

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

8.60 Other comprehensive income attributable to owners of the parent company

8.60.1 All items of other comprehensive income and their influence on income tax and transfer to the profit or loss

Item	Year 2019			Year 2018		
	Pre-tax	Income tax	After-tax, net	Pre-tax	Income tax	After-tax, net
1. Other comprehensive income that cannot be reclassified into profit or loss later	215,600.00		215,600.00	58,800.00		58,800.00
(1) Changes arising from the re-measurement of net liabilities or net assets of defined benefit plan						
(2) Share enjoyed in other comprehensive income of the investee that cannot be reclassified into profit or loss under the equity method	215,600.00		215,600.00	58,800.00		58,800.00
2. Other comprehensive income that will be reclassified into profit or loss later	2,671,227,408.09	667,728,946.88	2,003,498,461.21	-3,213,391,596.30	-785,862,993.93	-2,427,528,602.37
(1) Share in the investees' other comprehensive income that will be reclassified into profit or loss under equity method	17,563.28	4,390.82	13,172.46	-47,391,827.38		-47,391,827.38
Less: amount						

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

Item	Year 2019			Year 2018		
	Pre-tax	Income tax	After-tax, net	Pre-tax	Income tax	After-tax, net
included in other comprehensive income in the prior period and transferred to the profit or loss in the current period						
Sub-total	17,563.28	4,390.82	13,172.46	-47,391,827.38		-47,391,827.38
(2) Profit or loss on changes in fair value of available-for-sale financial assets						
Less: amount included in other comprehensive income in the prior period and transferred to the profit or loss in the current period	3,390,924,408.15	847,731,102.04	2,543,193,306.11	-3,160,504,892.23	-784,400,981.32	-2,376,103,910.91
Sub-total	3,390,924,408.15	847,731,102.04	2,543,193,306.11	5,848,050.44	1,462,012.61	4,386,037.83
(3) Differences arising from translation of foreign-currency financial statements				-3,166,352,942.67	-785,862,993.93	-2,380,489,948.74
Less: amount included in other comprehensive income in the prior period and transferred to the profit or loss in the current period	311,620.58		311,620.58	353,173.75		353,173.75

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

Item	Year 2019			Year 2018		
	Pre-tax	Income tax	After-tax, net	Pre-tax	Income tax	After-tax, net
current period						
Sub-total	311,620.58		311,620.58	353,173.75		353,173.75
(4) Profit or loss from disposal of subsidiary through multiple transactions and by stages						
Less: amount included in other comprehensive income in the prior period and transferred to the profit or loss in the current period						
current period	720,026,183.92	180,006,545.98	540,019,637.94			
Sub-total	-720,026,183.92	-180,006,545.98	-540,019,637.94			
(5) Adjustment due to added-value assessment after enterprise restructuring (for the available value-added part)						
Less: amount included in other comprehensive income in the prior period and transferred to the profit or loss in the current period						
Sub-total	2,671,443,008.09	667,728,946.88	2,003,714,061.21	-3,213,332,796.30	-785,862,993.93	-2,427,469,802.37
Total						

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

8.60.2 Adjustment to items of other comprehensive income

Item	Share enjoyed in other comprehensive income of the investee that cannot be reclassified into profit or loss under the equity method	Share enjoyed in other comprehensive income of the investee to be reclassified into profits or losses under the equity method	Profit or loss from changes in fair value of available-for-sale financial assets	Differences arising from translation of foreign currency financial statements	Profit or loss from disposal of subsidiary through multiple transactions and by stages	Adjustment due to added-value assessment after enterprise restructuring (for the available value-added part)	Other comprehensive income Total
Balance as at January 1, 2018	-171,500.00	-17,760,502.36	7,677,765,431.15	8,474,633.86	540,019,637.94	15,563,340.97	8,223,891,041.56
Increases / decreases in 2018 ("-" for decreases)	58,800.00	-47,391,827.38	-2,380,489,948.74	353,173.75			-2,427,469,802.37
Balance as at December 31, 2018	-112,700.00	-65,152,329.74	5,297,275,482.41	8,827,807.61	540,019,637.94	15,563,340.97	5,796,421,239.19
Balance as at January 1, 2019	-112,700.00	-26,778,448.75	5,326,885,591.55	8,827,807.61	540,019,637.94	15,563,340.97	5,864,405,229.32
Increases/decreases in 2019 ("-" for decreases)	215,600.00	13,172.46	2,543,193,306.11	311,620.58	-540,019,637.94		2,003,714,061.21
Balance as at December 31, 2019	102,900.00	-26,765,276.29	7,870,078,897.66	9,139,428.19		15,563,340.97	7,868,119,290.53

8.61 Borrowing costs

Capitalized item in 2019	Capitalized item	Capitalization amount in 2019	Capitalization rate used to determine the capitalization amount of borrowing costs
Lingang municipal supporting facilities	Other non-current assets	2,420,965.42	4.35%-4.75%
Sub-total of other non-current assets		2,420,965.42	
Expo Green Valley Project	Construction in progress	12,323,569.72	4.41%
Tianjin Autoglass Production Line	Construction in progress	2,617,340.25	4.90%
Plot 11-3, Unit Z000101, Shanggang Community, Pudong New Area	Construction in progress	2,230,614.04	4.41%
Plot 15-01, Block 15, Unit Z0000301, South Wharf Community, Pudong New Area	Construction in progress	1,738,943.39	4.41%
Land reserves and workshop	Construction in progress	1,655,230.95	4.75%
Plot 10-2, Unit Z000101, Shanggang Community, Pudong New Area	Construction in progress	1,396,399.68	4.41%
Phase II Reconstruction of Shiliupu Project	Construction in progress	1,212,521.82	4.90%
Plot 06-05, Binjiang Unit, South Wharf Street, Pudong New District	Construction in progress	888,375.85	4.41%
Plot III-T01-A02-02, Unit G1MH-0001, Hongqiao Business District	Construction in progress	693,956.08	4.41%
Plot F01-01, Block F01, Unit S010601, Nanpu Community, Huangpu District	Construction in progress	580,687.47	4.41%
Plot E1-10, Unit W040502, Gubei Community, Changning District	Construction in progress	521,409.86	4.41%
Plot 196a-08, Caohejing Community, Xuhui District	Construction in progress	51,996.57	4.41%
TA3, TA4 Workshop Decoration Project	Construction in progress	28,486.94	4.51%
Plot 53-01, Nanmen Community, Jiading Industrial Zone, Jiading District	Construction in progress	24,843.00	4.41%
Block 03-02 and 03-03, Unit Z000501, Beicai Community, Pudong New Area	Construction in progress	6,702.09	4.41%
Sub-total of construction in progress		25,971,077.71	

Capitalized item in 2019	Capitalized item	Capitalization amount in 2019	Capitalization rate used to determine the capitalization amount of borrowing costs
Sanlin Wedge Green Space	Development costs	559,589,933.08	4.41%-6.38%
South base of Caolu security housing	Development costs	417,966,422.94	4.275%-5.00%
Supporting commercial housing in Huacao 206 plot	Development costs	79,896,575.90	4.75-7.2%
Xinhua 7-2 Project	Development costs	55,039,186.69	5.12%
Caolu north plot H-2-1 (Phase II)	Development costs	40,555,555.55	5.00%
Commercial office building, Project 0215-03, Pingliang Community, Yangpu District	Development costs	34,687,467.84	5.12%
North Building Project of Plot E06A-04A of Shanghai Expo	Development costs	24,583,033.88	4.275%
Plot 09-03	Development costs	16,541,507.23	4.75%
Luojiatou Project	Development costs	14,654,475.92	5.12%
Gucun No. 4 plot	Development costs	12,093,393.45	4.99%
Zhonghuan Binjiang Century	Development costs	10,446,566.39	5.12%
Paomashan Project	Development costs	9,141,764.39	5.12%
Plot 5#	Development costs	8,368,133.66	4.275%-4.75%
Pujiang No. 9 plot	Development costs	8,100,358.11	4.51%
Plot E08-01A, Best Urban Practice Area of Expo	Development costs	8,074,994.60	4.28%
Gucun 0402-03 plot	Development costs	7,502,816.66	4.75%
Project E15-3 of Unit E8 along Huangpu River	Development costs	7,410,170.11	5.12%
Plot 10-02	Development costs	7,281,223.28	4.75%
Plot 203D	Development costs	3,972,464.82	4.75-7.2%
Lan Factory 03I3-06 Project	Development costs	3,667,507.44	5.12%
Plot 0401-04	Development costs	3,320,083.52	4.37%
Plot 0408-01	Development costs	3,115,722.03	4.75%
Yangjing 17-4 Project	Development costs	2,146,649.25	5.12%
Yangjing 23-3 Project	Development costs	1,826,629.60	5.12%

Capitalized item in 2019	Capitalized item	Capitalization amount in 2019	Capitalization rate used to determine the capitalization amount of borrowing costs
Xinhua 8-1 Project	Development costs	791,564.86	5.12%
Xinhua 6-2 Project	Development costs	692,848.85	5.12%
Plot D of Chengji Square	Development costs	329,175.36	5.12%
Plot NH103-01, Unit Z000703, Sanlin Community, Kangqiao Town, Pudong New Area	Development costs	166,600.00	4.41%
Sub-total of development costs		1,341,962,825.41	
Total		1,370,354,868.54	

8.62 Consolidated statement of cash flows

8.62.1 Supplementary information to the statement of cash flows

Item	Year 2019	Year 2018
1. Net profit adjusted to cash flows from operating activities:	--	--
Net profit	8,058,366,657.20	8,354,359,024.20
Plus: provision for impairment of assets	77,302,243.73	203,323,123.90
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	1,497,303,350.02	1,421,363,787.76
Amortization of intangible assets	99,257,615.04	95,949,466.80
Amortization of long-term deferred expenses	108,502,819.37	84,827,237.62
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-19,272,644.35	-84,081,776.63
Losses from write-off of fixed assets ("-" for gains)	41,223,532.28	1,618,148.21
Losses from changes in fair value ("-" for gains)	-68,661,788.96	18,863,786.32
Financial expenses ("-" for gains)	2,408,072,871.28	2,653,992,158.01
Investment loss ("-" for gains)	-6,256,808,549.27	-2,302,074,405.14
Decreases in deferred income tax assets ("-" for increases)	14,814,859.56	-1,390,016,857.61
Increases in deferred income tax liabilities ("-" for decreases)	1,521,129,522.53	-664,245,497.82
Decreases in inventories ("-" for increases)	-13,503,071,982.49	6,108,522,703.61
Decreases in operating receivables ("-" for increases)	-12,682,781,508.12	9,192,859,687.64
Increases in operating payables ("-" for decreases)	10,872,235,086.24	-21,087,818,965.11
Others		
Net cash flows from operating activities	-7,832,387,915.94	2,607,441,621.76
2. Significant investing and financing activities not involving cash receipts and	--	--

Item	Year 2019	Year 2018
payments:		
Conversion of debt to capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	36,009,846,143.68	46,494,183,618.82
Less: beginning balance of cash	46,494,183,618.82	43,463,168,794.11
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-10,484,337,475.14	3,031,014,824.71

