

IMPORTANT NOTICE

NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offering circular (the “Offering Circular”) attached to this e-mail. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information as a result of such access. You acknowledge that the access to the Offering Circular is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) — the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE BONDS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE BONDS MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

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

Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed to Xi Yang Overseas Limited (the “Issuer”), Nanjing Yangzi State-owned Assets Investment Group Co., Ltd (南京揚子國資投資集團有限責任公司) (the “Company”), China International Capital Corporation Hong Kong Securities Limited, Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Standard Chartered Bank, Haitong International Securities Company Limited, CNCB (Hong Kong) Capital Limited, CLSA Limited, CMB International Capital Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, Guotai Junan Securities (Hong Kong) Limited, Central Wealth Securities Investment Limited, ABCI Capital Limited, BOCOM International Securities Limited and CEB International Capital Corporation Limited (the “Joint Lead Managers”, and each a “Joint Lead Manager”) that: (1) you and any customers you represent are not in the United States, (2) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, (3) you consent to delivery of this document and any amendments or supplements by electronic transmission, and (4) to the extent you purchase the Bonds, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

The Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Company, the Joint Lead Managers, the Trustee, the Agents (both as defined in the terms and conditions of the Bonds) nor any of their affiliates, directors, officers, employees, representatives, agents, advisers and each person who controls any of them accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version.

Restrictions: The Offering Circular is being furnished in connection with an offering in offshore transactions outside the United States in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the Bonds.

Nothing in this electronic transmission constitutes, and may not be used in connection with, an offer or an invitation by or on behalf of any of the Issuer, the Company or the Joint Lead Managers to subscribe or purchase any of the Bonds, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of a Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer and the Company in such jurisdiction. Any Bonds to be issued in respect thereof will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the Bonds.

You are reminded that you have accessed the Offering Circular on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Circular to any other person.

Actions that you may not take: If you receive the Offering Circular by e-mail, you should not reply by e-mail to this electronic transmission, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

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

Xi Yang Overseas Limited

(incorporated in the British Virgin Islands with limited liability)

U.S.\$280,000,000 1.98 PER CENT. BONDS DUE 2022 (“BONDS”)

**WITH THE BENEFIT OF A KEEPWELL DEED AND
A DEED OF EQUITY INTEREST PURCHASE UNDERTAKING BY**



Nanjing Yangzi State-owned Assets Investment Group Co., Ltd (南京揚子國資投資集團有限責任公司)

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

ISSUE PRICE: 100.0 PER CENT.

The 1.98 per cent. bonds due 2022 (the “**Bonds**”) will be issued in the aggregate principal amount of U.S.\$280,000,000 by Xi Yang Overseas Limited (the “**Issuer**”). The Issuer and Nanjing Yangzi State-owned Assets Investment Group Co., Ltd (南京揚子國資投資集團有限責任公司) (the “**Company**”) will enter into a keepwell and liquidity support deed on or about 3 November 2021 (the “**Keepwell Deed**”) with The Bank of New York Mellon, London Branch (the “**Trustee**”) as trustee of the Bonds as further described in “*Offer Structure — The Keepwell Deed*” and “*Description of the Keepwell Deed*”. Furthermore, the Company will enter into a deed of equity interest purchase undertaking on or about 3 November 2021 (the “**Deed of Equity Interest Purchase Undertaking**”) with the Trustee as further described in “*Offer Structure — The Deed of Equity Interest Purchase Undertaking*” and “*Description of the Deed of Equity Interest Purchase Undertaking*”.

None of the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking constitutes a direct or indirect guarantee of the Bonds by the Company and may not give rise to a debt claim in the event of any insolvency proceedings in relation to the Company. For further details, please see “*Risk Factors — Risks Relating to the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking — Neither the Keepwell Deed nor the Deed of Equity Interest Purchase Undertaking from the Company is a guarantee of the payment obligations of the Issuer and the Company under the Bonds and may not give rise to a debt claim or be recognised by PRC courts in the event of any insolvency proceedings in relation to the Company*”.

The Bonds will bear interest on their outstanding principal amount from and including 3 November 2021 (the “**Issue Date**”) at the rate of 1.98 per cent. per annum. Interest on the Bonds is payable in arrear on 3 May 2022 and 2 November 2022.

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

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without set-off or counterclaim and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the British Virgin Islands or the PRC or, in either case, any political subdivision or any authority therein or thereof having power to tax, to the extent described in Condition 8 of the Terms and Conditions of the Bonds.

The PRC Government (including the Nanjing City Government and Nanjing SASAC) is not an obligor and shall under no circumstances have any obligation arising out of or in connection with the Bonds in lieu of the Issuer or (as the case may be) the Company. See “*Risk Factors — Risks Relating to the Bonds — The PRC Government has no legal obligations under the Bonds*”.

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem the Bonds at their principal amount on 2 November 2022 (the “**Maturity Date**”). The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the holders of the Bonds (which shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent at their principal amount (together with any interest accrued to (but excluding) the date fixed for redemption), in the event of certain changes affecting taxes of the British Virgin Islands or the PRC. See “*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for Taxation Reasons*”. At any time following the occurrence of a Change of Control (as defined in the Terms and Conditions of the Bonds), the holder of any Bond will have the right, at such holder’s option, to require the Issuer to redeem all but not some only of that holder’s Bonds on the Put Settlement Date (as defined in the Terms and Conditions of the Bonds) at 101 per cent. of their principal amount, together with any interest accrued to (but excluding) such Put Settlement Date. See “*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for Change of Control*”.

The Bonds will be issued in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Investing in the Bonds involves risks. See “*Risk Factors*” beginning on page 17 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act. For a description of these and certain further restrictions on offers and sales of the Bonds and the distribution of this Offering Circular, see “*Subscription and Sale*”.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Company, the Group (as defined herein) or the Bonds.

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

Fitch Ratings, Inc. (“**Fitch**”) and S&P Global Ratings, a division of S&P Global Inc. (“**S&P**”) have assigned a corporate rating of “A-” and “BBB+”, respectively, with a stable outlook to the Company. The Bonds are expected to be rated “A-” by Fitch. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

**China International
Capital Corporation**

Huatai International

ICBC International

Standard Chartered Bank

Joint Lead Managers and Joint Bookrunners

Haitong International

CNCB Capital

CLSA

CMB International

**China Everbright Bank
Hong Kong Branch**

**Guotai Junan
International**

**Central Wealth Securities
Investment Limited**

**ABC
International**

**BOCOM
International**

**CEB
International**

Offering Circular dated 27 October 2021

IMPORTANT NOTICE

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

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on Singapore Exchange Securities Trading Limited for the purpose of giving information with regard to the Issuer, the Company and the Group. Each of the Issuer and the Company accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. Investors are advised to read and understand the contents of the Offering Circular before investing. If in doubt, investors should consult their advisers.

Each of the Issuer and the Company accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that (i) this Offering Circular contains all information with respect to the Issuer, the Company, the Company's affiliates, the Group, the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking which is material in the context of the issue and offering of the Bonds (including the information which is required by applicable laws and according to the particular nature of the Issuer, the Company, the Group, the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking and is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Company and the Group and of the rights attaching to the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking); (ii) the statements contained in this Offering Circular relating to the Issuer, the Company, the Company's affiliates, the Group, the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking are in every material particular true and accurate and not misleading; (iii) the opinions and intentions expressed in this Offering Circular are, with regard to the Issuer, the Company, the Company's affiliates and the Group, honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to the Issuer, the Company, the Company's affiliates, the Group, the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, the omission of which would, in the context of the issue and offering of the Bonds, make any statement in this Offering Circular misleading in any material aspect; (v) all reasonable enquiries have been made by the Issuer and the Company to ascertain such facts and to verify the accuracy of all such information and statements relating to the Issuer, the Company, the Company's affiliates, the Group, the Trust Deed, the Agency Agreement, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking and the Bonds in this Offering Circular; and (vi) the statistical, industry and market-related data and forward-looking statements included in this Offering Circular (if any), are based on or derived or extracted from sources which each of the Issuer and the Company believes to be accurate and reliable in all material respects.

This Offering Circular has been prepared by the Issuer and the Company solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Company, China International Capital Corporation Hong Kong Securities Limited, Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Standard Chartered Bank, Haitong International Securities Company Limited, CNCB (Hong Kong) Capital Limited, CLSA Limited,

CMB International Capital Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, Guotai Junan Securities (Hong Kong) Limited, Central Wealth Securities Investment Limited, ABCI Capital Limited, BOCOM International Securities Limited and CEB International Capital Corporation Limited (the “**Joint Lead Managers**”) to subscribe for or purchase any of the Bonds. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Company and the Joint Lead Managers to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular or any offering or publicity material relating to the Bonds in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see “*Subscription and Sale*”.

In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Offering Circular does not constitute, and there will not be, an offering of the Bonds to any person in the British Virgin Islands.

No person has been or is authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any information supplied by the Issuer and the Company or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Company or the Joint Lead Managers. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Company or the Group since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof.

None of the Joint Lead Managers, the Trustee or the Agents (as defined in the Terms and Conditions of the Bonds) or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them has separately verified the information contained in this Offering Circular. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them, makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Offering Circular or any information supplied in connection with the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the Company and the merits and risks involved in investing in the Bonds. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents, or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates, accepts any responsibility for the contents of this Offering Circular or for any other statement made

or purported to be made by or on behalf of a Joint Lead Manager, the Trustee or an Agent, or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them, in connection with the Issuer, the Company, the Group, the issue and offering of the Bonds or the giving of the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking. Each of the Joint Lead Managers, the Trustee and the Agents and each of their respective representatives, directors, officers, employees, agents, advisers and affiliates and each person who controls any of them accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates, undertakes to review the financial condition or affairs of the Issuer, the Company or the Group during the life of the arrangements contemplated by this Offering Circular or to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents, or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them.

This Offering Circular may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. This Offering Circular does not constitute an offer or an invitation to subscribe for or to purchase any Bonds, is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Company, the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them that any recipient of this Offering Circular should subscribe for or purchase any Bonds. Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Company with its own tax, legal and business advisers as it deems necessary.

Market data and certain industry forecasts used throughout this Offering Circular have been obtained based on market research, public information and industry publications. Market research, public information and industry publications generally state that the information that they contain has been obtained from sources believed to be reliable and accurate but that the accuracy and completeness of that information is not guaranteed. Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Company, the Joint Lead Managers, the Trustee or the Agents or their respective representatives, employees, agents, affiliates, directors, officers and advisers or any person who controls any of them makes any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Accordingly, such information should not be unduly relied upon.

IN CONNECTION WITH THE ISSUE OF THE BONDS, ANY OF THE JOINT LEAD MANAGERS APPOINTED AND ACTING IN ITS CAPACITY AS A STABILISATION MANAGER (THE “STABILISATION MANAGER”) (OR PERSONS ACTING ON BEHALF OF A STABILISATION MANAGER) MAY OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF A STABILISATION MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE BONDS. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Listing and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Bonds. This Offering Circular is provided solely for the purpose of enabling the recipient to consider purchasing the Bonds. The investors or prospective investors should read this Offering Circular carefully before making a decision regarding whether or not to purchase the Bonds. This Offering Circular cannot be used for any other purpose and any information in this Offering Circular cannot be disclosed to any other person. This Offering Circular is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Bonds.

None of the Issuer, the Company, the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates are making any representations regarding the legality of an investment in the Bonds under any law or regulation. The recipient of this Offering Circular should not consider any information in this Offering Circular to be legal, business or tax advice. Any investor or prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Bonds.

The contents of this Offering Circular have not been reviewed by any regulatory authority in the People's Republic of China, Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offering of the Bonds. If any investor is in any doubt about any of the contents of this Offering Circular, that investor should obtain independent professional advice.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains the audited consolidated financial information of the Company as at and for the years ended 31 December 2018, 2019 and 2020, and the unaudited but reviewed consolidated interim financial information as at and for the six months ended 30 June 2020 and 2021.

The consolidated financial information of the Company as at and for the year ended 31 December 2018 has been derived from the audited consolidated financial statements of the Company as at and for the year ended 31 December 2019 (the “**Company’s 2019 Audited Financial Statements**”) and the consolidated financial information of the Company as at and for the years ended 31 December 2019 and 2020 has been derived from the audited consolidated financial statements of the Company as at and for the year ended 31 December 2020 (the “**Company’s 2020 Audited Financial Statements**”, together with the Company’s 2019 Audited Financial Statements, the “**Company’s Audited Financial Statements**”). The Company’s Audited Financial Statements have been audited by Zhongxinghua Certified Public Accountants LLP (“**Zhongxinghua**”), the independent auditors of the Company.

The unaudited but reviewed consolidated interim financial information of the Company as at and for the six months ended 30 June 2020 and 2021 has been derived from its unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021 (the “**Company’s Reviewed Interim Financial Statements**”, together with the Company’s Audited Financial Statements, the “**Company’s Financial Statements**”), which are included elsewhere in this Offering Circular, and which have been reviewed by Zhongxinghua. Such financial information has not been audited and should not be relied upon by potential investors to provide the same type or quality of information associated with information that has been subject to an audit. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them makes any representation or warranty, express or implied, regarding the accuracy or sufficiency of such unaudited but reviewed consolidated financial statements for an assessment of, and potential investors must exercise caution when using such data to evaluate, the Company’s financial condition and results of operations. Accordingly, potential investors must exercise caution when using such data to evaluate the Company’s financial position, results of operations and cash flows. Such unaudited consolidated interim financial information as at and for the six months ended 30 June 2021 should not be taken as an indication of the expected financial condition, results of operations and cash flows of the Company for the full financial year ending 31 December 2021.

The Company’s Financial Statements were prepared and presented in accordance with the Accounting Standards for Business Enterprises in the PRC as amended from time to time (“**PRC GAAP**”). PRC GAAP differs in certain respects from International Financial Reporting Standards (“**IFRS**”). See “*Summary of Certain Differences Between PRC GAAP and IFRS*”.

The Company’s comparative financial information as at and for the year ended 31 December 2018, as contained in the Company’s 2019 Audited Financial Statements, was restated to reflect (i) the change in accounting policies with effect from 1 January 2019, as MOF released the Notice on Revising and Issuing the Format of Financial Statements of General Enterprises (Cai Kuai [2019] No. 6), as well as (ii) corrections of certain prior accounting errors. See Notes IV.31 and XII.1 of the Company’s 2019 Audited Financial Statements.

The Company’s comparative financial information as at the for the year ended 31 December 2019, as contained in the Company’s 2020 Audited Financial Statements, was restated to reflect corrections of certain prior accounting errors. See Note XII.1 of the Company’s 2020 Audited Financial Statements.

This Offering Circular includes figures relating to EBITDA. EBITDA is not a standard measure under PRC GAAP or IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of the operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities of the Issuer, the Company or the Group. In evaluating EBITDA, investors should consider, among other things, the components of EBITDA such as operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. The Company has included EBITDA because it believes that it is a useful supplement to cash flow data providing a measure of the Group's performance and ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare EBITDA of the Group to EBITDA presented by other companies because not all companies use the same definition.

CERTAIN TERMS AND CONVENTIONS

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to the “**PRC**”, “**China**” and “**mainland China**” are to the People’s Republic of China (excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan); all references to the “**United States**” and “**U.S.**” are to the United States of America; all references to “**PRC Government**” are to the people’s government of the PRC; all references to “**MOFCOM**” are to the Ministry of Commerce of China; all references to the “**PBOC**” are to the People’s Bank of China; all references to the “**SASAC**” are to the State-owned Assets Supervision and Administration Commission of the PRC; all references to the “**Nanjing SASAC**” are to the State-owned Assets Supervision and Administration Commission of Nanjing of the PRC; all references to “**Nanjing City Government**” are to People’s Government of Nanjing City of the PRC; all references to “**MOF**” are to the Ministry of Finance of China; and all references to “**CBIRC**” are to the China Banking and Insurance Regulatory Commission.

In this Offering Circular, all references to “**Hong Kong**” are to the Hong Kong Special Administrative Region of the People’s Republic of China; all references to “**Renminbi**” and “**RMB**” are to the lawful currency of the PRC; and all references to “**U.S.\$**” and “**U.S. dollars**” are to the lawful currency of the United States of America. Historical amounts translated into Renminbi have been translated at historical rates of exchange. Such translations should not be construed as representations that the amounts referred to herein could have been or could be converted into Renminbi at those rates or any other rate at all.

This Offering Circular contains translation of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise specified, where financial information in relation to the Issuer has been translated into U.S. dollars, it has been so translated, for convenience only, at the rate of RMB6.4566 to U.S.\$1.00 (the noon buying rate in New York City on 30 June 2021 as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York). Further information regarding exchange rate is set forth in “*Exchange Rate Information*”. No representation is made that the Renminbi amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars at any particular rate or at all.

In this Offering Circular, references to “**sq.m.**” are to the measurement unit of square metres; and references to “**sq.km.**” are to the measurement unit of square kilometres.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

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

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements. The forward-looking statements contain information regarding, among other things, the Group's future operations, performance, financial condition, expansion plans and business strategy. These forward-looking statements are based on the Group's current expectations and projections about future events. Although the Group believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- the Group's ability to successfully implement its business plans and strategies;
- various business opportunities that the Group may pursue;
- financial condition, performance and business prospects of the Group;
- the Group's capital expenditure plans and its ability to carry out those plans;
- access and cost of capital and financing;
- changes in the competition landscape in the industries where the Group operates;
- any changes in the laws, rules and regulations of the PRC Government and the Nanjing City Government and the rules, regulations and policies of the relevant governmental authorities relating to the Group's business;
- general political and economic conditions, including those related to the PRC;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Group operates;
- macroeconomic measures taken by the PRC Government to manage economic growth;
- changes in global economic conditions; and
- other factors, including those discussed in "*Risk Factors*".

Neither the Issuer nor the Company undertakes any obligation to update or revise publicly any of the opinions or forward-looking statements expressed in this Offering Circular as a result of any new information, future events or otherwise.

The words "believe", "expect", "anticipate", "estimate", "intend", "plan", "seek" and similar words identify forward-looking statements. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, revenue, profitability, planned projects and other matters as they relate to the Issuer, the Company or the Group discussed in this Offering Circular regarding matters that are not historical fact. Although the Group believes that the expectations reflected in the forward-looking statements are reasonable, the Group can give no assurance that such expectations will prove correct. The Group undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of the foregoing and the risks, uncertainties and assumptions in "*Risk Factors*" and elsewhere in this Offering Circular, the forward-looking statements in this Offering Circular are not and should not be construed as assurances of future performance and the Issuer's, the Company's and the Group's actual results could differ materially from those anticipated in those forward-looking statements.

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SUMMARY

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

OVERVIEW

The Group is the sole platform of the Nanjing City Government that focuses on infrastructure development and provision of public utility services in the Nanjing Jiangbei New District. As at 30 June 2021, it was also the largest of its kind in terms of total assets. As an enterprise wholly owned by the Management Committee of the Nanjing Jiangbei New District (南京市江北新區管委會) (the “**Nanjing JND Management Committee**”), the Company has been mandated by the Nanjing City Government on an exclusive basis to implement the PRC Government’s and the Nanjing City Government’s plans to develop the Nanjing Jiangbei New District, which is one of the 19 key state-level new districts in China and the only state-level new district in Jiangsu Province which was set up by the State Council in June 2015 as part of the implementation of its “Yangtze River Economic Belt Development Plan” released in September 2014. Over the years, the Group has established a strong track record of infrastructure and social housing construction and primary land development in the Nanjing Jiangbei New District, and developed into a key force behind the continuous enhancement of the commercial attractiveness and competitiveness of the Nanjing Jiangbei New District through the exploration and integration of social welfare, natural scenic landscapes, historic preservation and other industry resources.

The Group engages in a wide range of business activities, which can be grouped into the following principal segments:

- *Engineering construction.* The Group undertakes infrastructure construction on behalf of the Nanjing City Government on an exclusive basis in the Nanjing Jiangbei New District. Over the years, the Group has led the construction of a large number of infrastructure projects of great importance to the Nanjing Jiangbei New District, ranging from transportation terminals, transportation networks, relics preservation and restoration to environmental preservation and flood control projects. As at 30 June 2021, the Group had completed a number of infrastructure construction projects, the development fees of which had yet to be fully paid by the Nanjing City Government or the relevant local management committee of the Nanjing Jiangbei New District. The total investment of these projects amounted to approximately RMB28.4 billion. The Group normally develops infrastructure projects under an agent construction model under which the Group is engaged as the general contractor for an agreed contracting fee payable according to the relevant payment timetable. See “— *Description of the Group’s Businesses — Engineering construction*”.
- *Primary land development.* The Group is the sole entity commissioned by the Nanjing City Government to conduct primary land development in the Nanjing Jiangbei New District, which has an estimated developable area of approximately 2,451 sq.km. During the three years and six months ended 30 June 2021, the Group completed the development of land with a total site area of approximately 454,667 sq.m. Similar to engineering construction, the Group normally carries on primary land development under an agent construction model. See “— *Description of the Group’s Businesses — Primary land development*”.
- *Social housing development.* The Group is an important entity commissioned by the Nanjing City Government to undertake the development of social housing projects in Nanjing Jiangbei New District. As at 30 June 2021, the Group had 13 ongoing major social housing construction projects. The total estimated investment was approximately RMB20.8 billion. See “— *Description of the Group’s Businesses — Social housing development*”.

- *Miscellaneous services and property leasing.* The Group provides a diverse range of services in the Nanjing Jiangbei New District, including (1) financial services, (2) hotel operation and property management, (3) inspection services and (4) construction project consulting services. The Group also leases and manages properties constructed or acquired by it, including office buildings, industrial parks and commercial stalls located in the Nanjing Jiangbei New District. See “— Description of the Group’s Businesses — Miscellaneous services and property leasing”.
- *Others.* The Group is the sole entity commissioned by the Nanjing City Government to provide public utility services in the Nanjing High and New Technology Industry Development Zone (南京高新技術產業開發區) (the “NHZ”). The Group provides public utility services, including the supply of water and heating power, to support the operation and development of the NHZ. See “— Description of the Group’s Businesses — Others”.

The following table sets forth a breakdown of the Group’s operating income by business segment for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total
Engineering construction ⁽¹⁾	1,083.5	15.1	1,053.4	14.0	2,523.7	29.4	1,701.2	69.2	1,012.4	28.9
Primary land development ⁽²⁾	299.7	4.2	785.1	10.4	980.8	11.4	—	—	—	—
Social housing development	2,151.0	30.0	1,856.6	24.7	2,346.5	27.4	7.8	0.3	1,250.3	35.8
Miscellaneous services and property leasing	911.6 ⁽³⁾	12.7	1,095.5 ⁽⁴⁾	14.5	1,121.2 ⁽⁴⁾	13.1	418.9 ⁽⁴⁾	17.1	685.6 ⁽⁴⁾	19.6
Others	2,731.2 ⁽⁵⁾	38.0	2,740.5 ⁽⁵⁾	36.4	1,598.3 ⁽⁶⁾	18.7	330.4 ⁽⁶⁾	13.4	548.2 ⁽⁶⁾	15.7
Total	7,177.0	100.0	7,531.1	100.0	8,570.5	100.0	2,458.2	100.0	3,496.5	100.0

Notes:

- (1) This amount represents the aggregate of the Group’s operating income from infrastructure construction.
- (2) This amount represents the aggregate of the Group’s operating income from land development. The Group did not record any operating income from its primary land development business for the six months ended 30 June 2020 and 2021 as the Group usually settles the land development fee with relevant governmental authorities and records relevant operating income during the second half of the year.
- (3) This amount represents the aggregate of the Group’s operating income from technical advisory services, leasing business, project management services and property management services.
- (4) This amount represents the aggregate of the Group’s operating income from technology consulting service, leasing business, property management service and financial services.
- (5) This amount represents the aggregate of the Group’s operating income from transportation business, labour services, water, heating and steam supply business, sewage treatment, tap water engineering repair works, trade income and others.
- (6) This amount represents the aggregate of the Group’s operating income from labour services, water, heating and steam supply business, tap water engineering repair works, trade income and others.

COMPETITIVE STRENGTHS

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

- Sole investment and financing platform of the Nanjing City Government that focuses on infrastructure construction and municipal development and provision of public utility services in the Nanjing Jiangbei New District
- Strong governmental support to achieve rapid business growth
- A diversified business portfolio with a steadily growing revenue sources
- Diversified financing channels managed under prudent fiscal policies
- Experienced senior management with sound corporate governance

BUSINESS STRATEGIES

The Group will continue to capitalise the growth potential arising from the development of the Nanjing Jiangbei New District and develop itself into a leading conglomerate in the region. The following key strategies have been adopted to achieve its goal:

- Continue to leverage the preferential policies and geographical advantages of the Nanjing Jiangbei New District and Nanjing to continue the development of the Nanjing Jiangbei New District and to enhance its commercial value
- Further improve the synergies among the Group's different business segments
- Further explore innovative financing channels and expand the financing sources of the Group
- Adhere to prudent financial management with stringent risk control

RECENT DEVELOPMENTS

Additional Indebtedness since 30 June 2021

Since 30 June 2021, the Group has incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In July 2021, Nanjing Jiangbei New District Industrial Investment Group Co., Ltd. (南京江北新區產業投資集團有限公司) (“**Nanjing JND Industrial Investment**”), a consolidated subsidiary of the Company, issued RMB500 million 3.49 per cent. private placement bonds with a maturity of five years. In August 2021, Nanjing JND Industrial Investment further issued RMB600 million 4.2 per cent. private placement bonds with a maturity of two years. In August 2021, Nanjing Jiangbei New District Public Holdings Group Co., Ltd. (南京江北新區公用控股集團有限公司) (“**Nanjing JND Public Holdings**”), a consolidated subsidiary of the Company, issued RMB400 million 3.54 per cent. medium term notes with a maturity of five years. In August 2021, Nanjing JND Industrial Investment issued RMB600 million 3.9 per cent. medium term notes with a maturity of three years. In August 2021, Nanjing JND Industrial Investment issued RMB2 billion 3.37 per cent. medium-term-notes with a maturity of three years. In September 2021, Nanjing JND Industrial Investment issued RMB500 million 3.26 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Industrial Investment issued RMB800 million 3.98 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Public Holdings issued RMB800 million 3.85 per cent. medium term notes with a maturity of three years.

OFFER STRUCTURE

The following is a description of the structure of the offering, which should be read in conjunction with the sections entitled “Risk Factors”, “Terms and Conditions of the Bonds”, “Description of the Keepwell Deed” and “Description of the Deed of Equity Interest Purchase Undertaking”.

THE BONDS

The Bonds will be issued by the Issuer. The Bonds will constitute direct, general, unconditional and (subject to Condition 4(a) of the Terms and Conditions of the Bonds) unsecured obligations of the Issuer which will at all times rank *pari passu* and without any preference among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Issuer is incorporated in the British Virgin Islands and is an indirectly wholly-owned subsidiary of the Company.

THE KEEPWELL DEED

By way of entering into the Keepwell Deed, the Company will undertake to provide intra-group credit-support for the Issuer.

The Keepwell Deed will make clear that none of the obligations contained therein and nothing done pursuant thereto by the Company shall be deemed to constitute, or shall be construed as, or shall be deemed an evidence of, a guarantee by, or any similar legally binding obligation of, the Company of the payment of any obligation, indebtedness or liability, of any kind or character whatsoever, of the Issuer under the laws of any jurisdiction. The obligations under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking may not give rise to a debt claim or be recognised by PRC courts in the event of any insolvency proceedings in relation to the Company. Further, the Keepwell Deed expressly provides that in order for the Company to comply with its obligations, the Company may be required to obtain certain PRC regulatory approvals which it shall use its best endeavours to obtain.

Material undertakings to be provided by the Company under the Keepwell Deed will include:

- (a) *Ownership of the Issuer and the Company* — (i) directly or indirectly, be the single largest shareholder of the Issuer; (ii) procure that accounts of the Issuer are consolidated with those of the Company; (iii) procure that the title, rights and interests in the shares of the Issuer that are held by the Company are not pledged, charged or in any way encumbered; and (iv) directly or indirectly appoint all senior management of the Issuer.
- (b) *Limitation on business activities of the Issuer* — procure that the Issuer shall (x) not carry on any business activity whatsoever other than in connection with the issue of the Bonds or other debt securities and any other activities reasonably incidental thereto (such activities shall, for the avoidance of doubt, include the on-lending of the proceeds of the issue of Bonds or other debt securities to the Company or any other Subsidiaries of the Company (each a “**Group Borrower**”), and to cause such Group Borrower to pay the interest and principal in respect of such intercompany loan on time;
- (c) *Maintenance of consolidated net worth, liquidity, etc.* — procuring (i) the Issuer to have a Consolidated Net Worth of at least U.S.\$1.00 (or its equivalent in any other currency) at all times; (ii) the Issuer to have sufficient liquidity to make timely payment of any amounts payable by it under or in respect of the Bonds in accordance with the Terms and Conditions of the Bond and/or the Trust Deed and that the Issuer to have sufficient funds to meet its obligations with respect to any and all fees, expenses and similar obligations of the Issuer, including but not limited to fees and expenses with respect to the corporate formation and administration of the Issuer; and (iii) the Issuer to remain solvent and a going concern at all times under the laws of its jurisdictions of incorporation or applicable accounting standards; and

- (d) *Restriction on relevant indebtedness* — undertaking by the Issuer and the Company not to, and to procure that none of their respective Subsidiaries create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

Irrevocable Cross-Border Standby Facility, Liquidity Support and Parent Investment

The Company will undertake, upon the occurrence of any of the following events: (i) the Consolidated Net Worth of the Issuer falls below U.S.\$1.00 (or its equivalent in any other currency) (a “**Financial Ratio Failure**”), (ii) an Event of Default (as defined in the Terms and Conditions of the Bonds), or (iii) the Issuer determines that it will have insufficient liquidity or cashflow to meet its payment obligations under the Bonds or the Trust Deed as they fall due (a “**Shortfall Event**”) to:

- grant the standby facility and procure remittance of the Remittance Amount (as defined in the Keepwell Deed) as a loan to the Issuer;
- provide the liquidity support to the Issuer; and
- invest in the Issuer and/or any Offshore Subsidiary(ies) (as defined in the Keepwell Deed).

The above steps will be subject to the Company having obtained all relevant Regulatory Approvals (as defined in the Keepwell Deed) (which the Company shall use its best endeavours to obtain).

THE DEED OF EQUITY INTEREST PURCHASE UNDERTAKING

Under the Deed of Equity Interest Purchase Undertaking, the Company will undertake to the Trustee that upon the receipt of a written purchase notice (the “**Purchase Notice**”) given by the Trustee following the occurrence of an Event of Default, the Company agrees to, subject to obtaining all Regulatory Approvals, purchase or procure an Onshore Subsidiary (as defined in the Deed of Equity Interest Purchase Undertaking) of the Company (the “**Purchaser**”) to purchase (the “**Purchase**”):

- (a) the Equity Interest held directly by the Issuer and/or any other Offshore Subsidiary (as defined in the Deed of Equity Interest Purchase Undertaking) as designated by the Company and notified in writing to the Trustee within five Business Days after the date of the Purchase Notice; and
- (b) in the absence of such designation and notification to the Trustee within five Business Days after the date of the Purchase Notice in accordance with the Deed of Equity Interest Purchase Undertaking, the Equity Interest held directly by all Offshore Subsidiaries (as defined in the Deed of Equity Interest Purchase Undertaking).

The aggregate purchase price of the Equity Interest(s) being the subject of the Purchase (the “**Purchase Price**”) will be determined by the Company, in accordance with any applicable PRC laws and regulations effective at the time of determination, **provided that** the Purchase Price shall be no less than the aggregate of the following amounts:

- (a) the amount sufficient to enable the Issuer to discharge in full its obligations under the Bonds and the Trust Deed (as the case may be) (including without limitation the principal amount of

the Bonds then outstanding as at the date of such Purchase Notice and any interest due and unpaid and/or accrued but unpaid on the Bonds up to but excluding the date of such Purchase Notice), plus

- (b) an amount equal to U.S.\$2,772,000 being the interest payable in respect of one full interest period on the Bonds, plus
- (c) all costs, fees and expenses (including without limitation, legal expenses) and other amounts payable to the Trustee and/or the Agents under or in connection with the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking as at the date of such Purchase Notice plus provisions for costs, fees and expenses and other amounts which may be incurred in connection with the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or Deed of Equity Interest Purchase Undertaking after the date of the Purchase Notice, as notified by the Trustee in the Purchase Notice.

Please see “*Risk Factors — Risks Relating to the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking — Performance by the Company of its undertaking under the Deed of Equity Interest Purchase Undertaking is subject to approvals of the PRC Governmental authorities and certain limitations*” and “*Risk Factors — Risks Relating to the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking — Performance by the Company of its undertaking under the Deed of Equity Interest Purchase Undertaking may be subject to consent from third-party creditors and shareholders, and may also be restricted if any of the equity interests are secured in favour of third-party creditors*”.

THE OFFERING

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

Issuer	Xi Yang Overseas Limited.
Issuer’s Legal Entity Identifier	3003009ZR7DEOK6U2J71.
Company	Nanjing Yangzi State-owned Assets Investment Group Co., Ltd (南京揚子國資投資集團有限責任公司).
The Bonds	U.S.\$280,000,000 1.98 per cent. Bonds due 2022.
Issue Price	The Bonds will be issued at 100.0 per cent. of their principal amount.
Form, Specified Denomination and Title	The Bonds will be issued in registered form in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.
Interest	The Bonds will bear interest on their outstanding principal amount from and including 3 November 2021 at the rate of 1.98 per cent. per annum, payable in arrear on 3 May 2022 and 2 November 2022.
Issue Date	3 November 2021.
Maturity Date	2 November 2022.
Use of Proceeds	The net proceeds from the offering of the Bonds will be used for general corporate purposes and refinancing of indebtedness. See “ <i>Use of Proceeds</i> ”.
Status of the Bonds	The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) of the Terms and Conditions of the Bonds) unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to Condition 4(a) of the Terms and Conditions of the Bonds, at all times rank at least equally with all the Issuer’s other present and future unsecured and unsubordinated obligations.
Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 4(a) of the Terms and Conditions of the Bonds.

Events of Default	Upon the occurrence of certain events as described in Condition 9 of the Terms and Conditions of the Bonds, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall (provided in any such case that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest.
Cross Acceleration	The Bonds will contain a cross acceleration provision as further described in Condition 9(c) of the Terms and Conditions of the Bonds. See “ <i>Terms and Conditions of the Bonds — Events of Default — Cross-Acceleration</i> ”.
Taxation	<p>All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without set-off or counterclaim and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the British Virgin Islands or the PRC or, in either case, any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>If the Issuer is required to make a deduction or withholding required by or within the British Virgin Islands or the PRC in excess of the Applicable Rate, the Issuer shall pay (except in certain circumstances set out in Condition 8 of the Terms and Conditions of the Bonds) such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required in accordance with the Terms and Conditions of the Bonds.</p>
Final Redemption	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Maturity Date.
Redemption for Taxation Reasons.	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with interest accrued to (but excluding) the date fixed for redemption, in the event of certain changes affecting taxes of the British Virgin Islands or the PRC, as further described in Condition 6(b) of the Terms and Conditions of the Bonds.

Redemption for Change of Control

At any time following the occurrence of a Change of Control, the holder of any Bond will have the right, at such holder’s option, to require the Issuer to redeem all but not some only of that holder’s Bonds on the Put Settlement Date (as defined in the Terms and Conditions of the Bonds) at 101 per cent. of their principal amount, together with any interest accrued to (but excluding) such Put Settlement Date. See “*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for Change of Control*”.

As set out in greater detail in the Terms and Conditions of the Bonds,

a “Change of Control” occurs when:

- (a) (x) the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC, (y) any other Person directly or indirectly Controlled by the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC, and (z) any other Person directly or indirectly Controlled by the central government of the PRC, together cease to directly or indirectly hold or own 100 per cent. of the issued share capital of the Company;
- (b) the Company, directly or indirectly, ceases to be the single largest shareholder of the Issuer;
- (c) the accounts of the Issuer cease to be consolidated with those of the Company; or
- (d) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other Person or Persons, acting together, unless such Person(s) is/are Controlled by the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC;

Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the first payment of interest on them) so that such further issue shall be consolidated and form a single series with the Bonds then outstanding. References in the Terms and Conditions of the Bonds will include (unless the context requires otherwise) any bonds further issued pursuant to Condition 15 of the Terms and Conditions of the Bonds and forming a single series with the Bonds then outstanding.

Clearing Systems	The Bonds will be evidenced initially by beneficial interests in a Global Certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with, a common depository for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, definitive certificates for the Bonds will not be issued in exchange for beneficial interests in the Global Certificate.
Governing Law and Jurisdiction ...	English law. Exclusive jurisdiction of the Hong Kong courts.
Trustee	The Bank of New York Mellon, London Branch.
Principal Paying Agent	The Bank of New York Mellon, London Branch.
Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, Dublin Branch.
Listing	<p>Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Bonds.</p> <p>For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). Accordingly, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of U.S.\$200,000.</p>
Keepwell Deed	The Issuer and the Company will enter into the Keepwell Deed with the Trustee as further described in “ <i>Offer Structure — The Keepwell Deed</i> ” and “ <i>Description of the Keepwell Deed</i> ”.
Deed of Equity Interest Purchase Undertaking	The Company will enter into the Deed of Equity Interest Purchase Undertaking with the Trustee as further described in “ <i>Offer Structure — The Deed of Equity Interest Purchase Undertaking</i> ” and “ <i>Description of the Deed of Equity Interest Purchase Undertaking</i> ”.
Rating	The Bonds are expected to be rated “A-” by Fitch. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. Prospective investors should evaluate each rating independently of any other rating of the Bonds or other securities of the Issuer or the Company.

Clearance and Settlement

The Bonds have been accepted for clearance through Euroclear and Clearstream.

ISIN

XS2403224129

Common Code

240322412

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE COMPANY

The following tables set forth the summary consolidated financial information of the Company as at and for the periods indicated. The consolidated financial information of the Company as at and for the year ended 31 December 2018 has been derived from the Company's 2019 Audited Financial Statements and the consolidated financial information of the Company as at and for the years ended 31 December 2019 and 2020 has been derived from the Company's 2020 Audited Financial Statements. The Company's Audited Financial Statements have been audited by Zhongxinghua and were prepared and presented in accordance with PRC GAAP. See "Presentation of Financial Information".

The summary consolidated financial information of the Company as at and for the six months ended 30 June 2020 and 2021, as set forth below, is derived from the Company's Reviewed Interim Financial Statements included elsewhere in this Offering Circular. The Company's Reviewed Interim Financial Statements have been reviewed by Zhongxinghua and prepared and presented in accordance with PRC GAAP. Such financial information has not been audited and should not be relied upon by potential investors to provide the same type or quality of information associated with information that has been subject to an audit. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them makes any representation or warranty, express or implied, regarding the accuracy or sufficiency of such unaudited but reviewed consolidated financial statements for an assessment of, and potential investors must exercise caution when using such data to evaluate, the Company's financial condition and results of operations. Accordingly, potential investors must exercise caution when using such data to evaluate the Company's financial position, results of operations and cash flows. Such unaudited consolidated interim financial information as at and for the six months ended 30 June 2021 should not be taken as an indication of the expected financial condition, results of operations and cash flows of the Company for the full financial year ending 31 December 2021.

PRC GAAP differs in certain material respects from IFRS. The Company has not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "Summary of Certain Differences between PRC GAAP and IFRS".

The information set out below should be read in conjunction with, and is qualified in its entirety by reference to, the Company's Financial Statements including the notes thereto, which are included elsewhere in this Offering Circular.

SUMMARY CONSOLIDATED INCOME STATEMENT DATA

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (reviewed)	(RMB'000) (reviewed)
Operating income	7,177,000	7,531,195	8,570,532	2,458,260	3,496,492
Total operating costs	(7,727,942)	(8,078,626)	(9,733,551)	2,735,363	(3,813,132)
Less: Operating costs	(5,704,354)	(5,849,919)	(6,791,178)	(1,879,465)	(2,691,206)
Taxes and surcharges	(109,828)	(139,101)	(173,516)	(41,899)	(95,183)
Selling and distribution expenses	(79,353)	(79,239)	(102,169)	(43,790)	(84,356)
General and administrative expenses ..	(705,098)	(975,390)	(1,078,954)	(466,938)	(508,562)
Research and development expenses ..	(4,551)	(6,799)	(12,299)	(5,110)	(6,002)
Financial expenses	(1,124,757)	(1,028,179)	(1,575,435)	(298,161)	(427,823)
Add: Other income	251,479	390,607	316,405	92,904	41,053
Investment income	673,346	607,992	947,264	344,782	307,517
Gains/(losses) from changes in fair value	270,118	369,362	756,547	(16,495)	(5,540)
Impairment losses	7,676	15,513	(55,894)	183	(5,333)
Gains from assets disposal	121,847	13,258	10,878	3	(7)
Operating profit	773,523	849,300	812,182	144,274	21,049
Non-operating income	12,411	22,187	93,321	6,886	17,572
Non-operating expenses	(9,459)	(15,794)	(37,188)	(18,139)	(15,169)
Profit before income tax	776,476	855,693	868,315	133,021	23,452
Income tax expenses	(207,482)	(303,495)	(410,839)	(3,492)	(55,605)
Net profit for the year	568,994	552,198	457,476	129,529	(32,152)
Classification according to attribute					
Including: Shareholders of the company	251,684	233,088	325,214	184,436	6,933
Non-controlling interests	317,311	319,110	132,262	(54,907)	(39,085)
Other comprehensive income, net of tax	162,238	77,160	1,073,102	22,780	(169,893)
Other comprehensive income (net of tax) attributable to shareholders of the company	265,897	(40,957)	523,648	11,618	(85,294)
Other comprehensive income (net of tax) attributable to non-controlling interests ..	(103,660)	118,117	549,454	11,162	(84,599)
Total comprehensive income for the year	731,232	629,358	1,530,578	152,308	(202,045)
Attributable to:					
Shareholders of the company	517,581	192,131	848,861	196,053	(78,361)
Non-controlling interests	213,651	437,227	681,716	(43,745)	(123,684)

SUMMARY CONSOLIDATED BALANCE SHEET DATA

	As at 31 December			As at 30 June
	2018	2019	2020	2021
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (reviewed)
ASSETS				
Current assets				
Cash at bank and on hand	37,319,376	32,212,453	45,958,494	40,191,119
Transactional financial asset	—	—	—	4,062
Financial assets at fair value through profit or loss	—	35,585	5,799	—
Bills receivable	88,726	—	2,782	4,400
Accounts receivable	5,662,675	5,090,619	7,824,126	6,901,743
Prepayments	2,002,065	4,459,027	4,299,561	6,293,312
Other receivables	14,588,339	21,549,478	21,265,226	20,257,279
Inventories	66,139,011	73,028,970	91,826,725	106,862,426
Assets held for sale	—	—	—	—
Non-current assets due within one year .	—	—	—	442
Other current assets	1,143,502	2,072,825	2,611,213	3,131,711
Total current assets	126,943,694	138,448,957	173,793,925	183,646,495
Non-current assets				
Creditor's rights investment	—	—	—	91,420
Available-for-sale financial assets	12,996,393	16,990,470	25,703,924	—
Held-to-maturity investments	555,247	633,523	91,420	—
Long-term receivables	668,337	1,219,040	1,034,462	1,551,354
Long-term equity investments	1,225,740	6,878,376	2,835,345	3,541,031
Other equity instrument investments	—	—	—	27,140,994
Other non-current financial assets	—	—	—	320,410
Investment properties	9,203,405	14,862,912	19,918,930	20,267,610
Fixed assets	3,593,393	2,897,801	2,890,665	2,855,464
Construction in progress	7,906,013	11,564,054	16,362,779	20,426,883
Right-of-use assets	—	—	—	239,087
Intangible assets	1,889,832	1,133,066	1,571,140	1,868,671
Development costs	—	50,564	59,137	62,921
Goodwill	1,810	—	—	—
Long-term deferred expenses	223,051	253,972	369,433	466,092
Deferred tax assets	133,029	152,973	145,781	146,294
Other non-current assets	41,571,573	34,912,944	37,301,947	35,415,081
Total non-current assets	79,967,825	91,549,694	108,284,963	114,393,312
Total assets	206,911,518	229,998,651	282,078,887	298,039,807

	As at 31 December			As at 30 June
	2018	2019	2020	2021
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
	(audited)	(audited)	(audited)	(reviewed)
LIABILITIES AND EQUITY				
Current liabilities				
Short-term loans	4,226,456	7,952,542	9,459,987	9,591,965
Bills payable	77,961	22,187	—	24,913
Accounts payable	2,410,331	2,937,383	3,482,579	3,109,947
Notes payable and accounts payable	—	—	—	—
Advances from customers	1,154,466	1,020,730	2,706,099	5,324,260
Contract liabilities	—	—	—	202,245
Employee benefits payable	28,812	39,501	42,884	12,725
Taxes payable	1,038,006	327,346	476,344	147,782
Other payables	7,684,942	8,666,390	9,515,901	7,073,719
Non-current liabilities due within one year	13,854,183	20,665,348	20,590,413	19,893,530
Other current liabilities	2,108,002	618,057	603,147	12,290
Total current liabilities	32,583,159	42,249,481	46,877,352	45,393,374
Non-current liabilities				
Long-term loans	74,027,192	74,109,438	89,586,097	96,119,503
Debentures payable	26,162,002	29,923,068	49,748,432	58,597,292
Lease liabilities	—	—	—	151,510
Long-term payables	9,216,796	12,014,176	7,509,496	7,677,639
Deferred income	116,550	256,448	332,465	423,659
Deferred tax liabilities	1,416,706	1,506,971	1,847,959	1,739,442
Other non-current liabilities	488,374	698,018	1,259,353	1,417,669
Total non-current liabilities	111,427,620	118,508,121	150,283,801	166,126,714
Total liabilities	144,010,779	160,757,602	197,161,153	211,520,088
Shareholders' equity				
Paid-in capital	6,000,000	9,000,000	13,000,000	13,000,000
Other equity instruments	1,794,375	2,789,875	9,543,547	10,941,147
Capital reserve	19,167,578	22,754,532	27,040,713	27,521,605
Other comprehensive income	1,211,147	1,170,190	1,693,838	1,565,202
Special reserve	—	—	—	449
Surplus reserve	2,191	3,863	6,291	6,291
General risk preparation	4,163	16,326	38,368	38,368
Retained earnings	2,365,525	2,217,293	2,524,531	2,574,575
Total equity attributable to shareholders of the company	30,544,979	37,952,080	53,847,288	55,647,637
Non-controlling interests	32,355,760	31,288,969	31,070,446	30,872,082
Total shareholders' equity	62,900,739	69,241,049	84,917,734	86,519,719
Total liabilities and shareholders' equity	206,911,518	229,998,651	282,078,887	298,039,807

SUMMARY CONSOLIDATED CASH FLOW STATEMENT DATA

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (audited)	(RMB'000) (reviewed)	(RMB'000) (reviewed)
Net cash flow from/(used in)					
operating activities	(6,168,158)	(10,382,363)	(12,299,415)	(1,888,849)	(9,827,492)
Net cash flow from/(used in)					
investing activities	(10,090,625)	(27,521,657)	(23,666,094)	(14,400,225)	(7,830,715)
Net cash flow from financing					
activities	19,361,548	32,206,532	50,059,507	25,295,314	12,366,867
Effect of exchange rate					
gain/(loss) on cash and					
cash equivalents	122,502	246,750	(178,866)	(8,183)	(16,531)
Net increase in cash and					
cash equivalents	3,225,266	(5,450,738)	13,915,132	8,998,057	(5,307,871)
Opening balance of cash and					
cash equivalents	33,719,648	36,944,915	31,494,177	31,495,046	45,410,178
Closing balance of cash and					
cash equivalents	36,944,915	31,494,177	45,409,309	40,493,103	40,102,307

OTHER FINANCIAL DATA

	As at and for the year ended 31 December			As at and for the six months ended 30 June
	2018	2019	2020	2021
EBITDA ⁽¹⁾ (RMB'000)	2,188,090	2,520,779	2,280,348	724,252
Total liabilities/Total assets				
(per cent.)	69.60	69.86	69.90	70.97
Total indebtedness ⁽²⁾ /EBITDA (x) ...	59	55	63	283
Net indebtedness ⁽³⁾ /total owner's				
equity (x)	1.48	1.52	1.78	1.98

Notes:

- (1) The Company calculates EBITDA for any year as total profit, depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets, amortisation of intangible assets, amortisation of long-term prepaid expenses and interest expense. EBITDA is not a standard measure under PRC GAAP or IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of the Company's operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, investors should consider, among other things, the components of EBITDA such as operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. The Company has included EBITDA because the Company believes that it is a useful supplement to cash flow data as a measure of the Company's performance and its ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare the Company's EBITDA to EBITDA presented by other companies because not all companies use the same definition.
- (2) Total indebtedness equals the sum of total short-term indebtedness and total long-term indebtedness. See "Capitalisation and Indebtedness of the Company".
- (3) Net indebtedness equals total indebtedness less cash at bank and on hand.

RISK FACTORS

Prior to making any investment decision, prospective investors should carefully consider all of the information contained in this Offering Circular, including the risks and uncertainties described below. The business, financial condition or results of operations of the Group could be materially and adversely affected by any of these risks. The Group believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Additional risks and uncertainties not presently known to the Issuer and the Company or which the Issuer and the Company currently deems immaterial may also have an adverse effect on an investment in the Bonds. All of these factors are contingencies which may or may not occur and the Group is not in a position to express a view on the likelihood of any such contingency occurring.

Each of the Issuer and the Company believes that the risk factors described below represent the principal risks inherent in investing in the Bonds, but the ability of the Issuer and/or the Company to pay interest, principal or other amounts on or in connection with any Bonds may be affected by some factors that may not be considered as significant risks by the Issuer and/or the Company on information currently available to them or which they are currently unable to anticipate. All of these factors are contingencies which may or may not occur and the Issuer and the Company are not in a position to express a view on the likelihood of any such contingency occurring. This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Offering Circular.

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

RISKS RELATING TO THE GROUP IN GENERAL

The Group's business is heavily dependent on the level of economic development in Nanjing, Jiangsu Province and the PRC.

As the sole investment and financing platform of the Nanjing City Government to develop the Nanjing Jiangbei New District, the Group operates its business exclusively in Nanjing, Jiangsu Province, the PRC, particularly in the Nanjing Jiangbei New District, and accordingly, its assets are highly concentrated in Nanjing. Therefore, the Group's business, financial condition, results of operations and prospects have been and will continue to be heavily dependent on the level of economic development in Nanjing, Jiangsu Province and the PRC.

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's gross domestic product ("GDP") since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Statistics Bureau of the PRC, the annual growth rate of China's GDP in 2019 decreased slightly to 6.0 per cent. on a year-on-year basis compared to 6.6 per cent. in 2018, and it further decreased to 2.3 per cent. in 2020 on a year-on-year basis. The national economic condition of the PRC has a material effect on regional economic performance in the PRC. According to the Statistics Bureau of Jiangsu Province and the Statistics Bureau of Nanjing, the annual growth rate of Jiangsu Province's GDP decreased from 11.0 per cent. in 2011 to 3.7 per cent. in 2020 and the annual growth rate of Nanjing's GDP decreased from 12.0 per cent. in 2011 to 4.6 per cent. in 2020 although the amount of Jiangsu Province's GDP and Nanjing's GDP increased during this period. These changes were generally in line with the changes in the PRC's GDP growth rate during the same period.

The future prospects of the economy of the PRC, Jiangsu Province and Nanjing depend on many different factors, most of which are beyond the Group's control. China's economy has experienced a

significant slowdown since the outbreak of COVID-19 in 2020 and China recorded a GDP contraction of 2.3 per cent. year-on-year in 2020. It is uncertain how the economic condition and future development in Jiangsu Province and Nanjing will be affected by the slowdown in the growth of the PRC's economy. There is no assurance that the economy of Jiangsu Province or Nanjing will continue to grow at historical growth rates, if at all. Continued slowdown in the economic growth in Jiangsu Province or Nanjing may affect the fiscal income and financial condition of the Jiangsu Provincial Government and the Nanjing City Government as well as their plans and budgets for city construction and development. This may in turn decrease the demand for the Group's business and adversely affect its business, financial condition, results of operations and prospects.

PRC regulations on the administration of the financing platforms and debts of local governments may have a material impact on the Group's business and sources of financing.

Various PRC Government entities maintain and enforce regulations related to local government financing vehicles ("LGFV"). Although the Company is not currently in the list of LGFVs maintained by CBIRC, the Company may still be treated as an LGFV by other government entities. These government entities, including MOF, may from time to time interpret relevant laws and regulations differently based on their own interpretation of the specific activities engaged in by enterprises such as the Company. The Company therefore cannot be certain that certain regulations intended to apply to LGFV do not or will not apply to it or that such regulations will not be retroactively applied to it.

In September 2014, the State Council of the PRC released the Opinion on Enhancing the Administration of Fiscal Debts of Local Governments (關於加強地方政府性債務管理的意見) ("Circular 43") with an aim to control a significant increase in local government debts and associated risks in the PRC's banking system. Circular 43 generally prohibits local governments to incur "off-balance" indebtedness to finance the development of government projects and other public interest projects with the proceeds of the borrowings incurred by financing platforms the relevant local governments own or control.

In April 2017, the MOF, together with the NDRC, the PBOC, China Securities Regulatory Commission, the CBIRC and the Ministry of Justice, released the Notice concerning Further Regulation of Local Government Borrowing and Financing Conduct (關於進一步規範地方政府舉債融資行為的通知) to emphasise the principles and policies set out in Circular 43. In the event the Company is deemed a financing platform of the relevant local government, the Group's results of operations and financial condition may be heavily affected by such changes in applicable regulations, including Circular 43. Consequently, the Group should rely upon the cash flow generated from its operations and external borrowings to satisfy its cash needs for servicing its outstanding indebtedness and for financing its operating activities.

In addition, the PRC Government issued Regulation on the Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (Cai Jin [2018] No.23) (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知, 財金[2018]23號) (the "MOF Circular"), effective on 28 March 2018, which aims to increase the responsibility of the PRC state-owned financial institutions to investigate the financial independence and liquidity level of local government financing vehicles that they assist in fundraising. On 11 May 2018, the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委、財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知) (the "Joint Circular") was released which reiterates the PRC Government's position to isolate the debt of local government financing vehicles from the relevant local government and to control the increase of local governments' debt. The Joint Circular requires companies that plan to borrow medium and long-term foreign debt to establish a sound and standardized corporate governance structure, management decision-making mechanism and financial management system. It further requires assets owned by such companies be of good quality with clear ownership and public interest assets are prohibited from being included in corporate assets. Pursuant to the

Circular on Relevant Requirements of the Registration of the Application for the Issuance of Foreign Debts by Local State-owned Enterprises (《國家發展改革委辦公廳關於對地方國有企業發行外債申請備案登記有關要求的通知》) promulgated by the NDRC and came into effect on 6 June 2019, foreign debts issued by local state-owned enterprises that undertake local government's financing functions shall only be used to repay medium and long-term foreign debts due within one year. See “— *Risks relating to the Bonds* — *The PRC Government has no legal obligations under the Bonds.*”

On 28 February 2021, the Notice by the State-owned Assets Supervision and Administration Commission of the State Council Regarding Issuing the Guiding Opinions on Strengthening the Management and Control of Debt Risks of Local State-owned Enterprises (國務院國資委關於印發《關於加強地方國有企業債務風險管控工作的指導意見》的通知，國資發財評規(2021)18號) (the “**Notice No. 18**”) was released, which reiterated the PRC Government's position to further strengthen the management and control of debt risks of state-owned enterprises. The Notice No. 18 requires all local state-owned assets supervision and administration commissions shall accelerate the establishment and improvement of a monitoring and warning mechanism for debt risks borne by local state-owned enterprises, impose constraints on the debt scale and liability-asset ratios of highly indebted enterprises. Pursuant to the Circular of the State Council on Deepening the Reform of Budget Management System (國務院關於進一步深化預算管理制度改革的意見) promulgated by the State Council and came into effect on 7 March 2021, the local governments shall strengthen the overall planning of budget revenue to regulate the management of budget expenditure, to promote the standardisation of financial expenditure, to strictly control the risk of budget, to improve the mechanism for local governments to properly raise debt, and to prevent and resolve the hidden debt risks of local governments.

The PRC Government may continue to release new policies or amend existing regulations to control the increase in local government debts in China, and there is no assurance that the Group's financing model and business model will not be materially affected as a result.

The Group faces risks associated with contracting with public bodies, such as the Nanjing City Government.

The Company is 100 per cent. owned and directly administered by the Nanjing JND Management Committee and is a prefectural-level investment and financing platform of the Nanjing City Government. The Group carries on some of its business activities at the direction of the Nanjing City Government and the Nanjing JND Management Committee. Accordingly, the Nanjing City Government and the Nanjing JND Management Committee have a significant influence on the Group's business, major investment decisions, development strategies, management and financial condition. Further, certain of the Group's senior management hold concurrent offices in the Nanjing City Government. Although such personnel, in their capacity as senior management of the Group, are bound by internal corporate governance policies, potential conflicts in the course of carrying out their dual duties and responsibilities may still occur. There is no assurance that such conflicts will be effectively and timely identified, managed and mitigated, and may result in negative consequences for the Group. The Nanjing City Government and the Nanjing JND Management Committee may not take actions that are in the Group's best commercial interests or that aim to maximise the Group's profit when it carries out its administrative function and implements the PRC Government's policies. Those actions, which may be beneficial to Nanjing or Jiangsu Province as a whole, could have an adverse impact on the Group's business, financial condition, results of operations and prospects.

A significant portion of the Group's operating income is generated from the construction fees payable by the Nanjing City Government and its controlled entities relating to the Group's infrastructure construction, social housing construction and primary land development in Nanjing. These projects are capital intensive, and are affected by the public spending of the Nanjing City Government and involve many risks such as budget overrun. The ability of the Nanjing City Government and its controlled entities to meet their payment obligations in those projects largely

depends on its fiscal revenue, policies and regulations promulgated by the governments or authorities of higher levels and many other factors which are generally beyond the Group's control. The Group has historically experienced fluctuations in its operating income due to delay in the settlement of project constructing or development fees by the Nanjing JND Management Committee causing delay in recognition of the operating income from its municipal construction projects. There is no assurance that the Group will not experience a similar situation in the future.

Any adverse change to policies of the Nanjing City Government may require the Group to change its business plans and may materially affect its business and operating results. If there is any material disagreement between the Group and the Nanjing City Government or any of their controlled entities, there is no assurance that the Group will successfully resolve them in a timely manner, or at all. Any dispute or legal proceeding with or against the Nanjing City Government or any of its controlled entities may last for a long period of time and cost considerable financial and managerial resources. Any of these may severely damage the business relationships between the Group and the Nanjing City Government and its controlled entities, and in turn materially and adversely affect the Group's business, financial condition, results of operations and prospects.

Any reduction or discontinuance of government support may materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group has benefited from, and relied on various forms of support from the PRC Government and the Nanjing City Government, to meet its capital and other operation requirements. The amount of the government grants received by the Group fluctuates from time to time, and some of the grants are not recurring. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the government grants received by the Group were RMB251.5 million, RMB405.7 million, RMB316.4 million, RMB41.1 million, and RMB92.9 million, respectively. Whether or not the Group will receive the same amount of government grants, if at all, largely depends on the policies and financial condition of the Nanjing City Government. The granting of the government subsidies is determined by the relevant governmental authorities in its discretion based on the Group's application. There is no assurance that the Group will continue to receive the same government subsidies and grants or enjoy the same preferential treatments as it has in the past in future. Any loss or reduction in government subsidies and grants or other form of government support could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

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

Some of the Group's businesses require significant capital outlay, such as infrastructure construction, social housing construction and primary land development. To fund its future investments and expansions, the Group believes that its demand for capital resources will continue to increase. The Group's capital expenditure and investment plans are affected by a number of factors, such as change in business plan and strategies and changes of market conditions etc. Any adverse change in these factors may result in an increase in the actual investment and cost overrun and creating capital shortfall, and may adversely affect the results of operations and financial condition of the Group.

The Group has historically satisfied its cash requirements with (i) the cash flow generated from its operating activities, (ii) capital injection and subsidies from the Nanjing City Government, (iii) proceeds of bank and other borrowings and (iv) proceeds of issuance of bonds in the PRC capital markets, and international capital markets. The ability of the Group to generate sufficient operating cash flow is affected by a number of factors, such as the Group's ability to carry on its business activities in an efficient manner, due performance of the Group's contractors, changes in the general market conditions and regulatory environment and the competition in certain sectors in which the Group operates. Any adverse change in any of these factors may result in capital shortfall. There is no assurance that the Group's operating activities are able to generate sufficient cash to satisfy its cash needs at all times.

If the Group is not able to satisfy its cash needs with its operating cash flow, it has to increase its reliance on external financing. The Group's ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including:

- general economic and capital market conditions;
- changes in monetary policies with respect to bank interest rates and lending policy;
- interest rates and credit availability from banks or other lenders;
- investor confidence in the Group, success of the Group's business;
- the Group's ability to obtain the PRC Government approvals required to access domestic or international financing;
- provisions of tax and securities laws that may be applicable to the Group's efforts to raise capital; and
- political and economic conditions in the rest of the PRC generally.

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

Substantial indebtedness may restrict the Group's business activities and increase the Group's exposure to various operational risks.

The Group relies on proceeds of bank and other borrowings and issuance of bonds in the PRC capital markets to satisfy a portion of its capital requirements and the Group has incurred a significant amount of outstanding indebtedness. As at 30 June 2021, the Group's total indebtedness was RMB186.0 billion, of which RMB29.4 billion would become due within 12 months. See “*Capitalisation and Indebtedness of the Company*”. In addition, the Group had outstanding guarantees in a total amount of RMB1,540.0 million as at 31 December 2020, which mainly related to the borrowings of the Group's related companies in Nanjing Jiangbei New District.

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

- requiring the Group to divert its operating cash flow to service its indebtedness;
- increasing the Group's finance expenses, thus affecting the overall profits of the Group;
- decreasing the Group's financial flexibility in carrying on its business or responding to unexpected market changes;
- limiting, together with the financial and other restrictive covenants of the Group's indebtedness, among other things, the Group's ability to borrow additional funds; and
- increasing the Group's vulnerability to adverse general economic and industry conditions.

As the Group's business scale continues to grow, its capital requirement and its reliance on external financing may increase. The Group's financial performance and operating results may be materially and adversely affected if its cash flows and capital resources are insufficient to fund its debt service obligations. Failure to service the Group's debt could result in the imposition of penalties, including increases in rates of interest that the Group pays on its debts, legal actions against the Group by its creditors, or bankruptcy of relevant members of the Group.

Restrictive covenants contained in the bank loans and credit facilities of the Group may limit the Group's ability to incur additional indebtedness and restrict its future operations, and failure to comply with these restrictive covenants may adversely affect its liquidity, financial condition and results of operations.

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

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

In addition, the Group mortgages some of its assets to secure its bank borrowings for project development, such as land use rights and water tariff collection rights. Third-party security rights may limit the Group's use of the underlying collateral assets and adversely affect its operation efficiency. If any member of the Group is unable to service and/or repay its debts under any such loan facilities on a timely basis, the assets mortgaged or charged to secure the Group's bank loans may be foreclosed, which may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's business and prospects are affected by the budget and spending of the Nanjing City Government on infrastructure development and fixed asset investments.

The Group is tasked to implement the PRC Government's and the Nanjing City Government's plans to develop the Nanjing Jiangbei New District, and its business and prospects are heavily affected by the budget and spending of the Nanjing City Government on infrastructure development and fixed asset investments. There are many factors affecting the amount, time and priority of the Nanjing City Government's budget and spending on infrastructure development and fixed asset investments,

such as national and regional policies affecting the development of different industries and fiscal and monetary policies. Government budget and spending are also affected by government income and the general economic conditions in the PRC, Jiangsu Province and Nanjing. Any slowdown in the economic growth in the PRC, Jiangsu Province and Nanjing may adversely affect financial condition and fiscal income of the Nanjing City Government, which may in turn cause the Nanjing City Government to reduce its spending and budget on infrastructure development and fixed asset investments. See “— *Risks Relating to the PRC — China has experienced a slowdown in its economic development and the future performance of China’s economy is uncertain*”.

There is no assurance that the fixed asset investments in Nanjing will continue to increase. If the public spending and budget of the Nanjing City Government on infrastructure development and fixed asset investments decrease, the Group’s business, financial condition, results of operations and prospects may be materially and adversely affected.

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

The Group’s inventory level is affected by a number of factors, such as the government’s commitment, ability and priority to pay for construction fees and land development fees, the Group’s ability to execute the development of its projects according to its business plans and unexpected changes in government policies and macroeconomic conditions. Any failure to effectively manage its inventory level will have a material impact on the Group’s cash flow and financial condition, thereby adversely affecting its ability to carry on ordinary business activities and to serve its outstanding indebtedness. As at 31 December 2018, 2019 and 2020 and 30 June 2021, the balance of the Group’s inventories was RMB66,139.0 million, RMB73,029.0 million, RMB91,826.7 million and RMB106,862.4 million, respectively, representing 32.0 per cent., 31.8 per cent., 32.6 per cent. and 35.9 per cent. of the Group’s total assets as at the same dates.

The Group’s inventories mainly relate to its infrastructure and social housing construction and primary land development. A high level of illiquid inventories will limit the Group’s ability to respond to changing economic, financial and investment conditions. There is no assurance that the Group will be able to transfer its inventories to third parties on terms satisfactory to it and in a timely manner, if at all. A high inventory level not only increases the pressure on the Group’s cash flows, it also causes the Group to make provisions for impairment of fair value of inventories, and in turn, may materially and adversely affect its business, financial condition, results of operations or prospects.

Significant amount of other receivables may affect the Group’s liquidity and restrict the Group’s business activities.

As at 31 December 2018, 2019 and 2020 and 30 June 2021, the Group’s other receivables were RMB14,588.3 million, RMB21,549.5 million, RMB21,265.2 million and RMB20,257.3 million, respectively, representing 7.1 per cent., 9.4 per cent., 7.6 per cent. and 6.8 per cent. of the Group’s total current assets as at the same dates. The Group’s other receivables primarily comprise funds from the Group to government controlled entities, including but not limited to Nanjing Jiangbei New District Management Committee, High-tech Industrial Development Zone Management Committee and High-tech Industrial Development Zone Land Reserve Centre. There are inherent risks associated with the ability of the Nanjing City Government and its controlled entities to make timely payments and any failure to make timely payments by these entities could materially and adversely affect the Group’s liquidity and in turn affect its business, financial condition or results of operations. See “— *The Group faces risks associated with contracting with public bodies, such as the Nanjing City Government*”.

The Group has historically experienced negative operating cash flow.

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the Group had net operating cash outflow of RMB6,168.2 million, RMB10,382.4 million, RMB12,299.4 million, RMB1,888.8 million and RMB9,827.5 million, respectively. The Group’s net operating cash outflow in these years were largely attributable to the long duration and large

amounts of capital expenditure of the Group's construction projects and a mismatch between the development timetable which determines its expenditures and the payment timetable which determines its operating income from the relevant projects. When the Group executes its infrastructure construction, social housing construction and primary land development projects, it has to incur a significant amount of expenditures for project development before it receives the construction fees in full from the relevant local governments. If the Group's operating activities fail to generate sufficient cash to satisfy its cash requirements, the Group has to increase its reliance on external financing to satisfy its working capital and capital expenditure, thus increasing its financial vulnerability and adversely affecting its financial condition and results of operations.

The Group has historically experienced decrease in its operating profit and net profit.

The Group has recently experienced decline in its operating profit and net profit. For the six months ended 30 June 2020 and 2021, the Group recorded operating profit in amount of RMB144.3 million and RMB21.0 million, respectively. During the six months ended 30 June 2020, the Group recorded net profit in amount of RMB133.0 million, while it recorded net loss of RMB32.2 million for the six months ended 30 June 2021.

Such decrease of operating profit and net profit was primarily because of the Group's payment schedule in relation to its infrastructure projects, according to which the Group will settle the construction fee and recognise relevant operating income in the second half of 2021, as well as the increase of operating costs due to the expansion of the Group's business. Due to a number of factors beyond the control of the Group, including continuing ravages of COVID-19 pandemic on the global economy and changes in economic policies of the PRC Government, the Group's operating profit and net profit may continue to decrease in the future. The Group's operating activities may not generate as much operating profit as the Group did previously. This, together with periodic fluctuation in the Group's operating cash flows from its infrastructure construction, social housing construction and primary land development projects, may create a strain on its cash flows.

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

The Group has a large number of subsidiaries and investee companies operating in a wide range of industries. Through these subsidiaries and investee companies, the Group engages in various business activities, which primarily consist of (i) engineering construction, (ii) primary land development, (iii) social housing development, (iv) miscellaneous services and property leasing and (v) others. As such, the Group is exposed to risks associated with multiple businesses.

The Group is exposed to business, market and regulatory risks relating to different industries and markets, and may from time to time expand its businesses to new industries and markets in which it has limited operating experience. It needs to devote substantial resources to become familiar with, and monitor changes in, different operating environments. The Group's experience in one business and industry may not be relevant or help it to address the risks and challenges faced in operating a different business in a different industry. It has to devote substantial resources to become familiar with, and monitor changes in, different operating environments. The Group also needs to hire competent talents and professionals with relevant expertise and experience to address the need of its diversified business portfolio. The successful operation of a large number of group companies requires an effective management system that emphasises accountability, imposes financial discipline on each member company and creates value-focused incentives for management. Any failure of the Group to effectively manage its subsidiaries and investee companies and to address the risks and challenges presented by its operations in the relevant business and industries may have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

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

The Group's business activities are extensively regulated in China. According to applicable PRC law and regulations, the Group needs to obtain a number of approvals, certificates, licenses and permits from different governmental authorities and to comply with extensive procedural requirements before it is qualified to carry on the relevant regulated business activities. For example, the Group is required to obtain a project approval, an environmental assessment approval, a construction land planning permit (建設用地規劃許可證), a construction project planning permit (建設工程規劃許可證), a construction permit (建築工程施工許可證) and a qualification certificate for infrastructure and social housing construction.

Governmental authorities in the PRC have broad discretion in implementing and enforcing applicable laws and regulations and in determining the grant of approvals, licences, permits and certificates necessary for conducting the business. These factors have caused and are expected to continue to result in uncertainties and inconsistent application, enforcement or interpretation of law in China. There is no assurance that the Group will be able to obtain the approvals, licences, permits and certificates necessary in a timely manner, or at all. Failure to obtain a project establishment permit could result in suspension of construction projects; the failure to obtain a land use permit could result in revocation of land use rights and compensation to third parties if any damage is caused; and the failure to obtain the approval in relation to the environmental impact assessment report could result in suspension of construction projects, fines and administrative penalties.

