
Other equipment	3-10	5	9.5-31.67

The estimated net residual value refers to the amount obtained by the Group from the disposal of the asset after deducting the estimated disposal expenses, assuming that the expected service life of the fixed asset has expired and is in the expected state at the end of its service life.

(3) Methods for conducting impairment test and making provisions for fixed assets

Please refer to Note IV (22) "Impairment of non-current and non-financial assets" for the details.

(4) Other information

For subsequent expenditure relating to a fixed asset, if the economic benefits related to the fixed asset are probable to flow in and their costs can be reliably measured, they shall be included in the

cost of the fixed asset and the book value of the replaced part shall be derecognized. Other subsequent expenditures shall be included in the current profit and loss when they occur.

When a fixed asset is being disposed or it is expected to produce no economic benefits through use or disposal, the recognition of the fixed asset shall be terminated. The difference of the disposal income from the sale, transfer, scrap or damage of fixed assets after deducting the book value and relevant taxes shall be included in the current profit and loss.

The Group shall review the useful life, estimated residual value and depreciation method of a fixed asset at the end of each financial year. If there are any changes, they shall be treated as changes in accounting estimates.

17. Construction in progress

Construction in progress shall be measured according to the actual costs, including the construction costs, other necessary expenses incurred to make the construction in progress reach the expected serviceable state, and the borrowing costs that meet the capitalization conditions before the assets reach the expected serviceable state. Construction in progress shall be converted to fixed assets or investment real estate after reaching the expected serviceable state.

For the impairment testing and provision method of construction in progress, please refer to note IV (22) "Impairment of non-current non-financial assets".

18. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, auxiliary costs and exchange differences arising from foreign currency borrowings, etc. When the borrowing costs incurred by the Company can be directly attributable to the acquisition and construction or production of assets which are eligible for capitalization, it shall be capitalized and recorded into the costs of relevant assets when the following requirements are simultaneously met: a) The asset disbursements have already incurred; b) The borrowing costs have already incurred; c) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started. When the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased. Other borrowing costs shall be recorded into the current profit and loss when

they occur.

The amount of interest expenses actually incurred in the current period of a special borrowing after deducting the interest income from unused borrowing funds deposited in the bank or the investment income from temporary investment shall be capitalized. The capitalization amount of a general borrowing is the capitalization rate of the general borrowing used multiplied by the portion of the weighted average asset disbursement, which is calculated by deducting the special loan from the accumulative asset disbursements. The capitalization rate shall be calculated and determined based on the weighted average interest rate of the general borrowing.

During the period of capitalization, the foreign exchange differences on foreign currency specific borrowings shall be capitalized; exchange differences on foreign currency general borrowings shall be recorded into the current profit and loss.

Assets eligible for capitalization refer to assets such as fixed assets, investment property, inventories and other assets which need to go through the acquisition and construction or production activities for quite a long time to reach the intended use or status for sale.

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended, till the acquisition and construction or production of the asset restarts.

19. Intangible assets

(1) Recognition of intangible assets

Intangible assets are identifiable non-monetary asset that are owned or controlled by the Group and do not have a physical substance.

An intangible asset shall be measured initially at its cost. For subsequent expenditure relating to an intangible asset, if the economic benefits related to the intangible asset are probable to flow in and their costs can be reliably measured, it shall be included in the cost of the intangible asset. Other subsequent expenditures shall be included in the current profit and loss when they occur.

The acquired land use right shall be usually accounted for as an intangible asset. For self-development and construction of buildings such as factories, etc., the related land use right expenditures and building construction costs are accounted for as intangible assets and fixed assets respectively. For houses and buildings purchased, the relevant price shall be allocated between the

land use rights and the buildings. If it is difficult to allocate them reasonably, all of them shall be treated as fixed assets.

(2) Amortization of intangible assets

When intangible assets with limited useful life are available for use, they shall be amortized based on the original value minus the estimated net residual value and the accumulated amount of the impairment provision using the straight-line method within the expected useful life. Intangible assets with uncertain useful life shall not be amortized.

At the end of the reporting period, for an intangible asset with limited useful life, the useful life and amortization method shall be reviewed. If there are changes incurred, it shall be treated as changes in the accounting estimates. In addition, for an intangible asset with uncertain useful life, the useful life shall be reviewed. If there is evidence indicating that the economic benefits brought to the Company by the intangible asset is foreseeable, estimate for its useful life shall be made and amortization shall also be made in accordance with the amortization policy of intangible assets with limited useful life.

(3) Research and development expenditure

The expenditure from the internal research and development project of the Group shall be classified as the expenditure in research stage and those in development stage. Among them, research refers to original and planned investigations for acquiring and understanding new scientific or technical knowledge, such as activities that are intended to acquire knowledge; applied research, evaluation and final selection of research results or other knowledge; research on alternatives of materials, equipment, products, processes, systems or service; preparation, design, evaluation and final selection of possible alternatives of new or improved materials, equipment, products, processes, systems or service. Development refers to the application of research results or other knowledge to a plan or design to produce new or substantially improved materials, devices, products, etc. before commercial production or use, such as the design, construction and testing of prototypes and models before production or use; design, construction and operation of trial production facilities without commercial production economic scale.

The expenditures in research stage shall be recorded into the current profit and loss when they

occur.

The expenditures in development stage shall be recognized as intangible assets that should meet all the conditions as follows, otherwise they shall be recorded into the current profit and loss:

① It is technically feasible to finish intangible assets for use or sale;

② It is intended to finish and use or sell the intangible assets;

③ The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally;

④ It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources;

⑤ The development expenditures of the intangible assets can be reliably measured.

If it is impossible to distinguish the expenditure in the research stage or those in the development stage, all the R&D expenditures incurred shall be recorded into the current profit and loss.

(4) Method for testing impairment and making provisions for intangible assets

Please refer to note IV (22) "Impairment of non-current and non-financial assets" for more details.

20. Long-term deferred expenses

Long-term deferred expenses refer to all expenses with an amortization period of more than one year that have occurred and will be split between the reporting period and subsequent periods. Long-term deferred expenses shall be amortized by stages according to the period of each expense item.

21. Debt-paying assets

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

Debt-paying assets refer to the physical assets or property rights of the Group which are compensated by the debtor, guarantor or the third party by exercising the creditor's rights or security interests according to law.

For debt-paying financial assets, they shall be classified and measured subsequently according to note IV (9) "Financial instruments".

For debt-paying non-financial assets, they shall be initially measured according to the fair value of the relinquished creditor's rights and the taxes and other costs directly attributable to the asset, and subsequently measured at the lower of its book value and recoverable amount. Details of impairment testing and provision method are set in note IV (22).

22. Impairment of non-current and non-financial assets

The Group assesses fixed assets, constructions in progress, right-of-use assets, intangible assets with limited useful life, investment property measured at cost model, long-term equity investment in subsidiaries, joint ventures and associates, goodwill and other non-current non-financial assets for impairment at the balance sheet date. If there is any indication that an asset may be impaired, the Group should assess the asset for impairment and estimate the recoverable amount of the impaired asset. The Group shall conduct impairment tests each year on goodwill, intangible assets with uncertain useful life and intangible assets that not reach the usable status yet no matter whether indication that an asset may be impaired exists or not.

If the result of impairment test indicates that the book value of an asset is higher than its recoverable amount, impairment provision should be made and recorded into the impairment loss based on the difference. Recoverable amount is measured as the higher of an asset’s fair value less disposal costs and the present value of estimated future cash flows. The fair value of the asset is determined according to the sales agreement price in the fair transaction; if there is no sales agreement but there is an active market for the asset, the fair value is determined according to the buyer’s bid for the asset; if there is no sales agreement and an active market for the asset, the fair value of the asset is estimated based on the best information available. Disposal costs include legal expenses, relevant taxes and handling expenses related to the disposal of assets and direct expenses incurred to make the assets reach a saleable state. The present value of the expected future cash flow of the asset shall be determined according to the expected future cash flow generated in the process of continuous use and final disposal of the asset, and the appropriate discount rate shall be selected to discount the amount. If there is any indication that an asset may be impaired, the Group usually estimates its recoverable amount on an individual item basis.

However, if it's not possible to estimate recoverable amount of the individual asset, the Group should determine the recoverable amount of the asset group to which the asset belongs. An asset group is the smallest group of assets that can independently generates cash inflows.

For the goodwill separately listed in the financial statements, during the impairment test, the book value of goodwill shall be allocated to the asset group or combination of asset groups expected to benefit from the synergistic effect of business combination. If the test results show that the recoverable amount of the asset group or asset group combination containing the allocated goodwill is lower than its book value, the corresponding impairment loss shall be recognized. The amount of impairment loss shall first offset the book value of goodwill allocated to the asset group or combination of asset groups, and then offset the book value of other assets in proportion according to the proportion of the book value of assets other than goodwill in the asset group or combination of asset groups.

Once impairment loss is recognized, it cannot be reversed in the subsequent financial periods.

23. Contract liabilities

Contract liability refers to the obligation of the Group to transfer goods to customers after receiving customers' consideration or have the rights of collecting the consideration. If the customer has paid the contract consideration or the Group has obtained the unconditional right of collecting the consideration before the transfer of goods to the customer, the Group shall record the consideration received or receivable as the contract liability at the earlier of the actual payment and due payment. The contract assets and liabilities of the same contract shall be presented in net amount, and the contract assets and liabilities of different contracts shall not be offset.

24. Employee benefits

Employee benefits of the Group include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

Short-term employee benefits include salary, bonus, allowance & subsidy, employee welfare, medical insurance, work-related injury insurance, maternity insurance, housing fund, union funds, employee education expenses and non-monetary welfare, etc. The actual short-term employee benefits shall be recognized as the debt during the accounting period when the employees provide

service and included in the current profit and loss or the cost of relevant assets, and the non-monetary welfare shall be measured at fair value.

Post-employment benefits include defined contribution plans and defined benefit plans. Defined contribution plans mainly include basic endowment insurance, unemployment insurance and annuity, etc. The corresponding payable amount shall be included in the relevant asset cost or current profit and loss when it occurs.

To terminate the labor relationship with the employee before the expiration of the labor contract, or to propose compensation to encourage employees to voluntarily accept the layoff, the employees' compensation liabilities arising from the termination benefits are recognized and charged into the current profit and loss at the earlier date of the two following situations: (1) the Group is unable to unilaterally withdraw the termination benefits provided by terminating the labor relationships plans or the layoff proposals; (2) the Group recognize the costs or expenses in connection with the reorganization involving the termination benefits. However, if the termination benefits are not expected to be fully paid within 12 months after the end of the annual report period, they shall be treated as other long-term employee benefits.

Employee internal retirement plans shall be handled according to the same principles as above for termination benefits. The salaries and social insurance premiums to be paid to the early retired employees from the date when the employees stop providing services to the normal retirement date, when they meet the conditions for the recognition of accrued liabilities, shall be included in the current profit and loss (termination benefits).

If the other long-term employee benefits provided by the Group to employees are in accordance with the defined contribution plan, the accounting treatment shall be carried out in accordance with the defined contribution plan, and otherwise shall be accounted for in accordance with the defined benefit plan.

25. Share-based payment

(1) Classification of share-based payment

The Group's share-based payment scheme is as follows.

Share-based payment is a transaction in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed for the purpose of obtaining services

provided by employees or other parties. Share-based payment is divided into equity- settled and cash-settled share-based payment. As of December 31, 2022, the Group's share-based payment scheme being implemented is the equity-settled share-based payment.

① Equity-settled share-based payments

Equity-settled share-based payments in exchange of service provided by employees shall be measured at the fair value of the equity instruments granted to the employees on the grant date. If the right cannot be exercised until the services are completed or the prescribed performance conditions are satisfied during the vesting period, based on the best estimate of the number of vested equity instruments during the vesting period, it shall be accounted for as the relevant costs or expenses by using straight-line method, and the capital reserve shall be increased accordingly.

When the fair value of the granted equity instrument cannot be measured reliably, it shall be measured at the intrinsic value of the equity instrument on the service date, each subsequent balance sheet date and settlement date, and the change in the intrinsic value shall be included in the current profit and loss.

② Cash-settled share-based payments

The cash-settled share-based payments shall be measured at the fair value of liabilities calculated and confirmed on the basis of the shares or other equity instruments undertaken by the Group. If the right can be exercised immediately after the grant, it shall be accounted for as the relevant costs or expenses on the grant date, and the liability shall be increased accordingly. If the right cannot be exercised until the services are completed or the prescribed performance conditions are satisfied during the vesting period, on each balance sheet date during the vesting period, based on the best estimate of the number of vested equity instruments, it shall be accounted for as the relevant costs or expenses according to the fair value of the liabilities undertaken by the Group on the grant date, and the liability shall be increased accordingly.

On each balance sheet date and settlement date before the settlement of the relevant liabilities, the fair value of the liabilities shall be re-measured, and the changes shall be included in the current profit and loss.

(2) Measurement of fair value of equity instruments

The fair value of equity instruments such as options granted in an active market shall be

determined according to the quotation in the active market. For equity instruments such as options granted without an active market, the fair value shall be determined by option pricing model. The following factors shall be considered in the option pricing model: (A) the exercise price of option, (B) the valid period of the option, (C) the current price of the underlying shares, (D) the expected volatility of share price, (E) expected dividends on shares, (F) the risk-free interest rate during the validity of the option.

(3) Basis for the best estimation of exercisable equity instruments

On each balance sheet date within the vesting period, the best estimate shall be made by the Company based on the latest available information such as the number of employees with vesting rights, and the number of equity instruments expected to be exercised shall be revised. On the vesting date, the final estimated number of exercisable equity instruments shall be equivalent to the actual number of exercisable equity instruments.

(4) Accounting treatment for amendment and termination of the share-based payment plan

If the amendment increases the fair value of the equity instruments granted, the Group shall recognize the increase in service acquired according to the increase in the fair value of the equity instruments. The increase in the fair value of equity instruments refers to the difference between the fair value of equity instruments before and after amendment on the amendment date. If the amendment decreases the total fair value of the equity instruments granted or adopts other methods that are not conducive to the employees, the accounting treatment for the acquired services shall be continued, regardless of the change as mentioned-above, unless the Group cancels part or all of the granted equity instruments.

During the vesting period, if the equity instruments granted are canceled (except for those canceled due to failure to meet the vesting conditions), the Group shall treat the cancellation of the granted equity instrument as an accelerated exercise, and the amount that should be recognized in the remaining vesting period shall be immediately included in the current profit and loss, and the capital reserve shall be recognized at the same time. If the employee or other party can choose to meet the conditions of non-exercise rights but is not met within the vesting period, the Group shall treat it as a cancellation of the granted equity instruments.

26. Bonds payable

The non-convertible corporate bonds issued by the Group shall be treated as liabilities according to the amount actually received (deducting relevant transaction costs); the difference between the amount actually received and the total par value of the bond shall be treated as the premium or discount of the bonds, which shall be amortized during the duration of the bond according to the effective interest rate when the interest is accrued, and shall be treated according to the treatment principle of borrowing costs.

The convertible corporate bond issued by the Group shall be divided into the liability and equity components at initial recognition and treated separately. Firstly, the fair value of the liability component shall be recognized as its initial recognition amount. Secondly, the initial recognition amount of the equity component shall be determined according to the total issue price of the convertible corporate bonds (deducting relevant transaction costs) after deducting the initial recognition amount of the liability component.

27. Accrued liabilities

An obligation related to a contingency shall be recognized as the accrued liability when all the following conditions are satisfied:

① The obligation is a present obligation of the Group;

② It is probable that an outflow of economic benefits from the Group will be required to settle the obligation;

③ The amount of the obligation can be measured reliably.

On the balance sheet date, considering the factors such as risks, uncertainties and time value of money, etc. related to the contingency, accrued liabilities shall be measured at the best estimate of the payment required to perform the relevant current obligations.

Where some or all the expenditures are expected to be reimbursed by a third party, the reimbursement shall be separately recognized as an asset only when it is virtually received. The amount of the reimbursement shall not exceed the book value of the liability recognized.

28. Other financial instruments such as preferred shares, perpetual bonds

(1) Distinction between perpetual bonds and preferred shares

The Group classifies the financial instruments issued such as perpetual debts and preferred shares, etc. as equity instruments when the following conditions are met at the same time:

① The financial instrument shall not include the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

② For the financial instrument issued by the Group that requires or can be settled by the enterprise's own equity instruments in the future, if it is a non-derivative instrument, it shall not include the contractual obligation to deliver a variable number of its own equity instruments for settlement; if it is a derivative instrument, the Group may settle the financial instrument only by exchanging a fixed amount of its own equity instruments for cash or other financial assets.

Except for financial instruments that can be classified as equity instruments according to the above conditions, other financial instruments issued by the Group should be classified as financial liabilities.

If the financial instrument issued by the Group is a compound financial instrument, it shall be recognized as a liability according to the fair value of the liability component. The amount after deducting the fair value of the liability component from the amount actually received shall be recognized as "Other equity instrument". The transaction costs incurred in the issuance of compound financial instruments shall be apportioned between the liability component and the equity component according to their respective proportions of the total issuance price.

(2) Accounting treatment of perpetual debts and preferred shares

The interest, dividend (or share dividend), gain or loss, as well as the gain or loss arising from redemption or refinancing related to the financial instruments such as perpetual debts and preferred shares, etc., which are classified as financial liabilities, shall be included in the current profit and loss, except for the borrowing costs meeting the capitalization conditions (details refer to Note IV (18) "Borrowing costs").

For the financial instruments such as perpetual bonds and preferred shares, etc. classified as equity instruments, when they are issued (including refinancing), repurchased, sold or written off, the Group shall treat them as changes in equity, and the relevant transaction costs shall be deducted from the equity. The Group's distribution to the holders of equity instruments shall be treated as

the profit distribution.

The Group shall not recognize the changes in fair value of equity instruments.

29. Entrusted business

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

The Group is the manager, trustee or agent of customers in the entrusted business. The balance sheet of the Group does not include the assets held by the Group due to entrusted business and the commitment to return such assets to customers. The risks and benefits of such assets are borne by customers.

The Group signed an entrusted loan agreement with the customers, and the customers provided funds to the Group (hereinafter referred to as "entrusted loan funds"). The Group issued loans to third parties (hereinafter referred to as "entrusted loans") according to the customer's instructions. Since the Group does not bear the risks and rewards of entrusted loans and related funds, entrusted loans and funds shall be recorded as off-balance sheet items based on their principal, and no provisions shall be made for these entrusted loans.

30. Revenue

The Group shall recognize revenue from contract with customers when customers confirm receipt of control of goods if all the following conditions have been satisfied:

a) All parties have approved the contract and promised to meet their own obligations;

b) The contract specifies the rights and obligations of all parties related to the goods transferred or the services provided;

c) The contract has clear payment terms related to the goods transferred;

d) The contract has commercial substance, that is, the performance of the contract will change the risk, timing or amount of the Company's future cash flow;

e) The consideration that the Group is entitled to due to the transfer of goods to customers is probable to be recovered.

On the inception date of the contract, the Group shall identify the individual performance obligations existing in the contract, and allocate the transaction price to the individual performance obligations according to the relative proportion of the price of goods. In determining

the transaction price, factors such as variable consideration, significant financing components in the contract, non-cash consideration and consideration payable to customers shall be considered.

For each single performance obligation in the contract, if one of the following conditions is met, the Group shall recognize the transaction price apportioned to the single performance obligation as revenue according to the progress when performing the obligations: The customers can obtain and consume the economic benefits brought by the Group's performance of contract at the same time; The customers can control the goods under construction during the performance of the contract by the Group; The goods produced by the Group in the course of performance of contract have irreplaceable use, and the Group has the right to collect payment for the performance so far during the whole contract period. The performance schedule shall be determined by the input method or output method according to the nature of the transferred goods. If the performance schedule cannot be reasonably determined and the costs incurred by the Group are expected to be compensated, the revenue shall be recognized according to the cost incurred until the performance schedule can be reasonably determined.

If one of the above conditions is not met, the Group shall recognize the revenue from the transaction price apportioned to the single performance obligation when the customer obtains the right of the goods. When judging whether a customer has acquired control over the goods, the Group shall consider the following signs: The companies have the right to collect the consideration now and the customer has the obligation to pay for the goods now; The companies have transferred the legal ownership of the goods to the customer and the customer has the legal ownership of the goods; The companies have transferred the goods in kind to the customer and the customer has possessed the goods in kind; The companies have transferred the main risks and rewards of the ownership of the goods to the customer and the customer has obtained the major risks and rewards of the ownership of the goods; The customer has accepted the goods; There are other indications that the customer has taken control of the goods.

Revenue recognition method:

(1) The revenue from the sale of goods and the provision of services of Chase Sun Pharmaceutical is the performance of obligations at a certain point of time.

① For domestic sales of goods, revenue recognition should meet the following conditions: The company has delivered the goods to the buyer according to the contract and the buyer has

confirmed the acceptance of the products, the amount of sales revenue of goods has been determined, the payment for goods has been recovered or the certificate of collection has been obtained, and the relevant economic benefits are probable to flow in, the cost related to the goods can be reliably measured.

② For overseas sales of goods, revenue recognition should meet the following conditions: Under the FOB, the company has recognized revenue according to the contract when the goods are declared and shipped, the payment for goods has been collected or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in; the cost related to the products can be measured reliably. Under the CIF, the company has declared and shipped the goods according to the contract and shipped them to the place designated by the customer, the sales revenue of the goods has been recognized, the payment for goods has been collected or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in, and the cost related to the products can be measured reliably.

③ The following conditions should be met for the revenue recognition of service rendered: the company has completed the service according to the contract, the service revenue has been determined, the corresponding payment has been received or the certificate of collection has been obtained, the relevant economic benefits are probable to flow in, and the cost related to the provision of service can be reliably measured.

(2) Provision of construction-related services of Zhonghua Geotechnical

① Revenue recognition of construction business

If the construction contract business is performed within a certain period of time, the Group shall recognize the revenue according to the performance progress by the output method. The performance progress shall be determined according to the proportion of the actual completion as confirmed by the supervisor or the entrusting party in the estimated total workload.

For projects completed and settled in the current period, the operating revenue of the current period shall be recognized according to the amount of the final income minus the accumulated revenue recognized in previous accounting years.

For project that has not been settled in the current period, the difference between the performance progress on the reporting day and the performance progress of the accumulated revenue

recognized in the previous period shall be regarded as the current performance progress. The current operating revenue shall be recognized by multiplying the estimated total contract revenue by the current performance progress.

② Revenue recognition of survey / engineering design business

Revenue recognition of survey / engineering design business is as follows:

In accordance with the survey / engineering design business contract, the Group shall recognize revenue after completing the relevant survey / engineering design and submitting technical achievements or reports to customers.

③ Revenue recognition of the rental business of shield machines

For projects completed and settled in the current period, the operating income of the current period shall be recognized according to the amount of the final income minus the accumulated income recognized in the previous accounting year.

For projects that have not been settled in the current period, the operating revenue of the current period shall be recognized according to the actual completed quantity, i.e., the driving meters and the unit price agreed in the contract. The actual completed quantity is the workload confirmed by the bill of quantities for pricing which is confirmed by the customer or the supervisor, and the confirmation time point is the signing date of the bill of quantities which is confirmed by the customer or the supervisor.

④ Revenue recognition of sales of shield machines

After the assembly of large structural parts, 30% of revenue shall be recognized according to the amount in contract.

After the factory acceptance, installation and commissioning of the goods are completed and accepted by both parties, 40% of revenue shall be recognized according to the amount in contract.

After the product is installed in the well, the commissioning is qualified and accepted by the buyer, and the remaining income shall be recognized after obtaining the acceptance report of installation in the well signed by both parties or three parties (if there is a supervisor).

(3) Revenue recognition policies of Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd.:

① Revenue from sales of goods

When the real estate is completed and the completion settlement is made, the delivery conditions agreed in the sales contract are met, that is, the buyer and the seller have completed the delivery procedures and obtained the payment certificate according to which the buyer will deliver the real estate, sales revenue shall be recognized at the time when the customer obtains the control right of relevant goods or services.

The Company shall include the payment received but not meeting the revenue recognition conditions into the contract liability, and transfer it to the operating revenue account after the above revenue recognition conditions are met.

② Housing rental income

According to the contract or agreement signed with the lessee, the housing rental income shall be recognized according to the straight-line method when the rent from the lessee has been received and the tax payment certificate has been issued.

③ Entrusted construction management fee income

According to the agreement of agent construction, the income fee shall be recognized when the labor service has been provided, the right to collect agent construction management fee has been obtained and the tax payment certificate has been issued.

(4) Revenue recognition policies of Chengdu Rural Commercial Bank Co., Ltd.:

① Interest income

For all financial assets measured at amortized cost and those measured at fair value through other comprehensive income, the interest income shall be measured at the effective interest rate, which refers to the interest rate that discounts the expected future cash inflow or outflow of the financial instrument to the book balance of the financial asset or the amortized cost of the financial liability based on the expected duration of the financial instrument. In calculating effective interest rate, it is necessary to consider the contractual terms of financial instruments (such as prepayment right) and include all expenses and transaction costs attributable to the components of effective interest rate, excluding expected credit loss.

The Group shall determine the interest income based on the book balance of financial assets multiplied by the effective interest rate, except for the following circumstances:

- For the financial assets purchased or generated with credit impairment, the interest income shall

be calculated and determined according to the amortized cost of the financial assets and the actual interest rate after credit adjustment from initial recognition.

-For the financial assets purchased or generated without credit impairment but incurs credit impairment in the subsequent period, the interest income shall be calculated and determined according to the amortized cost of the financial assets (i.e., net book balance after deducting the provision for expected credit losses) and the effective interest rate. If the financial instrument no longer incurs credit impairment due to the improvement of its credit risk in the subsequent period which is objectively related to an event after the application of the above provisions, the interest income shall be calculated and determined by multiplying the effective interest rate by the book balance of the financial asset.

② Handling fee and commission income

The Group shall collect handling fees and commissions by providing various services to customers. The handling fee and commission income recognized by the Group is the amount of consideration it is expected to be entitled to receive, and the income is recognized when the performance obligations in the contract are fulfilled.

If one of the following conditions is met, the Group shall perform the performance obligation within a certain period of time. Otherwise, it shall perform the performance obligation at a certain point of time:

-The customer obtains and consumes the economic benefits brought by the Group's performance when the Group performs the obligation.

-The customer can control the services provided during the Group’s performance.

-The services provided by the Group during the performance of obligation have irreplaceable uses, and the Group has the right to collect payment for the performed part during the whole contract period.

③ Dividend income

Dividend income from equity instruments shall be recognized in the current profit and loss when the Group has right to receive dividends.

(5) Revenue recognition policies of income of other companies are as follows:

① Project construction revenue: the project construction business of these companies shall be

classified as the performance obligation to be performed within a certain period of time, and the contract completion progress shall be determined according to the input method. The construction business of the Company shall be classified as goods under construction controlled by the customer in the process of the company's performance of obligation. Such goods have irreplaceable uses, and the Company has the right to collect payment for the performed part during the whole contract period.

② Product sales revenue: the Company's product sales revenue shall be classified as business revenue recognized at a certain point in time. The revenue shall be recognized when the Company transfers the control of the products to the buyer.

③ Income from transferring the right-to-use assets: the income from transferring the right-to-use assets of the Company is mainly the rental income of houses and buildings, which shall be classified as obligation to be performed within a certain period of time. The progress shall be recognized according to the lease period. The rental income of assets shall be calculated and determined according to the time and method agreed in contracts or agreements.

31. Expenditure

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

(1) Interest expense

The interest expense of financial liabilities shall be calculated according to the amortized cost of financial liabilities and the length of funds occupied according to the effective interest rate method, and shall be recognized in the corresponding period.

(2) Others expenditure

Other expenses shall be recognized on the accrual basis.

This part is applicable to Chengdu Rural Commercial Bank Co., Ltd.

32. Contract costs

If the incremental cost incurred by the Group to obtain the contract is expected to be recovered, it shall be recognized as an asset as part of the contract acquisition cost. However, if the amortization period of the asset is less than one year, it shall be included in the current profits and losses when incurred.

If the cost incurred for the performance of the contract does not fall within the "Accounting Standards for Business Enterprises No. 14 - Revenue (Revised in 2017)" and meets the following conditions at the same time, it shall be recognized as an asset as part of the contract performance cost:

① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs explicitly borne by the customer and other costs incurred solely as a result of the contract;

② This cost increases the Group's resources for fulfilling its performance obligations in the future;

③ The cost is expected to be recovered.

The assets related to the contract cost shall be amortized on the same basis as the commodity income related to the assets, and shall be included in the current profits and losses.

The Group shall make the impairment provision for the excess part and recognize it as the asset impairment loss if the book value of the assets related to the contract cost is higher than the difference between (a) the residual consideration expected to be obtained by the Group due to the transfer of goods related to the asset and (b) the estimated costs to be incurred for the transfer of the relevant goods. If the factors of impairment in previous periods change later, so that the difference between (a) and (b) is higher than the book value of the asset, the Group shall reverse the asset impairment provision made and record it into the current profit and loss, but the book value of the asset after reversal shall not exceed the book value of the asset on the reversal date assuming that the impairment provision had not been made.

33. Government subsidy

Government subsidies refer to the monetary assets or non-monetary assets (excluding the capital invested by the government as the owner) that are obtained by the Group. Government subsidies shall be mainly divided into two types: asset-related government subsidies and income-related government subsidies. The Group shall define government subsidies obtained for the acquisition and construction of long-term assets in other ways as asset-related government subsidies and other government subsidies as income-related government subsidies. If the government document does not specify the target, the subsidy shall be divided into income-related and asset-related

government subsidy in the following ways: (1) if the government document specifies the specific project for which the subsidy is targeted, it shall be divided according to the relative proportion between the expenditure related to the formation of assets and the expenditure included in the expense and the proportion shall be reviewed on each balance sheet date and changed if necessary; (2) The government documents has only made a general statement of the subsidy purpose and has not specified any project, it shall be regarded as income-related government subsidy. If the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured at its fair value. If the fair value cannot be obtained reliably, it shall be measured at the nominal amount. Government subsidies measured at nominal amount shall be directly included in current profit and loss.

The Group shall recognize and measure government subsidies according to the actually received amount at the time of receipt. However, if there is conclusive evidence at the end of the period showing that the Group can meet the relevant conditions specified in the financial support policy and is expected to receive financial support funds, government subsidies shall be measured according to the amount receivable, which shall meet all of the following conditions at the same time: (1) The amount of subsidy receivable has been confirmed by the competent government department, or it can be reasonably calculated according to the relevant provisions of the officially issued Management Measures on Financial Fund, and the amount is not expected to be exposed to significant uncertainty; (2) The subsidy is based on the financial support projects officially issued by the local Financial Department and actively disclosed in accordance with the provisions of the regulations on Government Information Disclosure and the Management Measures on Financial Fund, and should be inclusive (any enterprise meeting the specified conditions can apply for the subsidy), rather than targeting any specific enterprises; (3) The appropriation period has been clearly set in the relevant subsidy approval document, and the appropriation of fund is guaranteed by the corresponding financial budget, and therefore it can be reasonably guaranteed that it can be received within the specified period; (4) Other relevant conditions (if any) that should be met according to the specific circumstances of the Group and the subsidy.

Asset-related government subsidies shall be recognized as deferred income and included in the current profit and loss in stages in a reasonable and systematic manner within the service life of

relevant assets. Income-related government subsidies that are used to compensate for relevant costs or losses in subsequent periods shall be recognized as deferred income and included in the current profit and loss during the period when relevant costs or losses are recognized. Income-related government subsidies that are used to compensate for the relevant costs or losses already incurred shall be directly included in the current profit and loss.

Government subsidies that are related to both assets and income shall be accounted for separately for different portions. If it is difficult to distinguish between the portions, the subsidies shall be classified as income-related government subsidies as a whole.

Government subsidies related to the daily activities of the Group shall be included in other income or offset relevant costs and expenses according to the economic nature of business. Government subsidies not related to daily activities shall be included in non-operating income and expenditure.

When the recognized government subsidy needs to be returned, if there is a balance of relevant deferred income, the book balance of the deferred income shall be offset, and the excess part shall be included in the current profit and loss. Under other circumstances, it shall be directly included in the current profit and loss.

34. Deferred tax asset and deferred tax liability

The difference between the book value of certain assets and liabilities and their tax bases, and the temporary difference caused by the difference between the book value of the items that are not recognized as assets and liabilities but whose tax bases can be determined according to the tax law and their tax bases, shall be recognized as deferred income tax assets and deferred income tax liabilities by using the balance sheet liability method.

The deferred income tax liabilities shall not be recognized for the taxable temporary differences related to the initial recognition of goodwill and the initial recognition of assets or liabilities arising from transactions that are neither business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur. In addition, for the taxable temporary differences related to the investments in subsidiaries, associates and joint ventures, if the Group can control the time when the temporary differences are reversed, and the temporary differences are unlikely to be reversed in the foreseeable future, the relevant deferred income tax liabilities shall not be recognized. Except for the above exceptions, the Group shall recognize all other

deferred income tax liabilities arising from taxable temporary differences.

The deferred income tax assets shall not be recognized for the deductible temporary differences related to the initial recognition of assets or liabilities arising from transactions that are neither business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur. In addition, for the deductible temporary differences related to the investments in subsidiaries, associates and joint ventures, if the temporary differences are likely not to be reversed in the foreseeable future, or it is not very likely to obtain taxable income that can be used to offset temporary differences in the future, the relevant deferred income tax assets shall not be recognized. Except for the above exceptions, the Group recognizes all other deferred income tax assets arising from deductible temporary differences to the extent of the taxable income, which is probable to be obtained by the Group to offset the deductible temporary differences.

For the deductible losses and tax deductions that can be carried forward in subsequent years, the corresponding deferred income tax assets shall be recognized to the extent of the future taxable income, which is likely to be obtained and used to offset the deductible losses and tax deductions.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured according to the applicable tax rate during the period when the relevant assets are expected to be recovered or the relevant liabilities are expected to be paid off in accordance with the tax law.

On the balance sheet date, the book value of the deferred income tax assets shall be reviewed. If it is likely that sufficient taxable income will not be obtained in the future to offset the benefits of the deferred income tax assets, the book value of the deferred income tax assets shall be written down. When it is likely to obtain sufficient taxable income, the amount written down shall be reversed.

35. Lease

Lease refers to a contract in which the Group transfers or obtains the right to control the use of one or more identified assets within a certain period of time in exchange for or pay for consideration. On the commencement date of a contract, the Group shall evaluate whether the contract is a lease or includes a lease.

(1) The Group is the lessee

The Group's leased assets mainly include houses, buildings, machinery and equipment.

① Initial measurement

On the beginning date of the lease term, the Group shall recognize the right to use the leased asset during the lease term as a right-to-use asset, and recognize the present value of the unpaid lease payment as the lease liability, except for short-term lease and low value leased asset. When calculating the present value of lease payments, the Group shall use the interest rate embedded in the lease as the discount rate. If the interest rate embedded in the lease cannot be determined, the lessee's incremental loan interest rate shall be used as the discount rate.