8.62.2 Net cash from acquisition and disposal of subsidiaries in 2019

Item	Amount
I. Cash or cash equivalents incurred and paid for business combination in 2019	
Less: cash and cash equivalents held by subsidiaries on the acquisition date	
Plus: cash or cash equivalents paid in 2019 for business combinations occurred in previous periods	
Net cash paid to acquire subsidiaries	
II. Cash and cash equivalents received in 2019 due to disposal of subsidiaries in 2019:	183,811,058.66
Less: cash and cash equivalents held by subsidiaries on the date of losing the right of control	
Plus: cash or cash equivalents from the disposal of subsidiaries in prior years but received in the current period	
Net cash received from disposal of subsidiaries	183,811,058.66

8.62.3 Breakdowns of cash and cash equivalents

Item	Balance as at December 31, 2019	Balance as at December 31, 2018
I. Cash	36,009,846,143.68	46,494,183,618.82
Including: cash on hand	1,678,882.13	1,767,079.50
Unrestricted bank deposit	35,559,962,673.20	46,060,116,488.90
Other unrestricted monetary funds	448,204,588.35	432,300,050.42
II. Cash equivalents		
Including: bond investments maturing within three months		
III. Ending balance of cash and cash equivalents	36,009,846,143.68	46,494,183,618.82
Cash and cash equivalents with restricted use right by parent company or subsidiaries of the Group	1,645,719,382.46	1,307,599,730.90

8.63 Foreign currency monetary items

Item	Balance in foreign currency as at December 31, 2019	Exchange rate	Balance in RMB as at December 31, 2019
Monetary funds			142,140,456.44
Including: USD	14,171,657.07	6.97620	98,864,314.05
: EUR	6,028.67	7.81550	47,117.07
: AUD	21,465.63	4.88430	104,844.58
: HKD	2,668,080.21	0.89578	2,390,012.89
: GBP	4,451,772.97	9.15010	40,734,167.85

8.64 Assets subject to ownership restrictions

Unit: RMB'0,000

Item	Book value as at December 31, 2019	Reason for restriction
Monetary funds	164,571.93	Supervision, freezing, acceptance of bills of exchange, performance bond, etc.
	1,098,787.63	Mortgage of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Inventories	256,895.01	China Pavilion project was actually handed over to Shanghai Administration of Culture, Radio, Film and Television in 2012
Fixed assets	148,127.24	Mortgage of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Investment property	748,294.89	Mortgage of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Intangible assets	4,577.40	Mortgage of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Construction in progress	656,277.45	Mortgage of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Long-term equity investments	34,292.48	Pledge of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Receivables financing	6,764.19	Pledge of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Rental income	3,982.61	Pledge of asset ownership due to financing activities such as loans, bond issuance, trust products, etc
Total	3,122,570.83	

Restrictions on asset ownership due to financing activities such as loans, bond issuance, trust products, etc. are stated in detail as follows:

8.64.1 Assets subject to ownership restrictions due to mortgage

Unit: RMB'0,000

Notes to the Financial Statements Page 176

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets		
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019
Shanghai Land Zhongxing Caolu Base Development Co., Ltd.	6,200.00	Inventories	B12A-10 plot relocation housing project No.256	2024-03-25		7,504.84	
Shanghai Star Group Co., Ltd.			Xiangyin Road and No.21				7,504.84
Shanghai Star Group Co., Ltd.	625.00	Investment property	South Baicheng Road, Shanghai	2020-05-28	20,750.22		830.20
Shanghai Star Group Co., Ltd.	19,000.00		Xincheng Building, No.167	2024-06-21			
Shanghai Star Group Co., Ltd.	2,000.00	Investment property	Jiangning Road	2020-12-21	9,829.49		
Shanghai Star Group Co., Ltd.			Floors 101, 102 and 2-17, No.833 Renmin Road				680.85
Shanghai Star Group Co., Ltd.	3,000.00	Investment property	No.2 and No.6, Lane 330, South Station Road; No.332-398 South Station Road (except for No.2 and No.6 mezzanine bicycle garage in Lane 330 South Station Road): HFDHZ (2008)	2020-06-30	5,571.82		
Shanghai Star Group Co., Ltd.	15,800.00		No.015839	2025-05-30			486.77
Shanghai Star Group Co., Ltd.							
Shanghai Star Group Co., Ltd.	3,200.00	Investment property		2020-05-30	16,862.97		865.17
							15,997.80

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets		
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019
Shanghai Star Group Co., Ltd.	178,000.00	Investment property	Some properties of commercial and office buildings of "Zhongxing City" project	2020-03-21 to 2041-12-17	96,589.50		3,634.24
Shanghai Star Group Co., Ltd.	70,000.00			2023-12-20			
Shanghai Star Group Co., Ltd.	17,099.00	Investment property	Pullman Shanghai South	2022-12-21	113,571.52		4,273.20
Shanghai Shenyang Binjiang Investment Development Co., Ltd.	50,374.82	Inventories	Land use right and above-ground construction in progress of Hill 14/1, Block 84, Daqiao Street	2020-12-20 to 2023-4-20	59,905.00	59,199.22	
Shanghai Huanjiang Investment Development Co., Ltd.	57,684.30	Inventories	Land use right and above-ground construction in progress of Hill 2/35, Block 245, Yangjing Street	2022-11-15	48,829.52	82,743.74	
Shanghai Huanjiang Investment Development Co., Ltd.	9,790.33	Inventories	Land use right and above-ground construction in progress of Hill 8/2, Block 40, Pingliang Street, Yangpu District	2023-03-24	10,466.35	9,247.68	
							131,573.26
							119,104.22
							109,298.32
							19,714.03

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets			
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019	Book value as at December 31, 2019
Shanghai Huanjiang Investment Development Co., Ltd. Shanghai Gubei (Group) Co., Ltd. (Remark 1)	10,145.00	Inventories	Land use right of commercial project in Plot E17-4, Unit E8, Pudong New Area	2023-01-23		36,645.48		36,645.48
	16,500.00		Room 602, 603, 702, 703, 2001-2004, 2101-2104, 2201-2204, 2301-2304 and 2401-2404, No.1438	2024-12-29				
Shanghai Gubei (Group) Co., Ltd. (Remark 1) Shanghai Gubei (Group) Co., Ltd.	3,500.00	Investment property	Hongqiao Road, Shanghai [HFDCZ (2013) No. 003910]	2020-12-15	27,206.89		754.76	26,452.13
	9,000.00		Room 302, 303, 402, 403, 2501-2504, 2601-2604, 2701-2704 and 2801-2804, No.1438	2023-04-01				
Shanghai Gubei (Group) Co., Ltd.	4,000.00	Investment property	Hongqiao Road, Shanghai [HFDCZ (2013) No. 003910]	2020-12-31	22,829.48		633.32	22,196.16

SHANGHAI LAND (GROUP) CO., LTD.

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets			
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019	Book value as at December 31, 2019
Shanghai Gubei (Group) Co., Ltd.	4,500.00		Room 801, 802, 804, 805, 901-904 and 1001-1004, No.1438 Hongqiao Road, Shanghai [HFDCZ (2013) No. 003910]	2023-04-17				
Shanghai Gubei (Group) Co., Ltd.	1,800.00	Investment property	Room 2901-2904, No.1438 Hongqiao Road, Shanghai [HDCZ (2013) No. 003910]	2020-12-21	12,152.05		337.12	11,814.93
Shanghai Gubei (Group) Co., Ltd.	4,900.00	Fixed assets	Room 3001-3004, No.1438 Hongqiao Road, Shanghai [HFDCZ (2013) No. 003910]	2020-09-20 to 2023-04-03	4,396.33		121.96	4,274.37
Shanghai Gubei (Group) Co., Ltd.	19,600.00		Room 502, 503, 1101-1104, 1201-1204, 1301-1304 and 1401-1404, No.1438 Hongqiao Road [HFDCZ (2013) No. 003910]	2025-06-19	4,403.79		128.51	4,275.28
Shanghai Gubei (Group) Co., Ltd.	2,000.00	Investment property	Hongqiao Road [HFDCZ (2013) No. 003910]	2020-12-19	19,635.66		544.72	19,090.94

SHANGHAI LAND (GROUP) CO., LTD.

Wuhan SYP Kangqiao
Autoglass Co., Ltd.
(Remark 2)

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets			
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019	Book value as at December 31, 2019
Wuhan SYP Kangqiao Autoglass Co., Ltd.	1,661.00	Fixed assets	No.18 Tongyong Avenue, Jiangxia District, Wuhan City, and the company's machinery and equipment	2020-11-16	4,513.48			3,783.69
		Construction in progress	Hill 5/25, Block 912, Zhuanqiao Town					
Shanghai Bright Intelligent Curtain Wall Co., Ltd.	6,520.00	Intangible assets	Land use right of Hill 2/12, Block 804, Bansongyuan Street, Huangpu District (HFDHZ (2016) No.003191)	2028-09-21	1,445.95	49.00	32.49	1,462.46
			Comprehensive Development Project of Pujiang Yaohua Station of Rail Transit Line 7					
Shanghai Dingbao Real Estate Co., Ltd.	82,448.35	Inventories		2022-01-25 2023-06-14	45,005.44			45,005.44
Shanghai Huantong Construction and Development Co., Ltd.	80,000.00			2020-02-19	167,963.52	277.51		168,241.03

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets			
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019	Book value as at December 31, 2019
Shanghai Zhonghe Real Estate Development Co., Ltd. (Remark 1)	94,583.00	Inventories	Real estate (No.1, No.79, No.69, Lane 89, Yonghong Road, No.558, No.568, No.598, No.558, Shengui Road, No.719)	2032-12-05	85,502.59		19,375.39	66,127.20
		Fixed assets			6,349.53		1,487.37	4,862.16
		Investment property						
Shanghai Hemin Real Estate Co., Ltd.	53,828.67	Fixed assets	Inventory (Hu (2017) Minzi Real Estate Rights No.026929)	2037-06-30	116,238.35	19,375.39	1,356.65	134,257.09
			Property certificate of 677 public rental houses in South Station		76,165.85		1,761.35	74,404.50
Shanghai Land Housing Security Co., Ltd.	43,453.01	Investment property	69 houses in Lane 96, Hongmei South Road	2021-09-20	117,943.64		6,503.30	111,440.34
				2021-09-20				
				2020-06-21				
Shanghai Land Housing Security Co., Ltd.	500.00	Investment property	Hill 8/21, Block 0010, Liuxing Town	2020-12-21	15,576.31		858.86	14,717.45
Shanghai Zhubao Beicheng Real Estate Co., Ltd.	60,389.05	Inventories	Hill 9/3, Block 0006, Liuxing Town	2021-10-31	124,974.42	50,941.34	67,280.09	108,635.67
Shanghai Zhubao Beicheng Real Estate Co., Ltd.	4,786.99	Inventories		2024-01-27		42,088.74		42,088.74