PRC governmental authorities from time to time amend existing laws and regulations and release new policies which may affect the Group's business operations. There is no assurance that the Group is able to comply with new laws, regulations or policies or fails to respond to any changes in the regulatory environment at all times or in a timely manner. In addition, to ensure the restrictions and conditions of relevant business permits, licenses and certificates are fulfilled, governmental authorities normally conduct regular or special inspections, investigations and inquiries. If there is any material non-compliance by the Group, its permits, licenses and certificates may be suspended or revoked, or fines and other penalties may be imposed on it, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

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

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

As the Group explores sources of funding outside China, it will be exposed to the risks arising from interest rate fluctuation overseas. For example, the Bonds, upon issue, will bear fixed coupon linked to the yield of the U.S. government's treasury bonds with a corresponding maturity. If the Company considers refinancing the Bonds by way of issuing new U.S. dollar-denominated bonds in the future, an increase in the Federal Reserve interest rate as a result of policy changes may cause the new bonds to be priced at higher rates, which may increase the Group's financing costs.

The Group may not successfully implement its growth strategy.

The Group has historically been focusing on engineering construction, primary land development and social housing development in Nanjing Jiangbei New District. Over the years, the Group has diversified its business into fund investment, property leasing, advertising and other business. As one of its strategies, the Group continues to develop other new business while maintaining

sustainable growth of its existing business. Whether the Group could successfully implement this strategy, to some extent, depends on its ability to identify attractive projects, obtain required approvals from relevant regulatory authorities in the PRC, obtain sufficient capital on acceptable terms in a timely manner and maintain close working relationships with various governmental authorities and agencies. The success of negotiations with respect to any particular project cannot be assured. There can be no assurance that the Group will be able to successfully implement this strategy, manage or integrate newly-acquired operations with its existing operations. Failure to implement the Group's growth strategy could have a material adverse impact on its business, financial condition and results of operations.

Any failure of the Group to maintain an effective quality control system could have an adverse effect on its business and operations.

The Group relies on its quality control system to ensure the safety and quality of its projects. The effectiveness of the Group's quality control system may be affected by a number of factors, such as timely update of the quality control system to address the changing business need and the Group's and the contractors' willingness and ability to adhere to its quality control policies and guidelines. There is no assurance that the quality of the projects developed by the Group will not be undermined by the underperformance of its contractors. Any failure or deterioration of the Group's quality control system could result in defects in its projects, which in turn may subject the Group to contractual, product liability and other claims. Any such claims, regardless of whether they are ultimately successful, could cause the Group to incur significant costs, harm its business reputation and result in significant disruption to its operations. If any of such claims were ultimately successful, the Group could be required to pay substantial monetary damages or penalties, which could have a material adverse impact on its business, operations and reputations.

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

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

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

The Group maintains insurance policies that provide different types of risk coverage, which the Group believes to be consistent with applicable law and industry and business practice in the PRC. However, claims under the insurance policies may not be honoured fully or on time, or the insurance coverage may not be sufficient to cover costs associated with accidents incurred in the Group's operations due to the above-mentioned operational risks. Certain types of losses (such as from wars, acts of terrorism or acts of God, business interruption, property risks and third party (public) liability) are not insured in the PRC because they are either uninsurable or not economically insurable. To the extent that the Group suffers loss or damage that is not covered by insurance or

that exceeds the limit of its insurance coverage, its business, financial condition, results of operations and cash flow may be materially and adversely affected.

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

The Group is required to comply with extensive environmental, safety and health regulations in the PRC. The particular environmental, safety and health laws and regulations that apply to any given project development site vary according to the site's location, the site's environmental condition, the present and former uses of the site, as well as adjoining properties. Efforts taken to comply with environmental, safety and health laws and regulations may result in delays in development, cause the Group to incur substantial compliance costs and can prohibit or severely restrict project development activity in environmentally-sensitive regions or areas.

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

The Group's risk management and internal control systems may not be adequate or effective in identifying or mitigating the risks to which it is exposed.

The Group has been dedicated to establishing and maintaining risk management and internal control systems consisting of an organisation framework, policies, procedures and risk management measures that it considers to be tailored to the operations of each business segment. However, there is no assurance that such systems may be adequate or effective in identifying and mitigating its risk exposure in the market environments related to each business segment or against all types of risks that such business segment may be exposed to. Any failure of such systems to perform their functions as necessary and envisaged may result in an adverse effect on the Group's operations, which in turn could negatively impact its business, results of operations and financial condition.

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

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

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- recommending products, services or transactions that are not suitable for the Group's customers;

- misappropriation of funds;
- conducting transactions that exceed authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;
- engaging in unauthorised or excessive transactions to the detriment of the Group's customers;
- making or accepting the bribery activities;
- conducting any inside dealing; or
- otherwise not complying with applicable laws or the Group's internal policies and procedures.

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

The Group is exposed to litigation risks.

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

There are risks associated with any material acquisitions by the Group in the future.

The Group has historically diversified its business portfolio by acquisition of other companies and may continue to do so in the future. When evaluating a potential opportunity, the Group normally considers various factors, such as the quality of the target, estimated costs associated with the acquisition and the management of the target business, prevailing market conditions and intensity of competition. The Group needs to address different issues arising from the acquisition after the relevant transaction is completed, such as business, operation and management integration. There is no assurance that the Group is able to address these issues effectively at all times. In addition, due diligence investigation on target companies, no matter how extensive it is, may not reveal all the facts that are necessary or material in evaluating the target company and the acquisition. Any failure to discover material risks and liabilities in or relating to the target companies before the acquisition could increase the Group's exposure to unknown financial and legal risks and liabilities. Any major acquisition or transaction of similar nature may consume substantial management attention and financial resources of the Group or even cause the Group to incur significant indebtedness. Any

material decrease in its financial resources may limit the Group's ordinary operating activities and increase pressure on its liquidity, and in turn could adversely affect its business, financial condition and results of operations.

Labour shortages, labour disputes or increases in labour costs could materially and adversely affect the Group's business and results of operations.

In recent years, work stoppages, employee suicide and other similar events in certain cities in the PRC have caused the PRC Government to amend labour laws to enhance protection of employees' rights. Increasing awareness of labour protection as well as increasing minimum wages is likely to increase the labour costs afforded by PRC enterprises in general, including the Group or the contractors participating in the Group's projects. As at 31 December 2018, 2019 and 2020 and 30 June 2021, the Group's total employee benefits payable was RMB28.8 million, RMB39.5 million, RMB42.9 million and RMB12.7 million, respectively. Any labour shortages, labour disputes or increases in labour costs of the Group or its third-party contractors in the future could cause an increase of the Group's business operation costs, an interruption of the Group's business operations, an extension of the construction progress or an increase in the Group's fees payable to the contractors, which could in turn materially and adversely affect the Group's business, financial condition and results of operations. See “— Risks Relating to the PRC — The implementation of PRC employment regulations may increase labour costs in the PRC generally”.

The Group is subject to joint venture risks.

Certain of the Group's operations are conducted through jointly controlled entities and associated companies. Co-operation and agreement among the Group's joint venture partners on its existing or any future projects are important factors for the smooth operation and financial success of such projects. The Group's joint venture partners may (i) have economic or business interests or goals that are inconsistent with those of the Group; (ii) be unable or unwilling to fulfil their obligations under the relevant joint venture or other agreements; or (iii) experience financial or other difficulties. Further, the Group may not be able to control the decision-making process of the joint ventures as, in some cases, it does not have majority control of the joint venture. The Group does, however, through contractual provisions or representatives appointed by it, typically have the ability to influence certain material decisions. Although the Group has not to date experienced any significant problems with its partners, no assurance can be given that disputes among its partners will not arise in the future that could adversely affect such projects.

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

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

The Group relies heavily on information technology systems for its business and any information technology system limitations or failures could adversely affect its business, financial condition and results of operations.

The Group's business depends on the integrity and performance of its business, accounting and other data processing systems. If the Group's systems may not be able to effectively address the

issues arising from an increased business or may otherwise fail to perform, the Group could experience unanticipated disruptions in business, slower response times and limitation on its ability to monitor and manage data and risk exposures, control financial and operation conditions, and keep accurate records. These consequences could result in operating outages, poor operating performance, financial losses, and intervention of regulatory authorities. Although the Group's systems have not experienced major systems failures and delays in the past, there is no assurance that the Group's systems would not experience future systems failures and delays, or the measures taken by the Group to reduce the risk of system disruptions are adequate. If internet traffic and communication volume increase unexpectedly or other unanticipated events occur, the Group may need to expand and upgrade the Group's technology, systems and network infrastructure. There is no assurance that the Group will be able to accurately project the rate, timing or cost of any increases, or expand and upgrade the Group's systems and infrastructure to accommodate any increases in a timely manner.

The Group faces risks related to force majeure events, natural disasters, health epidemics and other outbreaks, such as the outbreak of COVID-19, which could significantly disrupt its business operations.

The Group's businesses could be adversely affected by the effects of force majeure events, natural disasters, catastrophe, epidemics and other outbreaks, such as the coronavirus (COVID-19), avian influenza, severe acute respiratory syndrome (SARS), influenza A (H1N1), Ebola and other acts of God which are beyond their control. Any such occurrences could adversely affect the Group's business operations, cause delays in the estimated completion dates for their business projects, increase the costs associated with its operations and could in turn, materially and adversely affect its revenue, profit and cash flows and, accordingly, negatively impact its ability to repay any debt.

In early 2020, COVID-19 has spread globally throughout Asia, Europe, North America and other regions. COVID-19 is highly infectious and has resulted in numerous deaths around the world. The World Health Organization announced in March 2020 that COVID-19 has developed into a pandemic. In an effort to contain the spread of COVID-19, the PRC Government has taken a number of measures, including, among other steps, extending the Chinese New Year holidays, and imposing travel, quarantine and other work-related restrictions. A prolonged outbreak of COVID-19 could have a material adverse impact on China's economy, the global economy and financial markets in general, which will have a material and adverse effect on the Group's business, financial condition and results of operations. Furthermore, as there is significant uncertainty relating to future developments of the COVID-19 pandemic, the Group is not able at this time to ascertain the full impact on its financial or operational results. In the event that the outbreak of COVID-19 is not effectively controlled within a short timeframe, the Group's business operations and financial condition may be materially and adversely affected as a result of any slowdown in economic growth, changes in outlook in the market, negative business sentiment or other factors that the Group cannot foresee.

In addition, some of the Group's contracts may have force majeure provisions that permit such parties to suspend, terminate or otherwise not perform their obligations under the relevant contracts upon the occurrence of certain events, such as strikes and other industrial or labour disturbances, terrorism, restraints of government, civil protests or disturbances, international conflicts and tensions, military and other actions, heightened security measures in response to these threats, or any natural disasters; all of which are beyond the control of the party asserting such force majeure event. If one or more of the Group's counterparties do not fulfil their contractual obligations for any extended period of time due to a force majeure event or otherwise, the Group's results of operations and financial condition could be materially and adversely affected.

The Group's business and financial condition may be adversely affected by global market and economic conditions.

Global economic and market conditions have experienced significant negative trends in recent years due to factors such as political tensions, ongoing international trade disputes and the elevated

uncertainty stemming from long-term effects of expansionary monetary and fiscal policies adopted by central banks and other leading financial authorities globally. In particular, ongoing trade conflicts, including tariff actions announced by the United States, the PRC and certain other countries, and the resulting uncertainties may adversely affect the global economy as well as national and regional economies. Further, the current rise of economic nationalist sentiments and trade protectionism has led to increasing political uncertainty and unpredictability throughout the world. On 23 June 2016, the United Kingdom voted in a national referendum to withdraw from the European Union (“**Brexit**”). On 31 January 2020, the United Kingdom officially withdrew from the European Union (the “**EU**”), but continued to participate in certain EU organisations (such as the customs union) during a transition period that ended on 31 December 2020. With Brexit taking full effect, there remains uncertainty about the future relationship between the United Kingdom and the EU. It is unclear how Brexit would ultimately affect the fiscal, monetary and regulatory landscape within the United Kingdom, the EU and the rest of the world. The outlook for the world economy and financial markets remains uncertain. Any volatility in the global markets and negative economic developments could, in turn, materially adversely affect the Group’s business, prospects, financial condition or results of operations. In addition, these developments could adversely affect the Group’s access to the debt capital markets and may increase funding costs, having a negative impact on the Group’s revenue and financial conditions.

More recently, lockdown and restrictive measures implemented to contain the spread of COVID-19 have also caused substantial disruptions to the global economy and hampered business activity on an international scale. This reduction in global business activity has adversely affected the industries and markets in which the Group operates, which may in turn affect their businesses.

These and other issues resulting from the global economic slowdown and financial market turmoil have adversely impacted, and may continue to adversely impact, business and consumer confidence. In addition, any further tightening of liquidity in the global financial markets may in the future negatively affect liquidity of the Group. If the global economic slowdown and financial crisis continue or become more severe than currently anticipated, the Group’s business, prospects, financial condition and results of operations could be materially and adversely affected.

RISKS RELATING TO THE GROUP’S BUSINESS

The Group does not have any control over the price, schedule and priority of the grant of land use rights for its primary land development projects and its social housing projects, and the Group’s revenue from primary land development and social housing development may fluctuate significantly from period to period.

The Group’s revenue from primary land development and social housing development is mainly derived from a portion of the land use right purchase price paid by real property developers to the Land and Reserve Centre of the Nanjing Jiangbei New District. The Nanjing City Government and its relevant controlled entities in the Nanjing Jiangbei New District determines the price, schedule and priority of the grant of land use right by taking into consideration of many factors such as government income and budget, city development plans, cost of primary development, location of the land, policies and regulations affecting real property investment and development and macroeconomic conditions in Nanjing. The Group has no control over the price, schedule and priority of the grant of land use rights. According to the Group’s accounting policies, the Group recognises the revenue from primary land development and part of its revenue from social housing development after the successful grant of the relevant parcel of land. As a result, the Group’s revenue from primary land development and social housing development may fluctuate significantly from time to time depending on the timing and price of the land grant and the time of signing of the land grant contract. The Group’s results of operations relating to its primary land development and social housing development for any period may not be directly comparable with other periods and therefore may not be a useful indicator of its performance in the future. Suspensions or delays in granting of land use rights, as a result of government policies or decisions, macroeconomic conditions or otherwise, will also have a material adverse impact on the Group’s business, financial condition and results of operations.

The Group's social housing construction and primary land development activities are exposed to certain risks associated with resettlement of local residents.

Many of the Group's social housing construction and primary land development projects involve resettlement of local residents and businesses. The Group is responsible for relocating the residents affected and paying them compensation in accordance with the applicable PRC urban housing relocation laws and regulations, although the compensation will be reimbursed by the Nanjing City Government and its controlled entities in the Nanjing Jiangbei New District. There is no assurance that the relocation of indigenous residents or businesses will proceed smoothly. It is possible that the local residents or businesses may refuse to accept the amount of compensation and refuse to relocate, in which case the Nanjing City Government or its controlled entities may be asked to resolve the dispute by reviewing the arrangement and the amount of compensation. An unfavourable final ruling by the Nanjing City Government or its controlled entities may result in the Group having to pay more compensation. Such resistance or refusal to relocate may delay the timetable of, or increase the development costs of, the Group's development projects. In addition, the compensation the Group pays is calculated in accordance with formulae published by relevant governmental authorities. These formulae take into account the location, type of building subject to demolition, local income levels and many other factors. There is no assurance that the governmental authorities will not change or adjust their formulae from time to time without sufficient advance notice. If they do so, the land costs may be subject to substantial increases, which can adversely affect the Group's cash flow, financial condition and results of operations.

The Group relies on third-party contractors for certain services in its primary land development and engineering construction.

The Group engages third-party contractors to provide various services, including construction, landscaping, gardening, mechanical and electrical installation and gas, water and other utilities installation. It generally selects third-party contractors through its standardised open tender process. The Group endeavours to employ those companies with good reputations, strong track records, performance reliability and adequate financial resources, and the Group also implements quality control procedures and closely monitors the construction progress. However, there is no assurance that its third-party contractors will always provide satisfactory services of the quality required by the Group. If the performance of any third-party contractor fails to meet the requirements of the Group, the Group may need to replace such contractor or take other remedial actions, which could adversely affect the cost and development schedule of its projects. In addition, labour shortages, labour disputes or increases in labour costs of the Group's third-party contractors could cause an extension of the construction progress and an increase in the Group's fees payable to the contractors.

The Group may occasionally be asked to undertake one or more projects by the Nanjing City Government on short notice. There is no assurance that the Group is able to engage third-party contractors that meet its quality requirements in this situation. Moreover, the Group's contractors may undertake projects from other enterprises operating similar business, engage in risky undertakings or otherwise encounter financial or other difficulties, which may adversely affect their ability to complete the Group's projects on time, within budget or at all. All of these third-party related factors may have material adverse impact on the quality of services provided by the Group's contractors and the quality and construction progress of the Group's industrial property projects. Unsatisfactory quality of the properties or delay in the construction timetable may in turn adversely affect the results of operations of the Group's industrial property development business.

The illiquid nature and the lack of alternative uses of investment properties could limit the Group's ability to respond to adverse changes in the performance of the Group's properties.

The Group currently holds several properties that it develops for investment purposes, such as offices and warehouses in the NHZ. As at 31 December 2018, 2019 and 2020 and 30 June 2021, the Group's investment properties amounted to RMB9,203.4 million, RMB14,862.9 million, RMB19,918.9 million and RMB20,267.6 million, respectively. Investment properties are relatively illiquid compared to other types of investments such as publicly traded equity securities. As a result,

the Group's ability to promptly sell one or more of its investment properties in response to changing economic, financial and investment conditions is limited. The property market is affected by many factors that are beyond the Group's control, including general economic conditions, the availability of mortgage financing and interest rates, and the Group cannot accurately determine the market price of its investment properties nor is it able to predict whether it will be able to sell any of the Group's investment properties at the price or on the terms set by it, or whether any price or other terms offered by a prospective purchaser would be acceptable to it. These factors and any others that would impede the Group's ability to respond to adverse changes in the performance of its investment properties could materially and adversely affect its business, financial condition and results of operations.

The Group's results of operations may be materially and adversely affected as the fair value of the Group's investment properties may fluctuate from time to time.

The Group's results of operations have historically been affected by adjustments in the estimated fair value of its investment properties. In accordance with the PRC GAAP, the Group is required to reassess the fair value of its investment properties on each reporting date, and gains or losses arising from fair value changes and the relevant deferred tax should be accounted for in the Group's income statements in the period in which they arise. Fair value gains or losses do not, however, change the Group's cash position as long as the relevant investment properties are held by it, and accordingly do not increase its liquidity in spite of the increased profit represented by any fair value gains. For the years ended 31 December 2018, 2019 and 2020, the Group recorded fair value gains on its investment properties of RMB270.1 million, RMB369.4 million and RMB756.5 million, respectively. For the six months ended 30 June 2020 and 2021, the Group recorded fair value losses on its investment properties of RMB16.5 million and RMB5.5 million, respectively.

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

The Group may not be able to complete its development projects on time or at all.

Property development projects require substantial capital expenditures prior to and during the construction period, and construction of a property project may take many months or several years before it generates positive cash flow through pre-sales or sales. Meanwhile, the progress and cost for a development project can be adversely affected by many factors, including:

- delays in obtaining necessary licenses, permits or approvals from governmental agencies or authorities;
- relocation of existing residents and/or demolition of existing structures;
- shortages of materials, equipment, contractors and skilled labour;
- labour disputes;
- construction accidents;

- natural catastrophes;
- adverse weather conditions; and
- changes in city zoning, planning and plot ratios.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedules or budgets as a result of the above factors may adversely affect the Group's results of operations and financial position and may also cause reputational damage. There is no assurance that the Group will not experience such delays in delivery of its property projects in the future or that they will not be subject to any liabilities for any such delays.

The competent department natural resources at the municipal or county level may impose fines or penalties on the Group or revoke the land use rights with respect to certain land held by the Group.

Under applicable PRC laws and regulations, the competent department natural resources at the municipal or county level may impose an idle land fee equal to 20 per cent. of the land premium or allocation fees for land which has been idle for one full year but less than two years. According to the Measures for the Disposal of Idle Land (閒置土地處置辦法), the State-owned construction land may be defined as idle land if (a) the user of State-owned construction land fails to commence construction within one year after the date specified in the Contract for Paid Use of State-owned Construction Land or the Land Allocation Decision, or (b) its development and construction has been suspended for one year where the construction has commenced with its development area accounts for less than one third of the total development area or its actual investment accounts for less than 25 per cent. of the total investment. The competent department natural resources at the municipal or county level has the power to revoke the land use rights certificate without compensation if the Group does not commence development for more than two years after the date specified in the relevant land use rights grant contract without compelling causes. The State Council issued the Notice on Promoting the Saving and Intensification of Use of Land (國務院關於促進節約集約用地的通知) which states, for land that is left idle, in particular idle real estate, a value-added land fee should be imposed for which the Ministry of Land and Resources should, in conjunction with relevant authorities, research and formulate detailed measures in a timely manner. Furthermore, the Ministry of Land and Resources issued in August 2009 the Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (關於嚴格建設用地管理促進批而未用土地利用的通知) which reiterates its policy on idle land.

As at the date of this Offering Circular, the Group has commenced development within the time stipulated in the relevant land use rights grant contracts and therefore has no idle land. As at the date of this Offering Circular, the Group has not received any fine or penalty or notice of fine or penalty from the relevant governmental authorities relating to any idle land. However, there is no assurance that the Group will always be able to comply with the relevant policies on idle land and that the governmental authorities will not penalise the Group should there be any non-compliance in the future. The imposition of fines and penalties could have a material and adverse effect on the Group's business, financial condition and results of operations.

RISKS RELATING TO THE GROUP'S FINANCIAL INFORMATION

The Company's independent auditors, Zhongxinghua, have limited international capital markets experience and were the subject of investigations by relevant PRC authorities.

Zhongxinghua, the Company's independent auditor, is a registered accounting firm in the PRC supervised by relevant PRC regulatory agencies, including the MOF and China Securities Regulatory Commission (the "CSRC"). Although Zhongxinghua has significant audit experience in the PRC, it has limited international capital markets experience.

Zhongxinghua has been subject to investigations initiated by CSRC. For example, in December 2020, Shanghai Regulatory Bureau of CSRC issued a warning letter to Zhongxinghua in relation to its inadequate procedure when performing audit of the financial statements as at and for the year ended 31 December 2019 of Shanghai NETCOC.COM Internet Group Co., Ltd. (上海商會網絡集

團股份有限公司)。According to the Summary Table of the Comprehensive Inspection and Special Inspection Results of Audit and Evaluation Institutions in 2020 (2020年審計與評估機構全面檢查和專項檢查擬處理情況匯總表) published by the CSRC, the CSRC has issued in aggregate five warning letters to Zhongxinghua in 2020 in relation to its incompliance with relevant accounting principles or requirements.

As confirmed by Zhongxinghua, the companies involved in such administrative and regulatory action were all unrelated to the Group and the audit or review work performed for the Group is not affected by such administrative and regulatory action and the audit reports and review reports included elsewhere in this Offering Circular remain valid and effective. Zhongxinghua also confirmed that its ability to provide comfort letters and the qualification of the auditors participating in this offering are not affected by such administrative and regulatory action. However, there can be no assurance that the relevant PRC regulatory agencies would not carry out any review of Zhongxinghua's audit and/or other assurance work conducted in relation to other companies. There is no assurance that there will not be prolonged or broadened investigations conducted by the CSRC or any other regulatory authorities against Zhongxinghua, nor can there be any assurance that further negative news about Zhongxinghua would not have a material and adverse effect on the Group. CSRC may impose further sanctions or warnings on Zhongxinghua, its management, officers or employees, refuse to accept applications which include reports audited or opinions issued by Zhongxinghua. CSRC may also, jointly with MOF, declare any rectification measures implemented by Zhongxinghua to be ineffective or suspend or revoke Zhongxinghua's relevant licences, pursuant to which no securities and futures business services may be provided. CSRC may also re-examine the financial statements audited by Zhongxinghua (including the Company's Financial Statements included elsewhere in this Offering Circular) and declare such financial statements to be untrue or unreliable. There is no certainty as to how long the CSRC investigations may last, what the final result of the CSRC investigations may be, or what sanctions, if any, may be imposed on Zhongxinghua.

There is no assurance that these investigations or potential future investigations would not subject Zhongxinghua or any of its management, officers or employees to further sanctions imposed by other PRC authorities or further suspension of business operations by MOF and/or CSRC. Such further sanctions, revocations and suspensions may restrict Zhongxinghua from providing audit services or other services in connection with the Company's financing transactions. In that case, the Company may have to discontinue its engagement with Zhongxinghua, which may adversely affect the Group's business operations and harm its reputation. Prospective investors should consider these factors prior to making any investment decision.

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

The historical financial information of the Group is sometimes adjusted or restated to address subsequent changes in accounting standards, the Group's accounting policies and/or applicable laws and regulations with retrospective impact on the Group's financial reporting, correction of an error recorded in the previous period or to reflect the comments provided by the Group's independent auditors during the course of their audit or review in subsequent financial periods. Such adjustment or restatement may cause discrepancies between the financial information with respect to a particular period or date contained in the Group's historical financial statements and that contained in its future financial statements. For example, the Company's comparative financial information as at and for the year ended 31 December 2018, as contained in the Company's 2019 Audited Financial Statements, was restated to reflect (i) the change in accounting policies with effect from 1 January 2019, as MOF released the Notice on Revising and Issuing the Format of Financial Statements of General Enterprises (Cai Kuai [2019] No. 6), as well as (ii) corrections of certain prior accounting errors. See Notes IV.31 and XII.1 of the Company's 2019 Audited Financial Statements.

Furthermore, the historical financial information of the Group included in this Offering Circular is not indicative of its current or future financial position or financial results. This financial information is not intended to represent or predict the results of operations of any current or future periods. The Group's future financial position or results of operations may change materially if its future development and growth does not follow historical trends for various reasons, including

events or factors beyond its control, such as changes in the economic environment, PRC rules and regulations and the domestic and international competitive landscapes of the industries in which the Group operates its business.

The Company did not prepare any financial information to illustrate the impact of the disposition of Nanjing JND State-Owned Assets Management and its subsidiaries.

On 16 December 2019 and 29 June 2020, the Company transferred, first, a 2 per cent. equity interest in, and subsequently, its remaining 49 per cent. equity interest in, Nanjing Jiangbei New District State-owned Assets Management Co., Ltd. (南京江北新區國有資產管理有限公司) (“**Nanjing JND State-owned Assets Management**”) to the Nanjing JND Management Committee. Consequently, Nanjing JND State-owned Assets Management and its subsidiaries, including one of the Group’s prior main operating entities for its park management and services segment, Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司), ceased to be consolidated subsidiaries of the Company. Following the deconsolidation of Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司), as at the date of this Offering Circular, the Group no longer engages in the management of, and provision of relevant services (including pipeline leasing and railway transportation) to, the Nanjing Chemical Industry Park.

As consideration for such equity transfers, Nanjing JND Management Committee made capital injections into the Group in the aggregate of approximately RMB10.37 billion on two occasions prior to 30 June 2020, with the Company receiving a total of approximately RMB3,175 million and its subsidiaries receiving a total of approximately RMB7,199 million. Further, on 27 December 2019, Nanjing JND Management Committee also transferred the entire equity interests in Nanjing Jiangbei New District Core District Development Co., Ltd (南京江北新區中心區發展有限公司) and Nanjing Jiangbei New District Hub Economic Development Co., Ltd. (南京江北新區樞紐經濟發展有限公司) to the Company at nil consideration, as well as directed the transfers of the entire equity interests in Nanjing Guoding Investment Property Co., Ltd. (南京國鼎投資置業有限公司) and Nanjing Jiangbei New District Xincheng Technology Venture Co., Ltd. (南京江北新區新城科技創業有限公司) to the Company and one of its main operating subsidiaries, Nanjing JND Industrial Investment at nil consideration, respectively. As at the date of this Offering Circular, all necessary registration procedures with the relevant State Administration for Industry and Commerce of the PRC had been completed in respect of the four equity transfers.

In accordance with PRC GAAP, the consolidated income statement data and the consolidated cash flow statement data of the Company for the year ended 31 December 2019, as contained in the 2019 Audited Financial Statements, included the relevant financial information of Nanjing JND State-owned Assets Management and its subsidiaries for the period from 1 January 2019 to the date of deconsolidation, i.e., 16 December 2019. The financials of Nanjing JND State-owned Assets Management and its subsidiaries were not consolidated with the Company’s financials for purposes of its consolidated balance sheet data as at 31 December 2019. The Company did not prepare any financial information to illustrate the impact of (i) the deconsolidation of Nanjing JND State-owned Assets Management and its subsidiaries and (ii) the consolidation of the four newly transferred entities, on the Group’s current or future financial position and results of operations. Given that Nanjing JND State-owned Assets Management and its subsidiaries previously contributed materially to the Group’s total operating income, there is no assurance that the Group’s total operating income and profitability in respect of future periods, will not be adversely affected as a result of the restructuring exercise. Consequently, potential investors should exercise caution when using such historical financial information contained in this Offering Circular to evaluate the restructuring changes and the Group’s future financial position and results of operation.

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

The Company publishes its annual, semi-annual and quarterly financial information to comply with applicable PRC regulations and rules of the stock exchanges on which its debt securities are listed.

Semi-annual financial information of and quarterly financial information of the Company and the Group published in China are derived from the Group's management accounts which have not been audited or reviewed by independent auditors. Such financial information should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any information that has been audited or reviewed. The Company is not responsible to holders of the Bonds for the unaudited and unreviewed financial information from time to time published in the PRC and therefore Investors should not place any reliance on any such financial information.

The Company's accounts were prepared in accordance with PRC GAAP which may be different from IFRS.

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

RISKS RELATING TO THE PRC

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

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's GDP since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Bureau of Statistics of the PRC, the annual growth rate of China's GDP decreased from 7.3 per cent. in 2014 to 6.1 per cent. in 2019. China's economy has experienced a significant slowdown since the outbreak of COVID-19 in 2020 and China recorded a GDP contraction of 2.3 per cent. year-on-year in 2020, as a result of the outbreak of the COVID-19 pandemic and large-scale quarantine and shutdown measures implemented by the PRC Government in 2020. In May 2017, Moody's changed China's long-term sovereign credit rating and foreign currency issuer ratings to A1 from Aa3. In September 2017, S&P Global Ratings also downgraded China's long-term sovereign credit rating to A+ from AA-, citing increasing economic and financial risks from a prolonged period of strong credit growth. Further indication of the slowdown in the growth of China's economy is evidenced by press reports of a recent increase in bond defaults by PRC corporate issuers.

The future performance of China's economy is not only affected by the economic and monetary policies of the PRC Government, but it is also exposed to material changes in global economic and political environments as well as the performance of certain major developed economies in the world, such as the United States and the EU. The political, social and macroeconomic impact of Brexit remains uncertain, which could potentially lead to further decreases in global stock exchange indices and create increasing volatility in the global market. In addition, the U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China. In January 2020, the phase one agreement was signed between China and the United States on trade matters. However, China and the United States have not launched the phase two negotiation yet and there is no assurance that the trade disputes between China and the United States will be fully solved. Failure of trade negotiations between the United States and China may lead to additional costs and unexpected consequences on the Group's business. If either government violates the phase one agreement, it is likely that enforcement actions will be taken and trade tensions will escalate. The adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs or trade agreements or policies has the potential to adversely impact China's economy, which in turn could adversely impact the Group's business, financial condition and results of operations.

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

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

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

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

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

As substantially all of the Group's businesses are conducted, and substantially all of the Group's assets are located, in the PRC. The Group's operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes while prior court decisions can only be cited as reference. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organisation and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system and recently enacted laws and regulations that may not sufficiently cover all aspects of economic activities in the PRC. In particular, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. In addition, the PRC legal system is based, in part, on government policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. As a result, the Group may not be aware of the Group's violation of these policies and rules until sometime after the violation. In addition, any litigation in the PRC may be protracted and result in substantial costs and diversion of resources and management's attention and it may be difficult to obtain a swift and equitable enforcement of laws in the PRC, or the enforcement of judgements by a court of another jurisdiction. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to the holders of the Bonds.

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

The Company and a number of its subsidiaries are incorporated in the PRC. A substantial portion of the Group's assets are located in the PRC. In addition, most of the Company's directors and executive officers reside within the PRC and the assets of the Company's directors and officers may

be located within the PRC. As a result, it may not be possible to effect service of process outside the PRC upon most of the Company's directors and senior management, including for matters arising under applicable securities law.

A judgment of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with China or if judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requirements. Under the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the “**Arrangement**”), judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed in writing to submit to the exclusive jurisdiction of Hong Kong courts. In addition, on 18 January 2019, the Supreme People's Court of China (the “**SPC**”) and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the “**New Arrangement**”). The New Arrangement extends the scope of judicial assistance, and the effective date shall be announced by SPC and Hong Kong government after SPC issues the judicial interpretation and Hong Kong completes relevant procedures. However, there is still no certainty that a PRC court will enforce a judgment by a Hong Kong court or that parties will not have to relitigate the merits of the case before a PRC court. Therefore, it may be difficult for investors to enforce any judgments obtained from foreign courts against the Group, or its directors, supervisors or members of its senior management in the PRC.

In addition, China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with many countries, including Japan, the United States and the United Kingdom. Therefore, it may be difficult for Investors to enforce any judgments obtained from foreign courts against the Issuer, the Company, any of their respective directors, supervisors or senior management in the PRC.

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

Most of the Group's revenue is denominated in Renminbi, which is also the reporting currency of the Group. Renminbi is not a freely convertible currency. A portion of the Group's cash may be required to be converted into other currencies in order to meet the Group's foreign currency needs, including cash payments on declared dividends, if any, on the Bonds. However, the PRC Government may restrict future access to foreign currencies for current account transactions at its discretion. If this were to occur, the Group might not be able to pay dividends to the holders of the Bonds in foreign currencies. On the other hand, foreign exchange transactions under capital account in the PRC continue to be not freely convertible and require the approval of SAFE. These limitations could affect the Group's ability to obtain foreign currencies through equity financing, or to obtain foreign currencies for capital expenditures.

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

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

objected to by the employees themselves, the employer is also required to enter into non-fixed-term employment contracts with employees who have previously entered into fixed-term employment contracts for two consecutive terms.

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

Further, in the event that there is a labour shortage or a significant increase to labour costs, the Group's business operation costs is likely to increase. In such circumstances, the profit margin may decrease and the financial results may be adversely affected. In addition, inflation in the PRC has increased in recent years. Inflation in the PRC increases the costs of raw materials required by the Group for conducting its business and the costs of labour as well. Rising labour costs may increase the Group's operating costs and partially erode the cost advantage of the Group's operations and therefore negatively impact the Group's profitability.

RISKS RELATING TO THE BONDS

The PRC Government has no legal obligations under the Bonds.

The PRC Government is not an obligor and shall under no circumstances has any obligation arising out of or in connection with the Bonds in lieu of the Issuer or, as the case may be, the Company. Bondholders shall have no recourse to the PRC Government in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer or, as the case may be, the Company. This position has been reinforced by the MOF Circular and the Joint Circular. Both circulars are relatively new, and because of the limited volume of published decisions, the interpretation and enforcement of these laws and regulations involve uncertainties.

Nanjing JND Management Committee, as the sole shareholder of the Company, only has limited liability in the form of its equity contribution in the Company. As such, neither the PRC Government nor Nanjing City Government has any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer as an obligor under the relevant transaction documents and as an independent legal person. Government data such as GDP and local government income included in this Offering Circular is solely for the purpose to show the level of economic development in Nanjing and the Nanjing Jiangbei New District where substantially all of the Group's business operations and investments are located. Such data should not be construed as representing that the Bondholders have any recourse to the PRC Government for payments under the Bonds. Investors should base their investment decision on the financial condition of the Issuer, the Company and the Group and any perceived credit risk associated with an investment in the Bonds based on the Group's own financial information reflected in its financial statements.

An active trading market for the Bonds may not develop.

The Bonds are a new issue of securities for which there is currently no trading market. Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the

SGX-ST. However, there can be no assurance that the Issuer will be able to maintain a listing of the Bonds on the SGX-ST or that an active trading market for the Bonds will develop or be sustained. No assurance can be given that such application will be approved, or even if the Bonds become so listed, an active trading market for the Bonds will develop or be sustained. No assurance can be given as to the ability of holders to sell their Bonds or the price at which holders will be able to sell their Bonds or that a liquid market will develop. If the Bonds are allocated to a limited group of investors, and a limited number of investors hold a significant proportion of the Bonds, liquidity will be restricted and the development of a liquid trading market for the Bonds will be affected. If a market does develop, it may not be liquid and the Bonds could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Group's operations and the market for similar securities. The Joint Lead Managers are not obligated to make a market in the Bonds and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Joint Lead Managers. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In addition, Bondholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Bonds. Such lack of liquidity may result in investors suffering losses on the Bonds in secondary resales even if there is no decline in the performance of the assets of the Group. It is not possible to predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Bonds and instruments similar to the Bonds at that time. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

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

If an active trading market for the Bonds were to develop, the price and trading volume of the Bonds may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group, proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies, changes in the industry that the Group operates and competition and general economic conditions could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. There can be no assurance that these developments will not occur in the future.

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

The Bonds are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than the U.S. dollar would be subject to foreign exchange risks by virtue of an investment in the Bonds, due to, among other things, economic, political and other factors over which neither the Issuer nor the Company has any control. Depreciation of the U.S. dollar against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Bonds.

Developments in other markets may adversely affect the market price of the Bonds.

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

Further, the World Health Organisation declared COVID-19 to be a global pandemic. There has been rapid and widespread increase in new infections in the United States, Europe and other parts of

the world and increased fatality rates in many countries. Citizens in many affected countries and areas are being advised or required to stay at their homes subject to limited exceptions. The reduced consumption, commercial activities and industrial production will severely disrupt their economies and the global supply chain and may result in recessions in these economies.

There is also a disagreement between Saudi Arabia and Russia on their daily production outputs of crude oil. Saudi Arabia has significantly increased its daily output which has led to a significant decline in global crude oil prices. The oil price remains volatile, in spite of reports that a deal has been reached between the OPEC+ group, an alliance between OPEC and other oil producers including Russia to cut oil production. There has also been extreme volatilities in the global markets across all asset classes: stocks, bonds, oil and metals in the recent weeks and these volatilities may continue.

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

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

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

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

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities.

The Bonds are unsecured obligations.

The Bonds are unsecured obligations of the Issuer. The repayment of the Bonds may be adversely affected if:

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

If any of these events were to occur, the Issuer's assets may not be sufficient to pay amounts due on the Bonds.

There may be less publicly available information about the Issuer and the Company than is available in certain other jurisdictions.

Each of the Issuer and the Company is a private company, and therefore there is less publicly available information about the Issuer and the Company. In addition, the financial information of the Company included in this Offering Circular has been prepared in accordance with PRC GAAP which differs in certain respects from IFRS and generally accepted accounting principles in other jurisdictions, which might be material to the financial information contained in this Offering Circular. See “*Summary of Certain Material Differences Between PRC GAAP and IFRS*”.

The Issuer may be treated as a PRC resident enterprise for PRC tax purposes and certain withholding taxes and value-added tax may be applicable.

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

Furthermore, according to the EIT Law, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose “de facto management bodies” are within the territory of China shall be PRC tax resident enterprises for the purpose of the EIT Law and they shall pay enterprise income tax at the rate of 25 per cent. in respect of their income sourced from both within and outside the PRC. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the “de facto management body” of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the EIT Law and be subject to enterprise income tax at the rate of 25 per cent. for its income sourced from both within and outside PRC.

As confirmed by the Issuer, as at the date of this Offering Circular, the Issuer has not been given notice or informed by the PRC tax authorities that it is considered a PRC resident enterprise for the purpose of the EIT Law. There is no assurance that the tax authorities will not consider the Issuer a PRC resident enterprise in the future. If the Issuer is deemed to be a PRC resident enterprise for EIT purposes, the Issuer would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide taxable income. Furthermore, the Issuer may be obligated to withhold PRC enterprise income tax of up to 10 per cent. on payments of interest and other amounts on the Bonds to non-resident enterprises Bondholders and to withhold PRC individual income tax of up to 20 per cent. on payments of interest and other amounts on the Bonds to non-resident individual

Bondholders, provided that there are no tax treaties or arrangements between the PRC and those countries or areas which exempt or reduce such withholding tax, because the interest and other amounts may be regarded as being derived from sources within the PRC. In addition, if the Issuer fails to do so, it may be subject to fines and other penalties. If the Issuer is required under the EIT Law to withhold PRC income tax from interest payments made to the Bondholders who are “non-resident enterprises”, the Issuer will be required to pay such additional amounts as will result in receipt by a Bondholder of such amounts as would have been received by such Bondholder had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Bonds, and could have a material adverse effect on its ability to pay interest on, and repay the principal amount of, the Bonds, as well as its profitability and cash flow. It is unclear whether, if the Issuer is considered a PRC “resident enterprise”, the Bondholders might be able to claim the benefit of income tax treaties or agreements entered into between the PRC and other countries or areas.

On 23 March 2016, the MOF and the SAT issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (Caishui [2016] No. 36) (“**Circular 36**”), which introduced a new value-added tax (“VAT”) from 1 May 2016. VAT is applicable where entities or individuals provide services within the PRC. The Company and, if treated as a PRC resident enterprise, the Issuer, will be obligated to withhold VAT of 6 per cent. and certain local levies (as described below) on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. Pursuant to the Law of the People’s Republic of China on Urban Maintenance and Construction Tax (《中華人民共和國城市維護建設稅法》), the Interim Provisions on the Collection of Educational Surcharges (徵收教育附加費的暫行規定 (2011修訂)) and the Notice of the Ministry of Finance on the Relevant Matters regarding Unifying the Policies on Local Education Surcharges (財政部關於統一地方教育附加政策有關問題的通知), a city maintenance and construction tax of 7 per cent., an educational surcharge of 3 per cent. and a local educational surcharge of 2 per cent. will be applicable when entities and individuals are obliged to pay VAT (for an aggregate of 12 per cent. surcharge on any VAT payable).

VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

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

If the Issuer or the Company is unable to comply with the restrictions and covenants in their respective debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the debt of the Issuer or the Company to be accelerated.

If the Issuer or the Company is unable to comply with the restrictions and covenants in the Bonds, or current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer or the Company, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, those debt agreements may contain cross-acceleration or cross-default provisions. As a result, the default by the Issuer or the Company under one debt agreement may cause the acceleration of repayment of debt, including the Bonds, or result in a default under its other debt agreements. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows to repay in full all of the indebtedness of the Issuer or the Company, or that it would be able to find alternative financing. Even if the Issuer or the Company could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Issuer or the Company.

The rating assigned to the Bonds may be lowered or withdrawn in the future.

The Bonds are expected to be assigned a rating of “A-” by Fitch. The rating represents the opinions of the rating agency and their assessment of the ability of the Issuer and the Company to perform their respective obligations under the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking and credit risks in determining the likelihood that payments will be made when due under the Bonds. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. The Group cannot assure investors that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. In addition, credit rating agencies may change their methodology for assigning ratings at any time. None of the Issuer, the Company, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them has any obligation to inform holders of the Bonds of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Bonds may adversely affect the market price of the Bonds and the ability of the Issuer and the Company to access the debt capital markets.

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

The Bonds will be represented by a Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream (each a “**Clearing System**”). Except in the limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive certificates representing the Bonds. The Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the relevant Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Bonds are represented by the relevant Global Certificate, the Issuer, failing which, the Company will discharge its payment obligations under the Bonds by making payments to the Clearing System for distribution to their account holders. A holder of a beneficial interest in the relevant Global Certificate must rely on the procedures of the Clearing System(s) to receive payments under the Bonds. None of the Issuer, the Company, the Trustee or the Agents or any of their respective representatives, directors, officers, employees, agents, advisers or affiliates or any person who controls any of them has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Certificate will not have a direct right under the Global Certificate to take enforcement action against the Issuer or the Company in the event of a default under the Bonds but will have to rely upon their rights under the Trust Deeds.

The Issuer or the Company may not be able to redeem the Bonds upon the due date for redemption thereof.

The Issuer may, on the occurrence of a Change of Control (as defined under the Terms and Conditions of the Bonds), and at maturity will, be required to redeem part or all of the Bonds. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. There is also no assurance that the Issuer would have sufficient funds at such time to make the required redemption of the Bonds. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay or redeem tendered Bonds by the Issuer would constitute an event of default under the Bonds, which may also constitute a default under the terms of the Group’s other indebtedness.

The Bonds may be redeemed at the option of the Issuer prior to maturity if the Issuer is required to pay Additional Tax Amounts in respect of PRC withholding tax in excess of the Applicable Rate because it is treated as a PRC “resident enterprise”.

As at the date of this Offering Circular, the Issuer is not treated as a PRC “resident enterprise”. If in the future, the Issuer is treated as a PRC resident enterprise and is required to withhold tax from interest payments on the Bonds, the Issuer will, subject to certain exceptions, be required to pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding been required. As described under Condition 6(b) and Condition 8 of the Terms and Conditions, in the event the Issuer is required to withhold tax in excess of the Applicable Rate as a result of it being treated as a PRC “resident enterprise” and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may redeem the Bonds in whole, but not in part.

The date on which the Issuer elects to redeem the Bonds may not accord with the preference of particular Bondholders. In addition, a Bondholder may not be able to reinvest the redemption proceeds in comparable securities at the same rate of return of the Bonds.

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

As the Issuer and the Company are incorporated under the laws of the British Virgin Islands and the PRC, respectively, any insolvency proceeding relating to the Issuer or the Company would likely involve British Virgin Islands or PRC insolvency laws, respectively, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Bonds are familiar.

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

In certain circumstances, including, without limitation, the giving of notice to the Issuer pursuant to Condition 9 of the Terms and Conditions of the Bonds and the taking of actions and/or steps and/or the instituting of proceedings pursuant to Condition 13 of the Terms and Conditions of the Bonds, the Trustee may, at its sole discretion, request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions and/or steps and/or initiates proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such actions and/or steps and/or to institute such proceedings if not indemnified and/or secured and/or prefunded to its satisfaction.

Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions and/or steps and/or to initiate proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Bonds and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the holders of the Bonds to take such actions and/or steps and/or to initiate such proceedings directly.

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

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

Modifications and waivers may be made in respect of the Terms and Conditions of the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking by the Trustee or less than all of the holders of the Bonds.

The Terms and Conditions of the Bonds provide that the Trustee may (but shall not be obliged to), without the consent of the holders of the Bonds, agree to (i) any modification (except) as mentioned in the Trust Deed) of the Terms and Conditions of the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking which in its opinion is not materially prejudicial to the interests of the Bondholders and (ii) any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of applicable law.

In addition, the Trustee may (but shall not be obliged to), without the consent of the holders of the Bonds, authorise or waive any breach or proposed breach or breach of the Terms and Conditions, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking, which in its opinion is not materially prejudicial to the interests of the Bondholders.

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

The terms and conditions of the Bonds are based on English law in effect as at the date of issue of the Bonds. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Bonds.

RISKS RELATING TO THE KEEPWELL DEED AND THE DEED OF EQUITY INTEREST PURCHASE UNDERTAKING

Neither the Keepwell Deed nor the Deed of Equity Interest Purchase Undertaking from the Company is a guarantee of the payment obligations of the Issuer and the Company under the Bonds and may not give rise to a debt claim or be recognised by PRC courts in the event of any insolvency proceedings in relation to the Company.

The Company will enter into the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking in connection with the issuance of the Bonds. See “Offer Structure — The Keepwell Deed”, “Description of the Keepwell Deed”, “Offer Structure — The Deed of Equity Interest Purchase Undertaking” and “Description of the Deed of Equity Interest Purchase Undertaking”. Upon a breach of the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking, the Trustee may take action against the Company to enforce the provisions of the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking. However, none of the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking nor any actions taken by the Company under the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking can be construed as, or deemed as evidence of, a guarantee by the Company for the payment obligations of the Issuer under the Bonds. Accordingly, pursuant to the terms of the Keepwell Deed, the Company will only be obliged to make sufficient funds available to the Issuer and the Company, or in the case of the Deed of Equity Interest Purchase Undertaking, undertake certain specific actions rather than jointly or severally assume payment obligations as in the case of a guarantee. Furthermore, even if the Company intends to perform its obligations under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, depending on the manner in which the Company arranges for sufficient funds to meet the payment obligations of the Issuer under the Bonds, such performance may be subject to obtaining prior consent or approvals from relevant PRC governmental authorities, including the PBOC, the NDRC, MOFCOM, CBIRC, SASAC and SAFE. Although the Company is required to use its best endeavours to obtain any required consents and approvals in order to fulfil its respective obligations under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, there can be no assurance that such consents or approvals will be obtained in a timely manner or at all. In the event that the Company fails to obtain the requisite consents or approvals, the Issuer may have insufficient funds to discharge its outstanding payment obligations to the holders of the Bonds. Further, in the event of an insolvency of a Relevant Transferor (as defined in the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking) any sale proceeds received by that Relevant Transferor may

be subject to the insolvency claims of third parties. The Trustee will not have a direct claim against the sale proceeds received by such Relevant Transferor.

In addition, under the Keepwell Deed, the Company will undertake with the Issuer and the Trustee, among other things, to cause the Issuer to have sufficient liquidity to ensure timely payment of any amounts payable in respect of the Bonds and/or the Trust Deed. However, any claim by the Issuer and/or the Trustee against the Company in relation to the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking will be effectively subordinated to all existing and future obligations of the subsidiaries of the Company (which do not provide a guarantee in respect of the Bonds), particularly the PRC incorporated subsidiaries, and all claims by creditors of such PRC incorporated subsidiaries will have priority to the assets of such entities over the claims of the Issuer and the Trustee under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking.

In addition, the obligations under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking may not give rise to a debt claim or be recognised by PRC courts in the event of any insolvency proceedings in relation to the Company. As the parties to the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking have submitted to the exclusive jurisdiction of the Hong Kong courts, parties who have successfully obtained a judgment from Hong Kong courts in relation to a claim under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking and wish to enforce such a judgment in the PRC may do so pursuant to the Arrangement. However, it is currently uncertain as to whether such a judgment will be recognised and enforced by PRC courts where it relates to insolvency proceedings commenced in the PRC as the judicial practice in this area evolves.

If the Company enters into the bankruptcy, insolvency, restructuring or similar proceedings (collectively referred to as “insolvency proceedings”) in the PRC, i.e. the PRC court accepts the petition in the insolvency proceedings of the Company, the administrator in the insolvency proceedings of the Company may not recognise the claims declared by the Trustee under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking as unsecured claims which are entitled to the distribution of the Company’s assets under the Enterprise Bankruptcy Law of the PRC. Further, according to the PRC laws, the PRC court which accepts the petition in insolvency proceedings of the Company will have the jurisdiction over all the commercial claims or disputes against the Company including the ones arising out of or in connection with the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking or the Bonds. Thus, after the Company enters into the insolvency proceedings in the PRC, if the Trustee brings suits or legal actions against the Company in the Hong Kong court or such suits or legal actions are pending, the relevant PRC court may request the Hong Kong court to recognise the legal effect of the insolvency proceedings in the PRC. If the Hong Kong court recognises the legal effect thereof, it may suspend such suits or legal actions brought by the Trustee against the Company and provide certain judicial assistance on such insolvency proceedings. In such circumstances, the claims of the Trustee or the Bondholders under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking may be brought into the scope of the review of the administrator in insolvency proceedings in the PRC and as mentioned above, such claims may not be registered as unsecured claims in the insolvency proceedings in the PRC. In the above cases, the Trustee or the Bondholders may have limited or no remedies against the Company under the Keepwell Deed in such insolvency proceedings in the PRC.

Consequently, even if the holders of the Bonds or the Trustee have successfully obtained judgment in Hong Kong courts in relation to the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, there can be no assurance that the PRC courts will recognise and enforce such a judgment in insolvency proceedings relating to the Company. Accordingly, the holders of the Bonds may have limited or no remedies against the Company, in connection with such insolvency proceedings.

Performance by the Company of its undertaking under the Deed of Equity Interest Purchase Undertaking is subject to approvals of the PRC governmental authorities and certain limitations.

The Company intends to assist the Issuer to meet their respective obligations under the Bonds by entering into the Deed of Equity Interest Purchase Undertaking. Under the Deed of Equity Interest

Purchase Undertaking, the Company will agree to purchase, upon receipt of a Purchase Notice provided by the Trustee following an Event of Default, from any of the Issuer and/or any other subsidiary of the Company incorporated outside the PRC as designated by the Company or in the absence of a designation, all the subsidiaries of the Company incorporated outside the PRC (each, a “**Relevant Transferor**”) the equity interest held by it or indirectly held subsidiaries of the Company, i.e. the Purchase, at a purchase price not lower than the amount sufficient to enable the Issuer to discharge in full its obligations under the Bonds and/or the Trust Deed.

Performance by the Company of its undertaking under the Deed of Equity Interest Purchase Undertaking will be subject to the approval of or registration with the following PRC governmental authorities or their respective local counterparts (as the case may be):

- MOFCOM;
- NDRC;
- SASAC;
- PRC State Administration for Market Regulation (which has absorbed the previous PRC State Administration for Industry and Commerce in April 2018);
- SAT; and/or
- SAFE.

As the approval process is beyond the control of the Company (particularly in the situation where the Deed of Equity Interest Purchase Undertaking is triggered by the winding-up of the Company), there can be no assurance that the Company will successfully obtain any of the requisite approvals or registrations in time, or at all, or that the PRC Government’s relevant policies or regulations will not change in the future. In the event that the Company fails to obtain the requisite approvals or registrations, the Issuer may still have insufficient funds to discharge their outstanding payment obligations to the Bondholders.

Further, in the event of an insolvency of a Relevant Transferor, any sale proceeds received by that Relevant Transferor may be subject to the insolvency claims of third-parties.

Performance by the Company of its undertaking under the Deed of Equity Interest Purchase Undertaking may be subject to consent from third-party creditors and shareholders, and may also be restricted if any of the equity interests are secured in favour of third-party creditors.

Under the terms of the Deed of Equity Interest Purchase Undertaking, the Company will agree to purchase, upon the occurrence of an Event of Default, from the Relevant Transferor the equity interest of indirectly held subsidiaries of the Company held by it. The ability of the Company to perform this undertaking may be affected by any present or future financing agreements of the Company and its subsidiaries:

- in the event that such financial agreements contain non-disposal or other restrictive covenants that would prevent the sale of an equity interest by a Relevant Transferor, the Company and its subsidiaries would need to obtain the consent from the third-party creditor before the Relevant Transferor is able to proceed with the sale of such equity interest; and
- in the event that certain equity interests have been secured in favour of third-party creditors, the Company and its subsidiaries would need to arrange for these security interests to be released before the Relevant Transferor is able to proceed with the sale of such equity interests.

Under the Terms and Conditions of the Bonds, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, there will not be any restrictions on the Company or its subsidiaries entering

into financing agreements with such non-disposal or other restrictive covenants or securing the equity interests of any member of the Group in favour of its creditors (not being holders of relevant indebtedness/debt securities issued outside the PRC by the Company or any of its subsidiaries).

In the event the obligation to purchase under the Deed of Equity Interest Purchase Undertaking becomes effective, there can be no assurance that the Relevant Transferor will be able to obtain any required consents from its creditors or that it will be able to arrange for any existing security arrangement to be released in order for the sale of the equity interest to proceed. If the Relevant Transferor is not able to do so, it may need to repay the indebtedness owed to its third-party creditors in order to be able to sell the relevant equity interests to the Company. In the event that the required consents or waivers from third-party creditors are not able to be obtained and in the case of third-party creditors, the relevant indebtedness cannot be repaid in a timely manner, the sale of the equity interest may not be able to proceed and the Issuer and the Company may have insufficient funds to discharge their respective payment obligations to the holders of the Bonds.

In addition, the sale of the equity interests in certain non-wholly-owned companies may be subject to pre-emptive rights or other restrictions in such company's articles of association, shareholders' agreement or otherwise that would require the selling shareholder to obtain consent or waiver from other third-party shareholders before any equity interest can be sold to the Company. In the event the obligation to purchase under the Deed of Equity Interest Purchase Undertaking becomes effective, there can be no assurance that any required consents or waivers can be obtained from third-party shareholders in a timely manner or at all.

TERMS AND CONDITIONS OF THE BONDS

The following are the terms and conditions of the Bonds (as defined below) substantially in the form in which they (other than the text in italics) will be endorsed on the definitive Certificates and referred to in the global certificate.

The U.S.\$280,000,000 1.98 per cent. bonds due 2022 (the “**Bonds**”, which expression, unless the context requires otherwise, includes any further securities issued pursuant to Condition 15 and to be consolidated and forming a single series therewith) of Xi Yang Overseas Limited (the “**Issuer**”) are constituted by a trust deed (as amended and/or supplemented from time to time, the “**Trust Deed**”) dated on or about 3 November 2021 (the “**Issue Date**”) made between the Issuer, Nanjing Yangzi State-owned Assets Investment Group Co., Ltd (南京揚子國資投資集團有限責任公司) (the “**Company**”) and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons which for the time being are the trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds. The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. The Bonds have the benefit of (i) a keepwell and liquidity support deed (as amended and/or supplemented from time to time, the “**Keepwell Deed**”) executed by the Issuer, the Company and the Trustee relating to the Bonds; and (ii) a deed of equity interest purchase undertaking (as amended and/or supplemented from time to time, the “**Deed of Equity Interest Purchase Undertaking**”) executed by the Company and the Trustee relating to the Bonds, both dated on or about the Issue Date, and both deeds being executed in favour of the Trustee for itself and the Bondholders (as defined below).

The issue of the Bonds was authorised by resolutions of the sole director of the Issuer passed on 21 October 2021. The entering into the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking was authorised by a resolution of the board of directors of the Company passed on 8 October 2021 and the shareholder of the Company has provided its consent for the issue of the Bonds on 15 October 2021.

Copies of the Trust Deed, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking and the agency agreement dated on or about the Issue Date (as amended and/or supplemented from time to time, the “**Agency Agreement**”) made between the Issuer, the Company, the Trustee, The Bank of New York Mellon, London Branch as principal paying agent (in such capacity, the “**Principal Paying Agent**”, which expression shall include its successor(s)), The Bank of New York Mellon SA/NV, Dublin Branch as registrar (in such capacity, the “**Registrar**”, which expression shall include its successor(s)) and as transfer agent (in such capacity, the “**Transfer Agent**”, which expression shall include its successor(s) and any other transfer agent appointed in connection with the Bonds) and any other agents appointed thereunder are available for inspection by the Bondholders following prior written request and satisfactory proof of holding and identity at all reasonable times during normal office hours (being between 9:00 a.m. to 3:00 p.m., from Monday to Friday, other than public holidays) by the Bondholders at the principal office for the time being of the Trustee, being at the Issue Date at One Canada Square, London E14 5AL, United Kingdom, and at the specified office of the Principal Paying Agent. References herein to “**Paying Agents**” include the Principal Paying Agent and any other paying agent appointed from time to time in connection with the Bonds, and “**Agents**” means the Principal Paying Agent, the Registrar, the Transfer Agent, any other Paying Agent and any other agent or agents appointed from time to time with respect to the Bonds. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

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

1 FORM, AUTHORISED DENOMINATION AND TITLE

The Bonds are issued in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (each, an “**Authorised Denomination**”). The Bonds are evidenced by

registered certificates (the “**Certificates**”) and, save as provided in Condition 3(b), each Certificate shall evidence the entire holding of Bonds by the same holder (as defined below).

Title to the Bonds shall pass by registration in the Register as described in Condition 3. The holder of any Bond shall (except as ordered by a court of competent jurisdiction or as otherwise required by law) be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the Certificate (other than the endorsed form of transfer) evidencing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, “**Bondholder**”, “**holder of the Bonds**” or, in respect of a Bond, “**holder**” means the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first-named thereof).

*Upon issue, the Bonds will be evidenced by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depository for Euroclear Bank SA/NV and Clearstream Banking S.A. The Conditions are modified by certain provisions contained in the Global Certificate while any of the Bonds are evidenced by the Global Certificate. See “Summary of Provisions relating to the Bonds in Global Form”.*

2 STATUS

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

3 TRANSFERS OF BONDS AND ISSUE OF CERTIFICATES

(a) Register

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

(b) Transfer

Subject to the Agency Agreement and Conditions 3(e) and 3(f), a Bond may be transferred (in whole or in part) by surrendering the Certificate issued in respect of that Bond, with the form of transfer on the back of the Certificate duly completed and signed, at the specified office of the Registrar or the Transfer Agent and any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed such form of transfer.

In the case of a transfer of only part of a holding of the Bonds evidenced by a Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor, provided that each such holding shall be in an Authorised Denomination, and mailed by uninsured mail at the risk of the holder of the Bonds to the address of such holder appearing on the Register or as specified in the form of transfer, unless such holder requests otherwise and pays in advance to the Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In the case of a transfer of the Bonds to a person who is already a holder of the Bonds, a new Certificate evidencing the enlarged holding shall only be issued against surrender of the Certificate evidencing the existing holding. No transfer of title to a Bond will be valid unless and until entered on the Register.

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

(c) Delivery of New Certificates

Each new Certificate to be issued upon transfer of the Bonds pursuant to Condition 3(b) shall be made available for delivery within seven business days (as defined below) of receipt by the Registrar or, as the case may be, the relevant Transfer Agent of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the relevant Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify.

In this Condition 3(c), “**business day**” means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the Transfer Agent or the Registrar (as the case may be).

Except in the limited circumstances described herein (see “Summary of Provisions relating to the Bonds in Global Form”), owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates.

(d) Formalities Free of Charge

Registration of a transfer of the Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any Agent but upon (i) payment (or the giving of such indemnity and/or security and/or prefunding as the Issuer or any Agent may require) in respect of any tax, duty, assessment or other governmental charges which may be imposed in relation to such transfer; (ii) the Registrar or the Transfer Agent being satisfied in its absolute discretion with the documents of title or identity of the person making the application and (iii) the relevant Agent being satisfied that the Regulations (as defined below) have been complied with.

(e) Closed Periods

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

(f) Regulations

All transfers of the Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of the Bonds (the “**Regulations**”), the initial form of which is scheduled to the Agency Agreement. The Regulations may be changed by each of the Issuer and the Registrar, with the prior written approval of the Registrar and the Trustee, or by the Registrar, with the prior written approval of the Trustee. A copy of the current Regulations will be available for inspection by any Bondholder at the specified office of the Registrar at all reasonable times during normal office hours (being between 9:00 a.m. to 3:00 p.m. from Monday to Friday (other than public holidays)) following prior writing request and proof of holding and identity satisfactory to the Registrar.

4 COVENANTS

(a) Negative Pledge

So long as any Bond remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Company will, and each of the Issuer and the Company will ensure that none of their respective Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

(b) Irrevocable Cross-Border Standby Facility, Liquidity Support and Parent Investment

The Trustee shall provide a written notice (the “**Trigger Notice**”) to the Company in accordance with the Trust Deed (i) upon being notified in writing by the Issuer and/or the Company that a Triggering Event has occurred or (ii) if any Triggering Event has occurred and if so requested in writing by Bondholders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding (subject to the Trustee having been indemnified and/or provided with security and/or pre-funded to its satisfaction). Upon the receipt of the Trigger Notice, the Company has undertaken in the Keepwell Deed to:

- (i) grant a standby facility and procure remittance of the Remittance Amount (as defined in the Keepwell Deed) as a loan to the Issuer (the “**Standby Facility**”);
- (ii) provide the liquidity support to the Issuer (the “**Liquidity Support**”); and
- (iii) invest in the Issuer and/or any Offshore Subsidiary(ies) (as defined in the Keepwell Deed) (the “**Parent Investment**”),

in each case, in accordance with the Keepwell Deed and subject to it having obtained all relevant Regulatory Approvals (as defined in the Keepwell Deed) (which the Company has undertaken to use its best endeavours to obtain).

(c) Issuer Activities

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer shall not, and the Company will procure that the Issuer will not, carry on any business activity whatsoever other than in connection with the issue of the Bonds or other debt securities and any other activities reasonably incidental thereto (such activities shall, for the avoidance of doubt, include the on lending of the proceeds of the issue of the Bonds or other debt securities to the Company or any other Subsidiaries of the Company (each a “**Group Borrower**”)), and to cause such Group Borrower to pay the interest and principal in respect of such intercompany loan on time.

(d) Financial Information

So long as any Bond remains outstanding (as defined in the Trust Deed) each of the Issuer and the Company will furnish to the Trustee (i) a Compliance Certificate (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) and a copy of the relevant Audited Financial Reports within 150 days of the end of each Relevant Period prepared in accordance with the Accounting Standards for Business Enterprises in the PRC (“**PRC GAAP**”) (audited by a nationally or internationally recognised firm of independent accountants) of the Company and its Subsidiaries and if such

statements shall be in the Chinese language, together with an English translation of the same translated by (A) a nationally or internationally recognised firm of independent accountants or (B) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants, together with a certificate in English signed by an Authorised Signatory of the Company certifying that such translation is complete and accurate; and (ii) a copy of the Unaudited Financial Reports within 90 days of the end of each Relevant Period prepared on a basis consistent with the Audited Financial Reports and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) a nationally or internationally recognised firm of independent accountants or (B) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants, together with a certificate in English signed by an Authorised Signatory of the Company certifying that such translation is complete and accurate.

The Issuer and the Company will also furnish to the Trustee a Compliance Certificate (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) within 14 days of any written request therefor from the Trustee.

(e) Undertakings relating to Compliance of Laws and Regulations

Each of the Issuer and the Company undertakes that it will comply with all applicable PRC laws and regulations in relation to the Bonds.

(f) Deed of Equity Interest Purchase Undertaking

Upon the occurrence of an Event of Default (as defined in Condition 9), the Trustee shall give to the Company (with a copy to the Issuer) a notice in writing in accordance with the Trust Deed notifying the Company of its obligations to carry out purchase(s) of certain equity interests held by any offshore subsidiary or subsidiaries of the Company pursuant to the Deed of Equity Interest Purchase Undertaking. Upon the completion of any Purchase (as defined in the Deed of Equity Interest Purchase Undertaking), the Company has undertaken in the Deed of Equity Interest Purchase Undertaking, in the event that a Relevant Transferor (as defined in the Deed of Equity Interest Purchase Undertaking) is not the Issuer, that it shall procure such Relevant Transferor to promptly on-lend or distribute in full the relevant portion of the Purchase Price (as defined in the Deed of Equity Interest Purchase Undertaking) received by such Relevant Transferor to the Issuer, prior to any other use, disposal or transfer of the proceeds received.

(g) Use of Proceeds received pursuant to the Keepwell Deed and Deed of Equity Interest Purchase Undertaking

The Issuer shall, and the Company has undertaken in the Keepwell Deed and the Trust Deed to procure the Issuer to, take all actions necessary for the proceeds received from the Standby Facility, the Liquidity Support, the Parent Investment and/or the Purchase(s) to be applied in and towards (i) the payment in full of any outstanding amounts as they fall due under the Trust Deed and the Bonds (including without limitation, the payment of the principal amount of the Bonds then outstanding as at the date of the Trigger Notice and any interest unpaid and/or accrued but unpaid on the Bonds) if the Triggering Event is an Event of Default; or (ii) the remedy of the Financial Ratio Failure or the Shortfall Event if such Triggering Event has occurred, prior to any other use, disposal or transfer of the proceeds received.

The Company has undertaken in the Deed of Equity Interest Purchase Undertaking that upon the completion of any Purchase, it shall promptly do all such things (including entering into and executing any agreements or arrangements required) and take all actions necessary for the Purchase Price (as defined in the Deed of Equity Interest Purchase Undertaking) received by the Issuer from the Company or pursuant to any on-loan or distribution referred to above to be applied solely towards the payment in full of the Issuer's obligations under the Bonds and the

Trust Deed (including without limitation the payment of the principal amount of the Bonds then outstanding as at the date of the Purchase Notice and any interest due and unpaid and/or accrued but unpaid on the Bonds up to but excluding the date of payment) prior to any other use, disposal or transfer of the proceeds received.

(h) Definitions:

In these Conditions:

“Audited Financial Reports” means annual audited consolidated balance sheet, consolidated income statement, consolidated statement of cash flow and consolidated statement of changes in owners’ equity of the Company together with any statements, reports (including any directors’ and auditors’ reports) and notes attached to any of them;

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

- (i) no Event of Default (as defined in Condition 9) or Potential Event of Default had occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and
- (ii) each of the Issuer and the Company has complied with all its obligations under the Trust Deed, the Bonds, the Keepwell Deed and Deed of Equity Interest Purchase Undertaking or, if any non-compliance has occurred, giving details of it;

“Consolidated Net Worth” means, the excess of the total assets of the Issuer and its consolidated Subsidiaries over the total liabilities of the Issuer and its consolidated Subsidiaries, each of “total assets” and “total liabilities” to be determined in accordance with PRC GAAP consistently applied;

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

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

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

“Relevant Indebtedness” means any indebtedness issued outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities with a maturity of more than one year which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

“Relevant Period” means (i) in relation to the Audited Financial Reports, each period of twelve months ending on the last day of the Company’s financial year (being 31 December of that financial year); (ii) in relation to the Unaudited Financial Reports for a semi-annual period, each period of six months ending on the last day of the Company’s first half financial year (being 30 June of that financial year); and (iii) in relation to other Unaudited Financial Reports

which are required to be disclosed pursuant to applicable law or regulations, such period as specified in applicable law or regulations;

“**Subsidiary**” means, with respect to any person, (i) any corporation, association or other business entity of which more than 50 per cent. of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such person and one or more other Subsidiaries of such person; or (ii) any corporation, association and other business entity which at any time has its accounts consolidated with those of that person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person;

a “**Triggering Event**” means the occurrence of any of the following events:

- (i) the Consolidated Net Worth of the Issuer falls below U.S.\$1.00 (or its equivalent in any other currency) (a “**Financial Ratio Failure**”);
- (ii) an Event of Default; or
- (iii) the Issuer determines that it will have insufficient liquidity or cashflow to meet its payment obligations under the Bonds or the Trust Deed as they fall due (a “**Shortfall Event**”);

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

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

5 INTEREST

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 1.98 per cent. per annum, payable in arrear on 3 May 2022 and 2 November 2022 (each an “**Interest Payment Date**”).

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

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed. In these Conditions, each of (i) the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and (ii) the period beginning on and including the first Interest Payment Date and ending on but excluding the second Interest Payment Date is called an “**Interest Period**”.

Interest in respect of any Bond shall be calculated per U.S.\$1,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period

shall, save as provided above in relation to equal instalments, be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 REDEMPTION AND PURCHASE

(a) Final Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 2 November 2022 (the “**Maturity Date**”). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Bondholders in accordance with Condition 16 (which shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued to (but excluding) the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the British Virgin Islands or the PRC or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of, such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 27 October 2021, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the giving of any Tax Redemption Notice pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate in English signed by any Authorised Signatory of the Issuer stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer taking reasonable measures available to it, and (B) an opinion, in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendments. The Trustee shall be entitled (but shall not be obliged) to accept and rely conclusively on such certificate and opinion (without further investigation or enquiry) as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event the same shall be conclusive and binding on the Bondholders.