② Subsequent measurement

The Group shall depreciate the right-of-use assets in accordance with the relevant depreciation provisions in the "Accounting Standards for Business Enterprises No. 4 - Fixed Assets" (please refer to note IV (16) "Fixed assets" for details). If it can reasonably determine that the ownership of the leased assets will be obtained at the expiration of the lease term, the leased assets shall be depreciated within the remaining service life. If it is impossible to reasonably determine that the ownership of the leased asset will be obtained at the expiration of the lease term, d the leased assets shall be depreciated within the shorter of the lease term and the remaining service life of the leased asset.

For lease liabilities, the Group shall calculate the interest expense of each period within the lease term according to the fixed periodic interest rate and record it into the current profit and loss. The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit and loss when actually incurred.

After the commencement date of the lease term, when there are changes in actual fixed payment amount, the expected payable amount of the guaranteed residual value, the index or ratio used to determine the lease payment amount, the evaluation results or actual exercise of the purchase option, renewal option or termination option, the Group shall remeasure the lease liability according to the present value of the changed lease payment amount, and adjust the book value of the right-of-use assets accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount shall be included in the current profit and loss.

③ Low lease value and short-term leased assets

For short-term leases (those with a lease term shorter than 12 months since the lease commencement date) and low value asset leases, the Group shall adopt a simplified accounting treatment, which does not recognize the right-of use-assets and lease liabilities, and in each period of the lease term, the lease payment shall be included in the relevant asset cost or current profit and loss using the straight-line method or other systematic and reasonable methods.

(2) The Group is the lessor

On the lease commencement date, based on the essence of the transaction, the Group shall divide the lease into financial lease and operating lease. Finance lease refers to a lease that essentially transfers almost all the risks and rewards associated with the ownership of leased assets. Operating leases refer to leases other than finance leases.

① Operating lease

The group adopts the straight-line method to recognize the lease receipts of operating leases as the rental income in each period of the lease term. The variable lease payments related to operating leases that are not included in the lease receipts are included in the current profits and losses when they actually occur.

② Finance lease

On the beginning date of the lease term, the Group recognizes the financial lease receivables and terminates the recognition of financial lease assets. The finance lease receivables are initially measured at the net amount of the lease investment (the sum of the unguaranteed residual value and the present value of the lease receipts not received on the beginning date of the lease term discounted according to the implicit interest rate of the lease), and the interest income during the lease term is calculated and recognized according to the fixed periodic interest rate. The variable lease payments obtained by the group that are not included in the measurement of net lease investment are included in the current profit and loss when they actually occur.

36. Held-for-sale assets

The Group mainly classifies a non-current asset or disposal group whose book value is recovered by selling (including non-monetary assets exchange with commercial substance, the same below) instead of being used continuously into a held-for-sale asset. The non-current assets or disposal

group is recognized as held-for-sale assets when all the following requirements are satisfied.

a) Based on the practice of selling such an asset or a disposal group in a similar transaction, it can be sold immediately under current conditions;

b) A sale is very likely to happen, that is, the Group has already made a resolution on a sales plan and obtained a certain purchase commitment, and it is expected that the sale will be completed within one year.

A disposal group refers to a group of assets that are disposed of together as a whole through sale or other means in a transaction, and the liabilities directly related to these assets transferred in the transaction. Where the asset group or combination of asset groups to which the disposal group belongs apportions the goodwill acquired in a business combination in accordance with the "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", the disposal group shall include the goodwill allocated to the disposal group.

Non-current assets and disposal groups classified as held-for-sale assets are initially measured or re-measured at the lower of their book values and their fair value less the disposal expenses by the Group. If the net amount of the fair value minus the disposal expenses is lower than the original book value, the difference shall be recognized as the impairment loss of the assets in the current profit and loss, and the impairment provisions of the held-for-sale assets shall be made. For the amount of impairment loss recognized for a held-for-sale disposal group, firstly, it shall be offset against the book value of the goodwill of the disposal group, and then offset against the book value of non-current assets, to which the measurement in the "Accounting Standard for Business Enterprises No. 42 - Held-for-sale Non-current Assets, Disposal Group and De-recognition" is applicable, in proportion of the individual book value of non-current assets to the total value of the disposal group. If the net value of fair value of the held-for-sale disposal group on the balance sheet date less the selling expenses increases after the balance sheet date, the previously written-down amount shall be recovered and reversed within the amount of the assets impairment loss recognized after being classified as held for sale, and the reversed amount shall be recognized in the current profit and loss. When the amount of the impairment loss on the held-for-sale disposal group is reversed subsequently, the book value of non-current assets except the goodwill within the disposal group shall be increased in proportion of the book value of various non-current assets to the total value. The book value of the goodwill that has been offset, and the impairment

losses on non-current assets recognized prior to classification as held for sale shall not be reversed. The held-for-sale non-current assets or disposal group are not subject to depreciation or amortization. Interests and other expenses related to the liabilities in the held-for-sale disposal group continue to be recognized.

When a certain asset or disposal group held-for sale assets no longer meet the recognition conditions, the Group shall stop classifying held-for-sale assets or remove non-current assets from held-for-sale disposal groups, and recognize as the lower value of the following two amounts: (1) the book value of the asset or disposal group before it is classified as a held-for-sale asset adjusted by the depreciation, amortization or impairment recognized with the assumption that it had not been classified as a held-for-sale asset; (2) the recoverable amount.

37. Fair value measurement

Fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Whether the fair value is observable or estimated by valuation techniques, the fair value measured and / or disclosed in the financial statements shall be determined on this basis.

(1) Assets and liabilities measured at fair value

The assets of the Group measured at fair value at the end of the reporting period mainly include financial instruments and investment property. The liabilities of the Group measured at fair value at the end of the reporting period mainly include bond payable and accrued liabilities.

(2) Valuation techniques

The Group adopts valuation techniques, which are applicable in the current circumstances and have sufficient available data and other information to support them, to measure the relevant assets or liabilities at fair value. The valuation techniques used mainly include the market method, the income method and the cost method. The Group uses one or more of its valuation techniques in a consistent manner to measure fair value, fully considers the rationality of each valuation result, and selects the amount that can best represent the fair value under current circumstances.

Based on the observability of and the importance to the measurement as a whole, the input values used in fair value measurement of the Group are divided into three levels:

The first level of input values are the unadjusted quoted price of the same assets or liabilities that can be obtained on the measurement date in an active market. An active market refers to a market in which the transaction volume and transaction frequency of relevant assets or liabilities are sufficient to continuously provide pricing information.

The second level of input values are the direct or indirect observable inputs of the relevant assets or liabilities other than the first level of input values, which mainly include: ① Quotes for similar assets or liabilities in active markets; ② Quotes for the same or similar assets or liabilities in inactive markets; ③ Other observable input values other than quotation, including observable interest rate, yield curve, implied volatility, credit spread, etc. during the normal quotation interval; ④ The input values verified by the market. The third level of input value is the value of un-observable input. The Group only uses the third level of input values when there is no market activity or there is little market activity for the relevant assets or liabilities that makes the relevant observable input values unavailable or impracticable to obtain.

The third level of input values means the un-observable inputs. The Group only uses the third level of input values when there is no market activity or there is little market activity for the relevant assets or liabilities that makes the relevant observable input values unavailable or impracticable to obtain.

When the Group measures the assets and liabilities at fair value, the input values at the first level shall be used firstly, the input values at the second level shall be used secondly, and the input values at the third level shall be used last.

(3) Accounting treatment

For the issues such as the Group measures the relevant assets or liabilities at fair value, and the changes in fair value should be included in the current profit or loss or other comprehensive income, etc., the accounting treatment is regulated by other relevant accounting standards that require or allow the Group to measure or disclose at fair value and the relevant contents refer to Note IV.

38. Asset Securitization

The Company shall securitize certain part of the project funds receivable. Generally, these assets

are sold to the special purpose entity, and then the entity issues securities to investors. The transfer of these financial assets meets the conditions for complete or partial derecognition. Please refer to the preceding paragraphs for the preconditions for derecognition of financial assets. The Company shall retain part of the equity of the transferred financial assets, and the retained part shall be classified as financial assets measured at fair value through profit or loss. The book value of the transferred financial assets as a whole shall be apportioned between the derecognized part and the non-derecognized part according to their respective relative fair values, and the difference between the book value of the derecognized part and its consideration shall be included in the current profit and loss.

39. Explanation of changes in accounting policies, accounting estimates and correction of errors

1. Other significant accounting policies and accounting estimates

Discontinuance of operations means a component that satisfies one of the following conditions, can be separately distinguished and has been disposed of or classified as held for sale by the Company: (1) The component represents a separate principal business or a separate principal operating region; (2)The component is part of an associated plan to dispose of a separate principal business or a separate principal operating area; (3) The component is a subsidiary acquired exclusively for resale.

The accounting treatment for discontinued operations is described in Notes IV, 14, "Assets Held for Sale and Disposal Group".

2.Changes in significant accounting policies and accounting estimates

(1) Changes in accounting policy

① The "Interpretation of the Accounting Standards for Business Enterprises No. 16"

"The Interpretation of the Accounting Standards for Business Enterprises No. 16" (hereinafter referred to as "the Interpretation No. 16") was issued by the Ministry of Finance on December 13, 2022. According to the Interpretation No. 16 of question 1:

For a single transaction that is not a business combination and does not affect accounting profits or taxable income (or deductible losses), and the initially recognized assets and liabilities lead to the

same amount of taxable temporary differences and deductible temporary differences, the initial recognition of deferred income tax liabilities and deferred income tax assets shall no longer be exempted. With regard to the taxable and deductible temporary differences arising from the initial recognition of assets and liabilities in such transactions, the Group recognizes the corresponding deferred income tax liabilities and deferred income tax assets respectively when the transaction occurs. In accordance with the provisions of the Interpretation No. 16, the Group has decided to implement the above provisions on 1 January, 2023 and apply them retroactively in the 2023 financial statements for these individual transactions occurring after 1 January, 2022. For such individual transactions occurring before January 1, 2022, if there are still temporary differences in the relevant assets and liabilities as at January 1, 2022, the Group recognizes the deferred tax assets and deferred tax liabilities on January 1, 2022, and adjusts the difference, if any, to retained earnings as at January 1, 2022.

The impact of this change on the December 31, 2022 and 2022 consolidated financial statements is as follows:

Reporting item	Amount of impact on financial statements (increase "+", decrease "-")	
	Consolidated statement	Corporate statement
Deferred tax assets	30,352,405.73	
Deferred income tax liabilities	31,896,631.99	
Undistributed profit	-427,950.30	
Minority equity	-1,116,275.96	
Income tax expense	-250,962.85	
Undistributed profit at the beginning of the year	-2,879,710.08	
Minority interest income	240,750.67	
Net profit attributable to shareholders of parent company	10,212.18	
Net profit	250,962.85	

② Other changes in accounting policy

None.

(2)Changes in accounting policy

The Group has no changes in accounting policy that need to be disclosed during the reporting period.

(3)Correction of errors in the previous periods

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
When the Company's self-used real estate is converted into investment real estate, the difference between the provisional estimated amount of the original self-used real estate and the final settlement amount of the completion, the cost of the self-used real estate in the early period is adjusted, and other comprehensive income at the time of conversion to investment real estate is adjusted retrospectively	Retroactive adjustment	Investment real estate	-330,722,463.22
	Retroactive adjustment	Deferred tax liabilities	-82,680,615.81
	Retroactive adjustment	Other comprehensive income	-248,041,847.41
The subsidiary Human Settlements Real Estate retroactively adjusts the tax payable due to land value-added tax liquidation	Retroactive adjustment	Taxes payable	179,280,266.39
	Retroactive adjustment	Undistributed profit	-179,290,709.73
	Retroactive adjustment	Undistributed profit at the beginning of the year	-161,362,683.07
The subsidiary Chengdu Construction	Retroactive	Deferred tax	19,284,644.17

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
Engineering Group Tourism Co., Ltd. retroactively adjusts deferred income tax liabilities based on the accumulated value of investment real estate appreciation valuation from 2020 to the end of 2022	adjustment	liabilities	
	Retroactive adjustment	Undistributed profit	-19,284,644.17
	Retroactive adjustment	Income tax expenses	4,329,994.25
	Retroactive adjustment	Undistributed profit at the beginning of the year	-14,954,649.92
	Retroactive adjustment	Net profit	-4,329,994.25
	Retroactive adjustment	Net profit attributable to shareholders of parent company	-4,329,994.25
The subsidiary Medical Investment Group will no longer execute the contract due to the impact of the epidemic situation, and adjusts the corresponding cost confirmed in the preliminary estimate and income tax settlement differences	Retroactive adjustment	Accounts payable	-20,242,692.00
	Retroactive adjustment	Payroll payable to employees	-3,768,572.13
	Retroactive adjustment	Taxes payable	1,806,352.31
	Retroactive adjustment	Other payables	798,356.16
	Retroactive adjustment	Deferred tax liabilities	371,863.94
	Retroactive	Undistributed profit	21,034,691.72

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
	adjustment		
	Retroactive adjustment	Operating costs	-23,385,575.03
	Retroactive adjustment	Administrative expenses	-625,689.10
	Retroactive adjustment	Finance costs	798,356.16
	Retroactive adjustment	Income tax expenses	2,178,216.25
	Retroactive adjustment	Net profit	21,034,691.72
	Retroactive adjustment	Net profit attributable to shareholders of parent company	21,034,691.72
The subsidiary Chengdu Tianfu Panda International Tourism and Holiday Group Co., Ltd., adjusts retrospectively from 2020 to 2021 the book amount previously included in the construction in progress because it does not meet the capitalization conditions.	Retroactive adjustment	Construction in progress	-9,035,996.50
	Retroactive adjustment	Undistributed profit	-5,333,353.17
	Retroactive adjustment	Undistributed profit at the beginning of the year	-5,571,496.50
The subsidiary Rongcheng Football adjusts the provisional salary	Retroactive adjustment	Payroll payable to employees	73,310,639.21

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
difference and the corresponding income tax	Retroactive adjustment	Taxes payable	533,360.68
	Retroactive adjustment	Undistributed profit	-73,843,999.89
	Retroactive adjustment	Minority interest	-3,692,199.99
	Retroactive adjustment	Operating costs	73,310,639.21
	Retroactive adjustment	Income tax expenses	533,360.68
	Retroactive adjustment	Net profit	-73,843,999.89
	Retroactive adjustment	Net profit attributable to shareholders of parent company	-70,151,799.89
	Retroactive adjustment	Minority interest income	-3,692,200.00
The subsidiary Construction Engineering Group prior period adjustment matters	Retroactive adjustment	Accounts receivable	11,148,619.34
	Retroactive adjustment	Other receivables	-134,033,780.88
	Retroactive adjustment	Stock	-86,889,687.54

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
	Retroactive adjustment	Contract assets	-321,904,076.80
	Retroactive adjustment	Deferred tax assets	18,756,814.19
	Retroactive adjustment	Taxes payable	39,051,116.37
	Retroactive adjustment	Other current liabilities	-8,349,034.35
	Retroactive adjustment	Deferred income tax liabilities	1,854,455.98
	Retroactive adjustment	Other comprehensive income	-1,983,605.27
	Retroactive adjustment	Undistributed profit	-543,493,495.02
	Retroactive adjustment	Minority interest	-1,549.40
	Retroactive adjustment	Operating cost	250,611,750.46
	Retroactive adjustment	Income tax expense	-2,977,470.18
	Retroactive adjustment	Undistributed profit at the beginning of the year	-314,799,750.44

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
	Retroactive adjustment	Net profit	-247,634,280.28
	Retroactive adjustment	Net profit attributable to shareholders of parent company	-247,634,280.28
The subsidiary Xingcheng Supply Chain and its subsidiaries adjusts the difference in the provisional salary estimate and the corresponding impact	Retroactive adjustment	Deferred tax assets	-607,626.88
	Retroactive adjustment	Payroll payable to employees	-4,173,413.93
	Retroactive adjustment	Taxes payable	305,807.58
	Retroactive adjustment	Other payables	-28,211,100.00
	Retroactive adjustment	Undistributed profit	31,471,079.47
	Retroactive adjustment	Administrative expenses	-4,173,413.93
	Retroactive adjustment	Non-operating income	28,211,100.00
	Retroactive adjustment	Income tax expenses	913,434.46
	Retroactive adjustment	Net profit	31,471,079.47
	Retroactive	Net profit	31,471,079.47

Details of accounting errors corrected	Adjusting procedures	Financial statement item of each comparison period impacted	The amount of cumulative impact
	adjustment	attributable to shareholders of parent company	
The subsidiary Chengdu Rural Commercial Bank draws general risk reserves at the beginning of the period	Retroactive adjustment	Net profit attributable to shareholders of parent company	-506,182,372.91
	Retroactive adjustment	Minority interest loss and profit	506,182,372.91
	Retroactive adjustment	Minority interest	780,457,623.27
	Retroactive adjustment	Undistributed profit	-780,457,623.27
The subsidiary Chengdu Rural Commercial Bank adjusts the difference in the report digit of a thousand yuan unit at the beginning of the period	Retroactive adjustment	Use-of-rights assets	-429.74
	Retroactive adjustment	Other current liabilities	-429.74

3. Significant accounting judgments and estimates

In the process of applying accounting policies, due to the inherent uncertainty of business activities, the Group needs to judge, estimate and assume the book value of statement items that cannot be accurately measured. These judgments, estimates and assumptions are based on the historical experience of the Group's management and take into account other relevant factors. These judgments, estimates and assumptions affect the reported amounts of revenues, expenses,

assets and liabilities and the disclosure of contingent liabilities at the balance sheet date. However, the uncertainty in these estimates may result in actual results that differ from the current estimates of the Company's management, resulting in a material adjustment of the carrying amount of the affected assets or liabilities in the future.

The Group periodically reviews the foregoing judgments, estimates and assumptions on a going concern basis, and if changes in accounting estimates only affect the current period of change, the impact will be recognized in the current period of change; Where the change affects both the current and future periods, the impact is recognized in the current and future periods of the change.

At the balance sheet date, the significant areas in which the Group is required to make judgments, estimates and assumptions regarding the amounts of items in the financial statements are as follows:

(1) Lease

1) Identification of lease

In identifying whether a contract is a lease or contains a lease, the Group companies need to assess whether there is an identified asset and the customer controls the use of the asset for a certain period of time. In this assessment, consideration needs to be given to the nature of the asset, substantial replacement rights, and whether the customer is entitled to receive virtually all of the economic benefits arising from the use of the asset during that period and to be able to direct the use of the asset.

2) Classification of leases

When acting as a lessor, the Group classifies leases into operating leases and finance leases. In making the classification, the Management needs to make an analysis and judgment as to whether all the risks and rewards associated with ownership of the leased asset have been substantially transferred to the lessee.

3) Lease liability

When the Group is a lessee, the lease liability is initially measured at the present value of the outstanding lease payments on the commencement date of the lease term. In measuring the present value of lease payments, the Group estimates the discount rate used and the lease term of a lease contract with a renewal or termination option. In assessing the lease term, the Group takes into

account all relevant facts and circumstances relating to the economic benefits arising from the exercise of the option by the Group, including expected changes in facts and circumstances between the commencement date of the lease term and the exercise date of the option. Different judgments and estimates may affect the recognition of lease liabilities and use-of-rights assets and will affect profit or loss in subsequent periods.

(2) Impairment of financial assets

The Group uses the expected credit loss model to evaluate the impairment of financial instruments, and the application of the expected credit loss model requires significant judgments and estimates that take into account all reasonable and evidence-based information, including forward-looking information. In making such judgments and estimates, the Group extrapolates the expected changes in the debtors' credit risk based on historical data and factors such as changes in economic policies, macroeconomic indicators, industry risks, external market conditions, technological environment and customer conditions.

(3) Provision for stock

In accordance with the Group's inventory accounting policy, it is measured at the lower of cost or net realisable value, and a provision is made for inventory depreciation for inventories whose cost is higher than net realisable value and for obsolete and unsalable inventories. The impairment of inventory to net realizable value is based on assessing the marketability of the inventory and its net realizable value. Assessment of inventory impairment requires the management to make judgments and estimates on the basis of obtaining solid evidence and considering factors such as the purpose of holding inventory and the impact of events after the balance sheet date. The difference between actual results and the original estimate will affect the carrying value of inventory and the provision or reversal of the reserve for inventory provision during the period in which the estimate is changed.

(4) Fair value of financial instruments

For financial instruments that do not have an active trading market, the Group determines their fair value through various valuation methods. These valuation methods include discounted cash flow model analysis. In valuation, the Group is required to estimate future cash flows, credit risk, market volatility and correlation, and select an appropriate discount rate. These related assumptions are subject to uncertainty, and changes in them can have an impact on the fair value

of financial instruments. Where equity instrument investments or contracts are publicly quoted, the Group does not use cost as the best estimate of their fair value.

(5) Provision for impairment of long-term assets

At the balance sheet date, the Group determines whether non-current assets other than financial assets have signs of possible impairment. For intangible assets with uncertain service life, in addition to the annual impairment tests, impairment tests are also conducted when there are signs of impairment. For other non-current assets other than financial assets, when there are indications that their carrying amount is not recoverable, the impairment test is conducted.

An impairment occurs when the carrying value of an asset or group of assets is higher than the recoverable amount, which is the higher of the net fair value less disposal charges and the present value of estimated future cash flows.

The net of fair value less disposal charges is determined by reference to the sale agreement price or observable market price of a similar asset in a fair transaction, less the incremental cost directly attributable to the disposal of the asset.

When estimating the present value of future cash flows, it is necessary to make significant judgments about the production of the asset (or group of assets), its quantity, selling price, related operating costs, and the discount rate used in calculating the present value. The Group uses all relevant information available to it in estimating recoverable amounts, including projections of production volumes, selling prices and related operating costs based on reasonable and supportable assumptions.

The Group tests goodwill for impairment at least annually. This requires an estimate of the present value of the future cash flows of the asset group or combination of asset groups to which goodwill has been allocated. When estimating the present value of future cash flows, the Group needs to estimate the cash flows generated by a group of future assets or a combination of asset groups and select an appropriate discount rate to determine the present value of future cash flows.

(6) Depreciation and amortization

The Group depreciates and amortizes investment real estate, fixed assets and intangible assets on a straight-line basis over their useful lives, taking into account their salvage value. The Group periodically reviews the useful life to determine the amount of depreciation and amortisation charges to be included in each reporting period. The useful life is determined by the Group based

on previous experience with similar assets combined with expected technological updates. If there is a material change in previous estimates, an adjustment is made to depreciation and amortization expense in future periods.

(7) Deferred tax assets

The Group recognizes deferred tax assets for all unutilized tax losses to the extent that it is likely to have sufficient taxable profits to offset the losses. This requires the management of the Group to use a lot of judgment to estimate the time and amount of future taxable profits, combined with tax planning strategies, to determine the amount of deferred income tax assets to be recognized.

(8) Income tax

In the normal business activities of the Group, there are certain uncertainties in the final tax treatment and calculation of some transactions. Whether some items can be itemized before tax needs the examination and approval of the competent tax authorities. If the final determination of these tax matters is different from the initial estimate, the difference will affect the current income tax and deferred income tax during the final determination period.

(9) Estimated liabilities

Based on the contract terms, existing knowledge and historical experience, the Group estimates and makes corresponding provisions for product quality assurance, expected contract loss and liquidated damages for late delivery. Where such contingencies have formed a current obligation and the performance of such current obligations is highly probable to result in an outflow of economic benefits from the Group, the Group recognizes the contingencies as estiamted liabilities based on the best estimate of the expenditure required to perform the relevant current obligations. The recognition and measurement of estiamted liabilities relies to a large extent on the management's judgment. In making its judgment, the Group shall assess the risks, uncertainties and time value of money associated with such contingencies.

Among them, the Group will be expected to incur estiamted liabilities for after-sales quality maintenance commitments provided to customers in connection with the sale, maintenance and transformation of goods sold. The estimated liability has taken into account the company's recent maintenance experience, which may not reflect future maintenance. Any increase or decrease in this provision may affect profit and loss in future years.

V.Taxation

1. Main tax categories and tax rates

Tax categories	Tax basis	Tax rate
Value-added tax	Taxable income	1%、3%、5%、6%、9%、10%、11%、13%
Corporate income tax	Taxable income	For details, please refer to "Taxpayers applicable to different corporate income tax rates"
Property tax	The self-use part of the property is taxed at 70% of the original value of the property, and the rental part is taxed based on the rental income.	1.2%、12%
Urban maintenance & construction tax	Turnover tax payable	7%、5%、1%
Educational surcharge	Turnover tax payable	3%
Local educational surcharge	Turnover tax payable	2%
Land-value increment tax	The tax is calculated and levied according to the value-added amount from the transfer of real estate and the prescribed tax rate.	Extra progressive tax rate of 30%~60%

Taxpayers applicable to different corporate income tax rates:

The taxpayers	Income tax rate

The taxpayers	Income tax rate
Chengdu Xinyuan Construction and Development Co., Ltd.	20%
Chengdu Second Construction Engineering of CDCEG	15%
Chengdu Engineering Decoration of CDCEG	15%
Chengdu Pre-Construction Technology of CDCEG	15%
Chengdu Road and Bridge Construction of CDCEG	15%
Chengdu Saili Concrete of CDCEG	15%
Chengdu Industrial Construction of CDCEG	15%
Chengdu Fifth Construction Engineering of CDCEG	15%
Chengdu Seventh Construction Engineering of CDCEG	15%
Chengdu Architectural Design of CDCEG	20%
Chengdu Construction Engineering Wuxing Zhisheng of CDCEG	20%
Chengdu Fourth Construction Engineering of CDCEG	15%
Chengdu Sixth Construction Engineering of CDCEG	15%
Chengdu Eighth Construction Engineering of CDCEG	15%
Tianjin Chase Sun Pharmaceutical Co., Ltd.	15%
Wholly-owned subsidiary Beijing Kangrentang Pharmaceutical Co., Ltd	15%
Chongqing Chase Sun Tcmages Pharmaceutical Co. Ltd.	15%
Huzhou Zangwang Pharmaceutical Co., Ltd	15%
Huzhou Zangwang Tianming Pharmaceutical Co., Ltd	15%
ChoiceMMed Beijing Electronic Tech Co., Ltd	15%
ChoiceMMed America Corporation	Note 1
ChoiceMMed Canada Technology INC	Note 2
ChoiceMMed Beijing Medical Technology Co., Ltd	5%
ChoiceMMed Germany GmbH	15%
ChoiceMMed Singpore Pte.Ltd	Note 3
Lianyungang Wantai Pharm Excipients Tech Co., Ltd.	5%
Lanzhou Wenhe Medical Equipment Development Co., Ltd.	15%
Lanzhou Lanjinling Medical Technology Co., Ltd.	5%

The taxpayers	Income tax rate
Gansu Wenhe Kangyuan Health Technology Co., Ltd.	5%
Zibo Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Tai'an Shangyi Renjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Zouping Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Yantai Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Chongqing Shangyi Renjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Weifang Shangyi Renjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Jining Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Linyi Lanshan Shangyi Mingjia Traditional Chinese Medicine Clinic Co., Ltd.	5%
Hubei Enoray Biopharmaceutical Co., Ltd.	15%
Chase Sun International Limited	Note 4
Australia chasesun pty Ltd	27.50%
Zhengkang Medical Technology Co., Ltd.	15%
China Zhonghua Geotechnical Engineering Group Co., Ltd.	15%
Shanghai Qiangjin Foundation Engineering Co., Ltd.	15%
Shanghai Yuanfang Foundation Engineering Co., Ltd.	15%
Beijing Changdao Municipal Engineering Group Co., Ltd.	15%
Shanghai Lixing Engineering Technology Development Co., Ltd.	15%
Qiangjin International Engineering Co., Ltd.	17%
Quantai (Shaoxing) Airport Co., Ltd.	5%
Beijing Zhongyan Engineering Management Co., Ltd.	5%
Quantai Culture Development Co., Ltd.	5%
Beijing Taisite Engineering Testing Co., Ltd.	5%
Quantai General Aviation Co., Ltd.	5%
Huarong (Tianjin) Garden Engineering Co., Ltd.	5%
Some subsidiaries of Chengdu Rural Commercial Bank Co., Ltd.	15%
Other companies	25%

Note 1: The applicable taxes of ChoiceMMed America mainly include federal tax and state tax. The income tax rate in Pennsylvania is 9.99%, and the federal tax rate is 21.00%.

Note 2: The federal income tax rate in Canada is 15.00%, and the income tax rate in British Columbia is 12.00%.

Note 3: Singapore adopts a two-tier system of income tax. The tax rate for taxable income not exceeding S$300,000 is 8.50%, and the tax rate for taxable income exceeding S$300,000 is 17.00%.

Note 4: Hong Kong has adopted a two-tier system of income tax since 2018. The tax rate for assessable profits not exceeding HK$2 million is 8.25%, and the tax rate for assessable profits exceeding HK $2 million is 16.50%.

2. Tax preferential policy and official approval

（1） Value-added tax

According to the transitional policy provisions set in Annex 3 in the "Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot of Replacing Business Tax with VAT" (Cai Shui [2016] No. 36), Beijing Shangyi Mingjia, Guangzhou Shangyi Minjia, Hebei Yizhentang, Jinan Shangyi Renjia, Tianjin Yizhentang, Chongqing Yizhentang, Hohhot Shangyi Mingjia, Tai'an Shangyi Renjia, Zibo Shangyi Mingjia, Zouping Shangyi Mingjia, Qingdao Shangyi Mingjia, Yantai Shangyi Mingjia, Fuzhou Shangyi Renjia, Kunming Shangyi Mingjia, Chongqing Shangyi Renjia, Yuxi Shangyi Renjia, Weifang Shangyi Renjia, Chengdu Shangyi Mingjia, Jining Shangyi Mingjia and Linyi Shangyi Mingjia are value-added taxpayers providing medical services and they shall be exempted from VAT.

（2） Corporate income tax

① Preferential policies for income tax of high-tech enterprises

1) China Zhonghua Geotechnical Engineering Group Co., Ltd. and some of its subsidiaries have met the criteria set by the re-examination for high-tech enterprises. According to relevant regulations, the enterprise income tax of high-tech enterprises is levied at the rate of 15%. The details are as follows.

On October 16, 2023, China Zhonghua Geotechnical Engineering Group Co., Ltd. (the parent

company) met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202311002397). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2023 to December 31, 2025. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On December 14, 2022, Shanghai Qiangjin Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231007923). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 15, 2022, Shanghai Yuanfang Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231001946). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 2, 2022, Beijing Changdao Municipal Engineering Group Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202211002881). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

On November 15, 2022, Shanghai Lixing Engineering Technology Development Co., Ltd. met the criteria set by the reexamination for high-tech enterprises and obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202231001691). The certificate is valid for three years, and the preferential corporate income tax is effective from January 1, 2022 to December 31, 2024. According to relevant regulations, the corporate income tax of high-tech enterprises is levied at the rate of 15%.

2) Tianjin Chase Sun Pharmaceutical Co., Ltd. and some of its subsidiaries have been identified as high-tech enterprises. According to the relevant provisions, the income tax high-tech enterprises shall be levied at the rate of 15%. The details are as follows.

In December 2023, Chase Sun Pharmaceutical obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202312002028) jointly issued by Tianjin Science and Technology Bureau, Tianjin Finance Bureau and Tianjin Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On September 14, 2021, Beijing Tcmages obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202111000025) jointly issued by Beijing Municipal Commission of Science and Technology, Beijing Finance Bureau and Beijing Taxation Bureau of the State Administration of Taxation. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

In October 2023, Choice Electronic obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202311000186) jointly issued by Beijing Municipal Commission of Science and Technology, Beijing Finance Bureau and Beijing Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In December 2023, Zhanwang Pharmaceutical obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202333010762) jointly issued by Department of Science and Technology of Zhejiang Province, Zhejiang Finance Bureau and Zhejiang Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In December 2023, Zhanwang Tianming obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202333009776) jointly issued by the Department of Science and Technology of Zhejiang Province, Zhejiang Finance Bureau and Zhejiang Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

In October 2023, Enoray obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202342002183) jointly issued by Department of Science and Technology of Hubei Province, Hubei Finance Bureau and Hubei Taxation Bureau of the State Administration of Taxation. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On September 16, 2021, Wenhe Medical Equipment obtained the "High-tech Enterprise

Certificate" (Certificate No.: GR202162000129) jointly issued by Department of Science and Technology of Gansu Province, Gansu Finance Bureau and Gansu Taxation Bureau of the State Administration of Taxation. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 12, 2022, Chongqing Tcmages obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251100435) jointly issued by Chongqing Science and Technology Bureau, Chongqing Finance Bureau and Chongqing Taxation Bureau of the State Administration of Taxation. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

3) Chengdu Construction Engineering Group Co., Ltd. and some of its subsidiaries have been identified as high-tech enterprises. According to the relevant provisions, the income tax high-tech enterprises shall be levied at the rate of 15%. The details are as follows.

On October 9, 2021, Chengdu Second Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202151001781) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 16, 2023, Chengdu Engineering Decoration of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351002362)) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 2, 2022, Chengdu Pre-Construction Technology of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251000049) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 9, 2021, Chengdu Road and Bridge Construction of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202151001501) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three

years. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

The encouraged industrial enterprises of Chengdu Saili Concrete of CDCEG located in the western region shall be taxed at a reduced tax rate of 15% (Sichuan Jingxin Industry Letter (2013) No. 471 document, obtaining the qualification of Xidakai and enjoying the 15% tax rate of enterprise income tax, valid until December 31, 2030)

On December 12, 2023, Chengdu Industrial Construction of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351005939) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 16, 2023, Chengdu Fifth Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351002472) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a reduced rate of 15%.

On November 2, 2022, Chengdu Seventh Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202251002233) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2022 to 2024, the company's income tax will be calculated and paid at a reduced rate of 15%.

On December 15, 2021, Chengdu Fourth Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202151003256) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

On October 16, 2023, Chengdu Sixth Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202351000205) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2023 to 2025, the company's income tax will be calculated and paid at a

reduced rate of 15%.

On October 9, 2021, Chengdu Eighth Construction Engineering of CDCEG obtained the "High-tech Enterprise Certificate" (Certificate No.: GR202151000069) issued by High-tech Enterprise Accreditation Management Organization of Sichuan Province. The certificate is valid for three years. From 2021 to 2023, the company's income tax will be calculated and paid at a reduced rate of 15%.