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets			
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019	Book value as at December 31, 2019
Shanghai Zhubao Jiucheng Real Estate Co., Ltd.	17,971.00	Inventories	Land use right and construction in progress of municipal affordable housing project in Plot S8-01, East Zhaolou Road, Pujiaogang town	2020-06-18		73,729.57		73,729.57
Shanghai Land Rental Housing Construction & Development Co., Ltd.	21,609.93	Construction in progress	Right to use state-owned construction land in Hill 2/3, Block 526, Shanggang Xincun Street	2044-07-08		76,186.00		76,186.00
Shanghai Land Rental Housing Construction & Development Co., Ltd.	17,404.92	Construction in progress	Right to use state-owned construction land in Hill 2/4, Block 526, Shanggang Xincun Street	2044-07-08		54,030.00		54,030.00
Shanghai Land Rental Housing Construction & Development Co., Ltd.	15,323.99	Construction in progress	Right to use state-owned construction land in Hill 52/24, Block 449, Nanmatou Street	2044-07-08		113,838.00		113,838.00

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets		
					Book value as at January 1, 2019	Increase in 2019	Decrease in 2019
Shanghai Land Rental Housing Construction & Development Co., Ltd.	11,971.04	Construction in progress	Right to use state-owned construction land in Hill 15/2, Block 443, Nanmatou Street	2044-07-08		34,484.00	
							34,484.00
Shanghai Shangdan Industrial Co., Ltd.	7,949.66	Construction in progress	Right to use state-owned construction land in Hill 43/1, Block S04, Yuansongyuan Street, Huangpu District	2044-08-19		48,949.00	
							48,949.00
Shanghai Shanggan Industrial Co., Ltd.	6,684.67	Construction in progress	Right to use state-owned construction land in Hill 7, Block 107, Huacao Town	2044-07-19		12,824.00	
							12,824.00
Shanghai Shanghong Industrial Co., Ltd.	6,409.26	Construction in progress	Right to use state-owned construction land in Hill 5/2, Block 137, Hongqiaolu Street	2044-07-02		36,820.99	
							36,820.99
Shanghai Land Rental Housing Construction & Development Co., Ltd.	5,471.09	Construction in progress	Right to use state-owned construction land in Hill 159/2, Block 3, Huamu Street	2044-12-31		89,593.00	
							89,593.00

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

Mortgagee	Loan amount	Type of collateral	Detail of collateral	Due date	Book value of assets		
					Book value as at January 1, 2019	Increase in 2019	Book value as at December 31, 2019
Shanghai Shangying Industrial Co., Ltd.	2,112.50	Construction in progress	Right to use state-owned construction land in Hill 8/10, Block 303, Caohejing Street	2044-11-22		9,014.00	9,014.00
Shanghai Zhongxing Chengbei Real Estate Co., Ltd.	9,217.17	Inventories	Land use right and construction in progress of Plot 5# in the south block of large-scale relocation and resettlement house in Jiading North	2024-04-23		26,622.01	26,622.01
Shanghai Expo Binjiang Real Estate Co., Ltd.	29,283.74	Inventories	16,190.30m ² of land in Hill 4/5, Block 805, Bansomgyuan Street	2024-01-24		51,990.00	51,990.00
Shanghai Land Xingqiao Property Co., Ltd.	8,401.00	Inventories	Hill 7/ 1, Block 652, Zhuanqiao Town, Minhang District	2024-05-27		54,590.14	54,590.14
Shanghai Land Xingqiao Property Co., Ltd.	2,785.00	Inventories	Hill 3/ 2, Block 653, Zhuanqiao Town, Minhang District	2024-05-27		22,386.35	22,386.35
Total	1,478,996.27				1,574,226.19	1,200,363.84	2,774,589.03

Remark 1: Asset mortgage and pledge are provided at the same time.

Remark 2: Asset mortgage and guarantee are provided at the same time.

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

8.64.2 Assets subject to ownership restrictions due to pledge

Collateral	Assets pledged Book value as at December 31, 2019	Pledgee	Due date	Unit: RMB'0,000	
				Pledged borrowings Amount as at December 31, 2019	
Annual rental income of Gubei International Fortune Center Phase II 602/3, 702/703, 2001/2/3/4, 2101/2/3/4, 2201/2/3/4, 2301/2/3/4 and 2401/2/3/4 (Remark 1)		Shanghai Branch, China Construction Bank Co., Ltd.	2024-12-29	16,500.00	
60% equity of Shanghai Yiyuan Industrial Development Co., Ltd.	3,982.61	Shanghai Branch, China Construction Bank Co., Ltd.	2020-12-15	3,500.00	
All rental income of Shanghai Zhonghe Real Estate Development Co., Ltd. (Remark 1)	34,292.48	Minhang Sub-branch, Shanghai Pudong Development Bank	2024-04-03	9,750.00	
Future Usufruct of Shanghai Land Sanlin Binjiang Ecological Construction Co., Ltd.	---	Shanghai No.5 Sub-branch, China Construction Bank Co., Ltd.	2032-12-05	94,583.00	
100% equity of Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd.(Remark 2)	---	Shanghai Luwan Sub-branch, Agricultural Bank of China Ltd.	2030-09-17	685,080.00	
100% equity of Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd.(Remark 2)		Ping An Trust Co., Ltd.	2020-10-12	36,000.00	
Total	38,275.09	Ping An Trust Co., Ltd.	2022-10-12	252,000.00	
				1,097,413.00	

Remark 1: Asset pledge and mortgage are provided at the same time.

Remark 2: In 2019, Shanghai Land (Group) Co., Ltd. Consolidated Shenjiang Company by merger. See Note 12.4 for details. The original Shenjiang Equity Pledge Contract is still valid in this period, and relevant modification procedures are being handled.

8.64.3 Other pledges

- (1) In 2019, Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd. (hereinafter referred to as "Shenjiang Company") and Western Trust Co., Ltd. signed the *China Development - Shanghai Land Phase I Public Rental Housing Single Fund Trust Loan Contract*, with a trust loan amount of RMB 1,800,000,000.00, which will be repaid in installments; At the same time, *China Development - Shanghai Land Phase I Public Rental Housing Single Fund Trust Pledge Contract* was signed. Based on the lease contracts that have been and will be signed with the lessee for the subject project, Shenjiang Company takes the rent that has been formed or to be formed and other payments that the lessee should pay under the aforementioned lease contracts as pledged property to provide pledge guarantee for all debts of the borrower under all *Trust Loan Contracts*.

Since the Company formally consolidated Shenjiang Company by merger, Shenjiang Company signed the *China Development - Shanghai Land Phase I Public Rental Housing Single Fund Trust Debt Summary Transfer Agreement* with the Company, Western Trust Co., Ltd. and China Development Bank Securities Co., Ltd., agreeing to transfer the operation management rights and corresponding rent and other income of the target project to the Company, and that the Company will inherit all the rights and obligations under this special plan and replace Shenjiang Company as the borrower of the asset trust under this special plan. The agreement is still pending for stamping by the four parties.

- (2) The financing amount of receivables pledged as at December 31, 2019 is RMB 67,641,900.00, which is used by the sub-subsidiary SYP Kangqiao Autoglass Co., Ltd. for issuing notes payable through pledging the bank acceptance bill so as to ensure its daily capital turnover. As at December 31, 2019, the balance of notes payable issued based on this asset pledge is RMB 31,262,300.00, and the maturity date is from January 5, 2020 to March 25, 2020.

9 Contingencies

9.1 Contingencies arising from guarantees provided. See Note 10 for details.

9.2 Significant pending litigation or arbitration

- 9.2.1 On May 6, 2019, Zhejiang Haifei Electric sued Zhejiang Yiwu Investment Co., Ltd. (hereinafter referred to as "Yiwu Company"), Lu Wendian and Ningbo Dongchuang Real Estate Co., Ltd. (a subsidiary of Shanghai Land Asset Management Co., Ltd., hereinafter referred to as "Ningbo Dongchuang") repaid the arrears of RMB 16,800,000.00 and the interest calculated at the annual interest rate of 24%. According to the claim, Yiwu Company borrowed money from Haifei Electric in 2011, and Lu Wendian and Ningbo Dongchuang promised to fully compensate the loan in 2013. On June 19, 2019, Cixi People's Court froze the 30% equity of Dongchuang Company held by Yiwu Company. As at the reporting date, the case has been heard but no judgment has been reached.

9.2.2 Pending litigation of the subsidiary China Enterprise Company Limited:

- (1) On October 16, 2015, Shanghai Star Group Yicheng Industrial Co., Ltd. (hereinafter referred to as "Yicheng Industrial"), a subsidiary of China Enterprise Company Limited, publicly listed and auctioned its four properties on the Shanghai United Assets and Equity Exchange (hereinafter referred to as "Shanghai Stock Exchange"). Kailei Hotel Management (Shanghai) Co., Ltd. (hereinafter referred to as "Kailei Company") participated in the auction and paid a deposit of RMB 13,880,000.00; Later, due to disputes involved in the transfer of the subject matter by listing, the listing auction was terminated, and Yicheng Industrial returned the deposit of RMB 13,880,000.00 paid by Kailei Company.

On July 20, 2016, Kailei Company sued Shanghai Hongkou District People's Court, claiming Yicheng Industrial and Shanghai Stock Exchange to compensate for the losses caused by the termination of the listed auction project, totaling about RMB 794,900.00. Later, Kailei Company added the claim amount twice, and the amount involved in the lawsuit was RMB 13,880,000.00. Kailei Company applied to the court for property preservation on August 15, 2016 and October 21, 2016, respectively, and the house involved in the lawsuit and Yicheng Industrial Bank account were frozen due to the above facts. Yicheng Industrial paid a total of RMB 13,880,000.00 as counter-guarantee to Hongkou District People's Court of Shanghai, and applied to the court for lifting the above-mentioned preservation measures. On October 23, 2016, Shanghai Hongkou District People's Court canceled the above-mentioned account and lifted the house preservation measures.

On December 27, 2017, Shanghai Hongkou District People's Court made a final judgment and sentenced Yicheng Company to compensate Kailei Company for RMB 6,000,000.00. On February 11, 2018, Shanghai Hongkou District People's Court refunded the deposit of RMB 13,880,000.00. On March 23, 2018, Yicheng Industrial applied to Shanghai Higher People's Court for retrial. On December 20, 2019, the Shanghai Higher People's Court ruled a retrial. As at the reporting date, Shanghai Higher People's Court has not yet made a judgment.

In January 2018, Hu Shengluan and Hu Congxing (who are the intended transferees participating in the same bidding activity as Kailei Company) successively filed lawsuits with the Hongkou District People's Court of Shanghai, demanding that Yicheng Industrial compensate for the deposit of RMB 13,880,000.00, and Shanghai Stock Exchange assumed joint and several liability for compensation.

On May 15, 2018, Shanghai Hongkou District People's Court held a trial. As at the reporting date, Shanghai Hongkou District People's Court had not yet made a judgment.