(c) Redemption for Change of Control

At any time following the occurrence of a Change of Control, the holder of any Bond will have the right, at such holder’s option, to require the Issuer to redeem all but not some only of that holder’s Bonds on the Put Settlement Date (as defined below) at 101 per cent. of their principal amount, together with any interest accrued to (but excluding) such Put Settlement Date. In order to exercise such right, the holder of the Bonds must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of the Principal Paying Agent or any other Paying Agent (a “**Put Exercise Notice**”), together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Change of Control, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

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

The Issuer shall give notice in writing to Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing by not later than 14 days following the first day on which it becomes aware of the occurrence of a Change of Control, which notice shall specify the procedure for exercise by Bondholders of their rights to require redemption of the Bonds pursuant to this Condition 6(c).

None of the Trustee or the Agents shall be required to take any steps to ascertain whether a Change of Control has occurred or shall be responsible for or liable to Bondholders, the Issuer, the Company or any other person for any loss arising from any failure to do so.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds on the Put Settlement Date.

For the purpose of these Conditions:

- (i) **“Control”** means (A) the ownership or control of more than 50 per cent. of the voting rights of the issued share capital of the relevant Person or (B) the right to appoint and/or remove all or the majority of the members of the relevant Person’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; the term **“Controlled”** has meanings correlative to the foregoing;
- (ii) a **“Change of Control”** occurs when:
 - (A) (x) the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC, (y) any other Person directly or indirectly Controlled by the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC, and (z) any other Person directly or indirectly Controlled by the central government of the PRC, together cease to directly or indirectly hold or own 100 per cent. of the issued share capital of the Company;
 - (B) the Company, directly or indirectly, ceases to be the single largest shareholder of the Issuer;
 - (C) the accounts of the Issuer cease to be consolidated with those of the Company; or
 - (D) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other Person or Persons, acting together, unless such Person(s) is/are Controlled by the Nanjing City Government, Nanjing Jiangbei New District Management Committee and/or Nanjing SASAC;
- (iii) **“Nanjing Jiangbei New District Management Committee”** means the management committee of the Nanjing Jiangbei New District of Nanjing City;
- (iv) **“Nanjing SASAC”** means the State Administration of State-owned Assets Commission of Nanjing City; and
- (v) a **“Person”** includes any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof but does not include the Issuer’s board of directors, the Company’s board of directors or any other governing board and does not include the Company’s wholly-owned direct or indirect Subsidiaries.

(d) Purchase

The Issuer, the Company or any of their respective Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer, the Company or any such Subsidiary, shall not entitle the holder to vote at any meetings of the holders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the holders or for the purposes of Condition 9, Condition 12(a) and Condition 13.

(e) Notice of redemption

All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date, in such place and in such manner as specified in such notice in accordance with this Condition. If there is more than one notice of redemption given in respect of any Bond (which shall include any notice given by the Issuer pursuant to Condition 6(b) and any Put Exercise Notice given by a Bondholder pursuant to Condition 6(c)), the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or Put Exercise Notice and none of them shall be liable to Bondholders, the Issuer, the Company or any other person for not doing so.

(f) Cancellation

All Certificates evidencing Bonds purchased by or on behalf of the Issuer, the Company and their respective Subsidiaries itself shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds shall be cancelled forthwith. Any Certificates surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Company in respect of any such Bonds shall be discharged.

7 PAYMENTS

(a) Method of Payment

- (i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of the Principal Paying Agent or any other Paying Agent if no further payment falls to be made in respect of the Bonds evidenced by such Certificates) in the manner provided in Condition 7(a)(ii) below.
- (ii) Interest on each Bond shall be paid to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Bond shall be made in U.S. dollars by transfer to the registered account of the holder of such Bond. In this Condition 7, the “**registered account**” of a Bondholder means the U.S. dollar account maintained by or on behalf of it with a bank, details of which appear on the Register on the Record Date.
- (iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if any) or interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.

Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear SA/NV, Clearstream Banking S.A. or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of

business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

(b) Payments subject to Fiscal Laws

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

(c) Payment Initiation

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

(d) Appointment of Agents

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

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

(e) Delay in Payment

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

(f) Non-Payment Business Days

If any date for payment in respect of any Bond is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “**Payment Business Day**” means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks and foreign exchange markets are open for business in New York City, the place in which the specified office of the Principal Paying Agent is located and the place where payment is to be made by transfer to an account maintained with a bank in U.S. dollars.

8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without set-off or counterclaim and without withholding or deduction for, any present or future taxes, duties, assessments or governmental

charges of whatever nature imposed, levied, collected, withheld or assessed by the British Virgin Islands or the PRC or, in either case, any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer by or within the PRC up to and including the aggregate rate applicable on 27 October 2021 (the “**Applicable Rate**”), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been receivable by them had no such withholding or deduction been required.

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

- (i) **Other connection:** to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the British Virgin Islands or the PRC other than the mere holding of the Bond;
- (ii) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the Certificate representing the Bond is presented for payment; or
- (iii) **Surrender more than 30 days after the Relevant Date:** in respect of which the Certificate evidencing it is presented (where presentation is required) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Tax Amounts on surrendering the Certificate evidencing such Bond for payment on the last day of such period of 30 days.

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

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

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

9 EVENTS OF DEFAULT

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

An “**Event of Default**” occurs if:

- (a) **Non-Payment:** there has been a failure to pay (i) the principal of any of the Bonds when due or (ii) any interest on any of the Bonds when due and such failure continues for a period of 14 days; or
- (b) **Breach of Other Obligations:** the Issuer or the Company does not perform or comply with any one or more of its obligations under the Bonds, the Trust Deed, the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking (other than where it gives rise to a right of redemption pursuant to Condition 6(c)) and such default (i) is in the opinion of the Trustee incapable of remedy or, (ii) if in the opinion of the Trustee capable of remedy, is not remedied within 30 days after the Trustee has given written notice thereof to the Issuer and the Company;
- (c) **Cross-Acceleration:** (i) any other present or future indebtedness of the Issuer or the Company or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer, the Company or any of their respective Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred in aggregate equals or exceeds U.S.\$35,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates);
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer, the Company or any of their respective Material Subsidiaries and is not discharged or stayed for a period of 45 days;
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, the Company or any of their respective Material Subsidiaries over all or a material part of the assets of the Issuer, the Company or the relevant Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged within 45 days;
- (f) **Insolvency:** the Issuer, the Company or any of their respective Material Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as and when such debts fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts (or of any material part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any material part of the debts of the Issuer, the Company or any of their respective Material Subsidiaries;

- (g) **Winding-up:** an order of any court of competent jurisdiction is made or an effective resolution passed for the winding-up or dissolution of the Issuer, the Company or any of their respective Material Subsidiaries, or the Issuer, the Company or any of their respective Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Bondholders, (ii) a voluntary and solvent winding up of any Material Subsidiary or (iii) a disposal on an arm's length basis where the assets of the Issuer or the Company or any Material Subsidiary resulting from such disposal are transferred to or otherwise vested in the Issuer, the Company and/or another Subsidiary of the Company;
- (h) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer, the Company or any of their respective Material Subsidiaries which individually or in aggregate would have a material adverse impact on the ability of the Issuer or the Company to perform its obligation under the Bonds, the Trust Deed, the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking;
- (i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Company lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Bonds, the Trust Deed, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds, the Trust Deed, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done;
- (j) **Illegality:** it is or will become unlawful for the Issuer or the Company to perform or comply with any one or more of its obligations under any of the Bonds, the Trust Deed, the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking;
- (k) **Keepwell Deed and Deed of Equity Interest Purchase Undertaking:** the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking is not (or is claimed by the Issuer and/or the Company not to be) in full force and effect, or any of the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking is modified, amended or terminated other than strictly in accordance with its terms or these Conditions; or
- (l) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9(d) to 9(k) (both inclusive).

In this Condition 9:

“**Material Subsidiary**” means any Subsidiary of a person:

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

- (b) whose operating profits or (in the case of a Subsidiary which itself has Subsidiaries) consolidated operating profits, as shown by its latest audited income statement are at least five per cent. of the consolidated operating profit as shown by the latest published audited consolidated income statement of such person and its Subsidiaries including, for the avoidance of doubt, such person and its consolidated Subsidiaries' share of operating profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet are at least five per cent. of the amount which equals the amount included in the consolidated total assets of such person and its Subsidiaries as shown by the latest published audited consolidated balance sheet of such person and its Subsidiaries including, for the avoidance of doubt, the investment of such person in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of such person and after adjustment for minority interests;

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

- (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of such person relate, the reference to the then latest consolidated audited accounts of such person for the purposes of the calculation above shall, until consolidated audited accounts of such person for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of such person adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;
- (ii) if at any relevant time in relation to such person or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, operating revenue, operating profit or total assets of such person and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by such person;
- (iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its operating revenue, operating profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by such person;
- (iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above of this definition) are not consolidated with those of such person, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer prepared for this purpose by such person; and
- (v) in the case of a Subsidiary to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary and the Subsidiary to which the assets are so transferred shall become a Material Subsidiary upon such transfer but shall cease to be a Material Subsidiary at the date on which the first published audited accounts (consolidated, if appropriate) of such person prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Material Subsidiary on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition.

10 PRESCRIPTION

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

11 REPLACEMENT OF CERTIFICATES

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

12 MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER, AUTHORISATION, DETERMINATION AND ENTITLEMENT OF TRUSTEE

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement, the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking. Such a meeting may be convened by the Trustee, the Issuer or the Company and shall be convened by the Trustee upon request in writing from Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented unless the business of such meeting includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, including consideration of proposals, *inter alia*, (i) to modify the Maturity Date of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or (v) to modify or cancel the Keepwell Deed or the Deed of Equity Interest Purchase Undertaking (other than as provided in Condition 12(b)) (each a “**Reserved Matter**”), in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any such meeting adjourned for lack of quorum not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders, whether or not they were present at the meeting and whether or not they voted, at which such resolution was passed.

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

Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) Modification, Waiver, Authorisation and Determination

The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, or any failure to comply with any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking which in its opinion is not materially prejudicial to the interests of the Bondholders, and (ii) any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of applicable law. Any such modification, waiver or authorisation shall be binding on the Bondholders and, unless the Trustee agrees otherwise, such modification, waiver or authorisation shall be notified to the Bondholders by the Issuer as soon as practicable thereafter in accordance with Condition 16.

(c) Entitlement of the Trustee

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

13 ENFORCEMENT

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

14 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking steps and/or actions and/or initiating proceedings to enforce its rights under the Trust Deed, the Agency Agreement, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking and/or these Conditions and in respect of the Bonds and payment or taking other actions unless first indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, the Company and/or any entity related to the Issuer or the Company without accounting for any profit.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Company and any other person appointed by the Issuer and/or the Company in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer or the Company to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer, the Company or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction or request of the Bondholders. The Trustee shall be entitled to rely conclusively on any direction, request, instruction or resolution of Bondholders given by Bondholders holding the requisite aggregate principal amount of the Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking or these Conditions or by law to exercise any discretion or power, take or refrain from any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of Extraordinary Resolution or given as otherwise contemplated or permitted by the Trust Deed and/or the Bonds, and the Trustee shall be entitled to rely on any such directions and shall not be responsible for any loss or liability incurred by the Issuer, the Company, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking or refraining from such action, making such decision or giving such direction as a result of seeking such direction from where the Trustee is seeking such approval, directions or instructions from the Bondholders or in the event that no approval, direction or instruction is given to the Trustee by the Bondholders. The Trustee shall not be liable to any Bondholders, the Issuer, the Company or any other person for any action taken by it in accordance with the approval, directions or instructions of the Bondholders. The Trustee shall be entitled to rely conclusively on any approval, direction or instruction of Bondholders (whether given by Extraordinary Resolution or otherwise as contemplated or permitted by the Trust Deed and/or the Bonds).

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

The Trustee may rely conclusively without liability to Bondholders, the Issuer, the Company or any other person on any report, information, confirmation or certificate from or any opinion or advice of any legal advisers, accountants, auditors, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or any other professional adviser or expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, information, confirmation, certificate, opinion or advice and, in such event, such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Company and the Bondholders. The Trustee shall not be responsible or liable to the Issuer, the Company, the Bondholders or any other person for any loss occasioned by acting on or refraining from acting on any such report, information, confirmation, certificate, opinion or advice.

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

15 FURTHER ISSUES

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

16 NOTICES

All notices to the Bondholders will be valid if mailed to them by uninsured mail at their respective addresses in the Register. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any notice shall be deemed to have been given, on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are evidenced by the Global Certificate and the Global Certificate is held on behalf of Euroclear Bank SA/NV or Clearstream Banking S.A. or the Alternative Clearing System (as defined in the Trust Deed), notices to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear Bank SA/NV or Clearstream Banking S.A. or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999, except to the extent expressly provided for in these Conditions and in the Trust Deed and without prejudice to the rights of Bondholders as contemplated in Condition 13.

18 GOVERNING LAW AND JURISDICTION

(a) Governing Law

The Trust Deed, the Agency Agreement, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Trust Deed, the Keepwell Deed, the Deed of Equity Interest Purchase Undertaking and the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking (“**Proceedings**”) may be brought in such courts. Each party has in the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking irrevocably submitted to the jurisdiction of such courts and waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) Agent for Service of Process

Each of the Issuer and the Company has irrevocably appointed in the Trust Deed an agent in Hong Kong to receive service of process in any Proceedings in Hong Kong based on any of the Bonds.

(d) Waiver of Immunity

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

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate will contain provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions of the Bonds set out in this Offering Circular. Terms defined in the Terms and Conditions of the Bonds have the same meaning in the paragraphs below. The following is a summary of those provisions:

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

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

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system by the Issuer and approved in writing by the Trustee, the Principal Paying Agent and the Registrar through which the Bonds are held (“**Alternative Clearing System**”) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

Calculation of Interest

So long as the Bonds are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, the Issuer has promised, *inter alia*, to pay interest in respect of such Bonds from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Terms and Conditions of the Bonds, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by such Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Terms and Conditions of the Bonds, in accordance with the Terms and Conditions of the Bonds.

Payment

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

Trustee’s Powers

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

Notices

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

Transfers

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

Cancellation

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

Meetings

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

USE OF PROCEEDS

The Issuer estimates that the net proceeds from this offering, being the gross proceeds less the commissions and other estimated expenses payable in connection with the offering, will be approximately U.S.\$279,000,000. The net proceeds will be used for general corporate purposes and refinancing of indebtedness.

CAPITALISATION AND INDEBTEDNESS OF THE COMPANY

The following table sets forth the consolidated indebtedness (both current and non-current portions) and capitalisation of the Company as at 30 June 2021:

- (i) on an actual basis, and
- (ii) on an adjusted basis to give effect to the Bonds to be issued before deducting commissions and other fees expenses payable by the Issuer in connection with the offering of the Bonds.

The summary consolidated financial information below should be read in conjunction with the Company's Financial Statements and the notes to those statements included elsewhere in this Offering Circular.

	As at 30 June 2021			
	Actual		As adjusted	
	(RMB'000) (reviewed)	(U.S.\$'000) ⁽⁴⁾ (unreviewed)	(RMB'000) (unreviewed)	(U.S.\$'000) ⁽⁴⁾ (unreviewed)
Short-term indebtedness				
Short-term loan	9,591,965	1,485,606	9,591,965	1,485,606
Non-current liabilities due within				
one year	19,855,191	3,075,177	19,855,191	3,075,177
Bonds to be issued	—	—	1,807,848	280,000
Total short-term indebtedness	29,447,156	4,560,784	31,255,004	4,840,784
Long-term indebtedness				
Long-term loan	96,119,503	14,887,015	96,119,503	14,887,015
Debentures payable	58,597,292	9,075,565	58,597,292	9,075,565
Long-term payables ⁽¹⁾	1,828,942	243,267	1,828,942	283,267
Total long-term indebtedness	156,545,737	24,245,847	156,545,737	24,245,847
Total indebtedness⁽²⁾	185,992,893	28,806,631	187,800,741	29,086,631
Total owner's equity	86,519,719	13,400,198	86,519,719	13,400,198
Total capitalisation⁽³⁾	272,512,612	42,206,829	274,320,460	42,486,829

Notes:

- This amount represents interest-bearing payables excluding special payables. See Note VI-39 to the Company's Reviewed Interim Financial Statements.
- Total indebtedness equals the sum of short-term indebtedness and long-term indebtedness.
- Total capitalisation equals the sum of total indebtedness and total owners' equity.
- For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB6.4566 to U.S.\$1.00, based on the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 June 2021.

The Group continues to obtain bank loans and issue bonds in the ordinary course of business to finance its operations. Since 30 June 2021, the Group has incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In July 2021, Nanjing JND Industrial Investment, a consolidated subsidiary of the Company, issued RMB500 million 3.49 per cent. private placement bonds with a maturity of five years. In August 2021, Nanjing JND Industrial Investment further issued RMB600 million 4.2 per cent. private placement bonds with a maturity of two years. In August 2021, Nanjing JND Public Holdings, a consolidated subsidiary of the Company, issued RMB400 million 3.54 per cent. medium term notes with a maturity of five years. In August 2021, Nanjing JND Industrial Investment issued RMB600 million 3.9 per cent. medium term notes with a maturity of three years. In August 2021, Nanjing

JND Industrial Investment issued RMB2 billion 3.37 per cent. medium-term-notes with a maturity of three years. In September 2021, Nanjing JND Industrial Investment issued RMB500 million 3.26 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Industrial Investment issued RMB800 million 3.98 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Public Holdings issued RMB800 million 3.85 per cent. medium term notes with a maturity of three years.

As at the date of this Offering Circular, there had been no material change to the consolidated capitalisation and indebtedness of the Company since 30 June 2021 other than as described above.

DESCRIPTION OF THE ISSUER

OVERVIEW

The Issuer is a company limited by shares incorporated under the BVI Business Companies Act, 2004 of the British Virgin Islands (BVI Company Number: 1952238). It was incorporated in the British Virgin Islands on 31 July 2017. The Issuer is an indirect wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

The Issuer was established pursuant to the objects and powers set out in its memorandum of association. As at the date of this Offering Circular, the Issuer does not carry and has not carried on any business other than entering into arrangements for the issue of debt securities, including the Bonds. As at the date of this Offering Circular, the Issuer has no subsidiaries.

SOLE DIRECTOR

The sole director of the Issuer is Mr. Wu Ligu. The sole director of the Issuer does not hold any shares or options to acquire shares of the Issuer. As at the date of this Offering Circular, the Issuer does not have any employees.

SHARE CAPITAL

The Issuer is authorised under its memorandum of association to issue a maximum of 50,000 shares with no par value each of a single class and one share has been issued to and is being held by Yangtze River Development (HK) Limited. The register of members of the Issuer is maintained at its registered office located at Ritter House, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands. No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing of or permission to deal in such securities is being or proposed to be sought.

FINANCIAL STATEMENTS

Under British Virgin Islands laws, the Issuer is not required to publish condensed or annual financial statements. The Issuer has not published, and does not propose to publish, any financial statements. The Issuer is, however, required to keep proper books of account as are necessary to give a true and fair view of the state of the Issuer's affairs and to explain its transactions.

DESCRIPTION OF THE GROUP

OVERVIEW

The Group is the sole platform of the Nanjing City Government that focuses on infrastructure development and provision of public utility services in the Nanjing Jiangbei New District. As at 30 June 2021, it was also the largest of its kind in terms of total assets. As an enterprise wholly owned by the Nanjing JND Management Committee, the Company has been mandated by the Nanjing City Government on an exclusive basis to implement the PRC Government's and the Nanjing City Government's plans to develop the Nanjing Jiangbei New District, which is one of the 19 key state-level new districts in China and the only state-level new district in Jiangsu Province which was set up by the State Council in June 2015 as part of the implementation of its "Yangtze River Economic Belt Development Plan" released in September 2014. Over the years, the Group has established a strong track record of infrastructure and social housing construction and primary land development in the Nanjing Jiangbei New District, and developed into a key force behind the continuous enhancement of the commercial attractiveness and competitiveness of the Nanjing Jiangbei New District through the exploration and integration of social welfare, natural scenic landscapes, historic preservation and other industry resources.

The Group engages in a wide range of business activities, which can be grouped into the following principal segments:

- *Engineering construction.* The Group undertakes infrastructure construction on behalf of the Nanjing City Government on an exclusive basis in the Nanjing Jiangbei New District. Over the years, the Group has led the construction of a large number of infrastructure projects of great importance to the Nanjing Jiangbei New District, ranging from transportation terminals, transportation networks, relics preservation and restoration to environmental preservation and flood control projects. As at 30 June 2021, the Group had completed a number of infrastructure construction projects, the development fees of which had yet to be fully paid by the Nanjing City Government or the relevant local management committee of the Nanjing Jiangbei New District. The total investment of these projects amounted to approximately RMB28.4 billion. The Group normally develops infrastructure projects under an agent construction model under which the Group is engaged as the general contractor for an agreed contracting fee payable according to the relevant payment timetable. See "— *Description of the Group's Businesses — Engineering construction*".
- *Primary land development.* The Group is the sole entity commissioned by the Nanjing City Government to conduct primary land development in the Nanjing Jiangbei New District, which has an estimated developable area of approximately 2,451 sq.km. During the three years and six months ended 30 June 2021, the Group completed the development of land with a total site area of approximately 454,667 sq.m. Similar to engineering construction, the Group normally carries on primary land development under an agent construction model. See "— *Description of the Group's Businesses — Primary land development*".
- *Social housing development.* The Group is an important entity commissioned by the Nanjing City Government to undertake the development of social housing projects in Nanjing Jiangbei New District. As at 30 June 2021, the Group had 13 ongoing major social housing construction projects. The total estimated investment was approximately RMB20.8 billion. See "— *Description of the Group's Businesses — Social housing development*".
- *Miscellaneous services and property leasing.* The Group provides a diverse range of services in the Nanjing Jiangbei New District, including (1) financial services, (2) hotel operation and property management, (3) inspection services and (4) construction project consulting services. The Group also leases and manages properties constructed or acquired by it, including office buildings, industrial parks and commercial stalls located in the Nanjing Jiangbei New District. See "— *Description of the Group's Businesses — Miscellaneous services and property leasing*".

- *Others.* The Group is the sole entity commissioned by the Nanjing City Government to provide public utility services in the Nanjing High and New Technology Industry Development Zone (南京高新技術產業開發區) (the “NHZ”). The Group provides public utility services, including the supply of water and heating power, to support the operation and development of the NHZ. See “— Description of the Group’s Businesses — Others”.

The following table sets forth a breakdown of the Group’s operating income by business segment for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total
Engineering construction ⁽¹⁾	1,083.5	15.1	1,053.4	14.0	2,523.7	29.4	1,701.2	69.2	1,012.4	28.9
Primary land development ⁽²⁾	299.7	4.2	785.1	10.4	980.8	11.4	—	—	—	—
Social housing development	2,151.0	30.0	1,856.6	24.7	2,346.5	27.4	7.8	0.3	1,250.3	35.8
Miscellaneous services and property leasing	911.6 ⁽³⁾	12.7	1,095.5 ⁽⁴⁾	14.5	1,121.2 ⁽⁴⁾	13.1	418.9 ⁽⁴⁾	17.1	685.6 ⁽⁴⁾	19.6
Others	2,731.2 ⁽⁵⁾	38.0	2,740.5 ⁽⁵⁾	36.4	1,598.3 ⁽⁶⁾	18.7	330.4 ⁽⁶⁾	13.4	548.2 ⁽⁶⁾	15.7
Total	7,177.0	100.0	7,531.1	100.0	8,570.5	100.0	2,458.2	100.0	3,496.5	100.0

Notes:

- (1) This amount represents the aggregate of the Group’s operating income from infrastructure construction.
- (2) This amount represents the aggregate of the Group’s operating income from land development. The Group did not record any operating income from its primary land development business for the six months ended 30 June 2020 and 2021 as the Group usually settles the land development fee with relevant governmental authorities and records relevant operating income during the second half of the year.
- (3) This amount represents the aggregate of the Group’s operating income from technical advisory services, leasing business, project management services and property management services.
- (4) This amount represents the aggregate of the Group’s operating income from technology consulting service, leasing business, property management service and financial services.
- (5) This amount represents the aggregate of the Group’s operating income from transportation business, labour services, water, heating and steam supply business, sewage treatment, tap water engineering repair works, trade income and others.
- (6) This amount represents the aggregate of the Group’s operating income from labour services, water, heating and steam supply business, tap water engineering repair works, trade income and others.

COMPETITIVE STRENGTHS

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

Sole investment and financing platform of the Nanjing City Government that focuses on infrastructure construction and municipal development and provision of public utility services in the Nanjing Jiangbei New District

The Group is the sole platform of the Nanjing City Government that focuses on infrastructure development and provision of public utility services in the Nanjing Jiangbei New District. As at 30 June 2020, it was also the largest of its kind in terms of total assets. As an enterprise wholly owned by the Nanjing JND Management Committee, the Company has been mandated by the Nanjing City Government on an exclusive basis to implement the PRC Government’s and the

Nanjing City Government's plans to develop the Nanjing Jiangbei New District, which is one of the 19 key state-level new districts in China and the only state-level new district in Jiangsu Province which was set up by the State Council in June 2015 as part of the implementation of its "Yangtze River Economic Belt Development Plan" released in September 2014. According to the Jiangsu Provincial People's Government, the Nanjing Jiangbei New District recorded GDP of more than RMB300 billion for 2020, accounting for more than 20 per cent. of Nanjing's GDP for the same year. Over the years, the Group has established a strong track record of infrastructure and social housing construction and primary land development in the Nanjing Jiangbei New District, and is a key driver behind the enhancement of the commercial appeal and competitiveness of the Nanjing Jiangbei New District through exploring and integrating social welfare, natural scenic landscapes, historic preservation and other industry resources. As at 30 June 2021, the Group has invested more than RMB9.5 billion in phase one of the historical and cultural protection of Pukou Old Railway Station (浦口老火車站) and surrounding neighbourhoods. As the sole investment and financing platform of the Nanjing City Government to develop the infrastructure in, and to promote the commercial attractiveness of, the Nanjing Jiangbei New District, the Group believes that it is in a favourable position to leverage its close relationship with the local governments and strategic importance of the Nanjing Jiangbei New District and achieve sustainable growth in future. See "— Description of the Group's Business" and "— Development of the Nanjing Jiangbei New District".

Strong governmental support to achieve rapid business growth

The strong support from the PRC Government and the Nanjing City Government have been pivotal in the Group's success in carrying out the development of capital-intensive and large-scale city and municipal construction projects. The Group has leveraged governmental support in various forms, including high-quality assets injection, financial support and preferential policies, to grow its business and financial strength.

- *Access to liquidity support.* The Group has received financial support from the Nanjing City Government in various forms to support its operations and development. For example, the Nanjing City Government from time to time provides government grants and subsidies to the Group to support the development of its projects. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, government grants received by the Group amounted to RMB251.5 million, RMB405.7 million, RMB316.4 million, RMB41.1 million and RMB92.9 million, respectively.
- *Power to manage unified financing platform.* The Company has been commissioned by the Nanjing City Government to manage a unified financing platform to provide funding to support the development of social housing projects in Nanjing. The Nanjing City Government pays the Company a management fee equal to 0.5 per cent. of the total investment amount of the relevant social housing development project.
- *Benefit of preferential policies.* According to the Decision regarding the Concession Rights in Operating the Water and Heating Supplying Pipelines and Ancillary Facilities of the Nanjing High and New Technology Industry Development Zone (《關於對南京高新技術產業開發區的水務管網和配套設施、熱力管網和配套設施的經營權的決定》(寧高管[2012]118號)) issued by the Nanjing HNTEDZ Management Committee in 2012, the Nanjing HNTEDZ Management Committee has granted the Group the concession rights to operate all the water and heating supplying pipelines and ancillary facilities in the NHZ for a term of 20 years.

A diversified business portfolio with a steadily growing revenue sources

The Group has a diversified business and investment portfolios in engineering construction, primary land development, social housing development, miscellaneous services and property leasing and others. For the year ended 31 December 2020, operating income from engineering construction, primary land development, social housing development, miscellaneous services and property leasing and others contributed approximately 29.4 per cent., 11.4 per cent., 27.4 per cent., 13.1 per cent. and 18.7 per cent., respectively, of the Group's total operating income. For the six months ended 30 June

2021, operating income from engineering construction, primary land development, social housing development, miscellaneous services and property leasing and others contributed approximately 28.9 per cent., nil, 35.8 per cent., 19.6 per cent. and 15.7 per cent., respectively, of the Group's total operating income. The Group believes that its diversified portfolio of investment in various industries enables it to develop with minimised reliance on a single business segment and improve its financial stability. In addition, the existing business combination of the Group involves many important stages and aspects of city development. The Company believes that this not only is beneficial to the overall planning and development of land and projects it develops, but also allows the Group to have early access to information and opportunities for subsequent development of the relevant land and projects that may present higher investment returns.

Diversified financing channels managed under prudent fiscal policies

The Group has access to diversified financing channels to satisfy its cash needs, such as banks loans and issuance of debt securities in the PRC and international capital markets. The Group maintains good long-term relationships with more than 30 commercial banks and other financial institutions in the PRC. As at 30 June 2021, the Group had bank credit facilities in the total amount of approximately RMB291.2 billion, of which RMB116.5 billion had not been utilised. In addition, the Group has successfully raised capital by issuing corporate bonds, private bonds, short-term and ultra-short-term financing bills, medium-term notes and placing debt financing instruments in the PRC capital market. With its diverse sources of funding, the Group believes that it will continue to have access to sufficient capital to support the repayment of its debt and expansion of its business. In addition, the payback period for the Group's debt financing instruments are generally long, the majority of which are from three to five years. The Group also adopts prudent fiscal policies with an aim to maintain its financial stability and control its exposure to credit risks. The management of the Company closely monitors the debt portfolio and liquidity level of the Group and regularly adjusts financing methods to manage the pressure on the Group's liquidity level. As at 30 June 2021, the Group's total indebtedness was RMB186.0 billion, of which RMB29.4 billion would become due within 12 months. See "*Capitalisation and Indebtedness of the Company*".

Experienced senior management with sound corporate governance

The Group's experienced and dedicated senior management team is key to its success and future sustainable development. Many of management personnel possess years of experience serving enterprises operating in the industries where the Group operates, especially in the areas of project management, finance and accounting, construction, operations and human resources. The Group believes that their special backgrounds give them an in-depth understanding about regulatory framework and government policies that are relevant and important to the Group's operations. See "*Directors, Supervisors and Senior Management of the Company*".

The Group has established a sound corporate governance system. As a state-owned enterprise, the Group is regulated by the Nanjing City Government. The Nanjing City Government participates in and closely monitors the Group's decision-making process for key projects, reviews the Group's development strategy and investment plans of the Group and appoints, and conducts annual appraisals on, the directors, supervisors and senior management of the Group. The Group believes that this system ensures the Group's business and future strategies are fully aligned with the policies of the Nanjing City Government, thereby giving the Group access to additional business opportunities as well as improving the Group's allocation of resources.

BUSINESS STRATEGIES

The Group will continue to capitalise the growth potential arising from the development of the Nanjing Jiangbei New District and develop itself into a leading conglomerate in the region. The following key strategies have been adopted to achieve its goal:

Continue to leverage the preferential policies and geographical advantages of the Nanjing Jiangbei New District and Nanjing to continue the development of the Nanjing Jiangbei New District and to enhance its commercial value

The Group intends to continue to lead the development of the Nanjing Jiangbei New District by leveraging its relationship with local governmental authorities, the existing preferential policies and the geographical advantage of the Nanjing Jiangbei New District and Nanjing. As one of the 19 key state-level new districts in China and the only state-level new district in Jiangsu Province, the Nanjing Jiangbei New District is expected to play an increasingly important role in promoting the development of local economies, social welfare, environmental protections, municipal infrastructure and social housing as well as improving the cohesiveness and connectivity of the Yangtze River Delta Region, thereby promoting regional economic growth. Some of the key strategic measures are as follows:

- establishing the Yangtze Maritime Transportation Centre as a multimodal transportation hub through promoting the synergies among Xiba Port Area, Nanjing North Railway Terminal and Nanjing Ma'an International Airport;
- developing the Nanjing Jiangbei New District into a metropolitan area with a focus on the construction of the Nanjing International Life Science Centre. For example, the Nanjing International Health Service Community Investment and Development Co., Ltd. (南京國際健康服務社區投資發展有限公司) which was jointly established by the Company and Pukou District Government has set up the Nanjing International Health Service Community Investment Platform in the JND Core District (江北新區核心區), which has attracted life and health project investments from various companies such as Novogene (諾禾致源), CloudHealth (雲健康) and Geneseeq (世和基因). In addition, the Health Big Data Industrial Centre (健康大數據產業中心) constructed by the Company was awarded as the Pilot Project for the Construction of National Medical Big Data Centres and Industrial Parks (國家健康醫療大數據中心及產業園建設試點工程);
- promoting the development of the Nanjing Jiangbei New District (in particular the NHZ) into a technology innovation centre by developing the Zijin Technology Incubation Special Park (紫金科技創業特別社區) and consolidating the technology innovation resources in the region;
- promoting the development of the Nanjing Jiangbei New District into a green and livable region through developing tourism and related industries by leveraging its abundant natural resources, such as Lao Mountain (老山) and Jinniu Lake (金牛湖);
- implementing the Nanjing City Government's "Two Implementation and One Integration" (兩落地一融合) strategy by attracting foreign innovation resources and intelligent manufacturing enterprises. For example, the Group's investment in the Sino-German Intelligent Manufacturing Research Institute (中德智能製造研究院) and establishment of the Sino-European Mini-Silicon Valley Innovation Centre (中歐迷你矽谷創新中心) have motivated the onboarding of the Fraunhofer Institute for Production Systems and Design Technology; and
- establishing an intelligent network communication and research platform with the Southeast University (東南大學) and building a key quantum data laboratory of the Chinese Academy of Science (中國科學院量子信息重點實驗室) with the University of Science and Technology of China (中國科學技術大學).

Furthermore, it is anticipated that the Nanjing City Government will continue to place a heavy emphasis on the development of the infrastructure, ancillary facilities and social housing to enhance

the commercial appeal of and promote business activities in the Nanjing Jiangbei New District. The Group will continue to construct infrastructure in the Nanjing Jiangbei New District and to invest, construct and develop social housing in Nanjing, while it will increase its focus and operations in other businesses and sectors which the Group believes present great growth potential. By way of developing and managing quality ancillary facilities (such as pipeline corridors) in the Nanjing Jiangbei New District, the Group believes that it will benefit from the appreciation in property value as the Nanjing Jiangbei New District becomes more attractive in terms of commercial prospects.

Further improve the synergies among the Group's different business segments

The Group intends to further improve the synergies among its various business segments. The Group will focus on developing capital driven synergistic collaboration across its business segments by actively promoting the development of its financial platform (including its fund investment business and its unified financing platform established for social housing development in Nanjing), as well as enhancing the operational integration of its construction capabilities, its fund investment activities and its public-utility services. The Group will also enhance communications among its municipal development, public service and fund investment teams that are in charge of different business segments to ensure that its operations are kept updated on the latest market trends and timely adjustments or improvements can be made so as to better capture business opportunities.

Further explore innovative financing channels and expand the financing sources of the Group

The Group intends to take proactive measures to secure low-cost and stable funding and maintain a balanced and healthy capital structure. The Group plans to raise funds through multi-channel financing and further develop innovative financing channels. In implementing this strategy, the Group aims to rely on a wide range of financing channels such as the including fund establishment through attracting governmental and public funds, equity and bond issuance in offshore capital markets, project loans from banks and innovative financing such as the public-private partnership model, which helps to build a diversified financing structure for the Group. It seeks to control its cost of indirect financing below the benchmark interest rate as well as the cost of direct financing.

Furthermore, as the sole investment and financing platform of the Nanjing City Government to carry out the development of the Nanjing Jiangbei New District, the Group operates and holds a large number of high quality assets, including but not limited to land use rights, concession to operate pipeline corridors and sewage treatment, rights to develop and operate public service related ancillary facilities and road use rights. The Group believes that these quality assets will be able to provide strong leverage for it to access sufficient low-cost capital in the market.

Adhere to prudent financial management with stringent risk control

The Group believes that a prudent financial management system can reduce operational and financial risks and help achieve long-term sustainable growth. The Group will continue to implement its dividend policies to ensure stable distribution from its subsidiaries. In addition, the Group will continue to implement and enhance its prudent financial management system with well-defined policies and procedures, including stringent financial reporting and control system that emphasises centralised management and administration, consistent controlling policies and full compliance with legal and regulatory requirements, established standardised capital management mechanism to monitor capital, capital efficiency and capital risk prevention, thereby effectively enhancing the results and efficiency of the overall management, prudent investment policy that targets to achieve balance between assets and liabilities, between investment return and risk taking, and between principal business and other ancillary business and strengthened cooperation with banks, to seek alternative sources of financing and maintain a balanced indebtedness structure consisting of short-term, medium-term and long-term credit facilities. Further, the Group will closely monitor the changes in foreign exchange market to manage the risks relating to its assets and liabilities denominated in foreign currencies. The Group strives to prudently manage its financials while fulfilling investment and development needs to drive its profitability.

DEVELOPMENT OF THE NANJING JIANGBEI NEW DISTRICT

Nanjing is a city situated in the heartland of the lower Yangtze River region in China. As the capital of Jiangsu Province and a key city of the Yangtze River Delta region and the Nanjing Metropolitan

Area, Nanjing has experienced rapid economic and social development in recent years and its comprehensive strength has increased remarkably. According to Nanjing's Statistics Bureau, Nanjing recorded GDP of RMB1,481.8 billion for 2020, representing an increase of 4.6 per cent. compared to 2019. Its GDP ranked tenth among all the cities in China in 2020.

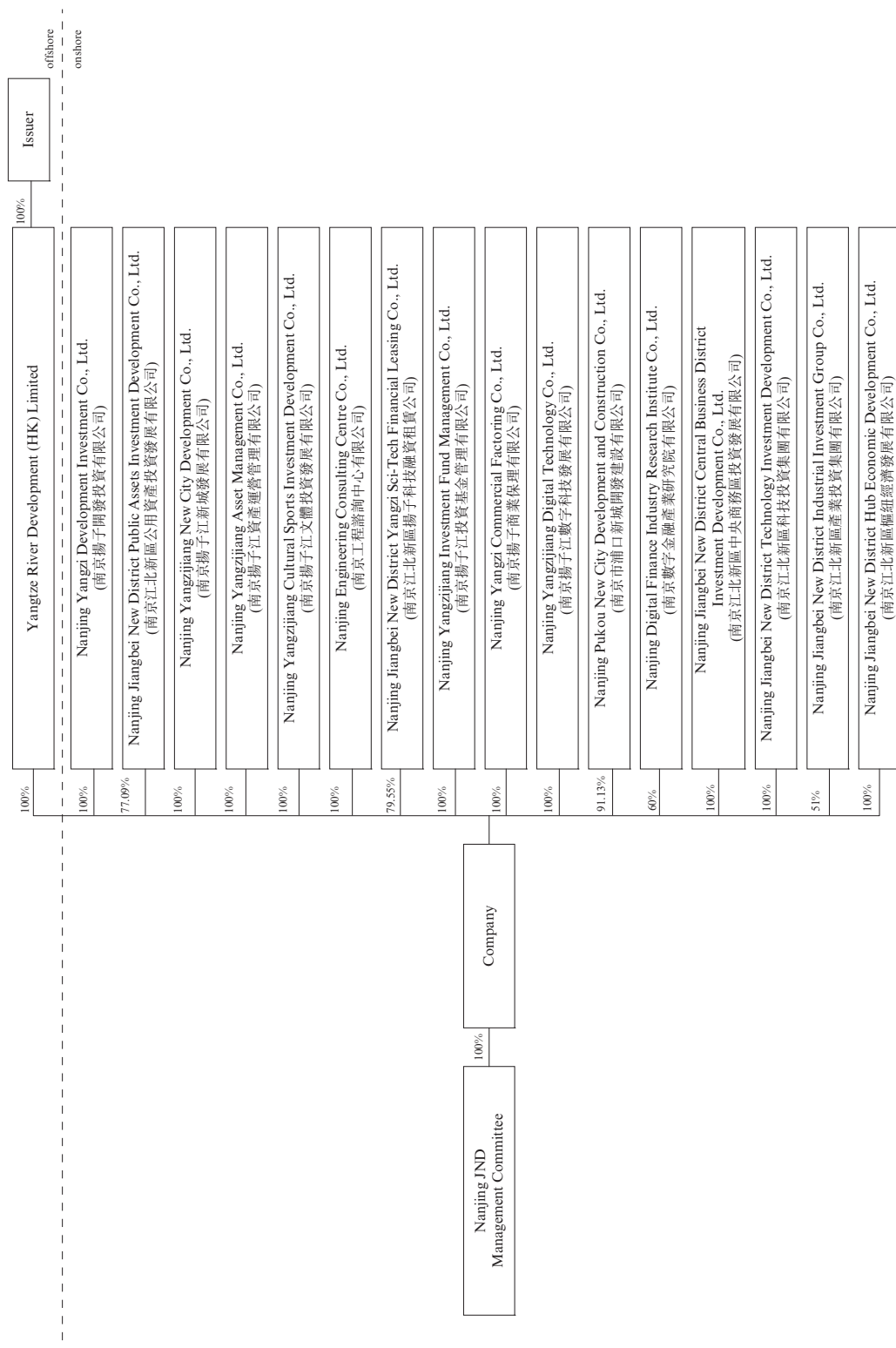
The Nanjing Jiangbei New District, including Pukou District (浦口區) (which includes the NHZ), Liuhe District (六合區) (which includes the Nanjing Chemical Industry Park (南京化學工業園區)) and Bagua Zhou Street of Qixia District (棲霞區八卦洲街道), is located north of the Yangtze River and lies in the convergence zone of the Yangtze River Economic Belt and the Eastern Coastal Economic Belt with a total planned area of 2,451 sq.km. According to the Jiangsu Provincial People's Government, the Nanjing Jiangbei New District recorded GDP of more than RMB300 billion for 2020, accounting for more than 20 per cent. of Nanjing's GDP for the same year. The Nanjing Jiangbei New District is an important transportation hub with convenient land, railway, air, maritime and pipeline access. In particular, it has Xiba Port Area (西壩港區), one of the only two deep-water port areas in Nanjing, Nanjing North Railway Terminal (南京北站), one of the three major railway terminals in Nanjing and Nanjing Ma'an International Airport. Due to its strategic location, the Nanjing Jiangbei New District is believed to have significant strategic importance to the economic development of the Yangtze River Economic Belt and the Eastern Coastal Economic Belt, and will bring new opportunities to the Group's business development. According to the "13th Five-Year Plan" of Nanjing's National Economic and Social Development (南京市國民經濟和社會發展第十三個五年規劃), the Nanjing Jiangbei New District is envisioned as a demonstration economic development district and expected to become a metropolitan area focused on the intelligent manufacturing, life sciences, advance material science, high-tech equipment manufacturing, modern logistics and science and technology service industries. The Nanjing Jiangbei New District is developed on the foundation of the "Two Towns and One Centre" (兩城一中心) concept, comprising the IC Town (芯片之城), the Gene Town (基因之城) and the New Financial Centre (新金融中心). IC Town was completed in less than three years with investments attracted from more than 140 integrated circuits related companies. Gene Town consists of the National Health Medical Big Data Centre, the Health Science and Technology Park, the International Health City and the Biomedical Valley, forming a complete biomedical industry chain from research and development, production and implementation to clinical treatment. Furthermore, there is the planned New Financial Centre which will focus on financial technology, financial innovation, industrial finance and green finance.

The Jiangbei New District Development Fund was set up by the provincial and city governments to facilitate the development of the Nanjing Jiangbei New District and acts as a parent fund to finance and guide sub-funds with respect to the area's investment and development needs. The two main capital sources for the development fund are the retained fiscal revenue generated from the Nanjing Jiangbei New District and a portion of land transfer fees relating to this new area.

Founded on four core principles of "functionality, professionalism, comprehensiveness and internalisation", the Company's objective is to become a first-tier modern state-owned conglomerate in the Yangtze River Delta Region and gradually extend its influence and presence nationwide and into international markets through its development of the Nanjing Jiangbei New District. It aims to achieve this through enhancing the strategic depth and precision of the Group's development plans, ensuring the quality expansion of its businesses, thereby optimising its efficiencies and profitability. A fundamental strategy is to closely align its expansion plans with the Nanjing Jiangbei New District's "Three Districts, One Platform" strategic positioning and "Two Towns, One Centre" industrial layout. Other guiding principles that the Group will adhere to in its development and construction of the Nanjing Jiangbei New District include its role as the "Lead Force, Lead Platform, Lead Driver, Lead Base" and "Party-led Development, Innovation-driven Future".

GROUP STRUCTURE

The following chart presents a simplified structure of the Group as at 30 June 2021:



HISTORY AND DEVELOPMENT

The Company was established as a result of the merger of Nanjing High and New Technology Economic Development Co., Ltd. (南京高新技術經濟開發有限責任公司), Nanjing Dachang Investment and Development Co., Ltd. (南京大廠投資發展有限公司), Nanjing Chemical Industry Park State-owned Assets Management Co., Ltd. (南京化學工業園區國有資產經營管理有限責任公司) and Nanjing Pukou Xincheng Development and Construction Co., Ltd. (南京市浦口新城開發建設有限公司) in 2014, pursuant to the approval issued by the Nanjing City Government. On 10 April 2019, the registered capital of the Company was increased from RMB6,000.0 million to RMB7,800.0 million, all of which is fully paid-up. On 28 June 2019, the registered capital of the Company was further increased from RMB7,800.0 million to RMB9,000.0 million, all of which is fully paid-up. On 18 June 2020, the registered capital of the Company was further increased from RMB9,000.0 million to RMB13,000.0 million, all of which is fully paid-up.

Set forth below are the milestones of the Group's development since the inception of its predecessors:

1992	In June 1992, Nanjing High and New Technology Economic Development Co., Ltd. was established.
1997	In October 1997, Nanjing Dachang Investment and Development Co., Ltd. was established.
2004	In December 2004, Nanjing Chemical Industry Park State-owned Assets Management Co., Ltd. was established.
2010	In September 2010, Nanjing Pukou Xincheng Development and Construction Co., Ltd. was established.
2014	In April 2014, the Company was established as a result of the combination of Nanjing High and New Technology Economic Development Co., Ltd., Nanjing Dachang Investment and Development Co., Ltd., Nanjing Chemical Industry Park State-owned Assets Management Co., Ltd. and Nanjing Pukou Xincheng Development and Construction Co., Ltd. with an initial registered capital of RMB5,000 million, all of which were fully paid-up. According to the Decision to Establish Nanjing Yangzi State-owned Assets Investment Group Co., Ltd. (關於組建南京揚子國資投資集團有限責任公司的決定) jointly issued by Nanjing Municipal Committee of the Communist Party of China (中共南京市委) and Nanjing City Government, Nanjing SASAC was designated and authorised to fulfil relevant duties and obligations as a shareholder of the Company pending the establishment of the Nanjing JND Management Committee, which would subsequently assume the role and corresponding obligations.

In May 2014, Nanjing Yangzi Development and Investment Co., Ltd. (南京揚子開發投資有限公司) was established.

In June 2014, the Company entered into an agency construction agreement with the Nanjing City Government in relation to Phase I of the Nanjing 2013-2017 Nanjing Shanty Areas Redevelopment Project (南京市2013-2017年棚戶區改造一期工程項目).

In July 2014, a special credit facility of RMB19.3 billion in relation to Phase I of the Nanjing 2013-2017 Nanjing Shanty Areas Redevelopment Project, was approved by China Development Bank (國家開發銀行) for Nanjing Yangzi Development and Investment Co., Ltd.

In November 2014, Nanjing Yangzi River Investment Funds Management, Co., Ltd. (南京揚子江投資基金管理有限公司) was established.

In November 2014, the Company, China Railway Engineering Equipment Group Co., Ltd. (中鐵工程裝備集團有限公司) and Nanjing Sample Technology Company Limited (南京三寶科技股份有限公司) entered into a strategic cooperation framework agreement in relation to the development of pipeline corridors in the Nanjing Jiangbei New District.

In December 2014, the Company, China Development Bank Capital (國開金融) and China CITIC Bank (中國中信銀行) established the Nanjing Yangzi Town Development Investment Fund Phase I (南京揚子城鎮發展投資基金一期), with a scale of RMB30 billion and a partnership period of eight years.

2015

In February 2015, the Company and the People's Government of the Liuhe District entered into the "Framework Agreement on Strategic Cooperation of Urban Comprehensive Development in the Central Area of Chu River Banks of Liuhe District" (六合區滁河兩岸中心區城市綜合開發項目戰略合作框架協定) and the "Framework Agreement on Strategic Cooperation of Development and Construction in Jinniu Lake-Yeshan Scenic Areas" (金牛湖一冶山風景區開發建設戰略合作框架協議).

In April 2015, Nanjing International Health Service Community Investment and Development Co., Ltd. (南京國際健康服務社區投資發展有限公司) was established.

In June 2015, the Company obtained a corporate credit rating of "AAA" with a stable rating outlook from China Integrity International Credit Rating Committee (中誠信國際信用評級委員會).

In July 2015, Nanjing Yangzi Modern Agricultural Investment and Development Co., Ltd. (南京揚子現代農業投資發展有限公司) was established.

In August 2015, the Company entered into a direct financing cooperation agreement of RMB50 billion with China Construction Bank (中國建設銀行) and agreed to launch the establishment of the Environmental Infrastructure Investment Fund (環境基礎設施投資基金) which has a total size of RMB20 billion.

In August 2015, the Group received a state-level fund of RMB220 million from China Development Bank relating to the development of Phase I of the Nanjing 2013-2017 Nanjing Shanty Areas Redevelopment Project and the “Jiangbei New District Comprehensive Pipeline Corridors Project”.

In November 2015, the Group received a state-level fund of RMB120 million from China Development Bank relating to the development of Phase I of the Nanjing 2013-2017 Nanjing Shanty Areas Redevelopment Project.

2016

On 18 January 2016, Nanjing Dachang Investment and Development Co., Ltd. issued five-years medium term private corporate bonds in an aggregate principal amount of RMB600 million with an annual coupon rate of 4.79 per cent. on the Shenzhen Stock Exchange.

On 28 January 2016, Nanjing Dachang Investment and Development Co., Ltd., China Development Bank (國家開發銀行) and Agricultural Bank of China entered into a 15-year long term syndicated loan agreement of RMB2 billion with a central bank benchmark interest rate for the Nanjing Dachang Ecological Shelter Forest Project (南京大廠生態防護林項目).

On 2 July 2016, the Company entered into a cooperation agreement with the Southeast University (東南大學) to build a large biological data research centre in the Nanjing Jiangbei New District.

On 29 July 2016, the Group registered its first short-term financing bill in an aggregate principal amount of RMB2.8 billion on the National Association Of Financial Market Institutional Investors (中國銀行間市場交易商協會).

In July 2016, the Group was awarded “2013-2015 Municipal Civilised Unit” (2013-2015年度市級文明單位) by Nanjing City Spiritual Civilization Construction Steering Committee (南京市精神文明建設指導委員會).

In September 2016, the Group was awarded “Jiangsu Provincial Civilised Unit” (江蘇省文明單位) by Jiangsu Provincial Spiritual Civilization Construction Steering Committee (江蘇省精神文明建設指導委員會).

In 2016, the Group received “Nanjing City May 1st Labour Award” (南京市五一勞動獎) from Nanjing City General Labour Union (南京市總工會).

In September 2016, the Intelligent Manufacturing Industry Park of the NHZ (南京高新區智慧製造產業園) officially commenced operation.

	<p>In December 2016, the Nanjing JND Management Committee, which was established earlier in 2016, became the shareholder of the Company in place of Nanjing SASAC.</p>
2017	<p>In April 2017, the Group was awarded “Jiangsu Province May 1st Labour Award” (江蘇省五一勞動獎) by Jiangsu Province General Labour Union (江蘇省總工會).</p> <p>In November 2017, the Group was awarded “National Civilised Unit” (全國文明單位) by Central Guidance Commission on Building Spiritual Civilisation (中央精神文明建設指導委員會).</p> <p>In 2017, the Group was awarded “China Best Employer Award 2017” (2017中國年度最佳雇主) and “China’s Best Employers 2017, Nanjing” (南京最佳雇主) by Zhaopin.com (智聯招聘).</p>
2018	<p>In June 2018, the Group was awarded “Nanjing Jiangbei New District Integrity Culture Construction Demonstration Site” (南京江北新區廉政文化建設示範點) by the Nanjing JND Management Committee.</p> <p>On 10 July 2018, the Company’s registered capital was increased from RMB5,000 million to RMB6,000 million.</p>
2019	<p>In January 2019, the Company was awarded the “Excellent Bond Issuer” (優秀發行機構) by China Central Depository & Clearing Co., Ltd. (中央國債登記結算有限責任公司).</p> <p>In March 2019, the Company obtained a corporate credit rating of “AAA” with a stable rating outlook from China Chengxin Securities Rating Co., Ltd. (中誠信證券評估有限公司).</p> <p>On 10 April 2019, the Company’s registered capital was increased from RMB6,000 million to RMB7,800 million.</p> <p>On 28 June 2019, the Company’s registered capital was increased from RMB7,800 million to RMB9,000 million.</p> <p>On 16 December 2019, the Company transferred a 2 per cent. equity interest in Nanjing JND State-owned Assets Management to the Nanjing JND Management Committee. As a result of the equity transfer, the Company no longer retained control of Nanjing JND State-owned Assets Management and its subsidiaries, including one of the Group’s prior main operating entities for its park management and services segment, Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司), and these entities ceased to be consolidated subsidiaries of the Company.</p>

As consideration for the equity transfers involving Nanjing JND State-owned Assets Management, Nanjing JND Management Committee made a capital injection of approximately RMB7.31 billion into the Group prior to 31 December 2019. Further, on 27 December 2019, Nanjing JND Management Committee also transferred the entire equity interests in Nanjing Jiangbei New District Core District Development Co., Ltd. (南京江北新區中心區發展有限公司) and Nanjing Jiangbei New District Hub Economic Development Co., Ltd. (南京江北新區樞紐經濟發展有限公司) to the Company at nil consideration, as well as directed the transfers of the entire equity interests in Nanjing Guoding Investment Property Co., Ltd. (南京國鼎投資置業有限公司) and Nanjing Jiangbei New District Xincheng Technology Venture Co., Ltd. (南京江北新區新城科技創業有限公司) to the Company and one of its main operating subsidiaries, Nanjing JND Industrial Investment, at nil consideration, respectively. As at the date of this Offering Circular, all necessary registration procedures with the relevant State Administration for Industry and Commerce of the PRC had been completed in respect of the four equity transfers.

2020 On 29 June 2020, the Company transferred its remaining 49 per cent. equity interest in Nanjing JND State-owned Assets Management to the Nanjing JND Management Committee. Following the deconsolidation of Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司), as at the date of this Offering Circular, the Group no longer engages in the management of, and provision of relevant services to, the Nanjing Chemical Industry Park.

Nanjing JND Management Committee made another capital injection of approximately RMB3.06 billion into the Group prior to 30 June 2021, which was the remaining consideration component for the equity transfers involving Nanjing JND State-owned Assets Management. As such, the Group received in aggregate approximately RMB10.37 billion in capital injections from Nanjing JND Management Committee, with the Company receiving a total of approximately RMB3,175 million and its subsidiaries receiving a total of approximately RMB7,199 million.

On 2 November 2020, New & High (HK) Limited transferred the entire issued share capital in the Issuer to Yangtze River Development (HK) Limited, a wholly-owned subsidiary of the Company. Following the completion of the share transfer, the Issuer became a wholly-owned subsidiary of Yangtze River Development (HK) Limited.

2021 The Company was awarded the qualification for the issuance of “Quality Corporate Bonds of Main Entities” (優質主體企業債發行資格) by the NDRC and the qualification for “Optimised Supervision” (優化監管資格) by the Shanghai Stock Exchange.

The Company was awarded the “Excellent Issuer of Corporate Bonds in 2020” (2020 年公司債優秀發行人) by the Shanghai Stock Exchange.

RECENT DEVELOPMENTS

Additional Indebtedness since 30 June 2021

Since 30 June 2021, the Group has incurred indebtedness to replenish its working capital, to finance its business development and for other general corporate purposes. In July 2021, Nanjing JND Industrial Investment, a consolidated subsidiary of the Company, issued RMB500 million 3.49 per cent. private placement bonds with a maturity of five years. In August 2021, Nanjing JND Industrial Investment further issued RMB600 million 4.2 per cent. private placement bonds with a maturity of two years. In August 2021, Nanjing JND Public Holdings, a consolidated subsidiary of the Company, issued RMB400 million 3.54 per cent. medium term notes with a maturity of five years. In August 2021, Nanjing JND Industrial Investment issued RMB600 million 3.9 per cent. medium term notes with a maturity of three years. In August 2021, Nanjing JND Industrial Investment issued RMB2 billion 3.37 per cent. medium-term-notes with a maturity of three years. In September 2021, Nanjing JND Industrial Investment issued RMB500 million 3.26 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Industrial Investment issued RMB800 million 3.98 per cent. corporate bonds with a maturity of seven years. In September 2021, Nanjing JND Public Holdings issued RMB800 million 3.85 per cent. medium term notes with a maturity of three years.

DESCRIPTION OF THE GROUP'S BUSINESSES

The Group engages in a wide range of business and investments to implement the PRC Government's and the Nanjing City Government's plans to develop the Nanjing Jiangbei New District.

The following table sets forth a breakdown of the Group's operating income by business segment for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total	Amount (RMB in millions)	% of total
Engineering construction ⁽¹⁾	1,083.5	15.1	1,053.4	14.0	2,523.7	29.4	1,701.2	69.2	1,012.4	28.9
Primary land development ⁽²⁾	299.7	4.2	785.1	10.4	980.8	11.4	—	—	—	—
Social housing development	2,151.0	30.0	1,856.6	24.7	2,346.5	27.4	7.8	0.3	1,250.3	35.8
Miscellaneous services and property leasing	911.6 ⁽³⁾	12.7	1,095.5 ⁽⁴⁾	14.5	1,121.2 ⁽⁴⁾	13.1	418.9 ⁽⁴⁾	17.1	685.6 ⁽⁴⁾	19.6
Others	2,731.2 ⁽⁵⁾	38.0	2,740.5 ⁽⁵⁾	36.4	1,598.3 ⁽⁶⁾	18.7	330.4 ⁽⁶⁾	13.4	548.2 ⁽⁶⁾	15.7
Total	7,177.0	100.0	7,531.1	100.0	8,570.5	100.0	2,458.2	100.0	3,496.5	100.0

Notes:

- (1) This amount represents the aggregate of the Group's operating income from infrastructure construction.
- (2) This amount represents the aggregate of the Group's operating income from land development. The Group did not record any operating income from its primary land development business for the six months ended 30 June 2020 and 2021 as the Group usually settles the land development fee with relevant governmental authorities and records relevant operating income during the second half of the year.
- (3) This amount represents the aggregate of the Group's operating income from technical advisory services, leasing business, project management services and property management services.
- (4) This amount represents the aggregate of the Group's operating income from technology consulting service, leasing business, property management service and financial services.
- (5) This amount represents the aggregate of the Group's operating income from transportation business, labour services, water, heating and steam supply business, sewage treatment, tap water engineering repair works, trade income and others.
- (6) This amount represents the aggregate of the Group's operating income from labour services, water, heating and steam supply business, tap water engineering repair works, trade income and others.

ENGINEERING CONSTRUCTION

Overview

The Group, as the largest infrastructure construction and public utility service platform in the Nanjing Jiangbei New District, undertakes engineering construction activities on behalf of the Nanjing City Government on an exclusive basis in the Nanjing Jiangbei New District. Over the years, the Group has led the construction of a large number of infrastructure projects of great importance to the Nanjing Jiangbei New District, ranging from transportation terminals, transportation networks, urban and rural planning, relics preservation and restoration to environmental improvement and flood control projects. In addition, the Group also carries out comprehensive urban construction, governance and enhancement projects in key residential districts in the Nanjing Jiangbei New District including Taishan Sub-district (泰山街道), Pancheng Residential District (盤城街道) and Yanjiang Residential District (沿江街道).

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, operating income generated by the Group from this segment was RMB1,083.5 million, RMB1,053.4 million, RMB2,523.7 million, RMB1,701.2 million and RMB1,012.4 million, respectively, representing, 15.1 per cent., 14.0 per cent., 29.4 per cent., 69.2 per cent. and 28.9 per cent. of the Group's total operating income for the same periods.

The Group conducts its engineering construction business mainly through Nanjing JND Industrial Investment, Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd. (南京江北新區公用資產投資發展有限公司) and their respective subsidiaries.

Business Model

The Group conducts its engineering construction business under an agency construction model. Details of the infrastructure projects to be developed by the Group (such as the scope of work, construction and management schedule and financing arrangement) are normally set out in a project development master agreement (the “**Master Agreement**”) between the Group and the relevant local management committees of the Nanjing Jiangbei New District (such as the Nanjing HNTEDZ Management Committee and the Management Committee of the Nanjing Pukou New City (浦口新城管委會)). The Group finances its infrastructure construction projects with start-up capital provided by the local management committees of the Nanjing Jiangbei New District and through self-financing methods. The relevant local management committee of the Nanjing Jiangbei New District normally provides the Group with subsidies equal to approximately 30 per cent. of the total estimated investment amount as start-up capital for its infrastructure projects. The remaining construction cost is normally funded by the Group with its internal cash and external funding, such as bank borrowings or bonds issuance.

The Group engages third-party construction companies to carry out the construction of its infrastructure projects through its standardised public tender process in accordance with applicable PRC laws and regulations. When selecting contractors, the Group considers a number of factors, such as the reputation of the contractors, track records in similar projects, creditworthiness, technical capabilities, proposed construction blueprint and price. The Group makes interim payment to the contractors according to the project's progress. Upon project completion, the Group normally withhold five to 10 per cent. of the total contracting fees payable to the contractors as a retention for two to three years.

In each infrastructure project, the Group mainly undertakes the financing and construction management functions under the supervision of the relevant local management committee of the Nanjing Jiangbei New District. The Group supervises and controls the quality, timetable and cost of the projects through various methods such as establishing a project manager system, supervising the project construction throughout its lifetime and conducting cost audit at each project milestone and upon project completion. Depending on the agency construction agreement of the relevant project, the Group may receive progress payment for certain projects. Upon reaching each project milestone or project completion, the Group's internal construction department will first conduct a project inspection, the result of which will be confirmed by the relevant local construction bureau of the Nanjing Jiangbei New District. Upon completion of inspection, the Group will first conduct an internal audit, after which the relevant local audit bureau of the Nanjing Jiangbei New District will conduct an audit of the actual construction cost of the relevant period. The relevant local finance bureau of the Nanjing Jiangbei New District will then confirm the interim or final construction fees payable by it based on the audit result of the actual construction cost plus a certain percentage of gross profit margin, whereupon the Group will recognise account receivables and construction cost according to its accounting policies. Upon receiving the relevant construction fees, the Group will recognise operating income and reduce the account receivables accordingly. Depending on the agency construction agreement of the relevant project, payment of the balance of the construction fees is normally made in four years, after project completion, inspection and acceptance of the completed infrastructure project and completion of the final audit. The relevant local management committee of the Nanjing Jiangbei New District regularly reviews the project progress and designs construction plans taking into account of factors including number, scale, and payment schedule of the construction projects in the current year and previous years.

Projects

Completed projects

As at 30 June 2021, the Group had a number of completed infrastructure construction projects, the development fees of which had not been fully paid by the Nanjing City Government or the relevant local management committee of the Nanjing Jiangbei New District. The total investment of these infrastructure construction projects amounted to approximately RMB28.4 billion. As at 30 June 2021, the Group had received payments for these infrastructure projects totalling approximately RMB8.7 billion. The Group expects to receive the payment of the outstanding amounts in the next four years according to the relevant payment arrangement.

Projects under construction

The Group has been commissioned by the Nanjing City Government to undertake a number of important infrastructure construction projects in the Nanjing Jiangbei New District. Examples of the Group's ongoing infrastructure construction projects, including the development of Nanjing North Railway Terminal (南京北站), south extension of Metro Line S8 (S8號地鐵綫南沿), Jiangbei Harbour Economic Hub (江北海港樞紐經濟區) Nanjing Ma'an International Airport, Jiangbei New District Comprehensive Pipeline Project, the construction of Nanjing International Health Service Community (南京國際健康服務社區), the Historical Culture Preservation and Renaissance of Liu He Wen Temple Traditional Block (六合文廟傳統街區歷史文化保護與復興) and the Preservation of Nanjing Yangtze River Wetland and the Environment Renovation of Jiangbei Binjiang River Project (南京長江濕地保護暨江北濱江水環境整治工程).

The following table set forth the Group's key projects under construction as at 30 June 2021:

Projects	Total Investment (RMB in millions)
Pukou Train Station Area Urban Renewal Project (浦口火車站片區城市更新項目)	33,000
Nanjing Jiangbei New Area Yangtze River Protection Project (Research and Innovation Park Area) (南京江北新區長江大保護項目(研創園片區))	4,300
Nanjing Jiangbei New Financial Centre Phase I (南京江北新金融中心一期)	15,000
Yangtze River International Conference Centre (揚子江國際會議中心)	5,248
G14 Plot (G14地塊項目)	2,800
Yangtze Cultural and Creative Project Phase II (including Art Museum) (揚子文創二期(含美術館))	1,460
Yangtze Cultural and Creative Project Phase II (including Library) (揚子文創一期(含圖書館))	1,150
Dachang Old Industrial Base and Surrounding Areas Urban Renewal Project Phase I (大廠老工業基地及周邊地區城市更新一期)	7,000
Nanjing Dachang Sewage Treatment Plant Outer Pipe Network Construction Project (南京市大廠污水處理廠廠外管網配建工程)	367
Construction of the external pipe network of the high-tech northern sewage treatment plant in Jiangbei New District, Nanjing (南京市江北新區高新北部污水處理廠廠外管網配建)	276
Jiangbei New Area Intelligent Transportation Parking Lot and Maintenance Base Construction Project (江北新區四周智慧交通停車場及養護基地項目)	600
Jiangbei New District Riverside Water Environment Improvement and Utilisation System Project Phase I (江北新區濱江水環境提升利用系統工程一期項目)	1,315
Jiangbei New Area Riverside Water Environment Improvement and Utilisation System Project Phase IV (Dingshan Area River Outlet Improvement Project) (江北新區濱江水環境提升利用系統工程四期(頂山片區河道排口整治工程))	2,739
South Extension of Line S8 (S8號線南延)	1,439
Jinniu Lake-Yeshan Tourist Resort Phase I (金牛湖-冶山旅遊度假區一期)	4,500
River Water Source Heat Pump Project 1, 2, 4, 5 Energy Station and Pipeline Network Construction (江水源熱泵項目1、2、4、5能源站及管網建設)	2,380
Upgrading and Renovation Project of Yangtze River Digital Base (揚子江數字基地提升改造工程)	500
Yangtze River International Tennis Centre (揚子江國際網球中心)	870
Biomedical Valley Business Centre Project (生物醫藥穀商務中心項目)	1,565
Construction of No.3 Pump Station and Main Sewage Pipe in Yan Chuang Yuan (研創園3#泵站及污水主幹管建設工程)	230
Construction Projects Of Emergency Water Source and Supporting Facilities (應急水源及配套設施建設項目)	3,422
Transfer and Renovation of Water Supply Facilities of Zuanshi Xingcheng and Other Three Districts (鑽石星城等四個小區供水設施移交改造工程)	13
Comprehensive Regulation and Development of Pearl River in Jiangbei New Area (江北新區珍珠河綜合整治及開發項目)	300
Comprehensive regulation and development of Qilihe River in Jiangbei New Area (江北新區七裡河綜合整治及開發項目)	570
Jiangbei Core Area Substation Construction Project (江北核心區變電站建設工程)	200
Technological Innovation Carrier Project of Liuhe New City (Plot No. 7 Yuhuating) (六合新城(雨花庭7號地塊)科創載體項目)	861
Jinniu Village Project (金牛湖鄉伴理想村項目)	3,660

Operational Process

The Group's operational process primarily involves project identification, financing, design management, on-site management, project monitoring, quality control and project completion.

Project Identification

The Group relies on the Nanjing City Government and its controlled entities to identify and propose new projects for the Group to undertake. The Group will then evaluate the project feasibility and investment budget, taking into the account the scale and costs of such project.

Financing

The financing arrangements for each project are arranged by the Group's financing department. For each project, the Group will discuss with banks and determine a proper financing arrangement with the relevant bank or fund company. All proposals for any financing arrangements will be reviewed and approved by the Group's senior management. The Group's sources of financing include financial support from the Nanjing JND Management Committee, the Nanjing City Government, the Jiangsu Provincial Government and the State Council and bonds issuances, fund and bank loans.

Design Management

The Group's engineering department is primarily responsible for managing project designs. For each project, the Group will typically engage a professional design company to prepare the feasibility study, design the project and supervise the execution of such design. The selection of the professional design company is based on a tendering and bidding process whereby the Group takes into consideration various factors such as the reputation and track record of the design company, the timeframe and quality requirements for the project as well as the price and design plan proposed by the design company.

On-site Management

The Group appoints a project manager to facilitate communication and coordinate the relationships between designers, contractors, supervision companies and the government. The project manager prepares and submits a monthly progress report to a manager in charge of the project.

Monitoring of Project Construction

The Group typically supervises the construction work performed by the contractors by on-site examination on a regular basis. The relevant project inspection departments of the management committee of the relevant development district or industry park will perform the final assessment and inspection of the project to determine whether the project could be accepted.

The actual progress of each project is monitored based on a monthly construction report. Contractors are required to complete their work according to the agreed schedule. No incentives are provided to contractors for completing their work prior to the agreed schedule. However, contractors who fail to meet the schedule may be liable for damages to the Group.

Quality Control

The Group provides a project quality assurance certificate whenever they enter into a project agreement. The quality management of a project is monitored by an independent third party who will provide project reports to the Group which will include information on a project's construction quality and progress.

Completion

Upon project completion, the government will inspect the project and check the quality of the completed works. The Group will retain five to 10 per cent. of the contractual fees from the contractors to cover the costs of any maintenance works to be undertaken during the maintenance period.

PRIMARY LAND DEVELOPMENT

Overview

The Group is the sole entity commissioned by the Nanjing City Government to conduct primary land development in the Nanjing Jiangbei New District, which is of great importance to the urbanisation of the Nanjing Jiangbei New District. Primary land development involves demolition of buildings, relocation and resettlement of residents, land clearance and construction of networks of electricity, water, transportation, telecommunication, sewerage, gas and heat thereby transforming the land into a condition ready for secondary real property development.

The Nanjing Jiangbei New District covers a total area of approximately 2,451 sq.km. During three years and six months ended 30 June 2021, the Group had completed development of land with a cumulative total site area of approximately 454,667 sq.m.

For the years ended 31 December 2018, 2019 and 2020, operating income generated by the Group from this segment was RMB299.7 million, RMB785.1 million and RMB980.8 million, respectively, representing 4.2 per cent., 10.4 per cent. and 11.4 per cent. of the Group's total operating income for the same periods. The Group did not record any operating income from its primary land development business for the six months ended 30 June 2020 and 2021 as the Group usually settles the land development fee with relevant governmental authorities and records relevant operating income during the second half of the year.