② Tax preferential policy for primary processing of agricultural products

According to Article 27 of the "Corporate Income Tax Law", "Income from agricultural, forestry, animal husbandry and fishery business shall be exempted from the corporate income tax". According to the "Regulations of the People's Republic of China on the Implementation of Corporate Income Tax" and the "Notice of the Ministry of Finance and the State Administration of Taxation on the Scope of Primary Processing of Agricultural Products Entitled to Preferential Corporate Income Tax (Trial)" (Cai Shui [2008] No. 149), etc., Hubei Chenmei Traditional Chinese Medicine Planting Professional Cooperative, a sub-subsidiary of the Company can be entitled to the preferential policy of income tax exemption only after the income from processing and sales of Chinese herbal medicines is reported to the competent tax authorities. As of the approval and issuance date of the financial report, Hubei Chenmei has not carried out the calculation and settlement of corporate income tax in 2023. Considering that the business model and main business of Hubei Chenmei have not changed significantly, combined with the analysis of the calculation and settlement of income tax in 2022 and previous year and the company's record of preferential corporate income tax in Wenquan Town Branch of State Administration of Taxation of Yingshan County, Hubei Province in previous years, Hubei Chenmei can still be entitled to the above-mentioned preferential corporate income tax policies. Therefore, the income from processing and sales of Chinese herbal medicine of Hubei Chenmei in 2023 will be treated as tax-free temporarily.

③ Income tax preferential policy for small-size enterprises with low profits

According to the "Announcement of the Ministry of Finance and the State Administration of Taxation on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises" (Announcement No. 13 by the Ministry of Finance and the State Administration of Taxation, 2022) from January 1, 2022 to December 31, 2024, if the annual taxable income of

small small-size enterprises exceeds RMB 1 million but does not exceed RMB 3 million, 25% of the income shall be included in the taxable income and the corporate income tax shall be paid at the rate of 20%.

1）Some subsidiaries of China Zhonghua Geotechnical Engineering Group Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

Beijing Zhongyan Xingwu Technology Co., Ltd., Beijing Zhongyan Engineering Management Co., Ltd., Beijing Taisite Engineering Testing Co., Ltd., Quantai General Aviation Co., Ltd., etc. meet the above requirements for income tax reduction policy, and the income tax of these companies shall be calculated and levied at the preferential tax rate of 2.5%.

Qiangjing International Engineering Co., Ltd. is registered in Hong Kong and shall pay for the tax at the rate of 16.50% based on its income in Hong Kong.

2） Some subsidiaries of Tianjin Chase Sun Pharmaceutical Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

On November 30, 2021, Wantai Excipients obtained the High-tech Enterprise Certificate (Certificate no.: GR202132005478). From 2021 to 2023, the corporate income tax of the company will be paid at a reduced rate of 15% according to the preferential tax policy for high-tech enterprises. Meanwhile, Wantai Excipients is qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax according to the preferential tax policies for small and micro enterprises.

MMed Technology, Lanjinling Medical, Wenhe Kangyuan, Zibo Shangyi Mingjia, Tai'an Shangyi Renjia, Zouping Shangyi Mingjia, Yantai Shangyi Mingjia, Chongqing Shangyi Renjia, Weifang Shangyi Renjia, Linyi Shangyi Mingjia, Jining Shangyi Mingjia, are qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax according to the preferential tax policies for small and micro enterprises.

3） Some subsidiaries of Chengdu Construction Engineering Group Co., Ltd. are entitled to preferential policies for small-size enterprises with low profits. The details are as follows.

Chengdu Xinyuan Construction and Development Co., Ltd., Chengdu Architectural Design of CDCEG, Chengdu Architectural Wuxin Zhisheng of CDCEG are qualified as small-size enterprises with low profits this year, and will pay for the corporate income tax at the rate of 20% according to the preferential tax policies for small and micro enterprises.

4） Preferential tax policies in the Western Region

① According to the "Notice of the People's Government of the Tibet Autonomous Region on Printing and Distributing Several Provisions on Preferential Policies for Attracting Investment in the Tibet Autonomous Region" (Zang Zheng Fa (2021) No. 9), from January 1, 2021 to December 31, 2030, enterprises engaged in industrial projects specified in the "Catalogue of Encouraged Industries in the Western Region" and whose main business income accounts for more than 60% of the total corporate income shall pay for the corporate income at the tax rate of 15% in accordance with the western development policy. Zhengkang Medical Technology is entitled to the preferential income tax policy for the large-scale development of the western region, and the enterprise income tax is calculated and paid at a tax rate of 15%.

② According to the Announcement of the Ministry of Finance, State Administration of Taxation and the National Development and Reform Commission on the "Continuation of the Income Tax Policy for the Western Development Enterprises" (Announcement No. 23 of the Ministry of Finance, State Administration of Taxation and the National Development and Reform Commission on the Continuation in 2020) and after communicating with the competent tax authorities, some subsidiaries of Chengdu Rural Commercial Bank will be entitled to corporate income tax at a reduced rate of 15%.

5) Other preferential policy

According to Announcement No. 12 of 2023 of the General Administration of "Taxation of the Ministry of Finance on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Businesses", from January 1, 2023 to December 31, 2027, resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities transaction stamp tax), cultivated land occupation tax, education surcharge and local education surcharge will be levied by half on small-scale VAT taxpayers, small low-profit enterprises and individual industrial and commercial households; The policy of reducing the taxable income of small and low-profit enterprises by 25% and paying the enterprise income tax at the tax rate of 20% will be implemented until December 31, 2027.

VI. Business combination and consolidated financial statements

1. Subsidiaries of the Group(unit:0’000)

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights （%）	Invested amount	Method of acquisition
1	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd. (hereinafter referred to as " Renju Real Estate ")	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Real estate development	500,000.00	100.00 （Note 1）	100.00	737,644.00	1
2	Chengdu Runjincheng Industrial Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Property management	10,000.00	100.00	100.00	10,000.00	1
3	Chengdu Xingcheng Construction Management Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Construction management	6,000.00	100.00	100.00	6,003.53	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
4	Chengdu Small Town Investment Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Urban construction	335,000.00	100.00	100.00	274,241.25	4
5	Chengdu Xingcheng Capital Management Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	138,330.00	100.00	100.00	143,330.00	1
6	Chengdu Center Construction Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Urban construction	30,000.00	100.00	100.00	190,950.00	1
7	Xingcheng (Hong Kong) International Investment Co., Ltd.	Second	Domestic subsidiary	Hong Kong	Hong Kong	Investment management	11,870.71	100.00	100.00	11,873.34	1
8	Chengdu Tianfu Greenway Construction	Second	Domestic non-financia	Chengdu	Chengdu	Urban construction	480,000.00	100.00	100.00	480,000.00	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
	Investment Co., Ltd. (hereinafter referred to as "Greenway Investment")		l subsidiary								
9	Chengdu Xingcheng Culture Industry Development Investment Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	60,000.00	100.00	100.00	60,000.00	1
10	Chengdu Medical Health Investment Group Co., Ltd. (hereinafter referred to as "Medical Health Investment Group")	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Investment management	158,552.50	100.00	100.00	158,552.50	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights (%)	Invested amount	Method of acquisition
11	Chengdu Rongcheng Football Club Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Culture, sports and entertainment	3,000.00	95.00	95.00	2,850.00	1
12	Chengdu Construction Engineering Group Co., Ltd. (hereinafter referred to as "Construction Engineering Group")	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Housing construction	544,907.96	100.00	100.00	1,032,298.39	4
13	Chengdu Tianfu Greenway Culture and Tourism Development Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Business services	5,000.00	100.00 (Note 2)	100.00	4,500.00	1
14	China Zhonghua Geotechnical	Second	Domestic non-financia	Beijing	Beijing	Housing construction	180,565.44	29.28	29.28	234,667.95	3

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights （%）	Invested amount	Method of acquisition
	Engineering Group Co., Ltd. (hereinafter referred to as "Zhonghua Geotechnical")		l subsidiary								
15	Tianjin Chase Sun Pharmaceutical Co., Ltd.	Second	Domestic non-financial subsidiary	Tianjin	Tianjin	Manufacturing	300,415.48	22.24	22.24	248,022.74	3
16	Chengdu Rural Commercial Bank Co., Ltd. (hereinafter referred to as "Chengdu Rural Commercial Bank")	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Finance	1,000,000.00	35.00	35.00	1,706,488.45	3
17	Chengdu Xingcheng Supply Chain Group	Second	Domestic non-financia	Chengdu	Chengdu	Retail	400,000.00	100.00 （Note 3）	100.00	160,000.00	1

No.	Subsidiaries	Level	Type of company	Registered location	Main business location	Business nature	Paid-in capital	Shareholding ratio (%)	Percentage of voting rights （%）	Invested amount	Method of acquisition
	Co., Ltd.		l subsidiary								
18	Chengdu Xingcheng Jianzhou Investment Operation Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Business services	46,000.00	100.00	100.00	46,000.00	1
19	Chengdu Xingcheng Sports Industry Investment Co., Ltd.	Second	Domestic non-financial subsidiary	Chengdu	Chengdu	Sports	57,000.00	100.00	100.00	57,000.00	1

Note: Acquisition methods are classified as 1. Investment; 2. Business combination under the common control; 3. Business combination not under the common control; 4. Others.

Note1: Renju Real Estate is jointly invested and established by the Company and its subsidiaries Chengdu Xingcheng Capital Management Co., Ltd.In this company, the Company directly holds 99% and indirectly holds 100.00% of the equity.

Note2: Greenway Investment is jointly invested and established by the Company and its subsidiaries Chengdu Xingcheng Capital Management Co., Ltd.. In this company, the Company directly holds 90% and indirectly holds 100.00% of the equity.

Note3: Chengdu Xingcheng Supply Chain Group Co., Ltd. is jointly invested and established by the Company and its subsidiaries Construction Engineering Group,

Renju Real Estate , Medical and Health Group, Greenway Investment and Chengdu Xingcheng Construction Management Co., Ltd. In this company, the Company directly holds 40% and indirectly holds 100.00% of the equity.

2. Reasons for the parent company exerting control over the invested entity while owning less than half of the voting rights

Unit: in ten thousand

No.	Company name	Shareholding ratio（%）	Percentage of voting rights（%）	Registered capital	Invested amount	Level	Reasons for inclusion in the scope of consolidation
1	China Zhonghua Geotechnical Engineering Group Co., Ltd.	29.28	29.28	180,565.44	234,667.95	Second	Substantial control
2	Tianjin Chase Sun Pharmaceutical Co., Ltd.	22.24	22.24	300,415.48	248,022.74	Second	Substantial control
3	Chengdu Rural Commercial Bank Co., Ltd.	35.00	35.00	1,000,000.00	1,718,411.54	Second	Substantial control

3. Reasons for the parent company not being able to exert control over invested entity in which it directly or indirectly owns more than half of the voting rights

None.

4. Explanation of inconsistency between accounting periods of subsidiaries and parent companies

None.

5. Previous subsidiary that is no longer included in the consolidation scope in the current year

None.

6. Entities newly included in the consolidation scope in the current year

None.

7. Business combinations under the same control in the current year

None.

8. Business combinations not under the same control in the current year

None.

VII. Notes to the significant items in the consolidated financial statements

Unless otherwise specified in the following notes, the unit is RMB ’0. "Beginning of the year" refers to January 1, 2023. "End of the year" refers to December 31, 2023, "Previous year" refers to year 2022, "Current year" refers to year 2023.

1. Cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	2,675,297,962.05	2,359,953,295.65
Bank deposits	34,122,981,956.66	23,479,346,478.78
Other cash and cash equivalents	436,583,013.31	311,167,983.92
Statutory deposit reserves	31,158,886,739.61	29,553,675,000.00
Excess deposit reserves	5,908,707,107.60	3,277,212,000.00
Fiscal deposits	34,555,000.00	82,527,000.00
Accrued interests	27,876,144.05	15,117,985.77
Deposits in other banks and other financial institutions	12,160,490,778.44	6,626,141,050.00
Total	86,525,378,701.72	65,705,140,794.12
Including: Total amount of deposits in overseas	78,846,447.39	67,507,470.76

Item	Closing balance	Opening balance
countries		
Including: Total amount of deposits with finance company		

For details of restricted cash and cash equivalents, please refer to note Ⅶ, (75) assets with restricted ownership and use rights.

2. Funds lent

Item	Closing balance	Opening balance
Funds lent		
In China		
Including: Banks	1,035,413,500.00	6,236,551,512.18
Other financial institutions	24,882,431,611.06	19,457,186,781.02
Accrued interests	67,108,760.50	
Less：Impairment provisions	1,089,902,990.43	789,748,239.23
Subtotal	24,895,050,881.13	24,903,990,053.97
Total	24,895,050,881.13	24,903,990,053.97

3. Trading financial assets

Item	Fair value at the end of the year	Fair value at the beginning of the year
Financial assets at fair value through profits and losses	59,935,216,641.60	62,267,035,516.47
Including: Debt instrument investment	1,997,597,116.45	2,457,905,467.27
Equity instrument investment	784,000,510.02	36,986,648.87
Others	57,153,619,015.13	59,772,143,400.33
Total	59,935,216,641.60	62,267,035,516.47

4. Notes receivables

(1) Classification of notes receivables

Classification	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Bank acceptance bill	131,201,956.17		131,201,956.17	540,299,749.24		540,299,749.24
Commercial acceptance bill	271,253,742.60	5,403,798.09	265,849,944.51	796,921,070.16	74,354,012.08	722,567,058.08
Total	402,455,698.77	5,403,798.09	397,051,900.68	1,337,220,819.40	74,354,012.08	1,262,866,807.32

(2) Details of notes receivables provided for bad debts

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate （%）	
Notes receivables that are individually provided for bad debts					
Notes receivables that are provided for bad debts based on portfolio	402,455,698.77	100.00	5,403,798.09	1.34	397,051,900.68
Total	402,455,698.77	100.00	5,403,798.09	—	397,051,900.68

Classification	Opening balance		
	Book balance	Provisions	Book value

	Amount	（%）	Amount	Expected credit loss rate（%）	
Notes receivables that are individually provided for bad debts	229,825,092.40	17.19	62,226,237.20	27.08	167,598,855.20
Notes receivables that are provided for bad debts based on portfolio	1,107,395,727.00	82.81	12,127,774.88	1.10	1,095,267,952.12
Total	1,337,220,819.40	100.00	74,354,012.08	—	1,262,866,807.32

① Notes receivables that are individually provided for bad debts

There are no notes receivable that are individually provided for bad debt at the end of the year.

② Notes receivables that are provided for bad debts based on portfolio

Classification	Closing balance		
	Book balance	Provisions	Expected credit loss rate（%）
Subtotal of commercial acceptance bill	271,253,742.60	5,403,798.09	1.99
Subtotal of bank acceptance bill	131,201,956.17		
Total	402,455,698.77	5,403,798.09	——
Classification	Opening balance		
	Book balance	Provisions	Expected credit loss rate（%）
Subtotal of commercial acceptance	567,095,977.76	12,127,774.88	2.14

Classification	Closing balance		
	Book balance	Provisions	Expected credit loss rate（%）
bill			
Subtotal of bank acceptance bill	540,299,749.24		
Total	1,107,395,727.00	12,127,774.88	——

③ Bad debt provisions for notes receivables made, recovered or reversed in the current year

Classification	Opening balance	Change in the current year				Closing balance
		Provisions made	Provisions recovered or reversed	Provisions written off	Other changes	
Notes receivables that are individually provided for expected credit loss	62,226,237.20		62,226,237.20			-
Notes receivables that are provided for expected credit loss in portfolio	12,127,774.88	-5,348,608.42	1,375,368.37			5,403,798.09
Total	74,354,012.08	-5,348,608.42	63,601,605.57			5,403,798.09

(3) Notes receivable pledged at the end of the year

Classification	Amount pledged at the end of the year

Classification	Amount pledged at the end of the year
Bank acceptance bill	25,174,625.26
Commercial acceptance bill	
Total	25,174,625.26

(4) Notes receivable endorsed or discounted at the end of the year and not yet due on the balance sheet date

Classification	Amount derecognized at the end of the year	Amount not derecognized at the end of the year
Bank acceptance bill	260,726,158.64	25,174,625.26
Commercial acceptance bill	353,713,340.04	4,000,000.00
Total	614,439,498.68	29,174,625.26

(5) Notes receivable converted to accounts receivable due to non-performance of the drawer at the end of the year

Classification	Amount converted to accounts receivable at the end of the year
Commercial acceptance bill	303,522,347.27
Total	303,522,347.27

5. Accounts receivables

（1） Basic information of accounts receivables

① Accounts receivables by method of making provisions for bad debts

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate（%）	
Accounts receivables	6,540,430,332.82	19.46	3,037,930,721.51	46.45	3,502,499,611.31

Classification	Closing balance				
	Book balance		Provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate（%）	
that are individually provided for bad debts					
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	27,064,429,286.91	80.54	4,174,852,652.37	15.43	22,889,576,634.54
Including：					
Portfolio 1：Aging portfolio	25,972,906,724.42	77.29	4,170,260,752.93	16.06	21,802,645,971.49
Portfolio 2：Related party portfolio					
Portfolio 3：Government debt	1,053,142,049.97	3.14			1,053,142,049.97
Portfolio 4：Credit aging portfolio	38,380,512.52	0.11	4,591,899.44	11.96	33,788,613.08
Total	33,604,859,619.73	100.00	7,212,783,373.88	21.46	26,392,076,245.85

Continued：

Classification	Opening balance		
	Book balance	Provisions	Book value

	Amount	（%）	Amount	Expected credit loss rate （%）	
Accounts receivables that are individually provided for bad debts	5,675,918,454.49	16.98	1,961,515,496.04	34.56	3,714,402,958.45
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	27,752,777,275.63	83.02	3,809,836,163.55	13.73	23,942,941,112.08
Including：					
Portfolio 1 ： Aging portfolio	26,830,867,950.30	80.26	3,804,241,152.74	14.18	23,026,626,797.56
Portfolio 2：Related party portfolio					
Portfolio 3：Government debt	877,686,133.52	2.63			877,686,133.52
Portfolio 4：Credit aging portfolio	44,223,191.81	0.13	5,595,010.81	12.65	38,628,181.00
Total	33,428,695,730.12	100.00	5,771,351,659.59	17.27	27,657,344,070.53

Note: The proportion in book balance is calculated by dividing such accounts receivables by total accounts receivable at the end of the year, and the proportion of bad debt provisions is calculated by dividing such bad debt provisions accrued at the end of the period by the total amount of accounts receivable at the end of the period.

② Accounts receivables by aging

Aging	Closing balance	Opening balance

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	15,520,762,775.89	15,556,166,868.07
1-2 years	6,688,869,687.44	9,324,137,694.70
2-3 years	5,676,067,804.39	2,464,147,026.97
Over 3 years	5,719,159,352.01	6,084,244,140.38
Subtotal	33,604,859,619.73	33,428,695,730.12
Less: Provisions for bad debts	7,212,783,373.88	5,771,351,659.59
Total	26,392,076,245.85	27,657,344,070.53

（2） Accounts receivables that are individually provided for bad debts

Name of the debtor	Book balance	Provisions	Expected credit loss rate （%）	Reasons for making the provisions
Nanchong Pengfu Real Estate Development Co., Ltd.	445,976,200.51	267,585,720.31	60.00	Be involved in a lawsuit
Chengdu Runlixin Real Estate Co., Ltd.	398,105,941.12	318,717,352.90	80.06	Be involved in a lawsuit
Meishan Longhe Tourism Development Co., Ltd.	353,452,654.42	212,071,592.65	60.00	Expect credit losses to increase
Meishan Hengda Shengxin Real Estate Development Co., Ltd.	346,566,673.22	207,940,003.93	60.00	Be involved in a lawsuit
Chengdu Senyu Group Co., Ltd.	291,528,888.62	29,152,888.86	10.00	Be involved in a lawsuit
Blue light project	221,041,216.18	66,312,364.87	30.00	Expect credit losses to increase

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Yan 'an New Area Investment Development and Construction Co., Ltd	216,089,121.69	10,804,456.08	5.00	Debt restructuring
China Evergrande Group member enterprises	209,281,351.54	121,430,506.23	58.02	Financial difficulties of the other party
Zigong Xinmao Property Co., Ltd.	200,485,215.74	120,291,129.44	60.00	Expect credit losses to increase
Guanghan Meiyijia Home Decoration City Management Co., Ltd.	195,180,736.65	48,795,184.16	25.00	Be involved in a lawsuit
Guangyuan Century City Investment Development Co., Ltd.	195,095,268.55	97,547,634.28	50.00	Litigant works
Chengdu Dingdi Automotive Trade Co., Ltd.	160,764,244.01	48,229,273.20	30.00	Litigant works
Chengdu Senyu Group Co., Ltd.	154,845,573.00	154,845,573.00	100.00	Litigant works
Sichuan Yinhe Investment Group Co., Ltd.	136,207,962.00	47,672,786.35	35.00	Litigant works
Sichuan Xinkaiyuan Mining Co., Ltd.	134,039,507.78	98,131,001.98	73.21	Be involved in a lawsuit

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Suining Kaihe Real Estate Co., Ltd.	129,346,874.89	12,934,687.49	10.00	Actionable item
Greenland Group Haikou Real Estate Co., Ltd.	127,353,537.07	38,206,061.12	30.00	Greenland Group series projects
Chongqing Hangyue Real Estate Co., Ltd.	126,991,405.03	76,194,843.02	60.00	Evergrande Project
Chengdu Minwang Real Estate Co., Ltd	123,968,803.17	24,793,760.64	20.00	Be involved in a lawsuit
Suining Hengkuang Real Estate Co., Ltd	115,982,701.47	57,991,350.74	50.00	The case has been decided and there are no enforceable assets
Chengdu Qiangxun Xinhe Real Estate Development Co., Ltd.	112,598,164.52	74,570,564.52	66.23	Be involved in a lawsuit
Sichuan Chuanta Hengyuan Industry Co., Ltd.	111,612,398.94	20,732,397.00	18.58	Be involved in a lawsuit
Sichuan Juhong real Estate Development Co. Ltd	110,613,640.57	110,613,640.57	100.00	Long-term receivables of housing enterprises with low credit
Litigation client	106,356,316.30	38,332,784.25	36.04	Large credit losses are expected
Yunnan Tengjun Multimodal Transport	96,161,863.32	36,132,372.51	37.57	Provision based on individual

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Co., Ltd.				comprehensive judgment
Sichuan Wenshi Industrial Co., Ltd	88,537,690.00	49,726,410.16	56.16	Be involved in a lawsuit
Greenland Group Chengdu Shenxin Real Estate Co., Ltd.	75,668,429.69	26,483,950.39	35.00	Expect credit losses to increase
Chengdu Changhu Cultural Tourism Development Co., Ltd.	74,867,793.37	9,732,813.14	13.00	Be involved in a lawsuit
Greenland Group Chengdu Shenlong Real Estate Development Co., Ltd.	70,888,782.45	21,266,634.74	30.00	Greenland Group series projects
Nanchong Greenland Shenchuan Real Estate Co., Ltd.	69,744,896.06	35,192,789.95	50.46	Greenland Group series projects
Sichuan Baima Wanglang Tourism Investment Management Co., Ltd.	69,442,504.56	41,665,502.74	60.00	There are relatively large expected losses in related creditor's rights
Chengdu Zhongsheng Taihao Technology Co., Ltd	62,488,400.00	18,746,520.00	30.00	Be involved in a lawsuit
Dali Zhongyun Real	61,036,893.82	18,311,068.15	30.00	Be involved in a

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Estate Development Co., Ltd				lawsuit
Jiangyou Junhun Real Estate Development Co., Ltd.	54,738,930.40	16,421,679.12	30.00	Be involved in a lawsuit
Greenland Group Chengdu Shufeng real Estate development Co., Ltd	52,931,659.18	18,526,080.71	35.00	Expect credit losses to increase
Guangyuan City Home Real Estate Limited Liability Company	52,698,655.00	34,166,391.35	64.83	Be involved in a lawsuit
Sichuan Huitai Real Estate Co., Ltd.	51,538,690.00	15,461,607.00	30.00	Be involved in a lawsuit
Greenland Group Sichuan Shenhong Real Estate Co., Ltd.	48,110,391.41	24,055,195.70	50.00	Expect credit losses to increase
Guangyuan Kexing Real Estate Development (Group) Co., Ltd.	47,596,048.00	14,278,814.40	30.00	Be involved in a lawsuit
Tangshan Bozhi Real Estate Development Co., Ltd.	47,461,846.95	16,611,646.43	35.00	Evergrande Project
Jiangxi Yunfa Industrial	46,626,104.23	46,626,104.23	100.00	Expect credit losses to

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Co., Ltd.				increase
Yibin Joy Song Real Estate Development Co., Ltd.	42,738,704.98	4,273,870.50	10.00	Be involved in a lawsuit
Chengdu Xinli Jinye Real Estate Development Co., Ltd.	42,515,946.82	12,754,784.05	30.00	Expect credit losses to increase
Sichuan Huaye Linzhi Real Estate Co., Ltd.	38,292,905.98	28,719,679.49	75.00	Expect credit losses to increase
Dazhou Blue Light Hejun Real Estate Co., Ltd.	36,550,672.35	10,965,201.70	30.00	Expect credit losses to increase
Mianning County Country Garden Real Estate Development Co., Ltd	36,274,286.32	10,882,285.90	30.00	Country Garden Project
Ya 'an New Field Real Estate Development Co., Ltd	33,654,593.60	10,096,378.08	30.00	Expect credit losses to increase
Chengdu Maochuan Investment Management Co., Ltd.	32,158,461.78	8,039,615.44	25.00	Debt agreement
Greenland Group Deyang Real Estate Co., Ltd.	31,377,438.00	9,413,231.40	30.00	Greenland Group series projects

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Guizhou Jiuhuan Real Estate Development Co., Ltd	28,412,375.00	8,523,712.50	30.00	Be involved in a lawsuit
Chengdu Yudu Investment Co., Ltd	27,815,339.23	5,563,067.85	20.00	Expect credit losses to increase
Zhengzhou Fangxing Real Estate Development Co., Ltd.	27,584,045.00	8,275,213.50	30.00	Be involved in a lawsuit
Chengdu Dingdi Automotive Trade Co., Ltd.	23,220,140.10	6,966,042.03	30.00	Litigant works
Langzhong Tianhe Real Estate Co., Ltd	21,919,619.76	2,191,961.98	10.00	Be involved in a lawsuit
Nanchong Lingyue Real Estate Development Co., Ltd	20,815,618.47	6,244,685.54	30.00	Expect credit losses to increase
Deyang Brilliant Real Estate Co., Ltd.	17,507,899.58	7,003,159.83	40.00	Expect credit losses to increase
Evergrande Real Estate Group Dayi Co., Ltd.	17,145,129.09	10,287,077.45	60.00	Expect credit losses to increase
Chengdu Hongxuan Real Estate Development Co., Ltd	16,625,160.00	4,987,548.00	30.00	Be involved in a lawsuit
Nanchong Lingyue Real Estate	16,449,644.00	4,934,893.20	30.00	Expect credit losses to increase

Name of the debtor	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Development Co., Ltd				
Sichuan Emeishan Yuxin Ferroalloy Co., Ltd	15,838,999.00	1,583,899.90	10.00	Be involved in a lawsuit
Chengdu Xingyue Real Estate Co., Ltd.	15,313,252.36	15,313,252.36	100.00	Collection difficulty
Chengdu Dingdi Automotive Trade Co., Ltd.	14,635,925.23	4,390,777.57	30.00	Litigant works
Greenland Group Chengdu Xindu Property Co., Ltd	14,479,860.64	11,551,838.07	79.78	Greenland Group series projects
Sichuan Haiaosi Biotechnology Development Co., Ltd	13,914,588.00	13,914,588.00	100.00	The case has been decided and there are no enforceable assets
Chengdu Jintang Blue Light Hejun Real Estate Co., Ltd	12,990,190.16	3,897,057.05	30.00	Expect credit losses to increase
Summary disclosure of amount less than 10 million	148,175,561.94	79,853,761.81	53.89	Based on the amount most likely to be recovered
Total	6,540,430,332.82	3,037,930,721.51	46.45	Be involved in a lawsuit

(3) Trade receivables that are provided for bad debts based on the portfolio of credit risk

characteristics

① Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	（%）		Amount	（%）	
Within 1 year (including 1 year)	14,074,619,456.48	54.19	242,201,028.43	15,271,717,914.25	56.91	508,561,045.22
1-2 years (including 2 years)	4,647,452,409.07	17.89	293,275,800.52	6,111,959,694.97	22.78	448,337,734.19
2-3 years (including 3 years)	3,255,952,266.91	12.54	606,836,729.53	1,716,228,508.37	6.40	281,313,820.77
Over 3 years	3,994,882,591.96	15.38	3,027,947,194.45	3,730,961,832.71	13.91	2,566,028,552.56
Total	25,972,906,724.42	100.00	4,170,260,752.93	26,830,867,950.30	100.00	3,804,241,152.74

② Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	（%）	Provisions	Book balance	（%）	Provisions
Government debt	1,053,142,049.97			877,686,133.52		
Credit aging portfolio	38,380,512.52	11.96	4,591,899.44	44,223,191.81	12.65	5,595,010.81
Total	1,091,522,562.49	0.42	4,591,899.44	921,909,325.33	0.61	5,595,010.81

(4) Details of provisions for bad debts reversed or recovered

Name of the debtor	Amount reversed or recovered	Accumulated amount of bad debt provisions made before the reversal or recovery	Reasons and ways of reversal or recovery
Chengdu City Investment Infrastructure Construction Investment Co., Ltd	115,628,470.28	115,628,470.28	Normal recovery of project funds
Chengdu Road and Bridge Management Co., Ltd	24,767,991.11	24,767,991.11	Recovery of construction cost
Chengdu Pidu District Zitong Track City Development Co., Ltd	10,650,491.14	10,650,491.14	Normal recovery of project funds
Luzhou Lingang Investment Group Limited	6,834,812.65	6,834,812.65	Recovery of construction cost
Naqu Urban Construction Investment Co., Ltd	4,361,290.96	4,361,290.96	Recovery of construction cost
Chengdu Architectural Design and Research Institute Co., Ltd	3,709,690.24	3,709,690.24	Normal recovery of project funds
Chengdu Jiaozi Financial Holding Group Co., Ltd	3,052,974.19	4,025,767.01	Change of account receivable recognition method
Dujiangyan City Xingyan Housing	3,000,000.00	3,000,000.00	refund

Name of the debtor	Amount reversed or recovered	Accumulated amount of bad debt provisions made before the reversal or recovery	Reasons and ways of reversal or recovery
Investment Co., Ltd			
Yunnan Yiji Real Estate Co., Ltd	2,563,122.74	3,029,080.77	Change of account receivable recognition method
Chengdu China Railway Construction Kunlun Zhenrong Ecological Construction Co., Ltd	1,940,403.54	1,940,403.54	Recovery of construction cost
Chengdu City Investment Land Consolidation and Development Co., Ltd	1,561,566.63	1,561,566.63	Recovery of project cost
Chengdu Ye Jian Greenway Construction Co., Ltd	1,226,302.38	1,226,302.38	Recovery of construction cost
Chengdu Taihe Huaxin Investment Co. Ltd	1,054,841.30	1,054,841.30	refund
Chengyu Vanadium Titanium Technology Co., Ltd	3,578,999.97	3,578,999.97	Receivables collection
Summary disclosure below 1 million	7,016,887.38	7,016,887.38	Recovery of construction cost
Total	190,947,844.51	192,386,595.36	—

(5) Accounts receivable actually written off this year.

Name of debtor	Nature of accounts receivable	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related transactions
Zhuji Shengjian Real Estate Co., Ltd	Project fund	822,828.71	The company of Evergrande Group has no property for execution	After approval by the general manager's office, it will be written off	no
Harbin Tongyitang Pharmaceutical Co., Ltd	Payment for goods	22,062.50	Confirmed irreparable	Approval by company leaders	no
Hainan Xingshitong Pharmaceutical Co., Ltd	Payment for goods	20,100.00	Confirmed irreparable	Approval by company leaders	no
Suzhou First Pharma Co., Ltd	Payment for goods	1,075.00	Confirmed irreparable	Approval by company leaders	no
Yunnan sporadic account	Payment for goods	1,204.00	Confirmed irreparable	Approval by company leaders	no
Heilongjiang sporadic account	Payment for goods	6,880.00	Confirmed irreparable	Approval by company leaders	no
Marketing sporadic	Payment	7,121.06	Confirmed	Approval by	no

Name of debtor	Nature of accounts receivable	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related transactions
reconciliation adjustment account	for goods		irreparable	company leaders	
Jilin sporadic account	Payment for goods	8,574.50	Confirmed irreparable	Approval by company leaders	no
Sunan sporadic account	Payment for goods	4,741.10	Confirmed irreparable	Approval by company leaders	no
Total	—	894,586.87	—	—	—

(6) The top 5 debtors based on the closing balance of accounts receivable

Name of debtor	Book balance	Proportion in total accounts receivable（%）	Provisions
No. 1	787,738,351.06	2.34	25,266,982.88
No. 2	445,976,200.51	1.33	267,585,720.31
No. 3	398,105,941.12	1.18	318,717,352.90
No. 4	353,452,654.42	1.05	212,071,592.65
No. 5	346,566,673.22	1.03	207,940,003.93
Total	2,331,839,820.33	6.93	1,031,581,652.67

6. Accounts receivable financing

Classification	Closing balance	Opening balance
Notes receivable		102,993,306.21
Accounts receivable	120,646,239.15	21,941,549.15
Total	120,646,239.15	124,934,855.36

7. Prepayment

Prepayment by aging

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions for bad debts
	Amount	Percentage (%)		Amount	Percentage (%)	
Within 1 year (including 1 year)	2,456,081,039.53	52.44	3,003,325.00	5,869,408,538.48	74.49	19,565.83
1-2 years (including 2 years)	615,489,189.64	13.14		1,332,203,797.39	16.90	
2-3 years (including 3 years)	959,128,931.93	20.48		94,571,589.81	1.20	
Over 3 years	653,075,728.50	13.94	216,885.29	583,587,988.86	7.41	216,885.29
Total	4,683,774,889.60	100	3,220,210.29	7,879,771,914.54	100	236,451.12

Note: The decrease of prepayments in the current period compared to the previous period is mainly due to the adjustment of the settlement model of the procurement business of the supply chain company.