- (2) The lease contract between Shanghai Shenjiang Yide Investment Management Co., Ltd. (a subsidiary of China Enterprise Company Limited, hereinafter referred to as "Shenjiang Yide") and Shanghai Shengshang Investment Center (Limited Partnership) (hereinafter referred to as "Shengshang Center") needs to be dissolved due to the needs of relevant government projects, but the parties had not reached an agreement on the compensation amount. On August 2, 2018, Shenjiang Yide filed a lawsuit in Shanghai Pudong New Area Court, demanding that the lease contract be terminated and Shengshang Center pay the unpaid fees and negotiate and determine the compensation matters. Shengshang Center filed a counterclaim with the court, and as at the reporting date, the case was still in the first instance.
- (3) Zhongxing (Yangzhou) Real Estate Co., Ltd. (hereinafter referred to as "Yangzhou Real Estate"), a subsidiary of China Enterprise Company Limited has submitted arbitration for the general contract and requested to terminate the contract. As at the reporting date, there is no arbitration result yet.
- (4) Zhongxing (Kunshan) Intercity Real Estate Co., Ltd. (a subsidiary of China Enterprise Co., Ltd., hereinafter referred to as "Kunshan Intercity") and Accor Hotel Management (Shanghai) Co., Ltd. (hereinafter referred to as "Accor Hotel") signed the *Hotel Management Agreement* and *Hotel Consultant Service Agreement* on Room C-14, Chuangye Road Intercity Plaza, Kunshan City, and then both parties after negotiation signed a termination contract in 2016. In November 2019, Accor Hotel filed an arbitration with China International Economic and Trade Arbitration Commission on the grounds that Kunshan Intercity violated the termination contract and Kunshan Intercity had to fulfill the obligation of compensation for breach of contract. As at the reporting date, there is no arbitration result.

9.2.3 Pending litigation of the subsidiary EXPO Shanghai (Group) Co., Ltd. (Hereinafter referred to as "Expo Company"):

- (1) On June 25, 2019, Shanghai Haozhe Investment Management Co., Ltd. (hereinafter referred to as "Haozhe Investment") takes Expo Company to Shanghai No.1 Intermediate People's Court for the demolition of the La Widad Pavilion in Plot C01, requiring Expo Company to pay its investment in the construction of the La Widad Pavilion and ancillary buildings in Plot C01 of the Expo Park and the investment return calculated at the annual interest rate of 12%, which is temporarily RMB 105,010,000.00; Later, Haozhe Investment applied to the court for property preservation. According to the judicial evaluation of the court, the replacement value of La Widad Pavilion and its affiliated buildings is RMB 62,488,700.00, and the residual value after depreciation is RMB 46,709,100.00. In order to demolish La Widad Pavilion and vacate the site as soon as possible, Expo Company, under the auspices of the court, paid the Shanghai No.1 Intermediate People's Court an escrow amount equivalent to the replacement value of the venue totaling RMB 62,500,000.00. On February 25, 2020, the company formally submitted the *Application for Replacement of Collateral* to Shanghai No.1 Intermediate People's Court, and applied for replacing the escrow amount of RMB 62,500,000.00 with the *Performance Guarantee*. As at the reporting date, the case is still under trial.

- (2) On June 28, 2019, Shanghai Ditang Industrial Co., Ltd. (former lessee of Central and South America Joint Pavilion) took Expo Company to Shanghai No.1 Intermediate People's Court, demanding Expo Company compensate for the loss of rental income and decoration equipment, totaling more than RMB 200,000,000.00. According to the judicial evaluation of the court, the replacement cost of the decoration project implemented by the Ditang Company in the Central and South America Joint Pavilion is RMB 65,573,949.40, and the present value is RMB 26,885,133.00. On October 18, 2019, Ditang Company officially handed over the Pavilion to Expo Company, with the later demolition work to be done by Expo Company. As at the reporting date, the case is still under trial and no judgment has been made.
- (3) On April 12, 2019, Shanghai Manzu Yacht Co., Ltd. (former tenant of L6 Wharf) filed a lawsuit against Shanghai Expo Culture Tourism Development Co., Ltd. (A subsidiary of Expo Company, hereinafter referred to as "Culture Tourism Company") and Shanghai Expo Houtanyuan Industry Co., Ltd. (hereinafter referred to as "Houtanyuan Company"), demanding Culture Tourism Company compensate its economic losses of RMB 10,099,000.00 with Houtanyuan Company bearing joint and several liabilities for the above compensation liability. On April 28, 2019, Culture Tourism Company filed a lawsuit against Shanghai Manzu Yacht Co., Ltd. (hereinafter referred to as "Manzu Yacht") and Shanghai Yuanzhou Culture Communication Co., Ltd. (hereinafter referred to as "Yuanzhou Culture"), requesting to order Manzu Yacht to pay Culture Tourism Company RMB 7,621,400.00 of rent, management fees and liquidated damages as well as the delayed payment of rent, management fees and liquidated damages, requesting to order Yuanzhou Culture to bear the joint payment responsibility for RMB 3,072,800.00 of rent unpaid by Manzu Yacht in 2018. On May 29, 2019, Manzu Yacht counterclaimed Cultural Travel Company, and requested the Cultural Travel Company to compensate its rent, decoration fee and platform development fee totaling RMB 56,456,400.00. As at the reporting date, the above litigation matters have not been finalized.

9.3 Other significant contingencies required to be explained

- 1 At present, the project companies under the Company calculate and confirm the land value-added tax in accordance with the *Provisional Regulations on Land Value-added Tax* and its implementing rules. Because some development projects have not been liquidated for land value-added tax, the final liquidation result may be different from the amount recognized by the Company.
- 2 When the Company calculates the income tax payable, there are many transactions that need to be judged significantly, and the tax amount to be calculated cannot be determined before tax liquidation. If the final result of tax liquidation is different from the calculated result in the accounts, these differences will affect the income tax and deferred tax in the liquidation year. The related deferred income tax assets caused by temporary differences can be recognized in the future tax liquidation, and the actual tax offset results will be different.

3 On December 31, 2013, Shanghai Minlian Lingang United Development Co., Ltd. (a subsidiary of Shanghai Land Minhong (Group) Co., Ltd., hereinafter referred to as "Lingang United Company") and Shanghai Yuntong Truston Heavy Machinery Co., Ltd. (renamed as Shanghai Yuntong Chuangshen Intelligent Technology Co., Ltd. On July 5, 2016, hereinafter referred to as "Chuangshen Company") signed the *Letter of Intent* numbered MLC2013DB010 and the *Early Supporting Pre-construction Agreement* numbered MLC2014DB007. The Article 15 of the *Letter of Intent* stipulates that Chuangshen Company will be reward with RMB 5 million respectively after fulfilling the following two conditions:

- 1) Before the completion date agreed in the supplementary transfer contract concluded between Chuangshen Company and the government, the total project investment amount of this project plot reaches RMB 420,000,000.00 (among which the investment in fixed assets shall be no less than 60% of the total investment, that is, RMB 252,000,000.00), the project passes the acceptance with written proof, and there is no violation of the above two contracts and no other debt to Lingang United Company;
- 2) Within four years after meeting the above requirements, the sum of the annual industrial output value and annual operating revenue of Chuangshen Company reaches RMB 1,000,000,000.00, of which the annual industrial output value is not less than 60%, that is, RMB 600,000,000.00, and the total tax paid in that year reaches RMB 25,000,000.00.

After Chuangshen Company reaches the above agreed conditions and provides the corresponding written documents, Lingang United Company will reward it, and recognize the above possible rewards as estimated liabilities. As at December 31, 2019, the conditions involved in the first reward of RMB 5,000,000.00 have been met, and the Company's management agreed to pay this amount according to the document (HMHCG [2019] No. 123).

4 On February 20, 2017, Jiangyin Jihui Real Estate Co., Ltd. (a subsidiary of Shanghai House Real Estate Sponson Co., Ltd., hereinafter referred to as "Jiangyin Jihui Company") received the *Notice of Investigation on Idle Lands* issued by Jiangyin Municipal Bureau of Land and Resources, indicating that the phase II land failed to start construction before September 1, 2013 as agreed in the land transfer agreement and was therefore suspected to be idle land. The response to the investigation has been provided to relevant institutions, and the response emphasizes the impact of the adjustment of the regional planning of the town government where the project is located on the commencement of the phase II project. Jiangyin Jihui is communicating with Yuecheng Town Government on matter concerning the phase II land.

10 Guarantees

10.1 In-Group guarantees

10.1.1 Guarantees provided for units within the Group

Unit: RMB'0,000			
Guarantor	The guaranteed	Balance of guarantees	Due date
Shanghai Land Asset Management Co., Ltd.	Shanghai Xinghui Real Estate Co., Ltd.	17,041.80	2024/09/04
Shanghai Land (Group) Co., Ltd. (Remark 3)	Shanghai Star Group Co., Ltd.	50,000.00	2020/08/09
Shanghai Land (Group) Co., Ltd. (Remark 4)	Shanghai Star Group Co., Ltd.	348,864.00	2021/03/16
Shanghai Land (Group)	China Enterprise	70,000.00	2020/01/07

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

Guarantor	The guaranteed	Balance of guarantees	Due date
Co., Ltd. (Remark 2)	Company Limited		
Shanghai Land (Group) Co., Ltd. (Remark 4)	China Enterprise Company Limited	315,000.00	2024/06/05
Shanghai Land (Group) Co., Ltd. (Remark 4)	China Enterprise Company Limited	152,000.00	2024/11/14
Shanghai Minlian Lingang Construction Development Co., Ltd.	Shanghai Minlian Lingang United Development Co., Ltd.	6,124.31	2023/04/27
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	37,600.00	2022/11/07
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	28,400.00	2022/11/07
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	4,376.00	2022/09/13
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	8,748.00	2022/09/13
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	30,628.00	2022/09/13
Shanghai Land Housing Security Co., Ltd.	Shanghai Yingcheng Real Estate Co., Ltd.	26,248.00	2022/09/13
Shanghai Yaohua Pilkington Glass Group Co., Ltd. (Remark 1)	Wuhan SYP Kangqiao Autoglass Co., Ltd.	700.00	2020/05/08
Shanghai Yaohua Pilkington Glass Group Co., Ltd. (Remark 1)	Wuhan SYP Kangqiao Autoglass Co., Ltd.	1,300.00	2020/06/30
Shanghai Yaohua Pilkington Glass Group Co., Ltd. (Remark 1)	Wuhan SYP Kangqiao Autoglass Co., Ltd.	1,039.00	2020/11/16
SYP Kangqiao Autoglass Co., Ltd.	Tianjin SYP Autoglass Co., Ltd.	4,995.00	2026/09/09
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	8,000.00	2020/10/09
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	5,300.00	2020/10/16
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	1,500.00	2020/08/05
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	1,000.00	2020/11/06
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	700.00	2020/11/11
Shanghai Building Materials (Group) Co., Ltd.	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	500.00	2020/08/20
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	630.00	2020/03/13

Guarantor	The guaranteed	Balance of guarantees	Due date
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	630.00	2020/01/24
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	280.00	2020/03/09
Shanghai Building Materials (Group) Co., Ltd. (Remark 6)	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	14.00	2020/03/18
Shanghai Building Materials (Group) Co., Ltd. (Remark 6)	Shanghai Bright Intelligent Curtain Wall Co., Ltd.	35.00	2020/06/19
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	450.00	2020/01/22
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	70.00	2020/02/20
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	360.00	2020/02/27
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	288.00	2020/03/18
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	350.00	2020/03/13
Shanghai Building Materials (Group) Co., Ltd. (Remark 5)	Shanghai Building Materials Group Cement Co., Ltd.	400.00	2020/04/16
Shanghai Land (Group) Co., Ltd.	Shanghai Land Sanlin Binjiang Ecological Construction Co., Ltd.	300,000.00	2021/11/28
Total		1,423,571.11	

Remark 1: While the guarantor provides guarantee, the guaranteed provides asset mortgage.

