

SHANGHAILAND (GROUP) CO., LTD.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Item	Purchase date	Original book price	Accumulated depreciation	Provision for impairment	Net book value	Reason for failure to complete the formalities for the certificate of title	Estimated time to complete the property right certificate
3/F, No.1335, Puming Road	Year 2019	3,991,666.67	31,600.70		3,960,065.97	Still in process	Already completed in May 2020
Annex Building of the Administration Center	Year 2010	2,197,927.00	954,961.60		1,242,965.40	The nature of the land has not been adjusted and the certificate cannot be handled	Unsettled
Basement of Shanhuayuan at Guangzhong Road	Year 2010	797,570.35	194,835.22		602,735.13	Due to enterprise restructuring, the certificate is still in the process	Unsettled
Jianchuan Road Warehouse	Year 2002	4,305,945.65	3,875,372.38		430,573.27	The nature of the land has not been adjusted and the certificate cannot be handled	Unsettled
Simple Garage at No.4, Honghe Road	Year 1999	3,057,576.97	2,751,819.27		305,757.70	The nature of the land has not been adjusted and the certificate cannot be handled	Unsettled
Ma'anshan School Building	Year 2008	30,393,222.16	30,393,222.16			Development Supporting Project	Unsettled
Skirt Building of Century Plaza	Year 2005	322,616.47		322,616.47		Development Product Property Houses	Unsettled
Guihuayuan Garage	Year 2007	80,000.00		80,000.00		The title cannot be handled	Unsettled
Total		2,470,557,260.52	503,279,852.78	402,616.47	1,966,874,791.27		

8.20.4 Temporarily idle fixed assets

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value	Remark
Special equipment	110,842,125.42	39,695,633.16	62,241,818.06	8,904,674.20	Mainly SYP Glass Machinery equipment of Changshu Rolling Line 2
Total	110,842,125.42	39,695,633.16	62,241,818.06	8,904,674.20	

8.20.5 Disposal of fixed assets

Item	Book value as at December 31, 2019	Book value as at December 31, 2018	Reasons for disposal
Pending abandoned assets	4,041,425.25	-36,706.85	Not completely disposed of
Total	4,041,425.25	-36,706.85	

Remark: It mainly refers to some equipment had been dismantled at the time of inventory of the subsidiary Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd., with a corresponding net value of RMB 4,009,900. According to 2019-6 meeting minutes of its Party Committee, it agreed to dispose of the equipment, and requested the relevant asset utilization departments to handle the asset disposal matters in strict accordance with the asset disposal regulations.

As of the date of this report, the handling formalities have not completed.

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8.21 Construction in progress

Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	24,738,940,277.11	166,884,660.48	24,572,055,616.63	25,891,623,920.48	171,932,453.23	25,719,691,467.25
Project materials						
Total	24,738,940,277.11	166,884,660.48	24,572,055,616.63	25,891,623,920.48	171,932,453.23	25,719,691,467.25

8.21.1 Construction in progress

Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Hongqiao Integrated Transportation Hub Transportation Center Project	9,657,193,615.16		9,657,193,615.16	10,539,508,566.09		10,539,508,566.09
Comprehensive Development Project of Pujiang Yaohua Station of Rail Transit Line 7	1,581,299,115.59		1,581,299,115.59	1,578,524,064.31		1,578,524,064.31
Expo Green Valley Project	1,414,959,726.67		1,414,959,726.67	1,305,796,880.86		1,305,796,880.86
Plot 15-01, Neighborhood 15, Z0000301 Unit, South Wharf Community, Pudong New Area	1,311,342,633.42		1,311,342,633.42	1,143,885,530.32		1,143,885,530.32
Yingbin No.3 Road Project	1,289,298,449.61		1,289,298,449.61	1,289,298,449.61		1,289,298,449.61
Plot E1-06 of W040502 Unit in Gubei Community,	1,174,450,849.42		1,174,450,849.42	1,131,910,456.12		1,131,910,456.12

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Changning District Plot 11-3, Unit Z000101, Shanggang Community, Pudong New Area	1,001,751,659.90		1,001,751,659.90	768,205,756.23		768,205,756.23
Plot 03-02 and 03-03, Unit Z000501, Beicai Community, Pudong New Area	932,423,031.15		932,423,031.15	898,759,107.55		898,759,107.55
Plot 10-2, Unit Z000101, Shanggang Community, Pudong New Area	722,563,428.46		722,563,428.46	547,045,590.21		547,045,590.21
Pipe Ditch Project Phase II	694,712,565.42		694,712,565.42	694,516,908.92		694,516,908.92
Land Reserves and Standard Plant	645,963,590.49		645,963,590.49	478,877,592.68		478,877,592.68
Plot F01-01, F01 Neighborhood, S010601 Unit in Nanpu Community, Huangpu District	579,591,927.00		579,591,927.00	507,832,379.25		507,832,379.25
Pipe Ditch Project Phase I	467,701,269.01		467,701,269.01	467,701,269.01		467,701,269.01
Plot 06-05, Binjiang Unit, South Wharf Street	458,616,477.21		458,616,477.21	349,378,194.93		349,378,194.93
Plot E1-10 of W040502 Unit in Gubei Community, Changning District	427,745,539.84		427,745,539.84	360,084,053.28		360,084,053.28
Public Supporting	410,296,065.92		410,296,065.92	394,162,630.92		394,162,630.92

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Underground Space Project of Central Axis of Hongqiao Integrated Transportation Hub						
West Extension of Hongqiao Integrated Transportation Hub						
Expo Culture Park	249,094,392.18		249,094,392.18	248,727,453.18		248,727,453.18
Plot 53-01, Nanmen Community, Jiading Industrial Zone, Jiading	239,576,099.61		239,576,099.61	97,180,064.45		97,180,064.45
Plot III-T01-A02-02 of G1MH-0001 Unit in Hongqiao Business District	196,557,687.26		196,557,687.26	171,930,000.00		171,930,000.00
Tianjin SYP Yixian Cold Repair Project	193,972,027.91		193,972,027.91	142,952,282.39		142,952,282.39
Shanghai Zhuanqiao Plant Project	189,774,521.84		189,774,521.84			
Plot 196a-08, Caohejing Community, Xuhui District	122,974,274.07		122,974,274.07	105,210,228.49		105,210,228.49
No. 1900, Yanggao Middle Road	113,164,561.14		113,164,561.14	91,199,677.46		91,199,677.46
Other sporadic projects	97,832,223.99		97,832,223.99	399,999.99		399,999.99
Sporadic Projects of Building Materials Construction project	71,143,179.12		71,143,179.12	27,158,342.03		27,158,342.03
	46,727,084.42	544,449.00	46,182,635.42	57,043,256.82	544,449.00	56,498,807.82
	39,134,266.73		39,134,266.73	14,213,601.63		14,213,601.63

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
of small-scale farmland water conservancy facilities in North Baxiao, Chongming						
Kangqiao						
Automotive Glass Upgrading and Reconstruction	38,028,652.46		38,028,652.46	13,605,758.62		13,605,758.62
Economic Hotel Phase I	36,487,851.68		36,487,851.68	35,914,940.32		35,914,940.32
TA3 & TA4 Plant Decoration Project	30,906,310.35		30,906,310.35			
New Changshu Flameproof Glass Project	195,212,431.71	166,340,211.48	28,872,220.23			
Expo Axis New Three-item Reconstruction Project	21,178,893.16		21,178,893.16	14,718,808.07		14,718,808.07
Decoration Project at No.2060, Pingliang Road	20,589,210.59		20,589,210.59	21,523,059.00		21,523,059.00
Renovation Project of the Plot at No. 191, Neijiang Road	19,868,578.27		19,868,578.27	16,696,222.00		16,696,222.00
E04-3 Plot Kindergarten Project of Unit E10 along Huangpu River	15,699,861.87		15,699,861.87	13,034,388.77		13,034,388.77
Road and Ancillary Works in Yaohua Plot	15,106,627.04		15,106,627.04	20,407,760.04		20,407,760.04

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
of ES2 Unit Street Greening						
Production Line Installation	8,970,258.95		8,970,258.95	27,421,085.48		27,421,085.48
1# Energy Station Electromechanical Equipment Installation Project in Xihongqiao Business District	6,734,415.41		6,734,415.41	50,131,717.82		50,131,717.82
Information Platform Construction	296,923.08		296,923.08	15,608,783.43		15,608,783.43
Plot NH103 -01, Unit Z000703, Sanlin Community, Pudong New Area (Remark 1)						
Shiliupu Project Reconstruction Phase II (Remark 1)				1,015,190,000.00		1,015,190,000.00
E01-1c Public Greenland and Flood Control Wall Project (Remark 1)				448,338,295.92		448,338,295.92
Changshu Flameproof Glass Project (Remark 1)				191,239,611.75		191,239,611.75
Comprehensive Reconstruction Project of South Bund Waterfront (Fuxing East Road -				188,202,902.90	171,388,004.23	16,814,898.67
				111,226,440.40		111,226,440.40

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Wanyu Wharf Street) (Remark 1)						
Tianjin Auto Glass Production Line (Remark 1)				110,847,572.64		110,847,572.64
Through Development of Riverside Public Space on the East Bank of Huangpu River - Nanzhan Binjiang Public Green Land Connection and Landscape Upgrading and Renovation Project (Remark 1)						
Through Development of Riverside Public Space on the East Bank of Huangpu River - Yaohua Binjiang Public Green Land Connection and Landscape Upgrading and Renovation Project (Remark 1)				85,756,318.69		85,756,318.69
Bailong Port Project				48,442,295.88		48,442,295.88
				37,723,597.11		37,723,597.11

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Item	Balance as at December 31, 2019			Balance as at December 31, 2018		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
(Remark 2) Road and municipal supporting projects of Xiepu Road (Changyi Road to Huangpu River) in E8 Unit along Huangpu River (Remark 1)						
Total	24,738,940,277.11	166,884,660.48	24,572,055,616.63	14,092,024.91 25,891,623,920.48	171,932,453.23	14,092,024.91 25,719,691,467.25

Remark 1: It is transferred in the item of inventories, fixed assets or other non-current assets for accounting in 2019.

Remark 2: Bailong port project of the subsidiary Shanghai Building Materials (Group) Co., Ltd., has only incurred land advance payment and preparatory expenses since its launch, and no other substantial progress has been made so far. The reply given in the document of Shanghai Municipal Development and Reform Commission (HFGC [2014] No. 4) has expired, and the right to use the shoreline has also expired in 2018. Therefore, the recoverable land payment amounting to RMB 30 million will be transferred to other receivables in 2019, and the remaining preliminary preparation expenses will all be included in the general and administrative expenses.

Remark 3: See Note 8.64.1 for details of the restrictions on the construction in progress.

8.21.2 Changes in important construction in progress in 2019

Item	Budget (0'000)	Balance as at December 31, 2018	Increase in 2019	Amount transferred into fixed assets in 2019	Other decreases in 2019	Balance as at December 31, 2019	Proportion of accumulated project investment in budget	Progress of construction	Fund source
Hongqiao Integrated Transportation Hub Transportation Center Project (Remark 1)	1,219,100.00	10,539,508,566.09	-882,314,950.93			9,657,193,615.16	79.22%	100.00%	Self-raised funds and borrowings
Comprehensive Development Project of Pujiang Yaohua Station of Rail Transit Line 7 (Remark 2)	163,511.00	1,578,524,064.31	2,775,051.28			1,581,299,115.59	96.71%	Shutdown	Self-owned funds and borrowings

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Item	Budget (0'000)	Balance as at December 31, 2018	Increase in 2019	Amount transferred into fixed assets in 2019	Other decreases in 2019	Balance as at December 31, 2019	Proportion of accumulated project investment in budget	Progress of construction	Fund source
Expo Green Valley Project	214,300.00	1,305,796,880.86	109,162,845.81			1,414,959,726.67	66.03%		Self-owned funds and borrowings
Plot 15-01, Neighborhood 15, Z0000301 Unit, South Wharf Community, Pudong New Area	281,892.03	1,143,885,530.32	167,457,103.10			1,311,342,633.42	46.52% in progress	Construction	Self-owned funds and borrowings
Yingbin No.3 Road Project (Remark 3)	150,369.00	1,289,298,449.61				1,289,298,449.61	85.74%	100.00% fund	Self-raised funds and appropriation
Plot E1-06 of W040502 Unit in Gubei Community, Changning District	224,510.45	1,131,910,456.12	42,540,393.30			1,174,450,849.42	52.31% in progress	Construction	Self-owned funds and borrowings
Plot 11-3, Unit Z000101, Shanggang Community, Pudong New Area	196,649.57	768,205,756.23	233,545,903.67			1,001,751,659.90	50.94% in progress	Construction	Self-owned funds and borrowings
Plot 03-02 and 03-03, Unit Z000501, Beicai Community, Pudong New Area	259,738.73	898,759,107.55	33,663,923.60			932,423,031.15	35.90% in progress	Construction	Self-owned funds and borrowings
Plot 10-2, Unit Z000101, Shanggang Community, Pudong New Area	155,975.21	547,045,590.21	175,517,838.25			722,563,428.46	46.33% in progress	Construction	Self-owned funds and borrowings
Pipe Ditch Project Phase II	78,971.36	694,516,908.92	195,656.50			694,712,565.42	87.97%	100.00% fund	Self-raised funds and appropriation
Total		19,897,451,310.22	-117,456,235.42			19,779,995,074.80			

Remark 1: The transportation center project of Shanghai Hongqiao Hub Transportation Center Construction and Development Co., Ltd., under the subsidiary Shanghai Rainbow Investment Corp was officially completed and put into operation in August 2010. However, due to the unclear final ownership of related assets, it was included in the item of construction in progress and it is impossible to be transferred to the item of fixed assets for a long time. The negative increase in 2019 refers to the adjustment of project cost according to the audit report of final accounts of project completion.