(1) Prepayment that is significant in amount and ages over 1 year

Name of the creditors	Name of the debtors	Closing balance	Aging	Reasons for unsettlement
Chengdu Health Investment Group Co., Ltd.	Chengdu East New District Party Work Committee	408,603,781.43	1-2、2-3 years	Outstanding payment

Name of the creditors	Name of the debtors	Closing balance	Aging	Reasons for unsettlement
	Management Committee (Chengdu East New City Office) Comprehensive Law Enforcement Bureau			
Chengdu Health Investment Group Co., Ltd.	Chengdu Eastern New District Party Working Committee Management Committee (Chengdu Eastern New City Office) Financial and Financial Bureau	229,852,209.60	2-3 years	Outstanding payment
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu Chenghua District Unified Construction office	193,270,050.50	Over 3 years	Settlement is not due yet.
Chengdu Xingcheng Investment Group Co., Ltd.	Damian Street Office	176,152,832.80	Over 3 years	Settlement is not due yet.
Chengdu Xingcheng Investment Group Co., Ltd.	Chengdu City Railway Limited Liability Company	110,000,000.00	Over 3 years	Settlement is not due yet.
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd	Chengdu Chengtie Engineering Project Management Co., Ltd	103,103,981.81	1-2 、2-3 years	Still under construction
Chengdu Xingcheng Investment Group Co., Ltd.	Shiling sub-district office	65,200,000.00	Over 3 years	Settlement is not due yet.
Chengdu Medical	CGN Medical	64,269,026.55	1-2	Outstanding

Name of the creditors	Name of the debtors	Closing balance	Aging	Reasons for unsettlement
Investment Proton Heavy Ion Hospital Management Co. Ltd	Technology (Mianyang) Co., Ltd		years	payment
Total		1,350,451,882.69	—	—

(2) The top 5 debtors based on the closing balance of prepayment

Name of the debtors	Book balance	Percentage in the total prepayment（%）	Provisions
No. 1	408,603,781.43	8.72	
No. 2	357,850,715.00	7.64	
No. 3	284,668,301.69	6.08	
No. 4	229,852,209.60	4.91	
No. 5	193,270,050.53	4.13	
Total	1,474,245,058.25	31.48	

8. Other receivables

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	26,172,279.53	10,666,983.23
Other receivables	12,445,061,214.39	11,848,003,393.35
Total	12,471,233,493.92	11,858,670,376.58

(1) Dividends receivable

Item	Closing balance	Opening balance	Reasons of not being received	Whether there is an impairment and the evidence
Dividends receivable aged less one year				
Including: China Communications (Hangzhou) Infrastructure Investment Co., Ltd	15,505,296.30		Resolution passed, not issued	No
Dividends receivable aged over one year	10,666,983.23	10,666,983.23	——	——
Including: Tianjin Chase Sun Pharmaceutical	9,752,806.48	9,752,806.48	Note 1	No
Including: Chengdu Huacheng Co., Ltd.	914,176.75	914,176.75	Not yet released	No
Total	26,172,279.53	10,666,983.23	——	——

Note 1: Dividends receivable from Tianjin Chase Sun Pharmaceutical has been paid. As the share pledge is temporarily frozen by the China Securities Registration and Clearing Center, no offsetting treatment has been made.

(2)Other receivables

① Basic information of other receivables

1) Oher receivables disclosed by method of making provisions for bad debt

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate（%）	
Other receivables that are individually provided for bad debts	1,559,165,036.75	10.27	1,237,325,596.22	79.36	321,839,440.53
Other receivables provided for bad debts based on the portfolio of credit risk characteristics	13,620,468,083.70	89.73	1,497,246,309.84	10.99	12,123,221,773.86
Total	15,179,633,120.45	100.00	2,734,571,906.06	18.01	12,445,061,214.39

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate（%）	
Other receivables that are individually provided for bad debts	1,559,165,036.75	10.83	1,119,224,320.51	71.78	439,940,716.24
Other receivables provided for bad debts based on the portfolio of credit	12,836,969,776.77	89.17	1,428,907,099.66	11.13	11,408,062,677.11

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	（%）	Amount	Expected credit loss rate（%）	
risk characteristics					
Total	14,396,134,813.52	100.00	2,548,131,420.17	17.70	11,848,003,393.35

Note：The proportion in the book balance is calculated by dividing other receivables by the closing balance of total amount, and the proportion of bad debt provision is calculated by dividing the provision provided for at the end of the period by the amount of other receivables at the end of the period.

2) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	7,648,489,494.44	7,265,231,610.96
1-2 years	5,475,696,889.18	4,904,652,848.44
2-3 years	195,079,749.92	174,824,489.08
Over 3 years	1,860,366,986.91	2,051,425,865.04
Subtotal	15,179,633,120.45	14,396,134,813.52
Less：Bad debt provisions	2,734,571,906.06	2,548,131,420.17
Total	12,445,061,214.39	11,848,003,393.35

② Other receivables that are provided for bad debt separately

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate（%）	Reasons for making the provisions
Sichuan Senmeng Property	418,157,558.05	418,157,558.05	100.00	Individually

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Co., Ltd.				significant
Chengdu Chengtong Building Materials Co., Ltd.	149,247,634.32	149,247,634.32	100.00	The debtor has been adjudicated bankrupt
Guanghan Meiyi Home Decoration Management Co., Ltd.	125,967,225.97	31,491,806.49	25.00	Actionable matter
Songlin Chen of the Project Department	101,820,069.40	15,273,010.41	15.00	Mortgage payment
Chengdu Jiangong Lifeng Construction Installation Co., Ltd.	99,937,956.40	99,937,956.40	100.00	In case of litigation, the debtor is bankrupt
Happy Family Project Department - Qin Bo	99,497,189.01	99,497,189.01	100.00	Be involved in a lawsuit
Leshan Fanhua Real Estate Co., Ltd.	89,035,202.74	46,280,396.39	51.98	Individually majorsignificant
Chengdu Meilianshu Real Estate Development Co., Ltd.	80,000,000.00	80,000,000.00	100.00	expired
Chengdu Maochuan Investment Management Co., Ltd.	54,102,325.03	13,525,581.26	25.00	Debt agreement
Chengdu Yujing Real Estate Co., Ltd.	47,164,229.67	14,149,268.90	30.00	Performance bond

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
Chengdu Runlixin Real Estate Co., Ltd.	27,591,475.76	22,073,180.61	80.00	expired
Shuangliu Direct Marketing Plaza A plot project Department - Zhao Wenxuan	26,236,391.09	26,236,391.09	100.00	Factual loss
Danfeng Chaoyang Project Department - Lu Jian 'an	23,569,159.05	23,569,159.05	100.00	Be involved in a lawsuit
Chengdu Tianfu International Airport grass pool housing - Zhang Guozhong	18,754,947.53	18,754,947.53	100.00	Project loss
Chengdu Xinbotai Real Estate Development Co., Ltd.	18,000,000.00	1,800,000.00	10.00	Litigant works
Licheng Packaging Co., Ltd.	17,857,776.23	17,857,776.23	100.00	Judgement of action
Chengdu Jiangong Lifeng Construction Installation Co., Ltd.	16,800,000.00	16,800,000.00	100.00	Judgement of action
Sichuan Huaye Linzhi Real Estate Co., Ltd.	15,996,464.02	15,996,464.02	100.00	The project involved litigation, and the court ruled that the debtor's debt had priority

Name of the debtors	Closing balance			
	Book balance	Provisions	Expected credit loss rate (%)	Reasons for making the provisions
East New Town supporting middle school construction project - Hubo	15,265,821.05	15,265,821.05	100.00	Project loss
Other small amounts	114,163,611.43	111,411,455.41	97.59	Other items less than 10 million yuan
Total	1,559,165,036.75	1,237,325,596.22	79.36	——

③ Other receivables provided for bad debt according to portfolio of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	(%)		Amount	(%)	
Within 1 year (including 1 year)	3,560,267,103.80	59.27	57,240,106.49	4,879,030,668.50	64.38	41,757,309.92
1-2 years (including 2 years)	682,315,297.30	11.36	35,253,232.03	818,030,830.78	10.79	37,431,952.17
2-3 years (including 3 years)	225,164,189.52	3.75	28,440,212.46	213,058,318.01	2.81	23,220,497.76
Over 3	1,538,666,143.52	25.62	1,351,075,655.95	1,667,976,589.99	22.02	1,303,412,522.19

Aging	Closing balance			Opening balance		
	Book balance		Provisions	Book balance		Provisions
	Amount	（%）		Amount	（%）	
years						
Total	6,006,412,734.14	100.00	1,472,009,206.93	7,578,096,407.28	100.00	1,405,822,282.04

2) Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	（%）	Provisions	Book balance	（%）	Provisions
Government debt	3,011,296,486.21			2,705,448,647.62		
Deposit and margin	4,602,758,863.35	0.55	25,237,102.91	2,553,424,721.87	0.90	23,084,817.62
Total	7,614,055,349.56	0.33	25,237,102.91	5,258,873,369.49	0.44	23,084,817.62

3) Details of bad debt provisions made for other receivables

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	1,856,354,116.11	14,622,017.80	677,155,286.26	2,548,131,420.17
Opening balance in the current year:				

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
——Transferred to stage 2				
—— Transferred to stage 3	-49,981,364.18		49,981,364.18	
—— Reversed to stage 2				
—— Reversed to stage 1				
Provisions made in the current year	124,649,108.33	7,144,623.20	115,063,052.24	246,856,783.77
Provisions reversed in the current year	-7,411,787.59		-54,770,461.61	-62,182,249.20
Provisions cancelled in the current year				
Provisions written off in the current year		1,760,531.58		1,760,531.58
Other changes	3,373.64		2,046.10	5.419.74
Closing balance	1,923,613,446.31	23,527,172.58	787,431,287.17	2,734,571,906.06

4) The top 5 debtors based on the closing balance of other receivables

Name of debtor	Nature of funds	Book balance	Aging	Proportion in total other receivables (%)	Provisions
Sichuan Senmeng Real Estate Co., Ltd	Performance bond	418,157,558.05	Within 1 year, over 3 years	10.59	418,157,558.05
Dujiangyan City Land Reserve Center	Current account	386,225,281.97	3 years and above	9.78	
Pingchang County Transportation Bureau	Current account	225,445,132.91	1-3 years	1.47	
Chengdu Xindu District Land Reserve Center	Current account	158,410,000.00	Within 1 year	13.96	
Sichuan Nanxing Heng Real Estate Co., Ltd	Current account	132,038,038.63	Within 1 year, 1-2, 2-3 years	3.34	
Total	—	1,320,276,011.56		39.14	418,157,558.05

9. Redemptory monetary capital for sale

Item	Closing balance	Opening balance
Redemptory bond for sale	7,806,753,214.67	14,652,588,851.91
Accrued interests		
Less: Impairment provisions	7,807,569.07	13,672,189.12
Total	7,798,945,645.6	14,638,916,662.79

10. Inventory

(1) Classification of inventory

Item	Closing balance		
	Book balance	Inventory falling price reserves / contract performance cost provisions	Book value
Raw materials	141,804,790.10	7,008,253.53	134,796,536.57
Self-made semi-finished products and products in process	55,356,830,378.25	10,449,671.31	55,346,380,706.94
Including: Development expenditure (Filled in by property development company)	50,417,481,273.54	7,093,557.00	50,410,387,716.54
Inventory goods (finished products)	20,629,732,926.65	248,191,505.50	20,381,541,421.15
Including: Developed products (Filled in by property development company)	18,090,338,144.36	172,553,708.42	17,917,784,435.94
Revolving materials（Packaging materials and low-value consumables, etc.）	77,467,164.18	538,194.20	76,928,969.98
Contract performance cost	6,411,218.01		6,411,218.01
Consumptive biological assets	137,031,513.67		137,031,513.67
Others	2,290,246,918.86		2,290,246,918.86
Total	78,639,524,909.72	266,187,624.54	78,373,337,285.18

Continued：

Item	Opening balance		
	Book balance	Inventory falling price reserves / contract performance cost provisions	Book value
Raw materials	172,897,473.06	4,230,630.90	168,666,842.16
Self-made semi-finished products and products in process	46,232,158,576.63	9,861,605.23	46,222,296,971.40
Including: Development expenditure (Filled in by property development company)			
Inventory goods (finished products)	19,346,609,109.35	161,996,341.41	19,184,612,767.94
Including: Developed products (Filled in by property development company)	15,704,387,367.61	92,472,709.79	15,611,914,657.82
Revolving materials（Packaging materials and low-value consumables, etc.）	103,306,922.62		103,306,922.62
Contract performance cost	14,409,234.31		14,409,234.31
Consumptive biological assets	8,354,000.00		8,354,000.00
Others	2,861,125,734.83		2,861,125,734.83
Total	68,738,861,050.80	176,088,577.54	68,562,772,473.26

Note：Please refer to Note VIII(74) "Assets with limited ownership and use right" for details of inventories with limited ownership such as those used for mortgage and pledge.

11. Contract assets

Details of contract assets

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Construction project	63,242,870,485.55	917,711,725.63	62,325,158,759.92	57,792,985,913.66	728,256,369.26	57,064,729,544.40
Unexpired warranty deposit	3,070,853,848.24	5,156,915.14	3,065,696,933.10	772,988,201.70	22,179,367.87	750,808,833.83
PPP project under the financial asset model	328,554,127.90		328,554,127.90	279,730,640.42		279,730,640.42
Contract assets formed by sale of goods	8,131,501.60	405,431.01	7,726,070.59	22,881.45		22,881.45
Others	2,516,520.81		2,516,520.81	1,013,011.59		1,013,011.59
Total	66,652,926,484.10	923,274,071.78	65,729,652,412.32	58,846,740,648.82	750,435,737.13	58,096,304,911.69

12. Non-current assets due within one year

Item	Closing balance	Opening balance
Long term receivables due within one year	66,875,792.61	838,618,515.20
Long-term deferred expenses due within one year	3,113,704.10	
Sales of goods by installment		
Finance lease receivables		
Total	69,989,496.71	838,618,515.20

13. Other current assets

Item	Closing balance	Opening balance
Input tax to be deducted	4,184,815,314.15	3,228,821,270.02
Prepaid tax	1,666,781,441.15	1,071,682,219.66
Acquisition costs of contract	275,155,012.14	23,476,446.40
Deferred expenses	1,558,564.10	1,744,859.37
Other receivables of rural commercial bank	187,666,956.17	343,493,519.92
Others	210,742.02	11,985,006.53
Total	6,316,188,029.73	4,681,203,321.90

14. Loans and payments on behalf

(1) Loans and payments on behalf by individuals and companies

Item	Closing balance	Opening balance
Loans and payments on behalf measured at amortized cost		
Personal loans and advances		
- Personal business loans	49,986,423,339.52	41,196,576,748.34
- Housing mortgage loans	57,078,806,888.06	35,739,619,781.67
- Credit card	7,879,900,604.88	9,053,766,944.69

Item	Closing balance	Opening balance
- Personal consumption loan	6,965,228,998.47	5,158,638,968.49
Subtotal	121,910,359,830.93	91,148,602,443.19
Corporate loans and advances		
- Corporate loans	295,482,748,254.90	263,432,200,028.80
-Bills discounted	8,641,467.08	229,759,000.03
Subtotal	295,491,389,721.98	263,661,959,028.83
Loans and payments on behalf measured at fair value through other comprehensive income		
Corporate loans and advances		
-Bills discounted	14,599,833.73	6,346,818,000.69
- Corporate loans	61,379,266.77	288,141,000.03
Subtotal	75,979,100.50	6,634,959,000.73
Accrued interests	757,520,484.68	715,190,280.08
Less: Impairment provisions	18,062,707,418.44	15,522,855,469.40
Book value of loans and advances	400,172,541,719.65	346,637,855,283.42

(2) Loans and payments on behalf by industries (not including accrued interests)

Industry	Closing balance	Percentage (%)	Opening balance	Percentage (%)
Leasing and business service	68,801,535,356.16	16.48	77,138,865,887.47	21.34
Water conservancy, environment and public facilities management	64,284,868,722.96	15.40	61,244,575,910.66	16.94
Real estate	31,492,303,632.58	7.54	28,087,153,959.03	7.77
Construction	39,276,326,952.75	9.41	22,323,233,967.44	6.18
Manufacturing	20,190,238,544.80	4.84	16,788,876,975.51	4.64
Wholesale and retail	23,126,915,956.02	5.54	13,319,005,980.57	3.68
Agriculture, forestry, animal husbandry and fishery	9,122,325,340.66	2.19	9,340,998,986.37	2.58

Industry	Closing balance	Percentage (%)	Opening balance	Percentage (%)
Transportation, storage and postal services	8,647,466,163.00	2.07	6,022,649,991.21	1.67
Finance	5,056,631,500.00	1.21	5,239,999,992.36	1.45
Health and social work	3,194,366,939.02	0.77	3,706,691,994.59	1.03
Public administration, social security and social organizations	2,893,532,000.00	0.68	3,826,659,994.42	1.06
Electricity, heat, gas and water production and supply	4,600,926,608.90	1.10	4,837,726,992.94	1.34
Accommodation and catering	3,178,748,856.30	0.76	2,682,170,996.09	0.74
Education	2,300,051,034.25	0.55	2,444,287,996.43	0.68
Others	9,377,889,914.27	2.25	6,717,440,990.20	1.86
Subtotal of corporate loans and advances	295,544,127,521.67	70.79	263,720,340,615.29	72.96
Personal loans and advances	121,910,359,830.93	29.20	91,148,602,867.04	25.22
Bills discounted	23,241,300.81	0.01	6,576,576,990.41	1.82
Total	417,477,728,653.41	100.00	361,445,520,472.74	100.00

(3) Loans and advances by ways of guarantees (not including accrued interests)

Item	Closing balance	Opening balance
Credit loan	65,187,203,960.55	63,299,486,907.66
Guaranteed loan	190,417,301,969.52	161,562,713,764.32
Collateral loan	157,783,726,515.55	132,627,723,806.53
Pledge loan	4,089,496,207.79	3,955,595,994.23
Total	417,477,728,653.41	361,445,520,472.74

(4) Loans and advances by ways of guarantees (not including accrued interests)

Item	Closing balance				
	Overdue within 3 months (including 3 months)	Overdue for 3 months to 1 year (including 1 year)	Overdue for 1 year to 3 years (including 3 years)	Overdue for over 3 years	Total
Credit loan	156,173,508.73	143,531,762.02	97,597,658.72	75,795,911.55	473,098,841.02
Guaranteed loan	80,726,677.40	18,756,407.95	27,043,614.72	201,014,782.28	327,541,482.35
Collateral loan	398,497,251.49	589,640,645.51	1,727,044,374.20	881,966,840.57	3,597,149,111.77
Pledge loan	1,225,925,924.82	0.00	0.00	418,419,410.10	1,644,345,334.92
Total	1,861,323,362.44	751,928,815.48	1,851,685,647.64	1,577,196,944.50	6,042,134,770.06

Continued:

Item	Opening balance				
	Overdue within 3 months (including 3 months)	Overdue for 3 months to 1 year (including 1 year)	Overdue for 1 year to 3 years (including 3 years)	Overdue for over 3 years	Total
Credit loan	125,258,000.00	111,810,000.00	77,669,000.00	88,232,000.00	402,969,000.00
Guaranteed loan	35,255,000.00	29,788,000.00	6,634,000.00	199,966,000.00	271,643,000.00
Collateral loan	656,470,000.00	254,337,000.00	1,307,318,000.00	1,502,610,000.00	3,720,735,000.00
Pledge loan	719,731,000.00		26,964,000.00	417,144,000.00	1,163,839,000.00

Total	1,536,714,000.00	395,935,000.00	1,418,585,000.00	2,207,952,000.00	5,559,186,000.00

(5) Provisions for loan losses

Changes in provision for impairment of loans and advances measured at amortized cost

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	10,060,439,909.50	767,446,990.38	4,694,968,569.51	15,522,855,469.39
Opening balance in the current year：				
——Transferred to stage 1	55,189,293.29	-24,475,239.50	-30,714,053.79	
—— Transferred to stage 2	-303,986,078.78	358,572,951.08	-54,586,872.30	
—— Reversed to stage 3	-15,398,770.68	-88,729,303.77	104,128,074.45	
Provisions made (reversed) in the current year	1,912,669,040.29	923,074,472.03	451,933,691.18	3,287,677,203.50
Provisions cancelled in the current year			-909,847,900.39	-909,847,900.39
Provisions written off in the current year			162,022,645.95	162,022,645.95
Closing balance	11,708,913,393.62	1,935,889,870.22	4,417,904,154.61	18,062,707,418.44

Changes in provisions of loans and advances measured at fair value through other comprehensive income

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	4,244,605.52			4,244,605.52
Opening balance in the current year：				
——Transferred to stage 1				
—— Transferred to stage 2				
—— Reversed to stage 3				
Provisions made (reversed) in the current year	-4,144,218.97			-4,144,218.97
Provisions cancelled in the current year				
Provisions written off in the				

Provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
current year				
Closing balance	100,386.55			100,386.55

15. Debt investment

Details of debt investment

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Dazhou Qinba Logistics Park Construction and Development Co., Ltd.	29,900,000.00		29,900,000.00	29,900,000.00		29,900,000.00
Directional debt investment	795,872,584.53		795,872,584.53	1,016,567,694.46		1,016,567,694.46
Debt investment In Chengdu Rural Commercial Bank	245,294,964,825.20	11,081,293,854.28	234,213,670,970.92	223,876,432,755.70	13,264,613,866.94	210,611,818,888.76
Total	246,120,737,409.73	11,081,293,854.28	235,039,443,555.45			

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
				224,922,900,450.16	13,264,613,866.94	211,658,286,583.22

16. Other debt investment

Item	Closing balance	Opening balance
Debt investment and interbank deposit in Chengdu Rural Commercial Bank	37,099,187,161.34	11,729,812,781.66
Total	37,099,187,161.34	11,729,812,781.66

17. Long-term receivables

(1) Details of long-term receivables

Item	Closing balance		
	Book balance	Provisions	Book value
Finance lease payment			
Sales of goods by installment	198,708,403.79	38,036,833.29	160,671,570.50
Provision of labor services by installment	665,069,742.71		665,069,742.71
Others	2,795,940,880.27	243,580,643.00	2,552,360,237.27
Total	3,659,719,026.77	281,617,476.29	3,378,101,550.48

Continued:

Item	Opening balance		
	Book balance	Provisions	Book value
Finance lease payment	4,060,671,768.13		4,060,671,768.13
Sales of goods by installment	141,418,178.44	36,000,521.96	105,417,656.48
Provision of labor services by installment	871,045,547.09		871,045,547.09
Others	2,326,141,751.67	244,782,792.37	2,081,358,959.30
Total	7,399,277,245.33	280,783,314.33	7,118,493,931.00

18. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Investment in associates	60,000,000.00	1,866,295.68		61,866,295.68
Investment in joint ventures	2,653,390,010.93	2,677,133,671.21	19,139,478.40	5,311,384,203.74
Subtotal	2,713,390,010.93	2,678,999,966.89	19,139,478.40	5,373,250,499.42
Less: Impairment provisions of long-term equity investment	14,341,748.12			14,341,748.12
Total	2,699,048,262.81	2,678,999,966.89	19,139,478.40	5,358,908,751.30

(2) Details of long-term equity investments

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Total	4,750,478,602.71	2,713,390,010.93	1,358,232,334.04		-12,639,737.31	-16,507,753.23	458,944.27	19,139,478.40		1,349,456,179.12	5,373,250,499.42	14,341,748.12
I. Joint venture	80,401,700.00	60,000,000.00	20,000,000.00		-18,535,404.32					401,700.00	61,866,295.68	
Chengdu China Railway Construction Kunlun Zhenrong ecological construction Co., Ltd	15,000,000.00	15,000,000.00			1,056,141.92						16,056,141.92	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
China Power Construction Road and Bridge Chengdu Ring City ecological construction Co., Ltd	15,000,000.00	15,000,000.00			-3,220,550.77						11,779,449.23	
Chengdu Tiantou development and construction Co., Ltd	18,001,700.00		17,600,000.00		-1,370,995.47					401,700.00	16,630,704.53	
Chengdu Jinxuan City construction	2,400,000.00		2,400,000.00								2,400,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
development Co., Ltd												
Chengdu Ye Jian greenway construction Co., Ltd	15,000,000.00	15,000,000.00			-15,000,000.00							
Chengdu Zhongjian Steel structure construction Co., Ltd	15,000,000.00	15,000,000.00									15,000,000.00	
2. Joint venture	4,670,076,902.71	2,653,390,010.93	1,338,232,334.04		5,895,667.01	-16,507,753.23	458,944.27	19,139,478.40		1,349,054,479.12	5,311,384,203.74	14,341,748.12
Chengdu	3,000,000.00	3,000,000.00			32,408.79						3,032,408.79	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Xingyuan Resource regeneration Technology Co., Ltd												
Aerospace Changfeng Medical Technology (Chengdu) Co., Ltd	14,000,000.00	2,154,000.00	11,846,000.00		18,624.88						14,018,624.88	
Chengdu Medical investment Meidi elderly care Service Co., Ltd	13,230,000.00	924,023.31	4,900,000.00		-5,824,023.31							

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
CLP Sichuan Data Service Co. Ltd	10,000,000.00	5,926,792.98			-913,389.82						5,013,403.16	
Chengdu Health medical Union information industry Co., Ltd	2,450,000.00	1,147,231.47			-328,611.70		458,944.27				1,277,564.04	
Chengdu Xingchuanghe Medical Beauty Industry Investment Partnership (Limited partnership)	20,250,000.00	20,250,000.00			166,782.01						20,416,782.01	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Hainan Xingwei Supply chain Co. Ltd	1,356,794,206.87				-212,454.69					1,356,794,206.87	1,356,581,752.18	
Yibin Sanjiang Xingcheng Supply chain Co. Ltd	87,500,000.00	89,141,186.24			1,573,705.97						90,714,892.21	
Chengdu Runzhen tourism resources development Co., Ltd	10,559,757.00	10,559,757.00	2,086,500.00								12,646,257.00	
Chengdu Deming land consolidation	15,000,000.00	14,999,446.95			2.80						14,999,449.75	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Co., Ltd												
Chengdu Habitat Xingyi Real Estate Co., Ltd	566,005,104.42		566,005,104.42		-360,149.76						565,644,954.66	
Sichuan Nanxing Heng Real Estate Co., Ltd	3,000,000.00											
Chengdu Habitat Longxing Real Estate Co., Ltd	1,000,000.00	960,539.46			-62,482.01						898,057.45	
Chengdu Habitat Xing neighbor Real	196,000,000.00	10,006,332.99	186,000,000.00		-75.00						196,006,257.9	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Estate Co., Ltd											9	
Sichuan Eying equity Investment Fund Management Co., Ltd	3,000,000.00											
Guangzhou Hongyao real estate development Co., Ltd	315,000,000.00	188,812,930.96			-37,735,144.60						151,077,786.36	
Shenzhen Qianhai Zhaoxing Boulder	45,000,000.00	45,811,557.58			907,791.53	-9,486,948.83					37,232,400.28	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Industrial Co., Ltd												
Chengdu Zhongjian Habitat Yayuan real Estate development Co., Ltd	9,800,000.00	63,827,440.34			1,456,234.29						65,283,674.63	
Ya 'an Chengjian Industrial construction Co., Ltd	28,002,000.00	24,010,503.59			529,172.89						24,539,676.48	
Chengdu Jiaozi commercial Factoring Co., Ltd	182,000,000.00	113,026,952.08	78,000,000.00		8,502,000.00			2,234,182.10			197,294,769.98	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Chengdu Great World Center commercial building Property Co., Ltd	618,040.00	875,207.08			17,062.03						892,269.11	
Chengdu Huanke resources recycling Co., Ltd	78,000,000.00	79,024,077.41			282,217.46						79,306,294.87	
Mianyang Kexing Construction Management Co., Ltd	600,000.00	600,000.00									600,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Hejiang County Ganzi highway construction engineering Co., Ltd	6,000,000.00	5,831,849.15			29.12						5,831,878.27	
Chengdu Chengtong building Materials Co., Ltd	4,900,000.00	4,900,000.00									4,900,000.00	4,900,000.00
Chengdu Neiteng furniture manufacturing Co., Ltd	5,561,203.04	5,561,203.04									5,561,203.04	5,561,203.04
Luzhou Lingang	35,000,000.00	29,384,405.69			-4,642,020.09							

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Industrial Building Technology Co., Ltd											24,742,385.60	
Chengdu Technology Innovation Investment Group Co., Ltd	480,000,000.00		480,000,000.00		24,851,884.61						504,851,884.61	
Sichuan Zipingpu reservoir environmental management Co., Ltd	1,800,000.00	720,000.00	1,080,000.00		-527,803.33						1,272,196.67	
Chengdu Horticultural	220,000,000.00	221,491,492.37			157,697.31							

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Expo operation and development Co., Ltd											221,649,189.68	
Chengdu Tianfu Art Park Investment Co. Ltd	150,000,000.00	908,474,287.18			34,999.91						908,509,287.09	
Chengdu Hexeng Xingcheng Human Habitat Technology Co., Ltd	49,000,000.00	39,792,857.72			-5,840,570.09						33,952,287.63	
C&t International Nepal	20,305,718.00	17,037,061.93			50,389.08	160,385.15					17,247,836.16	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Hydropower Joint Development Company												
China Sichuan International Investment Co., Ltd	271,984,000.00	231,287,413.76			125,981.85	-7,181,189.55					224,232,206.06	
Sichuan Sichuan investment sales power limited liability company	105,000,000.00	108,334,198.16			2,123,409.87			1,400,000.00			109,057,608.03	
Chengdu Dongjing Gas Co., Ltd	13,720,000.00	14,598,669.98			875,702.70						15,474,372.68	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Sichuan Eying Tianfu Film & Television Tourism Equity Investment Fund Partnership (Limited partnership)	2,000,000.00	1,901,250.34			16,670.16						1,917,920.50	
Chengdu Guowan Technology Service Co., Ltd	4,000,000.00	3,431,529.32			851,050.67						4,282,579.99	
Chengdu kitten supply chain technology Co., Ltd	4,000,000.00	4,062,644.48			-377,562.26						3,685,082.22	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Himatar Hydropower Co., Ltd	50,515,276.96	50,515,276.96	8,314,729.62								58,830,006.58	
Marsyangdi Transmission Company Private Limited	489,636.78	489,636.78									489,636.78	
Tianjin Tianyi Bio-pharmaceutical Equity Investment Fund Co., Ltd	9,000,000.00	9,765,489.47			845,073.28						10,610,562.75	
Tianjin Red Rikang Biotechnology Co., Ltd	200,000.00	1,052,096.80			236,690.36						1,288,787.16	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Hubei Chenmei Chinese herbal medicine planting professional cooperative	450,000.00	450,000.00									450,000.00	
Tianjin Huarui Health Information Consulting Partnership (Limited partnership)	250,000.00	250,000.00									250,000.00	
Gansu Foci Red Sun pharmaceutical source industry	8,800,000.00	9,301,286.50			-52,748.17						9,248,538.33	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
sales Co., Ltd												
Beijing Sanyou Likang Cell Technology Co., Ltd	2,571,500.00	3,719,418.76			-564,500.47						3,154,918.29	
China Communications (Hangzhou) Infrastructure Investment Co., Ltd	245,000,000.00	290,824,593.09			19,703,981.87			15,505,296.30			295,023,278.66	
Chengdu Xinjiada construction Engineering Co., Ltd	5,000,000.00	3,535,097.18			-22,361.13						3,512,736.05	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Increase in investment	Decrease in investment	Investment income or loss recognized by the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash dividends or profits declared and paid	Provisions made	Others		
Beijing Sikaiot Information Technology Co., Ltd	6,000,000.00	3,880,545.08									3,880,545.08	3,880,545.08
Chengdu Tianfu future community construction development Co., Ltd	7,720,459.64	7,739,727.75								-7,739,727.75		

19. Other equity instrument investments

(1) Details of other equity instrument investments

Item	Closing balance	Opening balance
Chengdu Financing Reguarantee Co. Ltd	200,000,000.00	200,000,000.00
Sichuan Chuantou Jinshi Kangjian Equity Investment Fund Partnership (limited partnership)	45,000,000.00	45,000,000.00
Chengdu Major Industrialization Project Phase I equity Investment Fund Co. Ltd	600,000,000.00	600,000,000.00
Chengdu Jiaotou Construction Industrialization Co. Ltd	14,801,936.68	12,935,718.12
Yibin Yucai Project Management Co. Ltd	225,340.00	221,792.34
Xinjin Chenghuan Water Co. Ltd	6,916,357.98	7,536,520.88
Neijiang Tiancheng Construction Engineering Co. Ltd	5,117,699.01	1,285,258.37
Chengdu Construction Engineering Tiancheng Fund	24,501,709.92	24,501,754.33
Sichuan Ningxi Expressway Construction and Development Co. Ltd	67,500,000.00	67,500,000.00
Sichuan Huilu Expressway Co., Ltd	40,500,000.00	12,310,000.00
Sichuan Xixiang Expressway Construction and Development Co. Ltd	81,000,000.00	13,500,000.00
Chengdu Construction and Development Co. Ltd	9,133,348.51	9,234,207.72
Chengdu Huacheng Company Limited	23,994,917.69	23,948,566.21
Chengdu Hi-tech Integrated Circuit Industrial Park Co. Ltd	360,013,818.52	360,013,818.52
Xiongan Xiongshang Real Estate Co. Ltd	302,117,222.00	
Sichuan Nengtou Livable Waterfront Construction Co. Ltd	13,278,087.54	12,329,446.19
Sichuan Zhenguang Expressway Co. Ltd	255,852,042.51	203,157,700.00
Sichuan Benxin Rongsheng Construction Engineering Management Co. Ltd	1,203,730.99	1,203,730.99
Chengdu Huada Building Decoration Engineering Company	417,173.13	417,173.13
Pengzhou Chenghuan Water Co. Ltd	2,642,295.11	2,848,740.44

Item	Closing balance	Opening balance
Puge County Luojishan Construction project management Co. Ltd	662,076.22	671,516.83
Hunan Beikong Water Development Co. Ltd	5,747,591.10	5,779,922.12
Jiangsu Weizhen Biomedical Technology Co. Ltd	193,000,000.00	193,000,000.00
Tianjin Modern Innovative Traditional Chinese Medicine Technology Co. Ltd	20,000,000.00	20,000,000.00
Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd	8,125,000.00	5,000,000.00
Tianjin Tianhao Qiyuan Health Information Consulting Partnership (limited partnership)	440,500.00	440,500.00
Haining Shafi Investment Partnership (limited partnership)	400,000.00	400,000.00
Haining Renuo Investment Partnership (limited partnership)	300,100.00	300,100.00
Tianjin Zhibicao Medical Technology Development Co. Ltd	300,000.00	300,000.00
Tianjin Kangshun Health Information Consulting Partnership (limited partnership)	50,000.00	50,000.00
Kyushu DREAMWORKS International Culture Communication Co. Ltd	16,788,361.27	16,788,361.27
Beijing Tongcheng Fanhua Construction Engineering Consulting Co. Ltd	3,000,000.00	3,000,000.00
People's Bank Technology Co., Ltd	985,411.97	1,031,807.88
Zhejiang TangRAM INFORMATION Technology Co. Ltd	1,000,000.00	1,000,000.00
Investment by China UnionPay	7,500,000.00	7,500,000.00
Investment by Sichuan Credit Union	1,000,000.00	1,000,000.00
Total	2,313,514,720.15	1,854,206,635.34

20. Other non-current financial assets

Item	Fair value at the end of the year	Fair value at the beginning of the year
Trust Protection Fund	466,121,187.70	509,271,563.12
Equity investment	41,460,328.00	40,000,000.00
Total	507,581,515.70	549,271,563.12