Remark 2: The guarantor provides irrevocable joint and several liability guarantee for the trust products issued by the guaranteed.

Remark 3: The guarantor provides irrevocable joint and several liability guarantee for the debt investment plans issued by the guaranteed.

Remark 4: The guarantor provides irrevocable joint and several liability guarantee for the corporate bonds issued by the guaranteed.

Remark 5: The guarantor provides irrevocable joint and several liability guarantee for the bank acceptance bills issued by the guaranteed.

Remark 6: The guarantor provides irrevocable joint and several liability guarantee for the tender guarantee issued by the guaranteed.

10.1.2 Other guarantees provided for units within the Group

As at December 31, 2019, the syndicated loan balance of Shanghai Land Sanlin Binjiang Ecological Construction Co., Ltd. was RMB 6,850,800,000.00. The syndicated loan is supported by all shareholders (the shareholding ratios of the Company, Shanghai Qiantan International Business District Investment (Group) Co., Ltd. and Shanghai Expo Land Holdings Co., Ltd. are 73.75%, 20% and 6.25% respectively) with a letter of commitment, promising that: Before the guaranteed debt is fully paid off, the shareholders shall not reduce the registered capital or withdraw funds in any form, and take any dividends or similar funds in any form; When the total investment of the project exceeds the budget and the stock land cannot make up the difference, the promisee shall be responsible for raising funds to make up the funding gap and ensure the project is completed as planned; If the cash flow is insufficient to repay the debt, the promisee shall pay the debt comprehensively; Commitments shall remain valid until the date of repayment of the guaranteed debts.

10.2 Off-Group guarantees

10.2.1 Guarantees provided for off-Group companies

Credit guarantee

Unit: RMB'0,000

Guarantor	The guaranteed	Relationship with the Group	Guarantee amount	Due date
EXPO Shanghai (Group) Co., Ltd.	Shanghai Expo Bailian Business Co., Ltd.	Related party	2,229.50	2022/01/18
EXPO Shanghai (Group) Co., Ltd.	Shanghai Expo Bailian Business Co., Ltd.	Related party	4,410.00	2023/12/18
EXPO Shanghai (Group) Co., Ltd.	Shanghai Expo Bailian Business Co., Ltd.	Related party	4,900.00	2020/10/16
EXPO Shanghai (Group) Co., Ltd.	Shanghai Expo Bailian Business Co., Ltd.	Related party	4,410.00	2020/01/09
EXPO Shanghai (Group) Co., Ltd.	Shanghai Expo Bailian Business Co., Ltd.	Related party	7,350.00	2024/10/16
Shanghai Land Pension Investment Co., Ltd.	Shanghai SoYang Investment Management Co., Ltd.	Related party	1,435.00	2024/12/15
Shanghai Land Pension Investment Co., Ltd.	Shanghai SoYang Investment Management Co., Ltd.	Related party	1,148.00	2027/09/28
Shanghai Land Rental Housing Construction & Development Co., Ltd.	Shanghai City Wonder Rental Housing Operation Management Co., Ltd.	Related party	8,831.25	2030/03/28

Guarantor	The guaranteed	Relationship with the Group	Guarantee amount	Due date
Shanghai Urban Renewal Construction Development Co., Ltd.	Shanghai Huangpu Urban Renewal Construction Development Co., Ltd.	Related party	536,899.32	2034/07/31
Shanghai Urban Renewal Construction Development Co., Ltd.	Shanghai Jing'an Urban Renewal Investment Development Co., Ltd.	Related party	302,765.39	2034/07/22
Shanghai Urban Renewal Construction Development Co., Ltd.	Shanghai Hongkou Urban Renewal Construction Development Co., Ltd.	Related party	485,098.82	2034/06/27
Shanghai Urban Renewal Construction Development Co., Ltd.	Shanghai Yangpu Urban Renewal Construction Development Co., Ltd.	Related party	196,144.91	2034/08/15
Total			1,555,622.19	

10.2.2 Guarantees provided by units outside the Group
Credit guarantee

Unit: RMB'0,000

Guarantor	The guaranteed	Relationship with the Group	Guarantee amount	Due date
Shanghai Expo Land Holdings Co., Ltd.	Shanghai Land (Group) Co., Ltd.	Related party	20,000.00	2028/09/29
Shanghai Expo Land Holdings Co., Ltd.	Shanghai Land (Group) Co., Ltd.	Related party	20,000.00	2029/02/28
Shanghai Chengtou Corporation	Shanghai Land (Group) Co., Ltd.	Non-related party	400,000.00	2021/05/13
China Bond Insurance Co., Ltd.	Shanghai Land (Group) Co., Ltd.	Non-related party	160,000.00	2021/04/24
China Bond Insurance Co., Ltd.	Shanghai Land (Group) Co., Ltd.	Non-related party	100,000.00	2022/04/20
Shanghai Huijing Properties Co., Ltd.	Shanghai Xinghui Real Estate Co., Ltd.	Non-related party	11,361.20	2024/09/04
Total			711,361.20	

10.3 Guarantee business

- 1 As at December 31, 2019, the subsidiary Shanghai House Real Estate Sponson Co., Ltd. had a loan guarantee balance of RMB 116,650,000,000.00 for individual housing provident fund, RMB 2,667,000,000.00 for commercial loans, RMB 1,501,000,000.00 for 5-year commercial loan business, RMB 1,269,600.00 for study abroad loans, RMB 360,969,000.00 for auction guarantees, and RMB 300,000.00 for employee loans, RMB 68,676,000.00 for mortgaged transfer, and RMB 238,779,000.00 for forward housing delivery business.
- 2 Shanghai United Financing Guarantee Co., Ltd., a subsidiary of Shanghai House Real Estate Sponson Co., Ltd. had financing guarantee balance of RMB 50,842,100.00.

10.4 Periodic joint and several guarantee liability for commercial housing sales

Due to different local policies some project companies under the Company provide periodic joint and several guarantee liabilities for the house purchasers who apply for personal housing loans, entrusted loans of housing provident fund and discount loans of housing provident fund from banks to purchase their developed buildings.

11 Commitments

- 1 On December 9, 2015, the subsidiary China Enterprise Company Limited issued an announcement on foreign investment. Its holding subsidiary China Enterprise Huijin Investment Co., Ltd. plans to establish Shanghai Chengding Environmental Industry Equity Investment Fund Co., Ltd. in cooperation with Shanghai Chengtou Holding Co., Ltd., Shanghai Yunzhu Investment Co., Ltd., Yasha Holding Co., Ltd., Shanghai Fuhua Venture Capital Management Co., Ltd., Shanghai Phoenix Science and Technology Venture Capital Co., Ltd. and Shanghai Jinkai Financing Guarantee Co., Ltd.. The scale of the fund is RMB 2,005,000,000.00, of which China Enterprise Huijin Investment Co., Ltd. plans to invest RMB 400,000,000.00. As at December 31, 2019, China Enterprise Huijin Investment Co., Ltd. has not made such contribution.
- 2 In 2016, according to the land transfer memorandum signed by Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd. (hereinafter referred to as "Shenjiang Company") and Shanghai Fuyuan Binjiang Development Co., Ltd. (hereinafter referred to as "Fuyuan Company"), Shenjiang Company collects RMB 350,000,000.00 of supporting cost for bundled public welfare projects in Plots E04-2\04-4 from Fuyuan Company and bears the construction cost of five public welfare projects in these two plots. At the same time, Shenjiang Company irrevocably promises that, regardless of whether Shengjian Company is a shareholder of Fuyuan Company, if the cost of public welfare projects cannot be deducted from Fuyuan Company before tax (including but not limited to land tax increase, value-added tax and enterprise income tax), Shenjiang Company agrees to reduce the above-mentioned land use right transfer payment (that is, Shenjiang Company will no longer charge Fuyuan Binjiang the reduced land use right transfer payment), and after adjustment, it is ensured that Fuyuan Company can obtain the after-tax profit which can be deducted before tax according to the cost of public welfare projects, so as to protect the rights and interests that Fuyuan Company shareholders should enjoy. The shareholders of Fuyuan Company are Shanghai Star Group Co., Ltd. and Shanghai Ronglvrujiang Real Estate Co., Ltd., holding 53% and 47% shares respectively.
On January 11, 2019, the Company formally consolidated Shenjiang Company by merger in accordance with the document (HDC [2019] No. 26), and signed an agreement of consolidation by merger, stipulating that June 30, 2019 will be the base date of the consolidation. From the base date, all assets, debts, personnel and other rights and obligations of Shenjiang Company will be borne by the Company. Therefore, the above-mentioned related commitments shall also be later undertaken by the Company.

- 3 In 2015, the subsidiary Shanghai Shenjiang Liang'an Development & Construction Investment (Group) Co., Ltd. (hereinafter referred to as "Shenjiang Company"), a subsidiary company, is responsible for the overall development of wharf areas on both banks of Huangpu River in accordance with the strategic plan of Shanghai Municipal Government, and obtaining the development right of 15 plots of commercial land by way of land premium for the stock land. At the same time, it is responsible for the construction of public welfare projects in riverside areas of 12 wharves on both sides of Huangpu River. According to Article 43 of Chapter 8 of *Applicable Law and Dispute Resolution* of the Shanghai State-owned Construction Land Use Transfer Contract signed by Shenjiang Company and Shanghai Municipal Bureau of Planning and Land Resources, it is specially agreed that:
- (1) If the construction unit needs to build a bundled public welfare project and bear the relevant expenses, the project will be handed over to the government for territorial management after completion.
 - (2) According to the work requirements of Shanghai Municipal Government on the whole linkage development project of key areas on both sides of the Huangpu River, the transferee shall bear the related expenses such as the construction of public welfare projects in key areas on both sides of the Huangpu River in proportion.
 - (3) According to the working mechanism of Shanghai Municipal Government to implement the linkage between overall development and public welfare projects in key areas on both sides of Huangpu River, the land rights and interests of Shengjiang in the wharf area recovered from relevant plots (Shengjiang Part) will be reduced, and the amount of land reduction will directly offset the land transfer fee.