Remark 2: See Note 15.10 for details.

Remark 3: Yingbin No.3 Road Project of Shanghai Hongqiao Transportation Hub Yingbin No.3 Road Construction and Development Co., Ltd. under the subsidiary Shanghai Rainbow Investment Corp was completed and handed over to the relevant municipal administrative departments in 2011. At present, the cost identification of government departments of Yingbin No.3 Road Project has been completed, and the follow-up verification work is in progress.

8.21.3 Capitalized borrowings included in the construction in progress

Project Name	Balance as at December 31, 2018	Increase in 2019	Other increases in 2019 (Remark)	Amount transferred into fixed assets in 2019	Amount as at December 31, 2019	Capitalization rate for the interest of 2019
Hongqiao Integrated Transportation Hub Transportation Center Project	971,654,772.25		-141,726.67		971,513,045.58	---
Comprehensive Development Project of Pujiang Yaohua Station of Rail Transit Line 7	291,927,946.04				291,927,946.04	---
Land Reserves and Standard Plant	148,437,126.23	1,655,230.95			150,092,357.18	4.75%
Changshu Flameproof Glass Project	10,265,258.42				10,265,258.42	---
Shiliupu Project						
Renovation Phase II	9,354,809.47	1,212,521.82		10,567,331.29	-	4.90%
Economic Hotel	1,867,444.63				1,867,444.63	---
Tianjin Car Glass Production Line	239,859.08	2,617,340.25			2,857,199.33	4.90%
Expo Green Valley Project	2,208,239.46	12,323,569.72			14,531,809.18	4.41%
Plot 15-01, Neighborhood 15, Z00000301 Unit, South Wharf Community, Pudong New Area					1,738,943.39	4.41%

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Project Name	Balance as at December 31, 2018	Increase in 2019	Other increases in 2019 (Remark)	Amount transferred into fixed assets in 2019	Amount as at December 31, 2019	Capitalization rate for the interest of 2019
Plot 11-3, Unit Z000101, Shanggang Community, Pudong New Area		2,230,614.04			2,230,614.04	4.41%
Plot 03-02 and 03-03, Unit Z000501, Beicai Community, Pudong New Area		6,702.09			6,702.09	4.41%
Plot 10-2, Unit Z000101, Shanggang Community, Pudong New Area		1,396,399.68			1,396,399.68	4.41%
Plot F01-01, F01 Neighborhood, S010601 Unit in Nanpu Community, Huangpu District		580,687.47			580,687.47	4.41%
Plot 06-05, Binjiang Unit, South Wharf Street		888,375.85			888,375.85	4.41%
Plot E1-10 of W040502 Unit in Gubei Community, Changning District		521,409.86			521,409.86	4.41%
Plot 53-01, Nanmen Community, Jiading Industrial Zone, Jiading		24,843.00			24,843.00	4.41%
Plot III-T01-A02-02 of GIMH-0001 Unit in Hongqiao Business District		693,956.08			693,956.08	4.41%
Plot 196a-08, Caohejing Community, Xuhui District		51,996.57			51,996.57	4.41%
TA-3/ TA-4 Project		28,486.94			28,486.94	4.51%
Total	1,435,955,455.58	25,971,077.71	-141,726.67	10,567,331.29	1,451,217,475.33	

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Remark: The transportation center project of Hongqiao Integrated Transportation Hub is syndicated through the subsidiary Shanghai Rainbow Investment Corp (hereinafter referred to as "SR Company"). The accumulated loan interest allocated by SR Company to the transportation center project amounted to RMB 971,513,000, of which RMB -141,700 of the capitalized interest allocated in 2019 is actually the interest expenses temporarily suspended by SR Company in previous years. Such interest expenses are the capitalized interest allocated to the transportation center project due to the audit of the government's final accounts in 2019.

8.21.4 Provision for impairment of construction in progress in 2019

Item	Balance as at December 31, 2018	Increase in 2019	Other increases in 2019	Decrease in 2019	Other decreases in 2019	Balance as at December 31, 2019	Reason for provision
New Changshu Flameproof Glass Project			166,340,211.48			166,340,211.48	Transfer-in of fixed assets in construction in progress together with impairment
Houshan Blasting and Leveling Project	544,449.00					544,449.00	No physical assets
Changshu Flameproof Glass Project	171,388,004.23				171,388,004.23		Transfer-in of construction in progress in fixed assets together with impairment
Total	171,932,453.23		166,340,211.48		171,388,004.23	166,884,660.48	

8.22 Intangible assets

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
1. Total original book value	3,819,719,733.50	166,600,371.28	23,433,425.70	3,962,886,679.08
Land use right	2,754,981,647.76	137,305,447.73	20,010,865.02	2,872,276,230.47
Right to use trademarks	587,735.84			587,735.84
Computer software	76,368,511.61	27,494,923.55	3,422,560.68	100,440,874.48
Patent rights	5,840,030.81			5,840,030.81
Non-patent technology	51,044,599.97			51,044,599.97
Franchise	208,934,078.53			208,934,078.53
Right to use houses	10,080,000.00			10,080,000.00
Land use investment (Remarks 1 & 4)	300,579,963.20	1,800,000.00		302,379,963.20
Infrastructure investment (Remarks 2 & 4)	388,519,586.23			388,519,586.23
Administrative office of development zone (Remarks 3 & 4)	21,725,362.00			21,725,362.00
Others	1,058,217.55			1,058,217.55
2. Total accumulated amortization	689,167,884.74	99,470,595.04	5,971,123.33	782,667,356.45
Land use right	473,849,045.41	72,244,089.56	2,801,521.11	543,291,613.86
Right to use trademarks	552,201.29	3,773.64		555,974.93
Computer software	45,177,815.91	10,445,673.02	3,169,602.22	52,453,886.71
Patent rights	5,820,145.11	10,375.00		5,830,520.11
Non-patent technology	22,232,872.16	5,722,185.29		27,955,057.45
Franchise	131,391,392.40	10,737,224.97		142,128,617.37
Right to use houses	9,246,750.00	303,000.00		9,549,750.00
Land use investment (Remarks 1 & 4)				
Infrastructure investment (Remarks 2 & 4)				
Administrative office of development zone (Remarks 3 & 4)				
Others	897,662.46	4,273.56		901,936.02
3. Total provision for impairment	23,371,760.98			23,371,760.98
Land use right				
Right to use trademarks				

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Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Computer software				
Patent rights				
Non-patent technology				
Franchise	23,371,760.98			23,371,760.98
Right to use houses				
Land use investment (Remarks 1 & 4)				
Infrastructure investment (Remarks 2 & 4)				
Administrative office of development zone (Remarks 3 & 4)				
Others				
4. Total book value of intangible assets	3,107,180,087.78	---	---	3,156,847,561.65
Land use right	2,281,132,602.35	---	---	2,328,984,616.61
Right to use trademarks	35,534.55	---	---	31,760.91
Computer software	31,190,695.70	---	---	47,986,987.77
Patent rights	19,885.70	---	---	9,510.70
Non-patent technology	28,811,727.81	---	---	23,089,542.52
Franchise	54,170,925.15	---	---	43,433,700.18
Right to use houses	833,250.00	---	---	530,250.00
Land use investment (Remarks 1 & 4)	300,579,963.20	---	---	302,379,963.20
Infrastructure investment (Remarks 2 & 4)	388,519,586.23	---	---	388,519,586.23
Administrative office of development zone (Remarks 3 & 4)	21,725,362.00	---	---	21,725,362.00
Others	160,555.09	---	---	156,281.53

Remark 1: The increase of land use investments in 2019 refers to the compensation for labor placement paid by Shanghai Minhang Union Development Co., Ltd. under the subsidiary Shanghai Land Minhong (Group) Co., Ltd. to Shanghai Xinghua Industry and Trade Co., Ltd. Established by the original land requisition labor force.

Remark 2: Infrastructure investment refers to the expenses for municipal, land and landscape construction in Minhang Development Zone by Shanghai Minhang Union Development Co., Ltd. under the subsidiary Shanghai Land Minhong (Group) Co., Ltd.

Remark 3: Minhang Development Zone Administrative Office was established in accordance with the document of Shanghai Construction and Transportation Commission (HJ [2000] No. 0395). The functions and powers of the administrative office is to exercise the relevant government functions originally authorized by Shanghai Minhang Union Development Co., Ltd. under the subsidiary Shanghai Land Minhong (Group) Co., Ltd. to manage Minhang Development Zone, and its daily staff are all full-time employees of the company. In 2004, the Auditing Bureau supposed that it was improper that the daily expenditures of Minhang Development Zone Administrative Office were included in special financial funds, and required the Company to adjust such expenditures to operating expenses. However, the Company considered that, as such expenditures were generated from assuming government functions and powers by the Company, such expenditures should be accounted for as special funds. After communications, the Municipal Auditing Bureau verbally agreed that the Company would still account for such expenditures in the special financial fund according to the original accounting method and required no adjustment.

Remark 4: Three items including land use investment, infrastructure investment and development zone management office are included in intangible assets and are not amortized.

Remark 5: See Note 8.64.1 for the restriction on the ownership of intangible assets.

8.23 Development expenses

Item	Balance as at December 31, 2018	Increase in 2019		Decrease in 2019			Balance as at December 31, 2019
		Internal development expenses	Others	Recognized as intangible assets	Transferred in the current profit or loss	Others	
Building Materials Group Shangjian Network Platform Development	390,566.04		43,396.23				433,962.27
ERP System of Building Materials Group	800,275.10		1,055,931.74	1,148,624.62			707,582.22
14DZ1200600 Scientific Project of SR Group	1,285,141.60						1,285,141.60
Contract management module of Expo Group		265,000.00		265,000.00			
Total	2,475,982.74	265,000.00	1,099,327.97	1,413,624.62			2,426,686.09

8.24 Goodwill

Name of the investee or matters forming goodwill	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Shanghai Yaohua Pilkington Glass Group Co., Ltd.	22,059,941.15			22,059,941.15
Shanghai SYP Engineering Glass Co., Ltd.	2,420,911.43			2,420,911.43
Shanghai SYP Building Glass Co., Ltd.	5,222,625.08			5,222,625.08
Shanghai Shengyu Property Management Services Co., Ltd.	1,318,127.16			1,318,127.16
Total	31,021,604.82			31,021,604.82

Provision for impairment of goodwill:

Name of the investee or matters forming goodwill	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019	Reasons for impairment and determination basis
Shanghai SYP Engineering Glass Co., Ltd.	2,420,911.43			2,420,911.43	Remark 1
Shanghai SYP Building Glass Co., Ltd.	5,222,625.08			5,222,625.08	Remark 1
Shanghai Shengyu Property Management Services Co., Ltd.	1,318,127.16			1,318,127.16	Remark 2
Total	8,961,663.67			8,961,663.67	

Remark 1: The subsidiary Shanghai Building Materials (Group) Co., Ltd. Conducted impairment test over the consolidated goodwill, and Shanghai SYP Building Glass Co., Ltd. and Shanghai SYP Engineering Glass Co., Ltd. suffered losses in operation. The Company supposed that the goodwill generated by its investments cannot bring excess profits to the Company's operation, so it has made full provision for impairment of consolidated goodwill.