21. Investment property

(1) Details of investment property

Item	Fair value at the beginning of the year	Increase in the current year			Decrease in the current year		Fair value at the end of the year
		Purchase	Converted from self-use property or inventory	Profit or loss from change in fair value	Disposal	Converted to self-use property	
I. Total costs	24,142,289,875.86	1,219,711,602.75	2,148,659,398.37	—	333,032,009.95	23,973,550.93	27,153,655,316.10
Including: Houses and buildings	23,559,728,599.26	1,219,711,602.75	2,148,659,398.37	—	333,032,009.95	23,973,550.93	26,571,094,039.50
Land-use right	582,561,276.60	-	-	—	-	-	582,561,276.60
II. Total changes in fair value	447,288,051.35	1,211,728,626.74	14,113,900.00	132,228,193.08	776,927,981.35	-695.00	1,028,431,484.82
Including: Houses and buildings	392,124,727.95	1,211,728,626.74	14,113,900.00	135,633,879.08	776,927,981.35	-695.00	976,673,847.42
Land-use right	55,163,323.40	-	-	-3,405,686.00	-	-	51,757,637.40
III. Total book value	24,589,577,927.21	2,431,440,229.49	2,162,773,298.37	132,228,193.08	1,109,959,991.30	23,972,855.93	28,182,086,800.92
Including: Houses and buildings	23,951,853,327.21	2,431,440,229.49	2,162,773,298.37	135,633,879.08	1,109,959,991.30	23,972,855.93	27,547,767,886.92
Land-use right	637,724,600.00	-	-	-3,405,686.00	-	-	634,318,914.00

22. Fixed assets

Item	Book value at the end of the year	Book value at the beginning of the year
Fixed assets	13,147,980,434.77	12,032,041,676.46
Disposal of fixed assets		1,794,678.13
Total	13,147,980,434.77	12,033,836,354.59

(1) Details of fixed assets

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
I.Total original book value	18,190,548,675.60	2,591,009,250.97	858,072,409.66	19,923,485,516.91
Including：Land assets	55,556,429.46		1,976,265.02	53,580,164.44
Houses and buildings	12,060,892,741.55	1,691,634,597.32	555,660,997.17	13,196,866,341.70
Machinery equipment	3,522,129,266.79	570,004,005.90	149,008,280.28	3,943,124,992.41
Transportation equipment	397,890,171.24	37,054,774.38	87,081,766.83	347,863,178.79
Electronic equipment	1,436,007,925.27	221,939,915.06	45,266,438.89	1,612,681,401.44
Office equipment	178,608,077.47	12,933,999.59	6,441,619.41	185,100,457.65
Hotel furniture	55,342,833.95	3,022,286.96	400,807.20	57,964,313.71
Others	484,121,229.87	54,419,671.76	12,236,234.86	526,304,666.77
II.Total accumulated depreciation	6,140,004,642.84	998,130,125.88	382,538,283.28	6,755,596,485.44
Including：Land	-	-	-	-

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
assets				
Houses and buildings	2,516,943,733.76	455,505,530.41	166,342,374.45	2,806,106,889.72
Machinery equipment	1,997,446,374.82	291,572,008.08	84,014,164.19	2,205,004,218.71
Transportation equipment	316,621,297.81	37,094,990.16	73,996,551.09	279,719,736.88
Electronic equipment	851,312,193.10	152,533,465.25	42,201,875.67	961,643,782.68
Office equipment	119,723,664.97	15,724,495.93	6,396,024.45	129,052,136.45
Hotel furniture	39,212,865.35	4,365,028.82	381,213.94	43,196,680.23
Others	298,744,513.03	41,334,607.23	9,206,079.49	330,873,040.77
III.Total net book value	12,050,544,032.76			13,167,889,031.47
Including：Land assets	55,556,429.46			53,580,164.44
Houses and buildings	9,543,949,007.79			10,390,759,451.98
Machinery equipment	1,524,682,891.97			1,738,120,773.70
Transportation equipment	81,268,873.43			68,143,441.91
Electronic equipment	584,695,732.17			651,037,618.76
Office equipment	58,884,412.50			56,048,321.20
Hotel furniture	16,129,968.60			14,767,633.48
Others	185,376,716.84			195,431,626.00

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
IV.Total provisions	18,502,356.30	1,461,246.57	55,006.17	19,908,596.70
Including: Land assets	-	-	-	-
Houses and buildings	15,488,553.85	1,461,246.57	-	16,949,800.42
Machinery equipment	2,623,711.06	-	16,414.90	2,607,296.16
Transportation equipment	254,749.83	-	36,882.92	217,866.91
Electronic equipment	106,883.71	-	-	106,883.71
Office equipment	5,364.16	-	-	5,364.16
Hotel furniture	-	-	-	-
Others	23,093.69	-	1,708.35	21,385.34
V.Total book value	12,032,041,676.46			13,147,980,434.77
Including: Land assets	55,556,429.46			53,580,164.44
Houses and buildings	9,528,460,453.94			10,373,809,651.56
Machinery equipment	1,522,059,180.91			1,735,513,477.54
Transportation equipment	81,014,123.60			67,925,575.00
Electronic equipment	584,588,848.46			650,930,735.05
Office equipment	58,879,048.34			56,042,957.04
Hotel furniture	16,129,968.60			14,767,633.48

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Others	185,353,623.15			195,410,240.66

(2) Fixed assets whose certificate of title has not been issued

Item	Book value	Reasons why the certificate of title has not been issued
Foci Red Sun production plant	117,778,155.23	Still in process
Buddha Ci Red Sun Residence Hall	4,856,450.59	Still in process
Foci Hongri Quality inspection building	12,104,931.37	Still in process
Foci Red Sun raw material warehouse	11,214,498.71	Still in process
Zhangwang the pharmaceutical methotrexate refining workshop	2,311,847.83	Information submitted for the certificate is insufficient
Zhangwangpharmaceutical methotrexate freezing workshop	452,034.53	Information submitted for the certificate is insufficient
Zhangwang Tianming API warehouse	5,134,915.85	Information submitted for the certificate is insufficient
Zhangwang Tianming new cellulose workshop	18,215,548.13	Information submitted for the certificate is insufficient
Zhangwang Tianming power workshop	3,100,765.51	Information submitted for the certificate is insufficient
Lanzhou Wenhe production R & D center	32,798,303.44	Still in process

Item	Book value	Reasons why the certificate of title has not been issued
Shandong Kangrentang production quality inspection building	13,606,412.45	Still in process
Shandong Kangrentang extraction preparation workshop	96,666,563.37	Still in process
Shandong Kangrentang processing workshop	55,852,713.81	Still in process
Shandong Kangrentang comprehensive warehouse	40,029,033.33	Still in process
Shandong Kangrentang sewage station and class A warehouse	17,409,674.33	Still in process
Shandong Kangrentang power workshop	14,064,655.27	Still in process
hangar	9,746,960.31	The project is not yet complete
Service complex	7,690,658.22	The project is not yet complete
Building No. 4	22,296,427.11	The project is not yet complete
Total	485,330,549.39	

Note：For the details of fixed assets with limited ownership such as those with mortgage and pledge, please refer to the note Ⅶ (75) "Assets with limited ownership and use right".

(3) Disposal of fixed assets

Item	Book value at the end of the year	Book value at the beginning of the year	Reasons for disposal
Transportation		1,794,678.13	

Item	Book value at the end of the year	Book value at the beginning of the year	Reasons for disposal
equipment			
Machinery equipment			
Total		1,794,678.13	

23. Construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provisions	Book value	Book balance	Provisions	Book value
Construction in progress	106,774,338,345.54	4,388,857.87	106,769,949,487.67	87,435,682,236.69	4,388,857.87	87,431,293,378.82
Construction materials						
Total	106,774,338,345.54	4,388,857.87	106,769,949,487.67	87,435,682,236.69	4,388,857.87	87,431,293,378.82

(1) Changes in significant constructions in progress in the current year

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
Formula granule production base construction project	539,290,000.00	441,270,500.27	30,094,466.37	458,917,621.77	12,447,344.87	0.00
Chengdu Medical Investment West China International Tumor Treatment Center	3,907,440,000.00	387,457,939.12	364,775,369.41	0.00	0.00	752,233,308.53

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
(heavy ion proton) project phase I						
Chengdu Health Medical Center (Future Medical City) project	25,800,000,000.00	402,410,671.45	5,256,880.16	0.00	0.00	407,667,551.61
Comprehensive ecological restoration project of Chengdu City eco-zone	28,900,000,000.00	16,492,989,124.65	2,415,749,982.07	0.00	0.00	18,908,739,106.72
Tianfu Cultural Park (former Chengdu Center)	14,400,000,000.00	6,682,624,597.94	1,185,660,014.42	0.00	1,004,635,755.95	6,863,648,856.41
Rongxian Dafeng 6750+72000 fattening project	270,720,014.06	265,136,028.77	5,583,985.29	207,497,802.13	0.00	63,222,211.93
Sichuan Tianfu New District construction building construction project	1,534,825,000.00	44,027,285.50	195,815,282.92	0.00	0.00	239,842,568.42
Shuangliu District construction waste	155,250,900.00	105,332,666.70	1,393,790.50	0.00	0.00	106,726,457.20

Project	Budget	Opening balance	Increase in amount of the current year	Amount converted into fixed assets in the current year	Other decrease in amount of the current year	Closing balance
resource utilization demonstration base project						
Green building materials and prefabricated components integration project	467,891,700.00	9,881,261.12	6,553,647.45	16,434,908.57	0.00	0.00
Infrastructure construction in the eastern region	9,594,700,000.00	16,123,711,750.80	1,076,140,431.60		6,548,275.49	17,193,303,906.91
Infrastructure construction in the southern region	4,700,610,000.00	7,456,480,644.51	73,269,401.36		167,326.34	7,529,582,719.53
Total	90,270,727,614.06	48,411,322,470.83	5,360,293,251.55	682,850,332.47	1,023,798,702.65	52,064,966,687.26

Continued:

Project	Proportion of accumulated investment in the budget (%)	Construction progress (%)	Cumulative amount of interest capitalization	Including: The amount of interest capitalized in the current year	Interest capitalization rate in the current year (%)
Formula granule production base construction project	96.06	100.00	7,097,959.53	3,337,434.13	4.03
Chengdu Medical Investment West China International Tumor Treatment Center (heavy ion proton) project phase I	19.51	19.51	56,333,999.66	27,903,970.22	3.84
Chengdu Health Medical Center (Future Medical City) project	1.58	1.58	0.00	0.00	0.00
Comprehensive ecological restoration project of Chengdu City eco-zone	65.43	65.43	1,815,006,925.69	604,059,482.16	33.28
Tianfu Cultural Park (former Chengdu Center)	95.81	98.73	1,313,177,020.91	262,363,358.67	100.00
Rongxian Dafeng 6750+72000 fattening project	100.00	100.00	0.00	0.00	0.00
Sichuan Tianfu New District construction building	22.37	30.55	6,510,790.56	1,950,833.75	2.32

Project	Proportion of accumulated investment in the budget (%)	Construction progress (%)	Cumulative amount of interest capitalization	Including: The amount of interest capitalized in the current year	Interest capitalization rate in the current year (%)
construction project					
Shuangliu District construction waste resource utilization demonstration base project	68.64	68.64	5,112,479.19	2,525,994.90	79.75
Green building materials and prefabricated components integration project	96.10	96.10	5,731,345.04	0.00	0.00
Infrastructure construction in the eastern region	100.00	90.00	13,089,322,310.62	808,946,302.09	75.17
Infrastructure construction in the southern region	100.00	98.00	1,490,189,726.94	0.00	0.00
Total	——	——	17,788,482,558.14	1,711,087,375.92	——

24. Productive biological assets

Item	Beginning book value	Increase in the current year	Decrease in the current year	Closing book value
Ⅰ.Planting industry				
Ⅱ. Animal husbandry		95,854,586.58	2,057,344.65	93,797,241.93
Pig rearing		37,752,171.23	2,057,344.65	35,694,826.58
breeding pig		58,102,415.35		58,102,415.35
Ⅲ. Forestry				
Ⅳ. Aquaculture				
Total		95,854,586.58	2,057,344.65	93,797,241.93

25. Right-of-use assets

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
I.Total original book value	1,303,243,498.69	561,836,363.54	220,726,401.87	1,644,353,460.36
Including: Land use rights	5,600,000.00	139,269,987.99	23,184,847.29	121,685,140.70
Houses and buildings	1,286,940,265.75	305,799,791.77	186,940,805.85	1,405,799,251.67
Machinery equipment	3,039,766.73	14,180,874.33	-	17,220,641.06
Others	7,663,466.21	102,585,709.45	10,600,748.73	99,648,426.93
II.Total accumulated depreciation	406,274,717.53	270,334,158.42	101,640,226.75	574,968,649.20
Including: Land use rights	2,426,190.09	8,854,100.76		11,280,290.85
Houses and buildings	402,266,008.49	242,978,650.21	97,310,343.47	547,934,315.23

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Machinery equipment	405,302.31	1,714,928.90	-	2,120,231.21
Others	1,177,216.64	16,786,478.55	4,329,883.28	13,633,811.91
III.Total net book value	896,968,781.16			1,069,384,811.16
Including： Land use rights	3,173,809.91			110,404,849.85
Houses and buildings	884,674,257.26			857,864,936.44
Machinery equipment	2,634,464.42			15,100,409.85
Others	6,486,249.57			86,014,615.02
IV.Total provisions				
Including： Land use rights				
Houses and buildings				
Machinery equipment				
Others				
V. Total book value	896,968,781.16			1,069,384,811.16
Including：Land assets	3,173,809.91			110,404,849.85
Houses and buildings	884,674,257.26			857,864,936.44
Machinery equipment	2,634,464.42			15,100,409.85
Others	6,486,249.57			86,014,615.02

26. Intangible assets

(1) Classification of intangible assets

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
I.Total original price	4,180,702,919.51	1,013,332,177.05	25,244,531.90	5,168,790,564.66
Including：Software	904,371,081.87	71,730,054.17	5,705,428.04	970,395,708.00

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
Land use rights	2,272,937,967.96	920,008,345.83	19,539,103.86	3,173,407,209.93
Patents	928,475,261.13			928,475,261.13
Non-patent technology	63,411,864.63	3,730,060.20		67,141,924.83
Trademark right	70,460.74			70,460.74
Contractual rights and human resources				
Concession	11,436,283.18	17,863,716.85		29,300,000.03
II.Total accumulated amortization	1,155,522,602.03	329,908,482.79	3,334,447.73	1,482,096,637.09
Including：Software	432,554,982.03	120,773,105.67	0.02	553,328,087.68
Land use rights	332,446,844.55	115,646,344.60	3,334,447.71	444,758,741.44
Patents	344,023,499.92	88,142,360.24		432,165,860.16
Non-patent technology	46,062,793.79	4,368,130.75		50,430,924.54
Trademark right	23,978.28	7,794.60		31,772.88
Contractual rights and human resources				
Concession	410,503.46	970,746.93		1,381,250.39
III.Total provisions	45,535,253.29			45,535,253.29
Including：Software				
Land use rights	4,840,420.73			4,840,420.73
Patents	36,911,350.20			36,911,350.20
Non-patent technology	3,783,482.36			3,783,482.36
Trademark right				
Contractual rights and human resources				
Concession				

Item	Opening balance	Increase in the amount of current year	Decrease in the amount of current year	Closing balance
IV.Total book value	2,979,645,064.19			3,641,158,674.28
Including：Software	471,816,099.84			417,067,620.32
Land use rights	1,935,650,702.68			2,723,808,047.76
Patents	547,540,411.01			459,398,050.77
Non-patent technology	13,565,588.48			12,927,517.93
Trademark right	46,482.46			38,687.86
Contractual rights and human resources				
Concession	11,025,779.72			27,918,749.64

27. Development expenditure

Item	Opening balance	Increase in the amount of the current year		Decrease in the amount of the current year			Closing balance
		Internal development expenditure	Others	The amount recognized as intangible assets	The amount transferred to the current profit and loss	Others	
Research and development of drugs and instruments	381,686,951.59	85,149,791.80	5,076,124.03	8,595,537.93	13,445,700.78	1,300,884.99	448,570,743.72
Global alliance system	402,127.97	273,419.99		675,547.96			
Battery car automatic management system	922,770.68	341,996.54		1,264,767.22			
Xingcheng Cloud		11,575,519.71		8,826,140.12			2,749,379.59

Item	Opening balance	Increase in the amount of the current year		Decrease in the amount of the current year			Closing balance
		Internal development expenditure	Others	The amount recognized as intangible assets	The amount transferred to the current profit and loss	Others	
1.0 project							
Human Resource Management System 1.0		258,794.20					258,794.20
Investment operation system			4,156,526.89				4,156,526.89
Total	383,011,850.24	97,599,522.24	9,232,650.92	19,361,993.23	13,445,700.78	1,300,884.99	455,735,444.40

28. Goodwill

Name of the invested entity or the matters forming goodwill	Original carrying value of goodwill			
	Opening balance	Increase in the	Decrease	Closing balance

		current year	in the current year	
Tianjin Chase Sun Pharmaceutical Co., Ltd.	641,315,150.74			641,315,150.74
China Zhonghua Geotechnical Engineering Group Co., Ltd.	1,047,894,941.40			1,047,894,941.40
Chengdu Rural Commercial Bank Co., Ltd.	648,556,269.53			648,556,269.53
Total	2,337,766,361.67			2,337,766,361.67

Continued：

Name of the invested entity or the matters forming goodwill	Goodwill impairment reserve			
	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Tianjin Chase Sun Pharmaceutical Co., Ltd.				
China Zhonghua Geotechnical Engineering Group Co., Ltd.	306,394,413.14	219,632,872.17		526,027,285.31
Chengdu Rural Commercial Bank Co., Ltd.				
Total	306,394,413.14	219,632,872.17		526,027,285.31

29. Long-term deferred expenses

Item	Opening balance	Increase in the amount of the current year	Amortization in the current year	Other decrease	Closing balance	Reasons of other decrease
Renovation and renovation expenses	250,083,882.78	64,954,287.46	91,097,906.43	4.15	223,940,259.66	The settlement of the repair cost is reduced
Software service fee	254,596.35	65.00	137,952.86		116,708.49	
Third party medical disinfection project	2,242,871.79	49,683.63	187,323.18		2,105,232.24	
Rental expenses	36,136,394.74	23,602,382.60	16,353,009.09		43,385,768.25	
Amortization of office furniture	2,294,566.76	76,020.76	934,001.94	132,216.83	1,304,368.75	Adjust to engineering modification
Cost of maintenance	1,049,192.26	413,861.38	522,308.23		940,745.41	
Afforestation of gardens	5,784,263.42	9,634,648.88	4,664,016.26		10,754,896.04	
Jiangjia art Garden fan high paradise	76,714.79		27,896.28		48,818.51	

Item	Opening balance	Increase in the amount of the current year	Amortization in the current year	Other decrease	Closing balance	Reasons of other decrease
Bauhinia City Phase II		52,856,119.05			52,856,119.05	
Other	57,940,257.95	59,043,879.78	41,284,805.18		75,699,332.55	
Total	355,862,740.84	210,630,948.54	155,209,219.45	132,220.98	411,152,248.95	

30. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented as net amount after offset

① Deferred tax assets and liabilities that have been recognized

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible/taxable temporary differences	Deferred tax assets/ liabilities	Deductible/taxable temporary differences
I.Deferred tax assets	3,152,850,104.77	14,702,412,288.88	2,865,561,839.30	13,466,085,155.77
Impairment provisions for assets	2,100,065,405.25	10,246,126,050.52	1,795,051,264.50	9,230,017,126.04
Deductible losses	346,650,363.13	1,830,341,490.31	262,694,103.81	1,344,555,386.48
Termination benefits			2,380.74	11,757,232.74
Staff training expense	4,052,424.52	19,009,633.97	3,596,927.84	17,085,930.61
Accrued and unpaid land value-added tax	286,105,681.72	604,092,341.90	418,046,387.81	1,520,891,452.66
Unrealized gross profit from internal transactions	228,563,343.36	940,936,990.10	226,332,535.08	940,574,835.01
Deferred income	2,357,908.41	15,719,389.35	3,214,845.04	17,686,802.93
Amortization of	1,611,581.75	10,743,878.33	1,537,685.71	10,251,238.03

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible/taxable temporary differences	Deferred tax assets/ liabilities	Deductible/taxable temporary differences
intangible assets				
Fair value change	7,278,113.33	30,752,117.84	6,967,678.49	26,048,399.56
Others	134,235,461.60	821,626,265.07	116,491,812.37	203,031,737.53
Lease liability	41,929,821.70	183,064,131.49	31,626,217.91	144,185,014.18
II.Deferred tax liabilities	3,971,314,596.37	16,294,136,338.70	4,034,781,969.58	17,206,166,231.74
Retroactive adjustment of changes in accounting policy	1,337,707,478.03	5,350,829,912.12	1,337,707,478.03	5,350,829,912.12
Income tax expenses (depreciation)	123,826,646.03	527,483,027.10	102,691,251.56	455,954,206.46
Changes in fair value of investment property	1,465,707,706.19	5,812,680,689.12	1,874,411,288.76	6,889,762,167.54
Liabilities - company assets and capital verification, assessment and appreciation	269,370,992.34	1,110,400,288.62	273,688,781.44	1,829,375,617.24
Other changes in fair value of other equity investments	415,934,496.87	1,198,167,694.69	22,935,706.05	22,523,582.80
Valuation and appreciation of assets in business combination not under common control	318,327,797.17	2,118,377,077.70	391,450,831.75	2,517,510,192.64
Usufruct assets	40,439,479.74	176,197,649.35	31,896,631.99	140,210,552.94

(2) Deferred tax assets and liabilities presented at the net amount after offset (this part is applicable to Chengdu Rural Commercial Bank Co., Ltd.)

① Deferred tax assets or liabilities after offset and the corresponding deductible or taxable temporary differences after offset

Item	Deferred tax assets/ liabilities after offset at the end of the year	Deductible/taxable temporary differences after offset at the end of the year	Deferred tax assets/ liabilities after offset at the end of the year	Deductible/taxable temporary differences after offset at the end of the year
Deferred tax assets	5,946,017,878.14	23,797,106,147.78	5,029,232,218.89	20,116,969,253.32
Impairment provisions for assets	6,663,418,597.64	26,653,674,390.56	5,634,525,000.00	22,538,132,000.00
Payroll payables	356,019,969.79	1,437,114,514.35	331,475,000.00	1,325,909,000.00
Changes in fair value	-140,508,010.52	-562,032,042.09	16,478,000.00	65,912,000.00
Others	71,662,764.00	286,651,056.00	84,370,905.56	337,483,000.00
Valuation and appreciation of assets in business combination not under common control	-1,004,575,442.77	-4,018,301,771.04	-1,037,616,686.67	-4,150,466,746.68

31. Other non-current assets

Item	Closing balance	Opening balance
Loans by mandate	405,898,788.51	80,944,000.00
Houses and buildings to be sold	114,873,521.94	114,873,521.94
Temporary facilities	643,404,511.56	191,923,045.59
Land-use right of Qingbai River	334,400.00	334,400.00
Prepayment for purchase of long- term assets	359,247,827.04	540,023,089.03
Investment fund of Qingbai Qixing Island Project	1,472,508,082.04	1,471,007,741.77

Item	Closing balance	Opening balance
Investment fund of New Industrial Village Project in Jinxing Village, Dayi County	25,557,100.70	25,531,060.54
Investment fund of Pidu District Project	236,720,749.87	236,479,554.81
Contract performance costs	1,295,769,309.70	1,346,987,960.83
Debt assets and litigation advance costs of the Rural Commercial Bank	132,536,705.67	241,753,125.59
Others	97,725,310.81	18,539,376.68
Total	4,784,576,307.83	4,268,396,876.77

32. Short-term borrowings

Classification of short-term borrowings

Item	Closing balance	Opening balance
Pledge loans	3,152,840.00	63,748,368.69
Mortgage loans	40,022,305.55	727,000,000.00
Guaranteed loans	1,942,920,190.30	4,873,745,489.74
Credit loans	10,622,295,612.57	6,185,635,896.59
Discount of commercial acceptance bills	61,069,763.16	105,224,283.71
Short-term loan interests	625,462.93	1,456,660.00
Total	12,670,086,174.51	11,956,810,698.73

33. Borrowings from the Central Bank

Item	Closing balance	Opening balance
Borrowings from the Central Bank	79,093,412,825.71	41,571,754,253.71
Total	79,093,412,825.71	41,571,754,253.71

34. Funds borrowed

Item	Closing balance	Opening balance
Funds borrowed from banks in China		
Including: Banks	2,080,000,000.00	1,884,822,995.50
Accrued interests	1,803,994.59	1,379,020.00
Total	2,081,803,994.59	1,886,202,015.50

35. Trading financial liabilities

Item	Fair value at the end of the year	Fair value at the beginning of the year
Trading financial liabilities	2,925,284,616.39	1,795,615,468.57
Including: Bonds issued for trading		
Financial liabilities measured at fair value through profit or loss		
Transactional financial liabilities of Chengdu Rural Commercial Bank	2,925,284,616.39	1,795,615,468.57
Total	2,925,284,616.39	1,795,615,468.57

36. Notes payable

Classification	Closing balance	Opening balance
Commercial acceptance bill	376,416,700.14	1,049,934,416.10
Bank acceptance bill	2,633,333,682.72	3,652,464,744.61
Total	3,009,750,382.86	4,702,399,160.71

37. Accounts payable

Aging	Closing balance	Opening balance
Less than 1 year（including 1 year）	58,548,949,006.02	54,788,405,213.63
1-2 years（including 2 years）	10,647,629,708.35	12,451,247,661.36
2-3 years（including 3 years）	7,453,050,271.40	2,832,219,742.51

Aging	Closing balance	Opening balance
Over 3 years	4,958,401,890.55	3,857,134,977.79
Total	81,608,030,876.32	73,929,007,595.29

Including: Significant accounts payable aged over 1 year.

Name of the creditor	Closing balance	Reasons for non-repayment
China State Construction Corporation Limited	557,745,830.18	unsettled
Sichuan Jinghui Construction Labor Co., Ltd	232,695,269.69	Outstanding settlement
Suzhou Mankai System integration Technology Co., Ltd	142,483,930.07	The payment node has not been reached
Chengdu Jingkai State Investment Group Co., Ltd	142,411,730.53	unsettled
Sichuan Haohong Road and bridge engineering Co., Ltd	108,115,726.50	Outstanding settlement
Sichuan Jirui Jiangcheng construction Labor Co., Ltd	100,904,010.31	Outstanding settlement
Chengdu Shenghong Labor Service Co., Ltd	95,959,556.18	Outstanding settlement
Cloud Chain (Tianjin) Commercial Factoring Co., Ltd	84,913,456.63	Shortage of funds
Sichuan Zhengxin Jiayu construction Labor Co., Ltd	81,292,624.59	Item outstanding
Sichuan Zhixiang Labor service Co., Ltd	76,921,156.81	Item outstanding
China Architecture Southwest Design and Research Institute Co., Ltd	75,317,841.29	Settlement conditions have not been met
Total	1,698,761,132.78	—

38. Prepayment

(1) Aging of prepayment

Aging	Closing balance	Opening balance

Aging	Closing balance	Opening balance
Less than 1 year（including 1 year）	200,732,493.37	254,351,573.71
Over 1 year	19,230,553.21	10,291,772.92
Total	219,963,046.58	264,643,346.63

(2) There are no significant prepayment aged over 1 year at the end of the year.

39. Contract liabilities

Item	Closing balance	Opening balance
Construction project contracting	4,009,212,674.21	3,942,225,780.04
PPP project under the financial asset model	6,592,619.18	11,556,703.64
Advance property purchase payments	8,779,362,275.19	3,812,815,888.34
Advance goods payments	584,963,584.25	1,296,875,815.85
Advance service payments	56,472,038.62	24,008,676.10
Settled amount of unfinished construction project	63,894,832.99	75,532,247.99
Others	17,311,531.97	11,866,762.44
Total	13,517,809,556.41	9,174,881,874.40

40. Financial assets sold for repurchase

Item	Closing balance	Opening balance
Bonds sold for repurchase	8,614,162,834.62	3,210,000,000.00
Commercial bills sold for repurchase		526,452,427.26
Subtotal	8,614,162,834.62	3,736,452,427.26
Accrued interests	5,376,270.39	1,357,356.18
Total	8,619,539,105.01	3,737,809,783.44

41. Savings absorbed and deposits from other banks

Item	Closing balance	Opening balance

Item	Closing balance	Opening balance
Deposits from other banks or financial institutions		
Other banks or financial institutions in China		
Including：Banks	989,363.33	5,431,001.33
Other financial institutions	555,970,503.85	1,303,149,318.82
Accrued interests	13,274,912.07	8,978,002.20
Subtotal	570,234,779.25	1,317,558,322.35
Savings absorbed		
Including: Current deposits	154,453,452,106.75	142,014,296,554.75
Time deposits	423,157,335,803.29	356,971,064,423.52
Margin deposits	9,394,889,359.47	7,774,448,703.87
Accrued interests	17,496,751,967.97	15,817,223,100.00
Subtotal	604,502,429,237.48	522,577,032,782.14
Total	605,072,664,016.73	523,894,591,104.49

42. Payroll payable

(1) Details of payroll payable

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Short-term compensation	2,023,779,333.10	7,311,448,983.55	7,169,644,468.34	2,165,583,848.31
2. Post-employment benefits - defined contribution plan	15,250,470.06	936,702,939.50	940,570,274.41	11,383,135.15
3. Termination benefits	215,280,824.27	71,939,918.74	137,724,034.66	149,496,708.35

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
4. Other benefits due within one year				
5. Other employee benefits	443,966,480.37	1,038,624,452.65	151,419,677.21	1,331,171,255.81
Total	2,698,277,107.80	9,358,716,294.44	8,399,358,454.62	3,657,634,947.62

(2) Details of short-term compensation

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Salary, bonus, allowance, and subsidy	1,676,887,834.03	5,770,341,132.80	5,650,937,085.43	1,796,291,881.40
2. Employee welfare	1,175.00	243,551,522.32	243,112,998.92	439,698.40
3. Social insurance	8,367,290.09	415,317,583.51	418,866,736.78	4,818,136.82
Including: Medical insurance and maternity insurance	7,832,274.32	387,456,962.37	390,764,620.47	4,524,616.22
Work injury insurance	533,990.97	27,723,429.17	27,964,924.34	292,495.80
Others	1,024.80	137,191.97	137,191.97	1,024.80
4. Housing funds	7,241,039.13	517,421,492.38	516,112,233.04	8,550,298.47
5. Union funds and employee education expenses	314,603,315.76	150,470,808.78	133,045,221.22	332,028,903.32
6. Short-term paid absence	298,566.39	2,890,419.03	2,498,989.35	689,996.07
7. Short-term profit-sharing plan				

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
8. Other short-term compensation	16,380,112.70	211,456,024.73	205,071,203.60	22,764,933.83
Total	2,023,779,333.10	7,311,448,983.55	7,169,644,468.34	2,165,583,848.31

(3) Details of defined contribution plans

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Basic endowment insurance	12,691,667.71	726,439,016.70	730,345,095.83	8,785,588.58
2.Unemployment insurance	472,506.48	26,920,451.60	27,030,874.83	362,083.25
3. Annuity payment	2,086,295.87	183,343,471.20	183,194,303.75	2,235,463.32
Total	15,250,470.06	936,702,939.50	940,570,274.41	11,383,135.15

43. Taxes payable

Item	Closing balance	Opening balance
VAT	1,066,585,765.95	1,120,672,653.89
Resource tax	148,036.72	232,613.68
Corporate income tax	701,818,037.47	1,175,324,268.97
Urban maintenance and construction tax	95,302,625.40	118,580,042.97
Property tax	8,997,759.59	16,639,148.39
Land use tax	2,050,742.95	1,217,844.59
Personal income tax	61,772,829.73	67,416,492.19
Educational surcharge (including local	68,719,388.88	85,875,221.80

Item	Closing balance	Opening balance
educational surcharge)		
Other taxes	810,574,212.74	1,480,704,641.48
Total	2,815,969,399.43	4,066,662,927.96

44. Other payables

Item	Closing balance	Opening balance
Interests payable	361,793,293.71	362,245,659.12
Dividends payable	90,421,763.69	90,421,763.69
Other payables	15,464,712,064.64	11,339,370,274.86
Total	15,916,927,122.04	11,792,037,697.67

(1) Interests payable

Item	Closing balance	Opening balance
Interests on long-term loans with interest paid in installments and principal repayable at maturity	2,442,070.35	2,265,071.11
Interests payable on short -term loans		
Other interest	359,351,223.36	359,980,588.01
Total	361,793,293.71	362,245,659.12

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends of common shares		
Dividends of preferred share / perpetual bond classified as equity instruments	90,290,877.59	90,290,877.59
Others	130,886.10	130,886.10
Total	90,421,763.69	90,421,763.69

(3) Other accounts payable

① Other accounts payable by nature of funds

Item	Closing balance	Opening balance
Accounts payable between companies	4,813,193,307.62	3,320,644,483.29
Current accounts	4,355,409,926.24	262,708,564.96
Risk deposits and quality deposits	1,894,008,273.57	327,920,941.81
Project cost	1,809,134,579.27	1,869,670,752.89
Margins and deposits	1,032,901,406.58	3,345,539,706.91
Funds collected on behalf	682,370,216.68	1,897,199,622.24
Compensations for the difference of resettlement area	126,703,078.63	128,214,854.63
Construction funds	15,624,590.01	13,025,843.35
Funds withheld temporarily	3,603,166.77	3,485,822.11
Others	731,763,519.27	170,959,682.67
Total	15,464,712,064.64	11,339,370,274.86

② Significant other accounts payable aged over 1 year

Name of the creditor	Closing balance	Reason for non-repayment
Sichuan Zhongjian Government and Social Capital Equity Investment Fund Partnership (Limited Partnership)	196,425,517.58	The settlement period has not reached
West China Hospital of Sichuan University	153,421,427.00	The settlement period has not reached
No. 78006 PLA Troops	75,694,320.00	The settlement period has not reached
Logistics Department of Sichuan Military Region of PLA	65,000,000.00	The settlement period has not reached
Sichuan Shufu Housing Construction and Development Co., Ltd.	45,000,000.00	The settlement period has not reached
Total	535,541,264.58	—

45. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term borrowings due within one year	20,549,341,605.34	11,457,374,579.59
Bonds payable due within one year	8,317,953,201.24	4,819,822,669.83
Long-term payables due within one year	488,157,070.70	406,557,489.99
Other long-term borrowings due within one year	623,103,877.37	781,098,879.96
Lease liabilities due within one year	73,984,382.73	105,686,530.00
Total	30,052,540,137.38	17,570,540,149.37

46. Other current liabilities

Item	Closing balance	Opening balance
Short-term bonds payable		1,007,359,589.49
Output tax to be transferred	1,721,566,925.62	1,142,147,550.00
Other accounts	1,371,858,967.40	1,111,681,440.79
Total	3,093,425,893.02	3,261,188,580.28