On January 11, 2019, the Company formally consolidated Shenjiang Company by merger in accordance with the document (HDC [2019] No. 26), and signed an agreement of consolidation by merger, stipulating that June 30, 2019 will be the base date of the consolidation. From the base date, all assets, debts, personnel and other rights and obligations of Shenjiang Company will be borne by the Company. Therefore, the above-mentioned related commitments shall also be later undertaken by the Company.

As at December 31, 2019, according to the unbound public welfare projects involved in the special agreement (2), Shenjiang Company collected RMB 1,200,450,000.00 of supporting costs from all main construction body, and will be responsible for the construction of unbound public welfare projects involved in each project. The balance of special payables this year is RMB 940,560,000.00. According to the special agreement (3), it obtained RMB 3,071,150,000.00 of reduced land rights and interests. The balance of land compensation this year is RMB 1,456,300,000.00 and temporarily included in long-term payables - land compensation for reduced land rights and interests.

12 Post balance sheet events

- 1 At the beginning of 2020, the COVID-19 epidemic broke out all over the country, which affected the normal production and business activities of enterprises to varying degrees. The Company and some of its subsidiaries are mainly engaged in real estate development, with many projects under construction, mainly distributed in Shanghai and Jiangsu. In the face of the epidemic, the Company actively responded and strictly implemented the government's requirements for prevention and control of the epidemic, and evaluated and actively responded to the impact of the Company's project start-up, real estate sales and real estate leasing. In terms of leasing, in order to cope with the impact of the epidemic on SMEs, the Company and some of its subsidiaries implemented rent reduction and exemption for SMEs meeting the conditions of reduction and exemption according to local government policies.

- 2 According to the resolution of the eighth board of directors of the Company in 2019 (HDDJY [2019] No. 08) on July 22, 2019, the proposal on transferring the registered capital from the capital reserve fund was passed. On September 27, 2019, Shanghai State-owned Assets Supervision and Administration Commission issued the *Official Reply on Approving Shanghai Land (Group) Co., Ltd. to Increase Registered Capital with Capital Reserves* (HIGZWCQ [2019] No. 266), agreeing Shanghai Land (Group) Co., Ltd. to increase the Company's registered capital from RMB 4,200,000,000.00 to RMB 30,000,000,000.00 through capital reserve.
On November 8, 2019, Shanghai State-owned Assets Supervision and Administration Commission issued the document (HIGZWFG [2019] No. 294), agreeing to Shanghai Land (Group) Co., Ltd. to amend its articles of association, and asking the Company to complete the relevant formalities for industrial and commercial registration. On December 16, 2019, the Company obtained the renewed property right registration certificate for state-funded enterprise, and completed the industrial and commercial registration of change on January 10, 2020.

- 3 According to the document (HGZW [2018] No. 57), the Shanghai State-owned Assets Supervision and Administration Commission, based on the audited book net asset value on December 31, 2017, free transfers 100% equity of Shanghai Real Estate Auction House, 88.24% equity of Shanghai Real Estate Market Co., Ltd., 2% equity of Shanghai House Real Estate Sponson Co., Ltd., 100% equity of Shanghai Kaixin Real Estate Consulting Co., Ltd., 26% equity of Shanghai City Real Estate Information Technology Co., Ltd. and 10% equity of Shanghai Tuofang Network Technology Co., Ltd. to the Company. Including:
The industrial and commercial registration of the 100% equity of Shanghai Real Estate Auction House was completed on December 19, 2018.

The industrial and commercial registration of the 88.24% equity of Shanghai Real Estate Market Co., Ltd. was completed on March 4, 2019.

The industrial and commercial registration of the 2% equity of Shanghai House Real Estate Sponson Co., Ltd. was completed on January 21, 2019.

The industrial and commercial registration of the 100% equity of Shanghai Kaixin Real Estate Consulting Co., Ltd. was completed on January 14, 2020.

The industrial and commercial registration of the 10% equity of Shanghai Tuofang Network Technology Co., Ltd. was completed on October 22, 2019.

As for the 26% equity of Shanghai Urban Real Estate Information Technology Co., Ltd., the enterprise property registration was completed on May 8, 2020, but the industrial and commercial registration was still under process as at the reporting date.

- 4 According to the resolution of the shareholders' meeting of Shanghai Shanghai Shenjiang Liang'an Development&Construction Investment (Group) Co., Ltd. (hereinafter referred to as "Shenjiang Company"), the Company formally consolidates Shenjiang Company by merger at its book value. The base date of this consolidation by merger is June 30, 2019, and the parties will sign the agreement on consolidation by merger accordingly. The assets, equity, creditor's rights, debts and personnel of Shenjiang Company shall be undertaken by the Company, and and Shenjiang Company was thus closed and canceled. On January 11, 2019, the Circular on Consolidation of Shenjiang Company by Merger (HDC [2019] No. 26) also specified the above contents.

In the same year, the Company signed an agreement on consolidation of Shenjiang Company by merger, stipulating that June 30, 2019 will be the consolidation base date. After the base date, Shenjiang Company will handle tax liquidation, industrial and commercial cancellation and registration of change of state-owned property rights in a timely manner according to relevant regulations. On October 18, 2019, the consolidation by merger was announced on the Wenhui Daily; The Company has set up a set of independent accounts, which record at the audited book assets and liabilities of Shenjiang Company on June 30, 2019. The equity of Shanghai Fujin Real Estate Development Co., Ltd. and Shanghai Fulu Real Estate Development Co., Ltd., former subsidiaries of Shenjiang Company and current wholly-owned subsidiaries of the Company, were also taken over by the Company. As at the reporting date, Shenjiang Company's related tax liquidation, industrial and commercial cancellation, and registration of change of state-owned property rights are still in process.

- 5 According to the resolution of shareholders' meeting of the subsidiary Shanghai Rainbow Investment Corp on September 19, 2019, it is agreed to increase the registered capital of SR Company from RMB 3,454,545,455.00 to RMB 3,904,995,905.00, among which the Company's capital contribution increased from RMB 1,954,545,455.00 to RMB 2,404,995,905.00.

After the increase of registered capital, the shareholders' contribution amount and shareholding ratio were as follows: Shanghai Land (Group) Co., Ltd. contributed RMB 2,404,995,905.00, accounting for 61.59%; Shanghai Jiushi (Group) Co., Ltd. contributed RMB 1,200,000,000.00, accounting for 30.73%; Shanghai Airport Authority contributed RMB 300,000,000.00, accounting for 7.68%.

On December 6, 2019, SR Company completed the industrial and commercial registration of changes. On April 28, 2020, the Company paid the relevant amount for capital increase.

- 6 In 2019, the subsidiary Shanghai Land Pension Investment Co., Ltd. increased the capital of its subsidiary Shanghai Yueyang Traditional Chinese Medicine Clinic Co., Ltd., making the registered capital increase from RMB 2,000,000.00 to RMB 55,000,000.00 and the paid-in capital increase from RMB 2,000,000.00 to RMB 49,000,000.00. As at the reporting date, the industrial and commercial registration of such changes has not been completed.

As at December 31, 2019, Shanghai Land Pension Investment Co., Ltd. has contributed RMB 29,400,000.00, accounting for 60%, and Shanghai Shenyang Investment Management Co., Ltd. has contributed RMB 19,600,000.00, accounting for 40%.

- 7 On April 27, 2020, the 9th meeting of the 9th Board of Directors of China Enterprise Company Limited reviewed and approved the proposal of issuing bonds to professional investors. It is planned to issue corporate bonds to the public with a scale of no more than RMB 10,000,000,000.00, which can be issued in one phase or in installments, with a bond term of no more than 10 years (including 10 years). The specific issue scale, issue phases, specific period and guarantee method are authorized to be determined by the board of directors and its authorized persons within the above range according to the company's capital needs and market conditions at the time of issuance. The proposal still needs to be submitted to the 2019 Annual General Meeting for deliberation and approval.

- 8 On April 27, 2020, the 9th meeting of the 9th Board of Directors of China Enterprise Company Limited deliberated and approved the company's profit distribution plan for 2019: in 2019, the company plans to distribute profits based on the total share capital registered on the date of record for the implementation of equity distribution, and plans to distribute undistributed profits to all shareholders in a manner of RMB 1.38 (including tax) for every 10 shares. As at December 31, 2019, the total share capital of the company was 6,096,135,300 shares, which means a total cash dividend of RMB 841,266,700.00 (including tax) was to be distributed. The company's profit distribution in 2019 will not be used for the conversion of capital reserve into share capital.
- If the total share capital of the company changes before the implementation of the equity distribution on date of record, the share distribution ratio will remain unchanged.

The plan still needs to be submitted to its 2019 Annual General Meeting for deliberation and approval before implementation.

13 Related party relationships and their transactions

13.1 Parent company of the Company

Name of enterprise	Shareholding ratio	Relationship with the Company
Shanghai State-owned Assets Supervision and Administration Commission	100.00%	Shareholder

- 13.2 See Note 7.1 for details about the subsidiaries of the Company

- 13.3 See Note 8.17.2 for details about the joint ventures and associates of the Company.

13.4 Other related parties of the Company

Related party	Relationship with the Company
Shanghai Yuanyi Industrial Co., Ltd.	Subsidiary of Expo Land Holdings
Shanghai Boteng Industrial Co., Ltd.	Subsidiary of Expo Land Holdings
Shanghai Boyuan Industrial Co., Ltd.	Subsidiary of Expo Land
Shanghai Ronglvrujiang Real Estate Co., Ltd.	Minority shareholder of a subsidiary of China Enterprise
Shanghai Construction Engineering Management Co., Ltd.	Hosting enterprise of SR Company

13.5 Related party transactions

- 13.5.1 For the subsidiaries under the control of the Company and included in the scope of accounting statements, their mutual transactions and the parent-subsidiary corporation transactions have already been offset.

13.5.2 Pricing method and decision-making procedure for related transactions

The pricing method and decision-making procedure for related transactions are determined by both parties through negotiation according to the industry standards and the development level of the project location, combined with the project target positioning, project investment, design requirements and other factors.

All related transactions between the Company and the above-mentioned related parties are conducted in accordance with the principles of mutual benefit, fairness and impartiality, and neither party can harm the interests of the other party by using related transactions.