Remark 2: The subsidiary EXPO Shanghai (Group) Co., Ltd., conducted an impairment test on goodwill. Shanghai Shengyu Property Management Services Co., Ltd. suffered operating losses, so it made a full provision for impairment.

8.25 Long-term deferred expenses

Item	Balance as at December 31, 2018	Increase in 2019	Amortization in 2019	Other decreases in 2019	Balance as at December 31, 2019
Renovation costs	214,862,164.34	64,443,227.45	57,001,750.11		222,303,641.68
Molds	83,164,824.14	24,701,431.43	31,423,318.76		76,442,936.81
Expenditure for improvement of fixed assets	4,265,506.56	40,972,401.97	19,015,361.31		26,222,547.22
Other deferred expenses	2,858,241.07		1,062,389.19		1,795,851.88
Total	305,150,736.11	130,117,060.85	108,502,819.37		326,764,977.59

8.26 Deferred income tax assets and deferred income tax liabilities

8.26.1 Deferred income tax assets before offset

Item	Balance as at December 31, 2019		Balance as at December 31, 2018	
	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences
Provision for impairment of assets	164,990,063.37	706,002,715.56	177,276,899.05	741,296,414.43
Wages and benefits	4,645,512.32	20,897,249.24	3,870,412.31	17,943,249.24

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Item	Balance as at December 31, 2019		Balance as at December 31, 2018	
	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences
Recognition for income	625,106,923.80	2,500,427,695.19	1,201,759,620.76	4,807,038,482.96
Accrued expenses	1,604,869,848.22	6,419,479,392.82	1,194,031,725.10	4,776,126,900.52
Depreciation and amortization difference	4,695,379.05	18,781,516.20	4,648,927.01	18,595,707.91
Deductible losses	127,696,224.11	513,474,043.36	216,891,367.77	868,139,043.02
Consolidated internal profit offset	410,395,920.86	1,641,583,683.44	469,432,210.86	1,877,728,843.45
Value-added tax on land	1,170,334,241.89	4,681,336,967.57	944,402,486.61	3,777,609,946.42
Total	4,112,734,113.62	16,501,983,263.38	4,212,313,649.47	16,884,478,587.95

8.26.2 Deferred income tax liabilities before offset

Item	Balance as at December 31, 2019		Balance as at December 31, 2018	
	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences
Changes in fair value of available-for-sale financial assets attributable to other comprehensive income	2,789,484,241.78	11,157,936,967.08	1,913,858,753.19	7,655,435,012.67
Gains from the remaining equities measured at the fair value after the loss of control (Remark 1)	517,875,936.94	2,071,503,747.77		
Recognized investment income from loss of control right due to unilateral capital increase by external shareholders of the former subsidiary (Remark 2)	251,639,389.27	1,006,557,557.08		
Difference between payment consideration and fair price of long-term equity investment	30,919,300.44	123,677,201.76	30,919,300.44	123,677,201.75
Others	25,568,231.42	197,489,764.07	25,000,392.89	186,132,993.26
Difference between the payment consideration arising from the	13,068,047.55	52,272,190.18	13,068,047.55	52,272,190.20

Item	Balance as at December 31, 2019		Balance as at December 31, 2018	
	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences
acquisition of minority equity and owned shares				
Adjustment of fair value of business combination not under common control	2,960,873.22	11,843,492.88	2,960,873.22	11,843,492.88
Valuation of financial instruments held for trading and derivative financial instruments	124,157.79	496,631.16	116,794.85	467,179.40
Total	3,631,640,178.41	14,621,777,551.98	1,985,924,162.14	8,029,828,070.16

Remark 1: See Note 8.52.3 for details.

Remark 2: See Note 7.5.2.(4) for details.

8.26.3 Details of unrecognized deferred income tax assets

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Deductible temporary differences	4,573,498,362.23	3,768,437,072.86
Deductible operating losses (Remark)	10,793,286,325.31	10,416,698,462.03
Others		4,582,696.94
Total	15,366,784,687.54	14,189,718,231.83

Remark: The deductible operating losses at the beginning of the year includes the deductible loss due in 2019.

8.26.4 Deductible losses on the unrecognized deferred income tax assets will mature in the following years:

Year	Balance as at December 31, 2019	Balance as at December 31, 2018	Remark
Year 2020	1,912,364,743.59	2,065,383,386.33	
Year 2021	1,754,950,304.11	1,594,329,600.11	
Year 2022	3,464,461,141.12	3,530,117,104.24	
Year 2023	1,833,093,163.66	2,219,719,844.66	
Year 2024	1,828,416,972.83		
Total	10,793,286,325.31	9,409,549,935.34	

8.27 Other non-current assets

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Entrusted loans with a term more than one year (Remark 1)	3,960,400,434.44	2,267,000,000.00
Transaction funds for acquisition of equity of Expo Land (Remark 2)	3,700,000,000.00	2,800,000,000.00
Land reserved on behalf of the government (Remark 3)	2,653,257,732.65	3,432,162,151.93

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Land reserved (Remark 4)	705,492,485.81	
Public welfare projects (Remark 5)	681,944,583.90	
Municipal supporting facilities in Hongqiao and Minhang Development Zone (Remark 6)	950,862,078.21	913,720,592.97
Agent Construction Project of Tideland Reclamation Land (Remark 7)	391,899,260.20	390,203,576.31
Lease of developed products (Remark 8)	161,412,582.58	172,020,635.58
Changjiang Shengshi Huazhang Collective Group Pension Security Management Product (Remark 9)	121,116,972.57	121,116,972.57
Rihuigang Footbridge Project	23,423,676.13	22,669,038.13
Others	52,705,078.63	50,598,726.52
Total	13,402,514,885.12	10,169,491,694.01

Remark 1: Entrusted loans and interest over one year refer to the borrowings from Shanghai Star Group Co., Ltd. under the subsidiary China Enterprise Company Limited to its associate Shanghai Chunri Real Estate Co., Ltd.

Remark 2: See Note 15.6 for details.

Remark 3: The original subsidiary Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co. Ltd. Reserved land on behalf of the government. Details are as follows:

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
ES2 Unit Yaohua Plot	1,703,482,205.27	2,482,566,114.22
W13 Unit Fuxing Plot	910,566,378.68	910,386,889.01
W17 Unit 99 Plot	35,806,082.93	35,806,082.93
E10 Unit Jiabin Company Plot	3,403,065.77	3,403,065.77
Total	2,653,257,732.65	3,432,162,151.93

In 2019, According to the document (HDC [2019] No. 26), the Company formally merged Shen Jiang Company by absorption, and signed a merger agreement. See Note 12.4 for details.

Remark 4: The original subsidiary Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co. Ltd. has reserved land. Details are as follows:

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Yaohua Plot - 10-2	248,263,448.23	
Yaohua Plot - 11-3	350,019,860.30	
Huishan Plot	73,268,962.07	
Rubber Plot - Medicine Plot	14,312,415.31	
Rubber Plot - Shizi Fruit Garden	19,627,799.90	
Total	705,492,485.81	

According to the document (HDC [2019] No. 26), in 2019 the Company formally merged Shen Jiang Company by absorption, and signed a merger agreement. See Note 12.4 for details.

Remark 5: The details of the public welfare assets of the subsidiary Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co. Ltd. are as follows:

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
E01-1C Public Welfare Project	289,053,402.68	
Comprehensive Reconstruction Project of South Bund Waterfront (Fuxing East Road - Wanyu Wharf Street)	179,122,521.02	
Through Development of Riverside Public Space on the East Bank of Huangpu River - Nanzhan Binjiang Public Green Land Connection and Landscape Upgrading and Renovation Project	128,074,773.88	
Through Development of Riverside Public Space on the East Bank of Huangpu River - Yaohua Binjiang Public Green Land Connection and Landscape Upgrading and Renovation Project	67,513,821.35	
Road and municipal supporting projects of Xiepu Road (Changyi Road to Huangpu River) in E8 Unit along Huangpu River	18,180,064.97	
Total	681,944,583.90	

In 2019, According to the document (HDC [2019] No. 26), the Company formally merged Shen Jiang Company by absorption, and signed a merger agreement. See Note 12.4 for details.

Remark 6: It refers to the infrastructure construction in Hongqiao Development Zone and the municipal infrastructure construction in Lingang Park built by Shanghai Hongqiao Economic and Technological Development Zone Union Development Co., Ltd. and Shanghai Minlian Lingang Construction Development Co., Ltd. under the subsidiary Shanghai Land Minhong (Group) Co., Ltd. with special financial funds.

Remark 7: Entrusted by Shanghai Municipal Land Reserve Center, the subsidiary Shanghai Beach Ecological Development Co., Ltd. implements land reclamation, siltation promotion, reclamation into land and seawall maintenance projects.

Remark 8: It refers to the houses and buildings (developed products) with pending titles and used for lease.

Remark 9: See 15.11 for details.

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8.28 Provision for impairment of assets

Item	Balance as at December 31, 2018	Effect of new financial standards on the beginning amount	Balance as at January 1, 2019	Increase in 2019		Decrease in 2019			Balance as at December 31, 2019
				Provision in 2019	Others	Reversal in 2019	Write-off in 2019	Others	
Provision for bad debts (Remark 1)	1,306,705,658.58	10,130,144.62	1,296,575,513.96	-48,348,569.05	-29,686.79				1,248,197,258.12
Provision for inventory depreciation (Remark 2)	988,729,664.74		988,729,664.74	68,281,830.88			238,567,694.03	6,570,427.10	811,873,374.49
Provision for impairment of available-for-sale financial assets	60,685,743.39	33,426,105.60	27,259,637.79	1,048,676.76					28,308,314.55
Provision for impairment of held-to-maturity investments									
Provision for impairment of long-term equity investments	1,235,327.90		1,235,327.90						1,235,327.90
Provision for impairment of investment properties	1,386,781,979.65		1,386,781,979.65	122,700,000.00	6,570,427.10				1,516,052,406.75
Provision for impairment of fixed assets (Remark 3)	349,086,712.75		349,086,712.75	34,564,408.62	171,388,004.23		2,370,452.10	166,340,211.48	386,328,462.02
Provision for impairment of project materials									
Provision for impairment of construction in progress (Remark 4)	171,932,453.23		171,932,453.23		166,340,211.48			171,388,004.23	166,884,660.48

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Item	Balance as at December 31, 2018	Effect of new financial standards on the beginning amount	Balance as at January 1, 2019	Increase in 2019			Decrease in 2019			Balance as at December 31, 2019
				Provision in 2019	Others	Reversal in 2019	Write-off in 2019	Others		
Provision for impairment of intangible assets	23,371,760.98		23,371,760.98							
Provision for impairment of goodwill	8,961,663.67		8,961,663.67							8,961,663.67
Others (Remark 5)	63,681,470.73		63,681,470.73	2,086,901.50						65,768,372.23
Total	4,361,172,435.62	43,556,250.22	4,317,616,185.40	180,333,248.71	344,268,956.02		240,938,146.13	344,298,642.81		4,256,981,601.19

Remark 1: Other increases in the provision for bad debts are caused by changes in the scope of consolidation in the current period.

Remark 2: Other decrease in the provision for inventory depreciation refers to the transfer of related assets into investment properties together with their provision for impairment for accounting, and the provision for impairment of corresponding investment properties is recognized as other increases.

Remark 3: Other decrease in the provision for the impairment of fixed assets refers to the transfer of related assets into construction in progress together with their provision for impairment for accounting, and the provision for impairment of corresponding construction in progress is recognized as other increases.

Remark 4: Other decrease in the provision for the impairment of construction in progress refers to the transfer of related assets into fixed assets together with their provision for impairment for accounting, and the provision for impairment of corresponding fixed assets is recognized as other increases.

Remark 5: Other provision for impairment mainly refers to the provision for losses on loans amounting to 62,139,800 of Shanghai Huangpu United Petty Loan Co., Ltd. under the subsidiary Shanghai House Real Estate Sponsion Co., Ltd.