47. Long-term borrowings

Classification	Closing balance	Opening balance
Pledged loans	5,486,058,714.42	5,716,552,499.71
Mortgage loans	16,743,336,559.18	8,254,699,109.58
Guaranteed loans	26,751,522,145.02	66,126,910,486.65
Credit loans	31,716,621,717.96	2,318,392,489.88
Total	80,697,539,136.58	82,416,554,585.82

48. Bonds payable

(1) Details of bonds payable

Item	Closing balance	Opening balance
21 Red Sun 01	598,562,079.78	598,038,197.70
20 Renju Property PPN001	1,000,000,000.00	1,000,000,000.00
20 Renju Property PPN002	500,000,000.00	500,000,000.00
21 Renju debt		1,500,000,000.00
23 Xingcheng Renju Property MTN001	1,500,000,000.00	
23 Xingcheng Renju Property MTN002	700,000,000.00	
23 Xingcheng Renju Property MTN003	800,000,000.00	
CMBS	1,300,000,000.00	1,303,076,412.21
22 Renju Property PPN001	200,000,000.00	200,000,000.00
22 Renju Property PPN002	500,000,000.00	500,000,000.00
20 Chengdu built MTN001	601,925,000.00	601,925,000.00
21 Chengdu Construction Engineering first phase of corporate bonds		1,006,500,000.00
23 Chengdu Construction Engineering MTN001	1,020,933,333.36	
23 corporate bond	1,419,950,000.00	
Xingcheng (BVI) Co. Ltd	3,145,552,866.88	3,090,287,765.87
23 Xingcheng V2	499,742,131.02	0.00
23 Xingcheng investment GN001	1,500,000,000.00	0.00
23 Xingcheng 01 bond	999,612,759.24	0.00

Item	Closing balance	Opening balance
22 Xingcheng invested in MTN001 bonds	999,810,674.01	999,756,535.75
22 Xingcheng 03 bond	999,586,875.58	999,478,335.54
2021 Offshore Medium-Term Notes (Second Issue)	2,118,988,132.00	2,081,534,188.68
22 Xingcheng 0102	1,999,413,753.43	1,999,043,048.66
21 Xingcheng Investment PPN002	500,000,000.00	500,000,000.00
Green medium-term Note 01	499,868,625.42	499,868,625.42
21 Xingcheng Investment PPN001	2,099,967,175.61	2,099,944,000.52
21 Xingcheng Investment MTN002	999,836,217.04	999,750,802.01
21 Xingcheng G1	1,999,830,760.68	1,999,375,845.99
21 Xingcheng Investment MTN001	999,847,897.92	999,797,461.94
21 Rongxing bond 02	1,998,150,583.45	1,997,937,564.04
21 Rongxing bond 01	2,497,768,531.44	2,497,458,565.27
19 Rongxing bond 01	1,499,740,973.24	1,499,563,192.11
23 Xingcheng 03	1,000,000,000.00	
23 Xingcheng Investment SCP002	999,700,000.00	
Convertible bonds		584,734,796.97
Medium-term note	2,391,721,586.55	810,212,484.04
Subtotal	39,890,509,956.65	30,868,282,822.72
Minus: Part due within one year	8,310,393,201.24	3,316,712,484.04
Total	31,580,116,755.41	27,551,570,338.68

(2) Increase and decrease of bond payable (excluding preferred shares, perpetual bond and other financial instruments classified as financial liabilities)

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
21 Red Sun 01	600,000,000.00	2021-8-20	5 years	600,000,000.00	598,038,197.70		22,680,000.00	523,882.08	22,680,000.00	598,562,079.78
20 Renju Property PPN001	1,000,000,000.00	2023-3-5	3 years	1,000,000,000.00	1,000,000,000.00	1,000,000,000.00			1,000,000,000.00	1,000,000,000.00
20 Renju Property PPN002	500,000,000.00	2023-4-21	3 years	500,000,000.00	500,000,000.00	500,000,000.00			500,000,000.00	500,000,000.00
21 Habitat debt	1,500,000,000.00	2023-3-1	5 years	1,500,000,000.00		1,500,000,000.00				1,500,000,000.00
23 Xingcheng Renju Property MTN001	700,000,000.00	2023-4-21	5 years	700,000,000.00		700,000,000.00				700,000,000.00
23 Xingchen	800,000,000.00	2023-8-14	5 years	800,000,000.00		800,000,000.00				800,000,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
g Renju Property MTN002										
23 Xingcheng Renju Property MTN003	1,500,000,000.00	2021-4-2	5 years	1,500,000,000.00	1,500,000,000.00					1,500,000,000.00
CMBS	1,300,000,000.00	2022-1-26	18 years	1,300,000,000.00	1,303,076,412.21				3,076,412.21	1,300,000,000.00
22 Renju Property PPN001	200,000,000.00	2022-5-11	3 years	200,000,000.00	200,000,000.00					200,000,000.00
22 Renju Property PPN002	500,000,000.00	2022-7-18	3 years	500,000,000.00	500,000,000.00					500,000,000.00
20 Chengdu built	1,000,000,000.00	2020-11-4	3 years	1,000,000,000.00	1,006,500,000.00	0.00	32,500,000.00	0.00	1,039,000,000.00	0.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
MTN001										
21 Chengdu Construction Engineering first phase of corporate bonds	600,000,000.00	2021-11-12	3 years	600,000,000.00	601,925,000.00	0.00	23,100,000.00	0.00	23,100,000.00	601,925,000.00
23 corporate bond	1,400,000,000.00	2023-7-12	3 years	1,400,000,000.00	0.00	1,400,000,000.00	19,950,000.00	0.00	0.00	1,419,950,000.00
23 Chengdu Construction Engineering MTN001	1,000,000,000.00	2023-4-23	2 years	1,000,000,000.00	0.00	1,000,000,000.00	20,933,333.36	0.00	0.00	1,020,933,333.36

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
23 Xingcheng V2	500,000,000.00	2023-9-18	5	500,000,000.00	0.00	500,000,000.00	16,900,000.00	-17,157,868.98	0.00	499,742,131.02
23 Xingcheng 03	1,000,000,000.00	2023-11-3	5	1,000,000,000.00	0.00	1,000,000,000.00		0.00	0.00	1,000,000,000.00
23 Xingcheng investment GN001	1,500,000,000.00	2023-7-5	5	1,500,000,000.00	0.00	1,500,000,000.00		0.00	0.00	1,500,000,000.00
23 Xingcheng 01 bond	1,000,000,000.00	2023-2-22	3	1,000,000,000.00	0.00	1,000,000,000.00	162,759.24	-550,000.00	0.00	999,612,759.24
22 Xingcheng invested in MTN001 bonds	1,000,000,000.00	2022-4-14	5	1,000,000,000.00	999,756,535.75		54,138.26		0.00	999,810,674.01

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
22 Xingcheng 03 bond	1,000,000,000.00	2022-6-2	5	1,000,000,000.00	999,478,335.54		108,540.04		0.00	999,586,875.58
22 Xingcheng 0102	2,000,000,000.00	2022-3-11	5	2,000,000,000.00	1,999,043,048.66		370,704.77		0.00	1,999,413,753.43
2021 Offshore Medium-Term Notes	1,938,120,000.00	2021-10-8	5	1,938,120,000.00	2,081,534,188.68	0.00	37,453,943.32		0.00	2,118,988,132.00
Xingcheng (BVI) Co., Ltd. $445 million	2,885,202,000.00	2021-1-20	5	2,885,202,000.00	3,090,287,765.87	0.00	55,265,101.01		0.00	3,145,552,866.88
21 Xingcheng Investme	500,000,000.00	2021-11-25	3	500,000,000.00	500,000,000.00	0.00	17,900,000.00		17,900,000.00	500,000,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
nt PPN002										
Green medium-term Note 01	500,000,000.00	2021-8-19	5	500,000,000.00	499,868,625.42	0.00			0.00	499,868,625.42
21 Xingcheng Investment PPN001	2,100,000,000.00	2021-9-24	3	2,100,000,000.00	2,099,944,000.52	0.00	23,175.09		0.00	2,099,967,175.61
21 Xingcheng Investment MTN002	1,000,000,000.00	2021-9-9	5	1,000,000,000.00	999,750,802.01	0.00	85,415.03		0.00	999,836,217.04
21 Xingchen	2,000,000,000.00	2021-7-21	3	2,000,000,000.00	1,999,375,845.99	0.00	454,914.69		0.00	1,999,830,760.68

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
g G1										
21 Xingcheng Investment MTN001	1,000,000,000.00	2021-7-29	5	1,000,000,000.00	999,797,461.94	0.00	50,435.98		0.00	999,847,897.92
21 Rongxing bond 02	2,000,000,000.00	2021-4-16	10	2,000,000,000.00	1,997,937,564.04	0.00	213,019.41		0.00	1,998,150,583.45
21 Rongxing bond 01	2,500,000,000.00	2021-2-9	10	2,500,000,000.00	2,497,458,565.27	0.00	309,966.17		0.00	2,497,768,531.44
19 Rongxing bond 01	1,500,000,000.00	2019-8-20	5	1,500,000,000.00	1,499,563,192.11	0.00	177,781.13		0.00	1,499,740,973.24
23 Xingcheng Investme	1,000,000,000.00	2023-6-27	9 months	1,000,000,000.00	0.00	1,000,000,000.00		-300,000.00	0.00	999,700,000.00

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
nt SCP002										
Convertible bonds	603,660,000.00	2018-3-15	6 years	603,660,000.00	584,734,796.97		11,348,068.19	24,035,342.75	10,834,216.20	609,229,291.71
Sinochem Geotechnical 2020 first medium-term note	800,000,000.00	2020-9-7	5 years	800,000,000.00	810,212,484.04		36,091,732.89	-18,114,710.92	49,120,000.00	779,069,506.01
Sinochem Geotechnical 2023 first medium-term note	500,000,000.00	2023-8-25	5 years	500,000,000.00		500,000,000.00	6,166,666.68	-1,328,783.51		504,837,883.17
Sinochem Geotechnical 2023 second	500,000,000.00	2023-12-22	5 years	500,000,000.00		500,000,000.00		-1,415,094.34		498,584,905.66

Bonds	Par value	Issuance date	Maturity (year)	Total amount issued	Opening balance	The amount issued in the current year	Interests accrued at face value	Amortization of premium or discount	Repayment in the current year	Closing balance
medium-term note										
Total	41,936,982,000.00	——	——	41,936,982,000.00	30,868,282,822.72	11,400,000,000.00	302,299,695.27	-14,307,232.92	2,665,710,628.41	39,890,509,956.65

49. Lease liabilities

Item	Closing balance	Opening balance
Lease payments	749,614,775.31	633,182,814.07
Less: Unrecognized financing expenses	233,612,436.54	188,709,725.24
Lease liabilities reclassified to non-current liabilities due within one year	73,984,382.73	105,687,973.09
Net lease liabilities	442,017,956.04	338,785,115.74

50. Long-term payables

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Long-term accounts payable	16,855,552,229.55	2,224,181,969.89	199,535,215.57	18,880,198,983.87
Special accounts payable	12,356,275,896.08	11,965,424,109.92	1,612,300,111.33	22,709,399,894.67
Total	29,211,828,125.63	14,189,606,079.81	1,811,835,326.90	41,589,598,878.54

(1) Top 5 long-term accounts payable based on the closing balance

Item	Closing balance	Opening balance
Tianfu greenway construction special debt funds	11,000,000,000.00	11,000,000,000.00
Chengdu Finance Bureau special debt fund	2,616,030,000.00	2,439,430,000.00
Chengdu Jianzhou New City automotive aesthetic science and innovation space innovation infrastructure project	1,100,000,000.00	1,100,000,000.00
Chengdu Medical Investment West China International Tumor Treatment Center (heavy ion proton) project	882,000,000.00	882,000,000.00
Shipangu town urban renewal project	100,000,000.00	100,000,000.00

Item	Closing balance	Opening balance
Total	15,698,030,000.00	15,521,430,000.00

(2) Top 5 special accounts payable based on the closing balance

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Earmarked funds for infrastructure in the eastern and southern starting areas	6,265,076,567.70	2,965,798,713.83	40,960,000.00	9,189,915,281.53
Special appropriation for other construction agent projects	4,075,970,844.17	5,389,611,980.69	1,343,486,800.00	8,122,096,024.86
Major municipal construction projects	904,000,000.00	831,700,000.00		1,735,700,000.00
Party school construction project special funds	260,033,171.91			260,033,171.91
Zhangjiayan reservoir direct water to Eagle reservoir pipeline project	328,503,699.72		124,406,739.30	204,096,960.42
Total	11,833,584,283.50	9,187,110,694.52	1,508,853,539.30	19,511,841,438.72

51. Long-term payroll payable

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Post-employment benefits - net	0.00	2,161,979.79	2,161,979.79	0.00

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
liabilities of defined benefit plan				
2.Termination benefits	11,232,453.38	128,928.78	1,816,599.37	9,544,782.79
3.Other long-term benefits	0.00	930,851.75	930,851.75	0.00
Total	11,232,453.38	3,221,760.32	4,909,430.91	9,544,782.79

52. Accrued liabilities

Item	Closing balance	Opening balance
Accrued liabilities	227,729,317.29	229,633,041.90
Total	227,729,317.29	229,633,041.90

53. Deferred income

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Government subsidies	214,997,608.11	97,495,357.18	52,127,798.82		260,365,166.47
Including:					
Chinese medicine formula granule project fixed assets investment subsidy		1,000,000.00	66,037.72		933,962.28
Development and industrial application of a disposable intra-abdominal	44,000.00		44,000.00		

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
pressure detection device					
Medical materials supply capacity reserve fund	330,000.00		120,000.00		210,000.00
Science and technology fund of Gansu Province intellectual property plan	125,000.00		125,000.00		
Relocation compensation	2,054,284.49		286,242.00		1,768,042.49
G20 backup company cultivation project	131,732.45		70,562.66		61,169.79
Wireless remote digital multi-parameter monitoring project	191,662.81		76,626.00		115,036.81
Industrial Development Fund of Huzhou Finance Bureau	236,152.63		39,003.72		197,148.91
Industrial Development Fund allocated by the Finance Bureau in 2015	1,043,794.45		172,396.68		871,397.77
Technical transformation project of hydroxypropyl	4,338,298.93		719,229.36		3,619,069.57

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
cellulose with an annual output of 3,000 tons					
Agricultural equipment subsidy	486,382.24	500,000.00	95,365.95		891,016.29
Equipment purchase subsidy	6,388,888.76		666,666.72		5,722,222.04
Chinese medicine formula granule production capacity improvement automation transformation project		2,440,000.00	492,235.80		1,947,764.20
Logistics standardization project of Tcmages	141,173.66		34,863.84		106,309.82
Wastewater advanced treatment project	1,532,252.86		45,288.24		1,486,964.62
Improvement of Tcmages production line	1,638,423.91		358,877.16		1,279,546.75
Subsidy for automatic production base of traditional Chinese medicine formula	4,859,707.90		161,750.04		4,697,957.86

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
granules					
Construction project of standardized production base of high-quality medicinal material "Anze Forsythia"	302,726.98		8,075.04		294,651.94
Industrial development subsidy funds	593,984.47		14,849.28		579,135.19
Central special fund for air pollution prevention and control (online monitoring construction)	104,581.03		8,044.68		96,536.35
Special fund for intelligent manufacturing in 2018	6,384,167.94		520,329.00		5,863,838.94
Intelligent WMS management system construction of Chinese medicine	4,237,735.52		380,645.16		3,857,090.36
Intelligent construction of formula granule workshop	142,792.48		41,874.96		100,917.52
High-tech	3,289,800.26		133,807.08		3,155,993.18

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
industrialization project of traditional Chinese medicine extraction					
Automatic production base of traditional Chinese medicine products	3,446,385.70		119,944.92		3,326,440.78
Fund project of supporting the transformation and upgrading of thousands enterprise in Wuqing District	1,181,250.21		174,999.96		1,006,250.25
Xuebijing production expansion project	1,499,999.60		50,000.04		1,449,999.56
Intelligent manufacturing digital workshop project of traditional Chinese medicine formula granules	225,027.48		36,990.84		188,036.64
Subsidy fund for industry-university research innovation alliance of leading	345,849.06				345,849.06

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
enterprises in science and technology (innovation of pharmaceutical excipients)					
Aerated concrete technical renovation project subsidy funds	1,585,443.68		155,475.84		1,429,967.84
Special fund for the development of construction projects for workers' bases in construction industry	1,370,000.00				1,370,000.00
Special fund for industrial science and technology development - Construction project of test conditions of Technology Center	18,750.00		18,750.00		
Industry guiding fund	16,726,575.04		359,067.84		16,367,507.20
Development and application of automatic intelligent dispensing technology		100,000.00	16,000.00		84,000.00

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
based on direct liquid transfer method					
Chinese medicine formula granule project fixed assets investment subsidy		1,000,000.00	15,021.44		984,978.56
2022 agricultural industrialization leading enterprise classification standard award project		500,000.00	9,615.42		490,384.58
2022 agricultural industrialization leading enterprise classification standard award project		500,000.00	41,666.67		458,333.33
Subsidy for purchase of deep foundation pit support equipment	202,185.19		130,486.80		71,698.39
Qianjiang Xinhao - Construction project subsidy		2,218,749.91	125,000.04		2,093,749.87
Zizhong Xinyue - Zizhong Agriculture and Rural Affairs		1,556,800.00	12,973.32		1,543,826.68

Item	Opening balance	Increase in the current year	Decrease in the current year		Closing balance
			Recorded in profit or loss	Return	
Bureau government subsidy					
Other government subsidies	149,798,598.38	87,679,807.27	46,180,034.60		191,298,371.05
Total	214,997,608.11	97,495,357.18	52,127,798.82		260,365,166.47

54. Other non-current liabilities

Item	Closing balance	Opening balance
The recovery of non-performing loans and settlement funds which are payable by Chengdu Rural Commercial Bank and purchased by the promoters		13,000,000,000.00
Certificates of deposit issued by Chengdu Rural Commercial Bank	59,652,613,856.75	73,426,867,294.72
Total	59,652,613,856.75	86,426,867,294.72

55. Paid-in capital

Investor	Opening balance		Increase in the current year	Decrease in the current year	Closing balance	
	Amount of investment	Percentage (%)			Amount of investment	Percentage (%)
Total	24,000,000,000.00	100.00			24,000,000,000.00	100.00
Chengdu	24,000,000,000.00	100.00			24,000,000,000.00	100.

Investor	Opening balance		Increase in the current year	Decrease in the current year	Closing balance	
	Amount of investment	Percentage (%)			Amount of investment	Percentage (%)
State-owned Assets Supervision and Administration Commission						00

56. Other equity instruments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
23 Xingcheng Y1		1,000,000,000.00		1,000,000,000.00
23 Xingcheng Y2		1,000,000,000.00		1,000,000,000.00
23 Xingcheng Y3		900,000,000.00		900,000,000.00
23 Xingcheng Y5		1,300,000,000.00		1,300,000,000.00
23 Xingcheng Y6		500,000,000.00		

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
				500,000,000.00
23 Xincheng Investment MTN002		2,000,000,000.00		2,000,000,000.00
23 Xingcheng Y3		1,000,000,000.00		1,000,000,000.00
20 Xingcheng Y1	1,800,000,000.00		1,800,000,000.00	
20 Xingcheng Y2	200,000,000.00			200,000,000.00
20 Xingcheng Y3	1,500,000,000.00		1,500,000,000.00	
20 Xingcheng Y5	1,500,000,000.00		1,500,000,000.00	
Perpetual bond of Pingan Trust Co., Ltd.	200,000,000.00		200,000,000.00	
Perpetual bonds of Guangdong Yuecai Trust Co., Ltd.	750,000,000.00			750,000,000.00
Perpetual bonds of	42,500,000.00			

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Guangdong Yuecai Trust Co., Ltd.				42,500,000.00
22 Xingcheng Y1	500,000,000.00			500,000,000.00
22 Xingcheng Y2	1,500,000,000.00			1,500,000,000.00
22 Xincheng Investment MTN002A	1,500,000,000.00			1,500,000,000.00
22 Xincheng Investment MTN002B	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN003A	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN003B	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN004A	500,000,000.00			500,000,000.00
22 Xincheng Investment MTN004B	500,000,000.00			500,000,000.00
22 Xingcheng Y3				

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
	1,000,000,000.00			1,000,000,000.00
22 Xingcheng Y4	1,000,000,000.00			1,000,000,000.00
22 Xingcheng Y6	1,300,000,000.00			1,300,000,000.00
Barry Trust Renewable trust fund	800,000,000.00			800,000,000.00
Total	16,092,500,000.00	7,700,000,000.00	5,000,000,000.00	18,792,500,000.00

57. Capital reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Capital premium	925,174,552.21	6,307,203.51	6,658.59	931,475,097.13
2.Other capital reserve	15,925,360,599.66	3,549,006,149.10	253,557,400.89	19,220,809,347.87
Total	16,850,535,151.87	3,555,313,352.61	253,564,059.48	20,152,284,445.00

Note：

1.The Company received RMB 3,090,034,376.70 of project funds allocated by Chengdu Municipal Treasury Payment Center this year and included the funds in the capital reserve.

2. Runjincheng, a subsidiary of the company, acquired 4% equity of Chengdu Chengfang Property Co., Ltd., a decoupled transfer enterprise, and increased its capital reserve by RMB 260,328.00.

3. Greenway Investment, the subsidiary received project funds of RMB 452,786,700.00 by the government.

4. The capital reserve of the subsidiary Renju Property increased by RMB 7,392,847.06 due to the capital increase premium from minority shareholders.

5. The subsidiary Medical and Health Group’s capital reserve increased by RMB 458,944.27 due to other changes in owners' equity apart from net profit and loss or profit distribution confirmed by equity method for invested entity.

6.The subsidiary Construction Engineering Company received RMB 1 ,320 ,729 .00 for Tongche Lane demolition .

7.Due to the conversion of convertible bonds previously issued by subsidiary Sinochem Geotechnical into shares in the current period, the Company entitled RMB 14,356.45 in accordance with its shareholding ratio.

8.The commission and underwriting fees directly related to the issuance of other equity instruments of the Company during the year reduced the capital reserve by RMB 3,485,000.00.

9. The net assets of the subsidiary Renju Real Estate stock reform are converted into shares, and the fair value appreciation amount of the corresponding self-owned real estate converted into investment real estate is adjusted from other comprehensive income to capital reserve. Now, other comprehensive income is restored according to the list of unsold investment houses, reducing the capital reserve by RMB 240,530,941.47.

10. The value-added inventory of subsidiary Xingcheng Culture at the end of 2020 has been transferred to investment real estate in 2023, and the amount after deducting 25% deferred income tax liabilities will be transferred from the capital reserve, reducing the capital reserve by RMB 9,541,459.42.

11. Theme Latitude, a subsidiary of Sinochem Geotechnical, confirmed a capital reserve when it acquired the theme building equity of its subsidiary, which was refunded when the theme building was cancelled during the current period, and the company's shareholding ratio enjoyed RMB 6,658.59.

58. Other comprehensive income

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
I. Other comprehensive income after tax	2,498,209,153.17	-409,276,509.92			-123,263,900.31	-286,012,609.61	196,939.48	2,212,196,543.56

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
attributable to the owners of the parent company								
1.Other	-70,185,916.85	6,200,123.64			1,328,013.84	4,872,109.80		-65,313,807.05

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
comprehensive income that cannot be subsequently								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
reclassified into profit and loss								
(1) Changes in the								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
re-measurement of defined benefit plans								
(2) Not								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
reclassified to profit or loss for the invested								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
entity under the equity method								
(3) Changes in	-70,185,916.85	6,200,123.64			1,328,013.84	4,872,109.80		-65,313,807.05

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
fair value of other equity instrument investments								
(3) Changes in								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
fair value of the Company's own credit								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
risk								
(4) Others								
2.Other comprehensive	2,568,395,070.02	-415,476,633.56			-124,591,914.15	-290,884,719.41	196,939.48	2,277,510,350.61

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
income subsequently reclassified into profit and loss								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
(1) Reclassified subsequently to profit or loss for the invested	3,186,409.85	698,585.17				698,585.17		3,884,995.02

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
entity under the equity method								
(2) Changes in fair value of other	15,800,750.00	44,151,941.44				44,151,941.44		59,952,691.44

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
debt investments								
(3) Profit or loss from changes in								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
fair value of available-for-sale financial								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
assets								
(4) Profit or loss from the reclassificati								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
on of financial assets to other								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
comprehensive income								
(5) Profit and loss from								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
reclassification of held-to-maturity								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
investment to available-for-sale								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
financial assets								
(6) Provisions for credit impairment	3,789,853.07	2,065,727.56				2,065,727.56		5,855,580.63

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
of other debt investments								
(7) Cash flow hedging reserve								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
(8) Translation difference from financial statements	6,338,163.05	3,057,244.51				3,057,244.51		9,395,407.56

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
denominated in foreign currency								
(9)The portion where fair value	2,539,279,894.05	-465,450,132.24			-124,591,914.15	-340,858,218.09	196,939.48	2,198,421,675.96

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
is greater than book value on the date when self-use property								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
or inventory is converted into investment property								

Item	Opening balance	Amount incurred in the current year						Closing balance
		Amount incurred before income tax in the current year	Less: Amount included in other comprehensive income in the previous period and transferred to the current profit and loss	Less: Amount included in other comprehensive income in the previous period and transferred to the retained earnings in the current period	Less: Income tax expenses	The after-tax portion attributable to the parent company	The after-tax portion attributable to the minority shareholders	
measured at fair value								
(10) Others								

59. Special reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Safe production fees	209,441,584.08	2,060,308,298.74	2,017,669,071.37	252,080,811.45
Total	209,441,584.08	2,060,308,298.74	2,017,669,071.37	252,080,811.45

60. Surplus reserve

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Statutory surplus reserve	610,944,157.21	74,420,078.22		685,364,235.43
Total	610,944,157.21	74,420,078.22		685,364,235.43

61. Undistributed profits

Item	Amount in the current year	Amount in the previous year
Closing balance of the previous year	8,362,647,184.53	9,132,735,269.77
Adjusted amount at the beginning of the current year		-501,228,244.30
Opening balance of the current year	8,362,647,184.53	8,631,507,025.47
Increase in the current year	1,139,441,377.69	1,128,780,398.06
Including: Those transferred in from net profit in the current year	1,139,441,377.69	1,128,780,398.06
Other adjusting factors		
Decrease in the current year	1,467,389,265.26	1,397,640,239.00
Including: The amount of surplus reserve accrued for the current year	74,420,078.22	22,664,367.69

Item	Amount in the current year	Amount in the previous year
The amount of general risk provisions made for the current year	498,384,955.54	274,275,250.39
Distribution of cash dividends for the current year	274,010,377.33	460,588,373.70
Increased capital		
Dividends to holders of other equity instruments	620,573,854.17	640,112,247.22
Closing balance of the current year	8,034,699,296.96	8,362,647,184.53

62. Operating income and expenses

Item	Amount of the current year		Amount of the previous year	
	Revenue	Cost	Revenue	Cost
Subtotal of main businesses	101,132,870,955.58	88,925,864,871.94	179,864,752,650.55	165,998,384,013.44
Construction industry	65,540,849,077.59	58,999,964,485.88	76,649,749,488.65	70,437,109,458.11
Real estate development and sales	6,788,837,673.40	5,869,417,366.89	15,644,022,756.07	13,487,923,596.90
Asset lease	480,111,840.46	126,372,709.63	392,703,674.04	112,907,060.20
Hotel and tourism	474,889,912.45	386,001,613.08	452,173,611.36	293,399,853.28
Building materials logistics	18,639,500,135.73	17,762,623,393.73	70,579,649,369.65	69,467,492,603.50
Pharmaceutical manufacturing and sales	6,024,542,151.47	2,743,976,830.17	6,602,586,342.05	2,803,493,445.38
Equipment leasing and sales	164,497,004.41	155,627,983.70	63,835,141.56	71,687,827.18
Agricultural trade	1,649,027,396.29	1,608,444,979.25	8,165,854,991.37	8,147,877,836.58
Others	1,370,615,763.78	1,273,435,509.61	1,314,177,275.80	1,176,492,332.31
Subtotal of other	1,113,900,376.00	408,811,758.77	776,118,275.50	262,923,052.24

Item	Amount of the current year		Amount of the previous year	
	Revenue	Cost	Revenue	Cost
businesses				
Others	1,113,900,376.00	408,811,758.77	776,118,275.50	262,923,052.24
Interest income	31,549,024,246.78	17,656,063,750.50	28,676,981,545.27	15,623,346,795.08
Service charges and commissions	883,201,755.34	263,686,373.76	718,181,730.75	211,780,442.53
Total	134,678,997,333.70	107,254,426,754.97	210,036,034,202.07	182,096,434,303.29

63. Selling expenses, administrative expenses, R&D expenses, and finance expenses

(1) Selling expenses

Item	Amount of the current year	Amount of the previous year
Adjustment service fee	862,458,855.95	1,101,960,430.65
Employee compensations	420,138,523.10	435,209,599.00
Academic promotion fees	333,883,199.87	368,496,585.54
Market research fees	183,319,275.80	209,123,131.90
Sales service fees	172,528,115.73	172,867,243.63
Commission fees for consigned products	101,023,854.43	115,299,157.31
Advertising expenses	91,518,311.23	179,208,516.21
Depreciation charges	81,768,736.30	78,748,602.80
Materials consumption	58,856,813.85	78,598,783.12
Conference expenses	32,706,532.63	34,616,599.63
Operating expenses	28,055,678.13	35,128,644.79
Travel expenses	23,930,427.05	26,197,190.43
Office expenses	16,294,194.31	13,267,596.09
Storage fees	6,296,891.39	6,426,689.65
Car expenses	1,488,682.00	1,484,262.39
Freight fees	288,935.10	410,522.31

Item	Amount of the current year	Amount of the previous year
Exhibition fee	28,532.22	
Repair cost	3,330.96	890,124.71
Handling charges		8,664.44
Others	14,687,990.43	159,262,215.30
Total	2,429,276,880.48	3,017,204,559.90

(2) Administrative expenses

Item	Amount of the current year	Amount of the previous year
Employee compensations	6,117,089,600.76	4,962,159,254.34
Insurance premiums	229,956,559.78	192,168,980.60
Depreciation and amortization	781,572,252.82	681,465,856.17
Repair costs	51,404,702.35	33,435,066.30
Inventory losses	2,262,685.73	1,516,109.48
Business entertainment expenses	55,748,683.98	59,866,122.67
Travel expenses	33,508,505.14	16,860,355.35
Office expenses	138,536,128.66	137,784,168.47
Conference expenses	5,695,732.33	5,240,763.89
Legal expenses	17,170,045.16	6,534,257.05
Expenses of hiring intermediaries	74,149,470.11	37,274,459.33
Consulting fees	143,440,905.62	179,126,952.82
Sewage drainage charges	-	67,767.00
Board of Directors Fees	3,628,760.81	4,003,642.72
Others	1,370,385,639.46	1,203,382,571.47

Item	Amount of the current year	Amount of the previous year
Total	9,024,549,672.71	7,520,886,327.66

Others are from subsidiary Chengdu Rural Commercial Bank.

(3) R&D expenses

Item	Amount of the current year	Amount of the previous year
Employee compensations	251,458,407.92	246,372,114.36
Material costs	1,284,128,307.41	1,397,167,282.07
Depreciation and amortization	28,321,530.19	28,124,857.88
Technological development expenses	18,238,874.63	26,584,673.75
Energy costs	16,785,655.36	16,074,247.27
Interlocutory costs of experiments	8,203,663.82	7,515,307.95
Maintenance and testing fees	5,774,557.09	5,839,968.76
Material fees	904,090.10	862,341.72
Equity incentive expenses		
Registration and approval fees	1,284,371.00	1,822,223.91
Machinery usage fee	41,117,219.23	37,075,167.55
Others	64,714,138.70	35,840,180.61
Total	1,720,930,815.45	1,803,278,365.83

(4) Finance costs

Item	Amount of the current year	Amount of the previous year
Interest expense	3,801,259,052.02	3,258,867,156.09

Item	Amount of the current year	Amount of the previous year
Less: Interest income	1,256,613,653.36	838,798,335.02
Exchange gain or loss	-8,311,141.03	-39,094,741.49
Others	151,136,205.22	100,304,804.01
Total	2,687,470,462.85	2,481,278,883.59

64. Other income

Item	Amount of the current year	Amount of the previous year
Refund for stable employment and tax reduction	53,471,625.38	32,249,098.51
Government support and incentive funds	614,494,226.15	134,990,128.20
Others	31,348,064.38	332,961,602.47
Total	699,313,915.91	500,200,829.18

65. Investment income

Item	Amount of the current year	Amount of the previous year
Long-term equity investment income under the equity method	-12,639,737.31	-55,850,259.95
Long-term equity investment income under the cost method	-26,996,209.50	580.00
Investment income from disposal of long-term equity investment	-8,118,681.91	1,036,240.00
Investment income from the trading financial assets during the holding period	1,469,227,213.34	1,401,745,278.82
Investment income from disposal of trading financial assets	10,154,962.24	-22,976,979.98
Investment income from other equity instrument	3,161,159.02	2,400,000.00

Item	Amount of the current year	Amount of the previous year
investment during the holding period		
Investment income from disposal of debt instrument	26,064,923.22	
Investment income from disposal of other debt instrument	23,146,119.31	55,050,979.95
Disposal of loans and advances at fair value through other comprehensive income		
Investment income from debt restructuring		
Others	8,723,373.00	-46,228,329.96
Total	1,492,723,121.41	1,335,177,508.88

66. Gains from changes in fair value

Sources of gains from changes in fair value	Amount of the current year	Amount of the previous year
Trading financial assets	459,746,035.55	-132,853,391.70
Investment property measured at fair value	228,768,616.23	-36,843,161.29
Others	-389,822.59	960,563.12
Total	688,124,829.19	-168,735,989.87

67. Impairment loss on credit

Item	Amount of the current year	Amount of the previous year
Bad debt loss	-4,978,136,163.44	-5,082,455,750.32
Credit impairment loss of debt investment	-1,102,956,919.30	-1,768,887,000.00
Impairment loss of other debt investment	-12,013,657.32	-19,326,000.00
Funds lent	-312,108,679.04	527,000.00
Accrued liabilities	1,129,909.15	49,500,000.00

Item	Amount of the current year	Amount of the previous year
Other assets	38,457,289.46	-9,726,000.00
Redemptory monetary capital for sale	5,864,620.05	5,241,000.00
Deposits in other banks and financial institutions	-1,180,753.87	-613,000.00
Loans and advances from comprehensive income	4,144,218.97	-3,306,000.00
Others		-29,978,871.15
Total	-6,356,800,135.34	-6,859,024,621.47

Note："-" refers to loss in the above table.