The Group conducts its primary land development business primarily through Nanjing JND Industrial Investment and its subsidiaries.

Business Model

The Group's primary land development is generally carried out in three steps, namely (i) primary land development by the Group (including demolition of buildings and relocation and resettlement of residents), (ii) grant of land use rights by invitation to tender or auction to real estate developers, and (iii) payment made by the relevant local finance bureau of the Nanjing Jiangbei New District to the Group. The Group normally funds its primary land development with start-up capital provided by the local management committees of the Nanjing Jiangbei New District and through self-financing methods. The relevant local management committee of the Nanjing Jiangbei New District normally provides the Group with capital injection equal to approximately 30 per cent. of the total estimated investment amount as start-up capital for its primary land development. The remaining development cost is normally funded by the Group with its internal cash and external funding, such as bank borrowings or bonds issuance.

Upon completion of the development of a parcel of land, the relevant local audit bureau of the Nanjing Jiangbei New District usually conducts an audit of the costs and fees incurred by the Group to determine the base tender or auction price of the land use rights of such parcel of land. Following a successful granting of land use rights by invitation to tender or auction to real estate developers, the relevant local finance bureau of the Nanjing Jiangbei New District will pay the Group the development fee which covers the Group's cost of development and profit which is equal to a certain percentage of the land grant premium. The land development fee is normally paid within one to two years upon a successful granting of land use rights.

SOCIAL HOUSING DEVELOPMENT

Overview

The Group is an important entity commissioned by the Nanjing City Government to undertake the development and sales of social housing in Nanjing, including resettlement housing (拆遷安置房), subsidised housing (經濟適用房) and public rental housing (公租房), as well as the redevelopment of shanty areas (棚戶區改造). The Group is among the first batch of companies nationwide to promote public-private partnerships with the governments and established the first fund dedicated to social housing projects, namely the Yangtze Town Development Fund Phase I (揚子城鎮發展基金(一期)).

In 2014, the Nanjing City Government initiated the “Tri-Unification” model for social housing development in Nanjing. The Group was dedicated as the unified financing platform to manage the policy loan provided by China Development Bank for social housing projects in Nanjing. The overall project involves 13 districts, 133 demolition and relocation plots and 28 social housing development plots in Nanjing, 49,500 households to be relocated, 4,966,100 sq.m. to be demolished and social housing with GFA of 5,800,300 sq.m. to be developed. The total expected investment is approximately RMB34.6 billion with the actual contracted amount being RMB27.0 billion. RMB27.5 billion in loan proceeds have been obtained from China Development Bank. Under the government procurement of services model, the Group was responsible for 25 shanty areas and three social housing construction plots with a total investment of RMB6.0 billion, in respect of which the Group had obtained RMB4.5 billion in loan proceeds from China Development Bank. Post-redesignation of the Nanjing Jiangbei New District, under the same model, the Group is responsible for demolition of plots two, four and six of East Gate and social housing construction of Huangyao plot under Direct Management District Project Phase I, with a total investment of RMB4.7 billion, in respect of which the Group had obtained RMB2.0 billion in loan proceeds from China Development Bank. The Group is also undertaking the demolition and relocation of nearby areas of Puyi Expressway and social housing construction of Runtai Phase Six and Phase Seven under Direct Management District Project Phase II, with a total investment of RMB2.0 billion, in respect of which the Group had obtained RMB1.4 billion in loan proceeds from China Development Bank.

In June 2014, the Group entered into an agency construction agreement with Nanjing City Government in relation to the Nanjing 2013-2017 Shanty Areas Redevelopment Project Phase I (南京市2013-2017棚戶區改造一期項目), in which the Group was designated to undertake 78 shanty area redevelopment projects and 19 social housing construction projects in 12 districts in Nanjing with a total estimated investment amount of approximately RMB23.2 billion. In June 2015, the Group entered into an agency construction agreement with Nanjing City Government in relation to the Nanjing 2013-2017 Shanty Areas Redevelopment Project Phase II (南京市2013-2017棚戶區改造二期項目), in which the Group was designated to undertake 50 shanty area redevelopment projects and eight social housing construction projects in 10 districts in Nanjing with a total estimated investment amount of approximately RMB11.8 billion. Subsequently, the Group entered into an agency construction agreement with Nanjing City Government in relation to the Nanjing 2013-2017 Shanty Areas Redevelopment Project Phase III (南京市2013-2017棚戶區改造三期項目) with total investment amount of RMB4.2 billion. In March 2016, the Nanjing City Government issued the Notice relating to the Nanjing Shanty Area Redevelopment and Old Neighbourhood Redevelopment Plan (《南京市棚戶區改造和老舊社區整治行動計畫》), in which the Nanjing City Government set a target to complete the shanty area redevelopment of 15.0 million sq.m. and the redevelopment of 936 old neighbourhood by 2020. In 2018, the Group entered government service purchase agreements with Jiangbei New District Construction Bureau for Jiangbei New District Redevelopment of Shanty Areas Phase I (江北新區直管區棚戶區改造一期項目) and Jiangbei New District Redevelopment of Shanty Areas Phase II (江北新區直管區棚戶區改造二期項目), with a total estimated investment in the amount of RMB4.7 billion and RMB1.2 billion, respectively.

The Group mainly conducts its social housing development business through Nanjing Xinju Construction Group Co., Ltd. (南京新居建設集團有限公司), a subsidiary of Nanjing JND Industrial Investment.

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021 operating income generated by the Group from this segment was RMB2,151.0 million, RMB1,856.6 million, RMB2,346.5 million, RMB7.8 million and RMB1,250.3 million respectively, representing 30.0 per cent., 24.7 per cent., 27.4 per cent., 0.3 per cent. and 35.8 per cent. of the Group's total operating income for the same periods.

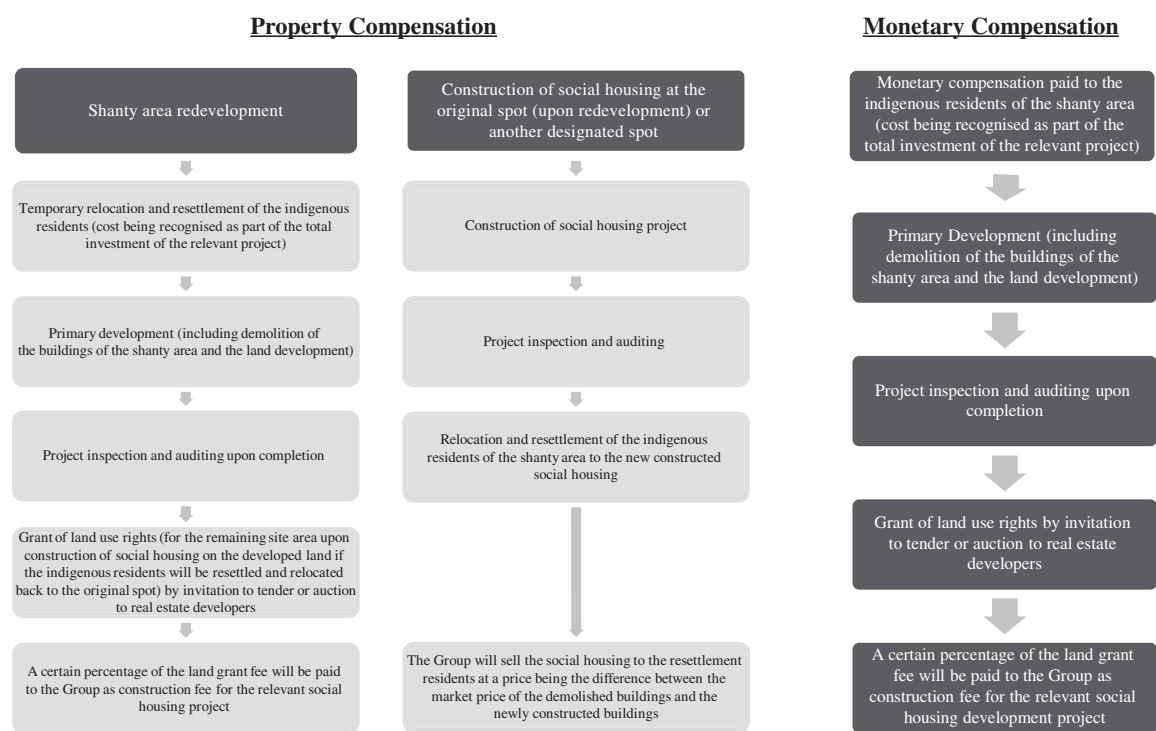
Business Model

The Group is commissioned by the Nanjing City Government to undertake the financing for and investment of a substantial portion of the social housing projects in Nanjing. As at 30 June 2021, the China Development Bank has provided more than RMB27.5 billion loans to support the social housing development in Nanjing. As the sole entity commissioned by the Nanjing City Government to manage the fund provided by the China Development Bank, the Group normally invests in the social housing projects in Nanjing by sub-lending a certain amount of fund to the project management company with no interest rate premium according to the relevant agency construction agreement. The Group normally charges an amount equals to approximately 0.5 per cent. of the total investment as fund management fee.

The Group is also commissioned by the Nanjing City Government to conduct the construction and development of all the social housing projects in the Nanjing Jiangbei New District. Details of the social housing projects to be developed by the Group (such as the scope of work, estimated investment amount and financing arrangement) are normally set out in an agency construction agreement. The Group finances its social housing construction projects with start-up capital provided by the relevant local government of the Nanjing Jiangbei New District, the loan provided by the China Development Bank, its internal cash and other self-financing methods.

Depending on the relevant agency construction agreement, the Group's social housing projects in the Nanjing Jiangbei New District include two types of compensation models, namely (i) property compensation where the indigenous residents of the redeveloped shanty area will be relocated to newly constructed social housing at the original spot or at another designated spot and (ii) monetary compensation where an amount of money equals to the market value of the demolished property of the indigenous residents of the redeveloped shanty area will be paid to those residents.

The following chart illustrates the development process of the Group’s social housing projects for these two compensation models:



The Group engages third-party construction companies to carry out the construction of its social housing construction projects through its standardised public tender process in accordance with applicable PRC laws and regulations. When selecting contractors, the Group considers a number of factors such as the reputation of the contractors, track records in similar projects, creditworthiness, technical capabilities, proposed construction plan and price. The Group makes payment to the contractors according to the construction progress of the project. The Group normally retains five to 10 per cent. of the contractual fees from the contractors to cover the costs of any maintenance work to be undertaken for a term of two to three years.

Projects under construction

As at 30 June 2021, the Group had 13 ongoing major social housing construction projects with an estimated investment totalling approximately RMB20.8 billion.

The particulars of these projects are set forth below:

Project Name	Year of Commencement	Estimated Year of Completion	Total Estimated Investment (RMB in millions)	Amount Invested (RMB in millions)
Jiangbei Taishan Affordable Housing Area (江北泰山經濟適用房片區)	2016	2021	2,550	2,127
Qiaoyi River East Side Affordable Housing (Relocation Housing) Project (僑誼河東側經濟適用房(拆遷安置房)項目)	2018	2021	650	650
Puyi Expressway (Rentai Phase 6 and Phase 7) Affordable Housing Project (浦儀高速(潤泰六、七期地塊)經濟適用房)	2019	2021	1,750	720
Pancheng No. 2 Plot Affordable Housing Project (盤城2號地塊經濟適用房)	2019	2022	1,450	445
Shanty Areas Redevelopment Project Phase I (Huangyao District) Affordable Housing Project (棚改一期(黃姚地塊)經濟適用房)	2021	2023	1,500	55
Jiangbei Taishan Affordable Housing Area Plot H (江北泰山經濟適用房片區H地塊)	2021	2023	700	200
Panchengzhen Street Affordable Housing Project (盤城鎮街經濟適用房)	2021	2024	2,600	24
Pancheng Industrial Park Affordable Housing Project (盤城工業園區片經濟適用房)	2021	2025	2,218	172
Runtai Phase 4 Project (潤泰四期項目)	2020	2022	1,447	160
Runtai Phase 5 Project (潤泰五期項目)	2020	2022	619	93
Runtai Phase 6 and 7 Project (潤泰六、七期項目)	2019	2022	1,750	720
Getang Xiaotang Project (葛塘小湯項目)	2020	2024	2,500	200
Getang Duxu Zhuzhuang Jingheyuan Project Phase II (葛塘杜圩朱莊景河苑項目二期)	2019	2021	1,050	660
Getang No. 5 and No. 6 Project Phase I (葛塘5、6號一期項目)	2018	2022	2,500	920
Getang No. 5 and No. 6 Project Phase II (葛塘5、6號二期項目)	2020	2023	700	260
Total			20,784	6,226

MISCELLANEOUS SERVICES AND PROPERTY LEASING

Overview

The Group provides a diverse range of services the Nanjing Jiangbei New District, including (1) financial services, (2) hotel operation and property management, (3) inspection services and (4) construction project consulting services. The Group charges service fees for relevant services it provides. The Group also leases and manages properties constructed or acquired by it, including office buildings, industrial parks and commercial stalls located in the Nanjing Jiangbei New District. The Group's operating income from the property leasing business is derived from the rental fees paid by the tenants.

For the years ended 31 December 2018, 2019 and 2020 and six months ended 30 June 2020 and 2021, operating income generated by the Group from this segment was RMB911.6 million, RMB1,095.5 million, RMB1,121.2 million, RMB418.9 million and RMB685.6 million respectively, representing 12.7 per cent., 14.5 per cent., 13.1 per cent. 17.1 per cent. and 19.6 per cent. of the Group's total operating income for the same periods.

Financial Services

The Group mainly conducts its financial services business, including fund investment, commercial factoring and finance leasing, through its wholly-owned subsidiary, Nanjing Yangzi River Investment Funds Management, Co., Ltd. (南京揚子江投資基金管理有限公司), Nanjing Jiangbei New Area Yangzi Technology Financial Lease Co., Ltd. (南京揚子商業保理有限公司) and Nanjing Jiangbei New Area Yangzi Technology Finance Leasing Co., Ltd. (南京江北新區揚子科技融資租賃有限公司).

Fund Investment

The Group conducts its fund investment business mainly through its wholly-owned subsidiary, Nanjing Yangzi River Investment Funds Management, Co., Ltd. (南京揚子江投資基金管理有限公司). The funds operated by the Group include master funds, direct investment funds and debt investment funds, which focuses on the investments in a wide range of industries, such as shantytown renovation, countryside construction, new energy, transportation lines, gene sequencing, energy conservation and environmental protection, modern logistics, 3D printing, blockchain, financial technology, among others. As at the date of this Offering Circular, the Group has established in aggregate 52 funds with a total capital commitment amount of approximately RMB160 billion.

As at 30 June 2021, the Group had formed and/or invested in 23 key RMB denominated funds.

The table below sets forth certain information relating to the 23 funds:

Fund	Total Commitment ⁽¹⁾	Total Paid-in Capital ⁽²⁾	Major Partners	Key Business
	(RMB in millions)	(RMB in millions)		
Nanjing Yangzi Town Development Investment Fund Phase I (南京揚子城鎮發展投資基金一期)	3,000	2,010	China CITIC Bank (中國中信銀行)	Investing in social housing projects in Nanjing Jiangbei New District
Nanjing Jiangbei Infrastructure Equity Investment Fund (南京江北基礎設施股權投資基金)	10,000	7,000	National Council for Social Security Fund (全國社會保障 基金理事會) and China Minsheng Bank (中國民生銀行)	Investing in infrastructure projects in Nanjing Jiangbei New District
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I Enterprise (南京揚子環境 基礎設施投資基金一期企業)	1,000	1,000	China Construction Bank (中國建設銀行)	Investing in environmental protection projects
Nanjing Yangzi Science and Technology Investment Fund Phase I (南京揚子科創產業投資基金一期)	1,500	1,500	China Everbright Bank (中國光大銀行)	Investing in technology innovation projects
Nanjing Yangzi Agricultural Banking Industry Investment Fund Phase I (南京揚子農銀產業投資基金一期)	2,000	1,999	Agricultural Bank of China (中國農業銀行)	Investing in technology innovation and bio-pharmaceutical projects
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (南京揚子江交通基礎設施 投資基金一期)	2,001	1,000	Bank of Communications (交通銀行)	Investing in municipal road construction projects in Liuhe district and Pukou District
Nanjing Yangzi ICBC Technology Investment Fund Phase I (南京揚子工銀科技產業 投資基金一期)	501	451	Industrial and Commercial Bank of China (中國工商銀行)	Investing in technology innovation projects in Jiangbei New District
Nanjing Shantytown Renovation and Construction Investment Fund (南京市棚戶區改造建設投資 基金)	10,000	6,390	Bank of Jiangsu (江蘇銀行)	Investing in social housing projects in Nanjing
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (南京揚子環境基礎設施 投資基金二期)	900	899	China Construction Bank (中國建設銀行)	Investing in building projects
Nanjing Jiangbei High-tech Industry Development Equity Investment Fund (南京江北高新技術產業發展 股權投資基金)	450	300	Nanjing Software Park Technology Development Co., Ltd. (南京軟體園科技 發展有限公司)	Investing in technology innovation projects in Jiangbei New District

Fund	Total Commitment ⁽¹⁾	Total Paid-in Capital ⁽²⁾	Major Partners	Key Business
	(RMB in millions)	(RMB in millions)		
Nanjing Jiangbei New District Strategic Investment Collaborative Innovation Fund (南京江北新區戰略投資協同創新 基金).	5,025	2,000	–	Investing in private equity funds and companies with development potential
Nanjing Jiangbei New District Investment Development Co., Ltd. (南京江北新區投資發展 有限公司)	2,000	2,000	Shengshi Investment (盛世投資), Jiangsu Provincial Government Investment Fund (江蘇省政府投資基金), Nanjing Jiangbei New District Management Committee (南京市江 北新區管理委員會), Nanjing Dajiangbei State Investment Group Co., Ltd. (南 京大江北國資投資集 團有限公司) and Nanjing Liuhe District State-owned Assets Management (Holdings) Co., Ltd. (南京市六合區國有資 產經營(控股)有限公 司)	Investing in key infrastructure, livelihood and industrial projects
Nanjing Yangtze Blockchain Equity Investment Partnership (南京揚子 區塊鏈股權投資合夥企業)	400	366	Jinmao Investment (金茂投資)	Investing in emerging industries based on blockchain technology and related applications
Nanjing Yangtze River Innovation Startup Enterprise Investment Fund (南京揚子江創新創業投資基 金(有限合夥)).....	10,003	1,778	–	Investing in private equity funds and companies with development potential
Nanjing Jiangbei New Area Shantytown Renovation Private Investment Fund Phase I (南京江 北新區棚改私募投資基金一期).....	310	310	江北新區發展母基金 (Jiangbei New Area Development Fund of Funds)	Investing in infrastructure projects
Nanjing Yangtze River New Town Equity Investment Partnership (Limited Partnership) (南京揚子江新城股權投資合夥 企業(有限合夥))	2,001	1,501	–	Investing in the new town building industry

Fund	Total Commitment ⁽¹⁾ (RMB in millions)	Total Paid-in Capital ⁽²⁾ (RMB in millions)	Major Partners	Key Business
Suzhou Industrial Park Guochuang Kaiyuan Phase II Investment Centre (Limited Partnership) (蘇州工業園區國創開元二期投資中心(有限合夥))	14,634	13,748	Guochuang Kaiyuan (國創開元)	Investing in private equity funds and companies with development potential
Jiangsu Zhiquan Supply and Marketing Cooperative Industry Development Fund (Limited Partnership) (江蘇漵泉供銷合作產業發展基金(有限合夥))	506	506	Supply and Marketing Cooperative of Jiangsu Province (江蘇省供銷社)	Investing in agricultural and related industries
Shanghai Yangtze Delta Synergy Advantage Industry Equity Investment Partnership (Limited Partnership) (上海長三角協同優勢產業股權投資合夥企業(有限合夥))	7,208	7,008	Shanghai Growth Fund of Funds (國方母基金)	Investing in biomedical, internet of things, semiconductors and artificial intelligence industries
Nanjing Zijin Jushi Private Enterprise Relief and Development Fund I (Limited Partnership) (南京紫金巨石民營企業紓困與發展基金一期(有限合夥))	1,000	300	Nanjing Securities (南京證券)	Investing in certain high-tech enterprises
Nanjing Su Min Investment Ruisheng Equity Investment Partnership (Limited Partnership) (南京蘇民投睿晟股權投資合夥企業(有限合夥))	500	100	Sumin Investment (蘇民投)	Investing in new materials, applications and related industries
Jiangsu Zhiquan Integrated Circuit Industry Investment Co., Ltd. (江蘇漵泉積體電路產業投資有限公司)	10,000	3,000	Jiangsu Government Investment Funds (Limited Partnership) (江蘇省政府投資基金(有限合夥))	Investing in the integrated circuit industry
Advanced Manufacturing Industry Investment Fund II (Limited Partnership) (先進製造產業投資基金二期(有限合夥))	49,110	8,974	SDIC Investment Management Co., Ltd. (國投招商投資管理有限公司)	Investing in advanced manufacturing industry and relevant production services industries
Total	134,049	64,140		

Notes:

- (1) Total commitment represents the aggregate capital commitment by limited partners of limited partnership or investors for the funds structured as limited liability companies, as applicable, as at the final closing date.
- (2) Total paid-in capital includes management fees, before deduction for cost of fund liquidation.

Commercial Factoring and Finance Leasing

The Group conducts its commercial factoring business mainly through Nanjing Jiangbei New Area Yangzi Technology Financial Lease Co., Ltd. (南京揚子商業保理有限公司). Under a typical commercial factoring arrangement, the small and medium enterprises sell their accounts receivable owed by its customer to the Group. The Group purchases such accounts receivable and assumes the responsibility of collecting payments from its client's customers in exchange for a factoring fee. As at 31 December 2020, the Group had 71 outstanding commercial factoring transaction with the balance in amount of RMB1,711.7 million.

The Group conducts its finance leasing business mainly through Nanjing Jiangbei New Area Yangzi Technology Finance Leasing Co., Ltd. (南京江北新區揚子科技融資租賃有限公司). Through its finance leasing business, the Group provides equipment leasing services and financial solutions to the enterprises in the Nanjing Jiangbei New District to support the construction of major projects in this area. The Group's finance leasing business is conducted through two main models, namely, the direct lease model and sale-and-leaseback model. Under the direct lease model, the Group purchases equipment from the manufacturer designated by its client and then lease such equipment to such client as the lessee. Upon the expiration of the leasing, the Group transfers the ownership of the equipment to the lessee. Under the sale-and-leaseback model, the equipment owner sells its equipment to the Group in exchange for cash, then enters into a leaseback contract with the Group to lease the property back. After the original owner pays off the rent and the residual value of the equipment as per the leaseback contract, the original owner will regain the ownership of the equipment.

Hotel Operation and Property Management

The Group mainly conducts its hotel operation and property management business through Nanjing Yangzijiang Property Operation Management Co., Ltd. (南京揚子江資產運營管理有限公司), a wholly-owned subsidiary of the Company. As at the date of this Offering Circular, the Group operates and manages in aggregate six properties in the Nanjing Jiangbei New District, including Yangtze River Boat Hotel (長江之舟酒店), Yangtze Congress Centre (揚子江國會中心), Nanjing Jiangbei New District Civic Centre (江北新區市民中心) and Yangtze Digital Base (揚子數位基地).

The Group has developed three business models for its hotel operation business: the self-operation model, the entrusted management model and the cooperative management model. Under the self-operation model, the Group manages and operates the relevant projects by itself. Examples under this model include the Civic Centre (市民中心) and Banyuan Business Hotel (伴園商務酒店). Under the entrusted management model, the Group engages professional service providers to participate in the operation and management of properties. Examples under this model include Yangtze River Boat Hotel (長江之舟酒店). Under the cooperative management model, the Group establishes a joint venture with a professional management company to co-manage relevant projects, including Yangtze Congress Centre (揚子江國會中心) and Pharmacy Tower (藥谷大廈).

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, operating income generated by the Group from the hotel operation and property management segment was RMB181.6 million, RMB52.3 million, RMB96.3 million, RMB136.7 million and RMB131.6 million respectively, representing 2.6 per cent., 0.7 per cent., 1.1 per cent., 5.6 per cent. and 3.8 per cent. of the Group's total operating income for the same periods.

Inspection Services

The Group provides its biochemical inspection services mainly through Nanjing Jiangbei New District Biomedical Public Service Platform Co., Ltd. (南京江北新區生物醫藥公共服務平臺有限公司) ("JND Biomedical Public Service Platform"), an indirect wholly-owned subsidiary of the Company.

As at the date of this Offering Circular, through JND Biomedical Public Service Platform, the Group has established five biomedical service platforms, namely the new drug testing centre, the genetic sequencing centre, the mass spectrum testing and analysis centre, the biological sample centre and the big data centre. By utilising such platforms, the Group is capable of providing one-stop public biomedical services including analysis, testing, research, consultation and business incubation. The biomedical service platforms operated by the Group have been granted various qualifications, such as the Science and Technology Public Service Platform of Jiangsu province (江蘇省科技公共服務平臺) and the Small and Medium-sized Public Technology-Star Demonstration Platform of Jiangsu province (江蘇省中小企業公共技術星級示範平臺).

For the years ended 31 December 2018, 2019 and 2020 and six months ended 30 June 2020 and 2021, operating income generated by the Group from the inspection service segment was RMB49.8 million, RMB68.1 million, RMB130.1 million, RMB47.0 million and RMB85.5 million respectively, representing 0.6 per cent., 0.9 per cent., 1.5 per cent., 2.5 per cent. and 1.9 per cent. of the Group's total operating income for the same periods.

Construction Project Consulting Services

The Group mainly conducts its construction project consulting services business through Nanjing Engineering Consultation Centre Co., Ltd. (南京工程諮詢中心有限公司) (“EC Centre”), a wholly-owned subsidiary of the Company focusing on providing engineering consultation services and project management services for construction projects in the Nanjing Jiangbei New District. Nanjing Nanzi Engineering Consulting Co., Ltd. (南京南諮工程諮詢有限公司), a subsidiary of EC Centre, has obtained the grade-A engineering cost consultation agency qualification (甲級工程造價諮詢資質) and the government procurement bidding agency qualification (政府採購招標代理資質). Through EC Centre, the Group is capable of providing consulting services for the entire life cycle of a construction project including project cost consulting, project application, energy conservation assessment, financing consultation and post-project evaluation.

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, operating income generated by the Group from the inspection service segment was RMB38.3 million, RMB72.3 million, RMB44.9 million, RMB123.4 million and RMB66.6 million respectively, representing 0.6 per cent., 9.8 per cent., 5.3 per cent., 5.1 per cent. and 1.9 per cent. of the Group's total operating income for the same periods.

Property Leasing

The Group mainly conducts its property leasing business through Nanjing JND Industrial Investment and its subsidiaries. The Group leases its properties in the Nanjing Jiangbei New District, including office buildings, industrial parks and commercial stalls, to collect rental incomes. The term of lease contracts entered into between the Group and its tenants ranges from three to five years. As at the date of this Offering Circular, major properties leased by the Group include Zhongdan Industrial Park (中丹產業園), A/B Building of R&D Building (研發大廈A/B樓), Software Building (軟件大廈), Software College (軟件學院) and Animation Building (動漫大廈).

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021 operating income generated by the Group from the property leasing segment was RMB617.6 million and RMB838.3 million, RMB783.7 million, RMB132.2 million and RMB362.5 million, respectively, representing 8.9 per cent., 11.3 per cent., 9.2 per cent., 5.4 per cent. and 10.5 per cent. of the Group's total operating income for the same periods.

OTHERS

The Group's operating income of its other businesses is mainly generated from the sales of steam, raw water and heating power to companies located within the Liuhe District (六合區) and Nanjing Jiangbei New District.

The Group mainly conducts the sales of raw water through Nanjing Yuangu Water Industry Co., Ltd. (南京遠古水業有限公司), a subsidiary of the Company. The Group is mainly responsible for the production and supply of raw water within the direct supervision area (直管區) of Nanjing Jiangbei New District and, Liuhe District (六合區) and Pukou District (浦口區). The Group is also in charge of the laying of water supply pipelines, the construction of water supply facilities including booster pump stations and the installation of water supply facilities to households in those areas.

The Group carries out the sales of thermal power through Nanjing Yanjiang Thermal Power Co., Ltd. (南京沿江熱力有限公司), a wholly-owned subsidiary of the Company, which primarily focuses on the laying and maintaining the thermal pipelines and other related facilities in the surrounding area of Nanjing Chemical Industry Park, as well as providing high quality thermal steam products for enterprises and public institutions located around.

Previously, the Group also provided management and other services, including pipeline leasing and railway transportation, to the Nanjing Chemical Industry Park through Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司). Following the transfer of its equity interest in Nanjing JND State-owned Assets Management to the Nanjing JND Management Committee on 16 December 2019 and 29 June 2020, respectively, Nanjing JND State-owned Assets Management and its subsidiaries, including Nanjing Jiangbei New District Construction Investment Group Co., Ltd., ceased to be consolidated subsidiaries of the Company. Consequently, as at the date of this Offering Circular, the Group no longer engages in the management of, and provision of relevant services to, the Nanjing Chemical Industry Park.

For the years ended 31 December 2018, 2019 and 2020 and six months ended 30 June 2020 and 2021 operating income generated by the Group from this segment was RMB2,731.2 million and RMB2,740.5 million, RMB1,598.3 million, RMB330.4 million and RMB548.2 million, respectively, representing 38.0 per cent., 36.4 per cent., 18.7 per cent., 13.4 per cent. and 15.7 per cent. of the Group's total operating income for the same periods.

RISK MANAGEMENT

The Group has established a risk management committee to ensure compliance with regulatory requirements and to implement risk control measures to lower operational and investment risks. The risk management system covers different aspects of the Group's operations, including budget management, guarantee management, remuneration management, safety production, subsidiaries management, investment and financing management, and connected transaction, information disclosure and incidents management. Each level and department of the Group is well informed of the Group's internal control and risk management policies. The systematic approach adopted by the Group has helped the Group to manage its business in a disciplined manner.

OCCUPATIONAL SAFETY

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

ENVIRONMENT MATTERS

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

INSURANCE

The Group is required to obtain contractors' all-risk and third-party liability insurance for most of the projects it undertakes. Such policies generally extend for the entire contract period, including the maintenance period following completion of the project. The Group also purchases pension insurance, unemployment insurance and medical insurance for its employees according to the relevant PRC laws and regulations. The Group maintains insurance coverage in amounts that it believes are commensurate with its risk of loss and industry practice. Consistent with what the Group believes to be customary practice in the PRC, it does not carry any business interruption insurance, key-man insurance or insurance covering potential environmental damage claims. Such insurances are not mandatory under the laws and regulations of the PRC, and such insurances are either unavailable in the PRC or requires substantial cost.

EMPLOYEES

As at 30 June 2021, the Group had approximately 1,600 employees.

In accordance with the applicable regulations of local governments in regions where the Group has business operations, the Group makes contributions to the pension contribution plan, medical insurance, unemployment insurance, maternity insurance and personal injury insurance. The amount of contributions is based on the specified percentages of employees' aggregate salaries as required by relevant PRC authorities. The Group also makes contributions to an employee housing fund according to applicable PRC regulations. In addition to statutory contributions, the Group provides annual bonuses and supplemental commercial insurance policies to employees. The Group enters into an employment contract with each of its employees in accordance with applicable PRC laws. Such contracts include provisions on wages, vacation, employee benefits, training programmes, health and safety, confidentiality obligations and grounds for termination.

LEGAL PROCEEDINGS

The Group is from time to time involved in disputes and legal proceedings arising in the ordinary course of its business. See "*Risk Factors — Risks Relating to the Group's Businesses — The Group is subject to litigation risks*".

To the best of its knowledge, there are no current litigation or arbitration proceedings against the Group or any of its directors as at the date of this Offering Circular that could have a material adverse effect on its financial condition or results of operations.

DIRECTORS, SUPERVISORS AND MANAGEMENT OF THE COMPANY

Directors

The Company's board of directors consists of five members, including two directors appointed by the Nanjing JND Management Committee⁽¹⁾. The board of directors is accountable to the Nanjing City Government and the Nanjing JND Management Committee for its various management responsibilities including (1) determining the business plans and investment proposals; (2) determining amendments to the articles of association; (3) making the annual financial budget plans and profit distribution plans; (4) formulating proposals relating to potential mergers, spin-offs, changes of the corporate form, dissolution, increase or decrease of the registered capital and issuance of corporate bonds; (5) determining management structure of the Company and appointing and dismissing senior management and settling their remuneration packages; and (6) determining major plans such as overseas investments, provisions of guarantees, asset transfers, asset purchases.

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

Name	Age	Position
GUO Jian (郭建).	50	Chairman of the board of directors
WANG Wei (王偉).	45	Director and general manager
LIU Miaoxiong (劉妙雄).	52	Director
LI Wenfa (李文法).	39	Director
ZHU Kai (朱凱).	39	Director

Mr. GUO Jian (郭建), age 50, has been the chairman of the board of directors of the Company since July 2021. Mr. Guo previously served as the deputy director of the Urban Construction Division, an engineer, the deputy director of the Comprehensive Planning Division, the director of the Urban Construction Division and the director of the Urban Construction Management Division of Nanjing Urban and Rural Construction Commission (南京市城鄉建設委員會), the director of the Urban Construction Division and a senior engineer of Nanjing Housing and Urban and Rural Construction Commission (南京市住房和城鄉建設委員會), the deputy general manager, member of the Communist Party of China ("CPC") Committee and a senior engineer of Nanjing Metro Construction Co., Ltd. (南京地鐵建設有限責任公司), the deputy director and member of the CPC Committee of Nanjing Public Engineering Construction Centre (南京市公共工程建設中心), the general manager, deputy secretary of the CPC Committee and director of Nanjing Anju Construction Group Co., Ltd. (南京安居建設集團有限責任公司) and the general manager and deputy secretary of the CPC Committee of the Company. Mr. Guo currently also works as the secretary of the CPC Committee of the Company. Mr. Guo holds a master's degree.

Mr. WANG Wei (王偉), age 45, has been the Company's director since July 2021. Mr. Wang previously served as the deputy director and member of the CPC Committee of the Nanjing Local Financial Supervision Administration (南京市地方金融監督管理局). Mr. Wang currently also works as the deputy secretary of the CPC Committee and the general manager of the Company. Mr. Wang holds an on-job master's degree and a doctor's degree in management from Nanjing University (南京大學).

Mr. LIU Miaoxiong (劉妙雄), age 52, has been the Company's director since June 2019. Mr. Liu previously served as the deputy director, the deputy director of the Public Opinion (Research) Division, the director of the Comprehensive Coordination Division, the director of the Volunteer Work Department and the director of the Copyright Management Division (Film Market Division)

Note:

- (1) The articles of association of the Company require the Company to maintain a board of directors comprising seven directors. As at the date of this Offering Circular, the appointment of two additional directors by the Nanjing JND Management Committee is still in process.

of the Propaganda Department Office of the Nanjing Municipal Party Committee (南京市委宣傳部). Mr. Liu currently also works as the deputy secretary of the CPC Committee of the Company. Mr. Liu holds a master's degree.

Mr. LI Wenfa (李文法), age 39, has been the Company's director since May 2020. Mr. Li previously served as a deputy officer of the comprehensive section of Finance Bureau of Nanjing Riverside Industrial Development Zone (南京沿江工業開發區財政局), a deputy officer of the economic operation section of the Economic Development Bureau of Nanjing Chemical Industry Park (南京化學工業園區經發局), a deputy director of the settlement centre of the Finance Bureau of Nanjing Chemical Industry Park (南京化學工業園區財政局) and the section chief of comprehensive appraisal section of the State-owned Assets Supervision and Administration Office of Nanjing Chemical Industry Park (南京化學工業園區國資辦). He currently also serves as the director of the state-owned assets office of Nanjing Jiangbei New Area Finance Bureau (南京江北新區財政局), the chairman of the board of supervisors of Nanjing Jiangbei New District Construction Investment Group Co., Ltd. (南京江北新區建設投資集團有限公司) and a director of Nanjing Guangde Real Estate Co., Ltd. (南京廣德置業有限公司). Mr. Li holds a bachelor's degree and is qualified as a senior accountant.

Mr. ZHU Kai (朱凱), age 39, has been the Company's director since May 2020. Mr. Zhu previously served as a senior client manager of Nanjing High-tech Construction and Development Co., Ltd. (南京高新技術建設開發總公司), a deputy officer of the statistics section, the chief of the foreign economic and trade section and the chief of the planning and development section of Economic Development Bureau of Nanjing High-tech Development Zone Administrative Committee (南京高新技術開發區管委會經濟發展局). Mr. Zhu currently also serves as the chief of the development and reformation office and the director of the statistical investigation office of the Economic Development Bureau of the Jiangbei New District Management Committee (江北新區管委會經濟發展局). Mr. Zhu holds a master's degree.

Supervisors

As at the date of this Offering Circular, the Company has yet designated a board of supervisors which, according to the Company's articles of association, is to be primarily responsible for monitoring the Company's financial matters and overseeing the course of conduct by the board of directors and the senior management of the Company. Upon constitution, the board of supervisors will comprise of five supervisors, including three supervisors to be appointed by the Nanjing JND Management Committee and two employee supervisors.

Senior Management

The Company's members of senior management currently include one general manager, four vice general managers, and one head of finance.

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

Name	Age	Position
WANG Wei (王偉).	45	General manager
LONG Zhijun (龍志軍).	51	Vice general manager
XU Meiqin (徐梅琴).	54	Vice general manager
LIU Xin (劉鑫).	40	Vice general manager
HU Gui'an (胡貴安).	45	Vice general manager
GU Ronghua (顧榮華).	48	Head of Finance

Ms. WANG Wei (王偉), age 45, has been the Company's general manager since July 2021. For Mr. Wang's biography, see "— Directors" above.

Mr. LONG Zhijun (龍志軍), age 51, has been the Company's vice general manager since September 2019. Mr. Long previously served as an assistant general manager of Nanjing High and New

Technology Economic Development Co., Ltd. (南京高新技術經濟開發股份有限公司), an assistant director and a deputy director of the Finance Department of the Nanjing HNTEDZ Management Committee (南京高新技術產業開發區管委財財務處), a director of the Finance Bureau of the Nanjing HNTEDZ Management Committee (南京高新技術產業開發區管委會財政局), a manager of the Nanjing High and New Technology Economic Development Zone Labour Service Co., Ltd. (南京高新區勞動服務公司), a manager of Beiyuan Home Investment Co., Ltd. (北園投資置業有限公司), the chief accountant of the Company, and the assistant general manager of Nanjing High and New Technology Economic Development Corporation (南京高新技術經濟開發總公司). Mr. Long is also a member of the CPC Committee of the Company. Mr. Long obtained his master's degree in business administration from Dalian Maritime University in 2011. Mr. Long is qualified as an accountant.

Ms. XU Meiqin (徐梅琴), age 54, has been a vice general manager of the Company since September 2019. Ms. Xu previously served as the secretary of the working committee and the chairman of the people's congress working committee (人大工委主任) of Nanjing Liuhe District Shanpan Street (南京六合區山潘街道), the director of the social affairs department and the secretary of the party committee of Nanjing Riverside Industrial Development Zone (南京沿江工業開發區), the director and the secretary of the party committee of the Social Affairs Bureau of Nanjing Chemical Industry Park (南京化學工業園區社會事業局) and the secretary of the party working committee of Nanjing Dachang Street (南京大廠街道). Ms. Xu is also a member of the CPC Committee of the Company. Ms. Xu holds a master's degree from Southeast University (東南大學).

Mr. LIU Xin (劉鑫), age 40, has been a vice general manager of the Company since September 2019. Mr. Liu previously served as a clerk of the Party Office of the Yanjiang Street, Pukou District (浦口區沿江街道黨政辦), a secretary of the General Office of the Pukou District People's Government (浦口區人民政府辦公室), a deputy director of the General Office of the Publicity Bureau of the Nanjing Pukou District (浦口區委宣傳部辦公室), an assistant director and a deputy director of the Pukou District Development and Reform Bureau (浦口區發展和改革局), a deputy director of Pukou District Government Office (浦口區政府辦) and an assistant minister of the General Planning Department of the Youth Olympic Organizing Committee (青奧組委總體策劃部). Mr. Liu currently also serves as a member of the CPC Committee of the Company. Mr. Liu obtained his master's degree in public administration from Southeast University in 2012.

Mr. HU Gui'an (胡貴安), age 45, has been a vice general manager of the Company since February 2020. Mr. Hu previously served as a staff member, principal staff member and deputy division director of Nanjing Audit Bureau (南京市審計局), director of human resources department of Nanjing Urban Construction Group (南京市城建集團), head of the enterprise management department and human resources department and the director-general of the enterprise management department and human resources department of the Company. Mr. Hu currently also serves as the deputy general manager and member of CPC Committee of the Company.

Mr. GU Ronghua (顧榮華), age 48, has been the Company's head of finance since July 2019. Mr. Gu previously served as staff and the director of finance of Nanjing Film Machinery Factory (南京電影機械廠), the deputy general manager, director and chairman of Nanjing Jinnan Film and Television Listening Equipment Co., Ltd. (南京金南影視聽設備有限公司), the deputy general manager of Nanjing Optoelectronic Instrument Industry Co., Ltd. (南京光電儀器產業有限公司) and the deputy director of the Finance Department of the Company. Mr. Gu has a master's degree from Guilin University of Technology (桂林理工大學) and is qualified as a senior accountant.

Corporate Governance

The Company has established and implemented a seasoned corporate governance structure, comprising of nine departments and offices, reporting directly to the general manager and the board of directors. They are the General Office, Party's Work Department, Finance Department, Investment and Development Department, Enterprise Management Department, Human Resources Department, Discipline Inspection and Supervisory Office, Project Management Department and Audit Compliance Department.

The primary duties of these seven departments and offices are set forth as follows:

- General Office is primarily responsible for coordinating among different departments and offices of the Company, coordinating and supervising daily administrative work, undertaking secretarial work, organising events and meetings of the Company; overseeing the proper execution of the resolutions of the board of directors and senior management of the Company; managing public relations and media coverage and arranging reception, logistics, procurement, security and attendance matters.
- Party's Work Department is primarily responsible for daily management of the party committee, building the integrity and incorruptibility of the party and the foundational work of the party organisations, organising team building work and political theory study activities, and recruiting CPC party members on a regular basis.
- Finance Department is primarily responsible for establishing and improving the Company's internal financial management system and accounting method, establishing and implementing the Company's financial, project investment and long-term investment plans and financial policies of the Company; maintaining and expanding financing channels of the Company, controlling financing costs and establishing financing plans according to market conditions; conducting internal audit of the Company and its subsidiaries; participation in the appointment and assessment of the chief finance officer; establishing the annual financial evaluation policies and participating in the assessment of the annual performance of the Company's subsidiaries.
- Investment and Development Department is primarily responsible for establishing the Company's mid-term and long-term development plans; assessing, approving and supervising the investment projects of the Company's subsidiaries; conducting feasibility studies for potential investment projects; conducting preliminary project design and budget review; attracting investments for potential investment projects of the Company and its subsidiaries; coordinating with different parties for the project management and conducting project inspection upon project completion for certain projects.
- Enterprise Management Department is primarily responsible for undertaking the property registration, title transfer, asset evaluation, asset disposal, resolving title disputes and other matters relating to the management of the state-owned assets controlled by the Company and its subsidiaries; monitoring the change of the equity capital and matters relating to the share transfer or restructuring of the Company and its subsidiaries; establishing and implementing the management performance evaluation systems for the Company and its subsidiaries; and supervising and improving the corporate governance of the Company and its subsidiaries.
- Human Resources Department is primarily responsible for undertaking recruitment, internal training and appraisals and establishing and implementing the Company's human resources policies.
- Discipline Inspection and Supervisory Office is primarily responsible for establishing and implementing the Company's anti-bribery and internal control system; overseeing and supervising Company's senior management's compliance of laws, regulations, and internal rules and regulations; organising the compliance and integrity education of the CPC organisation in the Group, drafting rules, regulations and relevant documents concerning the improvement of the disciplinary inspection and auditing of the Company, handling complaints of the violation of the discipline and proposing relevant solutions, conducting the internal audit of the Company, evaluating the financial revenue and expenditure and economic activities of the Company; supporting, coordinating and guiding the discipline inspection and auditing of its affiliates.

- Project Management Department is primarily responsible for the overall management of the Company's construction projects involving comprehensive initiating, planning, executing, controlling, and closing processes. The initiating process typically starts with a feasibility study and, if the project is decided viable, the project is planned to an appropriate level of detail so that the planned terms can be executed accordingly. The department is also responsible for cost management of projects such as initial review of investment budget, and preparation and examination of fund demand plans, managing bidding and procurement for projects, and managing the quality, safety and construction progress of its projects and participating in examination and appraisal of the construction procedures of projects. Project Management Department constantly monitors and controls the ongoing project activities and oversees the formal acceptance of the project and the ending thereof. The department's administrative duties also include conducting post-implementation review so that the project teams could learn from experiences and apply to future projects.
- Audit Compliance Department is primarily responsible for inspecting and evaluating the completeness, reasonableness and effectiveness of the internal control system of each internal department and subsidiaries of the Company; auditing the legality, compliance, authenticity and completeness of the accounting information of each internal department and subsidiaries of the Company; inspecting possible fraud in the course of internal audit; carrying out auditing work in different stages of a project, and evaluating the reasonableness and effectiveness of the internal control system relating to information disclosure.

In addition, the Company has established an effective internal control system covering financing management, investment management, external guarantee management, information disclosure, budget management and human resource management, which helps contribute to the sustainable growth of the Group.

DESCRIPTION OF THE KEEPWELL DEED

The following contains summaries of certain key provisions of the Keepwell Deed. Such statements do not purport to be complete and are qualified in their entirety by reference to the Keepwell Deed. Defined terms used in this section shall have the meanings given to them in the Keepwell Deed.

Ownership of the Issuer and the Company; Shareholding Control

Pursuant to the Keepwell Deed, the Company will undertake to:

- directly or indirectly, be the single largest shareholder of the Issuer;
- procure that accounts of the Issuer are consolidated with those of the Company;
- procure that the title, rights and interests in the shares of the Issuer that are held by the Company are not pledged, charged or in any way encumbered; and
- directly or indirectly appoint all senior management of the Issuer.

Maintenance of Consolidated Net Worth, Liquidity, etc.

Pursuant to the Keepwell Deed, the Company will undertake to procure:

- the Issuer to have a Consolidated Net Worth of at least U.S.\$1.00 (or its equivalent in any other currency) at all times;
- the Issuer to have sufficient liquidity to make timely payment of any amounts payable by it under or in respect of the Bonds in accordance with the Conditions and/or the Trust Deed and that the Issuer to have sufficient funds to meet its obligations with respect to any and all fees, expenses and similar obligations of the Issuer, including but not limited to fees and expenses with respect to the corporate formation and administration of the Issuer; and
- the Issuer to remain solvent and a going concern at all times under the laws of its jurisdictions of incorporation or applicable accounting standards.

Relevant Indebtedness

At all times during the term of the Keepwell Deed, each of the Issuer and the Company will undertake:

- that neither the Issuer nor the Company will, and each of the Issuer and the Company will ensure that none of their respective Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

Irrevocable Cross-Border Standby Facility, Liquidity Support and Parent Investment

Pursuant to the Keepwell Deed, upon the receipt of a Trigger Notice from the Trustee, the Company shall:

- grant the standby facility and procure remittance of the Remittance Amount as a loan to the Issuer in accordance with the Keepwell Deed;
- provide the liquidity support to the Issuer in accordance with the Keepwell Deed; and

- invest in the Issuer and/or any Offshore Subsidiary(ies) in accordance with the Keepwell Deed,

in each case, subject to it having obtained all relevant Regulatory Approvals (which the Company shall use its best endeavours to obtain), so as to enable the Issuer, to (i) make payment in full of any outstanding amounts as they fall due under the Trust Deed and the Bonds (including any interest accrued but unpaid on the Bonds) if the Triggering Event is an Event of Default or (ii) remedy the Financial Ratio Failure or the Shortfall Event (each as defined below) if such Triggering Event has occurred.

A Triggering Event will occur when:

- the Consolidated Net Worth of the Issuer falls below U.S.\$1.00 (or its equivalent in any other currency) (a “**Financial Ratio Failure**”);
- an Event of Default occurs; or
- the Issuer determines that it will have insufficient liquidity or cashflow to meet its payment obligations under the Bonds or the Trust Deed as they fall due (a “**Shortfall Event**”).

Upon:

- (i) (a) receiving a notice in writing from the Principal Paying Agent that all of the payment obligations of the Issuer in respect of any principal, premium, interest and default interest (if applicable) under the Bonds have been satisfied in full and (b) is satisfied that all amounts due and payable to the Trustee under the Trust Deed have been satisfied in full;
- (ii) in the event of an Event of Default resulting in the service of a Trigger Notice, such Event of Default having been waived by the Trustee acting on the instructions of the Bondholders by an Extraordinary Resolution; or
- (iii) in the event of a Financial Ratio Failure or Shortfall Event resulting in the service of a Trigger Notice, receiving (a) a certificate from the Company signed by any one of its Authorised Signatories (as defined in the Trust Deed) certifying that such Financial Ratio Failure or Shortfall Event has been remedied in full and (b) a report from the auditors of the Issuer or the Company of recognised standing to the effect that such Financial Ratio Failure or Shortfall Event has been remedied in full,

the Trustee shall provide a suspension notice to the Issuer and the Company (the “**Suspension Notice**”) whereupon the obligations of the Company triggered under the Keepwell Deed as a result of the occurrence of such Triggering Event shall be suspended. Such Suspension Notice shall cease to be effective upon the occurrence of a new Triggering Event after the date of such Suspension Notice.

Other Undertakings

Pursuant to the Keepwell Deed, the Company will undertake:

- not to amend its articles of association in a manner that is, directly or indirectly, materially adverse to Bondholders;
- to procure that the articles of association of the Issuer shall not be amended in a manner that is, directly or indirectly, materially adverse to Bondholders;
- to cause the Issuer to remain in full compliance with the Terms and Conditions of the Bonds, the Trust Deed (as the case may be) and all applicable rules and regulations in the British Virgin Islands with respect to the Bonds;

- promptly to take any and all action necessary to comply with its obligations under the Keepwell Deed;
- to ensure that the Issuer has sufficient funds to meet its obligations with respect to any and all fees, expenses and similar obligations of the Issuer, including but not limited to fees and expenses with respect to the corporate formation and administration of the Issuer;
- to cause the Issuer to take all action necessary in a timely manner to comply with its obligations under the Keepwell Deed;
- to procure that the Issuer shall (i) not carry on any business activity whatsoever other than in connection with the issue of the Bonds or other debt securities and any other activities reasonably incidental thereto (such activities shall, for the avoidance of doubt, include the on-lending of the proceeds of the issue of Bonds or other debt securities to the Company or any other Subsidiaries of the Company (each a “**Group Borrower**”), and to cause such Group Borrower to pay the interest and principal in respect of such intercompany loan on time.

The Keepwell Deed will not be, and nothing therein contained and nothing done pursuant thereto by the Company shall be deemed to constitute, or shall be construed as, or shall be deemed an evidence of, a guarantee by, or any similar legally binding obligation of, the Company of the payment of any obligation, indebtedness or liability, of any kind or character whatsoever, of the Issuer under the laws of any jurisdiction.

In order for the Company to comply with its obligations under the Keepwell Deed, the Company may require Regulatory Approvals. The Company will undertake to use its best endeavours to obtain such Regulatory Approvals.

The Keepwell Deed and all non-contractual obligations arising from or in connection with it will be governed by and construed in accordance with English law.

DESCRIPTION OF THE DEED OF EQUITY INTEREST PURCHASE UNDERTAKING

The following contains summaries of certain key provisions of the Deed of Equity Interest Purchase Undertaking. Such statements do not purport to be complete and are qualified in their entirety by reference to the Deed of Equity Interest Purchase Undertaking. Defined terms used in this section shall have the meanings given to them in the Deed of Equity Interest Purchase Undertaking.

Obligation to Acquire Equity Interest

The Company will agree upon the receipt of a written Purchase Notice given by the Trustee in accordance with the Trust Deed following the occurrence of an Event of Default, subject to obtaining all Regulatory Approvals, to purchase or procure an Onshore Subsidiary of the Company (the “**Purchaser**”) to purchase (the “**Purchase**”):

- (i) the Equity Interest held directly by the Issuer and/or any other Offshore Subsidiary, as designated by the Company and, pursuant to the Deed of Equity Interest Purchase Undertaking, and the Company shall notify the Trustee in writing within five Business Days after the date of the Purchase Notice; and
- (ii) in the absence of such designation and notification to the Trustee within five Business Days after the date of the Purchase Notice provided in accordance with the Deed of Equity Interest Purchase Undertaking, the Equity Interest held directly by all Offshore Subsidiaries,

(each such Offshore Subsidiary, a “**Relevant Transferor**”) at the Purchase Price on the relevant Purchase Closing Date pursuant to the terms set out in the Deed of Equity Interest Purchase Undertaking and the relevant Equity Interest Transfer Agreement(s).

The Purchase obligation of the Company set out in the Deed of Equity Interest Purchase Undertaking shall be suspended if, prior to the relevant Purchase Closing Date, each of the Issuer and the Company receives a notice in writing from the Trustee stating that all of the payment obligations of the Issuer in respect of any principal, premium and interest under the Bonds and the Trust Deed have been satisfied in full as at the date of that notice, or that the Event of Default resulting in the service of the Purchase Notice has been waived by the Trustee in accordance with the terms of the Trust Deed (the “**Suspension Notice**”).

The Trustee shall provide a Suspension Notice within five Business Days to the Issuer and the Company if (i) the Trustee receives from the Principal Paying Agent a notice in writing by the Principal Paying Agent that all payment obligations of the Issuer in respect of any principal, premium, interest and default interest under the Bonds and the Trust Deed have been satisfied in full, or (ii) the Event of Default resulting in the service of the Purchase Notice has been waived in accordance with the terms of the Trust Deed.

Determination of the Purchase Price

Within 20 Business Days after the date of the Purchase Notice, the Company shall determine (a) the aggregate purchase price of the Equity Interest(s) being the subject of the Purchase (the “**Purchase Price**”) in accordance with any applicable PRC laws and regulations effective at the time of determination; and (b) the other applicable terms relating to the Purchase, *provided that* the Purchase Price shall be no less than the aggregate of the following amounts (the “**Shortfall Amount**”):

- (i) the amount sufficient to enable the Issuer to discharge in full its obligations under the Bonds and the Trust Deed (as the case may be) (including without limitation the principal amount of the Bonds then outstanding as at the date of such Purchase Notice and any interest due and unpaid and/or accrued but unpaid on the Bonds up to but excluding the date of such Purchase Notice), plus
- (ii) an amount equal to U.S.\$2,772,000 being the interest payable in respect of one full interest period on the Bonds, plus

- (iii) all costs, fees and expenses (including without limitation, legal expenses) and other amounts payable to the Trustee and/or the Agents under or in connection with the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking as at the date of such Purchase Notice plus provisions for costs, fees and expenses and other amounts which may be incurred in connection with the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and/or the Deed of Equity Interest Purchase Undertaking after the date of the Purchase Notice, as notified by the Trustee in the Purchase Notice.

Closing in respect of Purchase of Equity Interest

In relation to the Purchase of any Equity Interest relating to a Target Subsidiary which is an Onshore Subsidiary:

- (i) within 75 Business Days after the date of the Purchase Notice, the Company shall, and shall procure such Relevant Transferor to, promptly complete all internal approval procedures and obtain approval from the requisite number of shareholders of such Target Subsidiary in relation to the Purchase, and to execute, and the Company shall procure the board of directors of such Target Subsidiary to execute (where applicable), an Equity Interest Transfer Agreement and all other application documents (in such form and language as required by applicable laws and regulations) required by applicable laws and regulations of the PRC and, shall file such agreements and/or documents with the PBOC (if applicable), the CBIRC (if applicable), MOFCOM (if such Onshore Subsidiary is a foreign-invested enterprise), SASAC and NDRC for approval of the transfer of the Equity Interest being the subject of the Purchase;
- (ii) within 10 Business Days after the receipt of approval from the PBOC (if applicable), the CBIRC (if applicable), MOFCOM, SASAC and/or NDRC, the Company shall, or shall procure the Target Subsidiary to, submit all application documents required by applicable laws and regulations of the PRC to the competent AIC for the AIC registration of the transfer of the Equity Interest of such Relevant Transferor;
- (iii) the Company shall promptly complete the procedures in respect of withholding tax for such Relevant Transferor as required by applicable laws and regulations of the PRC with the competent tax authority and obtain the tax clearance certificate from such tax authority;
- (iv) within 10 Business Days after completion of the change of AIC registration and the receipt of the tax clearance certificate, the Company shall, or shall procure the Target Subsidiary to, submit all application documents required by applicable laws and regulations of the PRC to SAFE (A) to change the SAFE registration of such Target Subsidiary and (B) for the remittance of the relevant Purchase Price outside the PRC; and
- (v) the Company shall procure that the remittance of the Purchase Price shall take place on or prior to the 10th Business Day after the date of receipt of the approvals from SAFE and all other Regulatory Approvals or, if no Regulatory Approval from any Approval Authority is required, on or prior to the 10th Business Day after the date of execution of the Equity Interest Transfer Agreement (the “**Onshore Purchase Closing Date**”), whereupon the Company shall pay, or procure the relevant Purchaser to pay, to or to the order of such Relevant Transferor the Purchase Price in immediately available funds in Renminbi. Such payment shall be made by remittance of the Purchase Price to such account in Hong Kong as may be designated by such Relevant Transferor,

provided that the requirements and deadlines set out in the Deed of Equity Interest Purchase Undertaking may be modified if the Trustee receives an opinion of a reputable PRC counsel of recognised national standing stating that under applicable PRC law as at the date of the opinion, (a) any requirement and/or deadline above is not reasonably achievable and (b) the new requirement (if applicable) and/or the commercially reasonable deadline that is required to complete such

requirement. Such opinion shall be addressed and delivered to the Trustee by the Company within 14 Business Days after the receipt of the Purchase Notice.

In relation to the Purchase of any Equity Interest relating to a Target Subsidiary which is an Offshore Subsidiary:

- (i) within 25 Business Days after the date of the Purchase Notice, the Company shall procure the Purchaser, the Relevant Transferor and/or the Target Subsidiary (as the case may be) to submit all relevant application, report, filing and/or registration documents to the competent Approval Authorities in the PRC (including the PBOC, the NDRC, MOFCOM, SASAC and SAFE, where applicable) for or in relation to overseas mergers and acquisitions;
- (ii) within 25 Business Days after obtaining the confirmation of each of the relevant competent Approval Authorities in the PRC (including the PBOC, the NDRC, MOFCOM, SASAC and SAFE, where applicable) for or in relation to the application, report, filing and/or registration documents referred to in the Deed of Equity Interest Purchase Undertaking, the Company shall, and shall procure such Relevant Transferor to, promptly complete all internal approval procedures and obtain approval from the requisite number of shareholders of such Target Subsidiary in relation to the Purchase, and to execute, and the Company shall procure the board of directors of such Target Subsidiary to execute (where applicable), an Equity Interest Transfer Agreement and all other application documents (in such form and language as required by applicable laws and regulations) required by applicable laws and regulations and shall file such agreements and/or documents with the relevant competent Approval Authorities (including the PBOC, the NDRC, MOFCOM, SASAC, SAFE, where applicable) and authorities of the other jurisdiction(s) in connection with the Purchase (where applicable), for approval, filing or registration of the transfer of the Equity Interest being the subject of the Purchase; and
- (iii) the Company shall procure that the remittance of the Purchase Price shall take place on or prior to the 10th Business Day after the date of receipt of the approvals, registrations or confirmations of reporting or filing from each of the relevant competent Approval Authorities in the PRC (including the PBOC, NDRC, MOFCOM, SASAC and SAFE, where applicable) and authorities of other jurisdictions in charge of the Purchase as referred to in the Deed of Equity Interest Purchase Undertaking and all other Regulatory Approvals or, if no such Regulatory Approval from any Approval Authority is required, on or prior to the 10th Business Day after the date of execution of the Equity Interest Transfer Agreement (the “**Offshore Purchase Closing Date**”), whereupon the Company shall pay, or procure the relevant Purchaser to pay to or to the order of, such Relevant Transferor the Purchase Price immediately available funds in Renminbi. Such payment shall be made by remittance of the Purchase Price to such account in Hong Kong as may be designated by such Relevant Transferor,

provided that the requirements and deadlines set out in the Deed of Equity Interest Purchase Undertaking may be modified if the Trustee receives an opinion of a reputable PRC counsel of recognised national standing stating that under applicable PRC law as at the date of the opinion, (a) any requirement and/or deadline above is not reasonably achievable and (b) the new requirement (if applicable) and/or the commercially reasonable deadline that is required to complete such requirement. Such opinion shall be addressed and delivered to the Trustee by the Company within 14 Business Days after the receipt of the Purchase Notice.

The Trustee shall not be obliged to agree to any modification to the requirements and deadlines set out above in relation to the Purchase of any Equity Interest relating to a Target Subsidiary which is an Onshore Subsidiary or, as the case may be, relating to a Target Subsidiary which is an Offshore Subsidiary unless each new requirement and each new deadline is expressly stated in, and the amendments to the relevant clauses of the Deed of Equity Interest Purchase Undertaking are expressly set out in, the relevant opinion of PRC counsel. The Trustee shall be entitled to rely conclusively and without further inquiry or investigation on any opinion of PRC counsel received by

it as contemplated above, and the Trustee and each of its directors, officers, employees and Appointees will not be responsible or liable to Bondholders or any other person for any loss or liability occasioned by doing so.

The Company will undertake, upon the completion of any Purchase to:

- (i) in the event that a Relevant Transferor is not the Issuer, procure such Relevant Transferor to promptly on-lend or distribute in full the relevant portion of the Purchase Price, being an amount no less than the Shortfall Amount, to the Issuer prior to any other use, disposal or transfer of the proceeds received; and
- (ii) promptly do all such things (including entering into and executing any agreements or arrangements required) and take all actions necessary for the Purchase Price received by the Issuer from the Company or pursuant to any on-loan or distribution referred to in the Deed of Equity Interest Purchase Undertaking to be applied solely towards the payment in full of the Issuer's obligations, as the case may be, under the Bonds and the Trust Deed (including without limitation the payment of the principal amount of the Bonds then outstanding as at the date of such payment and any interest due and unpaid and/or accrued but unpaid on the Bonds up to but excluding the date of payment) prior to any other use, disposal or transfer of the proceeds received.

Further Actions

The Company shall, and shall procure each Purchaser and Relevant Transferor to, do any other things and take any further actions as may be necessary or desirable to:

- (i) procure the completion of the Purchase within three months from the date of the Purchase Notice; and
- (ii) procure the remittance of the Purchase Price to or to the order of the Relevant Transferor(s) in accordance with the Deed of Equity Interest Purchase Undertaking.

Other Provisions

The Deed of Equity Interest Purchase Undertaking will not be, and nothing herein contained and nothing done pursuant thereto by the Company shall be deemed to constitute, or shall be construed as, or shall be deemed evidence of, a guarantee by, or any similar legally binding obligation of, the Company of the payment of any obligation, indebtedness or liability, of any kind or character whatsoever, of the Issuer under the laws of any jurisdiction.

The Deed of Equity Interest Purchase Undertaking and all non-contractual obligations arising from or in connection with it will be governed by and construed in accordance with English law.

EXCHANGE RATE INFORMATION

The PBOC sets and publishes on a daily basis a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC takes into account other factors, such as the general conditions existing in the international foreign exchange markets. On 21 July 2005, the PRC Government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by two per cent. against the U.S. dollar. The PRC Government has since made and in the future may make further adjustments to the exchange rate system. On 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. On 11 August 2015, the PBOC announced to improve the central parity quotations of Renminbi against the U.S. dollar by authorizing market-makers to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign exchange as well as changes in major international currency exchange rates. Following the announcement by the PBOC on 11 August 2015, Renminbi depreciated significantly against the U.S. dollar. In January and February 2016, Renminbi experienced further fluctuation in value against the U.S. dollar. The PRC Government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

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

Period	Renminbi per U.S. dollar Noon Buying Rate ⁽¹⁾			
	Period end	Average ⁽²⁾	High	Low
		(RMB per U.S.\$1.00)		
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6394	6.9580	6.4480
2017	6.5063	6.7569	6.9575	6.4773
2018	6.8755	6.6090	6.9737	6.2649
2019	6.9618	6.9014	7.1786	6.6822
2021	6.5250	6.9042	7.1681	6.5208
2021				
April	6.4749	6.5186	6.5649	6.4710
May	6.3674	6.4321	6.4749	6.3674
June	6.4566	6.4250	6.4811	6.3796
July	6.4609	6.4763	6.5104	6.4562
August	6.4605	6.4768	6.5012	6.4604
September	6.4434	6.4563	6.4702	6.4320
October (through 15 October 2021)	6.4485	6.4407	6.4485	6.4262

Notes:

- (1) Exchange rates between Renminbi and U.S. dollar represent the noon buying rates as set forth in the H.10 statistical release of the Federal Reserve Board.
- (2) Annual averages have been calculated from month-end rates. Monthly averages have been calculated using the average of the daily rates during the relevant period.

PRC REGULATIONS

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

PRC Currency Controls

Renminbi is not a freely *convertible* currency. The remittance of Renminbi into and outside the PRC is subject to control imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers. Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a supervision list determined by the PBOC and five other relevant authorities in the PRC would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the “**2013 PBOC Circular**”) which simplified the procedures for cross-border Renminbi trade settlement under current account items. On 1 November 2014, the PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, the PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知) (the “**2015 PBOC Circular**”), which, *inter alia*, has lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow. The 2015 PBOC Circular also provides that enterprises within a pilot free trade zone in the PRC, such as the China (Shanghai) Pilot Free Trade Zone (“**Shanghai FTZ**”) may establish an additional cash pool in the local scheme in such pilot free trade zone, but each onshore company within the group may only elect to participate in one cash pool.

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

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to the approval of, and/or registration or filing with, the relevant PRC authorities. Until recently, settlement of capital account items, for example, the capital contribution of foreign investors to foreign-invested enterprises in the PRC, were generally required to be made in foreign currencies. Under progressive reforms by the PBOC, MOFCOM and SAFE, foreign investors are now permitted to make capital contribution, share transfer, profit allocation and liquidation and certain other transactions in Renminbi for their foreign direct investment within the PRC. Cross-border Renminbi payment infrastructure and trading facilities are being improved. Approval, registration and filing requirements for capital account payments in Renminbi are being removed gradually. The Circular on Reforming the Administrative Approach of the Foreign Exchange Capital Settlement for Foreign Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知) became effective on 1 June 2015 (the “**2015 SAFE Circular**”). In addition to the option to settle foreign current capital through payment-based foreign exchange

settlement (支付結匯制), the 2015 SAFE Circular allows foreign-invested enterprises to settle up to 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs on a voluntary basis. In principle, the Renminbi proceeds through the aforementioned voluntary settlement shall be deposited into designated bank account called capital account item – account for foreign currency settlement pending payment (資本項目–結匯待支付帳戶) (the “**Account for Foreign Currency Settlement Pending Payment**”) as opened by such foreign-invested enterprise, and accordingly all future payments shall be processed from such Account for Foreign Currency Settlement Pending Payment. A negative list with respect to the usage of the foreign currency capital and the Renminbi proceeds settled therefrom is set forth under the 2015 SAFE Circular.

On 9 June 2016, SAFE promulgated the Notice on Reforming and Standardising the Administrative Provisions on Capital Account Foreign Exchange Settlement (關於改革和規範資本項目結匯管理政策的通知 ([2016]16 號)), (the “**SAFE Circular 16**”) which took effect on the same day. According to the SAFE Circular 16, enterprises registered in PRC could settle the external debts in foreign currencies to Renminbi at their own discretion. The SAFE Circular 16 sets a uniform standard for discretionary settlement of foreign currencies under capital accounts (including but not limited to foreign currency capital, foreign debts and repatriated funds raised through overseas listing), which is applicable to all enterprises registered in PRC (but not include financial institutions). It reiterated that the Renminbi funds obtained from the settlement of foreign currencies shall not be used directly or indirectly for purposes beyond the company's scope of business, and shall not be used for domestic securities investment or investments and wealth management products other than principal-protected products issued by banks, unless otherwise expressly prescribed. Furthermore, such Renminbi funds shall not be used for disbursing loans to non-affiliated enterprises, unless the scope of business expressly provides so; and shall not be used to construct or purchase real estate not for self-use (except for real estate enterprises).

SASAC Approval

Pursuant to the Enterprise State-owned Assets Law of the People's Republic of China (中華人民共和國企業國有資產法) promulgated by the Standing Committee of the National People's Congress on 28 October 2008 and became effective on 1 May 2009, and the Interim Regulation on the Supervision and Administration of State-owned Assets of Enterprises (企業國有資產監督管理暫行條例) promulgated by the State Council on 27 May 2003 and revised on 8 January 2011 and 2 March 2019, decisions on mergers, divisions, increases or reductions in registered capital, issuance of notes, profit distributions, dissolutions, applications for bankruptcy and other major events of solely state-owned enterprises and solely state-owned companies shall be decided by SASAC which invested in such enterprises and companies.

Prevention of Foreign Debt Risks and Local Debt Risks

In accordance with Guidance on Further Strengthening Adjustment of Credit Structure to Promote Fast and Smooth Development of National Economy (中國人民銀行、中國銀行業監督管理委員會關於進一步加強信貸結構調整促進國民經濟平穩較快發展的指導意見) issued jointly by the PBOC and CBRC in March 2009, local governments are encouraged to establish financing platforms to issue financing instruments such as enterprise bonds and medium term notes. In order to strengthen the management of financing platforms and effectively prevent fiscal financial risks, the Notice on Strengthening Management of Financing Platform of Local Government (國務院關於加強地方政府融資平臺公司管理有關問題的通知) (“**Circular 19**”) and the Notice on Further Regulating Issuance of Bonds by Financing Platform of Local Government (國家發展改革委辦公廳關於進一步規範地方政府投融資平臺公司發行債券行為有關問題的通知) (“**Circular 2881**”) were separately promulgated in June 2010 and November 2010. In accordance with Circular 19, all levels of local governments shall clear up the debts of their respective financing platforms. In accordance with Circular 2881, the level of indebtedness of local governments will impact a financing platform's issuance of enterprise bonds. On 21 September 2014, the State Council of the PRC released the Opinion on

Enhancing the Administration of Fiscal Debts of Local Governments (國務院關於加強地方政府性債務管理的意見) (“**Circular 43**”) was promulgated by the State Council. Circular 43 aims at regulating the financing system of local government and three channels are presented. In accordance with Circular 43, financing platforms shall no longer serve the fiscal financing functions nor incur new government debts. Public interest projects may be funded by the government through issuing government bonds, since the new Budget Law of the PRC, which took effect on 1 January 2015, empowers local governments to issue government bonds, and public interest projects with income generated, such as city infrastructure construction, may be operated independently by social investors or jointly by the government and social investors through the establishment of special purpose companies. Social investors or such special purpose companies shall invest in accordance with market-oriented principles and may be funded by, among other market-oriented approaches, bank loans, enterprise bonds, project revenue bonds and asset-backed securitisation. Social investors or the special purpose companies shall bear the obligation to pay off such debts and the government shall not be liable for any of the social investors’ or special purpose companies’ debts. Circular 43 also sets forth the general principles of dealing with existing debts of financing platforms. Based on the auditing results of such debts run by the local governments, the existing debts that should be repaid by the local governments shall be identified, reported to State Council for approval, and then included in the budget plan of local governments.