8.29 Short-term borrowings

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Pledged borrowings		100,000,000.00
Mortgaged borrowings (Remark 1)	23,000,000.00	21,000,000.00
Guaranteed borrowings (Remark 2)	179,450,000.00	213,000,000.00
Fiduciary borrowings	4,489,049,828.29	3,162,538,552.34
Discount of commercial acceptance		9,705,564.04
Total	4,691,499,828.29	3,506,244,116.38

Remark 1: See Note 8.64.1 for details.

Remark 2: See Note 10 for details.

8.30 Notes payable

Category	Balance as at December 31, 2019	Balance as at December 31, 2018
Bank acceptance bill	411,260,463.59	420,431,917.11
Commercial acceptance bill	82,460,566.93	309,715,335.79
Total	493,721,030.52	730,147,252.90

8.31 Accounts payable

Aging	Balance as at December 31, 2019	Balance as at December 31, 2018
Within 1 year (including 1 year)	3,190,394,676.01	6,966,002,293.65
1-2 years (including 2 years)	2,983,685,495.88	1,273,459,996.87
2-3 years (including 3 years)	587,188,509.29	1,215,979,962.06
Over 3 years	2,641,652,111.66	2,124,729,108.73
Total	9,402,920,792.84	11,580,171,361.31

Significant accounts payable with aging over one year:

Name of creditor	Balance as at December 31, 2019	Reason for nonpayment
Estimated Project Payment for J1 Project (Remark)	623,517,942.00	Project payment. Not yet settled
Estimated Project Payment for Shanghai Lijing	623,676,401.82	Project payment. Not yet settled
Shanghai Municipal Land Reserve Center	418,500,176.02	Compensation funds. Not yet settled
Shanghai Construction No. 2 (Group) Co., Ltd.	146,049,948.01	Project payment. Not yet settled
Total	1,811,744,467.85	

Remark: See Note 15.12 for details.

8.32 Advances from customers

Aging	Balance as at December 31, 2019	Balance as at December 31, 2018
Within 1 year (including 1 year)	9,393,000,182.20	12,733,882,901.03
Over 1 year	8,820,050,782.06	6,267,360,186.68
Total	18,213,050,964.26	19,001,243,087.71

Remark 1: Advances from customers with the aging over one year mainly refer to house payment received in advance, which have not been carried forward because the house handover procedures have not been completed.

Remark 2: In addition, Shanghai Hongqiao Hub Transportation Center Construction and Development Co., Ltd. under the subsidiary Shanghai Rainbow Investment Corp, has been entrusted with the overall operation management and service of Shanghai Hongqiao Integrated Transportation Hub Project and related supporting projects since August 2010. As the asset disposal method for the transportation center project needs to be further studied, the ownership of assets is undecided, and the related income generated from the operation and management of Hongqiao Hub Transportation Center project has been temporarily included in the item advances from customers, with the ending balance of RMB 1,163,873,500 as the related income accumulated in the operation and management.

8.33 Employee compensation payable

8.33.1 Classification of employee compensation payable

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
(I) Short-term compensation	634,105,179.26	2,531,309,191.29	2,522,631,528.19	642,782,842.36
(II) Post-employment benefits - defined contribution plans	8,642,679.25	277,882,469.27	280,020,235.65	6,504,912.87
(III) Dismissal benefits	1,220,123.33	14,923,086.36	13,227,657.15	2,915,552.54
Total	643,967,981.84	2,824,114,746.92	2,815,879,420.99	652,203,307.77

8.33.2 Short-term compensation

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
(1) Salaries, bonuses, allowances and subsidies	308,605,626.87	2,100,298,106.33	2,074,405,419.81	334,498,313.39
(2) Employee welfare fees	290,555,026.57	128,125,187.61	146,392,851.94	272,287,362.24
Including: bonus and welfare funds of foreign-invested enterprises	285,427,067.28	323,884.00	18,041,148.50	267,709,802.78
(3) Social insurance premium	4,294,688.38	139,520,322.55	139,665,675.83	4,149,335.10
Including: 1. Medical insurance premiums	3,537,384.52	116,322,247.26	116,494,409.04	3,365,222.74
2. Work-related injury insurance premiums	178,384.10	4,757,849.25	4,742,561.69	193,671.66
3. Maternity insurance premiums	350,365.40	11,023,337.41	11,032,354.21	341,348.60

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
4. Others	228,554.36	7,416,888.63	7,396,350.89	249,092.10
(4) Housing provident fund	1,826,905.46	115,552,453.98	116,138,307.32	1,241,052.12
(5) Labor union expenditures and employee education funds	27,503,799.72	44,900,191.56	43,174,920.05	29,229,071.23
(6) Other short-term compensation	1,319,132.26	2,912,929.26	2,854,353.24	1,377,708.28
Total	634,105,179.26	2,531,309,191.29	2,522,631,528.19	642,782,842.36

8.33.3 Defined contribution plan

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Basic endowment insurance premiums	7,534,174.00	209,242,390.62	210,681,441.62	6,095,123.00
Unemployment insurance	279,472.30	5,631,444.33	5,655,816.45	255,100.18
Enterprise annuity payment	829,032.95	63,008,634.32	63,682,977.58	154,689.69
Total	8,642,679.25	277,882,469.27	280,020,235.65	6,504,912.87

8.34 Taxes and surcharges payable

Tax type	Balance as at December 31, 2018	Amount payable in 2019	Amount paid in 2019	Balance as at December 31, 2019
VAT	141,188,693.61	1,561,624,274.04	1,522,631,403.34	180,181,564.31
Business tax	-61,466,208.38	12,394,618.48	-17,740,323.45	-31,331,266.45
Enterprise income tax	3,913,053,447.55	2,107,582,047.84	4,258,737,567.23	1,761,897,928.16
Urban construction tax	-5,683,023.12	84,045,130.09	95,724,903.90	-17,362,796.93
Property tax	63,270,079.97	187,503,786.95	216,180,729.88	34,593,137.04
Land use tax	7,555,373.34	37,619,102.52	42,658,142.19	2,516,333.67
Value-added tax on land	6,754,894,106.55	3,589,833,233.46	993,933,702.60	9,350,793,637.41
Tariff		1,985,149.21	1,985,149.21	
Individual income tax	15,273,494.69	87,671,076.55	92,930,437.11	10,014,134.13
Education surtax	-5,353,275.18	61,416,121.28	66,359,729.73	-10,296,883.63
Foundation for water works	17,293.45	54,267.29	60,974.18	10,586.56
River management fee	-1,575,937.22	1,762,973.92	1,559,756.16	-1,372,719.46
Funds for grain and commodity price adjustments	1,287.00		1,287.00	
Others (Remark)	4,859,346.48	162,270,919.78	44,821,015.04	122,309,251.22
Total	10,826,034,678.74	7,895,762,701.41	7,319,844,474.12	11,401,952,906.03

Remark: It mainly refers to the deed tax amounting to RMB 116,453,800 of the subsidiary China Enterprise Company Limited.

8.35 Other payables

Category	Balance as at December 31, 2019	Balance as at December 31, 2018
Interest payable	561,045,260.30	833,764,315.88
Dividends payable	247,114,519.77	437,322,554.78
Other payables	12,112,921,348.76	13,560,643,887.34
Total	12,921,081,128.83	14,831,730,758.00

8.35.1 Interest payable

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Interest on long-term borrowings with interest paid by installments and principal paid on maturity date	192,399,067.56	199,504,359.75
Corporate bond interest	366,692,092.86	590,879,479.35
Interest payable on short-term borrowings	1,954,099.88	14,269,366.38
Other interest		29,111,110.40
Total	561,045,260.30	833,764,315.88

8.35.2 Dividends payable

Item	Balance as at December 31, 2019	Balance as at December 31, 2018	Reason for failure of payment for more than 1 year
Dahua Group Co., Ltd.	138,700,000.00	140,470,800.00	-
Shanghai Ronglvrujiang Real Estate Co., Ltd.	78,020,000.00	156,237,400.00	-
Shanghai Runbon Investment Group Co., Ltd.	11,363,406.58	13,363,406.58	Payment not required
Labor Union of Shanghai Municipal Real Estate Trading Center	8,800,000.00		-
Organ Service Center, Jiading Office of Shanghai Administration for Industry and Commerce	3,889,914.87	3,098,273.96	Payment not required
Shanghai Gardens (Group) Co., Ltd.	1,616,035.10	4,022,089.33	-
Shanghai North City Development Investment Co., Ltd.	1,400,000.00	2,365,000.00	-
Legal persons share of China Enterprise over years	1,143,265.24	1,143,265.24	Payment not required
Shanghai Minghua Property Management Co., Ltd.	1,019,200.00	1,019,200.00	Payment not required
Taiwan Xubao Investment Co., Ltd.	458,500.00	458,500.00	Payment not required
Shanghai Dicheng Construction Engineering Co., Ltd.	440,078.31	440,000.00	Payment not required

Item	Balance as at December 31, 2019	Balance as at December 31, 2018	Reason for failure of payment for more than 1 year
Japan Maxell Co., Ltd.	196,500.00	196,500.00	Payment not required
Shanghai Hengli Real Estate Development Co., Ltd.	66,277.80	66,277.80	Equity freezing
Shareholder dividends of shares without restricted conditions of Jinfeng Investment	1,341.87	1,341.87	Payment not required
Shanghai NCN (Group) Co., Ltd.		103,952,500.00	-
Wuxi Binhu City Investment Development Co., Ltd.		7,120,000.00	-
Shanghai Urban Construction Development Co., Ltd.		3,368,000.00	-
Total	247,114,519.77	437,322,554.78	

8.35.3 Other payables

(1) Presentation of other payables by nature

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Current accounts among entities and suspense receipts	7,715,159,347.06	9,491,327,029.37
SR finance related amounts	1,420,810,355.60	1,410,590,842.59
Others	1,513,714,168.13	1,187,570,103.37
Deposit or security deposit	1,164,724,934.09	1,117,055,508.65
Expenses for land acquisition	182,189,346.31	196,783,141.58
Unpaid amount left over from history	116,323,197.57	104,349,621.40
Outstanding payments of asset reorganization		26,967,640.38
Expenses for land-vacating		26,000,000.00
Total	12,112,921,348.76	13,560,643,887.34

(2) Notes to other significant payables with aging of over one year

Name of creditor	Balance as at December 31, 2019	Reason for nonpayment
Shanghai Municipal Land Reserve Center	591,320,000.00	Current accounts with Maiqi Company
Residential Construction and Development Center of Shanghai	462,618,072.90	Agreement settlement difference
Shanghai Yangpu Property Co., Ltd.	452,456,787.98	Intention payments for relocation settlement house
1.06 million square meters of after-sales public housing funds and handling fees	324,493,711.56	Amount collected and paid on commission

Name of creditor	Balance as at December 31, 2019	Reason for nonpayment
CCCC Shanghai Dredging Co., Ltd.	330,000,000.00	Performance bond
Shanghai Pudong Rail Transit Investment Co., Ltd.	318,292,572.50	Intention payments for relocation settlement house
Total	2,479,181,144.94	

8.36 Non-current liabilities maturing within one year

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Pledged borrowings (Remark 1)	360,000,000.00	360,000,000.00
Mortgaged borrowings (Remark 2)	1,170,507,147.60	2,965,848,347.90
Guaranteed borrowings (Remark 3)		2,075,298,641.13
Fiduciary borrowings	6,329,875,774.38	1,450,244,586.42
Sub-total of long-term borrowings maturing within one year	7,860,382,921.98	6,851,391,575.45
Bonds payable maturing within one year (Remark 4)	1,002,000,000.00	4,763,952,557.97
Other long-term liabilities maturing within one year (Remark 5)	1,257,091,666.65	2,000,000,000.00
Interest payable maturing within one year	214,097,881.80	
Total	10,333,572,470.43	13,615,344,133.42

Remark 1: See Note 8.64.2 for details.

Remark 2: See Note 8.64.1 for details.

Remark 3: See Note 10 for details.

Remark 4: Details of bonds payable maturing within one year are as follows:

Creditor	Balance as at December 31, 2019
15 Shenjiang Liang'an MTN001	1,000,000,000.00
Asset-backed Special Plan of CDB- Shanghai Land Phase I Public Rental Housing (Remark 4-1)	2,000,000.00
Total	1,002,000,000.00

Remark 4-1: The above bonds payable maturing within one year have corresponding pledge.
See Note 8.64.3 for details.