68. Impairment loss of asset

Item	Amount of the current year	Amount of the previous year
Inventory falling price loss	-94,197,718.24	4,821,397.66
Impairment loss of contract assets	-172,481,932.78	-43,320,494.59
Impairment loss of contract performance cost		85,109,505.80
Impairment losses of fixed assets	-1,461,246.57	
Impairment loss of goodwill	-262,914,206.02	-184,585,500.00
Other impairment loss	-93,172,137.48	
Total	-624,227,241.09	-137,975,091.13

Note："-" refers to loss in the above table.

69. Gain on disposal of asset

Item	Amount of the current year	Amount of the previous year
Profit and loss from disposal of fixed assets	22,771,938.66	97,525,246.34

Item	Amount of the current year	Amount of the previous year
Total	22,771,938.66	97,525,246.34

70. Non-operating income

(1) Classification of non-operating income

Item	Amount of the current year	Amount of the previous year
Gains from damage and scrapping of non-current assets	530,439.70	1,809,519.94
Donations received		7,245,779.76
Government subsidies not related to the daily activities of the Company	124,695,055.43	37,323,808.77
Income from fines and liquidated damages	27,360,026.78	4,919,499.84
Others	37,030,273.59	84,712,057.21
Total	189,615,795.50	136,010,665.52

71. Non-operating expenses

Item	Amount of the current year	Amount of the previous year
Gains from damage and scrapping of non-current assets	11,615,230.49	4,256,610.11
Donations made to external parties	11,280,158.18	41,844,121.05
Litigation compensation	33,073.00	23,648,220.60
Fine and overdue surcharges	29,052,117.87	34,464,760.87
Others	14,595,274.84	15,338,950.38
Total	66,575,854.38	119,552,663.01

72. Income tax expenses

Item	Amount of the current year	Amount of the previous year
Current income tax expense	2,499,569,615.94	2,759,074,166.87
Adjustment of deferred income tax	-1,040,380,939.43	-1,413,429,299.98
Others	-34,821,320.39	-60,861,374.39
Total	1,424,367,356.12	1,284,783,492.50

73. Consolidated statement of cash flow

(1) Adjustment of net profit to cash flow from operating activities using the indirect method

Supplementary information	Amount of the current year	Amount of the previous year
1.Adjust net profit to cash flow from operating activities:	—	—
Net profit	5,041,767,393.16	5,266,919,533.00
Add: Impairment loss for asset	624,227,241.09	137,975,091.13
Impairment loss for credit asset	6,356,800,135.34	6,859,024,621.47
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	998,130,125.88	708,524,304.90
Depreciation of right-of-use assets	270,334,158.42	231,148,100.31
Amortization of intangible assets	329,908,482.79	111,214,147.23
Amortization of long-term deferred expenses	155,209,219.45	145,609,750.64
Loss on disposal of fixed assets, intangible assets and other non-current assets ("-" means profit)	-22,771,938.66	-97,524,275.78
Loss on scrapping of fixed assets ("-" means profit)	11,615,230.49	2,510,381.20
Loss from changes in fair value ("-" means profit)	-688,124,829.19	168,735,989.87
Finance expenses ("-" means profit)	2,687,470,462.85	2,481,278,883.59
Investment losses ("-" means profit)	-1,492,723,121.41	-1,335,177,508.88
Decrease in deferred tax assets ("-" means increase)	-1,204,073,924.72	-1,297,426,187.51
Increase in deferred income tax liabilities ("-" means decrease)	-63,467,373.21	29,515,239.70
Decrease in inventory ("-" means increase)	-9,810,564,811.92	-18,394,258,506.62

Supplementary information	Amount of the current year	Amount of the previous year
Decrease in operating receivables ("-" means increase)	-67,078,050,662.47	-65,849,952,176.34
Increase in operating payables ("-" means decrease)	119,386,504,399.05	81,039,359,731.47
Others	-5,389,130,926.09	-4,911,922,337.21
Net cash flow from operating activities	50,113,059,260.85	5,295,554,782.17
2. Major investing and financing activities that do not involve cash receipts and payments:	—	—
Debt transferred to capital		
Convertible corporate bonds due within one year		
Financing leasing of fixed assets		
3. Net changes in cash and cash equivalents:		—
Closing balance of cash	64,694,864,226.77	58,174,762,602.15
Less: Opening balance of cash	58,174,762,602.15	59,186,480,535.31
Add：Closing balance of cash equivalents		
Less：Opening balance of cash equivalents		
Net increase in cash and cash equivalents	6,520,101,624.62	-1,011,717,933.16

(2) Details of cash and cash equivalents

Item	Closing balance	Opening balance
1. Cash	64,694,864,226.77	58,174,762,602.15
Including: Cash on hand	2,675,297,962.05	2,359,953,295.65
Bank deposits that can be used for payment at any time	33,517,126,854.77	28,806,784,143.36
Other currency funds that can be used for payment at any time	31,802,059.27	82,610,219.90
Deposits in the Central Bank that can be used for payment at any time	5,908,707,107.60	3,277,212,718.09
Deposits in other banks	11,307,366,247.17	6,371,876,225.15
Interbank placements	3,456,240,500.00	2,630,000,000.00

Item	Closing balance	Opening balance
Redemptory monetary capital for sale	7,798,323,495.91	14,646,326,000.00
2. Cash equivalents		
Including: Bond investment due within three months		
3. Closing balance of cash and cash equivalents	64,694,864,226.77	58,174,762,602.15
Including: Restricted cash and cash equivalents of the parent company or subsidiaries within the Group		

74. Foreign currency monetary items

Item	Foreign currency balance at the end of the year	Conversion rate	Balance converted into RMB at the end of the year
Cash and cash equivalents	—		**192,047,493.07**
Including: US Dollar	16,865,160.07	7.0827	119,450,869.23
Euro	1,420,288.05	7.8592	11,162,327.84
HK Dollar	55,119,491.51	0.9062	49,949,283.20
Australian Dollar	1,512,390.78	4.8484	7,332,675.46
Canadian Dollar	152,186.63	5.3673	816,831.30
Great Britain Pound	11,000.00	9.0411	99,452.10
Japanese Yen	1,250,000.00	0.0502	62,750.00
Singapore Dollar	105,949.22	5.3772	569,710.15
Indian Rupee	30,451,389.31	0.0855	2,603,593.79
Accounts receivable			**50,691,550.02**
Including: US Dollar	7,155,969.37	7.0827	50,683,584.26
Euro	25.40	7.8592	199.62
Indian Rupee	90,832.00	0.0855	7,766.14
Other receivables			**570,661.02**
Including: US Dollar	438.80	7.0827	3,107.89
Euro	178.50	7.8592	1,402.87
HK Dollar	595,732.00	0.9062	539,852.34
Indian Rupee	307,650.00	0.0855	26,297.92
Accounts payable			**4,662,011.29**
Including: US Dollar	651,824.76	7.0827	4,616,679.23
Indian rupee	300,578.00	0.08548	25,693.41
Euro	2,498.81	7.8592	19,638.65

Item	Foreign currency balance at the end of the year	Conversion rate	Balance converted into RMB at the end of the year
Payroll payable			**41,501.56**
Including: US Dollar	2,201.15	7.0827	15,590.09
Indian Rupee	303,129.00	0.08548	25,911.47
Other payables			**616,350.36**
Including: US Dollar	58,020.11	7.0827	410,939.03
Euro	17,496.20	7.8592	137,506.14
Singapore Dollar	2,628.00	5.3772	14,131.28
Indian Rupee	380,746.85	0.08548	32,546.24
Euro	3,955.00	5.3673	21,227.67

75. Assets with restricted ownership or use right

Item	Book value at the end of the year	Reasons for the restrictions
Cash and cash equivalents	2,962,954.41	Acceptance bill deposit, frozen assets, legal deposit reserve of Chengdu Rural Commercial Bank, and financial deposit, etc.
Notes receivable	584.49	Pledged loan
Inventory	456,379.68	Mortgage loan
Fixed assets	12,543.74	Mortgage loan, leaseback after sale and lease
Intangible assets	4,140.14	Mortgage loan
Long-term equity investment	232,100.68	Pledge loan
Investment property	332,085.55	Mortgage loan
Debt investment	9,026,836.00	Pledge for repurchase agreement transactions of agricultural and

Item	Book value at the end of the year	Reasons for the restrictions
		commercial banks
Other debt investment	554,912.60	Pledge for repurchase agreement transactions of agricultural and commercial banks
Loans and advances	385.00	Pledge for repurchase agreement transactions of agricultural and commercial banks

VIII. Contingencies

1. Major pending litigation

(1) Construction Engineering Group

As of December 31, 2023, there are 1504 pending litigations involving Construction Engineering Group and its subsidiaries with a total amount of RMB 2,691,5791,900.00. Among them, in a total of 266 litigations with an amount of RMB1,1,109,686,400.00 Construction Engineering Group and its subsidiaries are the plaintiffs, in a total of 1278 litigations with an amount of RMB 1,923,140,900.00 Construction Engineering Group and its subsidiaries are the defendants The details of litigations with large amount in which Construction Engineering Group and its subsidiaries are plaintiffs are as follows.

① In February 2022, Chengdu Eighth Construction Engineering of CDCEG filed a lawsuit against Meishan Longhe Tourism Development Co., Ltd. to Pengshan District People's Court of Meishan City, Sichuan Province, demanding the defendants to pay RMB 433,879,800.00 plus overdue interest for " the three projects of the Meishan Evergrande Cultural Tourism City Phase 1". Due to the error in the application of some facts and laws in the judgment of the first instance, the company appealed the penalty for overdue payment, compensation for delay of construction period, scope of priority of compensation, time limit of debt performance, case acceptance fee, security fee, security guarantee fee, attorney's fee, etc., and the case entered the second instance

procedure.

② In September 2022, Chengdu First Construction Engineering of CDCEG filed a lawsuit against Chengdu Ziguang Core Source Technology Service Co., Ltd. and Chengdu Ziguang Jinrun Real Estate Co., Ltd. to the People's Court of Sichuan Tianfu New District Chengdu District, demanding the defendants to pay RMB 479,243,100.00 for the project of "Ziguang Core City". The case had not been heard.

③ In October 2023, Chengdu Fourth Construction Engineering of CDCEG filed a lawsuit against Sichuan Dongyang Real Estate Co., Ltd. to People's Court of Guangan District, demanding the defendants to pay RMB 4,679,00500.00 for the project of "Dongyang International Bonan City". At present, the case is in court and has not yet been decided.

④ In June 2022, Chengdu Eighth Construction Engineering of CDCEG filed a lawsuit against Lanrun Yaoheng Real Estate Co., Ltd., Sichuan Dingjiatai Trading Co., Ltd., Lanrun Real Estate Co., Ltd., Shenzhen Lanrun Holdings Co., Ltd, demanding the defendants to pay RMB 250,186,800.00 plus overdue interest for "Lanrun City project No. 2 plot phase III general contracting project". The case is currently pending.

⑤ In December 2023, Chengdu Construction Engineering of CDCEG filed a lawsuit against Sichuan Furen Real Estate Development Co., Ltd. to Hanyuan District People's Court of Yanan City Sichuan Province, Sichuan Province, demanding the defendants to pay RMB 286,206,700.00 plus overdue interest for " the three projects of Sunshine rhyme". 1)1. On December 11, 2023, the court submitted the complaint, property preservation application, network investigation and control application and other prosecution materials; 2) On December 15, 2023, the court received the case notice and evidence notice, the case number is (2023) Chuan1823 Minchu 2627; On the same day, the (2023) Sichuan 1823 Republic of China No. 2627 Property preservation ruling was received, and the property of Sichuan Furen Real Estate Development Co., Ltd. was sealed up, seized and frozen within the limit of RMB 286,206,700.00. 3) On January 31, 2024, the court received the summons for hearing, and the trial is scheduled for March 5, 2024. 4) On February 29, 2024, the court notified by telephone that the trial was postponed. At present, the specific date of the trial is to be determined;

⑥ In June 2022, Chengdu Fourth Construction Engineering of CDCEG filed a lawsuit against Zigong Xinmao Real Estate Co., Ltd., Evergrande Real Estate Group Zigong Co., Ltd., and

Evergrande Real Estate Group Chengdu Co., Ltd. to People's Court of Zigong Da'an District, demanding the defendants to pay RMB 276,078,900.00 for the project of "Zigong Evergrande Future City Ⅱ". The case has been filed and has not yet been heard.

⑦ In October 2023, Chengdu Fourth Construction Engineering of CDCEG filed a lawsuit against Sichuan Dongyang Real Estate Co., Ltd. to People's Court of Guangan District, demanding the defendants to pay RMB 233,219,500.00 for the project of "Dongyang International Jinnan City". At present, the case is in court and has not yet been decided.

⑧ In Auguste 2023, Chengdu Sixth Construction Engineering of CDCEG filed a lawsuit against Chongqing Hangyue Real Estate Co., Ltd., Chongqing Jianghang Investment Co., Ltd., Evergrande Real Estate Group Chongqing Co., Ltd to Chongqing First Intermediate People's Court, demanding the defendants to pay RMB 279,087,900.00 plus overdue interest for the Chongqing CNAH Sports Park Project. After receiving the first instance judgment, the court ruled that Hangyue Company should pay our company the project payment and the suspension loss, Jianghang Company should bear joint and several liabilities for the above-mentioned debts, and Evergrande Chongqing Company should bear half of the joint and several liabilities. An appeal has been assessed;

⑨ In May 2021, Chengdu Third Construction Engineering of CDCEG. filed a lawsuit against Sichuan Benxin Rongsheng Construction Engineering Management Co., Ltd. to Guangyuan Municipal Intermediate People's Court, demanding the defendant to pay RMB 210,798,800.00 for the project of "PPP Project Phase 2 of Ziyun Industrial Park". The first trial of the retrial has been held in Guangyuan Intermediate People's Court for the second time on September 19, 2023, and the court required the parties to continue to supplement the evidence materials within one month, and suggested that the parties should strive to reach a settlement on the disputed matters. At present, the case is in the first instance retrial;

⑩ In January 2021, Chengdu Fifth Construction Engineering of CDCEG. filed a lawsuit against Jiangyou City Jun soul real estate development Co., Ltd to Mianyang Municipal Intermediate People's Court, demanding the defendant to pay RMB 201,171,500.00 for the project of "Jiangyou Wantong Huafu project". The judgment of the court of first instance is as follows: 1. The defendant pays RMB 74,750,986.59 yuan and interest to the Fifth Construction Engineering of CDCEG for the project; 2. The defendant returns the performance bond of RMB 1,000,000.00 and

pays the interest; 3. The Fifth Construction Engineering of CDCEG shall enjoy the priority right of compensation for the price of discount, sale or auction of the project within the range of RMB 74,750,986.59 of unpaid project funds; 4. Rejection of other claims. The case is currently under appeal.

(2) As of December 31, 2023, Construction Engineering Group and its subsidiaries are involved in 278 pending lawsuits in which they are the defendants, with a total value of RMB 1,923,140,900.00. Amount them, litigations with large amounts are as follows.

① In November 2023, Wenxiang Dai filed a lawsuit against Chengdu First Construction Engineering of CDCEG and Chengdu Xinyi City construction development Co., Ltd to Pidu District People's Court of Chengdu City, demanding the defendant to pay he construction fee of RMB 32,562,900.00 for the "New Yizhou" Project. The case is currently under trial.

② In August 2022, Zhigang Wu filed a lawsuit against Chengdu Ninth Construction Engineering of CDCEG to Wenjiang District People's Court of Chengdu City, demanding the defendant to pay he construction fee of RMB 59,320,000.00 for the "Wenjiang Jianianhua Phase 3" Project. The case is currently under trial. The court of first instance rejected all of Zhigang Wu's claims, Zhigang Wu appealed against the judgment of first instance, and the court of second instance heard and ordered him to be remanded for a new trial. The matter is currently under review;

③ In March 2020, Chengdu Xingyue Real Estate Co., Ltd. applied appealed for an arbitration against Construction Engineering Group Chengdu Arbitration Commission, demanding the respondent to pay the construction fee of RMB 55,592,690.00 for the project of "Xingyue Shangxiyuan". The arbitration is still in process.

④ In March 2023, Chengdu Golden Valley Real Estate Co., Ltd. filed a lawsuit against Chengdu Surveying Geotehnical Research Institute Co., Ltd of MCC, Chengdu Benchmark Fangzhong Architectural Design Office, Shenzhen Guoteng Architectural Design and Consulting Co., Ltd., Sichuan Nancheng Construction Engineering Co., Ltd, Chengdu Seventh Construction Engineering of CDCEG., Chengdu Xindu District No. 12 Construction Engineering Co., Ltd., Sichuan Xinghao Construction Engineering Testing Co., Ltd., Kangli Times Construction Group Co., Ltd to Wenjiang District People's Court of Chengdu City, demanding the defendant to pay he construction fee of RMB 47,946,800.00 for the "Golden Valley Ⅳ-2" Project. The first instance

judgment rejects the plaintiff's claim; The plaintiff appealed, and the case is now in a second trial.

2. Zhonghua Geotechnical Unit: 0’000

Plaintiff	Defendant	Cause of action	Court of acceptance	Amount involved	Process of the case
Sinochem Geotechnical Group Co., Ltd., Beijing Changdao Municipal Engineering Group Co., Ltd	Liping Gu,Zhao Li	Dispute over the right to recover	Beijing First Intermediate People's Court	3,533.89	Stage of second instance
Liping Gu,Zhao Li	Sinochem Geotechnical Group Co., Ltd., Third party: Beijing Changdao Municipal Engineering Group Co., Ltd., Beijing New Tunnel Construction Engineering Co., Ltd	Contract dispute	Beijing Xicheng District People's Court	4,645.29	Stage of first instance
Qiangjin International Engineering Co., Ltd.	PENSTONE HONG KONG LIMITED	Disputes over construction subcontract	Hong Kong International Arbitration Centre	97,004.42（HK Dollar）	Arbitration stage (Note)
PENSTONE HONG KONG LIMITED	Qiangjin International Engineering Co., Ltd.	Disputes over construction contract	Hong Kong International Arbitration Centre	30,369.73（HK Dollar）	Arbitration stage

Plaintiff	Defendant	Cause of action	Court of acceptance	Amount involved	Process of the case
SUPPORTEC CO., Ltd.	Shanghai Strong Foundation Engineering Co., Ltd	Patent technology fee disputes and patent ownership disputes	Singapore International Arbitration Centre	4,120.00	Arbitration stage (Note)
Xinjiang Gaohaitong Engineering Co., Ltd	Xinjiang weft Road earthwork Co., Ltd., Beijing Changdao Municipal Engineering Group Co., Ltd.	Dispute over contract of carriage	Urumqi Railway Transportation Court	2,579.42	Stage of first instance
Yuanhai Wang	Sinochem Geotechnical Group Co., Ltd., Xinjiang Branch, Sinochem Geotechnical Group Co., Ltd.	Disputes over construction subcontract	Lanzhou Intermediate People's Court	2,253.39	Stage of second instance
Yunqing Liang	Shanghai Yuanfang Engineering Co., Ltd.	Cooperation contract dispute	Guangzhou Arbitration Commission	1,987.32	Arbitration stage
Zhejiang Tiangong Construction Group Co., Ltd	Shanghai Strong Foundation Engineering Co., Ltd, Sinochem Geotechnical Group Co., Ltd.	Disputes over construction subcontract	Shaoxing City Yuecheng District People's Court	1,200.00	Stage of first instance

Note1: Dispute over construction contract between PENSTONE HONG KONG LIMITED (hereinafter referred to as "Penstone Hong Kong" or the “claimant”) and Qiangjin International Engineering Co., Ltd. (hereinafter referred to as "Qiangjin International"or the “respondent”) is as follows.

① In February 2022, Qiangjin International received an email sent by Hong Kong International Arbitration Center which contains the arbitration request filed by Penstone Hong Kong on the disputes over the Subcontract Agreement for PVD, Gravel Pile, DCM and Vibro Compaction of the Main Reclamation Works of the Third Runway System Project (contract lot-3206) of Hong Kong Airport. The company disclosed the announcement on Litigation and Arbitration on February 19, 2022 (announcement number: 2022-008). For details, please refer to the announcement of that day. Qiangjin International received an email from Penstone Hong Kong in May 2022 concerning the Arbitration Application that Penstone Hong Kong had sent to HONG KONG INTERNATIONAL ARBITRATION CENTRE. The request for arbitration is as follows: 1) The respondent shall pay for HK $303,697,313.50 referred to in paragraphs 157 and 158 of the Application for Arbitration or the amount owed to the claimant under the subcontract of by the Arbitration Tribunal; 2) The respondent shall immediately provide the claimant with the parent company guarantee and performance guarantee referred to in paragraphs 163 and 167 of the Application for Arbitration; 3) If any part of the costs of HK $3,091,878.35 for the settlement of the labour dispute of the workers referred to in paragraph 131 of the Application for Arbitration has not been incurred, the respondent shall make a declaration that "the claimant is entitled to seek compensation from the respondent for the same amount"; 4) If any part of the HK $3,850,202.00 maintenance costs for crawler crane and generator mentioned in paragraph 140 of the Application for Arbitration has not been incurred, the respondent shall make a declaration that "the claimant is entitled to recover the same amount from the respondent"; 5) The respondent shall make a declaration referred to in paragraph 150 of the Application for Arbitration concerning, "If the claimant is liable to the general contractor for breach of contract under the general subcontract agreement, the respondent shall indemnify the claimant for such breach of contract; At the same time, the applicant shall have the right to claim compensation from the respondent for any other damages, costs and expenses incurred by the respondent as a result of the delay in subcontracting the construction"; 6) The respondent shall make compensations for further/alternative damages in

case of breach of contract and / or subcontract; 7) The respondent shall make payment of interests on the above amount; 8) The respondent shall make payment of fees and such further or other relief as the tribunal deems appropriate.

② Qiangjin International's defense and counterclaim against Penstone Hong Kong

In August 2022, Qiangjin International submitted the Defense and Counterclaim to the HONG KONG INTERNATIONAL ARBITRATION CENTRE, whichprovides defense and counterclaim to the arbitration matters of the above case. The counterclaim request of Qiangjin International is as follows: 1) Penstone Hong Kong shall pay construction settlement fee of HK $970,044,185.67 to Qiangjin International, or additional amounts payable by Penstone Hong Kong to Qiangjin International according to the subcontract (modified by a supplementary agreement) as decided by the arbitrator; 2) As an alternative claim, Qiangjin International demands Penstone Hong to pay RMB 184,931,686.00 for the loss caused by cancelling the rubble pile project and HK $57,974,155.81 for other loss caused by missed/delayed work; 3) In addition, as an alternative claim, Qiangjin International demand that Penstone Hong Kong pay damages due to improper cancellation of the project and breach of the subcontract and supplementary agreement; 4) Penstone Hong Kong pays ay for the compound interests on the above amount; 5) Penstone Hong Kong pays for arbitration costs; 6) Penstone Hong Kong provides uch further and/or other relief the arbitrator deems appropriate.

③ The formal hearing of the HONG KONG INTERNATIONAL ARBITRATION CENTRE (HKIC) was held from February 18 to March 5 2024. The hearing consisted of opening statements by both parties, witnesses from both parties, and interviews with lawyers and arbitrators. Quantitative experts and construction planning experts will present relevant reports issued by each other and accept questions from lawyers and arbitrators.

3. Other matters

（1） Letter of Guarantee issued by Zhonghua Geotechnical

Classification of the Letter of Guarantee	**Date of issuance**	**Due date**	**Beneficiary/project**	**Amount （RMB）**

Classification of the Letter of Guarantee	Date of issuance	Due date	Beneficiary/project	Amount （RMB）
Performance guarantee	2023-1-11	2024-2-18	Fulu (China) Engineering Construction Co., Ltd.	4,404,500.05
Performance guarantee	2023-6-13	2024-4-30	North Huajin United Petrochemical Co., Ltd.	842,559.35
Performance guarantee	2023-9-15	2024-3-18	China Global Engineering Co., Ltd.	1,195,028.58
Performance guarantee	2023-9-15	2024-3-18	China Global Engineering Co., Ltd.	1,214,615.52
Bid security	2023-9-27	2024-4-10	CNOOC (China) Co., Ltd.	800,000.00
Bid security	2023-10-12	2024-2-18	Shanghai Global Engineering Co., Ltd.	200,000.00
Performance guarantee	2023-10-27	2024-10-31	China Global Engineering Co., Ltd.	3,168,815.32
Performance guarantee	2023-10-27	2024-3-20	Shandong Power Engineering Consulting Institute Co., Ltd	1,501,267.76
Migrant workers wage guarantee	2023-10-27	2024-3-20	Shandong Power Engineering Consulting Institute Co., Ltd	225,190.16
Bid security	2023-11-17	2024-3-5	Daqing Petrochemical Engineering Co., Ltd	100,000.00
Performance guarantee	2021-1-25	2024-1-26	Wenzhou Longda Reclamation Development and Construction Co., Ltd.	22,626,306.66
Performance guarantee	2021-2-7	2024-3-15	Chengdu Xingcheng Jianzhou Investment Operation Co., Ltd.	200,000.00
Performance guarantee	2022-1-4	2024-2-8	Chengdu Xingcheng Investment Group Co., Ltd.	22,156,926.08
Performance guarantee	2022-5-27	2024-11-27	Chengdu Xingcheng Investment Group Co., Ltd.	4,415,953.37
Performance guarantee	2022-7-8	2024-1-8	Chengdu Xingcheng Investment Group Co., Ltd.	7,154,927.96
Performance guarantee	2022-8-26	2024-6-26	Chengdu Xingcheng Sports Industry Investment Co., Ltd.	12,211,773.41
Performance guarantee	2022-9-2	2025-3-3	Chengdu Xingcheng Investment Group Co., Ltd.	30,106,952.06
Performance guarantee	2022-9-5	2025-3-4	Chengdu Xingcheng Investment Group Co., Ltd.	3,000,000.00
Performance guarantee	2022-11-1	2024-5-2	Chengdu Xingcheng Investment Group Co., Ltd.	8,758,847.93

Classification of the Letter of Guarantee	Date of issuance	Due date	Beneficiary/project	Amount （RMB）
Performance guarantee	2023-1-11	2024-6-30	Chengdu Xingcheng Investment Group Co., Ltd.	2,346,085.75
Performance guarantee	2023-1-11	2024-6-30	Chengdu Xingcheng Investment Group Co., Ltd.	4,857,194.53
Performance guarantee	2023-4-6	2024-3-31	Chengdu Xingcheng Investment Group Co., Ltd.	16,600,000.00
Bid security	2023-9-11	2024-2-28	Kaihua County Qianjiangyuan General Airport Investment Management Co., Ltd	800,000.00
Bid security	2023-9-11	2024-2-28	Kaihua County Qianjiangyuan General Airport Investment Management Co., Ltd	800,000.00
Performance guarantee	2023-10-27	2026-8-25	Guangxi Airport Management Group Co., Ltd	26,542,619.75
Migrant workers wage guarantee	2023-12-29	2026-10-31	Nanning Human Resources and Social Security Bureau	2,654,261.97
Performance guarantee	2021-7-15	2026-7-15	Nanjing Construction Construction Personnel Service Management Center	400,000.00

（2） Credit commitment of Chengdu Rural Commercial Bank

The credit commitment of Chengdu Rural Commercial Bank is the approved but unused credit card overdraft limit, issued and accepted bank acceptance bill, financial guarantee and letter of credit services. Chengdu Rural Commercial Bank regularly evaluates the contingent losses of credit commitments and recognizes the estimated liabilities.

Credit card limit amount refers to the amount at which the card is fully used. Acceptance bill refers to the commitment made by Chengdu Rural Commercial Bank towards the bill issued by the customer. Chengdu Rural Commercial Bank expects that most of the acceptance bills will be settled at the same time as the customer's payment. The contract amount of letter of guarantee and letter of credit refers to the maximum loss that may occur if the other party of the transaction fails to fully perform the contract.

The credit card limit may not be used before expiration, and hence the contract amount below does not represent the expected cash outflow in the future.

RMB'000

Item	Closing balance	Opening balance
Unused credit card limit	29,154,348.00	25,979,272.00
Bank acceptance bill	11,305,343.00	9,954,060.00
Letter of guarantee	3,024,728.00	2,780,364.00
Letter of credit	825,269.00	1,060,892.00
Total	44,309,688.00	39,774,588.00

(3) Capital commitment

RMB'000

Item	Closing balance	Opening balance
Signed not paid	123,165.00	68,497.00
Approved but not signed	13,421.00	10,471.00
Total	136,586.00	78,968.00

(4) Bond underwriting and cashing commitment of Chengdu Rural Commercial Bank

As of December 31, 2023, the Group had no irrevocable bond underwriting commitment (as of December 31, 2021: none). As the underwriter of Chinese treasury bonds, Chengdu Rural Commercial Bank is responsible for cashing the bonds for the bondholders if they cash the bonds before the maturity according to the face value plus the unpaid interests on the cashing date. The accrued interests of the holders of issued debt securities is calculated in accordance with the relevant rules of the Ministry of Finance and the Central Bank. The cashing amount may be different from the fair value of similar bonds traded in the market on the cashing date. On the balance sheet date, Chengdu Rural Commercial Bank made a commitment of RMB 2,678,960,000.00 toward the sold but unexpired treasury bonds according to their face value.

IX. Entrusted loan business

The entrusted loan business of Chengdu Rural Commercial Bank includes the acceptance of the entrustinggovernment departments, enterprises or individuals to issue entrusted loans with the

funds provided by these parties. The Bank does not need to bear any credit risk in undertaking such business. The Bank only needs to hold and manage these assets and liabilities as an agent according to the instructions of the entrusting party, and charges handling fees for the services provided. Since the entrusted assets are not the assets of the Bank, they shall not be recognized in the balance sheet.

RMB'000

	December 31, 2022	December 31, 2021
Entrusted loan	4,711,676.00	5,352,414.00
Funds of entrusted loan	4,711,676.00	5,352,414.00

X.Events after balance sheet date

The Group has no events after the balance sheet date that need to be disclosed.

XI. Related party relations and transactions

1.The parent company

The parent company	Registered address	Business nature	Registered capital	Shareholding ratio owned by the parent company (%)	Proportion of voting rights owned by the parent company (%)
Chengdu State-owned Assets Supervision and Administration Commission	Chengdu	——	——	100.00	100.00

2. Subsidiaries

Please refer to note VI "Business combination and consolidated financial statements" for details.

4. Joint ventures and associates

Please refer to note VII (18) "Long-term equity investment".

5. Other related parties

Related party company	Relationship with the Group
Chengdu Zhihui Xincheng Investment Development Co., Ltd.	Minority shareholders of the subsidiary
Chengdu Yuexiu Real Estate Development Co., Ltd.	Minority shareholders of the subsidiary
Chengdu Jiaozi modern city industrial development Co., Ltd.	Minority shareholders of the subsidiary
Sichuan Agile Real Estate Development Co., Ltd.	Minority shareholders of the subsidiary
Changwang (Chengdu) Real Estate Development Co., Ltd.	Minority shareholders of the subsidiary
China Railway Real Estate Group Huazhong Co., Ltd.	Related parties of the subsidiary's minority shareholders
Foshan Nanhai Yuejia Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Dongxiu Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Dongyao Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongjing Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongsheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Nanfang Smart Media Industrial Park Co., Ltd.	Related parties of the subsidiary's minority shareholders

Related party company	Relationship with the Group
Guangzhou Baizheng Industrial Investment Partnership (Limited Partnership)	Related parties of the subsidiary's minority shareholders
Guangzhou Urban Construction Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Conghua Yueheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Hongjing Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Xianggang Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Wanhong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yingsheng Investment Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuehe Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuerong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Real Estate Engineering Management Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Huacheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Jingyao Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Pengye Trading Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Baicheng Investment Development Co., Ltd.	Related parties of the subsidiary's minority shareholders

Related party company	Relationship with the Group
Guangzhou Dongfeng Chemical Industry Co., Ltd.	Related parties of the subsidiary's minority shareholders
Yuehua Real Estate Development Co., Ltd. of Zengcheng District, Guangzhou	Related parties of the subsidiary's minority shareholders
Guangzhou Xinyue Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Agile Real Estate Management Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yongheng City Industrial Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuehong Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Chengkai Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Yuexiu Financial City Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Guangzhou Zhensui Investment Co., Ltd.	Related parties of the subsidiary's minority shareholders
Kunming Agile Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Nantong Agile Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Shanghai Lingyu Architectural Design Co., Ltd.	Related parties of the subsidiary's minority shareholders
Shanghai Songjiang Agile Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Xi'an Tiesheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders

Related party company	Relationship with the Group
Xishuangbanna Agile Tourism Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Agile Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Agile Shared Services Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yahao Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yaheng Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yapei Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chongqing Yunhe Real Estate Co., Ltd.	Related parties of the subsidiary's minority shareholders
Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	Related parties of the subsidiary's minority shareholders
Chengdu Yazhuo Zhengxin Real Estate Consulting Co., Ltd.	Related parties of the subsidiary's minority shareholders
Northwest Subsidiary of China Railway Construction Group Co., Ltd.	Related parties of the subsidiary's minority shareholders
China Merchants Xingcheng International Exhibition Center Co., Ltd.	Subsidiary of associates
Ya 'an Chengjian Industrial Construction Co., Ltd.	Subsidiary of associates

6. Related party transactions

（1） Related party transactions

① Sales of goods

Related party	Amount in the current year	Amount in the previous year
Gansu Foci Chase Sun Pharmaceutical Sales Co., Ltd.	55,913,530.86	65,175,981.08
Tianjin Chase Sun Likang Biotechnology Co., Ltd.	259,530.96	
Tianjin Chase Sun Jiandakang Medical Technology Co., Ltd.	3,245,131.78	22,641,509.52

② Purchase of goods or receipt of services

Related party	Amount in the current year	Amount in the previous year
Tianjin Chase Sun Likang Biotechnology Co., Ltd.	7,531,519.72	13,207,546.80
Beijing Sanyou Likang Cell Technology Co., Ltd.	8,230,000.00	8,230,000.00
Ya 'an Chengjian Industrial Construction Co., Ltd.	7,800.00	5,500.00

③ Guarantee

1) The Company (Parent company) as the guarantor

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu BOE Display Technology Co., Ltd	100,000.00	2028-8-24	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Hexeng Xingcheng Renju Technology Co., Ltd	6,731.08	2029-8-10	No
Chengdu XingchengInvestment Group Co., Ltd.	Dujiangyan Investment Development Group Co., Ltd	89,970.00	2025-3-29	No
Chengdu XingchengInvestment Group Co., Ltd.	Xingcheng (BVI) Limited	315,180.15	2026-1-20	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu XingchengInvestment Group Co., Ltd.	Xingcheng (BVI) Limited	212,481.00	2026-10-8	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Construction Engineering Group Co., Ltd	150,000.00	2024-10-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Construction Engineering Group Co., Ltd	77,800.00	2025-3-18	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Construction Engineering Group Co., Ltd	35,841.50	2024-9-19	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	150,000.00	2024-9-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	99,992.00	2024-2-28	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	20,000.00	2026-3-5	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	149,992.00	2024-5-19	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	70,000.00	2025-6-22	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	64,000.00	2028-1-25	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	141,000.00	2026-1-7	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	50,000.00	2024-4-21	No
Chengdu XingchengInvestme	Chengdu Xingcheng Renju Real Estate	150,000.00	2026-4-2	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
nt Group Co., Ltd.	Investment Group Co., Ltd			
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	4,950.00	2024-5-27	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	100,000.00	2030-8-20	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	70,000.00	2025-1-28	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	129,998.00	2039-1-26	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	72,946.00	2025-1-17	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	95,000.00	2031-3-15	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	70,000.00	2025-7-17	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	59,000.00	2031-11-3	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	50,000.00	2031-9-15	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	99,900.00	2024-10-20	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	60,000.00	2024-11-25	No
Chengdu XingchengInvestme nt Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	64,330.00	2025-2-24	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	74,900.00	2025-11-29	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	135,200.00	2032-4-7	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	48,000.00	2032-4-26	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	44,400.00	2032-5-25	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	89,900.00	2026-2-22	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	80,000.00	2025-3-15	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	50,650.00	2027-3-30	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	300,000.00	2028-8-14	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	289,500.00	2026-6-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	7,335.57	2025-6-28	No
XingchengInvestment Group Co., Ltd./ Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd.	Merchants Xingcheng International Exhibition Center Co., Ltd	5,451.75	2036-11-24	No
Chengdu XingchengInvestme	Tianjin Chase Sun Pharmaceutical Co., Ltd.	60,000.00	2026-8-23	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
nt Group Co., Ltd.				
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	32,500.00	2024-12-21	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	440.45	2024-2-18	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	1,164.77	2024-10-10	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	5,934.75	2024-4-19	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	79,000.00	2025-9-3	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	50,000.00	2028-8-28	No
Chengdu XingchengInvestment Group Co., Ltd.	Sinochem Geotechnical Group Co., Ltd	50,000.00	2028-12-25	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Center Construction Co., Ltd	97,300.00	2024-3-7	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Center Construction Co., Ltd	100,000.00	2029-7-25	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Center Construction Co., Ltd	150,000.00	2028-6-20	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Center Construction Co., Ltd	25,000.00	2027-6-22	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Home Housing Rental Co., Ltd	53,416.05	2053-3-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Home Housing Rental Co., Ltd	20,987.50	2053-3-17	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Commercial Operation Management Co., Ltd	57,717.76	2033-3-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Home Housing Rental Co., Ltd	155,294.00	2053-8-4	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Home Housing Rental Co., Ltd	152,849.00	2053-8-31	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Cultural Industry Development Investment Co., Ltd	131,500.00	2040-9-29	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Xingcheng Cultural Industry Development Investment Co., Ltd	72,000.00	2042-5-6	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Construction Engineering Group Tourism Co., Ltd	42,820.00	2024-2-7	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Medical Health Investment Group Co., Ltd	7,863.04	2045-12-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Medical Health Investment Group Co., Ltd	3,956.66	2045-12-16	No
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Tianfu Greenway Construction Investment Group Co., Ltd	90,000.00	2032-4-9	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu XingchengInvestment Group Co., Ltd.	Chengdu Tianfu Greenway Construction Investment Group Co., Ltd	59,700.00	2036-6-30	No

2) The Company as the vouchee:

None

3) The subsidiaries of the Group who provided related guarantees to other subsidiaries, joint ventures and joint ventures.