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

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

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

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

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

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

On 26 April 2017, the Ministry of Finance, the NDRC, the Ministry of Justice, the People's Bank of China, the China Banking Regulatory Commission and the China Securities Regulatory Commission jointly issued the Circular 50 (關於進一步規範地方政府舉債融資行為的通知) (“**Circular 50**”). According to Circular 50, (i) the local governments should not inject public assets and land reserves into their financing platform companies, and should not undertake to use the expected income from transfer of land reserves as sources for repaying the debt of their financing platform companies; (ii) when providing financing to enterprises such as financing platform companies, the financial institutions shall not request or accept any form of guarantee of such financing from the local governments and their departments by way of the letter of guarantee, the letter of undertaking, the letter of comfort or otherwise; (iii) a financing platform company shall make a written representation to the relevant creditor that it does not perform any financing function on behalf of local governments, and any debts incurred by it after 1 January 2015 would not be regarded as local government debts pursuant to applicable laws. Therefore, the Bonds would not be treated as local government debts under applicable laws and regulations.

The PRC Government issued the Notice on the Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知) (“**Circular 23**”) in March 2018, which aims to increase the responsibility of the PRC state-owned financial institutions to investigate into the financial independence and liquidity level of the local government financing platforms that they assist in fundraising. The Circular 23 reinforced the position that the PRC Government is not an obligor and Bondholders shall have no recourse to the PRC Government in respect of any obligation arising out of or in connection with the Bonds. Circular 23 is relatively new, and because of the limited volume of published decisions, the interpretation and enforcement of these laws and regulations involve uncertainties. On 28 February 2021, the Notice by the State-owned Assets Supervision and Administration Commission of the State Council Regarding Issuing the Guiding Opinions on Strengthening the Management and Control of Debt Risks of Local State-owned Enterprises (國務院國資委關於印發《關於加強地方國有企業債務風險管控工作的指導意見》的通知，國資發財評規(2021)18號) was released which reiterates the PRC Government's position to further strengthen the management and control of debt risks of state-owned enterprises. The Notice No. 18 requires all local state-owned assets supervision and administration commissions shall accelerate the establishment and improvement of a monitoring and warning mechanism for debt risks borne by local state-owned enterprises, impose constraints on the debt scale and liability-asset ratios of highly indebted enterprises. Pursuant to the Circular of the State Council on Deepening the Reform of Budget Management System (國務院關於進一步深化預算管理制度改革的意見) promulgated by the State Council and came into effect on 7 March 2021, the local governments shall strengthen the overall planning of budget revenue to regulate the management of budget expenditure, to promote the standardisation of financial expenditure, to strictly control the risk of budget, to improve the mechanism for local governments to properly raise debt, and to prevent and resolve the hidden debt risks of local governments.

Land, Planning and Construction Permit

Pursuant to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the NPC Standing Committee on 25 June 1986 and amended on 29 December 1988, 29 August 1998, 28 August 2004 and 26 August 2019, land owned by the State may be remised or allotted to construction units or individuals in accordance with the law. The People's Government at or above the county level shall register and put on record uses of state owned land used by construction units or individuals, and issue certificates to certify the land use rights.

According to the Order of the Ministry of Land and Resources on Promulgating the Land Allocation Catalogue (《國土資源部關於發佈《劃撥用地目錄》的命令》) promulgated and implemented on 22 October 2001, the land use rights of construction projects which are in conformity with the Catalogue can only be allotted through application by the construction units and approval of the people's government with the approval authority.

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the NPC Standing Committee on 28 October 2007 and amended on 24 April 2015 and 23 April 2019, a Construction Land Planning Permit is required for the use of both allocated land and granted land. If a construction entity which was authorised to use the construction land fails to obtain a Construction Land Planning Permit, the People's Government at or above the county level shall cancel any relevant authorisation documents previously issued. If the land has already been occupied, it shall be returned promptly. Furthermore, the construction entity shall be obliged to compensate for any damage caused to any other relevant parties according to law.

Where construction work is conducted in a city or town planning area, the relevant construction entity or individual shall apply for a Construction Work Planning Permit from a competent urban and rural planning administrative department of the People's Government at the municipal or county level or to the People's Government of town as recognised by the People's Government of a province, autonomous region or municipality directly under the Central Government. For construction work that proceeds without the Construction Work Planning Permit or in violation of the provisions of the Construction Work Planning Permit, a competent urban and rural planning administrative department at or above the county level can order termination. If the impact on the planning caused by such construction can be eliminated, the department shall order it to take remedial action within a prescribed time limit and pay a fine of not less than 5 per cent. but not exceeding 10 per cent. of the construction cost. If such impact cannot be eliminated by remedial action, the department shall order the construction entity to demolish its construction within a prescribed time limit. For construction work that cannot be demolished, the department shall not only confiscate it or seize any illegal income but also may impose a fine of not more than 10 per cent. of the construction price.

According to the Construction Law of the PRC (《中華人民共和國建築法》) promulgated by the NPC Standing Committee on 1 November 1997 and implemented on 1 March 1998 and amended on 22 April 2011, implemented on 1 July 2011, amended on 23 April 2019, implemented on the same day, a construction entity shall, prior to the commencement of a construction project, apply for a Construction Work Commencement Permit from a competent department of the construction administration of the People's Government at or above the county level of the place where the project is located pursuant to the relevant regulations of the State. However, small projects determined by the competent department of construction administration of the State Council, and construction projects which have already obtained approvals for their construction commencement report pursuant to the terms of reference and procedures prescribed by the State Council, are subject to exception.

According to the Rules on the Administration of Construction Quality (《建設工程質量管理條例》) promulgated by the State Council, and implemented on 30 January 2000, and amended on 7 October 2017 and 23 April 2019, a construction entity commencing the project without obtaining the Construction Work Commencement Permit or approvals for its construction commencement

report, shall be ordered to stop the construction work, carry out remedial actions within a prescribed time limit and pay a fine of not less than 1 per cent. but not exceeding 2 per cent. of the construction price.

According to the Rules on the Administration of Construction Quality (《建設工程質量管理條例》) and Administrative Measures for Recording of the Inspection and Acceptance on Construction Completion of Buildings and Municipal Infrastructure (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) which was promulgated and implemented on 19 October 2009 a construction project shall not be delivered for use unless it has passed the acceptance checks. The construction entity should file a record to a competent construction administrative department at or above the county level at the place where the project is located within 15 days from the day when the construction project passes the acceptance checks. Where a construction entity illegally delivers the construction project for use without obtaining the acceptance checks or in circumstances where it failed to pass the acceptance checks, it shall be ordered to carry out remedial actions and also pay a fine of not less than 2 per cent. but not exceeding 4 per cent. of the contractual project price, and shall be obliged to pay compensation according to law if any losses have been caused. If the construction entity fails to file a record of passing the acceptance checking in respect of the project within 15 days from the day when the construction project passes such checks, it shall be ordered to carry out remedial actions within a prescribed time limit and shall be fined not less than RMB200,000 but not exceeding RMB500,000.

Labour Laws

Employment Contracts

The Labour Law of the PRC (《中華人民共和國勞動法》), which was promulgated by the NPC Standing Committee on 5 July 1994 and became effective on 1 January 1995, and was amended on 27 August 2009 and 29 December 2018, provides that an employer shall develop and improve its rules and regulations to safeguard the rights of its workers. An employer shall develop and improve its labour safety and health systems, stringently implement national protocols and standards on labour safety and health, conduct labour safety and health education for workers, guard against labour accidents and reduce occupational hazards. Labour safety and health facilities must comply with relevant national standards. An employer must provide workers with the necessary labour protection gear that complies with labour safety and health conditions stipulated under national regulations, as well as provide regular health checks for workers that are engaged in operations with occupational hazards. Labourers engaged in special operations shall have received specialised training and obtained the pertinent qualifications. An employer shall develop a vocational training system. Vocational training funds shall be set aside and used in accordance with national regulations and vocational training for workers shall be carried out systematically based on the actual conditions of the company.

The Labour Contract Law of PRC (中華人民共和國勞動合同法), promulgated by the Standing Committee of the National People's Congress on 29 June 2007, which became effective on 1 January 2008 and was amended on 28 December 2012 and became effective on 1 July 2013, governs the relationship between employers and employees and provides for specific provisions in relation to the terms and conditions of an employee contract. The Labour Contract Law stipulates that employee contracts shall be in writing and signed. It imposes more stringent requirements on employers in relation to entering into fixed-term employment contracts, hiring of temporary employees and dismissal of employees. Pursuant to the Labour Contract Law, employment contracts lawfully concluded prior to the implementation of the Labour Contract Law and continuing as at the date of its implementation shall continue to be performed. Where an employment relationship was established prior to the implementation of the Labour Contract Law, but no written employment contract was concluded, a contract shall be concluded within one month after its implementation.

Social Insurance and Housing Provident Fund

Under applicable PRC laws, regulations and rules, including the Social Insurance Law (社會保險法), promulgated by the Standing Committee of the National People's Congress on 28 October 2010,

which became effective on 1 July 2011 and amended on 29 December 2018 which amendment became effective on the same date, the Interim Regulations on the Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例), promulgated by the State Council on 22 January 1999, which became effective on 22 January 1999 and amended on 24 March 2019, and Administrative Regulations on the Housing Provident Fund (住房公積金管理條例), promulgated by the State Council on 3 April 1999, which became effective on 3 April 1999 and as amended on 24 March 2002 and 24 March 2019 which amendment became effective on the same date, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, maternity leave insurance, and to housing provident funds. These payments are made to local administrative authorities and any employer who fails to contribute may be fined and ordered to pay the outstanding amount within a stipulated time period.

Safety Laws

The Work Safety Law

The Work Safety Law of the PRC (《中華人民共和國安全生產法》) (the “**Work Safety Law**”) was promulgated by the Standing Committee of the National People’s Congress (the “NPCSC”) on 29 June 2002 and came into effect on 1 November 2002 and revised on 27 August 2009, 31 August 2014 and 10 June 2021 which amendment will become effective on 1 September 2021, and provided that enterprises engaged in production and other business activities in the PRC are required to: (1) comply with the Work Safety Law and relevant laws and regulations on work safety, (2) strengthen managerial control over work safety, (3) establish and improve a work safety responsibility system and work safety rules and systems for all employees, (4) increase efforts to guarantee the input of funds, materials, technology, and personnel in work safety, (5) improve work safety conditions, (6) strengthen standardization and informatization of work safety, (7) construct a dual prevention mechanism consisting of graded management and control of safety risks and examination and control of potential risks, (8) improve the risk prevention and resolution mechanism to raise work safety levels and to ensure work safety.

Pursuant to the Work Safety Law, the production, operation, transportation, storage and use of any hazardous substances or the disposal of abandoned hazardous substances shall, according to the provisions of the relevant laws and regulations, national standards and industrial standards, be subject to the approval as well as the supervision and administration of relevant administrative departments. The major person in charge of an enterprise shall undertake the overall responsibility for the safety in production. Enterprises shall provide education and training to employees on safety in production. They shall also provide employees with articles of labour protection which meet the national or industrial standards, and supervise and guide employees to wear and use of these articles according to instructions.

Work Safety Licence

Pursuant to the Regulations on Work Safety Licence (《安全生產許可證條例》) (the “**Regulations on Work Safety Licence**”), which were promulgated by the State Council on 13 January 2004 and amended on 18 July 2013 and 29 July 2014 which amendment became effective on the same date, the PRC Government implements the work safety licencing system to the enterprises engaged in mining, construction, production of hazardous chemicals, fireworks and crackers, and civil use explosive articles. No enterprise may engage in such manufacturing activities without a work safety licence.

The department of work safety supervision and administration under the State Council shall be in charge of the issuance and administration of work safety licence for enterprises which are subject to the administration of the central authority and engage in the non-coal mining, production of hazardous chemicals, fireworks and crackers. The provincial departments of work safety supervision and administration are in charge of the issuance and administration of work safety license for enterprises which engage in non-coal mining, the production of hazardous chemicals, fireworks and crackers except for the aforesaid.

Regulation of the PRC Private Equity industry

Prior to 27 June 2013, regulation of the PRC Private Equity industry was undertaken by the NDRC. On 27 June 2013, State Commission Office of Public Sectors Reform (SCOPSR) issued Notice on the Division of Regulatory Responsibilities for Private Equity Investment Fund (《關於私募股權基金管理職責分工的通知》), which specified that China Securities Regulatory Commission (CSRC) and the NDRC would fulfill the regulatory function with respect to the industry and its participants. CSRC is in charge of the supervision and regulation of private funds, including but not limited to, private equity funds, private securities investment funds, venture capital funds and other forms of private funds. CSRC promulgated the Law of the PRC on Securities Investment Funds (《中華人民共和國證券投資基金法》) (the “**Law of Securities Funds**”) on 28 October 2003, effective on 1 June 2004 and last amended on 24 April 2015, which mainly regulates the activities of public-raised securities investment funds but also provides some basic guidance for participants of privately raised securities investment funds. The Law of Securities Funds requires that any individual or institutions, without registration, shall not conduct securities investment activities under the names of “funds” or “fund management.” However, it does not specify the registration authority or the process.

Under CSRC’s guidance, Asset Management Association of China (“**AMAC**”), a self-regulatory organization, provides an additional layer of regulation of the PE industry participants. Specifically, AMAC, among other things, handles private fund manager registration and private fund record-filing pursuant to its rules, and fulfills the enforcement function with respect to its association members. To perform self-regulatory administration of private funds, AMAC formulated the Measures for the Registration of Private Investment Fund Managers and Filing of Private Investment Funds (《私募投資基金管理人登記和基金備案辦法》試行) (for Trial Implementation) (the “**Trial Measures**”), which became effective as at 7 February 2014, setting forth the procedures and requirements for the registration of private fund managers and the filing of private funds.

On 21 August 2014, CSRC promulgated the Interim Measures for the Supervision and Administration of Privately-Raised Investment Funds (《私募投資基金監督管理暫行辦法》) (the “**Interim Measures for PE Funds**”), which, along with its explanations, further clarifies the self-regulatory requirements for private funds.

Since February 2016, AMAC has released a serial of documents regulating internal control, and information disclosure and registration of private equity fund managers, including, among others the Guidelines for Internal Control of Private Equity Investment Manager (《私募投資基金管理人內部控制指引》), the Administrative Measures for Information Disclosure of Private Equity Investment Fund (《私募投資基金信息披露管理辦法》), and the Announcement of Several Items for Further Regulating the Registration of Private Equity Fund Managers (《關於進一步規範私募基金管理人登記若干事項的公告》) (together, the “**Administrative Measures**”). Pursuant to the Administrative Measures, fund managers shall complete the filing of private equity products within the prescribed time; they shall report any materially changes timely, and submit quarter and annual reports and audited financial statements prior to the end of April each year. The Administrative Measures further set out requirements for the qualifications of the management of private equity management companies, and requirements to the formulation and implementation of internal control policies. Any non-compliance with the Administrative Measures may lead to warning, public criticism, and disqualification as fund manager, in some cases, by AMAC.

On 30 August 2017, the State Council circulated the draft Interim Measures on Administration of Privately-Raised Investment Funds (《私募投資基金管理暫行條例徵求意見稿》) (the “**New Interim Measures for PE Funds**”) for comments, the commenting period of which ended in September 2017. The New Interim Measures for PE Funds specifies the basic requirements for private fund managers, their senior management, directing partners and authorized representatives, and the obligations of fund managers and trustees. It also specifies the legal liabilities for violating the Measures. Pursuant the Measures, overseas institutions cannot directly raise capital from domestic investors to set up private equity fund unless otherwise specified by law; the regulations regarding the administration of foreign-invested private equity fund managers will be promulgated by CSRC later.

On 27 April 2018, the PBOC, China Banking and Insurance Regulatory and Administration Committee, CSRC and SAFE, jointly issued the Guiding Opinions on Regulating the Asset Management Business of Financial Institutions (《關於規範金融機構資產管理業務的指導意見》) (“**Guiding Opinions**”). The Guiding Opinions aim to establish uniform regulatory standards to guide the operation of asset management business and relevant products by adoption of a macro-prudential policy framework, and reflect the overall attitude of the relevant authorities in the financial industry to impose stricter requirements on participants in the asset management business.

On 30 December 2020, CSRC issued the Several Provisions on Strengthening the Regulation of Privately Offered Investment Funds(《關於加強私募投資基金監管的若干規定》) (Several Provisions), which came into effect on the same day. The Several Provisions shall apply where a private fund manager legally registered with the AMAC engages in private fund business, aiming to standardise the name and business scope of private equity fund managers, to optimise the supervision of private equity fund managers, to reiterate that private equity funds should be privately raised from qualified investors, to clarify the property investment requirements of private equity funds, to strengthen the regulatory requirements of private equity fund managers and practitioners and other entities, and standardise the development of related transactions, and to clarify legal responsibilities and arrangements for the transition period.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Bonds is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Bonds or any persons acquiring, selling or otherwise dealing in the Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds. Persons considering the purchase of the Bonds should consult their own tax advisers concerning the possible tax consequences of buying, holding or selling any Bonds under the laws of their country of citizenship, residence or domicile.

PRC Taxation

The following summary accurately describes the principal PRC tax consequences of ownership of the Bonds by beneficial owners who, or which, are not residents of PRC for the PRC tax purposes. These beneficial owners are referred to as non-resident Bondholders in this “PRC Taxation” section. In considering whether to invest in the Bonds, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2008.

Pursuant to the EIT Law and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a “non-resident enterprise” means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC.

Furthermore, according to the EIT Law, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose “de facto management bodies” are within the territory of China shall be PRC tax resident enterprises for the purpose of the EIT Law and they shall pay enterprise income tax at the rate of 25 per cent. in respect of their income sourced from both within and outside the PRC. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the “de facto management body” of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the EIT Law and be subject to enterprise income tax at the rate of 25 per cent. for its income sourced from both within and outside PRC.

The Issuer and the Company believe that the Issuer is currently not a “resident enterprise”, and as confirmed by the Issuer and the Company, as at the date of this Offering Circular, neither the Issuer nor the Company has been notified or informed by the PRC tax authorities that the Issuer is considered as a PRC tax resident enterprise for the purpose of the EIT Law. On that basis, holders of the Bonds will not be subject to any tax under the EIT Law imposed by any governmental authority in the PRC in respect of the holding of the Bonds or any repayment of principal and payment of interest made thereon by the Issuer.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the EIT Law and related implementation rules in the future. Under the Individual Income Tax Law of the PRC (IIT Law), as amended on 31 August 2018 and effective on 1 January 2019, any undomiciled individual who does not reside within the territory of the PRC or has resided within the territory of the PRC for less than 183 days in aggregate in a tax year shall pay individual income tax

for any income obtained within the PRC. Pursuant to the EIT Law, the IIT Law and the implementation rules in relation to both the EIT Law and the IIT Law, any non-resident individual or enterprise without domicile or establishment within the PRC or whose income has no actual connection to its establishment inside the PRC shall pay income tax at the rate of 20 per cent. for individuals or 10 per cent. for enterprises on the income sourced inside the PRC, unless a preferential rate is provided by tax treaties or arrangements entered into between the PRC and the country or region where the non-resident is domiciled or established, and such income tax shall be withheld by sources with the PRC payer acting as the obligatory withholder, who shall withhold the tax amount from each payment or payment due. Accordingly, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, the Issuer shall withhold income tax from the payments of interest in respect of the Bonds for any non-PRC Bondholder if such interest is regarded as being derived from sources within the PRC. If the Issuer is deemed to be a PRC tax resident enterprise, any gains realised on the transfer of the Bonds by non-resident Bondholders may also be subject to the PRC's income tax at a rate of 10 per cent. for enterprise Bondholders or 20 per cent. for individual Bondholders, if such gains are regarded as having been derived in the PRC, unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax.

On 23 March 2016, the MOF and the SAT issued the Circular 36, which confirms that business tax will be completely replaced by VAT from 1 May 2016. Since then, the income derived from the provision of financial services which attracted business tax will be entirely replaced by and be subject to VAT.

According to Circular 36, entities and individuals providing services within the PRC are subject to VAT. The services potentially subject to VAT include the provision of financial services such as the provision of loans. Although the issuance of the Bonds is likely to be treated as financial services for VAT purposes, Circular 36 stipulates that services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. In connection with the issue of the Bonds, none of the Issuer and/or the Bondholders is located in the PRC. However, if the PRC tax authorities deem that the Bondholders are providing loans within the PRC, the interest and other interest like earnings received by a non-PRC resident Bondholder from the Issuer will be subject to PRC VAT at the rate of 6 per cent. and the Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals.

In addition, under such an interpretation Bondholders could become subject to local levies at approximately 12 per cent. of the VAT payment and consequently, the combined rate of VAT and local levies payable on interest due to Bondholders could be up to 6.72 per cent.

However, Circular 36 and laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties, and the above statement may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of Circular 36.

The Issuer has agreed to pay additional amounts to holders of the Bonds so that holders of the Bonds would receive the full amount of the scheduled payment, as further set out in the Terms and Conditions of the Bonds.

No PRC stamp duty will be imposed on non-resident Bondholders either upon issuance of the Bonds or upon a subsequent transfer of Bonds.

British Virgin Islands Taxation

The Issuer is exempt from all provisions of the Income Tax Ordinance of the British Virgin Islands.

Payments of principal, premium or interest in respect of the Bonds to persons who are not resident in the British Virgin Islands are not subject to British Virgin Islands tax or withholding tax.

Capital gains realised with respect to the Bonds by persons who are not persons resident in the British Virgin Islands are also exempt from all provisions of the Income Tax Ordinance of the British Virgin Islands.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not resident in the British Virgin Islands with respect to the Bonds.

All instruments relating to transactions in respect of the Bonds are exempt from payment of stamp duty in the British Virgin Islands. This assumes that the Issuer does not hold an interest in real estate in the British Virgin Islands.

Hong Kong Taxation

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal (including any premium payable on redemption of the Bonds) or interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;
- (iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the “IRO”)) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisers to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

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

United States' Foreign Account Tax Compliance Act Tax Provisions

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the British Virgin Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, such withholding would not apply prior to 1 January 2019 and Bonds issued on or prior to the date that is six months after the date on which final regulations defining “foreign pass thru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Bonds.

SUBSCRIPTION AND SALE

The Issuer and the Company have entered into a subscription agreement with the Joint Lead Managers dated 27 October 2021 (the “**Subscription Agreement**”) pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to severally and not jointly, subscribe and pay for, or to procure subscribers to subscribe and pay for, the aggregate principal amount of the Bonds set forth opposite its name below:

Joint Lead Manager	Principal amount of the Bonds to be subscribed
China International Capital Corporation Hong Kong Securities Limited	U.S.\$50,000,000
Huatai Financial Holdings (Hong Kong) Limited	U.S.\$50,000,000
ICBC International Securities Limited.. ..	U.S.\$50,000,000
Standard Chartered Bank	U.S.\$50,000,000
Haitong International Securities Company Limited	U.S.\$8,000,000
CNCB (Hong Kong) Capital Limited.....	U.S.\$8,000,000
CLSA Limited	U.S.\$8,000,000
CMB International Capital Limited.....	U.S.\$8,000,000
China Everbright Bank Co., Ltd., Hong Kong Branch	U.S.\$8,000,000
Guotai Junan Securities (Hong Kong) Limited	U.S.\$8,000,000
Central Wealth Securities Investment Limited.....	U.S.\$8,000,000
ABCI Capital Limited	U.S.\$8,000,000
BOCOM International Securities Limited	U.S.\$8,000,000
CEB International Capital Corporation Limited	U.S.\$8,000,000
Total	<u>U.S.\$280,000,000</u>

The Subscription Agreement provides that the Issuer and the Company will jointly and severally indemnify the Joint Lead Managers and their respective subsidiaries, affiliates or any person who controls any of them or any of their respective directors, officers, employees or agents against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“**Banking Services or Transactions**”). The Joint Lead Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services and/or Transactions with the Issuer and the Company for which they have received, or will receive, fees and expenses.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Company, may place orders, receive allocations and purchase Bonds for their own account (without a view to distributing such Bonds) and such orders and/or allocations of the Bonds may be material. Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer or the Company, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the Bonds being “offered” should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Company for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Bonds. If this is the case, liquidity of trading in the Bonds may be constrained (see *“Risk Factors — Risks Relating to the Bonds — An active trading market for the Bonds may not develop”*). The Issuer, the Company and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Bonds among individual investors.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and enter into transactions, including credit derivative, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of their or their respective subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). Such investment and securities activities may involve securities and instruments of the Issuer and/or the Company, including the Bonds and could adversely affect the trading prices of the Bonds. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or other financial instruments of the Issuer or the Company, and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments.

In connection with the issue of the Bonds, the Stabilisation Manager (or any person acting on behalf of a Stabilisation Manager) may, to the extent permitted by applicable laws and directives, over-allot the Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail, but in so doing, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager shall act as principal and not as agent of the Issuer or the Company. However, there is no assurance that the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager will undertake stabilisation action. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Joint Lead Managers.

General

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

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

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of a Joint Lead Manager is a licenced broker or dealer in that jurisdiction,

the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer and the Company in such jurisdiction.

United States

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

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

United Kingdom

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

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Company; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

The People’s Republic of China

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

Hong Kong

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

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

Singapore

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, each of the Joint Lead Managers

has represented and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notification under Section 309B(1)(c) of the SFA — the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Joint Lead Managers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan

except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

British Virgin Islands

Each of the Joint Lead Managers has represented, warranted and agreed that it has not made and will not make, directly or indirectly, any offer to the public in the British Virgin Islands or a natural person who is a British Virgin Islands resident or citizen in the British Virgin Islands to purchase or subscribe for any of the Bonds and the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the British Virgin Islands, except as otherwise permitted by British Virgin Islands law.

This Offering Circular does not constitute, and there will not be, an offering of the Bonds to any person in the British Virgin Islands.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

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

Government Grant

Under PRC GAAP, an assets-related government grant is only required to be recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset. However, under IFRS, such assets-related government grants are allowed to be presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

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

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

Reversal of an Impairment Loss

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

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

Fixed Assets and Intangible Assets

Under PRC GAAP, only the cost model is allowed.

Under IFRS, an entity can choose either the cost model or the revaluation model as its accounting policy.

Available-for-sale Financial Assets

Under PRC GAAP, an enterprise shall measure available-for-sale financial assets at their fair values. If the available-for-sale financial assets do not have a quoted market price in an active market, and their fair value cannot be reliably measured, cost model shall be applied.

Under IFRS, available-for-sale financial assets are measured at fair value.

GENERAL INFORMATION

Clearing Systems: The Bonds have been accepted for clearance through Euroclear and Clearstream. The Legal Entity Identifier of the Issuer is 3003009ZR7DEOK6U2J71. The ISIN of the Bonds is XS2403224129 and the Common Code of the Bonds is 240322412.

Authorisations: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Bonds, the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking. The issue of the Bonds was authorised by resolutions of the sole director of the Issuer on 21 October 2021. The Company has obtained all necessary consents, approvals and authorisations in connection with the giving and performance of its obligations under the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking. The entry into the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking was authorised by a resolution of the board of directors of the Company on 8 October 2021 and a resolution of the Company's shareholder on 15 October 2021.

No Material Adverse Change: As at the date of this Offering Circular, there has been no material adverse change, or any development or event likely to involve a prospective change, in the condition (financial or otherwise), prospects, properties, results of operations, business or general affairs of the Issuer, the Company or the Group since 31 December 2020.

Litigation: As at the date of this Offering Circular, none of the Issuer, the Company or any other member of the Group is involved in any litigation or arbitration proceedings that the Issuer or Company believes are material in the context of the Bonds, and the entry into the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking, and so far as the Issuer and the Company are aware, no such proceedings are pending or threatened.

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

Available Documents: So long as any Bond is outstanding, copies of the Trust Deed, the Agency Agreement, the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking relating to the Bonds will be available for inspection by the Bondholders from the Issue Date at the principal place of business of the Trustee, being at the date of this Offering Circular at One Canada Square, London E14 5AL, United Kingdom and at the specified office of the Principal Paying Agent, at all reasonable times during normal office hours (being London time 9.00 a.m. to 3.00 p.m., from Monday to Friday, other than public holidays) following prior written request and proof of holding and identity satisfactory to the Trustee or, as the case may be, the Principal Paying Agent.

Financial Statements: The Company's Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by Zhongxinghua as stated in its reports dated 30 April 2020 and 27 April 2021, respectively. The Company's Reviewed Interim Financial Statements, which are included elsewhere in this Offering Circular, have been reviewed by Zhongxinghua as stated in its reports dated 20 August 2021.

Listing of Bonds: Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Company, the Group or Bonds.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). Accordingly, the Bonds, if traded on the SGX-ST, will be traded in a minimum board lot size of U.S.\$200,000.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate is exchanged for definitive certificates, the Issuer will appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate is exchanged for definitive certificates, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive certificates, including details of the paying agent in Singapore.

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Nanjing Yangzi State-owned Investment Group Co., Ltd



Review Report

00002021100008895516

报告文号：中兴华阅字[2021]第020012号

Zhongxinghua Review (2021) No. 020012

ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP



ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP

Location: 20/F, Tower B, Lize SOHO, 20 Lize Road, Fengtai District, Beijing PR China

Review Report

Zhongxinghua Review (2021) No. 020012

All shareholders of Nanjing Yangzi State-owned Investment Group Co., Ltd:

We have reviewed the attached financial statements of Nanjing Yangzi State-owned Investment Group Co., Ltd (hereinafter referred to as "Yangzi State-owned Investment Group"), including the Consolidated & Parent Company Balance Sheet as of June 30, 2021, Consolidated & Parent Company Income Statement, Consolidated & Parent Company Owner's Equity Change Statement, Consolidated & Parent Company Cash Flow Statement and Financial Statement Notes of January-June 2021. Preparation of the financial statements is responsibility for the management level of Yangzi State-owned Investment Group, and our responsibility is to issue review report on the financial statements based on implementation of review work.

We have executed reviewing works in accordance with provisions of the Chinese CPA Standards on Review Engagements No. 2101 - Engagements to Review Financial Statements. It is required by the Standards that we should plan and execute reviewing works so as to obtain reasonable assurance to financial statements free from material misstatement. The review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures on financial data, and a review is substantially less in scope than an audit conducted. We did not conduct audit, and thus audit opinions are not provided.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared in accordance with the requirement in Accounting Standards for Business Enterprises, there is no fairly reflecting the financial performance as well as financial position and cash flows.

ZHONGXINGHUA CERTIFIED PUBLIC

ACCOUNTANTS LLP

(Seal)

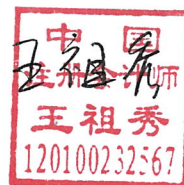
Beijing·China

Chinese CPA:



Chinese CPA:

August 30, 2021



Consolidated Balance Sheet

June 30, 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Items	Note	Closing balance	Previous year ending balance
Current assets:			
Monetary fund	Note VI.1	40,191,118,820.94	45,959,357,811.93
Transactional financial assets	Note VI.2	4,061,752.00	Inapplicable
Financial assets measured at fair value with changes charged to current profits and losses	Note VI.3		5,798,802.00
Derivative financial assets			
Bills receivable	Note VI.4	4,400,000.00	2,782,327.58
Accounts receivable	Note VI.5	6,901,742,769.14	7,824,125,589.72
Receivables financing			
Advance payment	Note VI.6	6,293,312,384.64	4,299,580,539.27
Other receivables	Note VI.7	20,257,279,162.49	21,265,227,888.52
Inventory	Note VI.8	106,862,426,199.28	91,826,727,688.53
Contract assets			Inapplicable
Held-for-sale assets			
Non-current assets due within one year		442,477.90	
Other current assets	Note VI.9	3,131,711,418.26	2,611,232,280.68
Total current assets		183,646,494,984.65	173,794,832,928.23
Non-current assets			
Creditor's rights investment	Note VI.10	91,420,000.00	Inapplicable
Available-for-sale financial assets	Note VI.11	Inapplicable	25,703,923,502.58
Other debt investments			Inapplicable
Held-to-maturity investments	Note VI.12	Inapplicable	91,420,000.00
Long-term accounts receivable	Note VI.13	1,551,353,848.67	1,034,462,387.83
Long-term equity investment	Note VI.14	3,541,030,595.18	2,835,345,172.39
Other equity instrument investments	Note VI.15	27,140,993,573.48	Inapplicable
Other non-current financial assets	Note VI.16	320,410,000.00	Inapplicable
Investment real estate	Note VI.17	20,267,609,709.64	19,918,930,002.85
Fixed assets	Note VI.18	2,855,463,818.67	2,890,711,705.65
Construction in process	Note VI.19	20,426,883,414.60	16,362,778,832.01
Right-of-use assets	Note VI.20	239,087,051.11	Inapplicable
Productive biological assets			
Oil and gas assets			
Intangible assets	Note VI.21	1,868,671,255.95	1,571,139,843.02
Development expenditure	Note VI.22	62,921,133.33	59,136,642.30
Goodwill			
Long-term prepaid expense	Note VI.23	466,092,133.62	369,432,919.15
Deferred income tax assets	Note VI.24	146,294,410.07	145,780,918.83
Other non-current assets	Note VI.25	35,415,080,597.18	37,301,947,387.18
Total non-current assets		114,393,311,541.50	108,285,009,313.79
Total assets		298,039,806,526.15	282,079,842,242.02

Legal representative:

Accounting director:

Accounting firm director:

Consolidated Balance Sheet (Continued)

June 30, 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Items	Note	Closing balance	Previous year ending balance
Current liabilities:			
Short-term borrowings	Note VI.26	9,591,964,640.91	9,459,986,640.91
Transactional financial liabilities			Inapplicable
Financial liabilities measured at fair value with changes charged to current profits and losses		Inapplicable	
Derivative financial liabilities			
Bills payable	Note VI.27	24,912,920.00	
Accounts payable	Note VI.28	3,109,946,831.13	3,483,216,340.10
Advance receipt	Note VI.29	5,324,259,713.37	2,706,098,605.44
Contract liabilities	Note VI.30	202,244,548.32	Inapplicable
Payroll payable	Note VI.31	12,724,863.87	42,883,783.72
Taxes payable	Note VI.32	147,781,830.88	476,343,767.02
Other payables	Note VI.33	7,073,719,098.04	9,515,948,909.93
Held-for-sale liabilities			
Non-current liabilities due within one year	Note VI.34	19,893,529,676.80	20,590,412,877.11
Other current liabilities	Note VI.35	12,290,147.37	603,146,763.09
Total current liabilities		45,393,374,270.69	46,878,037,687.32
Non-current liabilities:			
Long-term borrowing	Note VI.36	96,119,502,505.70	89,586,097,190.04
Bonds payable	Note VI.37	58,597,291,775.95	49,748,432,083.10
Of which: Preferred Stock			
Perpetual debt			
Lease liabilities	Note VI.38	151,510,051.43	Inapplicable
Long-term accounts payable	Note VI.39	7,677,638,552.48	7,509,495,846.92
Long-term employee remuneration payable			
Estimated liabilities			
Deferred incomes	Note VI.40	423,659,362.55	332,464,697.48
Deferred income tax liabilities	Note VI.24	1,739,442,006.02	1,847,958,508.02
Other non-current liabilities	Note VI.41	1,417,669,402.63	1,259,352,590.11
Total non-current liabilities		166,126,713,656.76	150,283,800,915.67
Total liabilities		211,520,087,927.45	197,161,838,602.99
Owner's equity:			
Paid-in capital	Note VI.42	13,000,000,000.00	13,000,000,000.00
Other equity instruments	Note VI.43	10,941,146,816.97	9,543,546,816.97
Of which: Preferred Stock			
Perpetual debt	Note VI.43	10,941,146,816.97	9,543,546,816.97
Capital reserve	Note VI.44	27,521,605,066.48	27,041,213,107.48
Less: treasury stock			
Other comprehensive incomes	Note VI.45	1,565,202,213.51	1,693,838,010.41
Special reserve		448,562.73	
Surplus reserve	Note VI.46	6,290,674.41	6,290,674.41
General risk reserve		38,368,295.65	38,368,295.65
Undistributed profits	Note VI.47	2,574,575,174.87	2,524,300,674.90
Total owner's equity attributable to the parent company		55,647,636,804.62	53,847,557,579.82
Minority shareholder's equity		30,872,081,794.08	31,070,446,059.21
Total owner's equity		86,519,718,598.70	84,918,003,639.03
Total liabilities and owner's equity		298,039,806,526.15	282,079,842,242.02

Legal representative:

Accounting director:

Accounting firm director:

Consolidated Income Statement

January-June 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Items	Note	Current amount	Same period last year
I. Total operating incomes	Note VI.48	3,496,491,774.58	2,458,260,158.93
Of which: operating incomes	Note VI.48	3,496,491,774.58	2,458,260,158.93
II. Total operating costs		3,813,132,203.64	2,735,362,886.95
Of which: operating costs	Note VI.48	2,691,205,847.74	1,879,464,969.04
Taxes and surcharges		95,183,332.24	41,898,711.21
Sales expenses		84,355,558.65	43,789,850.39
Management expenses		508,561,755.50	466,937,969.98
R&D expenses		6,002,358.83	5,110,411.49
Financial expenses	Note VI.49	427,823,350.68	298,160,974.84
Of which: interest expenses			
Interest incomes			
Plus: other incomes	Note VI.50	41,052,833.40	92,903,644.68
Investment incomes (losses marked with "-")	Note VI.51	307,516,653.62	344,782,276.50
Of which: incomes from investment in associated enterprises and joint ventures		-12,007,065.42	-26,951,660.68
Derecognized incomes of financial assets measured at amortized cost			
Net exposure hedging gains (losses marked with "-")			
Fair value change incomes (losses marked with "-")	Note VI.52	-5,539,936.43	-16,495,122.00
Credit impairment losses (losses marked with "-")	Note VI.53	-5,333,371.20	
Asset impairment losses (losses marked with "-")	Note VI.54		182,600.00
Asset disposal incomes (losses marked with "-")	Note VI.55	-6,872.42	2,860.00
III. Operating profits (losses marked with "-")		21,048,877.91	144,273,531.16
Plus: non-operating income	Note VI.56	17,572,411.14	6,886,310.47
Less: non-operating expense	Note VI.57	15,169,047.85	18,139,105.29
IV. Total profits (total losses marked with "-")		23,452,241.20	133,020,736.34
Less: income tax expenses	Note VI.58	55,604,738.91	3,492,083.15
V. Net profits (net losses marked with "-")		-32,152,497.71	129,528,653.19
(I) Classified by business continuity:			
1. Net profits from sustainable operation		-32,152,497.71	129,528,653.19
2. Net profits from discontinued operation			
(II) Classified by ownership:			
1. Net profits attributable to the parent company owners		6,932,704.67	184,435,528.64
2. Minority shareholder's profits and losses		-39,085,202.38	-54,906,875.45
VI. After-tax net amount of other comprehensive incomes		-169,892,761.58	22,779,594.29
(I) After-tax net amount of other comprehensive incomes attributable to equity holders of parent company		-85,294,001.60	11,617,593.09
1. Other comprehensive incomes unable to be reclassified into profits and losses		-115,647,518.85	
(1) Changes from re-measuring defined benefit plan			
(2) Other comprehensive incomes unable to transfer to profits and losses under the equity method			
(3) Fair value changes of other equity instrument investments		-115,647,518.85	Inapplicable
(4) Fair value changes of corporate credit risks			Inapplicable
(5) Others			
2. Other comprehensive incomes that will be classified into profit and loss later		30,353,517.25	11,617,593.09
(1) Other comprehensive incomes able to transfer to profits and losses under the equity method			
(2) Fair value changes of other debt investments			Inapplicable
(3) Profits and losses from changes in fair value of available-for-sale financial assets		Inapplicable	
(4) Amount of financial assets reclassified into other comprehensive incomes			Inapplicable
(5) Profits and losses from held-to-maturity investments reclassified into available-for-sale financial assets		Inapplicable	
(6) Other debt investment credit impairment provisions			Inapplicable
(7) Investment real estate fair value change profits and losses		-218,921.13	11,617,593.09
(8) Cash flow hedge reserve			
(9) Converted difference in foreign currency statements		30,572,438.38	
(10) Others			
(II) After-tax net amount of other comprehensive incomes attributable to minority shareholders		-84,598,759.98	11,162,001.20
VII. Total comprehensive incomes		-202,045,259.29	152,308,247.48
(I) Total comprehensive incomes attributable to owners of parent company		-78,361,296.93	196,053,121.73
(II) Total comprehensive incomes attributable to minority shareholders		-123,683,962.36	-43,744,874.25

Legal representative:

Accounting director:

Accounting firm director:

Consolidated Cash Flow Statement

January-June 2021

Prepared by: Nanjing Yangzi State-owned Investment Grc

Amount Unit: RMB yuan

Items	Current amount	Same period last year
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	6,035,462,244.54	2,665,329,218.15
Tax refunds received	245,550,365.56	98,288,332.51
Other cash received related to operating activities	11,025,967,236.05	9,570,181,165.67
Subtotal cash inflow from operating activities	17,306,979,846.15	12,333,798,716.33
Cash paid to buy goods and receive labor service	17,413,980,607.57	9,233,386,733.42
Cash paid to and for employees	407,408,119.16	311,835,701.16
Taxes paid	496,728,668.55	372,984,305.61
Other cash paid to operating-related activities	8,816,354,576.88	4,304,440,943.64
Subtotal cash outflow from operating activities	27,134,471,972.16	14,222,647,683.83
Net cash flow from operating activities	-9,827,492,126.01	-1,888,848,967.50
II. Cash flow from investing activities		
Cash received from investment withdrawal	501,648,947.70	423,346,448.50
Cash received from investment income	251,856,452.39	44,865,282.09
Net cash received from disposal of fixed assets, intangible assets and other long-term investments	560,903.60	3,630.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received from investing activities	241,886,716.75	
Subtotal cash inflow from investing activities	995,953,020.44	468,215,360.59
Cash paid for purchasing fixed assets, intangible assets and other long-term assets	5,156,371,016.53	5,817,777,673.46
Cash paid for investment	3,654,074,260.37	9,043,722,377.67
Net cash paid by subsidiaries and other business units	424,450.61	
Other cash paid to investing-related activities	15,798,053.11	6,940,246.08
Subtotal cash outflow from investing activities	8,826,667,780.62	14,868,440,297.21
Net cash flow from investment activities	-7,830,714,760.18	-14,400,224,936.62
III. Cash flow from financing activities:		
Cash received from absorbing investments	691,403,509.78	2,060,000,000.00
Of which: cash received from absorbing investments from minority shareholders by the subsidiary		
Cash received from borrowings	33,203,356,814.98	35,902,441,259.97
Other cash received from financing-related activities	4,703,590,676.42	4,379,295,801.45
Subtotal of cash inflow from financing activities	38,598,351,001.18	42,341,737,061.42
Cash paid for repayment of debt	17,477,286,454.86	11,452,345,245.86
Cash paid for distributing dividends, profits or settling interests	3,368,401,927.98	3,786,318,063.96
Of which: dividends and profits paid to minority shareholders by the subsidiary		
Other cash paid to financing-related activities	5,385,795,846.64	1,807,759,404.76
Subtotal cash outflow from financing activities	26,231,484,229.48	17,046,422,714.58
Net cash flow from financing activities	12,366,866,771.70	25,295,314,346.84
IV. Influence of exchange rate changes to cash and cash equivalents	-16,530,708.07	-8,182,984.28
V. Net increase in cash and cash equivalents	-5,307,870,822.56	8,998,057,458.44
Plus: opening balance of cash and cash equivalents	45,410,178,018.62	31,495,045,888.76
VI. Closing balance of cash and cash equivalents	40,102,307,196.06	40,493,103,347.20

Legal representative:

Accounting director:

Accounting firm director:

Consolidated Owner's Equity Change Statement

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

January-June 2021													
Items	Owner's equity attributable to the parent company												
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Minority shareholder's equity	Total owner's equity
		Preferred stock	Perpetual debt	Other									
I. Balance at the end of last year	13,000,000,000.00		9,543,546,816.97		27,041,213,107.48		1,693,838,010.41		6,290,674.41	38,368,295.65	2,524,300,674.90	31,070,446,059.21	84,918,003,639.03
Plus: accounting policy changes							-43,341,795.30				43,341,795.30		
Correction of previous-period accounting errors													
Other													
II. Balance at the beginning of this year	13,000,000,000.00		9,543,546,816.97		27,041,213,107.48		1,650,496,215.11		6,290,674.41	38,368,295.65	2,567,642,470.20	31,070,446,059.21	84,918,003,639.03
III. Increased or decreased amount this year (decrease marked with "-.")			1,397,600,000.00		480,391,959.00		-85,294,001.60	448,562.73			6,932,704.67	-198,364,265.13	1,601,714,959.67
(I) Total comprehensive incomes							-85,294,001.60				6,932,704.67	-123,683,962.36	-202,045,259.29
(II) Capital increase or decrease from the owner			1,397,600,000.00		480,391,959.00							-74,680,302.77	1,803,311,656.23
1. Invested capital by the owner					439,923,000.00							22,934,764.00	462,857,764.00
2. Other equity instruments owner invested capital													
3. Amount of stock payment included in owner's equity													
4. Others			1,397,600,000.00		40,468,959.00							-97,615,066.77	1,340,453,892.23
(III) Profit distribution													
1. Withdrawal of the surplus reserves													
2. Withdrawal of the general risk reserves													
3. Distribution to owners													
4. Others													
(IV) Internal transfer of owner's equity													
1. Capital reserve to increase capital													
2. Surplus reserve to increase capital													
3. Cover losses with surplus reserve													
4. Set the benefit plan variation to be carried out into retained earnings													
5. Retained earnings carried forward by other comprehensive incomes													
6. Others													
(V) Extraction and use of special reserves								448,562.73					448,562.73
1. Withdrawal in this period								467,447.69					467,447.69
2. Used in this period								-18,884.96					-18,884.96
(VI) Others													
IV. Balance at the end of current year	13,000,000,000.00		10,941,146,816.97		27,521,605,066.48		1,565,202,213.51	448,562.73	6,290,674.41	38,368,295.65	2,574,575,174.87	30,872,081,794.08	86,519,718,598.70

Legal representative:

Accounting director:

Accounting firm director:

Consolidated Owner's Equity Change Statement (Continued)

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Item	the year 2020												
	Owner's equity attributable to the parent company											Minority shareholder's equity	Total owner's equity
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	General risk reserve	Undistributed profits		
		Preferred stock	Perpetual debt	Other									
I. Balance at the end of last year	9,000,000,000.00		2,789,875,000.00		22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,217,062,547.25	69,240,818,924.15	
Plus: accounting policy changes													
Correction of previous-period accounting errors													
Other													
II. Balance at the beginning of this year	9,000,000,000.00		2,789,875,000.00		22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,217,062,547.25	69,240,818,924.15	
III. Increased or decreased amount this year (decrease marked with "-")	4,000,000,000.00		6,753,671,816.97		4,286,680,921.49		523,647,866.09		2,427,420.83	22,041,797.95	307,238,127.65	15,677,184,714.88	
(I) Total comprehensive incomes							523,647,866.09				325,213,506.43	1,530,577,674.54	
(II) Capital increase or decrease from the owner	4,000,000,000.00		6,753,671,816.97		4,286,680,921.49							14,181,089,326.37	
1. Invested capital by the owner	4,000,000,000.00				1,291,767,700.00							5,510,817,700.00	
2. Other equity instruments owner invested capital													
3. Amount of stock payment included in owner's equity													
4. Others			6,753,671,816.97		2,994,913,221.49								
(III) Profit distribution													
1. Withdrawal of the surplus reserves									2,427,420.83	6,917,957.95	-17,975,378.78	8,670,271,626.37	
2. Withdrawal of the general risk reserves									2,427,420.83		-2,427,420.83	-49,606,126.03	
3. Distribution to owners										6,917,957.95	-6,917,957.95		
4. Others													
(IV) Internal transfer of owner's equity													
1. Capital reserve to increase capital													
2. Surplus reserve to increase capital													
3. Cover losses with surplus reserve													
4. Set the benefit plan variation to be carried out into retained earnings													
5. Retained earnings carried forward by other comprehensive incomes													
6. Others													
(V) Extraction and use of special reserves													
1. Withdrawal in this period										15,123,840.00		15,123,840.00	
2. Used in this period										15,123,840.00		15,123,840.00	
(VI) Others													
IV. Balance at the end of current year	13,000,000,000.00		9,543,546,816.97		27,041,213,107.48		1,693,838,010.41		6,290,674.41	38,368,295.65	2,524,300,674.90	84,918,003,639.03	

Accounting director:

Accounting firm director:

Legal representative:

Balance Sheet

June 30, 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., L

Amount Unit: RMB yuan

Items	Note	Closing balance	Opening balance
Current assets:			
Monetary fund		7,829,582,425.69	9,386,714,316.92
Transactional financial assets			Inapplicable
Financial assets measured at fair value with changes charged to current profits and losses		Inapplicable	
Derivative financial assets			
Bills receivable			
Accounts receivable	Note XIII.1	100,862,536.10	76,900,320.49
Advance payment		2,845,281,776.79	1,546,604,013.26
Other receivables	Note XIII.2	9,749,260,590.10	9,667,766,784.52
Inventory			
Contract assets			Inapplicable
Held-for-sale assets			
Non-current assets due within one year			
Other current assets			935,868.49
Total current assets		20,524,987,328.68	20,678,921,303.68
Non-current assets			
Creditor's rights investment			Inapplicable
Available-for-sale financial assets		Inapplicable	16,480,554,626.20
Other debt investments			Inapplicable
Held-to-maturity investments			
Long-term accounts receivable			
Long-term equity investment	Note XIII.3	33,994,453,460.98	33,258,540,009.06
Other equity instrument investments		17,430,251,169.21	Inapplicable
Other non-current financial assets			Inapplicable
Investment real estate			
Fixed assets		4,063,563.10	4,377,398.88
Construction in process			
Right-of-use assets			Inapplicable
Productive biological assets			
Oil and gas assets			
Intangible assets		956,094.68	1,203,237.16
Development expenditure			
Goodwill			
Long-term prepaid expense		7,887,104.34	7,707,758.39
Deferred income tax assets		137,385.64	137,385.64
Other non-current assets			
Total non-current assets		51,437,748,777.95	49,752,520,415.33
Total assets		71,962,736,106.63	70,431,441,719.01

(The attached Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Balance Sheet (Continued)

June 30, 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., L

Amount Unit: RMB yuan

Items	Note	Closing balance	Opening balance
Current liabilities:			
Short-term borrowings		5,347,370,000.00	4,685,992,000.00
Transactional financial liabilities			Inapplicable
Financial liabilities measured at fair value with changes charged to current profits and losses		Inapplicable	
Derivative financial liabilities			
Bills payable			
Accounts payable			
Advance receipt			
Contract liabilities			Inapplicable
Payroll payable		60,301.90	456,473.19
Taxes payable		4,580,499.92	2,928,204.05
Other payables		5,513,433,731.58	5,921,631,184.21
Held-for-sale liabilities			
Non-current liabilities due within one year		2,931,500,000.00	1,957,000,000.00
Other current liabilities			
Total current liabilities		13,796,944,533.40	12,568,007,861.45
Non-current liabilities:			
Long-term borrowing		4,983,500,000.00	5,731,000,000.00
Bonds payable		23,125,691,070.59	23,124,276,150.59
Of which: Preferred Stock			
Perpetual debt			
Lease liabilities			Inapplicable
Long-term accounts payable			
Long-term employee remuneration payable			
Estimated liabilities			
Deferred incomes			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		28,109,191,070.59	28,855,276,150.59
Total liabilities		41,906,135,603.99	41,423,284,012.04
Owner's equity:			
Paid-in capital		13,000,000,000.00	13,000,000,000.00
Other equity instruments		7,588,034,081.12	6,988,034,081.12
Of which: Preferred Stock			
Perpetual debt		7,588,034,081.12	6,988,034,081.12
Capital reserve		9,419,949,881.85	8,980,026,881.85
Less: treasury stock			
Other comprehensive incomes			
Special reserve			
Surplus reserve		6,290,674.41	6,290,674.41
Undistributed profits		42,325,865.26	33,806,069.59
* Minority shareholder's interest			
Total owner's equity		30,056,600,502.64	29,008,157,706.97
Total liabilities and owner's equity		71,962,736,106.63	70,431,441,719.01

(The attached Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Income Statement

January-June 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Items	Note	Current amount	Same period last year
1. Operating income	Note XIII.4	58,714,568.37	37,117,582.92
Less: operating costs			
Taxes and surcharges		3,805,100.40	1,319,370.30
Sales expenses			
Management expenses		25,091,404.83	26,065,218.03
R&D expenses			
Financial expenses		160,113,447.16	260,806,671.63
Of which: interest expenses		194,794,672.58	
Interest incomes		34,720,587.84	
Plus: other incomes		65,069.69	34,000,000.00
Investment incomes (losses marked with "-")	Note XIII.5	138,750,110.00	226,711,990.29
Of which: incomes from investment in associated enterprises and joint ventures			
Derecognized incomes of financial assets measured at amortized cost			
Net exposure hedging gains (losses marked with "-")			
Fair value change incomes (losses marked with "-")			
Credit impairment losses (losses marked with "-")			
Asset impairment losses (losses marked with "-")			
Asset disposal incomes (losses marked with "-")			
II. Operating profits (losses marked with "-")		8,519,795.67	9,638,313.25
Plus: non-operating income			80,473.60
Less: non-operating expense			
III. Total profits (total losses marked with "-")		8,519,795.67	9,718,786.85
Less: income tax expenses			
IV. Net profits (net losses marked with "-")		8,519,795.67	9,718,786.85
(I) Net profits from sustainable operation (net losses marked with "-")		8,519,795.67	9,718,786.85
(II) Net profits from discontinued operation (net losses marked with "-")			
V. After-tax net amount of other comprehensive incomes			
(I) Other comprehensive incomes not to be reclassified into profits and losses			
1. Re-measured defined benefit plan changes			
2. Other comprehensive incomes unable to transfer to profits and losses under the equity method			
3. Fair value changes of other equity instrument investments			Inapplicable
4. Fair value changes of corporate own credit risks			Inapplicable
5. others			
(II) Other comprehensive incomes to be reclassified into profits and losses			
1. Other comprehensive incomes able to transfer to profits and losses under the equity method			
2. Fair value changes of other debt investments			Inapplicable
3. Profits or losses of fair value changes for available-for-sale financial assets		Inapplicable	
4. Amount of financial assets reclassified into other comprehensive incomes			Inapplicable
5. Held-to-maturity investments reclassified into profits and losses of available-for-sale financial assets		Inapplicable	
6. Other debt investment credit impairment provisions			Inapplicable
7. Profits and losses from fair value changes of investment property			
8. Cash flow hedge reserve			
9. Converted difference in foreign currency statements			
10. Others			
VI. Total comprehensive incomes		8,519,795.67	9,718,786.85

Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Cash Flow Statement

January-June 2021

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Amount Unit: RMB yuan

Items	Note	Current amount	Same period last year
I. Cash flow from operating activities:			
Cash received from selling goods and providing services		38,275,227.84	9,369,200.19
Tax refunds received			
Other cash received related to operating activities		1,634,785,657.53	1,961,651,205.54
Subtotal cash inflow from operating activities		1,673,060,885.37	1,971,020,405.73
Cash paid to buy goods and receive labor service			
Cash paid to and for employees		16,258,513.08	22,314,466.83
Taxes paid		3,805,100.40	11,285,428.79
Other cash paid to operating-related activities		1,536,437,043.68	1,771,685,398.81
Subtotal cash outflow from operating activities		1,556,500,657.16	1,805,285,294.43
Net cash flow from operating activities		116,560,228.21	165,735,111.30
II. Cash flow from investing activities			
Cash received from investment withdrawal		261,926,447.97	321,500,000.00
Cash received from investment income		190,216,911.23	30,314,650.38
Net cash received from disposal of fixed assets, intangible assets and other long-term investments			
Net cash received from disposal of subsidiaries and other business units			
Other cash received from investing activities			
Subtotal cash inflow from investing activities		452,143,359.20	351,814,650.38
Cash paid for purchasing fixed assets, intangible assets and other long-term assets		1,532,443.43	4,355,749.36
Cash paid for investment		1,954,897,581.38	7,790,507,471.63
Net cash paid by subsidiaries and other business units			
Other cash paid to investing-related activities			
Subtotal cash outflow from investing activities		1,956,430,024.81	7,794,863,220.99
Net cash flow from investment activities		-1,504,286,665.61	-7,443,048,570.61
III. Cash flow from financing activities:			
Cash received from absorbing investments		439,923,000.00	2,060,000,000.00
Cash received from borrowings		3,590,000,000.00	11,188,000,000.00
Other cash received from financing-related activities		600,000,000.00	3,000,000,000.00
Subtotal of cash inflow from financing activities		4,629,923,000.00	16,248,000,000.00
Cash paid for repayment of debt		2,701,622,000.00	4,999,211,538.73
Cash paid for distributing dividends, profits or settling interests		481,491,496.97	663,450,386.23
Other cash paid to financing-related activities		1,616,214,956.86	1,805,300,000.00
Subtotal cash outflow from financing activities		4,799,328,453.83	7,467,961,924.96
Net cash flow from financing activities		-169,405,453.83	8,780,038,075.04
IV. Influence of exchange rate changes to cash and cash equivalents			
V. Net increase in cash and cash equivalents		-1,557,131,891.23	1,502,724,615.73
Plus: opening balance of cash and cash equivalents		9,386,714,316.92	6,047,163,598.65
VI. Closing balance of cash and cash equivalents		7,829,582,425.69	7,549,888,214.38

(The attached Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Owner's Equity Change Statement

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.		January-June 2021										Amount Unit: RMB yuan	
		Items	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	Undistributed profits	Total owner's equity
Preferred stock	Perpetual debt			Other									
I. Balance at the end of last year		13,000,000,000.00			6,988,034,081.12		8,980,026,881.85				6,290,674.41	33,806,069.59	29,008,157,706.97
Plus: accounting policy changes													
Correction of previous-period accounting errors													
Other													
II. Balance at the beginning of this year		13,000,000,000.00			6,988,034,081.12		8,980,026,881.85				6,290,674.41	33,806,069.59	29,008,157,706.97
III. Increased or decreased amount this year (decrease marked with "-")					600,000,000.00		439,923,000.00					8,519,795.67	1,048,442,795.67
(I) Total comprehensive incomes												8,519,795.67	8,519,795.67
(II) Capital increase or decrease from the owner					600,000,000.00		439,923,000.00					8,519,795.67	8,519,795.67
1. Invested capital by the Owners							439,923,000.00						1,039,923,000.00
2. Other equity instruments owners inputs capital							439,923,000.00						439,923,000.00
3. Amount of share-based payment recorded in owner's equity													
4. Other					600,000,000.00								600,000,000.00
(III) Profit distribution													
1. Surplus reserve withdrawal													
2. Withdrawal of general risk reserve													
3. Distribution to owners													
4. Other													
(IV) Internal transfer of owner's equity													
1. Capital reserve to increase capital													
2. Surplus reserve turn to stock equity													
3. Surplus reserve to offset loss													
4. Set the benefit plan changes to be carried out into retained earnings													
5. Returned earnings carried over by other comprehensive income													
6. Other													
(V) Special reserve													
1. Appropriation for current year													
2. Use in current year													
(VI) Others													
IV. Balance at the end of current year		13,000,000,000.00			7,588,034,081.12		9,419,949,881.85				6,290,674.41	42,325,865.26	30,056,600,502.64
(The attached Financial Statement Notes are an integral part of the financial statements)													

(The attached Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Owner's Equity Change Statement (Continued)

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.		the year 2020										Amount Unit: RMB yuan	
Items	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive incomes	Special reserve	Surplus reserve	Undistributed profits	Total owner's equity		
		Preferred stock	Perpetual debt	Other									
I. Balance at the end of last year	9,000,000,000.00		2,291,000,000.00		10,558,845,960.36				3,863,253.58	20,589,282.14	21,874,298,496.08		
Plus: accounting policy changes													
Correction of previous-period accounting errors													
Other													
II. Balance at the beginning of this year	9,000,000,000.00		2,291,000,000.00		10,558,845,960.36				3,863,253.58	20,589,282.14	21,874,298,496.08		
III. Increased or decreased amount this year (decrease marked with "-")	4,000,000,000.00		4,697,034,081.12		-1,578,819,078.51				2,427,420.83	13,216,787.45	7,133,859,210.89		
(I) Total comprehensive incomes										24,274,208.28	24,274,208.28		
(II) Capital increase or decrease from the owner	4,000,000,000.00		4,697,034,081.12		-1,578,819,078.51						7,118,215,002.61		
1. Invested capital by the Owners	4,000,000,000.00				1,291,767,700.00						5,291,767,700.00		
2. Other equity instruments owners inputs capital													
3. Amount of share-based payment recorded in owner's equity													
4. Other			4,697,034,081.12		-2,870,586,778.51						1,826,447,302.61		
(III) Profit distribution									2,427,420.83	-11,057,420.83	-8,630,000.00		
1. Surplus reserve withdrawal									2,427,420.83	-2,427,420.83			
2. Withdrawal of general risk reserve													
3. Distribution to owners													
4. Other													
(IV) Internal transfer of owner's equity													
1. Capital reserve to increase capital													
2. Surplus reserve turn to stock equity													
3. Surplus reserve to offset loss													
4. Set the benefit plan changes to be carried out into retained earnings													
5. Returned earnings carried over by other comprehensive income													
6. Other													
(V) Extraction and use of special reserves													
1. Appropriation for current year													
2. Use in current year													
(VI) Others													
IV. Balance at the end of current year	13,000,000,000.00		6,988,034,081.12		8,980,026,881.85				6,290,674.41	33,806,069.59	29,008,157,706.97		

(The attached Financial Statement Notes are an integral part of the financial statements)

Legal representative:

Accounting director:

Accounting firm director:

Nanjing Yangzi State-owned Investment Group Co., Ltd. Financial Statement Notes in January-June 2021

(Unless otherwise specified, the amount unit is RMB)

I. Company profile

1. Registered location, organization form and headquarter address of the company

Pursuant to the *Decision of the Nanjing Municipal Committee of the Communist Party of China and Nanjing Municipal People's Government on Establishing the Nanjing Yangzi State-owned Investment Group Co., Ltd* (Ning Committee [2014] No.152) of the Nanjing Municipal Committee of the Communist Party of China on March 28, 2014, the Nanjing Yangzi State-owned Investment Group Co., Ltd (hereinafter referred to as "the company" or "company") capitals are composed of 51.00% equity of Nanjing Pukou New City Development and Construction Co., Ltd, 51.00% equity of Nanjing Jiangbei New District State-owned Assets Management Co., Ltd (Nanjing Chemical Industrial Park State-owned Assets Operation and Management Co., Ltd was renamed as Nanjing Jiangbei New District State-owned Assets Management Co., Ltd on November 22, 2018), 51.00% equity of Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd (Nanjing Dachang Investment Development Co., Ltd was renamed as Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd on August 20, 2018) and 51.00% equity of Nanjing Jiangbei New District Industrial Investment Group Co., Ltd (Nanjing High-Tech Economic Development Co., Ltd was renamed as Nanjing Jiangbei New District Industrial Investment Group Co., Ltd on December 11, 2017).

On April 4, 2014, the Nanjing Municipal Finance Bureau issued the Letter on Determining the Paid-in Capital of Nanjing Yangzi State-owned Investment Group Co., Ltd (Ning Financial Capital [2014] No.15), and verified the company's paid-in capital of RMB 5,000,000,000.

The company was founded on April 10, 2014 upon registration in the Nanjing Administration for Industry and Commerce.

On December 1, 2016, Nanjing Municipal People's Government State-owned Assets Supervision and Administration Commission decided to change corporate investor to Nanjing Jiangbei New District Management Committee.

On July 10, 2018, Nanjing Jiangbei New District Management Committee decided to increase corporate registered capital to RMB 6,000,000,000, the newly added registered capital of RMB 1,000,000,000 was subscribed by Nanjing Jiangbei New District Management Committee, and the funding was in place by currency before December 31, 2018.

On April 9, 2019, Nanjing Jiangbei New District Management Committee decided to increase corporate registered capital to RMB 7,800,000,000, the newly added registered capital of RMB 1,800,000,000 was subscribed by Nanjing Jiangbei New District Management Committee, and the funding was in place by currency before April 9, 2019.

On June 27, 2019, Nanjing Jiangbei New District Management Committee decided to increase corporate registered capital to RMB 9,000,000,000, the newly added registered capital of RMB 1,200,000,000 was subscribed by Nanjing Jiangbei New District Management Committee, and the funding was in place by currency before June 30, 2019.

On June 23, 2020, Nanjing Jiangbei New District Management Committee decided to increase corporate registered capital to RMB 13,000,000,000, the newly added registered capital of RMB 400,000,000 was subscribed by Nanjing Jiangbei New District Management Committee, and the funding was in place by currency before June 23, 2020. As of June 30, 2020, the company's paid-in capital was RMB 13,000,000,000.

The company's Corporate Legal Entity Business License Registration No.: 320100000201604130049; Domicile: No.6 Tianpu Road Pukou District Nanjing; Legal Representative: Fan Huijuan; Enterprise Type: Limited Liability Company (State-owned); Unified Social Credit Code: 9132010009392720XQ.

2. Business nature and main operating activities of the company

Business scope: urban functional project and industrial transformation upgrading carrier (including holding property) investment, asset operation and management; asset business; equity management; fund management. (The projects subject to approval according to laws shall gain approval by relevant departments before carrying out business activities)

3. Approval of financial report

The company's financial report is approved by its board of directors, and the approval date is August 30, 2021.

4. Scope of consolidated statement

The company had a total of 23 subsidiaries included in the consolidation scope in January-June 2021; please refer to Note VIII "Equity in other entities". Compared with the last year, the company's consolidation scope has increased 1 this year; please refer to Note VII "Changes of consolidation scope".

II. Preparation basis of the financial statements

1. Preparation basis

The company's financial statements are based on continuing operations, which are prepared as actual transactions and events in accordance with the accounting standards and guidelines for application, interpretation and other relevant regulations promulgated by the Ministry of Finance (collectively referred to as the "Accounting Standards for Enterprises"), in conformity with the Note. IV. Accounting policies and estimates in the "Significant Accounting Policies & Accounting Estimates".

According to relevant provisions of the accounting standards for enterprises, accounting in the company is conducted based on the accrual system. Apart from certain financial instruments and investment real estate, the financial statements should be measured on the basis of historic cost. If an asset is impaired, the corresponding provision for impairment shall be made in accordance with the relevant provisions.

As the main investor of state-owned capital, the company accepts government entrustment to undertake urban construction and government investment projects, and performs partial relevant functions of government on behalf, and special subsidy income from government funding is not treated as corporate income tax. Therefore, when preparing the company's consolidated financial statements, the impact of possible income tax payment obligation is not considered.

2. Sustainable operations

The financial statement is presented based on sustainable operation, and the company has the ability of sustainable operation within at least 12 months from the end of reporting period.

III. Statement on compliance with Accounting Standards for Business Enterprises

The financial statements formulated by the company were in accordance with the requirements of accounting standards for enterprises, and they truly and completely reflected the company's consolidation and its parent company's financial status on June 30, 2021, as well as its consolidation and its parent company's operation results, consolidation, cash flow and other relevant information in January-June 2021.

IV. Significant accounting policies and accounting estimate

The company and its subsidiaries are specialized in business service industry, etc. According to actual production business characteristics and relevant provisions in the Accounting Standards for Business Enterprises, the company and subsidiaries formulated multiple items of specific accounting policies and accounting estimates on income recognition, construction contract percentage-of-completion determination, R&D expenditure and other transactions and events; please refer to corresponding descriptions in Note IV 28 "Income". For details of the major accounting judgments and estimates made by management, please refer to Note IV. 34 "Major accounting judgments and estimates".

1. Accounting period

The company's accounting period is divided into annual and medium-term periods. The latter is shorter than the reporting period of a complete accounting year. Fiscal year of the company follows the Gregorian calendar year, namely from January 1 to December 31 every year.

2. Operating cycle

The normal operating cycle refers to the period from purchasing assets for processing to realizing retrieval of cash or cash equivalents. With 12 months as an operating cycle, the company also uses this as a dividing standard for the liquidity of assets and liabilities.

3. Functional currency

RMB serves as the functional currency of the company.

4. Measurement attribute

When the company measures accounting elements, it generally adopts historical costs; when the determined amount of accounting elements meets the requirements of Accounting Standards for Business Enterprises, and can be obtained, reliably measured, and measured at replacement cost, net realizable value, present value and fair value, the company will provide special descriptions.

5. Accounting treatment method for business combination under the same and different control

Business combination refers to the transactions or events of combining two or more than two separate businesses into one reporting entity. Business combination includes business combination under the same control and business combination under different control.

(1) Business combination under the same control

The enterprises involved in combination are ultimately controlled by the same party or parties before and after the combination. The control is not temporary, and the combination is under the same control.

For business combination under the same control, the party that obtains control over other participating enterprises on the purchase date is the acquirer, and other enterprises that participate in the combination are the acquirees. Combination date refers to the date on which the combining party actually obtains control to the combined party.

The company measures the assets and liabilities obtained from consolidation of enterprises, according to the book value of consolidated party's assets and liabilities (including the goodwill arising from ultimate controller's acquisition of the consolidated party) in the ultimate controller's consolidated financial statement on the consolidation date; adjusts the capital premium in capital reserve, by the difference between obtained net asset book value and paid consolidated consideration book value (or total par value of shares issued), and adjusts retained earnings, if the capital premium in capital reserve is insufficient to offset.

The direct expenses generated by the acquirer for the purpose of business combinations shall be recorded into the profits and losses for the current period.

(2) Business combination under different control

If the enterprises participating in the merger are not ultimately controlled by the same party or parties before and after the combination, the business combination is facilitated under different controls. For business combination not under the same control, the party that obtains control over other participating enterprises on the purchase date is the acquirer, and other enterprises that participate in the combination are the acquirees. The acquisition date refers to the date when acquirer actually obtains control over acquiree.