13.5.3 Sale of goods/rendering of services to related parties

Company name	Content of related transaction	Year 2019	Year 2018
Shanghai Yangzijiang Hotel Co., Ltd.	Compensation for land rights and interests	325,800,000.00	
Shanghai Yangzijiang Hotel Co., Ltd.	Interest on the compensation for rights and interests	24,665,943.39	24,934,811.31
Shanghai Yangzijiang Hotel Co., Ltd.	Labor income	105,589.81	
Shanghai Pacific Hotel Co., Ltd.	Interest on the compensation for rights and interests	23,900,745.27	24,169,613.20
Shanghai Pacific Hotel Co., Ltd.	Labor income	57,783.96	
Shanghai International Trade Center Co., Ltd.	Interest on the compensation for rights and interests	5,699,401.49	
Shanghai International Trade Center Co., Ltd.	Yard use fee	1,839,278.10	9,659,518.10
Shanghai International Trade Center Co., Ltd.	Labor income	624,587.54	
Shanghai Expo Bailian Business Co., Ltd.	Yard lease fee	101,957,076.20	98,035,650.21
Shanghai Pujiang Tour Operation Service Co., Ltd.	Rendering of labor services	33,494,435.12	
Shanghai SoYang Investment Management Co., Ltd.	Yard use fee	30,485,364.12	36,884,950.69
Shanghai Expo Land Holdings Co., Ltd.	Management fee	6,049,889.54	1,634,847.98
Shanghai Expo Land Holdings Co., Ltd.	Asset management fee	4,895,055.53	5,022,525.08
Shanghai Chunri Real Estate Co., Ltd.	House rental income	1,482,375.06	1,499,209.34
Shanghai Xingxin Real Estate Development Co., Ltd.	Labor service fee	1,273,556.98	7,253,946.20
Shanghai Binjiang Xiangrui Investment and Construction Co., Ltd.	House rent	707,496.32	
Shanghai Kangjian Gas Co., Ltd.	House rent	619,047.62	590,476.19
Shanghai Expo Green Energy Development Co., Ltd.	Personnel dispatch service	441,509.43	
Shanghai City Wonder Rental Housing Operation Management Co., Ltd.	Shop management fee	70,886.68	
Shanghai Yuanyi Industrial Co., Ltd.	House sale fee		1,460,811,587.06
Total		564,170,022.16	1,670,497,135.36

13.5.4 Purchase of goods/receipt of services from related parties

Company name	Content of related transaction	Year 2019	Year 2018
Shanghai Expo Land Holdings Co., Ltd.	Rental expenses	53,558,319.27	72,902,052.44
Shanghai Expo Land Holdings Co., Ltd.	Property fee	237,510.13	111,879.02
China Resources Land (Shanghai) Co., Ltd.	Service fee	18,667,729.27	5,932,535.65
Shanghai City Wonder Rental Housing Operation Management Co., Ltd.	Consulting service fee, labor fee, etc.	9,413,291.09	
Hubei Chengda Galaxy Data Technology Co., Ltd.	Receipt of labor services	9,151,009.59	4,366,945.65
Total		91,027,859.35	83,313,412.76

13.5.5 Interest income from related parties

Company name	Year 2019	Year 2018
Shanghai Land Longyang Property Development Co., Ltd.	389,720,690.38	279,229,987.63
Shanghai Chunri Real Estate Co., Ltd.	250,881,000.00	170,276,200.00
Shanghai Fupu Binjiang Development&Construction Investment Co., Ltd.	21,740,173.43	
Shanghai Fuying Binjiang Development&Construction Investment Co., Ltd.	10,219,655.56	
Shanghai Pulifa Residential Industry Co., Ltd.	286,152.32	140,691.05
Shanghai Boyuan Industrial Co., Ltd.		60,434,874.87
Total	672,561,519.37	509,941,062.50

13.5.6 Interest expense paid to related parties

Company	Year 2019	Year 2018
Shanghai Xingxin Real Estate Development Co., Ltd.		1,180,763.89
Total		1,180,763.89

13.5.7 Revenue from transferring equity to related parties

Company	Year 2019	Year 2018
Shanghai Boteng Industrial Co., Ltd.		173,811,058.66
Total		173,811,058.66

13.5.8 Receivables from and payables to related parties

Company name	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Yangzijiang Hotel Co., Ltd.	Accounts receivable	305,800,000.00	
Shanghai SoYang Investment Management Co., Ltd.	Accounts receivable	49,959,516.67	14,529,934.88

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

Company name	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Expo Bailian Business Co., Ltd.	Accounts receivable	26,763,732.57	51,468,716.49
Shanghai International Trade Center Co., Ltd.	Accounts receivable	6,041,365.58	5,071,247.00
Shanghai Expo Land Holdings Co., Ltd.	Accounts receivable	5,715,869.03	6,588,250.12
Shanghai Pujiang Tour Operation Service Co., Ltd.	Accounts receivable	1,900,978.46	
Hubei Chengda Galaxy Data Technology Co., Ltd.	Accounts receivable	1,650,480.00	
Shanghai Huangpu River Dong'an Development Investment Co., Ltd.	Accounts receivable	1,229,456.30	
Shanghai Yuanyi Industrial Co., Ltd.	Accounts receivable		103,856,340.97
Total		399,061,398.61	181,514,489.46

Company name	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Land Longyang Property Development Co., Ltd.	Interest receivable	320,141,514.98	295,983,786.89
Total		320,141,514.98	295,983,786.89

Company name	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Xingxin Real Estate Development Co., Ltd.	Dividends receivable	68,000,000.00	
Shanghai Xuhui Binjiang Development Investment Construction Co., Ltd.	Dividends receivable	51,268,284.50	51,268,284.50
Shanghai Songjiang Xincheng Construction Development Co., Ltd.	Dividends receivable	20,680,305.15	62,920,305.15
Shanghai Allied Cement Limited	Dividends receivable	17,331,578.86	5,582,212.78
Shanghai Deshang Real Estate Development Co., Ltd.	Dividends receivable	10,560,000.00	
Shanghai Yingli Real Estate Co., Ltd.	Dividends receivable	250,000.00	250,000.00
Shanghai Pudong Jinxin Real Estate Development Co., Ltd.	Dividends receivable		23,467,712.63
Shanghai Owens-Corning Glass Fibre Co., Ltd.	Dividends receivable		3,197,000.00
Shanghai Xinshenhui Property Management Co., Ltd.	Dividends receivable		2,400,000.00
Total		168,090,168.51	149,085,515.06

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

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Construction Engineering Management Co., Ltd.	Advances to suppliers	116,387,167.16	847,068.91
Hubei Chengda Galaxy Data Technology Co., Ltd.	Advances to suppliers	99,976.42	
Total		116,487,143.58	847,068.91

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Land Longyang Property Development Co., Ltd.	Other receivables	1,737,276,800.00	1,737,276,800.00
Shanghai Ronglvruijiang Real Estate Co., Ltd.	Other receivables	1,034,000,000.00	1,410,000,000.00
Shanghai Yingli Real Estate Co., Ltd.	Other receivables	150,000,000.00	150,000,000.00
State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government	Other receivables	97,849,134.32	97,849,134.32
Shanghai Construction Engineering Management Co., Ltd.	Other receivables	55,611,348.50	46,490,550.50
Shanghai Xinghuadi Hotel Management Co., Ltd.	Other receivables	28,500,000.00	28,500,000.00
Anting New Gubei (Shanghai) Construction Development Co., Ltd.	Other receivables	5,000,000.00	5,000,000.00
Shanghai Hongqiao Commercial Development Company	Other receivables	902,852.60	902,852.60
Shanghai Xingxin Real Estate Development Co., Ltd.	Other receivables	844,000.00	6,704,477.85
Shanghai Expo Land Holdings Co., Ltd.	Other receivables	624,170.00	1,079,017.98
Shanghai SoYang Investment Management Co., Ltd.	Other receivables	107,493.45	359,662.07
Shanghai Boteng Industrial Co., Ltd.	Other receivables		4,164,821,953.10
Shanghai Chunri Real Estate Co., Ltd.	Other receivables		1,343,924,980.33
Shanghai Boyuan Industrial Co., Ltd.	Other receivables		200,000,000.00
Total		3,110,715,798.87	9,192,909,428.75

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

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Land Longyang Property Development Co., Ltd.	Other current assets (Entrusted loan)	8,651,669,403.71	7,712,723,200.00
Shanghai Fuzhou Binjiang Development& Construction Investment Co., Ltd	Other current assets (Entrusted loan)	603,683,777.88	
Shanghai Fupu Binjiang Development& Construction Investment Co., Ltd.	Other current assets (Entrusted loan)	448,520,000.00	
Shanghai Fuying Binjiang Development& Construction Investment Co., Ltd.	Other current assets (Entrusted loan)	210,841,000.00	
Shanghai Pulifa Residential Industry Co., Ltd.	Other current assets (Entrusted loan)	4,800,000.00	7,000,000.00
Shanghai Expo International Hotel Investment Management Co., Ltd.	Other current assets (Entrusted loan)		636,800,736.00
Total		9,919,514,181.59	8,356,523,936.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Chunri Real Estate Co., Ltd.	Other non-current assets maturing within one year (Entrusted loan)		84,000,000.00
Total			84,000,000.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Chunri Real Estate Co., Ltd.	Other non-current assets (Entrusted loan)	3,960,400,434.44	2,267,000,000.00
Total		3,960,400,434.44	2,267,000,000.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Construction Engineering Management Co., Ltd.	Accounts payable	5,222,158.05	8,220,524.05
Shanghai Neobay Venture Capital Co., Ltd.	Accounts payable	2,187,100.00	

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

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Hubei Chengda Galaxy Data Technology Co., Ltd.	Accounts payable	1,300,882.92	
Shanghai SoYang Investment Management Co., Ltd.	Accounts payable	231,416.65	
Total		8,941,557.62	8,220,524.05

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Expo Land Holdings Co., Ltd.	Advances from customers	2,541,750.00	2,475,000.00
Shanghai International Automobile City Real Estate Co., Ltd.	Advances from customers	126,400.00	
Total		2,668,150.00	2,475,000.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai International Automobile City Real Estate Co., Ltd.	Other payables	208,400,000.00	488,400,000.00
Shanghai Allied Cement Limited	Other payables	79,000,000.00	112,000,000.00
Shanghai Deshang Real Estate Development Co., Ltd.	Other payables	75,647,080.00	139,583,080.00
Shanghai Xingxin Real Estate Development Co., Ltd.	Other payables	75,377,511.09	350,000,000.00
Shanghai Pacific Hotel Co., Ltd.	Other payables	40,000,000.00	30,000,000.00
China Resources Land (Shanghai) Co., Ltd.	Other payables	24,600,264.92	1,061,520,274.65
Shanghai Ronglvruijiang Real Estate Co., Ltd.	Other payables	23,850,256.38	23,850,256.38
Shanghai International Trade Center Co., Ltd.	Other payables	20,000,000.00	
Shanghai Construction Engineering Management Co., Ltd.	Other payables	12,059,327.00	12,179,327.00
Shanghai Xintiandi Property development Co., Ltd.	Other payables	11,296,993.12	11,296,993.12
Shanghai SoYang Investment Management Co., Ltd.	Other payables	4,316,555.60	
Shanghai Lihao Property Management Co., Ltd.	Other payables	2,045,574.00	2,045,574.00
Shanghai Fuzhou	Other payables	592,166.67	

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

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Binjiang Development & Construction Investment Co., Ltd			
Shanghai Neobay Venture Capital Co., Ltd.	Other payables	368,312.00	
Shanghai Chunri Real Estate Co., Ltd.	Other payables	240,760.80	240,760.80
Shanghai Yangzijiang Hotel Co., Ltd.	Other payables		20,000,000.00
Shanghai Financial Industry Investment Co. Ltd.	Other payables		5,000,000.00
Total		577,794,801.58	2,256,116,265.95