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xinghuai Real Estate Co., Ltd	26,411.65	2024-1-25	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Rongou North City Real Estate Co., Ltd	226,176.16	2025-2-4	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xiangcheng Real Estate Co., Ltd	59,000.00	2024-5-17	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duan Real Estate Co., Ltd	2,730.00	2024-5-27	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duan Real Estate Co., Ltd	2,240.00	2024-9-26	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Jinxing Property Co., Ltd	46,831.91	2031-11-29	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Chengxing Real Estate Co., Ltd	21,160.00	2024-11-17	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Baoyuan Real Estate Development Co., Ltd	34,600.00	2024-12-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Baoyuan Real Estate Development Co., Ltd	21,270.00	2024-12-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duxin Property Co., Ltd	25,480.00	2024-12-29	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Chengxing Real Estate Co., Ltd	46,220.49	2047-2-17	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Shuxing Real Estate Co., Ltd	72,168.00	2032-3-27	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingang Real Estate Co., Ltd	79,002.47	2024-12-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingyao Real Estate Co., Ltd	8,894.00	2025-3-24	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingyao Real Estate Co., Ltd	16,835.00	2025-3-22	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingyi Real Estate Co., Ltd	47,715.00	2032-3-31	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingyi Real Estate Co., Ltd	52,700.00	2032-4-11	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingqing Real Estate Co., Ltd	88,690.00	2032-4-28	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingqing Real Estate Co., Ltd	78,250.00	2032-5-9	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Deshang Real Estate Co., Ltd	52,379.80	2025-4-20	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Deshang Real Estate Co., Ltd	32,219.47	2046-12-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingle Real Estate Co., Ltd	30,462.23	2025-6-30	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xingya Real Estate Co., Ltd	25,648.71	2025-6-30	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xinghui Real Estate Co., Ltd	27,005.45	2025-6-30	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xiangcheng Real Estate Co., Ltd	34,921.90	2047-7-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Chengxing Real Estate Co., Ltd	33,436.10	2047-1-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duxin Property Co., Ltd	33,600.50	2025-12-21	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duan Real Estate Co., Ltd	21,784.25	2025-2-4	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Rongouqing Investment Real Estate Co., Ltd	14,160.00	2028-1-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duan Real Estate Co., Ltd	21,000.00	2027-1-4	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Duan Real Estate Co., Ltd	20,000.00	2027-1-4	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xinghuai Real Estate Co., Ltd	6,615.00	2047-8-8	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xinghuai Real Estate Co., Ltd	64,980.00	2027-2-27	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Chengxing Real Estate Co., Ltd	21,460.00	2026-3-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Shuxing Real Estate Co., Ltd	50,000.00	2038-3-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Jinxing Property Co., Ltd	13,000.00	2026-3-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Xiangcheng Real Estate Co., Ltd	23,191.41	2048-1-20	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Xingcheng Renju Marketing Consulting Co., Ltd	10,000.00	2024-6-30	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Xingcheng Renju Marketing Consulting Co., Ltd	5,000.00	2024-12-20	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Guangzhou Hongyao Real Estate Development Co., Ltd	23,450.00	2025-9-24	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Chengdu Renju Jincheng Real Estate Co., Ltd	2,396.31	2025-5-26	No
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd	Sichuan Nanxing Heng Real Estate Co., Ltd	5,880.00	2025-10-27	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	2,500.00	2024-1-3	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	2,700.00	2024-1-15	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	2,000.00	2024-1-18	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	1,060.00	2024-1-19	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	1,240.00	2024-1-19	No
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	3,000.00	2024-2-15	No

The guarantor	The vouchee	Guaranteed amount	Ending date of the guarantee	Has the guarantee been fulfilled
Sinochem Geotechnical Group Co., Ltd	Beijing Changdao	900.00	2024-5-5	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Qiangjing	100.00	2024-3-14	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	2,500.00	2024-1-9	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	500.00	2024-2-5	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	2,000.00	2024-1-3	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	700.00	2024-1-12	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	500.00	2024-3-15	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	260.00	2024-4-12	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	180.00	2024-5-16	No
Sinochem Geotechnical Group Co., Ltd	Shanghai Lixing	160.00	2024-6-13	No

Continued:

The guarantee made by Construction Engineering Real Estate to its subsidiaries, joint ventures and associates

The vouchess	Matter of guarantee	Debt guarantee amount	Latest guarantee expiration date	Notes

The vouchess	Matter of guarantee	Debt guarantee amount	Latest guarantee expiration date	Notes
I. Subsidiaries		624,575.21		
Chengdu First Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	19,395.20	2024-11-23	
Chengdu Second Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	16,364.43	2024-11-14	
Chengdu Third Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	51,000.00	2025-1-9	
Chengdu Fourth Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	50,863.92	2026-8-31	
Chengdu Fifth Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	28,034.84	2024-12-29	
Chengdu Sixth Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	15,265.40	2024-11-29	
Chengdu Seventh Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	36,083.00	2026-11-15	
Chengdu Eighth Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	38,478.28	2024-11-23	

The vouchess	Matter of guarantee	Debt guarantee amount	Latest guarantee expiration date	Notes
Chengdu Ninth Construction Engineering of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	27,628.00	2024-12-27	
Chengdu Industrial Equipment Installation of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	9,275.00	2025-1-11	
Chengdu Road and Bridge Construction of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	75,100.00	2024-3-24	
Chengdu Engineering Decoration of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	14,850.00	2025-1-4	
Chengdu Ya'an Construction of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	11,060.00	2025-2-24	
Chengdu Construction Materials of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	20,185.00	2025-1-5	
Chengdu Saili Concrete of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	7,850.00	2024-11-25	
Chengdu Rongrui Building Materials of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	1,970.00	2024-3-1	

The vouchess	Matter of guarantee	Debt guarantee amount	Latest guarantee expiration date	Notes
Chengdu Construction Resources Recycling Co., Ltd	Bank loan, letter of guarantee, bank acceptance guarantee	7,544.50	2028-12-31	
Chengdu Building Materials of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	3,000.00	2025-3-3	
Chengdu Industrial Construction of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	7,000.00	2024-12-30	
Chengdu Construction Technology of CDCEG	Bank loan, letter of guarantee, bank acceptance guarantee	27,542.81	2028-12-4	
Pingchang Co-Construction Transportation Investment Co., Ltd.	Bank loan	48,797.50	2031-11-18	
Yibin Kaicheng Construction Investment Co., Ltd.	Bank loan	59,399.78	2032-12-21	
II. Other companies.		607,500.00		
Sichuan Zhenguang Expressway Co., Ltd.	Project loan	375,000.00	2053.5.28	

The vouchess	Matter of guarantee	Debt guarantee amount	Latest guarantee expiration date	Notes
II. Other companies.		37,500.00		
Sichuan Zhenguang Expressway Co., Ltd.	Bank loan	37,500.00	2053-5-28	

The above guarantees of Construction Engineering Real Estate involve a large number of guaranteed amountsand is the aggregate amount of each company's guarantee, consisting of multiple guarantees. The above expiration date is the expiration date for the last guarantee.

④ Provision of funds (loans)

None

⑤ Other related party transactions

There are no related party transactions that need to be disclosed other than the above-mentioned transactions.

⑥ Balance of receivables and payables of related parties

Item	Related party	Closing balance	Opening balance
Accounts receivable	Gansu Foci HongRi Pharmaceutical Source Industry Sales Co., Ltd.	13,117,292.97	16,977,076.36
Prepayment	Gansu Foci HongRi Pharmaceutical Source Industry Sales Co., Ltd.		3,039,638.61
Prepayment	Beijing Sanyou Likang Cell Technology Co.,	8,230,000.00	8,230,000.00

Item	Related party	Closing balance	Opening balance
	Ltd.		
Other receivables	Shenzhen Qianhai Zhaoxing Jushi Industrial Co., Ltd.	11,539,063.55	13,266.14
Other receivables	Chengdu Deming Land Consolidation Co., Ltd.	402,000,000.00	61,000,000.00
Other receivables	Sichuan Nanxingheng Real Estate Co., Ltd.		128,814,020.36
Other receivables	Guangzhou Yuexiu Financial City Development Co., Ltd.		23,912.82
Other receivables	Guangzhou Baicheng Investment Development Co., Ltd.		385,538.39
Other receivables	Guangzhou Yuexiu Chengkai Real Estate Development Co., Ltd.		113,292.66
Other receivables	Guangzhou Yuehong Real Estate Development Co., Ltd.		119,447.54
Other receivables	Northwest Subsidiary of China Railway Construction Group Co., Ltd.		18,153.00
Other receivables	Xishuangbanna Agile Tourism Real Estate Co., Ltd.		8,779.86
Other receivables	Kunming Agile Real Estate Co., Ltd.		17,055.72
Other receivables	Chengdu Yazhuo Zhengxin Real Estate Consulting Co., Ltd.		17,247.09
Other receivables	Guangzhou Agile Real Estate Management Co., Ltd.		7,713.30
Other receivables	Agile Real Estate Co., Ltd.		728,068,841.96

Item	Related party	Closing balance	Opening balance
Other receivables	Guangzhou Zhensui Investment Co., Ltd.		11,090,198.71
Other receivables	Chengdu Construction Science Institute Engineering quality testing Co., Ltd		46,480.00
Other receivables	Chengdu Yuexiu Real Estate Development Co., Ltd.	37,668,028.03	10,832,500.95
Other receivables	Guangzhou Urban Construction Development Co., Ltd.	919,499.04	528,121.73
Other receivables	Guangzhou Yuexiu Real Estate Engineering Management Co., Ltd.	379,948.71	106,612.09
Other receivables	Chengdu Kasha Decoration Design Co., Ltd.	300,561.60	111,130.80
Other receivables	Chengdu Zhihui New Town Investment and Development Co., Ltd.	95,840.63	57,007.63
Other receivables	Changwang (Chengdu) Real Estate Development Co., Ltd.	538,234.96	93,942.00
Other receivables	Chengdu Deming Land Consolidation Co., Ltd.	77,935,946.56	19,483,986.64
Other receivables	Guangzhou Yingsheng Investment Co., Ltd.		565,283,039.22
Other receivables	Guangzhou Hongjin Real Estate Development Co., Ltd.		369,275.44
Other receivables	Guangzhou Hongjing Real Estate Development Co., Ltd.		4,484.79
Other receivables	Guangzhou Xianggang Real Estate Development Co., Ltd.		16,228.71
Other	Guangzhou Yuerong Real Estate		514.94

Item	Related party	Closing balance	Opening balance
receivables	Development Co., Ltd.		
Other receivables	Guangzhou Yuexiu Huacheng Real Estate Development Co., Ltd.		22,376.11
Other receivables	Yueheng Real Estate Development Co., Ltd. of Conghua District, Guangzhou		7,856.89
Other receivables	Guangzhou Dongyao Real Estate Development Co., Ltd.		14,353.14
Other receivables	Guangzhou Dongxiu Real Estate Development Co., Ltd.		7,730.83
Other receivables	Guangzhou Hongsheng Real Estate Development Co., Ltd.		6,885.61
Other receivables	Guangzhou Baizheng Industrial Investment partnership (Limited Partnership)		5,020,168.54
Other receivables	Guangzhou Wanhong Real Estate Development Co., Ltd.		562,542,961.44
Other receivables	Guangzhou Yuehe Real Estate Development Co., Ltd.		876.98
Other receivables	Guangzhou Nanfang Smart Media Industrial Park Co., Ltd.		8,699.72
Other receivables	China Railway Construction Northwest Branch		21,569,230.70
Other receivables	China Railway Real Estate Group Central China Co., Ltd		114,933,891.90
Other receivables	Xi 'an China Railway Jingmao Real Estate Development Co., Ltd		5,885,070.00
Long-term payables	Chengdu Zhihui New Town Investment and Development Co., Ltd.	1,952,876,342.37	415,277,708.42

Item	Related party	Closing balance	Opening balance
Long-term payables	Changwang (Chengdu) Real Estate Development Co., Ltd.	202,602,520.82	214,058,894.31
Long-term payables	Chengdu Yuexiu Real Estate Development Co., Ltd.	80,806,244.45	77,579,773.69
Long-term payables	Foshan Nanhai District Yuejia Real Estate Development Co., Ltd		899,930,811.06
Contractual liability	Tianjin Red Rikang Biotechnology Co., Ltd	12,106.20	
Contractual liability	Tianjin Hongri Jiandakang Medical Technology Co., Ltd	9,433.96	
Other current liabilities	Tianjin Red Rikang Biotechnology Co., Ltd	1,573.80	
Other current liabilities	Tianjin Hongri Jiandakang Medical Technology Co., Ltd	566.04	

XII. Main items in the financial statements of the parent company

1. Accounts receivables

（1） Basic information of accounts receivables

① Accounts receivables by the method of making the bad debt provisions

Classification	Closing balance		
	Book balance	Bad debt provisions	Book value

	Amount	Percentage（%）	Amount	Expected credit loss rate / percentage（%）	
Accounts receivables that are individually provided for bad debts					
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	153,333,943.58	100.00	851,353.62	0.56	152,482,589.96
Including：					
Portfolio 1：Aging portfolio	27,301,335.55	17.81	851,353.62	3.12	26,449,981.93
Portfolio 2：Related party portfolio	8,987,294.61	5.86			8,987,294.61
Portfolio 3：Government debt	117,045,313.42	76.33			117,045,313.42
Portfolio 4：Credit period portfolio					
Total	153,333,943.58	100.00	851,353.62	0.56	152,482,589.96

Continued：

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage (%)	Amount	Expected credit loss rate / percentage (%)	
Accounts receivables that are individually provided for bad debts					
Accounts receivables that are provided for bad debts based on the portfolio of credit risk characteristics	98,162,031.00	100.00	460,777.82	0.47	97,701,253.18
Including:					
Portfolio 1: Aging portfolio	33,447,611.06	34.07	460,777.82	1.38	32,986,833.24
Portfolio 2: Related party portfolio	7,204,427.37	7.34			7,204,427.37
Portfolio 3: Government debt	57,509,992.57	58.59			57,509,992.57
Portfolio 4: Credit period portfolio					
Total	98,162,031.00	100.00	460,777.82	0.47	97,701,253.18

Note: The proportion in book balance is calculated by dividing accounts receivable by the total amount of accounts receivable at the end of the year, and the proportion of bad debt provisions is calculated by dividing the bad debt provisions accrued at the end of the year by the amount of accounts receivable at the end of the period.

② Accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	100,563,996.98	76,479,454.15
1-2 years	45,134,978.61	15,990,939.18
2-3 years	2,101,080.32	3,401,063.44
Over 3 years	5,533,887.67	2,290,574.23
Subtotal	153,333,943.58	98,162,031.00
Less: Provisions for bad debts	851,353.62	460,777.82
Total	152,482,589.96	97,701,253.18

（2） There are no accounts receivables individually provided for bad debt provisions at the end of the year.

（3） Accounts receivable provided for bad debt according to portfolio of credit risk characteristics

① Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage（%）		Amount	Percentage（%）	
Within 1 year (including 1 year)	23,383,120.74	85.65		28,593,854.49	85.49	
1-2 years (including 2 years)				964,281.76	2.88	48,214.10
2-3 years (including 3 years)	28,740.00	0.10	1,437.00	2,861,633.21	8.56	143,081.66

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage (%)		Amount	Percentage (%)	
Over 3 years	3,889,474.81	14.25	849,916.62	1,027,841.60	3.07	269,482.06
Total	27,301,335.55	100	851,353.62	33,447,611.06	100	460,777.82

② Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	Percentage(%)	Bad debt provisions	Book balance	Percentage (%)	Bad debt provisions
Portfolio 2: Related party portfolio	8,987,294.61			7,204,427.37		
Portfolio 3: Government debt	117,045,313.42			57,509,992.57		
Total	126,032,608.03	—		64,714,419.94	—	

(4) There are no bad debt provisions recovered or reversed in the current year.

(5) There are no accounts receivable that are actually written off in the current year.

(6) The top 5 debtors based on the closing balance of the accounts receivables

Debtor	Book balance	Proportion in total accounts receivable (%)	Bad debt provisions

Debtor	Book balance	Proportion in total accounts receivable（%）	Bad debt provisions
Offices Administration of Chengdu Municipal Government	114,572,411.20	74.72	
Chengdu Construction Engineering Group Tourism Co., Ltd	8,319,082.00	5.43	
Chengdu Shentai Hotel Co., Ltd	3,847,256.52	2.51	
Chengdu Jien Hotel Management Co., Ltd	2,827,697.97	1.84	
Sichuan Anyida Hotel Management Co., Ltd	2,478,431.40	1.62	
Total	132,044,879.09	86.12	

（7） There are no accounts receivable derecognized due to the transfer of financial assets in the current year.

（8） There are no accounts receivable transferred in the current year.

2. Other receivables

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	9,752,806.48	9,752,806.48
Other receivables	16,783,648,901.52	10,813,222,652.50
Total	16,793,401,708.00	10,822,975,458.98

（1） Dividends receivable

Item	Closing balance	Opening balance	Reasons of not being received	Whether there is impairment and the evidence
Dividends receivable due within one year			——	——
Including： Tianjin Chase Sun Pharmaceutical Co., Ltd.				
Dividends receivable due over one year			——	——
Including： Tianjin Chase Sun Pharmaceutical Co., Ltd.	9,752,806.48	9,752,806.48	Be frozen	No
Total	9,752,806.48	9,752,806.48	——	——

（2） Other receivables

① Basic information of other receivables

1) Other receivables by the method of making provision for bad debt

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage（%）	Amount	Expected credit loss rate（%）	
Other receivables that are individually provided for bad debts					
Other receivables that are provided for bad debts based on	16,785,366,389.92	100.00	1,717,488.40	0.01	16,783,648,901.52

Classification	Closing balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage（%）	Amount	Expected credit loss rate（%）	
the portfolio of credit risk characteristics					
Total	16,785,366,389.92	100.00	1,717,488.40	0.01	16,783,648,901.52

Classification	Opening balance				
	Book balance		Bad debt provisions		Book value
	Amount	Percentage（%）	Amount	Expected credit loss rate /percentage of provisions（%）	
Other receivables that are individually provided for bad debts					
Other receivables that are provided for bad debts based on the portfolio of credit risk characteristics	10,814,940,140.90	100.00	1,717,488.40	0.02	10,813,222,652.50
Total	10,814,940,140.90	100.00	1,717,488.40	0.02	10,813,222,652.50

Note: the proportion in book balance is calculated by dividing the other receivables by the total

amount of other receivables at the end of the year, and the proportion of bad debt provision is calculated by dividing the bad debt provisions accrued at the end of the year by the amount of such other receivables at the end of the year.

2) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	10,690,863,042.99	4,989,552,116.58
1-2 years	582,286,705.51	2,871,162,030.76
2-3 years	2,659,613,558.63	810,112,631.66
Over 3 years	2,852,603,082.79	2,144,113,361.90
Subtotal	16,785,366,389.92	10,814,940,140.90
Less: Provisions for bad debts	1,717,488.40	1,717,488.40
Total	16,783,648,901.52	10,813,222,652.50

② There are no other receivables provided for bad debt individually in the current year.

③ Other receivables provided for bad debt according to portfolio of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage (%)		Amount	Percentage (%)	
Within 1 year (including 1 year)				781,248.58	15.39	
1-2 years (including 2 years)						

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provisions	Book balance		Bad debt provisions
	Amount	Percentage (%)		Amount	Percentage (%)	
2-3 years (including 3 years)						
Over 3 years	4,293,720.98	100.00	1,717,488.40	4,293,720.98	84.61	1,717,488.40
Total	4,293,720.98	100.00	1,717,488.40	5,074,969.56	33.84	1,717,488.40

2) Other portfolios

Portfolio	Closing balance			Opening balance		
	Book balance	Percentage(%)	Bad debt provisions	Book balance	Percentage (%)	Bad debt provisions
Related party transactions	16,747,116,495.47			10,767,056,524.81		
Government bond and margin portfolio	27,289,701.08			26,913,970.41		
Settlement of imprest funds and other items	6,666,472.39			15,894,676.12		
Total	16,781,072,668.94	—		10,809,865,171.34	—	

3) Details of other receivables provided for bad debts

Bad debt provisions	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration period (credit loss not incurred yet)	Expected credit loss in the whole duration period (credit loss incurred already)	
Opening balance	1,717,488.40			1,717,488.40
Opening balance in the current year：				
——Transferred to stage 2				
—— Transferred to stage 3				
—— Reversed to stage 2				
—— Reversed to stage 1				
Provisions made in the current year				
Provisions reversed in the current year				
Provisions cancelled in the current year				
Provisions written off in the current year				
Other changes				
Closing balance	1,717,488.40			1,717,488.40

④ There are no bad debt provisions recovered or reversed in the current year.

⑤ There are no other receivables actually written off in the current year.

⑥ The top 5 debtors based on the closing balance of the other receivables

Debtor	Nature of the receivables	Book balance	Aging	Percentage in total other receivables (%)	Bad debt provisions
Chengdu Construction Engineering Group Co., Ltd.	Current funds	250,134,591.90	Less than 1 year 13,063,194.45, 1-2 years 236,850,797.41, over 3 years 220,600.00	1.49	
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd.	Current funds	5,604,978,039.00	Less than 1 year	33.39	
Chengdu Tianfu Greenway Construction Investment Group Co., Ltd.	Current funds	4,715,288,594.00	Less than 1 year 1,780,450,320.77, 2-3 years 2,696,045,662.41	28.09	
Chengdu Runjincheng Industrial Co., Ltd.	Current fundst	2,285,000,000.00	Less than 1 year,	13.61	
Chengdu Tianfu Construction Investment Co., Ltd.	Current funds	650,000,000.00	3-4 years	3.87	
Total	—	13,505,401,224.90		80.46	

⑦ There are no other receivables derecognized due to the transfer of financial assets in the current year.

⑧ There are no other receivables transferred in the current year.

⑨ There are no other receivables related to government subsidies in the current year.

3. Long-term equity investments

（1） Classification of long-term equity investments

Item	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Investment in subsidiaries	51,619,898,952.59	4,024,322,562.50		55,644,221,515.09
Investment in associates				
Investment in joint ventures	2,539,954,346.51	501,910,887.51	301,400,000.00	2,740,465,234.02
Subtotal	54,159,853,299.10	4,526,233,450.01	301,400,000.00	58,384,686,749.11
Less：Impairment provisions of long-term equity investment				
Total	54,159,853,299.10	4,526,233,450.01	301,400,000.00	58,384,686,749.11

（2） Details of long-term equity investment

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Total	58,081,262,162.90	54,159,853,299.10	4,511,402,562.50	300,000,000.00	21,851,691.91	-7,020,804.40		1,400,000.00			58,384,686,749.11	
1.Subsidiaries	55,763,452,444.90	51,619,898,952.59	4,024,322,562.50								55,644,221,515.09	
Chengdu Xingcheng Sports Industry Investment Co.,	570,000,000.00	490,000,000.00	80,000,000.00								570,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Ltd.												
Chengdu Rural Commercial Bank Co., Ltd.	17,184,115,400.00	17,064,884,469.13									17,064,884,469.13	
Chengdu Xingcheng Jianzhou	460,000,000.00	300,000,000.00	160,000,000.00								460,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Investment Operation Co., Ltd.												
Chengdu Xingcheng Supply Chain Group Co., Ltd.	1,600,000,000.00	1,600,000,000.00									1,600,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Chengdu Tianfu Greenway Cultural Tourism Development Co., Ltd.	45,000,000.00	45,000,000.00									45,000,000.00	
Tianjin Chase Sun Pharmac	2,480,227,394.00	2,480,227,394.18									2,480,227,394.18	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
eutical Co., Ltd.												
Chengdu Construction Engineering Group Co., Ltd.	10,322,983,939.00	10,322,983,938.95									10,322,983,938.95	
Chengdu	28,500,000.00	28,500,000.00									28,500,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Rongcheng Football Club Co., Ltd.												
China Zhonghua Geotechnical Engineering Group	2,346,679,490.00	2,346,679,490.44									2,346,679,490.44	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Co., Ltd.												
Chengdu Medical Health Investment Group Co., Ltd.	1,585,525,000.00	1,381,525,000.00	204,000,000.00								1,585,525,000.00	
Chengdu Xingche	600,000,000.00	500,000,000.00	100,000,000.00								600,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
ng Cultural Industry Development Investment Co., Ltd.												
Chengdu Tianfu Greenway Construction	4,800,000,000.00	2,250,000,000.00	2,550,000,000.00								4,800,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Group Co., Ltd.												
Xingcheng (Hong Kong) International Investment Co., Ltd.	118,733,403.90	111,410,841.40	7,322,562.50								118,733,403.90	
Chengdu Center	1,909,500,000.00	1,387,500,000.00	522,000,000.00								1,909,500,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Construction Co., Ltd.												
Chengdu Xingcheng Capital Management Co., Ltd.	1,433,300,000.00	1,433,300,000.00									1,433,300,000.00	
Chengd	100,000,000.00	60,000,000.00	40,000,000.00								100,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
u Runjincheng Industrial Co., Ltd.												
Chengdu Tianfu Rural Development Group Co., Ltd.	2,742,412,518.00	2,392,412,518.49	350,000,000.00								2,742,412,518.49	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Chengdu Xingcheng Renju Real Estate Investment Group Co., Ltd.	7,376,440,000.00	7,364,340,000.00	12,100,000.00								7,376,440,000.00	
Chengdu	60,035,300.00	60,035,300.00									60,035,300.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Xingcheng Construction Management Co., Ltd.												
Chengdu Xingqingyuan Construction		1,100,000.00	-1,100,000.00									

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
and Development Co., Ltd.												
2. Joint venture												
3.Associate	2,317,809,718.00	2,539,954,346.51	487,080,000.00	300,000,000.00	21,851,691.91	-7,020,804.40		1,400,000.00			2,740,465,234.02	
Chengdu Dongjing Gas Co.,	13,720,000.00	12,817,035.39			875,702.70						13,692,738.09	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year							Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Ltd.												
Sichuan Chuantou Power Sales Co., Ltd.	105,000,000.00	108,334,198.16			2,123,409.87			1,400,000.00			109,057,608.03	
China Sichuan International Investment Co., Ltd.	271,984,000.00	231,287,413.76			125,981.85	-7,181,189.55					224,232,206.06	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Sichuan Investment International Nepal Hydropower Development Co., Ltd.	20,305,718.00	17,037,061.93			50,389.08	160,385.15					17,247,836.16	
Chengdu	49,000,000.00	39,792,857.72			-5,840,570.09						33,952,287.63	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Heneng Xingcheng Renju Technology Co., Ltd.												
Chengdu Tianfu Art Park Investment Co., Ltd.	150,000,000.00	908,474,287.18			34,999.91						908,509,287.09	
Chengd	300,000,000.00	300,000,000.00		300,000								

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
u Xingcheng Ronghui Investment Management Center (Limited Partnership)				,000.00								
Chengdu	220,000,000.00	221,491,492.37			157,697.31						221,649,189.68	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Horticultural Exposition Operation Development Co., Ltd.												
Chengdu Huanxi Xingche	134,000,000.00	134,000,000.00									134,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year							Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others	
ng Investment Management Center (Limited Partnership)											
Sichuan Zipingpu Reservoir	1,800,000.00	720,000.00	1,080,000.00		-527,803.33						1,272,196.67

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
Environmental Treatment Co., Ltd.												
Chengdu Guangzhi Xingcheng Investment Manage	199,000,000.00	199,000,000.00									199,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
ment Center (Limited Partnership)												
Chengdu Hanze Xingcheng Investment Management Center	200,000,000.00	200,000,000.00									200,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
(Limited Partnership)												
Chengdu Zhonghe Xingcheng Investment Management Center	167,000,000.00	167,000,000.00									167,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
(Limited Partnership)												
Chengdu Technology Innovation Investment Group Co., Ltd	480,000,000.00		480,000,000.00		24,851,884.61						504,851,884.61	
Chengd	6,000,000.00		6,000,000.00								6,000,000.00	

Invested entity	Investment costs	Opening balance	Increase and decrease in the current year								Closing balance	Closing balance of provisions
			Additional investment	Decrease in investment	Profit or loss from investment under the equity method	Adjustments of the comprehensive income	Changes in other equity	Cash dividends or profits declared	Provisions made	Others		
u Xingcheng Green building Materials Co., Ltd												
Total												

4. Operating income and operating expenses

Item	Amount of the current year		Amount of the previous year	
	Income	Expense	Income	Expense
1.Subtotal of main businesses	524,344,244.21	108,293,353.17	472,563,776.61	120,791,119.05
Income from agent construction business	122,830,729.69		133,384,749.23	
Income from asset leasing	383,308,797.45	108,293,353.17	337,561,456.63	120,791,119.05
Income from agency construction business	18,204,717.07		1,617,570.75	
2.Subtotal of other businesses	225,045,199.29		222,749,874.19	1,724,487.39
Income from land use fee	6,985,384.06		14,511,158.38	
Other income from property services	666,464.94		1,276,467.13	1,724,487.39
Others	217,393,350.29		206,962,248.68	
Total	749,389,443.50	108,293,353.17	695,313,650.80	122,515,606.44

5. Investment income

Item	Amount of the current year	Amount of the previous year
Investment income from long-term equity investment income under the equity method	21,851,691.91	-60,588,336.37
Investment income from long -term equity investment income under the cost method	1,122,928,975.28	889,946,025.47
Investment income from trading financial assets during the holding period	900,497.49	264,250.70
Other	5,379,270.90	
Total	1,151,060,435.58	829,621,939.80

XIII. Others disclosure in accordance with relevant financial accounting provisions

According to the "Equity Transfer Agreement of Beijing Changdao Municipal Engineering Group Co., Ltd" signed by the Company and the original shareholders of Beijing Changdao Municipal Engineering Group Co., Ltd., "the businesses and assets not included in the acquisition scope shall be separately handled by both parties through negotiation". According to the supplementary agreement signed by both parties, the properties and vehicles to be divested are specified. As of December 31, 2023, the Company and the original shareholders of Beijing Changdao Municipal Engineering Group Co., Ltd. are in the process of all divestiture matters.

Chengdu Xingcheng Investment Group Co., Ltd.

April 17, 2024

Legal Representative: **Chief Financial Officer:** 袁媛 **Chief Accountant:** 王薇

ISSUER

Chengdu Xingcheng Investment Group Co., Ltd.
(成都興城投資集團有限公司)
No. 99 Zhuojin East Road
Hi-tech Industrial Development Zone
Chengdu, Sichuan
China

INDEPENDENT AUDITOR OF THE ISSUER

Zhongshenzhonghuan Certified Public Accountants LLP
17th-18th Floors, Changjiang Industry Building
No. 166 Zhongbei Road
Wuchang District, Wuhan City
Hubei Province, China

TRUSTEE

CNCBI Trustee Limited
80/F, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

PRINCIPAL PAYING AGENT, TRANSFER AGENT AND REGISTRAR

China CITIC Bank International Limited
80/F, International Commerce Centre
1 Austin Road
West Kowloon, Hong Kong

LEGAL ADVISORS

To the Issuer as to Hong Kong and English law

King & Wood Mallesons
Level 13, Gloucester Tower
The Landmark
15 Queen's Road Central
Central
Hong Kong

To the Issuer as to PRC law

Chengdu Office, Commerce & Finance Law Offices
33/F, Building B, Twin Rivers International
No. 535 Tianfu 1st Street, High-tech District
Chengdu, China

To the Joint Lead Managers and the Trustee as to Hong Kong and English law

Linklaters
11th Floor
Alexandra House
Chater Road, Central
Hong Kong

To the Joint Lead Managers as to PRC law

Jingtian & Gongcheng
31/F, One Aerospace Center
No. 7 Xinguanghua Street
Jinjiang District, Chengdu
Sichuan, China