Remark 5: Breakdowns of other long-term liabilities maturing within one year are as follows:

Lending institution	Balance as at December 31, 2019
Pingan Asset Management Co., Ltd. (Remark 5-1)	756,068,055.54
Pacific Asset Management Co., Ltd. - Anhui Zhongxing City Creditor's Right Investment Plan	501,023,611.11
Total	1,257,091,666.65

Remark 5-1: The above other long-term liabilities maturing within one year have
corresponding guarantee. See Note 10 for details.

8.37 Other current liabilities

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Entrusted loans (Remark)	4,500,000,000.00	4,350,000,000.00
Output VAT to be carried forward	46,991,738.32	25,289,190.28
Others	2,235,169.93	1,969,349.00
Total	4,549,226,908.25	4,377,258,539.28

Remark: details of entrusted loans are as follows:

Borrower	Borrowing balance as at December 31, 2019	Term of borrowing	Annual interest rate
Shanghai Expo Land Holdings Co., Ltd.	4,000,000,000.00	From 3/26/2019 to 3/25/2020	4.35%
Shanghai Expo Land Holdings Co., Ltd.	500,000,000.00	From 10/29/2019 to 10/28/2020	4.35%
Total	4,500,000,000.00		

8.38 Long-term borrowings

Item	Balance as at December 31, 2019	Balance as at December 31, 2018	Interest rate range as at December 31, 2019
Pledged borrowings (Remark 1)	9,468,300,000.00	9,536,800,000.00	4.41%-5.05%
Mortgaged borrowings (Remark 2)	13,597,023,872.52	10,199,897,244.00	4.275%-6.98%
Guaranteed borrowings (Remark 3)	5,155,297,886.24	4,958,313,100.00	1.2%-6.55%
Fiduciary borrowings	8,533,754,900.55	10,672,358,808.01	0.00%-5.40%
Total	36,754,376,659.31	35,367,369,152.01	

Remark 1: See Note 8.64.2 for details.

Remark 2: See Note 8.64.1 for details.

Remark 3: See Note 10 for details.

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8.39 Bonds payable

Bond name (full name)	Issue date	Term of bond	Amount issued	Balance as at December 31, 2018	Increase in 2019			Decrease in 2019		Interest payable	Balance as at December 31, 2019	Pledge and guarantees
					Issue in 2019	Adjustment of interest on issue expenses	Interest withdrawn by par value	Premium and discount amortization	Repaid in 2019	Other decreases (Remark 1)		
15 Shenjiang Liang'an MTN001	2015-08-21	5 years 3+2	1 billion 3.7	1,000,000,000.00						1,000,000,000.00		
16 Zhongxing 01	2016-03-15	5 years 3+2	3 billion 0.5	3,697,695,863.01			137,972,409.85	2,304,136.99	329,760,000.00		19,372,409.85	Guarantee
17 Hu Expo MTN001	2017-08-21	5 years 3+2	1 billion	499,500,320.27				180,805.30			499,681,125.57	
18 Hu Property PPN001 (Remark 2)	2018-01-24	3 years 3+2	3 billion	3,000,000,000.00							3,000,000,000.00	
18 Hu Property PPN002 (Remark 2)	2018-03-27	3 years 3+2	2 billion	2,000,000,000.00							2,000,000,000.00	
18 Hu Property PPN003 (Remark 2)	2018-05-17	3 years 3+2	2 billion	2,000,000,000.00							2,000,000,000.00	
18 Hu Property PPN004 (Remark 2)	2018-09-06	3 years 3+2	1 billion	1,000,000,000.00							1,000,000,000.00	
19 Hu Property PPN001 (Remark 2)	2019-11-20	3 years 3+2	1 billion		1,000,000,000.00						1,000,000,000.00	
First debt financing plan of 2018 of Shanghai Land (Group) Co., Ltd.	2018-10-08	3 years	1.62 billion	1,620,000,000.00							1,620,000,000.00	
First debt financing plan of 2019 of Shanghai Land (Group) Co., Ltd.	2019-06-10	3 years	0.3 billion		300,000,000.00						300,000,000.00	
Hu Property 1A (Remark 3)	2019-01-24	24.52 years	1.71 billion		1,710,000,000.00					2,000,000.00	1,708,000,000.00	Pledge
Hu Property 1C (Remark 3)	2019-01-24	24.77 years	90 million		90,000,000.00						90,000,000.00	Pledge
19 Zhongqi 01 (Remark 4)	2019-06-05	3 years 3+2	3.15 billion		3,150,000,000.00	-9,137,971.69	78,836,301.37	1,750,703.68			3,142,612,731.99	Guarantee
19 Zhongqi 02 (Remark 4)	2019-11-14	3 years 3+2	1.52 billion		1,520,000,000.00	-5,570,943.39	8,335,430.14	241,273.16			1,514,670,329.77	Guarantee
19 China Enterprise MTN001 (Remark 5)	2019-11-22	3 years	1 billion		1,000,000,000.00	-7,500,000.00	4,284,931.51	258,905.99			992,758,905.99	
Total				14,817,196,183.28	8,770,000,000.00	-22,208,915.08	229,429,072.87	4,735,825.12	329,760,000.00	1,002,000,000.00	111,029,072.87	22,356,363,093.32

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Remark 1: Other decreases refer to the bonds payable due in 2020 and transferred to non-current liabilities maturing within one year at the end of the year.

Remark 2: On December 12, 2017, the Company received the document (ZSXZ [2017] No. 915) issued by National Association of Financial Market Institutional Investors, reducing the registered quota of the Company's directed debt financing instruments to RMB 9 billion upon examination. 9 billion of instruments has been successfully issued at an interest rate of 3.88%-5.50%.

Remark 3: On January 24, 2019, the Company issued the asset-backed special plan of CDB- Shanghai Land Phase I Public Rental Housing by transferring the rental income right to the trust, which transferred the income right to the structured subject, and then the structured subject issued asset-backed securities to investors, with an issuance scale of RMB 1.8 billion. Among them, there are RMB 1.71 billion of priority securities (with the abbreviation of Hu Property 1A) with the annual interest rate of 4.48%, and RMB 90 million of junior securities (with the abbreviation of Hu Property 1C). The Company held all the junior securities of this product. The above bonds payable have corresponding pledge. See Note 8.64.3 for details.

Remark 4: On June 5, 2019, the subsidiary China Enterprise Company Limited completed the first non-public offering of corporate bonds with the total funds raised of RMB 3.15 billion and the term of 5 years. It has issuer nominal interest rate adjustment option at the end of the third year and the option of redeeming the bonds in advance by investors. The nominal interest rate is 4.35% with interest paid annually and principal repaid at one time. On November 14, 2019, the second non-public offering of corporate bonds was completed with the total funds raised of RMB 1.52 billion and the term of 5 years. It has issuer nominal interest rate adjustment option at the end of the third year and the option of redeeming the bonds in advance by investors. The nominal interest rate is 4.17% with interest paid annually and principal repaid at one time. The above bonds payable have corresponding guarantee. See Note 10 for details.

Remark 5: On November 22, 2019, the subsidiary China Enterprise Company Limited issued 2019 phase I medium term note, with the abbreviation of "19 China Enterprise MTN001", the code of 101901592, the term of 3 years, issue scale of RMB 1 billion, and the issue interest rate of 3.91%. The due date is November 22, 2022. It has no guarantee.

8.40 Long-term payables

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Long-term payables	3,588,566,212.33	158,156,610.20	30,456,732.99	3,716,266,089.54
Special payables	41,332,631,495.92	1,881,949,001.58	1,833,163,735.33	41,381,416,762.17
Total	44,921,197,708.25	2,040,105,611.78	1,863,620,468.32	45,097,682,851.71

8.40.1 Long-term payables

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Land reserve relocation of SR Investment	1,797,200,000.00	1,642,200,000.00
Compensation for reduction of land rights and interests of Shenjiang Group	1,435,967,189.85	1,456,303,221.68
Compensation for land acquisition and storage of Shenjiang Group	94,097,502.52	94,145,502.52
Financial advances of Building Materials Group	94,993,475.66	94,993,475.66
Accounts between enterprises of Building Materials Group	90,496,782.56	90,496,782.56
Funds for internal support personnel of Building Materials Group	15,828,620.74	15,828,620.74
24 Energy-saving funds of Building Materials Group	3,442,120.31	3,442,120.31
Maintenance funds for commercial housing community	87,855,491.22	89,171,582.18
Finance lease	62,700,000.00	68,300,000.00
Subsidies from developers	24,475,906.68	24,475,906.68
Others	9,209,000.00	9,209,000.00
Total	3,716,266,089.54	3,588,566,212.33

8.40.2 Special payables

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Appropriation fund for agent construction project of SR Group	31,548,953,000.00	31,393,437,200.00
Special funds for Shanghai Rainbow land reserve	4,952,651,871.85	5,404,851,317.91
Government debt repayment funds of SR Group	1,440,000,000.00	1,440,000,000.00
Accrued supporting costs for plot development along Huangpu River	1,290,568,451.50	1,290,568,451.50
Special funds for New Development Bank Project of BRICS	617,038,125.53	264,927,643.39
929 Project Special Funds	532,750,653.00	
Special development funds of Minhang Development Zone	242,965,599.56	242,231,349.36
Special funds for Expo Culture Park Project	232,000,000.00	
Special subsidy funds for small and medium-sized enterprises	129,608,595.48	115,691,411.25

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Other special finance fund	340,471,934.10	398,255,591.36
Special financial subsidies for Nanzhan Project of House Real Estate Sponson Company	54,408,531.15	454,408,531.15
Special financial subsidies for Shiliupu Phase II Project		328,260,000.00
Total	41,381,416,762.17	41,332,631,495.92

8.41 Estimated liabilities

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Liquidated damages of transfer of Chunri equity (Remark 1)	48,267,393.75	48,267,393.75
Estimated personnel dispersion expenses of Building Materials Group	44,370,000.00	44,370,000.00
Estimated incentive expenses	5,000,000.00	10,000,000.00
Pending litigation (Remark 2)	6,000,000.00	13,742,800.00
Others	9,307,316.44	9,307,316.44
Total	112,944,710.19	125,687,510.19

Remark 1: See Note 15.7 for details.

Remark 2: See 9.2.2 (1) for important pending litigation.

8.42 Deferred income

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Special subsidies for Nanzhan Project of House Real Estate Sponson Company	940,828,596.35		55,072,893.48	885,755,702.87
Special financial subsidies for public lease houses of House Real Estate Sponson Company and part of its subsidiaries	526,821,746.75		37,001,978.04	489,819,768.71
Comprehensive subsidies for Shiliupu Plot of Shenjiang Group	712,107,289.33		20,690,768.64	691,416,520.69

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Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Bund transportation hub of Shenjiang Group	400,608,195.96		11,639,947.26	388,968,248.70
Acquisition subsidies for Shanghai Bank Tower of Shenjiang Group	270,109,473.18		7,848,217.20	262,261,255.98
Zhongshan East No.2 Road Underground Space of Shenjiang Group	225,425,905.39		6,549,905.58	218,875,999.81
Deferred income from demolition subsidies for Jiyang Plant, Building Materials Group	436,792,411.68		50,648,430.24	386,143,981.44
Special subsidies for Expo Culture Park	280,000,000.00	500,000,000.00		780,000,000.00
Dongmen Road Ferry Station Relocation Project and Integrated Reconstruction Phase II of Shiliupu Area	2,391,891.59	328,260,000.00	11,143,329.36	319,508,562.23
Other government grants	363,775,413.25	44,634,831.93	39,997,469.81	368,412,775.37
Others (Remark)		81,321,522.63		81,321,522.63
Total	4,158,860,923.48	954,216,354.56	240,592,939.61	4,872,484,338.43

Remark: Others refer to the loans to associates and interest charged on funds and corresponding internal profits were offset according to shareholding ratio. Interest income is calculated according to the shareholding ratio, and the profit or loss from long-term equity investments is reduced. As the balance of long-term equity investments has been written down to zero, the excess unrealized internal profit is reclassified to deferred revenue.