For the business combinations under different controls, the combination cost includes the assets paid by the acquirer to obtain control over acquiree on the acquisition date, the liabilities generated or undertaken and the fair value of the issued equity securities. The intermediary costs used for auditing, legal services, appraisal consulting and other administrative expenses during the process of business combination are included into the current profits and losses. Any transaction costs occurring in the process of issuing equity securities or debt securities as consideration paid for combination by the purchaser are included in the initially recognized amount of equity securities or debt securities. The involved contingent consideration is included in the consolidated cost as per its fair value on the purchasing date, if new or further evidences compared with existing circumstances on the purchasing date occur within 12 months after the purchasing date, so that contingent consideration needs to be adjusted, the consolidated goodwill shall be adjusted accordingly. The cost of combination incurred to the acquirer and the net identifiable assets obtained in the processing of combination shall be measured at the acquisition-date fair value. Goodwill is identified as the excess of combination cost over the fair value of identifiable net assets obtained by the acquirer in combination on the acquisition date. If the combination cost is less than the fair value of identifiable net assets obtained by acquirer in the combination, the fair value of identifiable assets, liabilities and/or contingent liabilities of the acquiree and the combination costs should be re-computed first. If the combination cost is still less than the fair value of identifiable net assets obtained by the acquirer in the combination, the difference shall be included into the current profits and losses.

When the deductible temporary difference obtained by the acquirer from the acquiree is unrecognized due to incompliance with the deferred income tax asset recognition criteria on the purchase date, within 12 months after the purchase date, if new or further information shows relevant circumstances of the purchase date have existed, and economic benefits of the acquiree brought by the deductible temporary difference on the purchase date is expected to realize, the relevant deferred income tax assets are recognized, while the goodwill is reduced; if the goodwill is insufficient to offset, the difference part is recognized as current profits and losses; except for the above circumstances, the deferred income tax assets recognized in connection with enterprise consolidation are included in current profits and losses.

Where the consolidation of enterprises not under the same control is achieved through multiple transactions by steps, make judgment on whether such multiple transactions are “package deal”, pursuant to the “package deal” judgment criteria in the Notice of the Ministry of Finance on Printing and Distributing the Interpretation of Accounting Standards for Business Enterprises No. 5 (Finance and Accounting [2012] No. 19) and Article 51 of the Accounting Standards for Business Enterprises No. 33-Combined Financial Statement (see the Note IV. 6(2)). The deals belonging to package-deal are accounted based on the above description and Note IV. 15 - Long-term equity investments; the deals not belonging to package-deal are accounted separately based on separate financial statements and consolidated financial statements.

In the individual financial statements, the sum of the book value of the equity investment held by the purchased party prior to the purchase date and the new investment cost on the purchase date shall be taken as the initial investment cost of the investment; if the equity of the purchased party held before the acquisition date involves other comprehensive income, the other comprehensive income related to the acquisition of the investment will be accounted for on the same basis as that of the acquiree directly disposing of the relevant assets or liabilities(that is, other than the corresponding share of the change in the net liabilities or net assets of the beneficiary plan that was calculated by the acquiree in accordance with the equity method, the rest is transferred to the current investment income).

In the consolidated financial statements, the equity of the acquiree held before the purchase date is re-measured at the fair value of the equity at the acquisition date. The difference between the fair value and its carrying value is included in the current investment income; If the equity of the purchased party held before the acquisition date involves other comprehensive income, the other comprehensive income related to it shall be accounted for on the same basis as that of the acquiree directly disposing of the relevant assets or liabilities(that is, except for the corresponding share of the changes in the net liabilities or net assets of the beneficiary plan that was calculated by the acquiree after being accounted for under the equity method, the rest are transferred to the current investment income on the purchase date).

6. Consolidated financial statement preparation method

(1) The principle of determining the scope of consolidated financial statements

The scope of financial statements consolidation is decided based on the control. Control means that the Company has the power over the invested entity, earns variable return by participating in relevant activities of the invested entity, and has the ability to influence the return amount by exercising its power over the invested entity. The scope of consolidation includes the company and all its subsidiaries.

Subsidiaries are those that are controlled by the company.

The company will conduct a reassessment once the relevant facts and changes in circumstances have caused changes in the relevant elements involved in the above control definition.

(2) Method for compiling consolidated financial statements

From the date of obtaining the actual control of the subsidiary's net assets and production and business decisions, the company began to include it in the scope of consolidation; and ceased to be included in the scope of consolidation from the date of loss of actual control. For the subsidiary in disposal, business performance and cash flows prior to the date of disposal has been included in the consolidated income statement and consolidated cash flow statement; For the subsidiary disposed in the current period, the opening balance in the consolidated balance sheet is not adjusted. For subsidiaries that are not under the same control and whose business combination is increased, the operating results and cash flows after the purchase date have been properly included in the consolidated income statement and the consolidated cash flow statement, and the opening balance and comparison of the consolidated financial statements are not adjusted. For subsidiaries increased through business merger under the same control and combined party consolidated by merger, their operating results and cash flow from beginning date of consolidation period to combining date have been appropriately included in the consolidated profit statement and consolidated cash flow statement, and comparison number of consolidated financial statements are adjusted at the same time.

In preparing of the consolidated financial statements, when the accounting policies or accounting period of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting policies and accounting period. For subsidiaries acquired under a business combination not under the same control, the financial statements of the subsidiary are adjusted based on the fair value of the identifiable net assets at the purchase date.

All major current balances, transactions and unrealized profits in the company are offset when the consolidated financial statements are prepared.

The shareholder's equity of the subsidiary and the current portion of the net profit or loss that does not belong to the company are separately presented as minority shareholders' equity and minority shareholders' profits and losses under the item of shareholders' equity and net profit in the consolidated financial statements. The portion of subsidiary's current net profits and losses that is attributable to minority shareholder's equity is presented as "minority shareholder's profits and losses" under the net profits in the consolidated income statement. Where losses attributable to the minority shareholders of a subsidiary exceeds the minority shareholders interest in of the equity of the subsidiary, they are still offset against the minority shareholders interest.

When the control over the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity shall be re-measured based on the fair value on the date of loss of control. Difference of the sum of consideration arising from equity disposal and fair value of remaining equity minus the net asset portion of original subsidiaries calculated continuously from the purchase date as per the original shareholding ratio is included in investment income of the current period

when losing control right. Other comprehensive income related to the equity investment of the original subsidiary, when the loss of control right is used, the accounting basis is the same as that of the acquiree that directly disposes of the relevant assets or liabilities. (That is, except for the change in the net liabilities or net assets caused by the re-measurement of the defined subsidiaries in the original subsidiary, the rest will be converted into current investment income). Afterwards, the remaining equity of this part is subsequently measured in accordance with relevant regulations such as “Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investment” or “Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments”, for details, please refer to Note IV. 15 “Long-term equity investment” or Note IV. 10 “Financial Instruments”.

If the company disposes of the equity investment in a subsidiary through multiple transactions until it loses control, it needs to distinguish whether each transaction that deals with the equity investment in the subsidiary until the control is lost is a package transaction. When the terms, conditions and economic impacts of disposing subsidiary equity investment transactions comply with the following one or more circumstances, it usually indicates that multiple transactions shall be accounted for as package deal: ① these transactions are signed simultaneously or when considering mutual impact; ② these transactions as a whole can achieve a complete business result; ③ the occurrence of a transaction depends on the occurrence of at least another transaction; ④ a transaction alone is deemed as uneconomical, but economical when considering with other transactions together. If they are not the package deal, for each transaction, accounting treatment is conducted according to the applicable principles in “partially dispose the long-term equity investment of subsidiary without losing the control right” (see Note IV 15 (2) ④) and “lose the control right on original subsidiary due to disposal of partial equity investment or other reasons” (see preceding paragraph). Disposal of the equity investment in the subsidiary until the loss of control of the transaction is a package transaction, the transaction will be treated as a transaction to dispose of the subsidiary and lose control; however, before the loss of control, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposition of the investment is recognized in the consolidated financial statements as other comprehensive income. When the control right is lost, it is transferred to the current profit or loss at the same time.

7. Classification of joint arrangements and accounting of joint operations

Joint arrangement refers to an arrangement that is jointly controlled by two or more participants. The Company classifies joint arrangements into joint operations and joint ventures based on the rights it enjoys and the obligations it assumes during the joint arrangement. Joint operation refers to the joint arrangement in which the company enjoys the relevant assets of the arrangement and bears the liabilities of the arrangement. A joint venture refers to a joint arrangement where the company only has rights to the net assets of the arrangement.

The company's investment in joint venture is accounted by the equity method, and is treated according to the accounting policy specified in the Note IV 15 (2) ② “Long-term equity investment accounting by the equity method”.

The company operates jointly as a joint venture, confirming the assets held by the company alone, the liabilities the company assumed alone, and confirming jointly held assets and jointly assumed

liabilities according to the shares of the company; confirming the income generated from the sale of the company's joint operating output share; the income generated from the sales of joint operations according to the company's share; confirming the expenses incurred by the company alone, and confirming the cost of joint operations according to the company's share.

When the company operates as a joint venture to jointly sell or sell assets (this asset does not constitute a business, the same below), or when purchasing assets from a joint operation, before the assets are sold to a third party. The company only recognizes the portion of profit or loss arising from this transaction that is attributable to other participants of the joint venture. If such assets meet the asset impairment loss as stipulated in the "Accounting Standards for Enterprises No. 8 - Asset Impairment", etc., for the case of the assets invested or sold by the company to the joint operations, the company fully confirms the losses; Where the company purchases assets from a joint operation, the company confirms the loss according to its share of commitments.

8. Determination standards of cash and cash equivalents

The company's cash and cash equivalents include cash on hand, deposits that can be used for payment at any time, investments that owned by the company which are in short-term (usually due within three months from the purchase date), highly liquid, easy to convert to a known amount of cash, low risk of value change.

9. Foreign currency transactions and conversion of foreign currency statements

(1) Conversion of foreign currency transactions

When initially confirming the foreign currency transaction occurred by the company, it shall be converted into the functional currency according to the spot exchange rate on the transaction date. However, the foreign currency conversion business or the transaction involving foreign currency conversion that occurred in the company shall be converted into functional currency amount according to the actual exchange rate.

(2) Conversion methods for foreign currency monetary items and foreign currency non-monetary items

On the balance sheet date, foreign currency monetary items are converted at the spot exchange rate on that date, and the resulting exchange difference is included in current profits and losses, except: ① the exchange difference arising from special borrowings of foreign currency related to constructing the assets eligible for capitalization is treated in the principle of borrowing cost capitalization; ② for the available-for-sale foreign currency monetary items, the exchange difference arising from book balance change other than the amortized cost is included in other comprehensive income.

Non-monetary foreign currency items measured at historical cost are still measured by the amount of functional currency converted at the spot exchange rate on the transaction date. Non-monetary foreign currency items measured at fair value shall be converted at the spot exchange rate on the date when the fair value was determined. The difference between the converted functional currency amount and the original functional currency amount shall be treated as changes in fair value (including changes in exchange rates) and included in current profit or loss or confirming as other comprehensive income.

(3) Conversion method of foreign currency financial statements

For the preparation of consolidated financial statements involving overseas operations, if there is a foreign currency monetary item that substantially constitutes a net investment in overseas operations, the exchange differences arising from changes in exchange rates shall be confirmed to be other comprehensive income as a “foreign currency conversion difference”; When disposing of overseas operations, included in disposal of current profit and loss.

The foreign currency financial statement of overseas operation is converted into RMB statement as follows: items of assets and liabilities in the balance sheet are converted at the spot exchange rate on the balance sheet date; except for the “undistributed profit” item, other owner’s equity items are converted at the spot exchange rate at the time of incurrence. Income and expense items in the income statement are converted by the spot exchange rate on the transaction date. The opening undistributed profit is the undistributed profit at the end of last year after the conversion; the undistributed profits at the end of the year are calculated according to the profit distribution of the items after the conversion; the difference between the total count of asset class items and liabilities items and shareholder equity items after conversion is count as a foreign currency statement conversion difference, confirmed as other comprehensive income. When disposal foreign operations and the control rights are lost, the difference in foreign currency statements related to the overseas operations that are listed in the shareholders’ equity items in the balance sheet is transferred to the current profit or loss, either in whole or in proportion to the disposal of the foreign operations.

Foreign currency cash flows are translated at the spot exchange rate on the date of cash flow. The impact of exchange rate changes on cash is treated as a reconciliation item and presented separately in the cash flow statement.

Opening amount and actual amount of the last year are presented in accordance with the amount converted from financial statements of the last year.

When disposing of the entire owner’s equity of the company’s overseas operations or the loss of overseas operations control rights due to the disposal of part of the equity investment or other reasons, the ownership of the company’s equity in the balance sheet and the operations related to the overseas operations are attributed to the difference in conversion of foreign currency statements of owners’ equity of the parent company and is transferred to the disposal of current profit or loss.

When disposing of part of the equity investment or other reasons that result in a reduction in the proportion of overseas operating equity but not losing control over overseas operations, the foreign exchange statement conversion differences related to the foreign operations disposal part will be attributed to minority shareholders’ equity and will not be transferred to the current profits and losses. When disposing of partial equity in an overseas operation is an associate or a joint venture, the foreign currency conversion difference related to the overseas operation is transferred to the disposal of current profit or loss in proportion to the disposal of the foreign operation.

10. Financial instruments

The following accounting policies for financial instruments are applicable to 2021 and beyond, and the original accounting policies for financial instruments are applicable to 2020 and before:

When the company becomes a party to a contract of a financial instrument, the company shall

recognize a financial asset or financial liability.

(1) Classification, confirmation and measurement of financial assets

Based on business model of managing financial assets and contractual cash flow characteristics of financial assets, the company divides financial assets into: financial assets measured at amortized cost; financial assets measured at fair value with changes included in other comprehensive incomes; financial assets measured at fair value with changes included in current profits and losses.

Financial assets are measured at fair value at initial recognition. For the financial assets at fair value and through current profit or loss, the transaction expenses thereof should be recognized directly in profit or loss; for other categories of financial assets, the transaction expenses thereof should be recognized into initially recognized amount. For the accounts receivable or bills receivable arising from product sales or labor service provision excluding or not considering significant financing components, the company regards the amount of consideration expected to charge as the initial recognition amount.

① Financial assets measured at amortized costs

The corporate business model for managing financial assets measured at amortized cost aims at charging contractual cash flow, and the contractual cash flow characteristics of such financial assets are consistent with basic borrowing and loan arrangements, namely cash flow is generated on a specific date, only for payment of principal and interests based on outstanding principal amount. The company utilizes effective interest rate method for such financial assets, and performs subsequent measurement as per amortized cost, with gains or losses arising from amortization or impairment included in current profits and losses.

② Financial assets measured at fair value with changes included in other comprehensive incomes

The corporate business model for managing such financial assets aims at both contractual cash flow charging and sales, and the contractual cash flow characteristics of such financial assets are consistent with basic borrowing and loan arrangements. The company measures such financial assets at fair value with changes included in other comprehensive incomes, but impairment losses or gains, exchange gains and losses, and interest incomes calculated according to the actual interest rate method are included in current profits and losses.

In addition, the company designates some non-trading equity instrument investments as financial assets measured at fair value with changes included in other comprehensive incomes. The company records relevant dividend incomes of such financial assets into current profits and losses, and records fair value changes into other comprehensive incomes. When such financial assets are derecognized, the cumulative gains or losses previously recorded in other comprehensive incomes will transfer from other comprehensive incomes into retained earnings, excluded in current profits and losses.

③ Financial assets measured at fair value with changes charged to current profits and losses

The company classifies the above financial assets measured at amortized cost and the financial assets other than the financial assets measured at fair value with changes included in other comprehensive incomes as the financial assets measured at fair value with changes included in current profits and losses. In addition, during initial recognition, in order to eliminate or significantly reduce accounting mismatches, the company designates some financial assets as financial assets measured at

fair value with changes included in current profits and losses. For such financial assets, the company uses fair value for subsequent measurement, and fair value changes are included in current profits and losses.

(2) Classification, recognition and measurement of financial liabilities

Financial liabilities are classified during initial recognition as the financial liabilities measured at fair value with changes included in profits and losses, and other financial liabilities. For financial liabilities at fair value through profit or loss, the transaction expenses thereof should be recognized directly in current profit or loss, and for other financial liabilities, the transaction expenses thereof should be recognized into initially recognized amount.

① Financial liabilities measured at fair value with changes charged to current profits and losses

Financial liabilities measured at fair value with changes included in current profits and losses contain transactional financial liabilities (including derivatives that belong to financial liabilities) and financial liabilities designated as measured at fair value during initial recognition with changes included in current profits and losses.

Transactional financial liabilities (including derivatives that belong to financial liabilities) are subsequently measured at fair value, and except for hedge accounting-related, the fair value changes are included in current profits and losses.

The financial liabilities designated as measured at fair value with changes included in current profits and losses, such liabilities are caused by the company's own credit risk changes, with fair value changes included in other comprehensive incomes, and when the liabilities are derecognized, they are included in other comprehensive incomes, caused by own credit risk changes, with cumulative fair value changes transferred into retained earnings. The remaining fair value changes are included in current profits and losses. If treatment of own credit risk change impact of such financial liabilities in the above manner will cause or expand accounting mismatch in profits and losses, the company includes all gains or losses of such financial liabilities (including the amount of corporate own credit risk change impact) in current profits and losses.

② Other financial liabilities

Except the financial liabilities and financial guarantee contract arising from financial asset transfer at variance with derecognition conditions or continuous involvement of transferred financial assets, other financial liabilities are classified as financial liabilities measured at amortized cost, and subsequently measured at amortized cost, with gains or losses resulting from derecognition or amortization included in current profits and losses.

(3) Recognition basis and measurement method of financial assets transfer

Financial assets are de-recognized in one of the following conditions: ① the contractual right to receive cash flow of such financial assets is terminated; ② such financial assets have been transferred, and almost all risks and rewards on the financial asset ownership are transferred to the transferee; ③ such financial assets have been transferred, and although the company has neither transferred nor retained almost all risks and rewards on the financial asset ownership, it has given up control of such

financial assets.

If the enterprise neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it has not abandoned the control of that financial asset, the relevant financial asset is recognized at the extent of continuing involvement in the transferred financial asset and the corresponding liability is recognized accordingly. The degree of continuous involvement in the transferred financial asset refers to the risk level that the enterprise faces due to the change of the value of the financial asset.

Where a transfer of a financial asset in its entirety meets the criteria of de-recognition, the difference between the carrying amount of the financial asset transferred and the sum of the consideration received from the transfer and any cumulative change in fair value that has been recognized in other comprehensive incomes is recognized in current profit or loss.

Where a transfer of financial asset partly meets the criteria of de-recognition, the carrying amount of the financial asset transferred should be amortized between the part that is derecognized and the part that is not derecognized according to the fair value, and the difference between the sum of the consideration received from the transfer and any cumulative change in fair value that has been recognized in other comprehensive incomes and should be amortized to the derecognized part, and the amortized above-mentioned carrying amount, shall be recorded into current profit or loss.

When the company uses financial assets sold with recourse or sells financial assets held in an endorsement, it must determine whether all risks and rewards of ownership of the financial assets have been almost transferred. If all the risks and rewards of ownership of the financial asset are almost transferred to the transferee, and the financial asset is derecognized; if all the risks and rewards on the ownership of the financial asset are retained, the financial asset is not derecognized; all the risks and rewards of ownership of financial assets are not almost transferred or retained, continue to determine whether the company retains the control over the assets and perform the accounting operation based on the principles described in the preceding paragraphs.

(4) De-recognition of financial liabilities

If current obligations of financial liabilities (or a part thereof) are removed, the company derecognizes such financial liabilities (or a part thereof). If the company (borrower) signs an agreement with the lender, to replace the original financial liabilities by bearing new financial liabilities, and contract clauses of new financial liabilities and original financial liabilities are substantially different, the original financial liabilities are derecognized, while recognizing a new financial liability. If the company makes substantial modification to the contractual clauses of original financial liabilities (or a part thereof), the original financial liabilities are derecognized, and a new financial liability is recognized according to the clauses after modification.

If financial liabilities (or a part thereof) are derecognized, the company records the difference between their book value and consideration paid (including non-cash assets transferred out or liabilities assumed) into current profits and losses.

(5) Offset of financial assets and financial liabilities

When the company has legal right to offset financial assets and financial liabilities of the recognized

amount, and such legal rights are currently enforceable, meanwhile, the company plans to settle by net assets or concurrently liquidate such financial assets and repay such financial liabilities, financial assets and financial liabilities are presented in the balance sheet by net amounts after mutual offset. In addition, financial assets and financial liabilities are separately presented in the balance sheet, which are not offset by each other.

(6) Determining method of the fair value of financial assets and financial liabilities

Fair value refers to the price that a market participant can be received for the sale of an asset or the price he needs to pay for transferring a liability in an orderly transaction occurring on the measurement date. Where the financial instruments exist on active market, the company determines their fair value by using quotation on active market. Quoted market prices in an active market refer to the prices that are readily to get regularly from the exchange, the broker, the trade association, pricing services institution, etc., and they represent the actual market transaction prices in the fair transactions. Where the financial instruments do not exist on active market, the company determines their fair value by using valuation techniques. Valuation techniques include refers to the prices used in recent market transactions by the parties that are familiar to the situation and are voluntary to participate in the transaction, refers to the current fair values of other essentially the same financial instruments, discount cash flow valuation, option pricing models, etc. At the time of valuation, the company leverages valuation techniques that are applicable in the current circumstances and adequately supported by available data and other information, chooses the input value consistent with the characteristics of assets or liabilities considered by market participants in transaction of relevant assets or liabilities, and prefers to use the relevant observable input value. The value that cannot be inputted is utilized, when the relevant observable input value is unavailable or unfeasible to obtain.

(7) Equity instruments

Equity instruments refer to contracts that demonstrate the ownership of the company's remaining equity in the assets after deducting all liabilities. The company issues (including refinancing), repurchases, sells or cancels equity instruments as changes in equity, and transaction costs related to equity transactions are deducted from equity. The company does not recognize the fair value changes of equity instruments.

If dividends for corporate equity instruments are distributed during the existence period (including "interests" generated by instruments classified as equity instruments), they shall be treated as profit distribution.

11. Impairment of financial assets

The following accounting policies for impairment of financial assets are applicable to 2021 and beyond, and the original accounting policies for impairment of financial assets are applicable to 2020 and before:

The financial assets that the company needs to confirm impairment losses are financial assets measured at amortized cost, debt instrument investments measured at fair value with changes included in other comprehensive incomes, mainly including bills receivable, accounts receivable, other receivables, debt investment, other debt investments, long-term receivables, etc. In addition, for some financial

guarantee contracts, provision for impairment and recognition of credit impairment losses are also conducted in accordance with the accounting policies described in this section.

(1) Method for recognizing impairment provision

Based on expected credit losses, the company makes impairment provision and recognizes credit impairment losses according to the applicable expected credit loss measurement method (general method or simplified method) for the above items.

Credit losses refer to the difference between all contractual cash flows receivable under the contract and all cash flows expected to charge and discounted by the company at the original actual interest rate, namely the present value of all cash shortages. Among them, for the financial assets purchased or originated and suffered credit impairment, the company discounts such financial assets as per the credit-adjusted actual interest rate.

General method for measuring expected credit losses means that the company assesses on each balance sheet date whether the credit risks of financial assets have increased significantly since initial recognition, and if the credit risks have increased significantly since initial recognition, the company shall measure loss provision based on the amount equivalent to expected credit losses throughout the existence period; if the credit risks have not increased significantly since initial recognition, the company measures loss provision based on the amount equivalent to expected credit losses within the next 12 months. When evaluating expected credit losses, the company considers all reasonable and well-grounded information, including forward-looking information.

For financial instruments with lower credit risks on the balance sheet date, the company assumes their credit risks have not increased significantly since initial recognition, and chooses to measure loss provision based on expected credit losses within the next 12 months.

(2) Criteria for judging whether credit risks have increased significantly since initial recognition

If the default probability of a financial asset within the expected existence period determined on the balance sheet date is significantly higher than the default probability within the expected existence period determined during initial recognition, it indicates that the credit risks of such financial asset have increased significantly. Except in special circumstances, the company adopts the default risk changes that occur within the next 12 months as reasonable estimate of default risk changes that occur throughout the existence period, to determine whether credit risks have increased significantly since initial recognition.

The company will consider the following factors when assessing whether credit risk is increased significantly:

- 1) Whether the actual or expected operating results of the debtor have changed significantly;
- 2) Whether the debtor's regulatory, economic or technological environment has undergone significant adverse changes;
- 3) Whether the value of collateral used for debt mortgage or the quality of guarantee or credit enhancement provided by third party has changed significantly. These changes are expected to reduce the debtor's economic motivation to repay the loan within the specified period of contract or affect defaulting probability;
- 4) Whether expected performance and repayment behavior of the debtor has changed significantly;

5) Whether corporate credit management methods for financial instruments have changed, etc.

On the balance sheet date, if the company judges financial instrument only has relatively low credit risk, the company assumes credit risk of this financial instrument has not increased significantly after initial recognition. If the default risk of financial instrument is low, the borrower has a strong ability to fulfill its contractual cash flow obligation in the short term, and even if unfavorable changes exist in the economic situation and operation environment over a long period of time, it may not necessarily reduce the borrower's ability to fulfill its contractual cash obligation, and such financial instrument is deemed to have lower credit risk.

(3) Criteria for judging financial assets with credit impaired

When one or more events with an adverse impact on the expected future cash flow of financial asset occur, such financial asset becomes a credit-impaired financial asset. Evidence for credit impairment of financial assets includes the following observable information:

- 1) The issuer or debtor has major financial difficulties;
- 2) The debtor breaches the contract, such as defaulting or overdue payment of interest or principal;
- 3) Considering relevant economic or contract of debtor's financial difficulties, the creditor gives the debtor concession that would never be made under any other circumstances;
- 4) The debtor is likely to go bankrupt or undergo other financial restructuring;
- 5) The issuer or debtor is in financial difficulties, causing active market for such financial assets disappeared;
- 6) A financial asset is purchased or derived at a huge discount which indicates the fact of credit loss occurrence.

Credit impairment of financial assets may be caused by joint action of multiple events, and not necessarily separately identifiable event.

(4) Portfolio method for evaluating expected credit risks based on portfolio

The company evaluates credit risks individually for financial assets with significantly different credit risks, e.g.: receivables from associated parties; receivables in dispute with the other party or involved in litigation and arbitration; receivables with obvious indication that the debtor is probably unable to perform repayment obligations, etc.

Apart from financial assets with single assessment of credit risk, the company classifies financial assets into different groups based on common risk characteristics. Common credit risk characteristics adopted by the company include: financial instrument type, credit risk rating, aging portfolio, overdue account aging portfolio, contract settlement cycle, debtor's industry, etc., to assess credit risk based on portfolio.

(5) Accounting treatment method of financial asset impairment

At the end of period, the company calculates expected credit losses of various financial assets, and if such expected credit losses are greater than current carrying amount of impairment losses, the difference is recognized as impairment losses; if they are less than the carrying amount of current impairment provision, the difference is recognized as impairment gains.

(6) Method for recognizing credit losses of various financial assets

① Bills receivable

The company measures loss provision for bills receivable based on the amount equivalent to expected credit losses throughout the existence period. Based on credit risk characteristics of bills receivable, they are divided into different portfolios:

Items	Basis of determining the portfolio
Bank acceptance bill	Acceptors are banks with low credit risks
Commercial acceptance bill	According to credit risk division of the acceptor, it is the same as the division of "accounts receivable" portfolio

② Accounts receivable and contract assets

With regard to accounts receivable and contract assets excluding major financing components, the company measures loss reserve at the amount equivalent to the expected credit loss throughout the duration.

With regard to accounts receivable and contract assets including major financing components, the company chooses to always measure loss reserve at the amount equivalent to the expected credit loss throughout the duration.

In addition to accounts receivable with individual assessment of credit risks, they are divided into different portfolios based on their credit risk characteristics:

Items	Basis of determining the portfolio
Aging portfolio	The portfolio is divided with the aging of receivables as credit risk characteristics
Other portfolio-related party portfolio	The portfolio is divided with the relationship of transaction partners and receivables as credit risk characteristics
Other portfolio-government entity portfolio	A combination with the credit of trading object as credit risk characteristic

③ Other receivables

The company measures impairment losses based on whether the credit risks of other receivables have increased significantly since initial recognition, by using the amount equivalent to expected credit losses within the next 12 months or throughout the existence period. In addition to other receivables with individual assessment of credit risks, they are divided into different portfolios based on their credit risk characteristics:

Items	Withdrawal method
Aging portfolio	Portfolio classified by aging of other receivables as credit risk characteristics
Other portfolio-related party portfolio	Portfolio classified by other receivables and transaction object relationship as credit risk characteristics
Other portfolio-government entity portfolio	A combination with the credit of trading object as credit risk characteristic

④ Creditor's rights investment

Main accounting of debt investments is bond investment, etc measured at amortized cost. The company measures impairment losses based on whether its credit risks have increased significantly since initial recognition, by using the amount equivalent to expected credit losses within the next 12 months or throughout the existence period.

⑤ Other debt investments

Other debt investments are mainly accounted by bond investments measured at fair value with change recorded in other comprehensive income. The company measures impairment losses based on whether its credit risks have increased significantly since initial recognition, by using the amount equivalent to expected credit losses within the next 12 months or throughout the existence period.

⑥ Long-term receivables (except for receivables including significant financing component and lease receivables)

The company measures impairment losses of long-term receivables based on whether their credit risks have increased significantly since initial recognition, by using the amount equivalent to expected credit losses within the next 12 months or throughout the existence period. In addition to long-term receivables with individual assessment of credit risks, they are divided into different portfolios based on their credit risk characteristics:

Items	Basis of determining the portfolio
Aging portfolio	Portfolio classified by aging of other receivables as credit risk characteristics
Other portfolio-related party portfolio	Portfolio classified by other receivables and transaction object relationship as credit risk characteristics
Other portfolio-government entity portfolio	A combination with the credit of trading object as credit risk characteristic

12. Inventory

(1) Classification of inventory

Inventory mainly includes raw materials, products in progress (development cost), turnover materials (including packaging materials and low-value consumables), inventory goods (finished products, developed products), delivered goods, etc.

(2) Pricing method to obtain and issue inventory

Inventories are valued at the actual cost when acquired, and inventory costs include purchase costs, processing costs, and other costs. Valuation is conducted as per individual recognition method at the time of acquisition and delivery.

(3) Confirmation of the net realizable value of inventories and withdrawal method for falling prices

Net realizable value refers to the estimated sold price of inventories less the estimated costs to be incurred upon completion, estimated selling expenses and related taxes in daily activities. When determining the net realizable value of inventories, based on obtaining conclusive evidence, consider the purpose to hold the inventory and the influence of events after the balance sheet date.

On the balance sheet date, inventories are measured at the lower between the cost and net realizable value. When the net realizable value is lower than the cost, inventory depreciation reserve is withdrawn. The inventory depreciation reserve is drawn as per the difference between the cost of a single inventory item higher than its net realizable value.

After accruing inventory depreciation reserve, if the influencing factors of the previous write-down of inventory value have been disappeared and the net realizable value of inventory exceeds its book value, and then it should be reversed from the provision for inventory devaluation accrued and the amount transferred back is included in the current profit or loss.

(4) The inventory system is a perpetual inventory system.

(5) Method for amortizing low-value consumables

Low-value consumables shall be amortized by one-off amortization method at the time of requisition.

13. Contract assets

Accounting policy of contract assets is applicable to 2021 and beyond.

For the rights that customers have not yet paid contract consideration, but the company has fulfilled performance obligations in accordance with the contract, not attributable to unconditional (i.e. only depending on time lapse) payment collection from customers, the company presents them as contract assets in balance sheet. Contract assets and contract liabilities under the same contract are presented in net amount, and contract assets and contract liabilities under different contracts are not offset.

For the determination method and accounting treatment method of expected credit loss of contract assets, please refer to Note IV 11 Financial asset impairment.

14. Held-for-sale assets

If the company recovers its book value mainly through sale (including non-monetary asset exchange with commercial substance, the same below) instead of continuing usage a non-current asset or disposal group, it should be classified as held for sale. The specific criteria are to meet the following conditions at the same time: a non-current asset or disposal group can be sold immediately under current conditions based on the convention of selling such assets or disposal groups in similar transactions; the company has already made a resolution on the sale plan and the purchase promise; the expected sales would be completed within one year. Among them, the disposal group refers to a group of assets that are disposed of as a whole through sale or other means in a transaction, and the liabilities direct related to these assets transferred in the transaction. If the asset group or asset portfolio of disposal group shares the goodwill obtained in enterprise consolidation according to the Accounting Standards for Business Enterprises No.8 – Impairment of assets, such disposal group shall include the goodwill allocated to the disposal group.

When the company measures initially or re-measures the non-current assets and disposal groups held for sale on the balance sheet date, if its book value is higher than the fair value minus the net amount after the sale expenses, the book value should be reduced to the net amount of fair value less costs to sell, the amount to write-down is recognized as asset impairment loss, included in the current profit or loss, and make the provision for impairment of held-for-sale assets at the same time. For the disposal group, the recognized asset impairment losses firstly deducts the book value of goodwill in the disposal group, and then proportionally deducts the book value of all non-current assets in such disposal group as specified in the applicable measurement provisions of the Accounting Standards for Business Enterprises No.42 - Held-for-sale Non-current Assets, Disposal Team & Discontinued Operations (hereinafter referred to as the "Held-for-sale Standards"). If the fair value of the disposal group held for sale on the follow-up balance sheet day minus the net amount after the sale expense is increased, the amount of the previous write-down should be restored, which is classified for holding the sale and reversed within the amount of impairment loss of assets confirmed by the measurement of non-current assets as held for sale. The reversed amount should be recorded in the current profit or loss, and the book value of various non-current assets should be increased according to the proportion stipulated as the standard held for sale in addition to goodwill in the disposal group; the book value of the goodwill that

has been written off, and the confirmed amount of impairment loss of assets of the non-current assets subject to the holding measurement criteria are not allowed to be reversed before classified as held for sale.

Non-current assets held for sale or non-current assets in the disposal group are not subject to depreciation or amortization. The interest and other expenses of the liabilities in the disposal group held for sale continue to be confirmed.

When the non-current asset or disposal group no longer meets the classification criteria for the held-for-sale category, the company should no longer classify it as a held-for-sale category or remove the non-current assets from the disposal group held for sale. It is calculated as the lower of following two measures: (1) The book value before classified as held for sale is the amount adjusted according to the depreciation, amortization or impairment that should be confirmed if it is assumed not to be classified as held for sale; (2) Recoverable amount.

15. Long-term equity investment

The long-term equity investment in this part refers to the long-term equity investment that the company has control, joint control or significant influence on the invested entity. The long-term equity investment of which the company does not have control, joint control or significant impact on the investee company is measured at fair value or as available-for-sale financial assets with the changes charged to current losses and profits, and the accounting policy is shown in "Note IV. 10 Financial instruments".

Joint control means that the company has common control over an arrangement in accordance with the relevant agreement, and the related activities of the arrangement must be agreed upon by the parties that share the right of control. Significant influence means that the company has the power to participate in decision-making on the financial and operating policies of the invested company, but it cannot control or control jointly the formulation of these policies together with other parties.

(1) Recognition of investment costs

For the long-term equity investment formed in the merger of enterprises under the common control, it shall on the date of merger, regard the share of the book value of the shareholder's/owner's equity of the merged enterprise in the merger's consolidated financial statement as the initial cost of the long-term-equity investment. The difference between the initial cost of the long-term equity investment and the payment in cash, non-cash assets transferred as well as the book value of the debts borne by the merging party shall offset against the capital reserve. If capital reserve is insufficient, retain earnings shall be adjusted. In the case of issuance of equity securities as the merging consideration, the share of the book value of the shareholder's/owner's equity of the merged party in the ultimate controller's consolidated financial statements at the merged date should be taken as the initial investment cost of the long-term equity investment; the difference between the total face value of the issued shares, the initial investment cost of the long-term equity investment and the total par value of the shares issued should be adjusted for the capital reserve; if the capital reserve is insufficient to offset, the retained earnings should be adjusted. Where the equity of the merged party under the same control is obtained through multiple transactions by steps, to ultimately form business combination under the same control, the treatment shall be subject to whether it is a "package deal": in case of a "package deal", the accounting treatment

is made on each transaction as a transaction with control right. Where the deals do not belong to a package-deal, it shall on the date of merger, regard the share of the book value of the shareholder's/owner's equity of the merged enterprise in the merger's consolidated financial statement as the initial cost of the long-term-equity investment. The difference between the initial cost of the long-term equity investment and the sum of the book value of long-term equity investment before the acquisition and book value of consideration paid for obtaining shares at the purchase date shall offset against the capital reserve. If capital reserve is insufficient, retain earnings shall be adjusted. For the equity investment prior to the acquisition date that is recognized as other comprehensive incomes because it uses equity method or because it is an available-for-sale financial asset, it is not accounted temporarily.

For long-term equity investments acquired by business combinations under non common control, the initial cost of long-term equity investment is the merged cost on the purchase date. The merged costs include assets paid by the purchaser, liabilities incurred or assumed, and the fair value of equity securities issued. Where the equity of the purchased party is obtained through multiple transactions by steps, to ultimately form business combination under different control, the treatment shall be subject to whether it is a "package deal": in case of a "package deal", the accounting treatment is made on each transaction as a transaction with control right. Where the deals do not belong to a package-deal, it shall regard the sum of the share of the book value of the owner's equity of the merged enterprise and new investment costs as the initial cost of the long-term-equity investment that using cost accounting method. Where the original held equity is accounted as the equity method, the related comprehensive income should not be accounted temporarily. Where the original equity investment is an available-for-sale financial asset, the difference between the fair value and the book value, and the accumulated fair value changes previous recognized in other comprehensive income are transferred to the current profit or loss.

Intermediary costs such as auditing, legal services, assessment, consulting, etc. incurred by the combining party or the purchaser for the business combination and the other management cost should be recorded in the current profit or loss when incurred.

Except the long-term equity investment formed by the business combination, the other equity investment is initially measured at the cost. Based on the different way that the long-term equity investment is obtained. The cost should be determined respectively, such as the actual cash paid by the company, the fair value of equity securities issued by the company, the value agreed in the investment contract or agreement, the fair value or original book value of the assets in the exchange transaction of non-monetary assets, and the fair value of the long-term equity investment. Relevant costs directly attributed to the long-term equity investment, taxes, and other necessary expenditures shall be recorded into investment costs. In case of exerting significant impact on the investee company due to additional investment or implementing joint control rather than constitute control, the long-term equity investment cost is the sum of fair value of original equity investment determined as per the Accounting Standards for Business Enterprises No.22 – Recognition and measurement of financial instruments and the additional investment cost.

(2) Subsequent measurement and recognition of profit and loss

The long-term equity investment that has common control over the invested entity (except for constituting a common operator) or significant influence is accounted as the equity method. In addition, the company's financial statements use the cost method to account for long-term equity investments that can control the investee.

① Long-term equity investment accounted as cost method

When using the cost method, the long-term equity investment is measured at the initial investment cost, and the cost of the long-term equity investment is adjusted when the investment is added or withdrawn. Except for the actual payment for the investment or the cash dividend or profit included in the consideration that has been announced but not yet issued, the current investment income should be recognized in accordance with the cash dividends or profits declared by the investee.

② Long-term equity investment employing the equity method

Under equity method, if the initial cost of a long-term equity investment is more than the investing enterprise's attributable share of the fair value of the invested entity's identifiable net assets for the investment, the initial cost of the long-term equity investment may not be adjusted; if the initial cost of long-term equity investment is less than the investing enterprise's attributable share of the fair value of the invested entity's identifiable net assets for the investment, the difference shall be included in the current profit or loss, and the cost of the long-term equity investment shall be adjusted simultaneously.

When using the equity method, the investment income and other comprehensive income are recognized separately based on the net profit or loss realized by the invested entity and the share of other comprehensive income that should be shared or assumed, and the book value of the long-term equity investment is adjusted at the same time; The booked value of the long-term equity investment should be reduced correspondingly to the part of the distributed profit or cash dividend calculation declared by the investee; the book value of the long-term equity investment should be adjusted for other changes in the owner's equity of the invested entity except for the net profit or loss, other comprehensive income and profit distribution, which is included in capital reserve. When confirming the share of the net profits and losses of the investee, the net profits of the investee should be adjusted for confirmation based on the fair value of the identifiable assets of the investee etc. at the time of acquisition. If the investee adopts the accounting policy and the accounting period inconsistent with that of the company, the financial statements of the investee should be adjusted in accordance with the accounting policies and accounting periods of the company and the investment income and other comprehensive income should be also confirmed. For transactions between the company and its associated companies and joint ventures, if the assets invested or sold do not constitute a business, the unrealized profits and losses of internal transactions are calculated based on the proportion, the shares that are attributable to the company are offset. On this basis, confirm investment profit and loss. However, if the unrealized internal transaction losses incurred by the company and the invested entity belong to the impairment loss of the transferred assets, they should not be offset. If the assets invested by the company to joint venture or associate constitutes a business, if the investor obtains a long-term equity investment without the right of control, the fair value of the investment is used as the initial investment cost of the new long-term equity investment. The difference between the initial investment cost and the book value of the investment

business is fully accounted in the current profit or loss. If the assets invested by the company to joint venture or associate constitutes a business, the difference between the consideration obtained and the book value of the business is fully recorded in the current profit or loss. Where the company constitutes business by the assets purchased from associated enterprises and joint ventures, accounting treatment shall be conducted pursuant to the provisions of the Accounting Standards for Business Enterprises No.20 – Enterprise consolidation, and the gains or losses related to transactions are fully recognized.

When the net losses incurred by the invested entity are confirmed, the book value of the long-term equity investment and other actual long-term equity of net investment to the invested entity could be reduced to zero. In addition, if the company has the obligation to bear additional losses to the invested entity, recognize the estimated liabilities according to the expected obligations, which is included in the current investment losses. For the net profit realized by the invested entity in the subsequent period, the company should resume the share of unrecognized losses of its share of profits, and then recover the amount of its share of profits.

③ Acquisition of minority shareholder' s interest

When preparing the consolidated financial statements, because of the difference between the new long-term equity investment from the acquisition of minority equity and the share of net assets that should be continuously calculated by the subsidiary since the purchase date (or the merged date) based on the new shareholding ratio. Capital reserve should be adjusted, in case of capital reserve less than offset, adjust the retained earnings.

④ Disposal of long-term equity investment

In the consolidated financial statement, if the parent company partially disposes the long-term equity investment of subsidiary without losing the control right, the difference between disposal price and net assets of subsidiary corresponding with the disposal of long-term equity investment is charged to owner's equity; if the parent company partially disposes the long-term equity investment of subsidiary, resulting in losing control right of subsidiary, it is subject to relevant account policy specified in the Note IV. 6. (2) "Method for the preparation of Consolidated Financial Statement".

The disposal of long-term equity investment under other circumstances, for the disposal of equity, the difference between the book value and the actual purchase price should be included in the current profits or losses.

For the long-term equity investment measurement under equity method, the remaining equity after the disposal shall still be measured using equity method, when disposes of the long-term equity, other comprehensive income that has be accounted into shareholder's equity shall be treated, according to the relevant ratio, on the same basis on which the invested equity directly disposes of relevant assets or liabilities. The shareholder' s equity recognized because of other change in invested entity' s equity except for net profit or loss, other comprehensive income and profit distribution shall be carried forward in proportion to current profit or loss.

For the long-term equity investment accounted as the equity method, if the remaining equity after disposal is still accounted as the equity method, for the other comprehensive income recognized by the equity method or financial instrument and measurement criteria before the control of the investee is

obtained, it should be accounted with the same basis that the invested entity disposes of directly the relevant assets or liabilities, which is transferred in the current profit or loss in the proportion. The changes in the other owners' equity with equity method other than net profit or loss, other comprehensive income, and profit distribution of the investee are transferred in the current profit or loss.

If the company disposes of part of the equity investment and loses control of the invested entity, when the individual financial statements are prepared, if the remaining equity after disposal can exert joint control or significant influence on the investee, it should be calculated according to the equity method, and the residual equity is regarded as being adjusted as equity method when it is obtained; if the remaining equity after disposal cannot exert joint control or significant influence on the invested entity, it should be accounted in accordance with the relevant provisions of the criteria for recognition and measurement of financial instruments. The difference between the fair value on the date of loss of control and the book value is included in the current profit or loss. Before the company obtains control over the investee, for the other comprehensive income recognized as equity method or financial instrument recognition and measurement standard, it is recorded with the basis that the investee disposes of directly the related assets and liabilities when it loses control over the investee. The changes in the other owners' equity as the equity method other than net profit or loss, other comprehensive income, and profit distribution of the investee are transferred in the current profit or loss when it loses control over the investee. Among them, if the remaining equity after disposal is accounted as the equity method, other comprehensive income and other owners' equity are transferred in proportion; if the residual equity after disposal is accounted as according to the criteria for recognition and measurement of financial instruments, other comprehensive income and all other rights & interests are fully transferred.

If the company disposes of part of the equity investment and loses the joint control or significant influence on the investee, the remaining equity after disposal should be calculated according to the criteria for confirmation and measurement of financial instruments, and the difference between the book value and the fair value on the date of loss of joint control or significant influence is included in the current profit or loss. For the other comprehensive income recognized in the original equity investment as the equity method, it is accounted with the same basis that the investee disposes of directly the related assets or liabilities when the equity method is terminated. The changes in the other owners' equity as the equity method other than net profit or loss, other comprehensive income, and profit distribution of the investee are transferred in the current profit or loss fully when the equity method is terminated.

The company disposes of the equity investment in the subsidiary company through multiple transactions step by step until it loses control. If the above transaction belongs to a "package deal", the each transaction should be accounted to dispose of the equity investment in the subsidiary and lose control. Before the loss of control, for the difference between the book value of the disposal equity corresponding to the long-term equity investment and each disposal price, it is at first recognized as other comprehensive income, and then transferred to the current profit or loss at the time of loss of control.

16. Investment real estate

Investment real estate refers to real estate held to earn rent or capital appreciation, or both. Including land use rights that have been leased, land use rights that are held and prepared for transfer after

appreciation, buildings that have been leased, etc.

In addition, for the vacant buildings the bank holds to prepare operating lease, if the board of directors (or equivalent) made a resolution in writing, made clear that it will be used for business and lease, as well as the intention of holding in the short term will not change, it is also presented as investment real estate.

The company adopts fair value model for subsequent measurement of investment real estate.

For the investment real estate subsequently measured by fair value mode, the basis for selecting accounting policy is:

- ① There is active real estate trading market in the place where the investment real estate is located;
- ② The company can obtain the same category or similar real estate market price and other relevant information from the real estate transaction market, so as to make reasonable estimate on the fair value of investment real estate.
- ③ The key assumptions and main uncertainties for estimating fair value of the company's investment real estate are:

The company does not withdraw depreciation or make amortization on the investment real estate, adjust the book value based on fair value of investment real estate on the balance sheet date, and record the difference between fair value and original book value in current profits and losses.

When determining fair value of investment real estate, refer to the prevailing price for same category or similar real estate on active market; where the prevailing price for same category or similar real estate is unavailable, refer to the latest transaction price for same category or similar real estate on active market, and considering such factors as transaction condition, transaction date, location, etc, so as to make reasonable estimate on fair value of the investment real estate; or determine the fair value based on expected future rental income and present value of relevant cash flow.

In rare cases, if evidence shows when the company acquires an investment real estate for the first time (or when an existing real estate becomes investment real estate for the first time after completing construction or development activities or changing the application), and the fair value of this investment real estate cannot be obtained continuously and reliably, this investment real estate is measured by the cost model until disposal, and assuming there is no residual value.

When the investment real estate is disposed of or permanently withdrawn from use and it is expected that no economic benefit can be obtained from its disposal, the recognition of the investment real estate should be terminated. The income from disposal of investment real estate sold, transferred, scrapped or damaged is deducted for its book value and related tax expenses and charged to the current profit or loss.

17. Fixed assets

(1) Fixed asset recognition conditions

Fixed assets refer to the tangible assets that are held for the sake of producing commodities, rendering labor service, renting or business management and their useful life is in excess of one fiscal year. No fixed asset may be recognized unless the economic benefits pertinent to the fixed asset are likely to flow into the company and the cost of the fixed asset can be measured reliably. Fixed assets are initially measured at cost and taken into account the impact of the estimated cost of disposal.

(2) Depreciation methods of various fixed assets

From the next month after the fixed assets reach the scheduled usable condition, the depreciation should be made within the service life as the life-average method. The use life, estimated net residual value and annual depreciation rate of various types of fixed assets are as follows:

Fixed asset category	Depreciation year limit (years)	Net residual value rate (%)	Yearly depreciation rate (%)
Houses and buildings	10-40 years	5.00	2.38-9.50
Machinery equipment	10-15 years	5.00	6.33-9.50
Transportation equipment	4-10 years	5.00	9.50-23.75
Electronic office equipment	3-20 years	5.00	4.75-31.67
Pipeline network and other equipments	5-50 years	5.00	1.90-19.00

The expected net residual value is the amount that the company has currently reduced the estimated disposal expenses from the disposal of the asset, the estimated use life of the fixed asset is finished at the end of its useful life.

(3) Impairment test method and withdrawal method of impairment provision of fixed assets

For the details of impairment test method and withdrawal method of impairment provision of fixed assets, please refer to Note IV. 22 "Long-term Asset Impairment".

(4) Identification basis and pricing method of financing lease fixed assets

Financing leasing means leasing that all risks and rewards related to the ownership of the assets are transferred materially and its ownership may be finally transferred or not transferred. Fixed assets leased by financial leases are depreciated by the same policy as that of self-owned fixed assets. If it is reasonably certain that the ownership of the leased asset should be obtained when the lease expires, depreciation should be made within the useful life of the leased asset; if it cannot reasonably be determined that the leased asset can be acquired after the expiration of the lease term, the shorter period of the lease term and the useful life of the leased asset is used for the depreciation.

(5) Other instructions

For the subsequent expenditures related to fixed assets, if the economic benefits associated with the fixed assets are likely to flow in and their costs can be reliably measured, they are included in the cost of fixed assets and the recognition of the book value of the replaced part is terminated. The other subsequent expenses are included in the current profit or loss when incurred.

The fixed assets are derecognized when the fixed assets are disposed or if no economic benefits are expected to generate from the use or disposal. The difference between the disposal income of fixed assets sold, transferred, scrapped or damaged after deducting their book value and related tax fees is included in the current profit or loss.

The company reviews the use life, estimated net residual value, and depreciation method of fixed assets at least at the end of the year, and if any change, it is recorded as a change in accounting estimates.

18. Construction in process

The cost of construction in progress is determined based on actual project expenditures, including various engineering expenditures incurred during construction period and other relevant expenses.

Construction in progress is carried over to the fixed assets after it reaches its intended usable condition.

For details of the impairment test method and withdrawal method of impairment provision of construction in progress, please refer to Note IV. 22 “Long-term Asset Impairment”.

19. Borrowing costs

The borrowing costs shall include interest on borrowings, amortization of discounts or premiums on borrowings, ancillary expenses, and exchange balance on foreign currency borrowings. The capitalization of borrowing costs that can be directly attributable to the acquisition, construction, or production of assets that meet the conditions for capitalization is started when the capital expenditure and borrowing costs have already been incurred, and the necessary acquisition, construction, or production activities in order to make the assets ready for their intended use or sale have been started. The capitalization is stopped when the constructed or produced assets that meet the conditions for capitalization reach a state of intended use or sale. Other borrowing costs shall be recognized as expenses at the present period.

The actual interest expenses of the special borrowings incurred in the current period should be capitalized after subtracting the interest income earned by the unutilized borrowing funds from bank or the investment income obtained from the temporary investment; the general borrowings should be determined for the amount of capitalization as following, the weighted average of asset expenditures that the accumulative assets expenditure exceeds the special borrowings is multiplied by the capitalization rate of general borrowings. The capitalization rate is determined on the basis of weighted average interest rate of the general borrowings.

During the capitalization period, the foreign exchange differences on foreign currency specific borrowings should be capitalized; exchange differences on foreign currency general borrowings should be recorded in the current profits and losses.

Assets eligible for capitalization refer to the fixed assets that require a long period of time for acquisition, construction, or production for use or sale, investment real estate, inventory, etc.

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended till the acquisition and construction or production of the asset restarts.

20. Intangible assets

(1) Intangible assets

Intangible assets are identifiable non-monetary assets that are owned or controlled by the company, without physical shape.

Intangible assets are initially measured at cost. The expenditures related to intangible assets are included in the costs of intangible assets, if relevant economic benefits are likely to flow into the company and their costs can be reliably measured. Expenditure for other items is included in the current profit or loss when incurred.

Land use rights acquired are usually accounted as intangible assets. The plant and other buildings of self-development and construction, the related land use rights expenditures and building construction costs are accounted as intangible assets and fixed assets, respectively. For the purchased houses and buildings, the relevant price should be allocated between the land use rights and the buildings. If it is

difficult to allocate them reasonably, all of them should be treated as fixed assets.

Intangible assets with limited useful lives are amortized by the straight line staging average method over their expected useful lives from the moment they are available for use, less their estimated net residual value and the accumulative amount of accrued impairment losses. Intangible assets with indefinite useful lives are not amortized.

At the end of the period, the useful life and amortization method of intangible assets with limited useful life are reviewed, if any change occurs, they are treated as changes in accounting estimates. In addition, the service life of an intangible asset with an indefinite useful life is reviewed. If there is evidence that the period during which the intangible asset brings economic benefits to the enterprise is predictable, the service life of the intangible asset is estimated and the intangible asset with a finite service life is amortized as the amortization policy.

(2) Research & development expenditure

The expenditures of the company's internal research and development projects are divided into research phase expenditures and development phase expenditures.

Expenditure for the research phase is included in the current profit or loss when incurred.

Expenditure in the development phase that satisfies the following conditions at the same time is recognized as intangible assets. Expenditure at the development stage that does not satisfy the following conditions is included in the current profit and loss:

① It is feasible technically to finish intangible assets for use or sale;

② It is intended to finish and use or sell the intangible assets;

③ The ways in which intangible assets generate economic benefit includes the way that it can prove the existence of the market of the products from the intangible assets or it can prove the existence of the market of intangible assets itself. If intangible assets are used internally and it can prove their usefulness;

④ Sufficient technical, financial and other resources to support the development of the intangible assets and the ability to use or sell the intangible assets;

⑤ Expenditure attributable to the development stage of the intangible asset can be reliably measured.

If it is not possible to distinguish between research phase expenditures and development phase expenditures, all R&D expenditures incurred should be charged to the current profit or loss.

(3) Impairment test method and withdrawal method of impairment provision of intangible assets

For details of the impairment test method and withdrawal method of impairment provision of intangible assets, please refer to Note IV. 22 "Long-term asset impairment".

21. Long-term prepaid expense

Long-term expenses to be apportioned are various expenses that have already occurred, but they should be burdened by the reporting period and subsequent periods with a time limit of more than one year. Long-term expenses to be apportioned are amortized on a straight-line basis over the expected benefit period.

22. Long-term asset impairment

For non-current non-financial assets such as fixed assets, construction in progress, intangible assets with limited service life, investment real estate measured in cost mode, and long-term equity investments

in subsidiaries, associated enterprises, joint ventures, etc., the company should determine whether there are signs of impairment on the balance sheet date. If there is any sign of impairment, its recoverable amount is estimated and the impairment test is conducted. For goodwill, intangible assets with an indefinite useful life, and intangible assets that have not yet reached their usable status are tested for impairment annually, irrespective of whether there is any sign of impairment.

If the impairment test results indicate that the recoverable amount of the asset is less than its book value, the difference should be withdrawn and accounted as impairment loss. The recoverable amount is the higher of the fair value of the assets minus the disposal expenses and the present value of the estimated future cash flow of the assets. The fair value of the asset is determined on the basis of the price of the sales agreement in an arm's length transaction. If there is no sales agreement but there is an active market for assets, the fair value is determined on the basis of the buyer's bid for the asset; if there is no sales agreement and active asset market, the most available good information is based to estimate the fair value of asset. Disposal expenses include legal fees related to the disposition of assets, related taxes, handling expenses, and direct expenses incurred in bringing assets into a saleable state. The present value of the expected future cash flow of the assets is determined by the amount of discounted cash flow selected in accordance with the estimated future cash flow generated during the continuous use and final disposal of the assets. The impairment provision of assets is calculated and confirmed on the basis of individual assets. If it is difficult to estimate the recoverable amount of a single asset, the asset group to which the asset belongs should be used to determine the recoverable amount of the asset group. Asset groups are the smallest portfolio of assets that can generate cash inflows independently.

For the goodwill separate listed in the financial statements, the book value of goodwill is amortized to the asset group or combination of asset groups that are expected to benefit from the synergies of the business combination when assessing impairment. If the test result shows that the recoverable amount of an asset group or a combination of asset groups which includes the goodwill that have been apportioned to is lower than its book value, it shall be recognized as the corresponding impairment loss. The amount of the impairment loss shall first charge against the book value of the goodwill which are apportioned to the asset group or combination of asset groups, then charge it against the book value of other assets in proportion to the weight of other assets in the asset group or combination of asset groups with the goodwill excluded.

Once any loss of the above asset impairment is recognized, the value recoverable shall not be switched back in the future accounting periods.

23. Contract liabilities

Accounting policy of contract liabilities is applicable to 2021 and beyond.

Contract liabilities refer to corporate obligation of transferring commodities to customers for customer consideration received or receivable. If customers have paid contract consideration or the company has obtained unconditional right of receiving payment before the company transfers commodities to customers, the company presents such received amount or receivables as contract liabilities at the time of actual payment amount or payable in due time by customers, whichever is earlier. Contract assets and contract liabilities under the same contract are presented in net amount, and contract assets and contract

liabilities under different contracts are not offset.

24. Employee remuneration

Staff remuneration of the company mainly includes short-term staff remuneration, post-employment welfare, dismissal welfare and other long-term staff welfares. Of which:

Short-term remuneration mainly includes wage, bonus, allowance and subsidy, staff welfare, medical insurance premium, maternity insurance premium, work-related injury insurance premium, housing reserve fund, labor union fund and staff education fund, non-monetary welfare, etc. The company recognizes actual short-term staff remuneration incurred during accounting period when the employee provides service for the company as liabilities, and charges to current profits and losses or related asset costs. Of which non-monetary welfare is measured at fair value.

Post-employment welfare mainly includes basic pension insurance, unemployment insurance and annuity, etc. Post-employment welfare plan includes defined contribution plan and defined benefit plan. For defined contribution plan, the corresponding payable amount shall be included in relevant asset cost or current profits and losses when incurred. The company hires independent actuaries to estimate relevant demographic statistical variables and financial variables according to the expected cumulative benefit unit method, by using unbiased and mutually consistent actuarial assumptions, measure obligations arising from the defined benefit plan, and determine the attribution period of related obligations. On the balance sheet date, the company presents the obligations arising from defined benefit plan as per present value, and records current service cost in current profits and losses.

Prior to the expiration of the labor contract, terminate the labor relations with employees, or propose compensation suggestions to encourage employees to accept voluntary redundancy. When the bank cannot unilaterally withdraw the termination benefits due to termination of labor relation plans or the layoff proposal provided, confirm with the bank regarding the earlier date of costs relates to the restructure of paying resignation welfare associated, confirm the employee remuneration liabilities generated from termination of benefits, and included in the current profits and losses. Nevertheless, if the dismissal welfare is expected not to be fully paid within twelve months after end of the annual reporting period, it shall be handled as per other long-term employee remuneration.

Internal retirement plan of employee can be handled by the same principle as the above dismissal welfare. The company will include the internally retired staff salary to be paid from the date of staff ceasing providing service to the date of normal retirement and the paid social insurance premium, etc. into the current profits and losses (dismissal welfare), while meeting the criteria of recognizing estimated liabilities.

For other long-term staff welfare offered by the company to the employee, in case of compliance with the defined contribution plan, it shall be accounted for as per the defined contribution plan, or otherwise accounted for as per the defined benefit plan.

25. Estimated liabilities

When the obligation related to contingencies simultaneously meets the following conditions, it is recognized as estimated liability: (1) such obligation is the current obligation assumed by the Group; (2) the performance of such obligation is likely to cause outflow of economic benefits; (3) the amount of such obligation can be reliably measured.

On the balance sheet date, the estimated liabilities are measured according to the best estimate of expenditures required for performing relevant current obligations, considering such factors as relevant risks of contingent event, uncertainties and currency time value, etc.

If all or part of expenditures required for liquidation of estimated liabilities are expected to be compensated by the third party, when the compensation amount is basically determined to be receivable, it is recognized separately as asset, and the recognized compensation amount does not exceed book value of the estimated liabilities.

(1) Loss contract

Loss contract refers to the contract of costs inevitably exceeding estimated economic benefits when performing contractual obligations. If the contract to be executed becomes a loss contract, and the obligations arising from such loss contract meet the recognition conditions of above estimated liabilities, the part of contractual estimated losses that exceeds the recognized impairment losses (if any) of contractual underlying assets is recognized as estimated liabilities.

(2) Reorganization obligations

If reorganization plan has been formally and externally announced in details, when meeting the aforesaid criteria of recognizing estimated liabilities, the amount of estimated liabilities is determined as per the direct expenditure related to reorganization. For recombination obligations with partial business sold, its obligations relating to reorganization is recognized only when the company promises to sell partial business (i.e. upon signing of binding sales agreement).

26. Share-based payment

(1) Accounting treatment method of share-based payment

Share-based payment is a transaction in which an enterprise grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employee or other parties. The share-based payments shall consist of equity-settled share-based payments and cash-settled share-based payments.

① Equity-settled share-based payment

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. If the right may not be exercised until the service in vesting period is completed or the specified performance conditions are met, based on the best estimate for the quantity of equity instrument with exercisable right in vesting period, when the right may be exercised immediately after granting, the amount of this fair value is recorded in relevant cost or expense on the granting date, to increase capital reserve accordingly.

On each balance sheet date during the vesting period, the company makes the best estimate based on the latest information of exercisable right, staff number change and other subsequent information, and modifies the expected number of exercisable right equity instruments. The impact of aforesaid estimates is included in the current relevant costs or expenses, and the capital reserve is adjusted accordingly.

As for equity-settled share-based payment in exchange for other party's service, if the fair value of other party's service can be reliably measured, it is measured as per the fair value of other party's service on the acquisition date; if the fair value of other party's service cannot be reliably measured, but the fair value of equity instruments can be reliably measured, it is measured as per the fair value of equity

instruments on the service acquisition date, and included in relevant cost or expense, which increases the shareholder's equity accordingly.

When the fair value of granted equity instruments cannot be reliably measured, it shall be measured as per the inner value of equity instruments on the service acquisition date, subsequent each balance sheet date and settlement date, and the inner value changes are included in current profits and losses.

② Cash-settled share-based payment

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the company. In case of immediately exercising the right after granting, it is included in relevant costs or expenses on the granting date, and liabilities are increased accordingly; if the right may not be exercised until the service in vesting period is completed or the specified performance conditions are met, on each balance sheet date within the vesting period, based on the best estimate of exercisable right status, the service obtained in the current period shall be included in costs or expenses, as per the fair value of liabilities undertaken by the enterprise, and liabilities are increased accordingly.

The company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes in the current profits and losses.

(2) Relevant accounting treatment of share-based payment plan modification and termination

When the company modifies the share-based payment plan, if the modification increases the fair value of granted equity instruments, the increase of service is recognized according to increased fair value of equity instruments. The increased fair value of equity instruments refers to the difference between fair value of equity instruments on the modification date before and after the modification. If the modification reduces total fair value of share-based payment or adopts other methods unfavorable to employees, accounting treatment will continuously be carried out on the obtained service, and such change is deemed as never occurred, unless the company has canceled a part or all of the granted equity instruments.

During the vesting period, if the granted equity instruments are cancelled, the company makes acceleration of exercisable right on the canceled and granted equity instruments, the amount that shall be recognized in the remaining vesting period will be immediately included in the current profits and losses, and the capital reserve is simultaneously recognized. If employees or other party can choose to meet non-vesting conditions but fails to meet in the vesting period, the company will treat it as cancellation of equity instruments.

(3) Accounting treatment of share-based payment transaction involving the company and its shareholders or actual controllers

For share-based payment transaction involving the company and its shareholders or actual controllers, if either the settlement enterprise or the service-accepting enterprise is inside the company, and the other is outside the company, accounting treatment shall be performed in the consolidated financial statement of the company according to the following regulations:

① If the settlement enterprise settles by its own equity instruments, the share-based payment transaction shall be treated as equity-settled share-based payment; otherwise, it is treated as cash-settled share-based payment.

If the settlement enterprise is an investor of the service-accepting enterprise, it shall recognize long-term equity investment of the service-accepting enterprise as per fair value of equity instruments on the grant date or fair value of liabilities borne, and simultaneously recognize capital reserve (other capital reserves) or liabilities.

② If the service-accepting enterprise has no settlement obligation or grants its own equity instruments to the company employees, such share-based payment transaction shall be treated as equity-settled share-based payment; if the service-accepting enterprise has settlement obligation and does not grant its own equity instruments to the company employees, such share-based payment transaction shall be treated as cash-settled share-based payment.

For share-based payment transaction between enterprises inside the company, if the service-accepting enterprise and the settlement enterprise are not the same enterprise, the recognition and measurement of such share-based payment transaction is treated by the above principle in the respective individual financial statement of the service-accepting enterprise and the settlement enterprise.

27. Preferred stock, perpetual bond and other financial instruments

(1) Distinction between perpetual bond and preferred stock

The financial instruments issued by the company, such as perpetual bond and preferred stock that meet the following conditions are regarded as equity instruments:

① Such financial instruments do not include contractual obligations to deliver cash or other financial assets to the other party or exchange financial assets or financial liabilities with other parties under potentially adverse conditions;

② If such financial instruments must or may be settled by using the company's own equity instruments in the future, and if such financial instruments are non-derivative instruments, they exclude the contractual obligations to deliver variable number of own equity instruments for settlement; if they are derivative instruments, the company can only settle such financial instruments by exchanging fixed amount of cash or other financial assets with fixed number of own equity instruments.

Except for the financial instruments classified as equity instruments under the above conditions, other financial instruments issued by the company shall be classified as financial liabilities.

If the financial instrument issued by the company is compound financial instrument, it shall be recognized as a liability as per the fair value of liability component, and the amount after the actually received amount deducting the fair value of liability component shall be recognized as "other equity instrument". The transaction costs incurred for issuing compound financial instrument are apportioned between liability component and equity component as per their respective proportion to the total issuance price.

(2) Accounting method for perpetual bond and preferred stock

Financial instruments such as perpetual bonds and preferred stocks categorized as financial liabilities, their relevant interests, dividends (or stock dividends), gains or losses, as well as gains or

losses arising from redemption or refinancing, etc, except for the borrowing cost eligible for capitalization (see Note IV 19 "Borrowing cost"), are included in the current profits and losses.

For the financial instruments of perpetual bond, preferred stock, etc classified as equity instruments, during their issuance (including refinancing), repurchase, sale or cancellation, the company handles as equity changes, and related transaction costs are also deducted from equity. The company's distribution to holders of equity instruments is regarded as profit distribution.

The company does not recognize the fair value changes of equity instruments.

28. Incomes

The following accounting policy of income is applicable to 2021 and beyond:

Income refers to total injection of economic benefits arising from daily activities of enterprise that will lead to owner's equity increase, unrelated with the owner's capital invested. Its recognition principle is as follows:

(1) Income accounting policy

When the contract between the company and customers meets the following conditions simultaneously, income is recognized when customers obtain relevant control right of commodity: all parties to the contract have approved this contract and promised to perform their respective obligations; the contract has clarified the rights and obligations of all parties to the contract pertaining to the transferred commodity or provided labor; the contract has clear payment terms regarding the transferred commodity; the contract has commercial substance, namely the performance of this contract will change the company's future cash flow risk, time distribution or amount; the consideration obtained by the company due to transferring commodity to customers is likely to be recovered.

On the contract start date, the company identifies each individual performance obligation in the contract, and apportions the transaction price to each individual performance obligation as per the relative proportion of separate selling price for the commodity promised by each individual performance obligation. When determining transaction price, the impact of factors are considered, such as variable consideration, major financing component in the contract, non-cash consideration and consideration payable to customers.

For each individual performance obligation in the contract, if one of the following conditions is met, the company recognizes the transaction price apportioned to this individual performance obligation as income during relevant performance period according to the performance progress: customers obtain and consume the economic benefits brought by the company's performance while the company is performing contract; customers can control the commodities in progress during performance of the company; the commodities produced during performance of the company have irreplaceable application, and the company has the right to charge funds on the part that has completed performance so far during the entire contract period. The performance progress is determined by input method or output method according to the nature of the transferred commodity. When the performance progress cannot be reasonably determined, if corporate costs incurred are expected to be compensated, income is recognized according to the amount of costs incurred until performance progress can be reasonably determined.

If one of the above conditions is not met, the company recognizes income for the transaction price apportioned to this individual performance obligation at the time when customers obtain relevant control right of commodity. When judging whether customers have obtained commodity control right, the company considers the following signs: the company is entitled to current charging right for such commodity, which means customers have current payment obligation for such commodity; the company has transferred legal ownership of such commodity to customers, which means customers have held legal ownership of such commodity; the company has transferred such commodity in kind to customers, which means customers have occupied such commodity in kind; the company has transferred main risk and reward on ownership of such commodity to customers, which means customers have obtained main risk and reward on ownership of such commodity; customers have accepted such commodity; other signs indicating customers have obtained commodity control right.

The following accounting policy of income is applicable to 2020:

The company's operating income mainly includes sales of goods, income from providing services, from transfer of asset use right and from construction contracts. The principles for confirmation of the operating income are as follows:

(1) Commodity sales income

When major risks and rewards of the commodity ownership has been transferred to the buyer, without retaining the continuous management right normally associated with the ownership or effective control of the sold commodity, the amount of income can be reliably measured, relevant economic benefits are likely to flow into the company, and relevant costs that have incurred or will incur can be reliably measured, the commodity sales income is recognized as achieved.

(2) Income from rendering labor service

In case the result of provided labor transaction can be reliably estimated, the provided labor income is recognized as per the work completion percentage method on the balance sheet date. The progress of labor transaction completion is determined as per the proportion of incurred labor cost to the estimated total cost.

The results of providing labor service transaction can be reliably estimated meaning to simultaneously satisfy: ① the amount of income can be reliably measured; ② relevant economic benefits are likely to flow into the enterprise; ③ the completion of transaction can be reliably determined; ④ the cost that has incurred and will incur can be reliably measured.

If the result of provided labor transaction cannot be reliably estimated, the provided labor income shall be recognized according to the amount of labor cost that has incurred and is expected to be compensated, and the incurred labor cost is deemed as current expense. If the incurred labor cost is expected not to be compensated, the income is not recognized.

When the contract or agreement signed between the company and other companies includes commodity sales or labor provision, if the part of commodity sales and the part of labor provision can be distinguished and measured separately, the part of commodity sales and the part of labor provision shall be handled separately; if the part of commodity sales and the part of labor provision cannot be distinguished, or they can be distinguished but not measured separately, such contract shall be wholly

handled as commodity sales.

(3) Construction contract income

In case the result of construction contract can be reliably estimated, contract income and contract expense are recognized as per the work completion percentage method on the balance sheet date. The progress of contract completion is determined by the proportion of cumulative contract cost actually incurred to the estimated total contract cost.