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Ronglvrujiang Real Estate Co., Ltd.	Dividends payable	78,020,000.00	156,237,400.00
Total		78,020,000.00	156,237,400.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Expo Land Holdings Co., Ltd.	Other current liabilities (Entrusted loan)	4,500,000,000.00	4,000,000,000.00
Shanghai Xingxin Real Estate Development Co., Ltd.	Other current liabilities (Entrusted loan)		350,000,000.00
Total		4,500,000,000.00	4,350,000,000.00

Company	Item	Amount as at December 31, 2019	Amount as at January 1, 2019
Shanghai Xingxin Real Estate Development Co., Ltd.	Interest payable		1,180,763.89
Total			1,180,763.89

13.5.9 See Note 10.1 for the guarantee provided to related parties in the group.

13.5.10 See Note 10.2 for the guarantee provided to related parties outside of the group.

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

14 Notes to main items of the parent company's financial statements

14.1 Details of accounts receivable

Category	Amount as at December 31, 2019				Amount as at January 1, 2019			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Accounts receivable with individually significant amount and individual provision for bad debts								
Accounts receivable with the provision for bad debts made by aging analysis method	8,855,700.00	96.92%	5,242,397.40	59.20%				
Accounts receivable with individually insignificant amount and individual provision for bad debts	281,700.00	3.08%						
Total	9,137,400.00	100.00%	5,242,397.40	57.37%				

(1) Accounts receivable with the provision for bad debts made by aging analysis method

Aging	Amount as at December 31, 2019				Amount as at January 1, 2019			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Within 1 year (including 1 year)	129,132.00	1.46%	6,456.60					
1 - 2 years (including 2 years)								
2 - 3 years (including 3 years)								
Over 3 years	8,726,568.00	98.54%	5,235,940.80					
Total	8,855,700.00	100.00%	5,242,397.40					

Remark: See Note 12.4 for the creditor's right of Shenjiang Company merged by the Company.

(2) Accounts receivable with individually insignificant amount and individual provision for bad debts as at December 31, 2019

Debtor	Book balance	Provision for bad debts	Aging	Proportion of provision	Reason for provision
Shanghai Gubei Property Management Co., Ltd.	281,700.00		Within 1 year		In-group current account without provision for bad debts
Total	281,700.00				

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

- (3) Accounts receivable with larger balance as at December 31, 2019, presented by debtor

Debtor	Book balance	Proportion in total accounts receivable	Provision for bad debts
Shanghai East-Bund Investment Co., Ltd.	8,726,568.00	95.50%	5,235,940.80
Total	8,726,568.00	95.50%	5,235,940.80

14.2 Other receivables

Item	Balance as at December 31, 2019	Balance as at January 1, 2019
Interest receivable	434,730,062.32	376,646,283.72
Dividends receivable	149,948,589.65	185,704,305.15
Other receivables	6,888,104,544.54	7,124,746,129.54
Total	7,472,783,196.51	7,687,096,718.41

14.2.1 Interest receivable

Item	Balance as at December 31, 2019	Balance as at January 1, 2019
Entrusted loans	434,730,062.32	376,646,283.72
Total	434,730,062.32	376,646,283.72

14.2.2 Dividends receivable

Item	Balance as at December 31, 2019	Balance as at January 1, 2019	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Dividends receivable with aging within one year	78,000,000.00	143,464,305.15		
Including:				
Shanghai Kaifeng Real Estate Development Co., Ltd.	73,000,000.00	73,932,000.00	Declared but not issued	No
Shanghai Yuanjing Real Estate (Group) Co., Ltd.	5,000,000.00	48,852,000.00	Declared but not issued	No
Shanghai Songjiang Xincheng Construction Development Co., Ltd.		20,680,305.15		

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

Item	Balance as at December 31, 2019	Balance as at January 1, 2019	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Dividends receivable with the aging of over one year	71,948,589.65	42,240,000.00		
Including:				
Shanghai Songjiang Xincheng Construction Development Co., Ltd.	20,680,305.15	42,240,000.00	Declared but not issued	No
Shanghai Xuhui Binjiang Development Investment Construction Co., Ltd. (Remark)	51,268,284.50		Declared but not issued	No
Total	149,948,589.65	185,704,305.15		

Remark: See Note 12.4 for the creditor's right of Shenjiang Company merged by the Company.

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

14.2.3 Other receivables

Category	Amount as at December 31, 2019				Amount as at January 1, 2019			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Other receivables with individually significant amount and individual provision for bad debts	5,221,059,387.67	72.14%	119,053,964.09	2.28%	1,585,838,768.93	21.03%	97,849,134.32	6.17%
Other receivables with the provision for bad debts made by aging analysis method	2,009,314,740.62	27.76%	229,619,417.82	11.43%	5,949,374,990.48	78.89%	317,878,813.48	5.34%
Other receivables with individually insignificant amount and individual provision for bad debts	7,403,798.16	0.10%	1,000,000.00	13.51%	6,260,317.93	0.08%	1,000,000.00	15.97%
Total	7,237,777,926.45	100.00%	349,673,381.91	4.83%	7,541,474,077.34	100.00%	416,727,947.80	5.53%

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

(1) Other receivables with individually significant amount and individual provision for bad debts as at December 31, 2019

Debtor	Book balance	Provision for bad debts	Aging	Proportion	Reason for provision
Shanghai Land Minhong (Group) Co., Ltd.	2,623,224,333.34		Within 1 year		In-group current account without provision for bad debts
Shanghai Shengju Industrial Co., Ltd.	531,000,000.00		2 - 3 years and over 3 years		In-group current account without provision for bad debts
Shanghai Fujin Real Estate Development Co., Ltd.	464,611,736.00		Within 2 years		In-group current account without provision for bad debts
Shanghai Land Xinyue Real Estate Co., Ltd.	365,322,536.48		Within 3 years and over 3 years		In-group current account without provision for bad debts
Shanghai Fuyuan Binjiang Development Co., Ltd.	349,438,130.21		2 - 3 years		In-group current account without provision for bad debts
Shanghai Fulu Real Estate Development Co., Ltd.	244,460,000.00		1 - 2 years		In-group current account without provision for bad debts
Shanghai Land Longyang Construction and Development Co., Ltd.	163,903,760.07	21,204,829.77	Within 3 years and over 3 years	12.94%	Individual provision for bad debts made by revocability
Shanghai Yingcheng Real Estate Co., Ltd.	163,887,792.47		Within 3 years and over 3 years		In-group current account without provision for bad debts
Shanghai Jiuyun Real Estate Co., Ltd.	126,206,109.52		Within 3 years and over 3 years		In-group current account without provision for bad debts
State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government	97,849,134.32	97,849,134.32	Over 3 years	100.00%	Long aging

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

Debtor	Book balance	Provision for bad debts	Aging	Proportion	Reason for provision
Shanghai Star Group					
Shengcheng Property Co., Ltd.	81,155,855.26		Within 3 years and over 3 years		In-group current account without provision for bad debts
Shanghai Expo Culture Park Construction Management Co., Ltd.	10,000,000.00		Within 1 year		In-group current account without provision for bad debts
Total	5,221,059,387.67	119,053,964.09			

(2) Other receivables with the provision for bad debts made by aging analysis method

Aging	Amount as at December 31, 2019		Amount as at January 1, 2019	
	Book balance		Book balance	
	Amount	Proportion	Amount	Proportion
Within 1 year (including 1 year)	118,462,782.71	5.90%	5,903,111,824.90	99.22%
1 - 2 years (including 2 years)	1,817,149,923.04	90.43%	5,231,902.62	0.09%
2 - 3 years (including 3 years)	7,466,448.49	0.37%	8,062,419.36	0.14%
Over 3 years	66,235,586.38	3.30%	32,968,843.60	0.55%
Total	2,009,314,740.62	100.00%	5,949,374,990.48	100.00%

(3) Other receivables with individually insignificant amount and individual provision for bad debts as at December 31, 2019

Debtor	Book balance	Provision for bad debts	Aging	Proportion	Reason for provision
Shanghai Shenjiang Asset Management Co., Ltd.	5,976,214.38		Within 1 year		In-group current account without provision for bad debts
Start-up capital for Jinjiang land lot in Luwan District	1,000,000.00	1,000,000.00	Over 3 years	100.00%	Expected to be irrecoverable
Shanghai Housing and Land (Group) Co., Ltd.	173,687.73		Within 1 year		In-group current account without provision for bad debts
Shanghai Huanjiang Investment Development Co., Ltd.	89,799.95		2 - 3 years		In-group current account without provision for bad debts
Shanghai House Real Estate	54,043.30		3 years and		In-group current account without

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

Debtor	Book balance	Provision for bad debts	Aging	Proportion	Reason for provision
Sponson Co., Ltd.			over 3 years		provision for bad debts
Shanghai Shenjiang Yide Investment Management Co., Ltd.	44,767.55		Over 3 years		In-group current account without provision for bad debts
Shanghai Huangpu River Wharf Shoreline Construction Management Co., Ltd.	38,505.83		Within 1 year		In-group current account without provision for bad debts
Shanghai Land Agriculture Investment Development Co., Ltd.	19,545.46		3 years and over 3 years		In-group current account without provision for bad debts
Shanghai Zhongda Co., Ltd.	7,233.96		1 - 2 years		In-group current account without provision for bad debts
Total	7,403,798.16	1,000,000.00			

(4) Top 5 of other receivables as at December 31, 2019, presented by debtor

Company name	Nature	Book balance	Aging	Proportion in the total amount of other receivables	Provision for bad debts
Shanghai Land Minhong (Group) Co., Ltd.	In-group current account	2,623,224,333.34	Within 1 year	36.24%	
Shanghai Land Longyang Property Development Co., Ltd.	Current account	1,737,276,800.00	1 - 2 years	24.00%	173,727,680.00
Shanghai Shengju Industrial Co., Ltd.	In-group current account	531,000,000.00	2 - 3 years and over 3 years	7.34%	
Shanghai Fujin Real Estate Development Co., Ltd.	In-group current account	464,611,736.00	Within 2 years	6.42%	
Shanghai Land Xinyue Real Estate Co., Ltd.	In-group current account	365,322,536.48	Within 3 years and over 3 years	5.05%	
Total		5,721,435,405.82		79.05%	173,727,680.00

14.3 Long-term equity investments

14.3.1 Classification of long-term equity investments

Item	Balance as at January 1, 2019	Increase in 2019	Decrease in 2019	Balance as at December 31, 2019
Investments in subsidiaries	39,194,005,944.02	8,168,616,614.14	7,848,077,524.94	39,514,545,033.22
Investments in joint ventures	612,603,818.25	118,147,647.15		730,751,465.40
Investments in associates	8,928,405,002.22	946,333,627.91		9,874,738,630.13
Sub-total	48,735,014,764.49	9,233,097,889.20	7,848,077,524.94	50,120,035,128.75
Less: provision for impairment of long-term investments		3,500,000.00		3,500,000.00
Total	48,735,014,764.49	9,229,597,889.20	7,848,077,524.94	50,116,535,128.75