8.43 Other non-current liabilities

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
Special compensation reserve of small and medium-size enterprises (Remark 1)	853,755,872.44	885,762,487.55
Unearned premium reserves of houses	763,981,533.15	850,758,945.60
Housing guarantee risk management fees (Remark 2)	198,342,022.05	198,022,276.27
Risk reserves of stock provident fund (Remark 3)	35,850,293.17	35,778,877.71
Risk reserves for car loan business	22,647,286.80	9,205,186.80
Risk reserves for auction loan business	1,700,000.00	
Guarantee compensation reserve of small and medium-size enterprises (Remark 4)	1,063,421.42	555,000.00
Unearned premium reserves of small and medium-size enterprises	263,116.16	160,615.00
Special collection of Lingang hidden debts (Remark 5)	1,238,500,000.00	203,000,000.00
Capital principal of shareholding association (Remark 6)	121,116,972.57	121,116,972.57
Agency fund	105,683,386.85	94,636,087.46
Agent construction project	80,704,150.94	80,257,697.66
Hangzhou Bay Emerging Industrial Park Project (Remark 7)	64,477,675.30	64,477,675.30
Creditor's right plan maturing over one year (Remark 8)	6,600,000,000.00	7,100,000,000.00
Trust plan maturing over one year		755,990,284.20
Total	10,088,085,730.85	10,399,722,106.12

Remark 1: It refers to the special guarantee compensation reserve accrued by the subsidiary Shanghai House Real Estate Sponson Co., Ltd., and its subsidiary Shanghai United Financing Guarantee Co., Ltd. according to the market risk of financing guarantee business. The ending balance mainly refers to the special reserve accrued in full for the part that has not been disposed of or recovered for many years.

Remark 2: It refers to the guarantee risk management fee allocated by Shanghai Provident Fund Management Center to the subsidiary Shanghai House Real Estate Sponson Co., Ltd., which is used for the risk reserves of provident fund loans and payment of costs incurred in daily risk management such as risk control before and during loans and after-loan risk management.

Remark 3: It refers to the risk reserve allocated by Shanghai Provident Fund Management Center to the subsidiary Shanghai House Real Estate Sponson Co., Ltd. for the risk reserves for the stock part of provident fund loans.

Remark 4: It refers to the guarantee compensation reserve accrued by Shanghai United Financing Guarantee Co., Ltd. under the subsidiary Shanghai House Real Estate Sponson Co., Ltd. according to 1% of the balance of guarantee liabilities of the financing guarantee business at the end of the year.

Remark 5: See Note 15.16 for details.

Remark 6: See Note 15.11 for details.

Remark 7: Shanghai Hangzhou Bay Emerging Industries Development Co., Ltd. under the subsidiary Shanghai Land Minhong (Group) Co., Ltd. was authorized by Shanghai Municipal Land Reserve Center to conduct early-stage land development for Shanghai Hangzhou Bay Emerging Industrial Park Project and it had received the project advances from Shanghai Municipal Land Reserve Center.

Remark 8: Creditor's right plans maturing over one year are as follows:

Issuer	Trust institution	Product plan	Balance as at December 31, 2019	Balance as at January 1, 2019
Shanghai Land (Group) Co., Ltd.	Pacific Insurance Co., Ltd.	Pacific - Shanghai Public Leasing House Project Creditor's Right Investment Plan (Remark 8-1)	4,000,000,000.00	4,000,000,000.00
Shanghai Land (Group) Co., Ltd.	Changjiang Pension Insurance Co., Ltd.	Changjiang Pension - Shanghai Land Sanlin Shanty Town Reconstruction Creditor's Right Investment Plan (Remark 8-1)	1,600,000,000.00	1,600,000,000.00
Shanghai Land (Group) Co., Ltd.	Changjiang Pension Insurance Co., Ltd.	Changjiang Pension - Shanghai Land Sanlin Shanty Town Reconstruction Creditor's Right Investment Plan (Remark 8-1)	1,000,000,000.00	1,000,000,000.00
Shanghai Star Group Co., Ltd.	Pacific Asset Management Co., Ltd.	Pacific - Anhui Zhongxing City Creditor's Right Investment Plan		500,000,000.00
Total			6,600,000,000.00	7,100,000,000.00

Remark 8-1: The above creditor's right plans have corresponding guarantee. See Note 10.2.2 for details.

8.44 Paid-in capital

Name of investor	Balance as at January 1, 2019		Increase in 2019	Decrease in 2019	Balance as at December 31, 2019	
	Investment amount	Proportion			Investment amount	Proportion
Shanghai State-owned Assets Supervision and Administration Commission	4,200,000,000.00	100.00%	25,800,000,000.00		30,000,000,000.00	100.00%
Total	4,200,000,000.00	100.00%	25,800,000,000.00		30,000,000,000.00	100.00%

Remark: According to the resolution of the 8th board of directors of the Company (HDDJY [2019] No. 08) in 2019 made on July 22, 2019, the proposal on the conversion of capital reserves into registered capital is adopted. On September 27, 2019, Shanghai State-owned Assets Supervision and Administration Commission issued the Document (HGZWCQ [2019] No. 266): *Official Reply of Shanghai State-owned Assets Supervision and Administration Commission to the Approval of Shanghai Land (Group) Co., Ltd. on the Conversion of Capital Reserves into Registered Capital*, it is agreed that Shanghai Land would increase the capital reserves from RMB 4.2 billion to RMB 30 billion through converting capital reserves.

8.45 Capital reserves

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
1. Capital premium (share premium) (Remark)	43,445,042,093.16	1,182,006,466.17	27,925,315,341.52	16,701,733,217.81
2. Other capital reserves				
(1) Other changes in owners' equity of the investee other than net profit or loss	647,988,591.13	23,542,024.29	29,205,983.07	642,324,632.35
(2) Increase in assets appraisal	264,311,082.67			264,311,082.67
(3) Special finance	1,566,563,921.93	7,730.51		1,566,571,652.44
(4) Other capital reserves	202,719,533.59	2,054,898.52		204,774,432.11
Sub-total	2,681,583,129.32	25,604,653.32	29,205,983.07	2,677,981,799.57
Total	46,126,625,222.48	1,207,611,119.49	27,954,521,324.59	19,379,715,017.38

Remark: Details of changes of capital premiums in 2019:

Notes to changes of capital premiums	Increase in 2019	Decrease in 2019
State-owned capital funds allocated by the State-owned Assets Supervision and Administration Commission	1,100,000,000.00	
88.24% equity of property market company allocated by Shanghai State-owned Assets Supervision and Administration Commission (Remark 1)	24,428,145.55	
2% equity of guarantee company allocated by Shanghai State-owned Assets Supervision and Administration Commission (Remark 1)	44,317,440.88	
100% equity of Kaixin Company allocated by Shanghai State-owned Assets Supervision and Administration Commission (Remark 1)	525,545.88	
26% equity of property information technology company allocated by Shanghai State-owned Assets Supervision and Administration Commission (Remark 1)	273,040.30	
10% equity of Tuofang Company allocated by Shanghai State-owned Assets Supervision and Administration Commission (Remark 1)	12,462,293.56	
Conversion of capital reserves into paid-in capital (Remark 2)		25,800,000,000.00
Difference between the consideration arising from the acquisition of minority equity by Minhong Company and net asset shares (Remark 3)		2,125,315,341.52
Total	1,182,006,466.17	27,925,315,341.52

Remark 1: See Note 12.3 for details.

Remark 2: See Note 8.44 for details.

Remark 3: According to the document (HDC [2019] No. 176) of the Company, Shanghai Land Minhong (Group) Co., Ltd., a subsidiary, acquired 35% minority equity of its subsidiary Shanghai Minhang Union Development Co., Ltd. and 50% of its subsidiary Shanghai Hongqiao Economic and Technological Development Zone Union Development Co., Ltd. at the price of RMB 4,265,400,800. The difference between the consideration paid and the net asset share is RMB 2,125,315,300, which offsets the capital reserves (capital premiums).

8.46 Special reserves

Item	Balance as at January 1, 2019	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019	Remark
Work safety expenses	9,976,128.32	1,094,361.00	1,154,062.69	9,916,426.63	
Total	9,976,128.32	1,094,361.00	1,154,062.69	9,916,426.63	—

Remark: Shanghai Bright Intelligent Curtain Wall Co., Ltd. under the subsidiary Shanghai Building Materials Group Co., Ltd. accrued 2% of the revenue from labor services as work safety costs. Safety-related equipment inspection and protection expenses are draw down in work safety costs.

8.47 Surplus reserves

Item	Balance as at December 31, 2018	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Statutory surplus reserves	2,100,000,000.00	319,669,655.16		2,419,669,655.16
Total	2,100,000,000.00	319,669,655.16		2,419,669,655.16

8.48 Undistributed profits

Item	Year 2019	Year 2018
Beginning undistributed profits disclosed in the previous year	25,450,121,421.51	19,737,020,984.68
Beginning undistributed profits adjusted in the current year (Remark)	-60,709,673.32	
Beginning undistributed profits in the current year after adjustment	25,389,411,748.19	19,737,020,984.68
Increase in the current period	6,472,658,103.02	6,676,495,918.20
Including: net profit transferred in the current period	6,472,658,103.02	6,676,495,918.20
Other adjustment factors		
Decrease in the current period	956,342,954.16	963,395,481.37
Less: withdrawal of statutory surplus reserves	319,669,655.16	313,001,765.96
Withdrawal of general risk reserves		
Withdrawal of employee bonus and welfare fund	323,884.00	17,190,602.41
Withdrawal of reserve funds		
Withdrawal of enterprise expansion funds		
Profit capitalized on return of investments		
Preferred stock dividends payable		
Withdrawal of discretionary surplus reserves		
Common stock dividends payable	636,349,415.00	633,203,113.00
Common stock dividends transferred to share capital		
Ending undistributed profits in the current period	30,905,726,897.05	25,450,121,421.51

Remark: As the joint venture of the subsidiary China Enterprise Co., Ltd., and Shanghai Yaohua Pilkington Glass Group Co., Ltd. and Shanghai Rainbow Investment Corp under the subsidiary Shanghai Building Materials (Group) Co., Ltd. implemented the new financial instrument standards, the financial statements were adjusted accordingly, which affected RMB -60.7097 million of the undistributed profit at the beginning of the year.

8.49 Operating revenue and operating costs

Item	Year 2019			Year 2018		
	Primary business	Other business	Sub-total	Primary business	Other business	Sub-total
Operating revenue	30,661,048,418.10	635,181,256.27	31,296,229,674.37	47,812,245,151.55	302,235,171.59	48,114,480,323.14
Operating costs	17,341,700,898.63	493,107,850.40	17,834,808,749.03	27,729,684,848.46	213,182,572.19	27,942,867,420.65
Operating profits	13,319,347,519.47	142,073,405.87	13,461,420,925.34	20,082,560,303.09	89,052,599.40	20,171,612,902.49

8.49.1 Revenue and costs from primary business

Item	Year 2019		Year 2018	
	Revenue from primary business	Costs of primary business	Revenue from primary business	Costs of primary business
(1) Real estate industry	19,013,174,995.62	8,661,820,270.76	36,400,571,668.41	18,714,611,942.92
(2) Tourism catering service industry	451,016,209.68	303,978,460.49	480,902,791.10	309,693,357.18
(3) Revenue from guarantee service	139,350,961.20	65,171,504.82	133,383,927.44	65,245,282.78
(4) Sales of building materials	6,140,681,262.24	5,131,971,855.48	5,882,825,914.88	5,114,955,158.45
(5) Project construction	907,009,875.83	700,122,126.02	1,365,005,675.51	1,158,967,297.60
(6) Land compensation	471,749,455.31	7,172,665.97	148,885,338.30	34,843,810.04
(7) Lease and site use fee	2,265,190,879.46	1,375,336,743.65	2,139,296,432.15	1,258,011,686.14
(8) Property management	775,201,846.83	751,665,167.78	772,792,331.23	767,823,356.08
(9) Revenue from agent construction management fees	44,559,427.72	9,608,615.81	100,754,796.09	13,505,001.16
(10) Real estate agency and consulting	17,004,974.13	6,145,382.33	2,709,608.36	1,653,396.22
(11) Others	436,108,530.08	328,708,105.52	385,116,668.08	290,374,559.89
Total	30,661,048,418.10	17,341,700,898.63	47,812,245,151.55	27,729,684,848.46