The results of construction contract can be reliably measured meaning to simultaneously satisfy: ① the total incomes of contract can be measured reliably; ② relevant economic benefits of contract are likely to flow into the company; ③ the actually incurred contractual costs can be clearly distinguished and reliably measured; ④ contract completion progress and the costs to be incurred for completing the contract can be reliably measured.

If the result of construction contract cannot be reliably estimated, but the contract cost can be recovered, the contract income is recognized as per the actual contract cost that can be recovered, and the contract cost is recognized as contract expense in the period when it is incurred; if the contract cost cannot be recovered, it is immediately recognized as contract expense when it is incurred, and contract income is not recognized. If there is no uncertain factor to cause the result of construction contract not reliably estimated, relevant income and expense related to the construction contract shall be determined according to the work completion percentage method.

If estimated total contract cost exceeds total contract income, the estimated loss is recognized as current expense.

The cumulative costs incurred in the contract of construction in progress, the cumulative recognized gross profits (losses) and the settled price are presented in the balance sheet as net amount after offsetting. The part of the sum of cumulative costs incurred in the contract of construction in progress and cumulative recognized gross profits (losses) exceeding the settled price is presented as inventories; the part of the sum of settled price in the contract of construction in progress exceeding the cumulative costs incurred and cumulative recognized gross profits (losses) is presented as an advance receipts.

(4) Use fee income

Income is recognized on an accrual basis, according to relevant contract or agreement.

(5) Interest incomes

It is determined based on the time for other's use of the company monetary assets and actual interest rate.

29. Government grants

Government grants refer to monetary assets and non-monetary assets obtained by the company free from the government, excluding the capital invested by the government as investor and entitled to corresponding owner's equity. Government grants are divided into asset-related government grants and revenue-related government grants.

The company defines the government grants obtained for construction or forming long-term assets by other means as asset-related government grants; the other government grants are defined as revenue-related government grants. If government document does not expressly specify the recipient of subsidy,

the subsidy fund is divided into income-related government subsidy and asset-related government subsidy in the following manners: (1) if the government document clarifies the specific project for subsidy, it is divided as per the relative proportion of asset expenditure amount and expenditure amount charged to expense in the budget of this specific project, and this division proportion needs to be reviewed on each balance sheet date and changed when necessary; (2) if government document only makes general statement on the purpose of usage, rather than indicate the specific project, it is the income-related government subsidy. If government grants are monetary assets, measure according to received or receivable amount. Government grants as non-monetary assets shall be measured at fair value; if fair value can't be obtained reliably, it shall be measured at nominal amount. Government grants measured at nominal amount are directly charged to current profits and losses.

The company usually recognizes and measures government grants as per the paid-in amount when actually received. Nevertheless, in case of conclusive evidence at the end of period to show compliance with relevant criteria of fiscal support policy provisions and expected receipt of fiscal support funds, measure in accordance with the amount receivable. Government grants measured in accordance with the amount receivable shall simultaneously satisfy the following criteria: (1) the amount of receivable grants has been confirmed by document of government authority, or may be reasonably measured pursuant to relevant provisions of officially promulgated fiscal fund administration measures, and the amount is expected to have no significant uncertainty; (2) it is subject to the administrative measures for fiscal support project and fiscal fund officially promulgated by local fiscal authority and actively disclosed pursuant to the Government Information Disclosure Regulations, and such administrative measures should be generalized preferential (any enterprise that meets the specified criteria can apply), rather than formulated for a specific enterprise; (3) the time limit of payment has been clearly promised in relevant subsidy approval document, and the payment of such amount is guaranteed by corresponding fiscal budget, so as to reasonably ensure receipt within the prescribed time limit; (4) other relevant criteria to meet according to specific circumstances of the company and such subsidy matter (if any) .

The asset-related government grants are recognized as deferred income, and charged to current profits and losses by phases within the service life of relevant assets in a reasonable and systematic manner, or offset book value of relevant assets. For revenue-related government grants, if used to compensate relevant costs or losses in later period, they are recognized as deferred income, and charged to current profits and losses during the period of recognizing relevant costs or losses or offset the relevant costs; if used to compensate relevant costs or losses incurred, they are directly charged to current profits and losses or offset the relevant costs.

The government grants that include both asset-related part and income-related part shall be accounted for respectively by distinguishing the different parts; in case of difficult to distinguish, they shall be classified as revenue-related government grants as a whole.

The government grants associated with the company's daily activities shall be charged to other revenue or offset relevant costs, according to the nature of economic business; the government grants that are unassociated with daily activities are charged to non-operating income and expenditure.

When the recognized government grants need to be returned, if there is relevant deferred income balance, offset against book balance of relevant deferred income, and the excessive part shall be charged to current profits and losses or adjust book value of asset for the asset-related government grants that offset book value of relevant asset and are related to asset when they are initially recognized; in other circumstances, they are directly charged to the current profits and losses.

30. Deferred income tax assets/deferred income tax liabilities

(1) Current income tax

On the balance sheet date, the current income tax liabilities (or assets) formed in current and prior period are measured at the expected amount of income tax payable (or refundable) calculated in accordance with the tax law. The amount of taxable income based on which the current income tax expense is calculated is drawn after corresponding adjustment of this year's pre-tax accounting profit made pursuant to relevant tax law.

(2) Deferred income tax assets/deferred income tax liabilities

For the gap between book value of some assets and liabilities and their tax basis, as well as the temporary difference arising from the gap between book value of the items which are not recognized as assets and liabilities but whose taxable basis can be determined according to the tax law, the balance sheet liability method is used to recognize deferred income tax assets and deferred income tax liabilities.

For the taxable temporary difference related to initial recognition of goodwill and initial recognition of assets or liabilities arising from the trade, instead of enterprise merger, uninfluenced accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax liabilities are not recognized. In addition, for the taxable temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the company is able to control the time of temporary difference return, and such temporary difference is unlikely to reverse in the foreseeable future, relevant deferred income tax liabilities are not recognized as well. Except for the above exceptions, the company recognizes deferred income tax liabilities arising from all other taxable temporary differences.

For the deductible temporary difference related to initial recognition of assets or liabilities arising from the trade, instead of enterprise merger, unaffected accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax assets are not recognized. In addition, for the deductible temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the temporary difference is unlikely to reverse in the foreseeable future, or the taxable income is unlikely to acquire to offset the deductible temporary difference in the future, relevant deferred income tax assets are not recognized. Except for the above exceptions, the company recognizes deferred income tax assets arising from other deductible temporary differences, limited to the taxable income that is likely to obtain to offset the deductible temporary difference.

For the deductible losses and tax credits that can be carried forward in subsequent years, relevant deferred income tax assets are recognized, limited to the future taxable income that is likely to obtain to offset the deductible losses and tax credits.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured as per the applicable tax rate during the period of expected recovery for relevant assets or

liquidation of relevant liabilities, according to the tax law.

On the balance sheet date, the book value of deferred income tax assets is reviewed; if it is likely not to obtain sufficient taxable income to offset the benefits of deferred income tax assets in the future, the book value of deferred income tax assets shall be written off. If sufficient taxable income may be obtained, the write-off amounts shall be reversed.

(3) Income tax expenses

Income tax expenses include current income tax and deferred income tax.

Except that the current income tax and deferred income tax recognized as other comprehensive revenue or related to the transaction and matter directly included in shareholder's equity are charged to other comprehensive revenue or shareholder's equity, as well as the deferred income tax arising from enterprise merger to adjust book value of goodwill, other current income tax and deferred income tax expenses or revenues are charged to current profits and losses.

(4) Income tax offsetting

When having legitimate right of net settlement, and intending to execute net settlement or concurrently obtaining assets and settling liabilities, the company's current income tax assets and current income tax liabilities are reported at the net amount after offsetting.

When having legitimate right of net settlement for current income tax assets and current income tax liabilities, and the deferred income tax assets and deferred income tax liabilities are related to the income tax levied on the same taxpayer by the same tax collection department or related to different taxpayers, but in every future period of reversal for the important deferred income tax assets and liabilities, the involved taxpayer intends to execute net settlement of current income tax assets and liabilities or simultaneously obtains assets and settles liabilities, the company's deferred income tax assets and deferred income tax liabilities are reported at the net amount after offsetting.

31. Leasing

Lease means that the company has transferred or obtained the control of one or more identified asset use rights within a certain period to exchange for or pay the consideration contract. On the start date of a contract, the company assesses whether the contract is for lease or contains lease.

(1) The company acts as a lessee

① Initial Measurement

On the lease start date, the company recognizes its right to use the lease assets during the lease term as right-of-use assets, and the present value of unpaid lease payment amount as lease liabilities (except short-term lease and lease of low-value assets). When calculating the present value of lease payment amount, the company adopts interest rate implicit in lease as discount rate; if the interest rate implicit in lease cannot be determined, the lessee's incremental borrowing interest rate is regarded as discount rate.

② Subsequent measurement

The company depreciates the right-of-use assets in accordance with relevant depreciation provisions of the Accounting Standards for Business Enterprises No.4—Fixed Assets (see Note IV 17 "Fixed Assets" for details). If the ownership of lease assets can be reasonably determined at the expiration of lease term,

the company makes depreciation provision during the remaining service life of lease assets. If the ownership of lease assets cannot be reasonably determined at the expiration of lease term, the company makes depreciation provision during the period of lease term or remaining service life of lease assets, whichever is shorter.

As to lease liabilities, the company calculates their interest expense during each period of lease term according to fixed periodic rate, and records them in current profits and losses or relevant asset costs. Variable lease payment amount excluded from the measurement of lease liabilities is recorded in current profits and losses or relevant asset costs when it actually occurs.

After the lease start date, when actual fixed payment amount changes, the expected amount payable of guaranteed residual value changes, the index or ratio used to determine the lease payment amount changes, the evaluation result of purchase option right, lease renewal option right or termination option right or actual exercise situation changes, the company re-measures lease liabilities according to the present value of lease payment amount after change, and adjusts book value of right-of-use assets accordingly. If the book value of right-of-use assets has been reduced to zero, but lease liabilities still need to be further reduced, the company records remaining amount in current profits and losses.

③ Short-term lease and low-value asset lease

For short-term lease (lease of which lease term does not exceed 12 months on the lease start date) and low-value asset lease, the company leverages a simplified treatment method, rather than recognize the right-of-use assets and lease liabilities, but to record lease payment amount in relevant asset cost or current profits and losses by the straight-line method or other systematic reasonable methods during each period of lease term.

(2) The company acts as a lessor

Based on transaction nature, the company divides lease into financial lease and operating lease on the lease start date. Financial lease refers to the lease of which almost all risks and rewards pertaining to the ownership of lease assets have been substantially transferred. The term “operating lease” shall refer to a lease other than a financing lease.

① Operating leasing

The company recognizes the lease receipt amount of operating lease as rental fee income during each period of lease term by other systematic and reasonable amortization methods. Variable lease payment amount related to operating lease and excluded from the lease receipt amount is recorded in current profits and losses when it actually occurs.

② Financial leasing

On the lease start date, the company recognizes financial lease receivables, and de-recognizes financial lease assets. Financial lease receivables are initially measured by net lease investment (the sum of unguaranteed residual value and present value of lease payment amount not yet received on the lease start date discounted at the interest rate implicit in lease), and interest income during the lease term is calculated and recognized as per fixed periodic rate. Variable lease payment amount obtained by the company and excluded from the measurement of net lease investment is recorded in current profits and losses when it actually occurs.

32. Other important accounting policies and accounting estimates

(1) Discontinued operation

Discontinued operation refers to the integral part that meets one of the following conditions, has been disposed of or classified as held-for-sale by the company and can be separately classified during operation and preparation of financial statement: ① this integral part represents an independent primary business or a major operating area; ② this integral part is an intended part of disposal plan on an independent primary business or a major operating area; ③ this integral part is a subsidiary acquired solely for resale.

33. Changes in significant accounting policies and accounting estimates

(1) Accounting policy change

① Accounting policy changes due to implementation of new financial instrument standards

The Ministry of Finance promulgated the Accounting Standards for Business Enterprises No.22—Recognition & Measurement of Financial Instruments (2017 Amendment) (Accounting [2017] No.7), the Accounting Standards for Business Enterprises No.23—Transfer of Financial Assets (2017 Amendment) (Accounting [2017] No.8), the Accounting Standards for Business Enterprises No.24—Hedging Accounting (2017 Amendment) (Accounting [2017] No.9) respectively on March 31, 2017, and promulgated the Accounting Standards for Business Enterprises No.37—Presentation of Financial Instruments (2017 Amendment) (Accounting [2017] No.14) on May 2, 2017 (the above standards are collectively referred to as “new financial instrument standards”), requiring non-listed companies that implement the Accounting Standards for Business Enterprises to implement relevant new financial instrument accounting standards from January 1, 2021. The company started to implement the aforesaid new financial instrument standards since January 1, 2021.

All financial assets recognized under the new financial instrument standards are measured at amortized cost or fair value subsequently. On the implementation date of new financial instruments standards, upon evaluation of business model for managing financial assets based on existing corporate facts and circumstances on such date, and evaluation of contractual cash flow characteristics of such financial assets based on facts and circumstances during initial recognition of financial assets, financial assets are divided into three categories: measured at amortized cost, measured at fair value with changes included in other comprehensive incomes, and measured at fair value with changes included in current profits and losses. Among them, as for equity instrument investments measured at fair value with changes included in other comprehensive incomes, when such financial assets are derecognized, the cumulative gains or losses previously included in other comprehensive incomes will be transferred from other comprehensive incomes into retained earnings, and excluded in current profits and losses.

Under new financial instrument standards, and based on expected credit losses, the company makes impairment provision for financial assets measured at amortized cost, debt instrument investments measured at fair value with changes included in other comprehensive incomes, lease receivables, contract assets and financial guarantee contracts, and recognizes credit impairment losses.

The company applies new financial instrument standards retrospectively, whereas if the classification and measurement (including impairment) involving previous comparison of financial statement data are

inconsistent with new financial instrument standards, the company chooses not to restate. Therefore, for the cumulative impact figure under the first implementation of such standard, the company adjusts retained earnings or other comprehensive incomes and amounts of other related items in financial statement at the beginning of 2021, and the 2020 financial statement is not restated.

Main changes and impacts of the implementation of new financial instrument standards on the company are as follows:

—The company designates some non-trading equity investments held on and after January 1, 2021 as financial assets measured at fair value with change recorded in other comprehensive income as other equity instrument investment.

—Regarding some wealth management products, trust products, equity income rights and asset management plans held by the company, the income depends on the rate of return of underlying assets, originally classified as available-for-sale financial assets. Because contractual cash flow is not only the payment of principal and interest based on the outstanding principal, the company presents the financial assets measured at fair value with change recorded in current profits and losses on and after January 1, 2021 as transactional financial assets.

—Regarding partial available-for-sale debt instruments held by the company of which the cash flow generated on a specific date is only the payment of principal and interest based on the outstanding principal amount, and the company's business model for managing such financial assets targets at both charging contractual cash flow and selling such financial assets, the company reclassifies the available-for-sale financial assets to other debt investments on and after January 1, 2021.

A.Comparison statement on financial asset classification and measurement before and after the first implementation date

a. Impact on consolidated financial statement

December 31, 2020 (before change)			January 1, 2021 (after change)		
Items	Measurement category	Book value	Items	Measurement category	Book value
Monetary fund	Amortized cost	45,959,357,811.93	Monetary fund	Amortized cost	45,959,357,811.93
Accounts receivable	Amortized cost	7,824,125,589.72	Accounts receivable	Amortized cost	7,824,125,589.72
Other receivables	Amortized cost	21,265,227,888.52	Other receivables	Amortized cost	21,265,227,888.52
Other current assets	Amortized cost	2,611,232,280.68	Other current assets	Amortized cost	2,611,232,280.68
Held-to-maturity investments	Amortized cost	91,420,000.00	Creditor's rights investment	Amortized cost	91,420,000.00
Available-for-sale financial assets	Measured at fair value with change recorded in other comprehensive income (other)	812,176,666.67	Other non-current financial assets	Measured at fair value with change recorded in current profits and losses	50,440,000.00
	Measured at fair value with change recorded in other	2,151,571,039.98	Other equity instrument investments	Measured at fair value with changes	25,653,483,502.58

December 31, 2020 (before change)			January 1, 2021 (after change)		
Items	Measurement category	Book value	Items	Measurement category	Book value
	comprehensive income (equity instrument)			included in other comprehensive incomes	
	Measured at cost (equity instrument)	22,740,175,795.93			
	Subtotal	25,703,923,502.58			25,703,923,502.58

b. Impact on corporate financial statements

December 31, 2020 (before change)			January 1, 2021 (after change)		
Items	Measurement category	Book value	Items	Measurement category	Book value
Monetary fund	Amortized cost	9,386,714,316.92	Monetary fund	Amortized cost	9,386,714,316.92
Accounts receivable	Amortized cost	76,900,320.49	Accounts receivable	Amortized cost	76,900,320.49
Other receivables	Amortized cost	9,667,766,784.52	Other receivables	Amortized cost	9,667,766,784.52
Available-for-sale financial assets	Measured at cost (equity instrument)	16,480,554,626.20	Other equity instrument investments	Measured at fair value with changes included in other comprehensive incomes	16,480,554,626.20

B.Adjustment statement on original financial asset book value adjusted to new financial asset book value classified and measured in accordance with new financial instrument standards on the first implementation date

a. Impact on consolidated statement

Items	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Amortized cost:				
Accounts receivable	7,824,125,589.72			
Plus: adjustment of implementing new income standards				
Less: transfer to the financing of receivables				
Remeasurement: expected credit loss provision				
Balance presented as per new financial instrument standards				7,824,125,589.72
Other receivables	21,265,227,888.52			
Remeasurement: expected credit loss provision				
Balance presented as per new financial instrument standards				21,265,227,888.52
Held-to-maturity investments	91,420,000.00			

Items	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
(former standards)				
Less: transfer to debt investment		91,420,000.00		
Balance presented as per new financial instrument standards				
Other non-current financial assets	—			
Plus: transfer from available-for-sale financial assets (former standards)		50,440,000.00		
Balance presented as per new financial instrument standards				50,440,000.00
Measured at fair value with changes included in other comprehensive incomes:				
Available-for-sale financial assets (former standards)	25,703,923,502.58			
Less: transfer to other debt investments				
Less: transfer to other non-current financial assets		50,440,000.00		
Less: transfer to other equity instrument investments		25,653,483,502.58		
Balance presented as per new financial instrument standards				—
Other debt investments	—			
Plus: transfer from available-for-sale financial assets (former standards)		91,420,000.00		
Re-measure: re-measure by fair value				
Remeasurement: expected credit loss provision				
Balance presented as per new financial instrument standards				91,420,000.00
Other equity instrument investments	—			
Plus: transfer from available-for-sale financial assets (former standards)		25,653,483,502.58		
Re-measure: re-measure by fair value				
Balance presented as per new financial instrument standards				25,653,483,502.58

b. Impact on corporate financial statements

Items	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Amortized cost:				
Accounts receivable	76,900,320.49			

Items	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Balance presented as per new financial instrument standards				76,900,320.49
Other receivables	9,667,766,784.52			
Balance presented as per new financial instrument standards				9,667,766,784.52
Measured at fair value with changes included in other comprehensive incomes:				
Available-for-sale financial assets (former standards)	16,480,554,626.20			
Less: transfer to other equity instrument investments		16,480,554,626.20		
Balance presented as per new financial instrument standards				—
Other equity instrument investments	—			
Plus: transfer from available-for-sale financial assets (former standards)		16,480,554,626.20		
Balance presented as per new financial instrument standards				16,480,554,626.20

C.Adjustment statement on impairment provision of financial assets on the first implementation date

a. Impact on consolidated statement

Measurement category	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Amortized cost:				
Impairment provision of accounts receivable	45,133,443.13			45,133,443.13
Provisions for impairment of other receivables	197,929,630.71			197,929,630.71
Measured at fair value with changes included in other comprehensive incomes:				
Available-for-sale financial assets (former standards)	113,311,883.15	-113,311,883.15		
Other equity instrument investments		113,311,883.15		113,311,883.15

b. Impact on corporate financial statements

Measurement category	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Amortized cost:				
Provisions for impairment of other receivables	549,542.50			549,542.50

Measurement category	December 31, 2020 (before change)	Reclassification	Remeasurement	January 1, 2021 (after change)
Total	549,542.50			549,542.50

D.Impact on retained earnings and other comprehensive income on January 1, 2021

Items	Consolidated undistributed profit	Consolidated surplus reserve	Consolidated other comprehensive income
December 31, 2020	2,524,300,674.90	6,290,674.41	1,693,838,010.41
1. Re-classify available-for-sale financial assets to other equity instrument investments and re-measure	43,341,795.30		-43,341,795.30
January 1, 2021	2,567,642,470.20	6,290,674.41	1,650,496,215.11

② Accounting policies caused by implementing new income standards

On July 5, 2017, Ministry of Finance promulgated the Accounting Standards for Business Enterprises No.14 – Income (2017 Amendment) (Accounting [2017] No.22) (hereinafter referred to as “new income standards”). Non-listed companies that implement the Accounting Standards for Business Enterprises were requested to implement new income standards since January 1, 2021. The company started to implement the aforesaid new income standards since 1 January 2021.

The new income standards established a new income recognition model for the income generated by the contracts with customers. In order to implement new income standards, the Group re-assesses the recognition and measurement, accounting, presentation and other aspects of major contract income. According to the provisions of new income standards, the Group chose to adjust only the cumulative impact number of contracts uncompleted on January 1, 2021, and conducted simplified treatment of the contract change occurred before the beginning of earliest comparable period (January 1, 2020) or before January 1, 2020, namely to identify the fulfilled and unfulfilled performance obligation according to final arrangement of the contract, determine transaction price and share transaction price between the fulfilled and unfulfilled performance obligations. For the retained earnings at the beginning of current period of initial execution from adjustment of cumulative impact amount of first execution (i.e. January 1, 2021), as well as other relevant item amounts of financial statements, the financial statements in comparable period did not re-describe.

Main changes and impacts for the implementation of new income standards are as follows:

——The Group changed the contract consideration of advance receipt from customers due to transfer of commodities as “contract liabilities” for presentation.

——Some of the Group’s receivables did not meet unconditional charge of consideration from customers (i.e. depending on time lapse), the Group reclassified and presented them as contract assets (or other non-current assets); the Group reclassified the outstanding quality assurance deposit receivable of the receipt period as contract assets (or other non-current assets) for presentation.

——The quality assurance service provided by the Group to customers was accounted originally as estimated liabilities, but under the new income standards, due to providing additional service beyond compliance with set standards of the sold commodities to customers, it is identified as individual performance obligation, and income is recognized during performance of relevant service.

Impact of the above adjustment on financial statements of January 1, 2021

Statement item	December 31, 2020 amount (before change)		January 1, 2021 amount (after change)	
	Consolidated statement	Corporate statement	Consolidated statement	Corporate statement
Deposit received in advance	2,706,098,605.44		2,564,609,272.71	
Contract liabilities			133,965,130.77	
Other current liabilities			7,524,201.96	

③ Accounting policy change caused by the implementation of new lease standards

Ministry of Finance promulgated the Accounting Standard for Business Enterprises No.21—Lease (2018 Amendment) (Accounting [2018] No.35) (hereinafter referred to as “new lease standards”). The Group implemented the new lease standards on January 1, 2021, and relevant accounting policies were changed according to the provisions of the new lease standards.

According to the provisions of new lease standards, the Group chooses not to re-assess the contract existed before the first execution date as whether for lease or containing lease.

The Group chose to adjust only the cumulative impact number of lease contracts as the lessee uncompleted on January 1, 2021. For the retained earnings at the beginning of current period of initial execution from adjustment of cumulative impact amount of first execution (i.e. January 1, 2021), as well as other relevant item amounts of financial statements, the comparable period information is not adjusted.

On the first execution date of new lease standards (i.e. January 1, 2021), specific connection process of the Group and its impacts are as follows:

① The group acts as a lessee

For financing lease of the first execution date, the Group as the lessee measures the right-of-use assets and lease liabilities respectively according to original book value of the assets acquired under finance lease and financial lease payable; for operating lease of the first execution date, as the lessee, it measures lease liabilities as per the present value of discounted incremental loan interest rate on the first execution date according to the remaining lease payment amount; the unpaid rental fee payable accrued as per the accrual-basis accounting is included in remaining lease payment amount.

For the lease assets that belong to operating lease of low value assets before the first execution date, the Group does not recognize right-of-use assets and lease liabilities. For the operating lease other than low value lease on the first execution date, the Group conducts the following one or more simplified treatment according to each lease item:

- The lease that will complete within 12 months after the first execution date is treated as short-term lease;
- When measuring lease liabilities, the leases with similar features follow the same discount rate;
- The measurement of right-of-use assets excludes initial direct cost;
- If there is lease renewal option right or lease termination option right, the Group determines lease term according to actual exercise of option right before the first execution date and other latest circumstances;
- As alternative to the impairment test of right-of-use assets, the Group assesses whether the

contract containing lease is loss contract before the first execution date according to the Accounting Standards for Business Enterprises No.13—Contingencies, and adjusts right-of-use assets according to the loss reserve amount recorded in balance sheet before the first execution date;

● In case of lease change before the first execution date, the Group conducts accounting treatment according to final arrangement of lease change.

② The group acts as a lessor

Where sublease still exists after the first execution date classified as operating lease before the first execution date, the Group re-evaluates and classifies it as the sublease lessor based on remaining contract term and provisions of original lease and sublease after the first execution date. If it is reclassified as financial lease, accounting treatment is conducted by regarding it as a new financial lease item.

③ Main changes and impacts of the implementation of new lease standards are as follows:

The impact of above accounting policy changes on the financial statements of January 1, 2021 is as follows:

Statement item	December 31, 2020 amount (before change)		January 1, 2021 amount (after change)	
	Consolidated statement	Corporate statement	Consolidated statement	Corporate statement
Right-of-use assets			265,263,912.00	
Lease liabilities			265,263,912.00	
Of which: lease liabilities due within one year			88,545,009.66	

The weighted average for incremental borrowing rate of lease liabilities included in balance sheet by the Group on January 1, 2021 is 4.75-4.90%.

(2) Accounting estimate change

The company has no changes in accounting estimates for disclosure this year

34. Significant Accounting Judgments and Estimates

In the process of applying accounting policies, due to internal uncertainties of operating activities, the company needs to make judgments, estimates and assumptions on the book value of report items that cannot be accurately measured. These judgments, estimates and assumptions are made based on past experience of the company executives, and considering other relevant factors. These judgments, estimates and assumptions affect the reporting amount of incomes, expenses, assets and liabilities, as well as disclosure of contingent liabilities on the balance sheet date. Nevertheless, the actual results caused by uncertainties of these estimates may be different from current estimates of the company executives, and further cause significant adjustment on the book value of affected assets or liabilities in the future.

The company conducts periodic review on the foregoing judgments, estimates and assumptions on the basis of sustainable operation; if changes in accounting estimates only affect the current period of changes, the affected amount is recognized in the current period of changes; if it affects both current period of changes and future period, the affected amount is recognized in the current period of changes and future period.

On the balance sheet date, important areas for the company's judgments, estimates and

assumptions on financial statement item amount are as follows:

(1) Income recognition--construction contract

When the construction contract results can be reliably estimated, the company leverages percentage-of-completion method to recognize contract incomes on the balance sheet date. The completion percentage method of contract is recognized according to the method in Note IV.28 "Income", and calculated cumulatively in each fiscal year when the construction contract is executed.

Significant judgments are required when determining the percentage of completion, contractual cost incurred, estimated total contract incomes and total costs, as well as recoverability of contract. Project executives mainly make judgments based on past experience and work. Estimated total contract revenue and total cost, as well as change in contract execution result estimates may affect the operating incomes and operating costs during or after change, as well as the profits and losses in the period, and exert a significant impact.

(2) Leasing

① Lease identification

When the company identifies whether a contract is for lease or contains lease, it must evaluate whether there is an identified asset and the customer has controlled the right of using this asset in a certain period. During evaluation, it is required to consider the nature of asset, substantive right of replacement, and whether the customer has the right to obtain almost all economic benefits arising from the use of this asset during this period and can dominate the use of this asset.

② Lease classification

When the company serves as a lessor, it classifies lease as operating lease and financial lease. When classifying, the management needs to analyze and judge whether all risks and rewards pertaining to the ownership of rented assets have been transferred to the lessee in substance.

③ Lease liabilities

When the company serves as the lessee, lease liabilities are initially measured as per the present value of lease payment amount unpaid on the lease start date. When measuring the present value of lease payment amount, the company estimates the discount rate used and the lease term of lease contract with lease renewal option right or termination option right. When evaluating lease term, the company comprehensively considers all relevant facts and circumstances that bring economic benefits from its exercise of option right, including the expected changes in facts and circumstances from the lease start date to option right exercise date. Different judgments and estimates may affect the recognition of lease liabilities and right-of-use assets, and will affect the profits and losses of subsequent periods.

(3) Accrued provision for bad debts

The company uses the allowance method for bad debt accounting, according to accounting policy of account receivable. The impairment of account receivable is based on assessing the recoverability of account receivable. The verification of impairment of receivables requires management level to make judgments and estimates. The difference between actual result and original estimate will affect the book value of account receivable, as well as the reversal and accrued provision for bad debts of account receivable during the period of estimates changed.

(4) Inventory falling price reserves

The company measures as per the lower of cost and net realizable value, and makes provision for inventory depreciation to the obsolete and unsalable inventory of which the cost exceeds the net realizable value, according to inventory accounting policy. The inventory depreciation to net realizable value is based on assessing the saleability of inventory and its net realizable value. To identify inventory depreciation requires judgments and estimates of executives based on obtaining conclusive evidence, and considering the purpose of holding inventory, influence of events after the balance sheet date and other factors. The difference between actual result and original estimates will affect the book value of inventory and the withdrawal or reversal of inventory depreciation during the period of changed estimates.

(5) Fair value of financial instruments

For the financial instruments unavailable on active trading market, the company determines its fair value through various valuation methods. These valuation methods include discounted cash flow model analysis, etc. During valuation, the Company needs to evaluate future cash flow, credit risks, market volatility and relevance etc., and select appropriate discount rate. Such relevance assumption has uncertainty and its changes may affect fair value of financial instruments.

(6) Held-to-maturity investments

The company categories the non-derivative financial assets that have fixed or determinable repayment amount, fixed maturity date and meet the criteria and that the company has a clear intention and ability to hold to maturity, as held-to-maturity investments. Such categorizing work involves a lot of judgment. In the process of making judgment, the company assesses the willingness and ability of holding such investment to the maturity date. Except in certain circumstances (such as selling an insignificant amount of investment when approaching the maturity date), if the company fails to hold these investments to the maturity date, all such investments must be re-categorized as available-for-sale financial assets, and such financial assets may not be divided into held-to-maturity investments in the current fiscal year and the following two full fiscal years. This case may exert a significant impact on the value of relevant financial assets presented in the financial statement, and affect the corporate strategy of financial instrument risk management.

(7) Held-to-maturity investment impairment

The company determines whether the held-to-maturity investments are impaired largely based on judgment of the management level. Objective evidences of impairment include serious financial difficulties of the issuer preventing the financial assets from continuous transaction on the active market and causing failure to perform the contract (e.g.: payment of interests or principal in breach of contract), etc. In the process of making judgment, the company needs to assess the impact of objective impairment evidences on the expected future cash flow of such investments.

(8) Available-for-sale financial assets impairment

The company determines whether available-for-sale financial assets are impaired largely based on judgments and assumptions of executives, to determine whether it needs to recognize the impairment loss in the income statement. When making judgments and assumptions, the company shall evaluate the degree and lasting period for the fair value of such investment less than the cost, financial condition and

short-term business prospect of the invested entity, including industrial status, technological reform, credit rating, default rate and risk of counterparty.

(9) Provision for long-term asset impairment

The company judges if there is possible sign of impairment on the non-current assets other than financial assets on the balance sheet date. For intangible assets with uncertain service life, in addition to annual impairment test, when there is sign of impairment, impairment test shall be conducted as well. For non-current assets other than financial assets, when there is sign showing the book amount unretrieved, impairment test shall be conducted.

When the book value of asset or asset group is higher than the recoverable amount, which is the higher of net amount after fair value deducting disposal expense and present value of estimated future cash flow, it indicates occurrence of impairment.

The net amount of fair value deducting disposal expense is determined by reducing the incremental cost that can be directly attributed to such asset disposal, with reference to sales agreement price of similar assets in fair trade or observable market price.

When estimating the present value of future cash flow, major judgments are required on the asset (or asset group) output, selling price, related operating cost, discount rate used when calculating the present value, etc. When estimating recoverable amount, the company may use all relevant information available, including forecasts of output, selling price and related operating cost which are made based on reasonable and supportable assumptions.

The company tests whether goodwill is impaired at least every year. This requires estimation on the present value of future cash flow of asset group or asset group portfolio with goodwill allocated. When estimating the present value of future cash flow, the company needs to estimate the future cash flow generated by asset group or asset group portfolio, and concurrently select appropriate discount rate to determine the present value of future cash flow.

(10) Depreciation and amortization

After considering the residue value of investment real estate, fixed assets and intangible assets, the company leverages straight-line method for depreciation and amortization provision in the service life. The company regularly reviews the service life, to determine the amount of depreciation and amortization expenses included in each reporting period. The service life is determined by the company based on past experience of similar assets and combined with expected technical updates. In case of significant change in previous estimates, the depreciation and amortization expenses will be adjusted in the future period.

(11) Development expenditure

When determining the amount of capitalization, the corporate management level needs to make assumptions on the estimated future cash flow of relevant assets, applicable discount rate and expected benefit period.

(12) Deferred income tax assets

Insofar as it is highly probable to offset losses with sufficient taxable profits, the company recognizes deferred income tax assets with all unused tax losses. This requires the company executives to use a large number of judgments to estimate the time and amount of future taxable profits, and combine the

tax planning strategy, to determine the amount of deferred income tax assets that shall be recognized.

(13) Income tax

In normal operating activities of the company, final tax treatment and calculation of some transactions have certain uncertainties. Whether some items can be listed as pre-tax shall gain approval of the tax authority. If there is difference between the final recognized result of these taxation matters and the originally estimated amount, such difference will have an impact on the current income tax and deferred income tax during the period of final recognition.

(14) Internal retirement benefit and supplementary retirement benefit

The company determines the amount of internal retirement benefit and supplementary retirement benefit expenses and liabilities based on various assumptions. The assumption criteria includes discount rate, average growth rate of medical expenses, growth rate of internally retired and retired personnel subsidy, as well as other factors. The difference between actual results and assumptions will be recognized immediately when they occur and included in current year expenses. Although the executives believe that reasonable assumptions have been adopted, changes in actual experience value and assumption criteria will still affect the company's internal retirement benefit and supplementary retirement benefit expenses and liabilities.

(15) Estimated liabilities

Based on contractual terms, existing knowledge and historical experience, the company estimates product quality assurance, expected contract losses, liquidated damages of delayed delivery, etc. and makes corresponding provision. In the event that such contingencies have become a current obligation, and the performance of such current obligation is likely to cause economic benefits flowing out of the company, the company recognizes the contingencies as estimated liabilities, as per the best estimates to spend in fulfilling relevant current obligation. The recognition and measurement of estimated liabilities largely depend on judgment of the management level. In the process of making judgment, the company needs to assess the risks, uncertainties, time value of currency and other factors related to these contingencies.

Among them, the company provides customers with after-sales quality repair commitments on the sale, repair and modification of the products sold, as estimated liabilities. During estimated liabilities, the company has taken into account recent repair experience data, whereas the recent repair experience may not reflect future repair circumstances. Any increase or decrease in this preparation may affect the profits and losses in the future years.

(16) Fair value measurement

Certain assets and liabilities of the company are measured at fair value in the financial statements. The corporate board of directors has established a valuation committee (this valuation committee is led by the Chief Financial Officer of the company) to determine appropriate valuation techniques and input value for fair value measurement. When estimating the fair value of an asset or liability, the company leverages available observable market data. If the input value of the first level cannot be obtained, the company will hire a third-party qualified appraiser to conduct the valuation. The valuation committee cooperates closely with a qualified external appraiser to determine appropriate valuation techniques and

relevant model input value. Chief Financial Officer reports the findings of the valuation committee to the corporate board of directors every quarter, to explain the reasons causing fluctuations in the fair value of relevant assets and liabilities. Relevant information on valuation technique and input value during the process of determining the fair value of various assets and liabilities is disclosed in the notes.

V. Tax items

1. Main tax categories and tax rates

Tax category	Tax calculation basis	Tax rate
VAT	Taxable sales	13%, 10%, 9%, 6%, 5%, 3% etc.
Urban maintenance and construction tax	Turnover tax payable	7%
Corporate income tax	Income tax payable	25%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%
Housing tax	70% of original property value or rental income	1.20%, 12%
Increment tax on land value	Value-added amount acquired from real estate transfer	Super-rate progressive tax rate, prepaid at 2% of income

(1) As for the housing lease business income of Nanjing Jiangbei New District Industrial Investment Group Co., Ltd., a subsidiary of the company, business tax was originally calculated and paid at the rate of 5%. Pursuant to the Notice on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner (Financial Tax [2016] No.36) and other relevant regulations, the company's income of housing rental business was changed to charging the VAT since May 1, 2016, by simple collection method, at the tax rate of 5%. As for the income from construction business, business tax was originally calculated and paid at the rate of 3%. Since May 1, 2016, it was changed to charging the VAT by simple collection method, at the tax rate of 3%.

2. Tax benefit and approval document

(1) The company's affiliate Nanjing Gaoxin Water Co., Ltd. is engaged in sewage treatment business in compliance with the provisions in the Notice of the Ministry of Finance and the State Administration of Taxation on Printing and Issuing the Catalogue on Preferential VAT for Comprehensive Resource Utilization Products and Labor Services (Financial Tax [2015] No.78), and entitled to the VAT policy of refund upon collection, with the tax rebate rate of 70%.

(2) Nanjing Shoulv Environmental Technology Co., Ltd., a subsidiary of the company, is engaged in the construction gravel aggregate products manufactured by comprehensive utilization of construction (structure) waste and coal gangue. In compliance with the Notice of the Ministry of Finance and State Taxation Administration on Printing and Issuing the Directory of VAT Preference for Comprehensive Resource Utilization Products and Labor Services (Financial Tax [2015] No.78), it is entitled to the policy of VAT rebate upon collection, with tax rebate ratio of 50%.

(3) Nanjing Shoulv Environmental Technology Co., Ltd., a subsidiary of the company, complies with the regulations in Document Financial Tax [2016] No.131 issued by the Ministry of Finance, State Administration of Taxation and National Development and Reform Commission; starting from the tax year

in which the first production operation income of project is obtained, corporate income tax is exempted from the first to third year, and corporate income tax is levied by half from the fourth to sixth year. This notice was implemented from January 1, 2016.

(4) According to the Tax Matter Notice (Liu State Tax Notice [2017] No.26572) issued by the State Taxation Bureau of Liuhe District Nanjing on August 28, 2017, self-produced agricultural products of Nanjing Zaohevan Agricultural Development Co., Ltd., a subsidiary of the company's subsidiary Nanjing Yangzi Yuanxiang Construction and Development Co., Ltd is exempt from VAT.

Nanjing Zaohevan Agricultural Development Co., Ltd., a subsidiary of the company's subsidiary Nanjing Yangzi Yuanxiang Construction and Development Co., Ltd, is exempt from corporate income tax of the income arising from agricultural production.

VI. Notes on consolidated financial statement items

In the following notes (including the main item notes of parent company's financial statements), unless otherwise specified, the beginning of year refers to January 1, 2021, the end of period refers to June 30, 2021, "the end of last year" refers December 31, 2020, the current period refers to January-June 2021, and the last period refers to January-June 2020.

1. Monetary fund

(1) Monetary fund balance

Items	Closing balance	Previous year ending balance
Cash on hand	389,584.20	395,348.94
Bank savings	39,539,885,989.29	44,914,823,834.75
Other monetary funds	650,843,247.45	1,044,138,628.24
Total	40,191,118,820.94	45,959,357,811.93
Of which: total amount due from overseas	213,569,282.96	286,818,185.26

(2) Restricted monetary funds at the end of year

Items	Closing balance	Previous year ending balance
Security deposit		4,661,391.23
Certificate of deposit pledge		
Acceptance bill margin		
Dedicated bond account deposit	88,811,624.88	94,523,748.27
Total	88,811,624.88	99,185,139.50

2. Transactional financial assets

Items	Closing balance
Financial assets measured at fair value with changes charged to current profits and losses	4,061,752.00
Of which: equity instrument investment	4,061,752.00
Total	4,061,752.00
Of which: the part reclassified to other non-current financial assets	

3. Financial assets measured at fair value with changes charged to current profits and losses

(1) Classification

Items	Previous year ending balance
Transactional financial assets	5,798,802.00
Of which: equity instrument investment	5,798,802.00
Total	5,798,802.00

4. Bills receivable

(1) Classification of bill receivable

Items	Closing balance	Previous year ending balance
Bank acceptance bill	4,400,000.00	1,200,000.00
Commercial acceptance bill		1,582,327.58
Total	4,400,000.00	2,782,327.58

(2) No bills receivable which were endorsed or discounted and undue on balance sheet date at the end of the period.

5. Accounts receivable

(1) Disclosure by age

Aging	Closing balance
Within 1 year	1,326,593,249.99
1-2 years	2,820,667,387.25
2-3 years	1,965,183,032.97
3-4 years	776,379,868.92
4-5 years	17,585,437.49
Over 5 years	42,075,339.83
Subtotal	6,948,484,316.45
Less: bad debt provision	46,741,547.31
Total	6,901,742,769.14

(2) Classified and presented by bad debt provision method

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Accounts receivable with single provision for bad debt reserve	8,679,231.78	0.12	6,568,003.30	75.67	2,111,228.48
Accounts receivable for which bad debt provision has been assessed by portfolios	6,939,805,084.67	99.88	40,173,544.01	0.58	6,899,631,540.66
Of which: combination of account age	433,481,120.52	6.24	40,173,544.01	9.27	393,307,576.51
Other combinations	6,506,323,964.15	93.64			6,506,323,964.15
Total	6,948,484,316.45	100.00	46,741,547.31	0.67	6,901,742,769.14

(Continued)

Category	Previous year ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Account receivable with significant amount of single item and separate provision for bad debts	8,189,795.93	0.10	6,078,567.45	74.22	2,111,228.48
Receivables with bad debt provision as per credit risk characteristic combinations	7,860,579,801.07	99.89	38,565,439.83	0.49	7,822,014,361.24
Of which: combination of account age	371,124,789.74	4.72	38,565,439.83	10.39	332,559,349.91
Other combinations	7,489,455,011.33	95.17			7,489,455,011.33
Account receivable with insignificant amount of single item but separate provision for bad debts	489,435.85	0.01	489,435.85	100.00	
Total	7,869,259,032.85	100.00	45,133,443.13	0.57	7,824,125,589.72

A. Main accounts receivable with single provision for bad debts at the end of period

Accounts receivable (by entity)	Closing balance			
	Accounts receivable	Bad debt provision	Accrual ratio	Accrual reasons
Nanjing Jinkou Machinery Group Co., Ltd	5,299,986.01	3,188,757.53	60.17	Exceed collateral value
Nanjing Saikente Import & Export Co., Ltd	1,063,266.78	1,063,266.78	100.00	Exceed collateral value
Nanjing Chengqiao Tongli Concrete Co., Ltd	1,826,543.14	1,826,543.14	100.00	Exceed collateral value
Total	8,189,795.93	6,078,567.45	—	—

B. In the portfolio, accounts receivable for which the provision for bad debts is made by the aging analysis method:

Aging	Closing balance		
	Accounts receivable	Bad debt provision	Accrual ratio (%)
Within 1 year	374,183,654.01		
1-2 years	13,987,273.06	699,363.66	5.00
2-3 years	2,185,639.10	218,563.90	10.00
3-4 years	5,163,553.51	1,549,066.06	30.00
4-5 years	508,900.92	254,450.47	50.00
Over 5 years	37,452,099.92	37,452,099.92	100.00
Total	433,481,120.52	40,173,544.01	—

Aging	Previous year ending balance		
	Accounts receivable	Bad debt provision	Accrual ratio (%)
Within 1 year	316,654,907.29	-	
1-2 years	9,376,671.23	468,833.57	5.00
2-3 years	6,083,374.14	608,337.41	10.00

Aging	Previous year ending balance		
	Accounts receivable	Bad debt provision	Accrual ratio (%)
3-4 years	1,291,472.80	387,441.85	30.00
4-5 years	1,235,074.57	617,537.29	50.00
Over 5 years	36,483,289.71	36,483,289.71	100.00
Total	371,124,789.74	38,565,439.83	—

(2) Bad debt reserve accrued, recovered or reversed this year

Amount of provision for bad debt reserve this year RMB 1,608,104.18.

(3) No account receivable actually written off this year.

(4) Accounts receivables of top five year-end balance classified by the overdue party

Name of debtors	Year-end balance of accounts receivable	Proportion to the total closing balance of accounts receivable (%)	Closing balance of provision for bad debts
Nanjing High-tech Industrial Development Zone Management Committee	1,848,134,855.47	26.60	
Nanjing Jiangbei New District Industrial Technology Research and Innovation Park Management Office	1,368,692,188.85	19.70	
Nanjing Jiangbei New District Management Committee	774,649,252.48	11.15	
Nanjing Chemical Industrial Park Management Committee	693,558,360.60	9.98	
Nanjing Liuhe District People's Government Changlu Sub-district Office	338,697,574.83	4.87	
Total	5,023,732,232.23	72.30	

6. Advance payment

(1) Advance payment is listed by age

Aging	Closing balance		Previous year ending balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	4,389,198,124.12	69.74	2,185,941,557.22	50.84
1-2 years	687,395,257.26	10.92	512,632,018.33	11.92
2-3 years	1,054,553,262.69	16.76	1,414,668,887.84	32.91
over 3 years	162,165,740.57	2.58	186,338,075.88	4.33
Total	6,293,312,384.64	100.00	4,299,580,539.27	100.00

(2) Important prepayments aged more than 1 year

Items	Closing balance	Reasons for outstanding or carrying over
Nanjing Jiangbei New District Collection Management Center	708,055,500.00	Unsettled yet
Jiangsu Tongzhou Construction No.4 Group Co., Ltd	42,574,855.88	Unsettled yet
Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	40,000,000.00	Unsettled yet

Items	Closing balance	Reasons for outstanding or carrying over
Shanghai Construction No.4 Group Co., Ltd	38,578,341.30	Unsettled yet
Pukou District Affordable Housing Construction Development Co., Ltd	10,000,000.00	Unsettled yet
Jiangsu Chengmeng Equipment Co., Ltd	9,600,000.00	Unsettled yet
Total	848,808,697.18	—

(3) Advance payment of top five year-end balance classified by advance payment recipients

Name of entity	Closing balance	Proportion to the total ending balance of the prepayments (%)
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	2,198,131,250.00	34.93
Nanjing Jiangbei New District Collection Management Center	708,055,500.00	11.25
Nanjing Jiangbei New District Public Project Construction Center	480,037,101.68	7.63
Nanjing Yangzi ICBC Technology Industrial Investment Fund Phase I (Limited Partnership)	279,989,675.00	4.45
Nanjing Yangze Environmental Infrastructure Investment Fund Phase I Enterprise (Limited Partnership)	272,165,055.55	4.32
Total	3,938,378,582.23	62.58

7. Other receivables

Items	Closing balance	Previous year ending balance
Other receivables	19,767,420,800.65	20,721,513,721.58
Interests receivable	25,817,381.53	27,703,071.82
Dividends receivable	464,040,980.31	516,011,095.12
Total	20,257,279,162.49	21,265,227,888.52

(1) Other receivables

① Disclosure by age

Aging	Closing balance
Within 1 year	6,034,864,933.21
1-2 years	3,701,413,808.65
2-3 years	3,358,827,935.48
3-4 years	2,238,096,025.92
4-5 years	3,369,439,561.96
Over 5 years	1,264,432,951.86
Subtotal	19,967,075,217.08
Less: bad debt provision	199,654,416.43

Aging	Closing balance
Total	19,767,420,800.65

② Disclosure of other receivable classification

Category	Previous year ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Other receivables with significant amount of single item and separate provision for bad debts	93,967,109.47	0.45	93,967,109.47	100.00	
Other receivables with bad debt provision as per credit risk characteristic combinations	20,824,439,469.10	99.55	102,925,747.52	0.49	20,721,513,721.58
Of which: combination of account age	1,837,805,284.14	8.79	102,925,747.52	5.60	1,734,879,536.62
Other combinations	18,986,634,184.96	90.76			18,986,634,184.96
Other receivables with insignificant amount of single item but separate provision for bad debts	1,036,773.72		1,036,773.72	100.00	
Total	20,919,443,352.29	100.00	197,929,630.71	0.95	20,721,513,721.58

③ Provision for bad debt reserve

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses in the next 12 months	Expected credit losses throughout existence period (no credit impairment occurred)	Expected credit losses throughout existence period (credit impairment occurred)	
Balance as of January 1, 2020	102,925,747.52		95,003,883.19	197,929,630.71
Book balance of other receivables as of January 1, 2020 in the current period:				
——Transfer in Phase II				
——Transfer in Phase III				
——Transfer back to Phase II				
——Transfer back to Phase I				
Provision in the current period	1,402,257.76		322,527.96	1,724,785.72
Reversal in the current period				
Write-off in the current period				
Written off in the current period				
Other changes				
Closing balance	104,328,005.28		95,326,411.15	199,654,416.43

④ Other receivables of top five year-end balance classified by the overdue party

Name of entity	Nature of funds	Closing balance	Aging	Proportion to total closing balance of other receivables (%)	Closing balance of provision for bad debts
Nanjing High-tech Industrial Development Zone Management Committee Finance Bureau	Transaction account and prepaid fee	5,149,293,817.81	2-4 years	25.79	
Nanjing Jiangbei New District Management Committee	Transaction account and prepaid fee	3,831,534,211.68	0-5 years, over 5 years	19.19	
Nanjing High-Tech Industrial Development Zone Land Reserve Center	Transaction accounts	2,138,605,322.00	3-4 years	10.71	
Nanjing Land Reserve Center Pukou New City Sub-center	Transaction accounts	1,800,213,872.71	0-5 years	9.02	
Jiangsu Province Nanjing City Highway Management Office	Transaction accounts	758,951,388.87	1-4 years	3.80	
Total	—	13,678,598,613.07	—	68.51	

(2) Interests receivable

① Classification of interest receivable

Items	Closing balance	Previous year ending balance
Fixed deposit	9,451,745.00	11,337,435.29
Entrusted loans	3,800,000.00	3,800,000.00
Bond investment	806,666.67	806,666.67
Hold-to-maturity investment interest	11,758,969.86	11,758,969.86
Total	25,817,381.53	27,703,071.82

(3) Dividends receivable

① Dividends receivable

Projects (or investee companies)	Closing balance	Previous year ending balance
Nanjing Yangzi Township Development Investment Fund Phase I (Limited Partnership)		8,118,374.32
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I (Limited Partnership)	3,876,747.52	3,876,747.52
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	101,206,354.49	65,473,301.34
Nanjing Yangzi Agricultural Bank Industrial Investment Fund Phase I (Limited Partnership)	23,528.26	23,528.26
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	5,157,994.24	5,197,361.97
Nanjing Yangzi ICBC Technology Industrial Investment Fund Phase I (Limited Partnership)	3,114,444.71	3,114,444.71
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	27,529,930.83	25,900,764.16
Suzhou Industrial Park Guochuang Kaiyuan Phase II Investment Center (Limited Partnership)	322,591,910.57	403,766,503.15
Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	540,069.69	540,069.69

Projects (or investee companies)	Closing balance	Previous year ending balance
Total	464,040,980.31	516,011,095.12

8. Inventory

(1) Inventory classification

Items	Closing balance		
	Book balance	Provision for depreciation	Book value
Raw materials	26,490,594.74		26,490,594.74
Low-value consumables	460,710.27		460,710.27
Commodity stocks			
Development cost	101,358,103,954.55	2,916,869.41	101,355,187,085.14
Developed products	2,591,938,573.94		2,591,938,573.94
Engineering construction	2,869,269,272.64		2,869,269,272.64
Consumable biological assets	7,524,979.37	4,015,614.53	3,509,364.84
Other	15,570,597.71		15,570,597.71
Total	106,869,358,683.22	6,932,483.94	106,862,426,199.28

(Continued)

Items	Previous year ending balance		
	Book balance	Provision for depreciation	Book value
Raw materials	25,357,813.71		25,357,813.71
Low-value consumables	460,710.27		460,710.27
Commodity stocks	188,976.32		188,976.32
Development cost	86,650,173,476.33	2,916,869.41	86,647,256,606.92
Developed products	2,090,681,389.45		2,090,681,389.45
Engineering construction	3,058,431,080.00		3,058,431,080.00
Consumable biological assets	7,524,979.37	4,015,614.53	3,509,364.84
Other	841,747.02		841,747.02
Total	91,833,660,172.47	6,932,483.94	91,826,727,688.53

(2) Inventory falling price reserves

Items	Previous year ending balance	Increased amount this year		Decreased amount this year		Closing balance
		Provision	Other	Reversal or write-off	Other	
Development cost	2,916,869.41					2,916,869.41
Consumable biological assets	4,015,614.53					4,015,614.53
Total	6,932,483.94					6,932,483.94

9. Other current assets

Items	Closing balance	Previous year ending balance
Prepaid expenses	11,419,790.22	31,064,612.93
VAT - input tax to be deducted	2,482,029,588.54	1,827,435,677.71
Prepay other taxes	307,741,984.75	533,388,924.20
Entrusted loans		50,000,000.00
Financial leasing assets	323,879,579.03	146,654,556.18
Other	6,640,475.72	22,688,509.66
Total	3,131,711,418.26	2,611,232,280.68

10. Creditor's rights investment

(1) Creditor's rights investment

Items	Opening balance	Accrued interests	Fair value change during the current period	Closing balance
Debt investment of Nanjing Lidao Modern Agricultural Development Co., Ltd	38,000,000.00			38,000,000.00
Agricultural Bank of China National Debt	10,420,000.00			10,420,000.00
Asset-backed securities of Jiangbei Public Affordable Housing Asset Support Plan (19 Jiang Affordable Backed)	43,000,000.00			43,000,000.00
Total	91,420,000.00			91,420,000.00

11. Available-for-sale financial assets

(1) Available-for-sale financial assets are as follows

Items	Previous year ending balance		
	Book balance	Provision for impairment	Book value
Available-for-sale liability tool			
Available-for-sale equity tool	25,005,058,719.06	113,311,883.15	24,891,746,835.91
Including: Measured at fair value	2,151,571,039.98		2,151,571,039.98
Measured by costs	22,853,487,679.08	113,311,883.15	22,740,175,795.93
Other	812,176,666.67		812,176,666.67
Total	25,817,235,385.73	113,311,883.15	25,703,923,502.58

12. Held-to-maturity investments

(1) Held-To-Maturity Investments

Items	Previous year ending balance		
	Book balance	Provision for impairment	Book value
Debt investment of Nanjing Lidao Modern Agricultural Development Co., Ltd	38,000,000.00		38,000,000.00
Agricultural Bank of China National Debt	10,420,000.00		10,420,000.00
Asset-backed securities of Yuangu Water Supply Charge Income Right Asset Support Plan (19 Yuangu Backed)	43,000,000.00		43,000,000.00

Items	Previous year ending balance		
	Book balance	Provision for impairment	Book value
Total	91,420,000.00		91,420,000.00

13. Long-term accounts receivable

(1) Long-term receivables

Items	Closing balance			Interval of discount rate
	Book balance	Provision for impairment	Book value	
Financing lease fund	1,551,353,848.67		1,551,353,848.67	
Of which: unrealized financing income	317,710,809.10		317,710,809.10	
Total	1,551,353,848.67		1,551,353,848.67	

Items	Previous year ending balance			Interval of discount rate
	Book balance	Provision for impairment	Book value	
Financing lease fund	1,034,462,387.83		1,034,462,387.83	
Of which: unrealized financing income	165,914,662.04		165,914,662.04	
Total	1,034,462,387.83		1,034,462,387.83	

14. Long-term equity investment

Investee	Opening balance	Increases and decreases in current period				Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment		
I. Joint ventures										
Nanjing Saidxing Biomedical Innovative Development Co., Ltd.										
Nanjing Huayuan Zhongshan Technology Entrepreneurship Park Co., Ltd	10,976,958.87			-33,399.61					10,982,873.00	
Cambridge University Nanjing Center of Technology and Innovation Co., Ltd	2,458,507.04								2,458,507.04	
Nanjing Jingkang Senior Care Industry Development Co., Ltd	2,009,261.00		2,009,261.00							
Subtotal	15,444,726.91		2,009,261.00	-33,399.61					13,441,380.04	
II. Associated enterprises										

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change		Declaration of cash dividends or profits	Provision for impairment	Other		
Nanjing Shengshi Yangzi Fund Investment Management Co., Ltd.	5,653,014.46							2,991,938.90			2,661,075.56	
Cloud Health Bio Information Nanjing Co., Ltd.	6,750,679.96										6,750,679.96	
Nanjing Yangzi Jasmine Valley Culture Technology Co., Ltd.	24,715,338.62										24,715,338.62	
Jiangsu Zhuye Construction Technology Development Co., Ltd.	22,969,978.60										22,969,978.60	
Nanjing Weinuoer Technological Project Management Co., Ltd.	12,999,497.78										12,999,497.78	
Nanjing Chosen Genetic Technology Co., Ltd.	7,552,055.62										7,552,055.62	
Nanjing Digital City Investment	11,690,793.84										11,690,793.84	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
Construction Co., Ltd.											
Sino Research Institute of Green Finance (Nanjing) Co., Ltd.	750,000.00									750,000.00	
Nanjing Yangzi Blockchain Equity Investment Partnership Corporation (Limited Partnership)	241,016,627.66	65,400,000.00								306,416,627.66	
Nanjing Saifu Equity Investment Fund (Limited Partnership)	145,732,005.51									145,732,005.51	
Nanjing Yangzi Saikete Digital Technology Venture Capital Fund	24,271,153.80	74,500,000.00								98,771,153.80	
Beiwentou Cultural Investment Nanjing Co., Ltd.											
Nanjing Jiangbei New Area	1,986,392.45									1,986,392.45	

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other			
Underground Space Research Institute Co., Ltd.												
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd	282,800,000.00	17,200,000.00									300,000,000.00	
China Railway Construction Nanjing Jiangbei Underground Space Construction Development Co., Ltd		36,850,000.00									36,850,000.00	
Nanjing Jiangbei New District Environmental Technology Co., Ltd	2,000,000.00										2,000,000.00	
Super Accuracy (Nanjing) Technology Co., Ltd	288,309,064.16			5,170,820.50	-						283,138,243.66	
Nanjing Jiangbei Jiakang	123,360,752.43	30,000,000.00		1,192,944.60	-						152,167,807.83	

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change		Declaration of cash dividends or profits	Provision for impairment	Other		
Technology Venture Capital Partnership Enterprise (Limited Partnership)												
Nanjing Mingfa Commercial Management Co., Ltd.	94,441,455.72			4,491,904.85	-						89,949,550.87	
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd	83,105,226.68			-784,409.89							82,320,816.79	
Nanjing Jinpu Consumer Smart Manufacturing Equity Investment Fund Partnership Enterprise (Limited Partnership)	76,900,000.00										76,900,000.00	
Nanjing Xingna Heyuan Venture Capital Partnership Enterprise	73,909,666.15	75,000,000.00		5,475,490.09	-						143,434,176.06	

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change		Declaration of cash dividends or profits	Provision for impairment	Other		
(Limited Partnership)												
Nanjing Daitai Venture Capital Partnership Enterprise (Limited Partnership)		60,000,000.00		-976,915.47							59,023,084.53	
Nanjing Dingnuo Biomedical Technology Co., Ltd	50,000,000.00										50,000,000.00	
Nanjing Oriental Lanpu Deep Technology Fund (Limited Partnership)	37,659,364.38			-490,516.19							37,168,848.19	
Nanjing Jinti Venture Capital Partnership Enterprise (Limited Partnership)	24,436,486.90	24,500,000.00		-294,534.06							48,641,952.84	
Nanjing RFoneTech Co., Ltd	20,000,000.00									20,000,000.00	-	
Shihu Technology (Nanjing) Co., Ltd	20,000,000.00										20,000,000.00	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
Jiangsu JITRI Intelligent Manufacturing Technology Research Institute Co., Ltd.	10,799,208.15			3,347,825.87	-					7,451,382.28	
Jiangsu Beilian Guoxin Technology Co., Ltd	8,868,831.36			1,131,168.64					10,000,000.00		
Nanjing University Membrane Application Technology Research Institute Co., Ltd.	5,829,952.67			1,699,994.53	91,200.00					7,621,147.20	
Nanjing Jiesheng Cultural Industry Investment Fund Partnership Enterprise (Limited Partnership)	5,824,236.68			-540.30						5,823,696.38	
Nanjing Lihe Changjiang Innovation Center Co., Ltd.	3,940,464.48			-553,719.48						3,386,745.00	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
Nanjing Huatai Guoxin Medical Investment Partnership Enterprise (Limited Partnership)		3,000,000.00								3,000,000.00	
Nanjing Underground Space High-Tech Industry Research Institute Co., Ltd	2,682,618.90			1,475,747.94	-					1,206,870.96	
Nanjing Haoxiang Basic Software Research Institute Co., Ltd	2,159,231.06			-139,193.66						2,020,037.40	
Nanjing Green Technology Research Institute Co., Ltd.	1,305,762.54			-84,051.38						1,221,711.16	
Nanjing Green Material Intelligent Manufacturing Research Institute Co., Ltd.	2,009,676.55			6,278.25						2,015,954.80	
Nanjing Jiangbei Sibaiyi Equity	2,001,741.22			5,563.25						2,007,304.47	

Investee	Opening balance	Increases and decreases in current period				Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment		
Investment Management Co., Ltd										
Jiangsu JITRI Advanced Polymer Material Research Institute Co., Ltd.	1,800,000.00			-535,285.82					1,264,714.18	
Nanjing DLH No.1 Internet Industrial Investment Center (Limited Partnership)	3,967,653.09	-	-	-313.88	-	-	-	-	3,967,339.21	
Jiangsu Yangtze River Delta Water Smart Research Institute Co., Ltd	1,698,000.89			-226,989.57					1,471,011.32	
Jiangsu Jicui Medical Immunology Technology Research Institute Co., Ltd	1,660,494.16								1,660,494.16	
Jiangsu Hongcheng Big Data Technology and Application	1,415,152.03			-58,196.91					1,356,955.12	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
Research Institute Co., Ltd											
Nanjing Micron Electronics Industry Research Institute Co., Ltd	1,412,989.56			-73,424.57						1,339,564.99	
Nanjing Haik Intelligent Manufacturing Research Institute Co., Ltd		1,200,000.00								1,200,000.00	
Nanjing Huarui Brain Science Research Institute Co., Ltd	1,128,628.31			-179,816.78						948,811.53	
Nanjing Dinghui Baifu Ruike Venture Capital Partnership Enterprise (Limited and Partnership)		1,000,000.00								1,000,000.00	
Nanjing Hande Digital Twin Technology Research Institute Co., Ltd	992,497.83			315,132.50						1,307,630.33	
New Ruixin Intelligent IoT Research	916,537.54			81,128.05						997,665.59	

Investee	Opening balance	Increases and decreases in current period				Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment		
Institute (Nanjing) Co., Ltd										
Jiangsu JITRI New Drug Preparation Technology Research Institute Co., Ltd.	775,163.81			148,199.08					923,362.89	
Jiangsu Shuike Shangyu Energy Technology Research Institute Co., Ltd	695,639.24			-440,114.70					255,524.54	
Nanjing Wisdom Geotechnical Engineering Technology Research Institute Co., Ltd	434,489.72			-26,201.46					408,288.26	
Jiaoda Material Technology (Jiangsu) Research Institute Co., Ltd	307,575.91			-307,575.91						
Nanjing Super Computing Network Co., Ltd	256,753.61			-210,823.53					45,930.08	
Jiangsu Tongchuang	102,241.78			-102,241.78						

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change		Declaration of cash dividends or profits	Provision for impairment	Other		
Valley New Material Research Institute Co., Ltd												
Nanjing Beizhong Chuangshi Intelligent Information Industrial Investment Partnership Corporation (Limited Partnership)	55,792.91			85.08							55,877.99	
Nanjing Jinganxian Rail Transit Investment Development Co., Ltd.	2,000,000.00										2,000,000.00	
Nanjing Chemical Industrial Park Energy Saving and Emission Reduction Technology Co., Ltd.	2,204,240.15										2,204,240.15	
Nanjing High Technology Investment	100,000.00										100,000.00	

Investee	Opening balance	Increases and decreases in current period				Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment		
Promotion Corporation										
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	5,368,425.30			280,622.75					5,649,048.05	
Nanjing Bao'an High-Tech Investment Co., Ltd.	6,811,822.76		3,264,000.00	28,376.77					3,576,199.53	
Nanjing Science & High-Tech Development Co., Ltd.	2,576,293.03			-391,239.67					2,185,053.36	
Nanjing Jieyuan Growth Venture Capital Partnership Corporation (Limited Partnership)	25,737,179.86			8,884,120.78					34,621,300.64	
Nanjing High-Tech Life Science Venture Capital Center (Limited Partnership)	10,000,000.00			532.32					10,000,532.32	
Nanjing Gaoyi Water Environment Industrial	5,499,998.19			-1.71					5,499,996.48	

Investee	Opening balance	Increases and decreases in current period						Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change		Declaration of cash dividends or profits	Provision for impairment	Other		
Investment Partnership Corporation (Limited Partnership)												
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited Partnership)	250,605,839.85	262,857,390.00		2,856,858.55	-						510,606,371.30	
Nanjing Tunzhi Qingyan Venture Capital Partnership Enterprise (Limited Partnership)	24,295,224.53			-206,366.81							24,088,857.72	
Nanjing Chuangyi Kaitai Venture Capital Partnership Enterprise (Limited Partnership)	50,043,726.38			-2,519.53							50,041,206.85	
Nanjing Bofu Venture Capital Partnership Enterprise (Limited Partnership)	24,894,909.52			-232,619.15							24,662,290.37	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
Nanjing Renpu Venture Capital Partnership Enterprise (Limited Partnership)	3,001,487.25	15,000,000.00		5,347.73						18,006,834.98	
Nanjing Rongchuang Sport Health Technology Micro-loan Co., Ltd	30,000,000.00			181,102.81						30,181,102.81	
Nanjing Tunzhi Jinling Venture Capital Partnership Enterprise (Limited Partnership)		29,400,000.00		-155,781.29						29,244,218.71	
Nanjing Jiangbei New District Investment Development Co., Ltd.	528,613,608.96									528,613,608.96	
Nanjing Jinlv Financial Leasing Co., Ltd.	102,096,800.98	73,024,590.40					7,361,138.48			167,760,252.90	
Subtotal	2,819,900,445.48	768,931,980.40	3,264,000.00	17,717,333.36	91,200.00		10,353,077.38		30,000,000.00	3,527,589,215.14	

Investee	Opening balance	Increases and decreases in current period					Increases and decreases in current period			Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Investment gains and losses recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other		
I. The subsidiary company											
Nanjing Chaoxin Material Technology Development Corporation	3,100,000.00									3,100,000.00	3,100,000.00
Subtotal	3,100,000.00									3,100,000.00	3,100,000.00
Total	2,838,445,172.39	768,931,980.40	5,273,261.00	17,750,732.97	91,200.00	-	10,353,077.38		29,960,686.26	3,544,130,595.18	3,100,000.00

15. Other equity instrument investments**(1) Investment of other equity instruments**

Items	Closing balance
Non-trading equity instrument investment	27,140,993,573.48
Total	27,140,993,573.48

16. Other non-current financial assets

Items	Closing balance
Financial assets classified as measuring at fair value with change recorded in current profits and losses	270,000,000.00
Of which: debt instrument investment	270,000,000.00
Other	50,410,000.00
Total	320,410,000.00

17. Investment real estate**(1) Investment real estate with the model of cost measurement**

Items	Houses, buildings	Total
I. Original book value		
1. Previous year ending balance	1,992,025,800.24	1,992,025,800.24
2. Increased amount this year		
(1) Inventory\fixed assets\construction in progress transfer-in		
3. Decreased amount this year		
4. Closing balance	1,992,025,800.24	1,992,025,800.24
II. Cumulative depreciation and amortization		
1. Previous year ending balance	28,808,317.42	28,808,317.42
2. Increased amount this year	2,793,824.93	2,793,824.93
(1) Provision or amortization	2,793,824.93	2,793,824.93
3. Decreased amount this year		
4. Closing balance	31,602,142.35	31,602,142.35
III. Provision for impairment		
1. Previous year ending balance		
2. Increased amount this year		
3. Decreased amount this year		
4. Closing balance		
IV. Book value		
1. Period-end book value	1,960,423,657.89	1,960,423,657.89
2. Book value at the beginning of year	1,963,217,482.82	1,963,217,482.82

(2) Investment real estate measured at fair value

Items	Houses, buildings	Total
I. Previous year ending balance	17,955,712,520.03	17,955,712,520.03
II. Changes in this Year		

Items	Houses, buildings	Total
Plus: outsourced	374,324,629.56	374,324,629.56
Inventory/fixed assets\construction in progress transfer-in		
Increase in business combination		
Less: disposal	17,648,211.41	17,648,211.41
Converted to own property		
Fair value changes	-5,202,886.43	-5,202,886.43
III. Closing balance	18,307,186,051.75	18,307,186,051.75

(3) Amount and reason for investment real estate with property ownership certificate unhandled

Items	Book value	Reasons for failure to complete the Property Ownership Certificate
Demolition resettlement housing 15 land plot commercial housing	143,452,275.94	Under handling
Civic Center	1,041,126,751.86	Under handling
Service Trade Building	710,762,949.70	Under handling
Hekou Park	67,875,505.32	Under handling
Tengfei Building	1,596,651,567.00	Self-built project, real estate certificate being handled
Shanpan Second Village	16,967,224.00	Self-built project, real estate certificate being handled
Nanjing Biomedical Research Institute and Biomedical Innovation Platform Building Project	376,017,100.00	Real estate certificate being handled
No. 20 Factory Premises	24,611,900.00	Included in the scope of demolition and expropriation
29# Factory Premises	55,839,600.00	Included in the scope of demolition and expropriation
Biomedical Garden	90,547,200.00	Included in the scope of demolition and expropriation
Total	4,123,852,073.82	--

18. Fixed assets

Items	Closing balance	Previous year ending balance
Fixed assets	2,773,683,744.24	2,808,781,569.41
Fixed asset liquidation	81,780,074.43	81,930,136.24
Total	2,855,463,818.67	2,890,711,705.65

(1)Fixed assets

① Fixed assets are as follows:

Items	Houses and buildings	Machinery equipment	Transportation equipment	Electronic office equipment	Pipeline network and other equipments	Total
I. Original book value						
1. Previous year ending balance	1,908,795,073.37	325,200,756.95	57,634,592.23	232,735,931.02	1,065,438,391.06	3,589,804,744.63
2. Increased amount this year	493,554.81	44,891,923.64	1,957,959.37	5,828,485.01	8,527,948.76	61,699,871.59
(1) Purchase	493,554.81	44,891,923.64	1,957,959.37	5,828,485.01	8,527,948.76	61,699,871.59
(2) Transfer of engineering under construction						
(3) Other increases						
3. Decreased amount this year	3,430,188.44	538,510.00	5,396,491.50	362,759.05	380,126.02	10,108,075.01
(1) Disposal or scraping		538,510.00	5,396,491.50	362,759.05	380,126.02	6,677,886.57
(2) Investment property transfer-in						
(3) Other decreases	3,430,188.44					3,430,188.44
4. Closing balance	1,905,858,439.74	369,554,170.59	54,196,060.10	238,201,656.98	1,073,586,213.80	3,641,396,541.21
II. Cumulative depreciation						
1. Previous year ending balance	134,991,487.74	187,448,544.01	36,680,614.32	88,817,503.72	333,085,025.43	781,023,175.22
2. Increased amount this year	20,342,924.65	11,396,715.73	2,629,712.39	18,552,002.51	40,184,584.76	93,105,940.04
(1) Provision	20,342,924.65	11,396,715.73	2,629,712.39	18,552,002.51	40,184,584.76	93,105,940.04
(2) Enterprise merger						
3. Decreased amount this year	15,184.11	511,960.30	5,169,361.98	349,569.03	370,242.87	6,416,318.29
(1) Disposal or scraping		511,960.30	5,169,361.98	349,569.03	370,242.87	6,401,134.18
(2) Other decreases	15,184.11					15,184.11
4. Closing balance	155,319,228.28	198,333,299.44	34,140,964.73	107,019,937.20	372,899,367.32	867,712,796.97
III. Provision for impairment						
1. Previous year ending balance						
2. Increased amount this year						
3. Decreased amount this year						
4. Closing balance						

Items	Houses and buildings	Machinery equipment	Transportation equipment	Electronic office equipment	Pipeline network and other equipments	Total
IV. Book value						
1. Period-end book value	1,750,539,211.46	171,220,871.15	20,055,095.37	131,181,719.78	700,686,846.48	2,773,683,744.24
2. Book value at the beginning of year	1,773,803,585.63	137,752,212.94	20,953,977.91	143,918,427.30	732,353,365.63	2,808,781,569.41

Note: Other reductions are mainly due to the adjustment of temporary valuation cost and reclassification of fixed assets.