8.49.2 Revenue and costs from other business

Item	Year 2019		Year 2018	
	Revenue from other business	Costs of other businesses	Revenue from other business	Costs of other businesses
(1) Sales of materials	108,010,047.57	16,804,195.93	73,554,231.15	25,555,188.18
(2) Lease and site use fee	156,907,684.95	182,731,460.20	51,232,858.85	81,059,032.17
(3) Revenue from labor services	12,273,456.22	7,154,049.96	23,459,352.37	1,523,352.67
(4) Muck disposal service	247,246,410.27	240,946,440.46	51,519,777.38	51,364,550.48
(5) Others	110,743,657.26	45,471,703.85	102,468,951.84	53,680,448.69
Total	635,181,256.27	493,107,850.40	302,235,171.59	213,182,572.19

8.50 Selling and distribution expenses, general and administrative expenses, research and development costs and financial expenses

8.50.1 Selling and distribution expenses

Item	Year 2019	Year 2018
1. Packaging costs	6,446,097.94	4,451,424.44
2. Transportation costs	119,159,354.13	95,334,362.31
3. Handling expenses	71,272.00	337,253.00
4. Warehousing and custodian fees	14,856,013.38	13,211,973.51
5. Insurance premiums	18,747.80	10,315.87
6. Exhibition fees	9,357,991.18	8,196,320.18
7. Advertising expenses	17,348,310.37	75,143,127.15
8. Sales and service fees	188,654,446.99	146,645,986.29
9. Employee compensation	218,306,830.18	201,525,771.98
Including: wages	187,550,739.48	156,970,398.73
Welfare expenses	4,193,464.66	5,108,128.65
10. Business expenditures	243,760.00	122,753.01
11. Depreciation expenses	1,611,253.99	2,338,249.94
12. Repair expenses	5,262,425.12	11,135,430.71
13. Sample and product losses	1,696,562.49	1,763,652.95
14. Rental fees	7,648,776.41	5,768,709.79
15. Others	141,354,807.21	145,588,088.22
Total	732,036,649.19	711,573,419.35

8.50.2 General and administrative expenses

Item	Year 2019	Year 2018
1. Employee compensation	1,339,946,549.97	1,282,707,889.48
Including: wages	968,206,388.95	923,549,496.18
2. Depreciation expenses	100,549,978.11	109,933,411.87
3. Entertainment expenses	9,023,734.81	8,824,341.18
4. Business-trip expenses	25,796,779.23	28,062,371.40
5. Office costs	58,177,377.90	42,390,940.16
6. Amortization intangible assets	8,675,368.09	6,564,581.05
7. Rental fees	113,198,927.72	105,986,999.23
8. Cost of hiring intermediaries	76,693,077.04	71,087,398.97
9. Funds for Party construction	911,630.24	527,655.00
10. Others	330,492,063.22	285,863,483.30
11. Conference expenses	2,394,168.08	2,046,440.15
12. Insurance premiums	3,943,923.03	4,371,762.67
13. Consulting fees	43,669,559.25	70,088,877.81
14. Unearned reserve	-103,031,004.98	-67,812,207.67
15. Information costs	344,353.28	450,082.62
Total	2,010,786,484.99	1,951,094,027.22

8.50.3 Research and development expenses

Item	Year 2019	Year 2018
Employee compensation	79,579,802.73	80,136,927.42
Depreciation expenses	14,988,375.00	14,166,822.07
Others	119,051,956.03	85,003,477.04
Total	213,620,133.76	179,307,226.53

8.50.4 Financial expenses

Item	Year 2019	Year 2018
Interest expenses	2,654,634,228.57	2,649,118,997.59
Less: interest income	851,131,392.51	682,176,275.73
Profit or loss on exchange	8,101.46	-2,859,986.94
Handling charges	54,871,400.89	41,684,757.43
Total	1,858,382,338.41	2,005,767,492.35

8.51 Other income

Item	Year 2019	Year 2018
Deferred income from demolition subsidies for Jiyang Plant, Building Materials Group	50,648,430.24	50,980,916.76
Comprehensive subsidies for Shiliupu Plot of Shenjiang Group	20,690,768.67	20,690,768.64
Development support funds of Expo District Development Management Committee, Pudong New Area for Shenjiang Group	18,865,064.72	86,594,000.00
Bund transportation hub of Shenjiang Group	11,639,947.22	11,639,947.68
Shenjiang Group Integrated Reconstruction Phase II of Shiliupu Area (East to Zhongshan East No.2 Road)	11,073,831.31	
Others government grants	65,937,498.31	76,693,879.60
Total	178,855,540.47	246,599,512.68

8.52 Investment income

Item	Year 2019	Year 2018
Long-term equity investment income calculated under the cost method		
Income from long-term equity investments calculated under equity method (Remark 2)	273,701,229.60	385,589,212.93
Investment income from disposal of long-term equity investments (Remark 1)	2,211,700,202.64	582,107,389.19
Investment income during the period of holding financial assets measured at fair value through current profit or loss	6,232.83	1,047,507.50
Investment income during the period of holding held-to-maturity investments		892,930.99
Investment income during holding the available-for-sale financial assets	1,036,627,682.49	862,509,367.13
Investment income from disposal of financial assets measured at fair value through the current profit or loss	5,810,229.91	
Investment income from disposal of held-to-maturity investments		
Investment income gained from disposing the available-for-sale financial assets	5,966,482.04	38,297,816.46
Income from entrusted loans	426,199,563.36	364,227,723.35
Gains from the re-measurement of the remaining equity at fair value after the loss of control (Remark 3)	2,071,503,747.77	
Other investment income	217,271,248.08	67,402,457.59
Investment income from trading financial assets during the holding period	939,957.97	

Item	Year 2019	Year 2018
Investment income from disposal of trading financial assets	7,068,222.58	
Investment income of other non-current financial assets during the holding period	13,750.00	
Total	6,256,808,549.27	2,302,074,405.14

Remark 1: Investment income from disposal of long-term equity investments in 2019:

Investee	Investee	Gains from disposal
Shanghai Land (Group) Co., Ltd.	Shanghai Fupu Binjiang Development&Construction Investment Co., Ltd. (Remark 1-1)	918,769,587.85
Shanghai Land (Group) Co., Ltd.	Shanghai Fuying Binjiang Development&Construction Investment Co., Ltd. (Remark 1-1)	510,527,311.18
Shanghai Land (Group) Co., Ltd.	Shanghai Fuzhou Binjiang Development&Construction Investment Co., Ltd. (Remark 1-1)	753,858,851.48
Total		2,183,155,750.51

Remark 1-1: See Note 7.5.2.(4) for details.

Remark 2: For long-term equity investment accounted for under the equity method, the fact and reason that the investment profit or loss are directly calculated and recognized by the net book profit or loss of the investee:

Name of the investee	Shareholding ratio	Net book profit or loss in 2019	Investment income recognized in 2019
Shanghai Bund Binjiang Comprehensive Development Co., Ltd.	50.00%	203,780,293.07	101,890,146.54
Shanghai Xuhui Binjiang Development Investment Construction Co., Ltd.	50.00%	24,201.77	12,100.89
Shanghai Huangpu River Dong'an Development Investment Co., Ltd.	50.00%	2,490,799.45	1,245,399.72
Anting New Gubei (Shanghai) Construction Development Co., Ltd.	50.00%	-1,203,252.16	-601,626.08
Shanghai Lihao Property Management Co., Ltd.	50.00%	637,248.30	318,624.15
Shanghai Yingkou Gas Station Co., Ltd.	50.00%	2,553,882.26	1,276,941.13
Shanghai Kangjian Gas Co., Ltd.	50.00%	1,803,777.60	901,888.80
Shanggang Market Operation and Management Co., Ltd., Pudong New Area, Shanghai	50.00%	3,352,730.70	1,676,365.35
Hubei Chengda Galaxy Data Technology Co., Ltd.	62.00%	-210,212.79	-130,331.93
Shanghai International Exhibition Center Co., Ltd.	50.00%	1,307,383.17	653,691.58
Shanghai Xingnan Real Estate Co., Ltd.	50.00%	1,880.14	940.07
Shanghai Financial Industry Investment Co., Ltd. (Remark 2-5)			
Shanghai Xinshenhui Property			

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Name of the investee	Shareholding ratio	Net book profit or loss in 2019	Investment income recognized in 2019
Management Co., Ltd. (Remark 2-5)			
Shanghai Land Xiangyue Construction Development Co., Ltd.	50.00%	-15,269,682.58	-7,634,841.29
Shanghai Chengding Yangzi Equity Investment Fund Manage Partnership (Limited Partnership)	16.25%	-1,469,091.62	-238,727.39
Shanghai Chengding Yangzi Investment Partnership (Limited Partnership)	19.44%	57,316,977.27	11,140,299.65
Shanghai Chengding Yangzi Investment Management Partnership (Limited Partnership)	14.58%	9,445,087.09	2,252,441.13
Shanghai Chengding Yangzi Investment Partnership (Limited Partnership)	19.90%	24,678,976.27	4,911,239.68
Shanghai Huangpu Urban Renewal Construction Development Co., Ltd.	60.00%	-642,300.00	-385,380.00
Shanghai Jing'an Urban Renewal Investment Development Co., Ltd.	60.00%	-103,833.33	-62,300.00
Shanghai Yangpu Urban Renewal Construction Development Co., Ltd.	60.00%	-250,000.00	-150,000.00
Shanghai Hongkou Urban Renewal Construction Development Co., Ltd.	60.00%	-590,000.00	-354,000.00
Shanghai Xinghuadi Hotel Management Co., Ltd.	30.00%	-3,748,974.48	-1,124,692.35
Qihua Co., Ltd. (Remark 2-3)	40.00%	5,356,739.07	2,071,567.30
Shanghai Land North Investment Development Co., Ltd.	45.00%	5,054,966.47	2,274,734.92
Shanghai Songjiang Xincheng Construction Development Co., Ltd.	48.00%	94,018,527.37	45,128,893.14
Shanghai Chenjia Town Construction Development Co., Ltd.	24.50%	1,351,291.89	331,066.51
Shanghai Expo Land Holdings Co., Ltd. (Remark 2-1)	41.28%	484,632,340.91	272,082,242.99
Shanghai Land Xinghong Real Estate Development Co., Ltd.	20.00%	-263,360.28	-52,672.06
Shanghai Pudong Binjiang Development Construction Investment Co., Ltd.	40.00%	74,245,585.13	29,698,234.05
Shanghai Land Longyang Property Development Co., Ltd. (Remark 2-1)	45.00%	-12,207,367.13	-137,024,048.21
Shanghai Fupu Binjiang Development&Construction Investment Co., Ltd. (Remark 2-1)	49.00%	-4,189,024.77	-10,042,135.88
Shanghai Fuying Binjiang Development&Construction Investment Co., Ltd. (Remark 2-1)	49.00%	-1,701,857.52	-4,589,633.60
Shanghai Fuzhou Binjiang Development&Construction Investment Co., Ltd. (Remark 2 -1)	49.00%	-89,521,171.99	-43,865,374.28
Shanghai Urban Real Estate Information Technology Co., Ltd.	26.00%	17,837.16	4,637.66

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Name of the investee	Shareholding ratio	Net book profit or loss in 2019	Investment income recognized in 2019
Shanghai International Automobile City Real Estate Co., Ltd.	20.00%	359,616,239.51	71,923,247.90
Shanghai Suzuan Investment Co., Ltd.	20.00%	-1,863,182.40	-372,636.48
Shanghai Tongxin Investment Co., Ltd.	20.00%	-2,558,063.64	-511,612.73
Shanghai Pudong Jinxin Real Estate Development Co., Ltd. (Remark 2-5)			7,633,757.17
Shanghai Yingli Real Estate Co., Ltd.	50.00%	-1,154,303.05	-577,151.53
Shanghai Chunri Real Estate Co., Ltd. (Remark 2-1)	50.00%	4,563,025.50	-119,346,894.30
Shanghai Qiaojian Zhonglian Enterprise Development Co., Ltd.	49.00%	4,586,777.55	2,247,521.00
Shanghai Xingxin Real Estate Development Co., Ltd. (Remarks 2-1 & 2)	40.00%	-20,467,339.04	-5,355,865.67
Shanghai Xingzhu Real Estate Development Co., Ltd.	40.00%	4,856.02	1,942.41
Shanghai Hongcheng Real Estate Co., Ltd.	25.00%	-3,374,815.01	-843,703.75
Shanghai Hengcheng Real Estate Development Co., Ltd.	25.00%	185,714.83	46,428.71
Shanghai Deshang Real Estate Development Co., Ltd.	32.00%	48,211,251.83	15,427,600.59
Shanghai Innovation E-commerce Integration Service Platform Co., Ltd.	25.00%	-1,250,292.15	-275,917.35
Shanghai Daze Internet Technology Co., Ltd. (Remark 2-2)	13.42%	-1,458,141.44	
Shanghai PepsiCo. Inc. (Remark 2-3)	46.00%	142,637,383.91	65,610,896.60
Nanjing Pepsi Beverages Co., Ltd. (Remark 2-3)	46.00%	24,442,519.32	11,241,258.89
Shanghai Lanbo High-voltage Technology Device Co., Ltd.	25.00%	327,748.89	81,937.22
Shanghai Xintiandi Real Estate Development Co., Ltd.	25.00%	-62,766.45	-15,691.62
Shanghai Neobay Venture Capital Co., Ltd.	40.00%	2,696,296.45	1,078,518.59
SHUFE Science and Technology Industrial Park Co., Ltd.	24.00%	7,490,776.58	-108,323.76
Shanghai Hongqiao Youyi Mall Co., Ltd.	43.00%	-21,639,222.59	-10,005,928.26
Shanghai Yangzijiang Hotel Co., Ltd.	33.33%	-29,060,911.67	-9,817,053.40
Shanghai International Trade Center Co., Ltd.	22.50%	65,536,449.34	14,745,701.10
Shanghai Pacific Hotel Co., Ltd.	30.00%	-71,057,802.06	-21,317,340.61
Shanghai Hongqiao Commercial Development Company (Remark 2-6)	30.00%	117,157.93	
Shanghai Beicheng Trading Co., Ltd.	30.00%	-7,301.50	-2,175.43
Shanghai Shenneng Beach Wind Power Development Co., Ltd.	40.00%	51,298.03	20,519.21

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Name of the investee	Shareholding ratio	Net book profit or loss in 2019	Investment income recognized in 2019
Shanghai Songjiang Haoshijia Home Furnishing Market Management Co., Ltd.	30.00%	2,766,466.87	1,408,274.48
Shanghai Pujiang Tour Operation Service Co., Ltd.	25.00%		
Shanghai Expo Bailian Business Co., Ltd.	49.00%	-17,885,225.56	-8,763,760.53
Shanghai Expo Green Energy Development Co., Ltd.	30.00%		
Shanghai Shishi Petroleum Development Co., Ltd.	49.00%		
Shanghai Expo Dongdi Culture Development Co., Ltd.	30.00%	2,896,314.68	868,894.40
Shanghai Xinhongqiao Enterprise Co., Ltd.	40.00%	29,300.22	412,802.02
Shanghai Donggang Concrete Products Company (Remark 2-2 & 4)	40.00%		
Shanghai Allied Cement Limited	40.00%	36,991,568.82	15,433,514.41
Shanghai New Building Materials Rock Wool Co., Ltd.	49.00%	18,569,049.16	9,098,834.09
Shanghai Pulifa Residential Industry Co., Ltd.	42.00%	1,453,329.31	610,398.31
Shanghai Building Materials Group Energy Saving and Environmental Protection Technology Co., Ltd.	40.00%	76,637.91	30,655.16
Luanxian Xiaochuan Glass Silica Sand Co., Ltd. (Remark 2-2 & 4)	35.00%		
Beijing Fanhua Glass Co., Ltd. (Remark 2-2 & 4)	35.00%		
Shanghai Yaohua Nanotechnology Co., Ltd. (Remark 2-2 & 4)	25.00%		
Shanghai Wan'an Building Materials Management Company (Remark 2-5)	50.00%		
Shanghai SoYang Investment Management Co., Ltd. (Remark 2-1)	41.00%	-89,466,575.75	-27,186,470.28
Shanghai Hongqiao Business District New Energy Investment Development Co., Ltd.	49.00%	23,133,271.37	11,335,302.97
Shanghai Hongqiao Business District Energy Service Co., Ltd.	49.00%	7,238,516.76	3,546,873.21
Shanghai City Wonder Rental Housing Operation Management Co., Ltd. (Remark 2-1)	45.00%	-51,525,043.23	-25,476,600.07
Shanghai Ruituo Industrial Co., Ltd.	20.00%	45,272.92	9,054.58
Shanghai Hongqiao International Import & Export Logistics Co., Ltd.	40.00%	-1,878,174.60	-751,269.84
Total			273,701,229.60

Remark 2-1: For investees with accounting by the equity method, profits or losses from transactions with internal related parties have been offset in proportion to shareholding.

Remark 2-2: According to the equity method, the net assets of the investee are negative, and the book value of the company's long-term equity investment is zero; or the provision for impairment of long-term equity investments has been made in full.

Remark 2-3: If the investee accounted for under equity method is a foreign-invested enterprise, the corresponding investment income shall be calculated according to the net profit after deducting the accrued bonus fund.

Remark 2-4: As of the reporting date, the 2019 annual audit report of the investee accounted for by the equity method has not been obtained.

Remark 2-5: The investee accounted for under equity method has been disposed of or canceled.

Remark 2-6: RMB 3,087,400 of the other payables of Shanghai Hongqiao Commercial Development Co., Ltd. refers to the tax deferred in previous years. As Shanghai Hongqiao Commercial Development Co., Ltd. can't provide the basis for tax deferred payment, Shanghai Chengchang Certified Public Accountants Co., Ltd. issued an audit report with qualified audit opinions on the 2019 annual report of the company (HCKS [2020] No. 00062). As of December 31, 2019, the reasons for the retained items of the investee have not been eliminated, and the book amount of the Company's long-term equity investment has been zero.

Remark 3: Gains from the re-measurement of the remaining equity at fair value after the loss of control in 2019 mainly are:

Investee	Investee	Gains from disposal	Remaining equity
Shanghai Land (Group) Co., Ltd. (Remark 3-1)	Shanghai Fupu Binjiang Development&Construction Investment Co., Ltd.	893,819,018.37	49.00%
Shanghai Land (Group) Co., Ltd. (Remark 3-2)	Shanghai Fuying Binjiang Development&Construction Investment Co., Ltd.	495,537,682.32	49.00%
Shanghai Land (Group) Co., Ltd. (Remark 3-3)	Shanghai Fuzhou Binjiang Development&Construction Investment Co., Ltd.	682,147,047.08	49.00%
Total		2,071,503,747.77	

Remark 3-1: See Note 15.3 for details.

Remark 3-2: See Note 15.4 for details.

Remark 3-3: See Note 15.5 for details.

8.53 Gains from changes in fair value

Sources of the gains from changes in fair value	Year 2019	Year 2018
Financial assets measured at fair value through the current profit or loss	36,457.74	-18,863,786.32
Financial assets held for trading (applicable to new standards)	68,625,331.22	
Total	68,661,788.96	-18,863,786.32

8.54 Losses from credit impairment (applicable to new standards)

Item	Year 2019
Losses from bad debts	2,286,932.52
Total	2,286,932.52

8.55 Losses from impairment of assets

Item	Year 2019	Year 2018
Losses from bad debts	46,061,636.53	13,635,343.08
Losses from inventory depreciation	-68,281,830.88	-237,854,756.90
Losses from impairment of available-for-sale financial assets	-1,048,676.76	-8,281,228.80
Losses from impairment of investment properties	-122,700,000.00	
Losses from impairment of fixed assets	-34,564,408.62	-28,855,206.55
Others	-2,086,901.50	-9,779,482.40
Total	-182,620,181.23	-271,135,331.57

8.56 Income from asset disposal

Item	Year 2019	Year 2018	Amount included in non-recurring profit or loss in the current period
Gains from disposal of fixed assets	2,788,889.49	20,345,215.72	2,788,889.49
Gains from disposal of intangible assets	-1,866,382.37		-1,866,382.37
Gains from disposal of construction in progress	18,265,478.93		18,265,478.93
Gains from exchange of non-monetary assets			
Other income		17,860,832.95	
Total	19,187,986.05	38,206,048.67	19,187,986.05

8.57 Non-operating revenue

Item	Year 2019	Year 2018	Amount included in non-recurring profit or loss in the current period
Government grants irrelevant to these routine activities of the Company	127,492,452.00	188,886,930.53	127,492,452.00
Gains from inventory profit	35,654.07	10.01	35,654.07
Revenue from liquidated damages	13,722,119.25	8,481,474.18	13,722,119.25
Gains from the damage and scrapping of non-current assets	1,516.70	322,041.61	1,516.70
Special funds revenue of Minlian Company		8,395,719.18	
Others (Remark)	61,994,012.64	79,391,117.37	61,994,012.64
Total	203,245,754.66	285,477,292.88	203,245,754.66

Remark: "Others" mainly refer to the compensation of RMB 54,339,900.00 paid by Shanghai Chenjia Town Construction Development Co., Ltd. for objects on the operating land lot in Hill 1-9, Block 9, Qianshao Farm, Chongming contracted by Shanghai Land Agriculture Investment Development Co., Ltd., a subsidiary of Shanghai Beach Ecological Development Co., Ltd..

Government grants irrelevant to these routine activities of the Company are detailed as follows:

Item	Year 2019	Year 2018
Financial support funds	80,741,075.29	53,488,821.97
Special subsidy for China International Import Expo	13,423,450.00	
Government subsidies from the Municipal Xiaokang Office	11,034,000.00	13,878,300.00
Return of financial performance award	11,250,000.00	69,690,000.00
Tax returns	1,343,063.00	1,741,617.71
Energy-saving safety subsidy	1,443,200.00	5,310,087.00
Enterprise subsidies	766,088.13	4,647,211.87
Park incentives	498,300.00	2,735,000.00
Other government subsidies	6,993,275.58	11,941,702.98
Compensation for removal and relocation		25,454,189.00
Total	127,492,452.00	188,886,930.53

8.58 Non-operating expenses

Item	Year 2019	Year 2018	Amount included in non-recurring profit or loss in the current period
Donation outlay	31,173,726.26	3,996,672.92	31,173,726.26
Abnormal losses		8,709.90	
Inventory losses	12,625.00	260.03	12,625.00
Losses from the damage and scrapping of non-current assets	41,495,758.78	1,940,189.82	41,495,758.78
Expenditure on indemnity, liquidated damages and amercement outlay	18,953,966.09	24,675,242.43	18,953,966.09
Special funds expenses of Minlian Company		8,395,719.18	
Cost adjustment expenditures for government grants offset project		41,343,200.00	
Other expenses	58,486,016.92	44,708,677.74	58,486,016.92
Total	150,122,093.05	125,068,672.02	150,122,093.05

Remark: "Other expenses" mainly refers to the land-vacating work in Area C of the Expo Park to be completed by the subsidiary EXPO Shanghai (Group) Co., Ltd. according to the instructions from the Municipal Party Committee and the Municipal Government. As at December 31, 2019, a total of RMB 119,162,600.00 was spent on land reclamation, of which RMB 46,050,000.00 was incurred in 2019. All land reclamation work has not been completed yet.

8.59 Income tax expenses

8.59.1 Income tax expenses

Item	Year 2019	Year 2018
Current income tax expenses	2,207,524,836.24	4,200,360,183.27
Deferred income tax expenses	786,928,649.64	-1,389,989,624.69
Total	2,994,453,485.88	2,810,370,558.58

8.59.2 Adjustment process of accounting profit and income tax expenses

Item	Year 2019
Total profits	11,052,820,143.08
Income tax expenses calculated at statutory/ applicable tax rate	2,763,205,035.77
Effect of application of various tax rates by subsidiaries	-23,049,023.56
Effect of adjustments to the income tax for the prior years	315,915,105.51
Effect of non-taxable income	-679,152,061.88
Effect of non-deductible costs, expenses and losses	77,293,914.23
Effect of using the deductible losses related to deferred tax assets unrecognized in previous periods	-64,321,654.10
Effect of deductible temporary differences or losses from deferred income tax assets unrecognized in the current period	606,371,487.56
Others	-1,809,317.65
Income tax expenses	2,994,453,485.88