② Fixed assets without handling property ownership certificate

Items	Book value	Reasons for failure to complete the Property Ownership Certificate
Concrete office building	123,306,536.12	The land is for lease and the property ownership certificate cannot be handled
Nanjing International Health City Dazhong Technology Innovation Center	158,457,198.67	The land is temporarily used land, and property ownership certificate unhandled
Yangtze River Creative Street Area	402,382,874.35	The land is for lease and the property ownership certificate cannot be handled
Water Factory Phase III House	722,400.73	Nature of allocation
Duty Room	103,200.00	Nature of allocation
Hotel Room	2,039,712.64	Nature of allocation
Complex Water Building	1,323,647.99	Unhandled
Pump Room	1,213,370.56	Unhandled
Second Pump House	78,901.44	Unhandled
Water Factory Guard Duty Building	49,424.00	Unhandled
Company Office Building	2,598,699.52	Unhandled
Warehouse	62,644.48	Unhandled
Booster Station House	2,639,664.16	Unhandled
Caofang Booster Station Expansion Project	27,878,958.51	Unhandled
Fangting Panyuan Phase II	29,976,239.12	Unhandled
Eternal Home Phase II	2,617,498.14	Unhandled
Fengbin Garden Phase II	11,364,121.37	Unhandled
Yijing Jiayuan	5,258,259.05	Unhandled
Renjinyuan Phase I	26,281,259.57	Unhandled
4 properties of High-tech Garden Phase II	1,003,435.70	Unhandled
214 sets of storage rooms of Yumin Home	6,257,117.77	Unhandled
74 properties of Dingtai Home	2,854,323.72	Unhandled
North Park Basement	148,901.15	Unhandled
Total	819,848,774.33	--

19. Construction in process

(1) Construction in process

Items	Closing balance	Opening balance
Construction in process	20,426,883,414.60	16,362,778,832.01
Engineering materials		
Total	20,426,883,414.60	16,362,778,832.01

(2) Important construction in progress

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Yangtze River Boat Complex	1,826,642,278.27		1,826,642,278.27	1,793,610,457.27		1,793,610,457.27
Second Water Source Project	1,493,516,631.24		1,493,516,631.24	571,327,355.93		571,327,355.93
"Vertical Forest" Project	1,470,676,210.16		1,470,676,210.16	1,470,676,210.16		1,470,676,210.16
Purchase of carrier A1, A3-A7 of China Resources Vientiane Enterprise Center	1,059,075,725.33		1,059,075,725.33	1,016,455,505.22		1,016,455,505.22
Science Innovation C1 land plot	861,240,637.33		861,240,637.33	719,744,410.76		719,744,410.76
Jiangbei New District Water Environment Improvement System Phase III	827,518,027.17		827,518,027.17	642,959,967.13		642,959,967.13
Jiangbei New District Water Environment Improvement System Phase II	618,368,266.16		618,368,266.16	611,405,951.59		611,405,951.59
Juhui Park	598,938,980.57		598,938,980.57	364,662,210.27		364,662,210.27
Mingfa Apartment Building No.3	596,279,185.90		596,279,185.90	553,092,379.88		553,092,379.88
Nanjing Biomedical Valley Business Center Project	554,009,953.51		554,009,953.51	425,145,189.95		425,145,189.95
River Water Source Heat Pump No.3, 6, 7 Energy Stations	543,325,948.39		543,325,948.39	403,779,252.08		403,779,252.08
Biomedical Valley Talent Public Rental House	519,158,886.75		519,158,886.75	466,239,377.81		466,239,377.81
Expansion and reconstruction of High Tech North Sewage Treatment Plant	442,461,924.46		442,461,924.46	373,054,436.45		373,054,436.45
R&D Building Phase III	429,560,391.41		429,560,391.41	375,835,042.02		375,835,042.02

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Jinniu Lake Street Phase II Relocation Project	427,953,833.11		427,953,833.11	427,863,267.07		427,863,267.07
Jinniu Yeshan Land Arrangement & Development	422,240,325.74		422,240,325.74	531,351,136.32		531,351,136.32
Rural sewage treatment project of Jiangbei New District	378,765,733.31		378,765,733.31	293,040,386.95		293,040,386.95
Underground Space Phase I	359,694,659.18		359,694,659.18	342,491,351.68		342,491,351.68
Dachang Sewage Treatment Plant	357,393,916.48		357,393,916.48	279,096,960.35		279,096,960.35
Modern Industry Innovation Center	351,291,649.12		351,291,649.12	256,313,303.70		256,313,303.70
No.5 Wangjiang Road	325,811,484.11		325,811,484.11	296,631,641.06		296,631,641.06
Chemical Light	261,602,332.88		261,602,332.88	207,520,500.78		207,520,500.78
Health Technology Industrial Park	245,826,334.25		245,826,334.25	245,826,334.25		245,826,334.25
Public Health Scientific Innovation Center	244,691,061.66		244,691,061.66	231,527,111.00		231,527,111.00
Rental house of Nanjing Biomedical Valley (Phase III)	235,452,719.99		235,452,719.99	235,452,719.99		235,452,719.99
New Nanjing Art Museum Project	226,226,210.96		226,226,210.96	50,980,564.51		50,980,564.51
Big Data Center	218,132,060.27		218,132,060.27	218,132,060.27		218,132,060.27
Water Plant Phase IV Reconstruction & Expansion Project	204,117,186.67		204,117,186.67	178,721,668.81		178,721,668.81
Jinniu Lake Street Resettlement	174,563,756.85		174,563,756.85	111,422,969.82		111,422,969.82

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Housing Phase I						
Nanhua Jiangbei Community	165,688,613.37		165,688,613.37	44,984,666.45		44,984,666.45
Jinniuhu Street Resettlement Housing Phase II	163,235,809.81		163,235,809.81	21,858,495.37		21,858,495.37
Dachang Sewage Treatment Plant External Pipeline Ancillary Construction Project	160,433,289.29		160,433,289.29	132,493,144.03		132,493,144.03
Yangtze River Creative Street Area	158,992,247.20		158,992,247.20	148,738,190.42		148,738,190.42
Longhua Wisdom Valley North District Project	145,977,078.41		145,977,078.41	105,091,265.28		105,091,265.28
Accelerator Phase VI	98,423,962.29		98,423,962.29	98,423,962.29		98,423,962.29
Rural Road Ashing Project	96,692,310.26		96,692,310.26	96,692,310.26		96,692,310.26
Nanjing Tongyang Textile	91,846,551.92		91,846,551.92	91,846,551.92		91,846,551.92
Nanjing Intelligent Manufacturing Industrial Park (Zhongshan Park) Standardized Plant Environment Improvement Project	87,769,238.18		87,769,238.18	87,769,238.18		87,769,238.18
Nanyuan Neighborhood Service Center	84,184,470.20		84,184,470.20	84,184,470.20		84,184,470.20
China Meteorological Valley Start Area Project	82,071,216.49		82,071,216.49	82,071,216.49		82,071,216.49
Yangzi Cultural and Creative Project Phase I Project	81,341,143.10		81,341,143.10			

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
(including library)						
Gene Sequencing Project	75,881,755.94		75,881,755.94	75,881,578.95		75,881,578.95
River Water Source Heat Pump No.3, 6 and 7 Energy Station Support Pipe Network Project	73,459,169.71		73,459,169.71	27,406,421.22		27,406,421.22
Central Business District Exhibition Center	66,013,166.56		66,013,166.56	65,339,971.34		65,339,971.34
Intelligent Transportation Support Project of Direct Management Area in 2019 (area of Pancheng, Yanjiang, Taishan and Dingshan)	61,358,704.07		61,358,704.07	56,207,164.56		56,207,164.56
Nanjing Wildlife Kingdom	56,272,349.64		56,272,349.64			
Jiangbei New District High Tech North Sewage Treatment Plant External Pipeline Ancillary Construction Project Phase I	55,034,671.43		55,034,671.43	11,140,145.50		11,140,145.50
Dingshan Street Kitchen Waste Treatment Station and Garbage Transfer Station	53,500,000.00		53,500,000.00			
Jiangbei New District Domestic Waste Sorting Collection Point	53,155,519.39		53,155,519.39	18,184,440.76		18,184,440.76

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction and Operation Project						
Kunpeng Ecological Industry Base Kunpeng Digital Platform	50,000,000.00		50,000,000.00	50,000,000.00		50,000,000.00
Leisure Travel Section Planning	46,997,173.23		46,997,173.23	46,997,173.23		46,997,173.23
Qiuteng Transformation Line Project	45,870,758.28		45,870,758.28	43,473,448.37		43,473,448.37
River Water Source Heat Pump District Cooling and Heating Supply System Ancillary Pipeline Project Phase II	44,290,324.29		44,290,324.29			
Nanjing Tech University Technology Industrial Park East Area Office Building B11	39,634,564.21		39,634,564.21	31,244,001.29		31,244,001.29
Intelligent R&D Base Project	39,297,756.63		39,297,756.63	39,297,756.63		39,297,756.63
Nanjing Intelligent Manufacturing Industrial Park Robot and Intelligent Equipment Base	38,336,910.68		38,336,910.68	38,336,910.68		38,336,910.68
Zhujiashan River Water Supply Project	37,628,096.77		37,628,096.77	65,164,889.04		65,164,889.04
Peking University Molecule Phase I	34,512,052.94		34,512,052.94	34,472,995.51		34,472,995.51
Low Carbon Cloud Platform	33,224,001.03		33,224,001.03	33,224,001.03		33,224,001.03
Yeshan Resettlement Housing Project	29,426,946.43		29,426,946.43	23,088,965.97		23,088,965.97

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
National Health Medical Big Data Center	28,196,852.80		28,196,852.80	28,130,992.42		28,130,992.42
Riverside Street Kitchen Waste Treatment Station and Sorting Station	28,100,000.00		28,100,000.00			
Big Data Center Grade Protection Project	27,827,697.00		27,827,697.00	25,841,504.58		25,841,504.58
New Town Construction & Development Project	27,515,566.01		27,515,566.01	27,515,566.01		27,515,566.01
Underground Space Phase II	27,284,709.74		27,284,709.74	26,674,368.21		26,674,368.21
ICC data center computer room equipment procurement	26,650,590.65		26,650,590.65	26,650,590.65		26,650,590.65
Chengqiao Street Old Town District Shanty Renovation Phase I	25,165,094.34		25,165,094.34	25,165,094.34		25,165,094.34
Equipment of Advanced Network Computing and Experiment Nanjing Innovation Center Computing Center	25,148,814.10		25,148,814.10	25,148,814.10		25,148,814.10
Beilian Tiandi Project	22,021,317.86		22,021,317.86	22,021,317.86		22,021,317.86
Jinniu Lake Yeshan Tourism Resort Phase I Tourism Avenue Project	21,940,024.08		21,940,024.08	21,940,024.08		21,940,024.08
One-stop service platform for high-end medical device industrialization	21,857,044.36		21,857,044.36	21,857,044.36		21,857,044.36

Items	Closing balance			Previous year ending balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Earth Window Theme Park	21,064,072.65		21,064,072.65	20,823,351.95		20,823,351.95
Accelerator Phase V	19,107,538.69		19,107,538.69	19,107,538.69		19,107,538.69
Deep Treatment Project of Water Plant Phase II	18,139,823.39		18,139,823.39	8,730,573.25		8,730,573.25
Taishan Street sanitation facilities	16,900,000.00		16,900,000.00	16,900,000.00		16,900,000.00
Ketou Cloud Center	15,934,893.09		15,934,893.09	15,934,893.09		15,934,893.09
Concrete Mixing Station Project	14,525,719.73		14,525,719.73	2,601,268.84		2,601,268.84
2019 Road Traffic Facility Upgrade and Reconstruction Project of Direct Management Area	14,156,545.65		14,156,545.65	8,627,986.99		8,627,986.99
Zaohekou Ecological Agriculture Project	13,838,668.38		13,838,668.38	13,838,668.38		13,838,668.38
Mass Spectrometry Analysis and Testing Center Project	12,596,592.41		12,596,592.41	11,649,296.10		11,649,296.10
Decoration of Fengbin Complex Building	12,437,761.19		12,437,761.19	12,437,761.19		12,437,761.19
Municipal complex	11,610,013.14		11,610,013.14	10,462,074.01		10,462,074.01
River Water Source Heat Pump No.1 Energy Station	10,991,216.94		10,991,216.94	10,767,254.68		10,767,254.68
Longhua Wisdom Valley South District Project	10,590,354.20		10,590,354.20	6,955,684.32		6,955,684.32
Other projects	1,328,196,341.22		1,328,196,341.22	605,024,065.86		605,024,065.86
Total	20,426,883,414.60		20,426,883,414.60	16,362,778,832.01		16,362,778,832.01

20. Right-of-use assets

Items	Houses and buildings	Total
I. Original book value		
1. Previous year ending balance	265,263,912.00	265,263,912.00
2. Increased amount this year		
3. Decreased amount this year		
4. Closing balance	265,263,912.00	265,263,912.00
II. Cumulative depreciation		
1. Previous year ending balance		
2. Increased amount this year	26,176,860.89	26,176,860.89
(1) Provision	26,176,860.89	26,176,860.89
3. Decreased amount this year		
4. Closing balance	26,176,860.89	26,176,860.89
III. Provision for impairment		
1. Previous year ending balance		
2. Increased amount this year		
3. Decreased amount this year		
4. Closing balance		
IV. Book value		
1. Period-end book value	239,087,051.11	239,087,051.11
2. Book value at the beginning of year	265,263,912.00	265,263,912.00

21. Intangible assets

(1) Intangible assets

Items	Land use right	Proprietary technology	Software	Franchising right	Total
V. Original book value					
5. Previous year ending balance	1,520,296,091.52	960,000.00	71,636,212.53	98,635,273.84	1,691,527,577.89
6. Increased amount this year	96,544,801.83		241,912,758.54		338,457,560.37
(1) Purchase	96,544,801.83		241,912,758.54		338,457,560.37
7. Decreased amount this year					
(1) Disposal					
(2) Transfer to construction progress					
8. Closing balance	1,616,840,893.35	960,000.00	313,548,971.07	98,635,273.84	2,029,985,138.26
VI. Accumulated amortization					
5. Previous year ending balance	65,449,151.55	750,916.67	32,805,478.51	21,382,188.14	120,387,734.87
6. Increased amount this year	18,874,357.57	28,000.00	17,096,538.93	4,927,250.94	40,926,147.44
(2) Provision	18,874,357.57	28,000.00	17,096,538.93	4,927,250.94	40,926,147.44
7. Decreased amount this year					

Items	Land use right	Proprietary technology	Software	Franchising right	Total
(1) Disposal					
(2) Transfer to construction progress					
8. Closing balance	84,323,509.12	778,916.67	49,902,017.44	26,309,439.08	161,313,882.31
VII. Provision for impairment					
5. Previous year ending balance					
6. Increased amount this year					
(1) Provision					
7. Decreased amount this year					
(1) Disposal					
8. Closing balance					
VIII. Book value					
3. Period-end book value	1,532,517,384.23	181,083.33	263,646,953.63	72,325,834.76	1,868,671,255.95
4. Book value at the beginning of year	1,454,846,939.97	209,083.33	38,830,734.02	77,253,085.70	1,571,139,843.02

(2) Land use right without handling property certificate

Items	Book value	Reasons for failure to complete the property certificate
NO.Ning 2014GY27 Public Utility Land	11,708,950.68	Under handling

22. Development expenditure

Items	Previous year ending balance	Increase in current period	Decrease in current period	Closing balance
		Internal development expenditure	Transfer to current profits and losses	
Million Population Genome Plan Project	47,169,811.50			47,169,811.50
CSRC Regional Equity Duration Blockchain Pilot Project	4,514,714.53	2,102,058.34		6,616,772.87
Nanjing Digital Research Institute Digital Cockpit Project Phase I	150,000.00	344,700.07		494,700.07
Digital Finance Experiment Base Application Demonstration Project	4,347,446.78	549,781.40		4,897,228.18
Smart Enterprise Cloud APP	603,773.58			603,773.58
Impact of gut microbiota on human disease	150,231.14			150,231.14
Impact of third-hand smoke and PM2.5 on cancer risk	489,341.28			489,341.28
New drug development	457,916.42			457,916.42
Discover and validate biomarkers used to predict patient prognosis and treatment response	1,036,012.33			1,036,012.33
Big data platform	217,394.74			217,394.74

Items	Previous year ending balance	Increase in current period	Decrease in current period	Closing balance
		Internal development expenditure	Transfer to current profits and losses	
AI intelligent analysis product		603,773.57		603,773.57
Production line visualization MES system		184,177.65		184,177.65
Total	59,136,642.30	3,784,491.03		62,921,133.33

23. Long-term prepaid expense

Items	Previous year ending balance	Increased amount this year	Amortized amount this year	Other decreased amount	Closing balance
Decoration fees	201,299,983.50	73,970,148.91	24,252,627.16	3,111,451.43	247,906,053.82
Consulting service fee	91,114,415.11	20,240,000.00	4,057,298.78		107,297,116.33
Hotel Supplies	15,235,913.95	9,768,489.09	1,960,877.22		23,043,525.82
Fees for technical services	20,390,416.67		717,499.98		19,672,916.69
Dongda Science & Technology Park Project	22,389,557.30		3,838,209.84		18,551,347.46
Planning exhibition hall parking lot and carport	1,124,208.27	11,025,017.31	1,533,328.83		10,615,896.75
Relevant Accelerator Project	3,627,935.53		502,223.70		3,125,711.83
Qiaobei Triangle Land Parking Lot	2,778,426.77		69,460.68		2,708,966.09
Talent Apartment Project	2,278,016.89	662,065.00	534,695.71		2,405,386.18
No.100 Zhennanhe Road Party Building Center Reconstruction Project	1,680,585.05		77,449.62		1,603,135.43
East Gate Vegetable Market Parking Lot	1,485,187.37		37,129.68		1,448,057.69
No.100 Zhennanhe Road Roof Garden Project	1,419,200.83				1,419,200.83
Upgrade and renovation of indoor LED screen at No.100 Zhennanhe Road	974,122.80				974,122.80
Puxin Infrastructure	962,701.64				962,701.64
Gene 2F laboratory and air conditioning renovation	566,213.60		32,179.83		534,033.77
No.100 Zhennanhe Road Hall Underground Pit Reconstruction Project	412,686.42				412,686.42
No.6 Tianpu Road	389,933.21				389,933.21
Banyuan Hotel Renovation	303,761.70				303,761.70
Public Construction Center 1F Office Area Renovation Project	281,059.58				281,059.58
No.3 Tianpu Road renovation fee	177,485.03				177,485.03
Sporadic renovation of ancillary facilities in Office Building at No.100 Zhennanhe Road	137,970.49				137,970.49

Items	Previous year ending balance	Increased amount this year	Amortized amount this year	Other decreased amount	Closing balance
No.100 Zhennanhe Road Guide Board Production Project	128,398.49				128,398.49
No.1 Tianpu Road	89,784.43				89,784.43
Electromechanical intelligent transformation of Office Building	80,733.95				80,733.95
18F Electrical Installation Project	23,648.51		5,675.68		17,972.83
Pathogenic biological laboratory transformation	4,816.57		642.21		4,174.36
P2 laboratory transformation	75,755.49			75,755.49	
Other		21,800,000.00			21,800,000.00
Total	369,432,919.15	137,465,720.31	37,619,298.92	3,187,206.92	466,092,133.62

24. Deferred income tax assets/deferred income tax liabilities**(1) Non-offset deferred income tax asset details**

Items	Closing balance		Previous year ending balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Withdrawn asset depreciation reserves	266,083,812.35	99,150,936.34	394,230,780.13	98,557,695.10
Recoverable loss	166,209,229.25	41,552,307.32	166,209,229.28	41,552,307.32
Expenses accrued but without notes	2,238,317.90	559,579.48	2,557,317.90	639,329.48
Increase and decrease in fair value of investment properties	7,555,777.77	1,888,944.44	7,555,777.77	1,888,944.44
Deferred incomes	9,537,499.86	2,384,374.96	9,537,499.86	2,384,374.96
Deferred income tax assets recognized with internal unrealized profit offsetting	3,033,070.08	758,267.53	3,033,070.08	758,267.53
Total	454,657,707.21	146,294,410.07	583,123,675.02	145,780,918.83

(2) Details of non-offset deferred tax liabilities

Items	Closing balance		Previous year ending balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Evaluating value-added accrued deferred tax liability	5,056,609,049.50	1,264,152,262.38	5,062,384,278.75	1,265,596,069.70
Asset book value larger than the tax base	1,901,158,974.58	475,289,743.64	2,329,449,753.30	582,362,438.32
Total	6,957,768,024.08	1,739,442,006.02	7,391,834,032.05	1,847,958,508.02

25. Other non-current assets

Items	Closing balance	Previous year ending balance
Nanjing Qinhuai State-owned Assets Holding Group Co., Ltd.	3,774,650,000.0	3,841,600,000.00

Items	Closing balance	Previous year ending balance
	0	
Nanjing Xinxia Construction Investment Holding Group Co., Ltd.	3,740,200,000.00	3,799,700,000.00
Nanjing Xinliu Urban Construction Investment Co., Ltd.	3,204,021,000.00	3,228,521,000.00
Nanjing Pukou District Affordable Housing Construction Development Co., Ltd.	2,229,318,547.50	2,239,018,547.50
Nanjing Chixia Urban Construction Development Group Co., Ltd.	2,363,830,000.00	2,386,830,000.00
Nanjing Jiangning District Affordable Housing Construction Development Co., Ltd.	2,265,330,000.00	2,275,330,000.00
Nanjing Guokai Yuhua Urban Upgrading and Development Co., Ltd.	1,414,220,000.00	1,417,020,000.00
Nanjing Lishui Zhongshan Affordable Housing Construction Co., Ltd.	2,333,600,000.00	2,352,800,000.00
Nanjing Tiebei Industrial Investment Co., Ltd.	1,121,660,000.00	1,121,660,000.00
Nanjing Jiangbei New District Collection Management Center	10,730,323,865.80	10,011,057,721.59
Jiangsu Gaochun High-tech Zone Construction Development Co., Ltd	984,300,000.00	1,419,840,000.00
Prepaid long-term asset purchase funds		1,277,833,735.84
Pipeline and other assets	395,627,183.88	395,627,183.88
Demolition compensation fee		
Nanjing Pukou District People's Government Yanjiang Street Office	300,000,000.00	300,000,000.00
Entrusted loans		1,060,380,000.00
Convertible stock debt investment	88,000,000.00	38,000,000.00
Office house co-building margin	10,000,000.00	10,000,000.00
Central green shaft (Phase I)		5,529,198.37
Posterior grade plan funds	110,000,000.00	121,200,000.00
Fixed deposit	350,000,000.00	
Total	35,415,080,597.18	37,301,947,387.18

26. Short-term borrowings

(1) Short-term loan classification

Items	Closing balance	Previous year ending balance
Security borrowings	3,660,594,640.91	4,548,994,640.91
Credit borrowings	5,931,370,000.00	4,910,992,000.00
Total	9,591,964,640.91	9,459,986,640.91

(2) No due but unrepaid short-term borrowings at the end of period.

27. Bills payable

Category	Closing balance	Previous year ending balance
Bank acceptance bill	24,912,920.00	
Total	24,912,920.00	

Note: No matured but unpaid notes payable at the end of period.

28. Accounts payable

(1) List of payables

Items	Closing balance	Previous year ending balance
Within 1 year	1,023,320,987.20	2,088,405,799.65
1-2 years	958,386,906.29	321,304,203.01
2-3 years	67,612,581.02	45,851,479.24
over 3 years	1,060,626,356.62	1,027,654,858.20
Total	3,109,946,831.13	3,483,216,340.10

(2) Top 5 balance of accounts payable

Items	Closing balance	Reasons for outstanding or carrying over
Pukou District Pufei Housing Demolition Co., Ltd.	841,224,214.52	Unsettled yet
Nanjing Municipal Bureau of Land and Resources Pukou Branch	164,858,689.10	Unsettled yet
Nanjing Jiangbei New District Public Project Construction Center	69,007,700.00	Unsettled yet
Zhejiang Yaxia Decoration Holding Co., Ltd.	51,986,524.10	Unsettled yet
China Construction Eighth Engineering Division Corp., Ltd	47,980,054.62	Unsettled yet
Total	1,175,057,182.34	—

29. Advance receipt

(1) List of advance receipts

Items	Closing balance	Previous year ending balance
Within 1 year	3,743,815,230.45	2,267,148,392.15
1-2 years	1,313,643,992.30	399,412,611.15
2-3 years	266,669,916.48	151,363.80
over 3 years	130,574.14	39,386,238.34
Total	5,324,259,713.37	2,706,098,605.44

(2) Major advance receipts aged over 1 year

Name of customers	Amount	Reasons for outstanding or carrying over
Pearl Spring Economic Development Co., Ltd.	171,000,000.00	Project uncompleted
Dachang Street Office	464,805,000.00	Project uncompleted
Nanjing Jiangbei New District Collection Management Center	315,125,628.00	Project uncompleted
Nanjing Jiangbei New District Getang Street	276,100,000.00	Project uncompleted
Nanjing Pukou District People's Government Taishan Street Office Finance Division	52,553,891.05	House uncompleted, undelivered
Total	1,279,584,519.05	—

30. Contract liabilities

(1) Contract liability

Items	Closing balance
Advance receipts of project funds	9,422,887.81
Advance receipt of house sales funds	165,156,702.27
Advance receipt of service fee	39,894,196.61
Less: included in other non-current liabilities (Note VI. 35)	12,229,238.37
Total	202,244,548.32

31. Payroll payable

(1) Presentation of employee remuneration payable

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
I. Short-term remuneration	42,273,608.17	203,172,793.61	233,366,876.23	12,079,525.55
II. Post-employment welfare - defined contribution plan	610,175.55	12,039,675.94	12,004,513.17	645,338.32
III. Dismissal benefits				
IV. Other benefits due within one year				
Total	42,883,783.72	215,212,469.55	245,371,389.40	12,724,863.87

(2) Presentation of short-term remuneration

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
1. Wages, bonuses, allowances and subsidies	37,142,431.43	168,552,093.89	198,026,239.44	7,668,285.88
2. Employee services and benefits	819,353.66	4,798,285.34	4,818,708.34	798,930.66
3. Social insurance premiums	63,820.53	6,933,696.17	6,913,927.15	83,589.55
Of which: medical insurance premium	53,733.60	6,136,490.13	6,119,783.64	70,440.09
Work-related injury insurance premium	4,610.66	201,137.16	200,946.37	4,801.45
Birth insurance premium	3,996.27	521,259.88	519,988.14	5,268.01
Other	1,480.00	74,809.00	73,209.00	3,080.00
4. Housing fund	342,353.00	20,830,743.72	20,866,935.72	306,161.00
5. Trade union funds and staff education funds	3,416,288.41	2,057,105.49	2,719,065.58	2,754,328.32
6. Short-term paid absences	493,296.15		22,000.00	471,296.15
7. Other short-term compensation	-3,935.01	869.00		-3,066.01
Total	42,273,608.17	203,172,793.61	233,366,876.23	12,079,525.55

(3) Presentation of defined contribution plan

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
1. Basic endowment insurance	49,198.00	9,250,867.96	9,224,895.56	75,170.40
2. Unemployment insurance premium	2,224.27	328,985.98	328,174.37	3,035.88
3. Payment of enterprise annuity	558,753.28	2,459,822.00	2,451,443.24	567,132.04
Total	610,175.55	12,039,675.94	12,004,513.17	645,338.32

32. Taxes payable

Items	Closing balance	Previous year ending balance
Corporate income tax	26,720,442.98	274,413,771.69
VAT	12,910,514.86	86,455,452.61
Business tax	2,914,203.72	3,034,094.45
Increment tax on land value	3,882,199.97	26,046,443.75
Land use tax	3,687,400.03	4,881,665.88
Housing tax	33,195,332.36	38,488,023.89
Urban maintenance and construction tax	22,355,917.46	9,806,985.11
Education surcharge	5,701,702.37	6,952,047.48
Withholding personal income tax	28,426,091.87	2,764,625.44
Stamp duty	4,979,699.74	13,970,509.15
Environmental protection tax payable	1,647,041.68	7,468,337.77
Other	1,361,283.84	2,061,809.80
Total	147,781,830.88	476,343,767.02

33. Other payables

Items	Closing balance	Previous year ending balance
Other payables	6,282,093,268.80	8,247,826,010.08
Interest payable	719,055,086.59	1,259,072,742.34
Dividends payable	72,570,742.65	9,050,157.51
Total	7,073,719,098.04	9,515,948,909.93

(1) Other payables**① Other payables presented by nature of funds**

Items	Closing balance	Previous year ending balance
Relevant payables of expense	15,918,220.83	18,498,015.97
Cash pledge, guarantee deposit	572,541,999.80	359,246,668.02
Transaction accounts	4,686,005,610.78	6,662,406,188.70
Temporary debit	431,632,231.32	631,632,231.32
Other	575,995,206.07	576,042,906.07
Total	6,282,093,268.80	8,247,826,010.08

② Important other payables aging over 1 year

Items	Closing balance	Reasons for outstanding or carrying over
Nanjing Liuhe District People's Government Jinniu Lake Street Office	474,001,852.78	Unsettled yet
Nanjing Jiangbei Cultural and Creative Investment Development Co., Ltd	200,000,000.00	Unsettled yet
Nanjing Pukou District Demolition Management Center	110,000,000.00	Unsettled yet
Nanjing Liuhe District Jinniu Lake Street Finance Agency	100,000,000.00	Unsettled yet
Dingshan Town Finance Office	84,938,153.77	Unsettled yet
Total	968,940,006.55	—

(2) Interest payable

Items	Closing balance	Previous year ending balance
Interests on long-term loan with installment interests and principal repayment at maturity	193,641,853.11	227,145,261.18
Corporate bond interests	525,199,344.59	1,011,340,234.73
Payable interests of short-term loan	213,888.89	20,587,246.43
Total	719,055,086.59	1,259,072,742.34

(3) Dividends payable

Items	Closing balance	Previous year ending balance
Ordinary stock dividends	2,424,468.68	5,088,038.79
Preferred share/perpetual debt dividends classified into equity instruments	70,146,273.97	3,962,118.72
Total	72,570,742.65	9,050,157.51

34. Non-current liabilities due within one year

Items	Closing balance	Previous year ending balance
Long-term loans due within 1 year (Note VI. 36)	12,161,659,172.37	11,221,580,448.58
Bonds payable due within 1 year (Note VI.37)	6,384,707,624.34	8,462,652,322.13
Long-term payables due within 1 year (Note VI. 39)	1,308,823,896.15	906,180,106.40
Other long-term liabilities due within 1 year (Note VI. 38)	38,338,983.94	
Total	19,893,529,676.80	20,590,412,877.11

35. Other non-current liabilities

Items	Closing balance	Previous year ending balance
Short-term bonds payable		600,000,000.00
Accrued property, repair and storage expense	60,909.00	3,146,763.09
Prepaid and deferred VAT	12,229,238.37	
Total	12,290,147.37	603,146,763.09

36. Long-term borrowing

Items	Closing balance	Previous year ending balance
Credit borrowings	13,592,979,117.55	11,160,390,891.32
Security borrowings	73,330,363,849.82	66,722,907,791.76
Mortgage borrowings	2,952,749,256.27	3,169,309,501.11
Pledge borrowings	18,405,069,454.43	19,755,069,454.43
Other borrowings		
Less: partial year-end balance due within one year (Note VI. 34)	12,161,659,172.37	11,221,580,448.58
Total	96,119,502,505.70	89,586,097,190.04

37. Bonds payable

(1) Bonds payable

Items	Closing balance	Previous year ending balance
2020 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd	2,000,000,000.00	2,000,000,000.00
2021 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd	2,000,000,000.00	
19 Pu Guarantee 01	397,605,000.00	397,605,000.00
2021 Phase I Asset Support Notes of Nanjing Jiangbei New District Yangzi Technology Financing Leasing Co., Ltd	760,351,586.30	
US bond	1,284,267,880.02	1,297,150,120.00
2020 Private Placement Bond Phase I	1,999,874,200.55	1,998,459,280.55
20 Yangzi 03 Private Placement Bond Funds	1,998,044,961.00	1,998,044,961.00
20 Yangzi 04 Private Placement Bond Funds	1,198,820,856.00	1,198,820,856.00
20 Yangzi G01 Public Placement Funds	1,498,691,191.00	1,498,691,191.00
20 Yangzi G2 Public Corporate Bond Funds	799,240,569.00	799,240,569.00
20 Yangzi G3 Public Corporate Bond Funds	2,697,380,219.00	2,697,380,219.00
20 Yangzi Country Defense 01 Corporate Bond Placement Funds	398,819,372.00	398,819,372.00
Nanjing Securities 19 Yangzi State Investment Bond 01	1,497,189,960.97	1,497,189,960.97
Nanjing Securities 19 Yangzi State Investment Bond 02	1,995,662,671.92	1,995,662,671.92
Nanjing Securities 19 Yangzi State Investment Bond 03	997,810,639.32	997,810,639.32
Nanjing Securities 19 Yangzi State Investment Bond 04	2,095,366,754.77	2,095,366,754.77
Yangzi 02 Private Placement Bond Phase II	2,797,679,917.27	2,797,679,917.27
CICC USD Bond 1	1,865,087,315.43	1,865,087,315.43
CICC USD Bond 2	1,286,022,442.34	1,286,022,442.34
18 Jiangbei Technology MTN001	179,309,093.30	398,415,094.34
18 Jiangbei Technology MTN002	398,245,283.02	398,245,283.02
18 Jiangbei 01 Debt	746,698,113.21	746,698,113.21
19 Jiangbei 01 Debt	-	248,773,584.91
19 Jiangbei 03 Debt	497,295,597.48	497,295,597.48
G20 Jiangbei 1	399,318,658.28	399,318,658.28
G20 Jiangbei 2	489,133,254.71	489,133,254.71
20 Jiangbei Public Investment SCP001	388,367,007.32	400,000,000.00

Items	Closing balance	Previous year ending balance
20 Jiangbei Public Investment CP001		399,874,213.83
Ping'an Securities - Yuangu Water Supply Charge Income Right Asset Support Plan	758,760,000.00	780,840,000.00
21 Jiangbei 01 Debt	250,000,000.00	
21 Jiangbei Public Investment CP001	400,000,000.00	
21 Jiangbei Public Investment SCP001	400,000,000.00	
Overseas Debt XS1997069692	3,198,441,390.34	3,230,524,330.58
2020 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)	600,000,000.00	600,000,000.00
2021 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)	994,339,622.64	
2021 Phase I Green Technology Creation Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd	49,850,000.00	
16 Ning High-tech PPN001	-	699,792,667.83
16 Ning High-tech PPN002	-	599,563,211.91
16 Nanjing High-tech MTN001	1,000,000,000.00	1,000,000,000.00
17 Ning High-Tech	1,205,705,560.60	1,204,766,024.23
17 Nanjing High-Tech Debt	638,206,868.40	637,847,295.52
18 Jiangbei Industrial Investment ZR001	-	1,500,000,000.00
18 Jiangbei Industrial Investment MTN001	998,610,654.61	998,219,474.50
18 Jiangbei Industrial Investment MTN002	998,594,636.89	998,203,521.89
18 Jiangbei Industrial Investment Bond 01	1,592,339,454.26	1,990,569,339.25
19 Jiangbei New District PPN001	996,921,907.97	996,429,846.12
20 Jiangbei New District PPN001	1,197,033,954.03	1,196,146,729.35
2020 Corporate Bond of Non-public Issuance	1,343,371,264.90	1,342,475,104.75
20 Jiangbei New District MTN001	1,197,684,104.91	1,197,398,958.23
20 Jiangbei New District PPN002	997,273,681.98	996,534,274.65
20 Jiangbei New District MTN002	598,573,966.39	597,714,716.66
20 Jiangbei New District MTN003	498,997,103.25	498,817,106.72
20 Jiangbei New District MTN004	997,618,473.44	996,189,708.49
20 Jiangbei New District PPN003	798,031,041.32	797,004,795.64
Overseas Bond XS216829093		1,954,148,390.50
Overseas Bond XS2216050042	1,291,130,198.04	1,301,113,838.06
19 North Park 01	510,000,000.00	510,000,000.00
19 North Park 02	490,000,000.00	490,000,000.00
19 North Park 03	300,000,000.00	300,000,000.00
21 Jiangbei New District PPN001	498,053,324.01	
21 Industrial Investment 01	997,369,880.74	
21 Jiangbei New District PPN002	599,198,461.07	
21 Jiangbei New District PPN003	497,984,108.83	
21 Industrial Investment K1	499,100,081.68	
21 Jiangbei Industrial Investment Debt 01	1,196,883,946.40	

Items	Closing balance	Previous year ending balance
21 Jiangbei New District PPN004	798,886,333.41	
21 Jiangbei New District MTN001	995,796,265.01	
Overseas Debt XS2332017743	1,930,960,570.96	
Less: Partial year-end balance due within one year (Note 6, 34)	6,384,707,624.34	8,462,652,322.13
Total	58,597,291,775.95	49,748,432,083.10

(2) Increases and decreases of bonds payable (excluding other financial instruments such as preferred stock and perpetual bond classified as financial liabilities)

Bond name	Face value	Issue date	Bond maturity	Issue amount	Previous year ending balance
2020 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd	2,000,000,000.00	2020/7/21	28 years	2,000,000,000.00	2,000,000,000.00
2021 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd	2,000,000,000.00	2021/1/15	28 years	2,000,000,000.00	
19 Pu Guarantee 01	400,000,000.00	2019/12/18	5 year	400,000,000.00	397,605,000.00
2021 Phase I Asset Support Notes of Nanjing Jiangbei New District Yangzi Technology Financing Leasing Co., Ltd	761,000,000.00	1900/1/0	1 year + 2 years + 3 years	761,000,000.00	
US bond	USD 200 million	2020/11/18	1 year	1,304,980,000.00	1,297,150,120.00
2020 Private Placement Bond Phase I	2,000,000,000.00	2020/1/10	5 year	2,000,000,000.00	1,998,459,280.55
20 Yangzi 03 Private Placement Bond Funds	2,000,000,000.00	2020/11/16	5 year	2,000,000,000.00	1,998,044,961.00
20 Yangzi 04 Private Placement Bond Funds	1,200,000,000.00	2020/11/26	5 year	1,200,000,000.00	1,198,820,856.00
20 Yangzi G01 Public Placement Funds	1,500,000,000.00	2020/4/28	5 year	1,500,000,000.00	1,498,691,191.00
20 Yangzi G2 Public Corporate Bond Funds	800,000,000.00	2020/9/21	5 year	800,000,000.00	799,240,569.00
20 Yangzi G3 Public Corporate Bond Funds	2,700,000,000.00	2020/11/2	5 year	2,700,000,000.00	2,697,380,219.00
20 Yangzi Country Defense 01 Corporate Bond Placement Funds	400,000,000.00	2020/10/19	10 year	400,000,000.00	398,819,372.00
Nanjing Securities 19 Yangzi State Investment Bond 01	1,500,000,000.00	2019/3/19	5 year	1,500,000,000.00	1,497,189,960.97
Nanjing Securities 19 Yangzi State Investment Bond 02	2,000,000,000.00	2019/8/12	5 year	2,000,000,000.00	1,995,662,671.92
Nanjing Securities 19 Yangzi State Investment Bond 03	1,000,000,000.00	2019/10/21	5 year	1,000,000,000.00	997,810,639.32
Nanjing Securities 19 Yangzi State Investment Bond 04	2,100,000,000.00	2019/10/29	5 year	2,100,000,000.00	2,095,366,754.77
Yangzi 02 Private Placement Bond Phase II	2,800,000,000.00	2020/3/11	5 year	2,800,000,000.00	2,797,679,917.27
CICC USD Bond 1	300 million US dollars	2017/12/5	5 year	1,859,586,850.40	1,865,087,315.43
CICC USD Bond 2	USD 200 million	2017/12/5	10 year	1,304,971,369.60	1,286,022,442.34
18 Jiangbei Technology MTN001	400,000,000.00	2018/5/8	5 year	400,000,000.00	398,415,094.34

Bond name	Face value	Issue date	Bond maturity	Issue amount	Previous year ending balance
18 Jiangbei Technology MTN002	400,000,000.00	2018/8/16	5 year	400,000,000.00	398,245,283.02
18 Jiangbei 01 Debt	750,000,000.00	2018/12/4	5 year	750,000,000.00	746,698,113.21
19 Jiangbei 01 Debt	250,000,000.00	2019/4/4	5 year	250,000,000.00	248,773,584.91
19 Jiangbei 03 Debt	500,000,000.00	2019/8/27	5 year	500,000,000.00	497,295,597.48
G20 Jiangbei 1	400,000,000.00	2020/3/27	3 year	400,000,000.00	399,318,658.28
G20 Jiangbei 2	490,000,000.00	2020/4/30	3 year	490,000,000.00	489,133,254.71
20 Jiangbei Public Investment SCP001	400,000,000.00	2021/4/26	270 days	400,000,000.00	400,000,000.00
20 Jiangbei Public Investment CP001	400,000,000.00	2020/9/29	1 year	400,000,000.00	399,874,213.83
Ping'an Securities - Yuangu Water Supply Charge Income Right Asset Support Plan	843,000,000.00	2019/7/12	9 year	843,000,000.00	780,840,000.00
21 Jiangbei 01 Debt	250,000,000.00	2021/3/11	7 year	250,000,000.00	
21 Jiangbei Public Investment CP001	400,000,000.00	2021/1/7	-	400,000,000.00	
21 Jiangbei Public Investment SCP001	400,000,000.00	2021/4/20	-	400,000,000.00	
Overseas Debt XS1997069692	3,417,516,490.50	2019/6/5	5 year	3,417,516,490.50	3,230,524,330.58
2020 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)	600,000,000.00	2020/11/29	3 year	600,000,000.00	600,000,000.00
2021 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)	997,000,000.00	2021/3/23	7 year	1,000,000,000.00	
Nanjing Jiangbei New District Technology Investment Group Co., Ltd 2021 Non-public Issuance Green Technology Innovation Corporate Bonds Phase I (for carbon neutrality)	50,000,000.00	2021/4/16	7 year	50,000,000.00	
16 Ning High-tech PPN001	700,000,000.00	2016/3/18	5 year	700,000,000.00	699,792,667.83
16 Ning High-tech PPN002	600,000,000.00	2016/6/30	5 year	600,000,000.00	599,563,211.91
16 Nanjing High-tech MTN001	1,000,000,000.00	2016/10/28	5 year	1,000,000,000.00	1,000,000,000.00
17 Ning High-Tech	1,240,000,000.00	2017/7/27	5 year	1,240,000,000.00	1,204,766,024.23
17 Nanjing High-Tech Debt	800,000,000.00	2017/12/6	7 year	800,000,000.00	637,847,295.52

Bond name	Face value	Issue date	Bond maturity	Issue amount	Previous year ending balance
18 Jiangbei Industrial Investment ZR001	1,500,000,000.00	2018/3/30	3 year	1,500,000,000.00	1,500,000,000.00
18 Jiangbei Industrial Investment MTN001	1,000,000,000.00	2018/3/9	5 year	1,000,000,000.00	998,219,474.50
18 Jiangbei Industrial Investment MTN002	1,000,000,000.00	2018/3/19	5 year	1,000,000,000.00	998,203,521.89
18 Jiangbei Industrial Investment Bond 01	2,000,000,000.00	2018/6/15	7 year	2,000,000,000.00	1,990,569,339.25
19 Jiangbei New District PPN001	1,000,000,000.00	2019/3/29	5 year	1,000,000,000.00	996,429,846.12
20 Jiangbei New District PPN001	1,200,000,000.00	2020/2/24	3 year	1,200,000,000.00	1,196,146,729.35
2020 Corporate Bond of Non-public Issuance	1,350,000,000.00	2020/3/16	5 year	1,350,000,000.00	1,342,475,104.75
20 Jiangbei New District MTN001	1,200,000,000.00	2020/4/14	5 year	1,200,000,000.00	1,197,398,958.23
20 Jiangbei New District PPN002	1,000,000,000.00	2020/4/16	3 year	1,000,000,000.00	996,534,274.65
20 Jiangbei New District MTN002	600,000,000.00	2020/8/7	3 year	600,000,000.00	597,714,716.66
20 Jiangbei New District MTN003	500,000,000.00	2020/9/15	5 year	500,000,000.00	498,817,106.72
20 Jiangbei New District MTN004	1,000,000,000.00	2020/10/23	3 year	1,000,000,000.00	996,189,708.49
20 Jiangbei New District PPN003	800,000,000.00	2020/10/13	3 year	800,000,000.00	797,004,795.64
Overseas Bond XS216829093	2,119,018,292.03	2020/5/21	1 year	2,119,018,292.03	1,954,148,390.50
Overseas Bond XS2216050042	1,378,219,479.23	2020/8/25	1 year	1,378,219,479.23	1,301,113,838.06
19 North Park 01	510,000,000.00	2019/4/25	4 year	510,000,000.00	510,000,000.00
19 North Park 02	490,000,000.00	2019/4/25	4 year	490,000,000.00	490,000,000.00
19 North Park 03	300,000,000.00	2019/4/25	4 year	300,000,000.00	300,000,000.00
21 Jiangbei New District PPN001	500,000,000.00	2021/1/27	3 year	500,000,000.00	
21 Industrial Investment 01	1,000,000,000.00	2021/2/9	3+2 years	1,000,000,000.00	
21 Jiangbei New District PPN002	600,000,000.00	2021/2/25	3 year	600,000,000.00	
21 Jiangbei New District PPN003	500,000,000.00	2021/3/3	3 year	500,000,000.00	
21 Industrial Investment K1	500,000,000.00	2021/3/8	2+1 years	500,000,000.00	
21 Jiangbei Industrial Investment Debt 01	1,200,000,000.00	2021/3/12	3 + 2 + 2 years	1,200,000,000.00	
21 Jiangbei New District PPN004	800,000,000.00	2021/4/9	3 year	800,000,000.00	
21 Jiangbei New District MTN001	1,000,000,000.00	2021/4/16	3 year	1,000,000,000.00	

Bond name	Face value	Issue date	Bond maturity	Issue amount	Previous year ending balance
Overseas Debt XS2332017743	1,917,036,916.36	2021/5/6	1 year	1,917,036,916.36	
Less: partial year-end balance due within one year (Note VI, 34)	—	—	—	—	8,462,652,322.13
Total	—	—	—	—	49,748,432,083.10

(Continued)

Bond name	Issuing in this year	Accrued interest at face value	Premium discount amortization	Repayment in this year	Exchange rate translation	Other decreases	Year-end balance
2020 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd							2,000,000,000.00
2021 Non-public Distribution Project Revenue Corporate Bonds of Nanjing Jiangbei New District Railway Construction Investment Co., Ltd	2,000,000,000.00						2,000,000,000.00
19 Pu Guarantee 01							397,605,000.00
2021 Phase I Asset Support Notes of Nanjing Jiangbei New District Yangzi Technology Financing Leasing Co., Ltd	761,000,000.00		-648,413.70				760,351,586.30
US bond					-12,882,239.98		1,284,267,880.02
2020 Private Placement Bond Phase I			1,414,920.00				1,999,874,200.55
20 Yangzi 03 Private Placement Bond Funds							1,998,044,961.00
20 Yangzi 04 Private Placement Bond Funds							1,198,820,856.00
20 Yangzi G01 Public Placement Funds							1,498,691,191.00

Bond name	Issuing in this year	Accrued interest at face value	Premium discount amortization	Repayment in this year	Exchange rate translation	Other decreases	Year-end balance
20 Yangzi G2 Public Corporate Bond Funds							799,240,569.00
20 Yangzi G3 Public Corporate Bond Funds							2,697,380,219.00
20 Yangzi Country Defense 01 Corporate Bond Placement Funds							398,819,372.00
Nanjing Securities 19 Yangzi State Investment Bond 01							1,497,189,960.97
Nanjing Securities 19 Yangzi State Investment Bond 02							1,995,662,671.92
Nanjing Securities 19 Yangzi State Investment Bond 03							997,810,639.32
Nanjing Securities 19 Yangzi State Investment Bond 04							2,095,366,754.77
Yangzi 02 Private Placement Bond Phase II							2,797,679,917.27
CICC USD Bond 1							1,865,087,315.43
CICC USD Bond 2							1,286,022,442.34
18 Jiangbei Technology MTN001			10,893,998.96	230,000,000.00			179,309,093.30
18 Jiangbei Technology MTN002							398,245,283.02
18 Jiangbei 01 Debt							746,698,113.21
19 Jiangbei 01 Debt			1,226,415.09	250,000,000.00			
19 Jiangbei 03 Debt							497,295,597.48
G20 Jiangbei 1							399,318,658.28
G20 Jiangbei 2							489,133,254.71
20 Jiangbei Public Investment SCP001			-11,632,992.68				388,367,007.32

Bond name	Issuing in this year	Accrued interest at face value	Premium discount amortization	Repayment in this year	Exchange rate translation	Other decreases	Year-end balance
20 Jiangbei Public Investment CP001			125,786.17	400,000,000.00			
Ping'an Securities - Yuangu Water Supply Charge Income Right Asset Support Plan				22,080,000.00			758,760,000.00
21 Jiangbei 01 Debt	250,000,000.00						250,000,000.00
21 Jiangbei Public Investment CP001	400,000,000.00						400,000,000.00
21 Jiangbei Public Investment SCP001	400,000,000.00						400,000,000.00
Overseas Debt XS1997069692					-32,082,940.24		3,198,441,390.34
2020 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)							600,000,000.00
2021 Corporate Bonds of Non-public Issuance of Nanjing Jiangbei New District Technology Investment Group Co., Ltd (Phase I)	1,000,000,000.00		-5,660,377.36				994,339,622.64
Nanjing Jiangbei New District Technology Investment Group Co., Ltd 2021 Non-public Issuance Green Technology Innovation Corporate Bonds Phase I (for carbon neutrality)	50,000,000.00		-150,000.00				49,850,000.00
16 Ning High-tech PPN001			207,332.17	700,000,000.00			
16 Ning High-tech PPN002		18,927,734.25	-18,490,946.16	600,000,000.00			
16 Nanjing High-tech MTN001		35,800,000.00	-35,800,000.00				1,000,000,000.00
17 Ning High-Tech		69,316,000.00	-68,376,463.63				1,205,705,560.60
17 Nanjing High-Tech Debt		48,000,000.00	-47,640,427.12				638,206,868.40

Bond name	Issuing in this year	Accrued interest at face value	Premium discount amortization	Repayment in this year	Exchange rate translation	Other decreases	Year-end balance
18 Jiangbei Industrial Investment ZR001				1,500,000,000.00			
18 Jiangbei Industrial Investment MTN001		60,500,000.00	-60,108,819.89				998,610,654.61
18 Jiangbei Industrial Investment MTN002		60,300,000.00	-59,908,885.00				998,594,636.89
18 Jiangbei Industrial Investment Bond 01			1,770,115.01	400,000,000.00			1,592,339,454.26
19 Jiangbei New District PPN001		47,000,000.00	-46,507,938.15				996,921,907.97
20 Jiangbei New District PPN001		35,230,684.93	-34,343,460.25				1,197,033,954.03
2020 Corporate Bond of Non-public Issuance		39,686,301.37	-38,790,141.22				1,343,371,264.90
20 Jiangbei New District MTN001		30,719,342.47	-30,434,195.79				1,197,684,104.91
20 Jiangbei New District PPN002		25,027,397.26	-24,287,989.93				997,273,681.98
20 Jiangbei New District MTN002		8,640,000.00	-7,780,750.27				598,573,966.39
20 Jiangbei New District MTN003		6,376,027.40	-6,196,030.87				498,997,103.25
20 Jiangbei New District MTN004		15,440,000.00	-14,011,235.05				997,618,473.44
20 Jiangbei New District PPN003		13,472,000.00	-12,445,754.32				798,031,041.32
Overseas Bond XS216829093		48,237,200.00	-44,970,162.45	1,938,008,415.57	-19,407,012.48		
Overseas Bond XS2216050042		17,933,160.00	-14,995,195.60		-12,921,604.42		1,291,130,198.04
19 North Park 01		24,480,000.00	-24,480,000.00				510,000,000.00
19 North Park 02		24,745,000.00	-24,745,000.00				490,000,000.00
19 North Park 03		15,600,000.00	-15,600,000.00				300,000,000.00

Bond name	Issuing in this year	Accrued interest at face value	Premium discount amortization	Repayment in this year	Exchange rate translation	Other decreases	Year-end balance
21 Jiangbei New District PPN001	500,000,000.00		-1,946,675.99				498,053,324.01
21 Industrial Investment 01	1,000,000,000.00		-2,630,119.26				997,369,880.74
21 Jiangbei New District PPN002	600,000,000.00		-801,538.93				599,198,461.07
21 Jiangbei New District PPN003	500,000,000.00		-2,015,891.17				497,984,108.83
21 Industrial Investment K1	500,000,000.00		-899,918.32				499,100,081.68
21 Jiangbei Industrial Investment Debt 01	1,200,000,000.00		-3,116,053.60				1,196,883,946.40
21 Jiangbei New District PPN004	800,000,000.00		-1,113,666.59				798,886,333.41
21 Jiangbei New District MTN001	1,000,000,000.00		-4,203,734.99				995,796,265.01
Overseas Debt XS2332017743	1,917,036,916.36		13,923,654.60				1,930,960,570.96
Less: partial year-end balance due within one year (Note VI. 34)							6,384,707,624.34
Total	11,717,036,916.36	645,430,847.68	-635,170,556.29	6,040,088,415.57	-77,293,797.12		58,597,291,775.95

38. Lease liabilities

Items	Opening balance	Increase in the current year			Decrease in the current year	Year-end balance
		Newly added lease	Interest this year	Other		
Lease payment amount	305,991,598.38				80,689,818.12	225,301,780.26
Less: unrecognized financing fee	40,727,686.38				5,274,941.49	35,452,744.89
Less: lease liabilities due within one year (Note VI, 34)	88,545,009.66	—	—		—	38,338,983.94
Total	176,718,902.34	—	—		—	151,510,051.43

39. Long-term accounts payable

Items	Closing balance	Previous year ending balance
Long-term accounts payable	3,896,809,421.81	4,443,630,189.91
Special accounts payable	5,089,653,026.82	3,972,045,763.41
Less: the portion due within 1 year (Notes VI, 34)	1,308,823,896.15	906,180,106.40
Total	7,677,638,552.48	7,509,495,846.92

(1) Long-term accounts payable

Items	Closing balance	Opening balance
Ethylene road land plot demolition and resettlement fee of shantytown area renovation phase IV	237,386,100.00	237,386,100.00
Xiaotang land plot demolition and resettlement fee of shantytown area renovation phase IV	470,669,400.00	470,669,400.00
China National Foreign Trade Financial & Leasing Co., Ltd.	394,000,000.00	396,000,000.00
ICisC hardware simulation accelerator device project	23,171,242.93	24,948,617.95
Land transfer fee	27,816,322.00	27,816,322.00
Anhui Guoyuan Trust Co., Ltd.	816,230,488.41	840,531,138.14
Nanjing Yangzi Agricultural Bank Industrial Investment Fund Phase I (Limited Partnership)	249,000,000.00	549,000,000.00
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	799,000,000.00	899,000,000.00
Nanjing Zijin Financial Leasing Co., Ltd.	2,086,682.08	6,534,344.75
Nanjing Anzu Financial Lease Co., Ltd	63,954,549.57	67,032,112.38
Agricultural Bank Financial Assets Investment Co., Ltd	465,161,303.49	492,759,833.39
Financing lease fund	348,333,333.33	431,952,321.30
Less: long-term payables due within one year (Note VI, 34)	1,308,823,896.15	906,180,106.40
Total	2,587,985,525.66	3,537,450,083.51

40. Deferred incomes

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance	Cause of formation
Government grants	332,464,697.48	91,554,607.29	359,942.22	423,659,362.55	
Total	332,464,697.48	91,554,607.29	359,942.22	423,659,362.55	—

Among them, project involving government grants:

Subsidy item	Previous year ending balance	Increase in current period	Amount recorded in other incomes in current period	Other changes	Closing balance
G03 project construction subsidy	45,000,000.00				45,000,000.00
Central basic construction funds of Pancheng Fourth Group Project	30,850,000.00				30,850,000.00
Integrated circuit training base operation funds		30,000,000.00			30,000,000.00
2018 affordable housing construction funds	28,852,700.00				28,852,700.00
Kunpeng funds		20,000,000.00			20,000,000.00
Integrated circuit subsidy	19,076,656.92	1,309,900.00			20,386,556.92
Runtai Project Phase IV and V		14,200,000.00			14,200,000.00
Shantytown renovation subsidy	11,999,000.00				11,999,000.00
Financial subsidy fund of Huangyao Land Plot Project	11,050,000.00				11,050,000.00
2019 Pancheng No.2 land plot, Taishan 350H land plot housing project subsidy	10,140,000.00				10,140,000.00
Pancheng Fourth Group, Qiaoyi River Project subsidy	5,670,000.00				5,670,000.00
Qiaoli River 2019 central financial affordable housing subsidy	5,520,000.00				5,520,000.00
Getang No.5 and 6 land plot phase 1 B subsidy	5,520,000.00				5,520,000.00
2020 Xinchuang project		4,800,000.00			4,800,000.00
Taishan 350-mu H Land Plot Project shantytown renovation funds	3,120,000.00				3,120,000.00
Eternal facade house subsidy	2,210,827.05		36,442.20		2,174,384.85
2019 provincial affordable housing construction guidance funds	898,500.00				898,500.00
Nanjing Jiangbei New District Management Committee Technology Innovation Bureau (the level)		580,000.00			580,000.00
Fund for Construction of Software Public Technical Service Platform	767,500.00		285,000.00		482,500.00
2020 technology entrepreneurship enterprise incubation plan fund allocation		358,000.00			358,000.00
Nanjing 2020 provincial technology entrepreneurship enterprise incubation plan support award fund distribution		358,000.00			358,000.00
Subsidies to the south of Xiaoshan	343,010.37				343,010.37

Subsidy item	Previous year ending balance	Increase in current period	Amount recorded in other incomes in current period	Other changes	Closing balance
Environmental emergency monitoring equipment and reagent, consumable subsidy	77,000.00		38,500.02		38,499.98
Incubation plan support funds		180,000.00			180,000.00
Nanjing 2019 provincial technology entrepreneurship enterprise incubation plan and provincial fund allocation and municipal support funds		155,000.00			155,000.00
Nanjing 2020 provincial technology entrepreneurship enterprise incubation plan and provincial fund allocation and municipal support funds		155,000.00			155,000.00
Chengqiao tap water pipe network	1,495,000.01				1,495,000.01
11 years of tap water network	3,835,999.98				3,835,999.98
Water supply network in northern mountainous areas	61,652,888.88				61,652,888.88
Heating Pipeline of Zhongshan Science Park	1,277,777.66	1,287,984.50			2,565,762.16
Urban public bicycle	6,087,365.21				6,087,365.21
DN1400 Pipeline Project from National Highway 328 Yongzhuang to Longchi Section	56,181,418.81	15,510,722.79			71,692,141.60
University Science Park Public Technology Service Platform	606,052.59				606,052.59
Receipt of the 2018 special green Nanjing subsidy	1,000,000.00				1,000,000.00
High-Tech District Sewage Treatment Plant upgrading subsidy	1,173,000.00				1,173,000.00
2020 central budget investment ecology civilization construction funds (High-tech District Northern Sewage Treatment Plant Expansion Reconstruction Project)		1,660,000.00			1,660,000.00
Ecological protection forest subsidy		1,000,000.00			1,000,000.00
Garbage classification operation subsidy	18,060,000.00				18,060,000.00
Total	332,464,697.48	91,554,607.29	359,942.22		423,659,362.55

41. Other non-current liabilities

Items	Closing balance	Previous year ending balance
Yangzi petrochemical pipeline maintenance fee	8,480,000.02	8,480,000.02
Yangzi petrochemical water fee	7,344,156.50	7,837,989.99
Advance receipt of water supply secondary pressurization operation maintenance fee	233,118,265.07	227,929,512.14
Yangzi phase 1 water renovation	10,472,000.03	10,472,000.03

Items	Closing balance	Previous year ending balance
Rural water renovation project	266,715,355.68	233,965,751.66
Fund for the maintenance of the secondary pressurization and pipe network operation in Yangzi living area	1,200,000.00	1,200,000.00
Affordable housing ABS	293,008,000.00	376,000,000.00
Other shareholder's equity	596,905,973.90	393,467,336.27
Other	425,651.43	
Total	1,417,669,402.63	1,259,352,590.11

42. Paid-in capital

Name of investors	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
Nanjing Jiangbei New District Management Committee	13,000,000,000.00			13,000,000,000.00
Total	13,000,000,000.00			13,000,000,000.00

43. Other equity instruments

Financial instruments issued externally	Previous year ending balance	Increase in the current year	Decrease in the current year	Year-end balance
Perpetual debt	6,543,546,816.97	797,600,000.00		7,341,146,816.97
Bank of China Perpetual Debt	497,750,000.00			497,750,000.00
Bank of China Perpetual Medium-term Notes	497,750,000.00			497,750,000.00
SPDB Medium-term Notes	995,500,000.00			995,500,000.00
20 Yangzi Y1 Renewable Corporate Bonds	699,034,081.12			699,034,081.12
20 Yangzi Y2 Renewable Corporate Bonds	300,000,000.00			300,000,000.00
20 Yangzi Y3 Renewable Corporate Bonds	1,998,000,000.00			1,998,000,000.00
18 Jiangbei Industrial Investment MTN003	498,875,000.00			498,875,000.00
20 Jiangbei New District MTN005	598,200,000.00			598,200,000.00
2020 Renewable Corporate Bonds (Phase I)	458,437,735.85			458,437,735.85
21 Jiangbei New District MTN002		797,600,000.00		797,600,000.00
Perpetual Trust:	3,000,000,000.00	600,000,000.00		3,600,000,000.00
Yunnan International Trust Co., Ltd	3,000,000,000.00			3,000,000,000.00

Financial instruments issued externally	Previous year ending balance	Increase in the current year	Decrease in the current year	Year-end balance
Guangdong Utrust Co., Ltd		600,000,000.00		600,000,000.00
Total	9,543,546,816.97	1,397,600,000.00		10,941,146,816.97

44. Capital reserve

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
Capital premium	6,103,456,189.33			6,103,456,189.33
Other capital reserves	20,937,756,918.15	480,391,959.00		21,418,148,877.15
Total	27,041,213,107.48	480,391,959.00		27,521,605,066.48

45. Other comprehensive incomes

Items	Previous year ending balance	Opening balance	Amount incurred in this year					Closing balance
			Actual amounts incurred before income tax for the current period	Less: transferred profit or loss for the current period taken into the other comprehensive income in the previous period	Less: income tax expenses	After-tax parent company's attributable share	After-tax minority shareholders' attributable share	
I. Other comprehensive incomes not to be reclassified into profits and losses		581,114,845.79	-333,832,535.57		-107,072,694.68	-115,647,518.85	-111,112,322.04	465,467,326.94
Of which: fair value changes of other equity instrument investments		581,114,845.79	-333,832,535.57		-107,072,694.68	-115,647,518.85	-111,112,322.04	465,467,326.94
II. Other comprehensive income reclassified into profit and loss	1,693,838,010.41	1,069,381,369.32	59,373,819.53		-143,085.70	30,353,517.25	29,163,387.98	1,099,734,886.57
Of which: gains and losses from fair value changes of available-for-sale financial assets	624,456,641.09							
Profits and losses from fair value changes of investment property	878,340,032.30	878,340,032.30	-572,342.81		-143,085.70	-218,921.13	-210,335.98	878,121,111.17
Converted difference in foreign currency statements	191,041,337.02	191,041,337.02	59,946,162.34			30,572,438.38	29,373,723.96	221,613,775.40

Items	Previous year ending balance	Opening balance	Amount incurred in this year					Closing balance
			Actual amounts incurred before income tax for the current period	Less: transferred profit or loss for the current period taken into the other comprehensive income in the previous period	Less: income tax expenses	After-tax parent company' s attributable share	After-tax minority shareholders' attributable share	
Total	1,693,838,010.41	1,650,496,215.11	-274,458,716.04		-107,215,780.38	-85,294,001.60	-81,948,934.06	1,565,202,213.51

46. Surplus reserve

Items	Previous year ending balance	Increase in the current year	Decrease in the current year	Closing balance
Statutory surplus reserve	6,290,674.41			6,290,674.41
Total	6,290,674.41			6,290,674.41

Note: According to provisions of the Company Law and the Articles of Association, the company draws statutory surplus reserve fund as per 10% of net profits. If the cumulative statutory surplus reserve is more than 50% of registered capital of the company, it may not be withdrawn.

After the company has drawn the statutory surplus reserve fund, it may draw discretionary surplus reserve fund. Upon approval, the discretionary surplus reserve fund may be used to compensate for losses in previous years or increase capital stock.

47. Undistributed profits

Items	Current amount	Previous amount
Undistributed profit at the end of the prior year before adjustment	2,524,300,674.90	2,339,865,146.26
Total beginning undistributed profits adjusted (increase +, decrease -)	43,341,795.30	
Undistributed profits after adjustment at the beginning of period	2,567,642,470.20	2,339,865,146.26
Plus: net profits attributable to shareholders of parent company this year	6,932,704.67	184,435,528.64
Less: withdrawal of statutory surplus reserve		
Withdrawal of discretionary surplus reserve		
Withdrawal of general risk reserve		
Common stock dividends payable		
Common stock dividends converted into capital stock		
Other profit distributions		
Undistributed profits at the end of period	2,574,575,174.87	2,524,300,674.90

48. Operating incomes and operating costs

Items	Current amount		Previous amount	
	Incomes	Cost	Incomes	Cost
Main business	3,469,317,340.06	2,673,955,992.78	2,430,004,086.67	1,879,464,969.04
Other businesses	27,174,434.52	17,249,854.96	28,256,072.26	
Total	3,496,491,774.58	2,691,205,847.74	2,458,260,158.93	1,879,464,969.04

(1) Main business (by business)

Name of business	Current amount		Previous amount	
	Incomes	Cost	Incomes	Cost
Infrastructure construction	1,012,436,545.85	787,324,940.36	1,701,205,643.38	1,371,718,367.48
Affordable housing sales	1,250,298,418.00	1,036,916,305.02	7,800,709.18	5,058,777.12
Labor service	172,158,722.00	146,149,368.36	25,846,233.45	21,355,537.09
Technology, consulting service	66,616,016.22	11,943,031.92	123,412,161.21	94,442,583.75
Leasing business	362,532,587.89	224,836,718.99	132,261,686.81	97,073,387.56
Water, heating, steam supply business	121,845,474.49	92,662,650.54	99,149,697.11	79,952,540.62
Tap water engineering repair	47,123,816.01	21,084,880.87	75,521,729.35	37,707,024.63

Name of business	Current amount		Previous amount	
	Incomes	Cost	Incomes	Cost
Property management service	131,593,829.64	130,390,536.78	136,665,140.22	92,579,429.50
Financial service	124,809,470.94	73,694,187.20	26,533,120.26	22,056,728.80
Trade income	160,674,386.71	146,526,849.56	52,286,119.85	47,023,105.56
Other	19,228,072.31	2,426,523.18	49,321,845.85	10,497,486.93
Total	3,469,317,340.06	2,673,955,992.78	2,430,004,086.67	1,879,464,969.04

49. Financial expenses

Items	Current amount	Previous amount
Interest expenses	509,110,739.28	291,976,494.90
Less: interest income	112,108,818.82	25,840,576.51
Exchange gains and losses	16,153,305.37	1,568,596.37
Handling fee	8,449,427.09	6,910,764.49
Financing expenses	6,218,697.76	23,545,695.59
Total	427,823,350.68	298,160,974.84

50. Other revenues

Items	Current amount	Previous amount
Government subsidy related to daily business activities	41,052,833.40	92,903,644.68
Total	41,052,833.40	92,903,644.68

Among them, government grants are as follows:

Subsidy item	Current amount	Previous amount	Asset-related/income-related
Jiangbei New District Finance Bureau activity funds	471,643.60		Income-related
Research and Innovation Park Management Office Semiconductor Conference event funds	15,000,000.00		Income-related
Research and Innovation Park Management Office Green Finance Research Institute work funds	2,000,000.00		Income-related
Municipal Overseas Chinese Scholar Entrepreneurial Park reward	500,000.00		Income-related
Research and Innovation Park Management Office operation subsidy	4,951,663.00	2,657,730.00	Income-related
Software Public Technical Service Platform construction funds - cloud service platform	285,000.00		Income-related
Reimbursement of personal income tax and service charge	35,069.69	49,687.34	Income-related
Tax refund	911,710.42		Income-related
VAT reduction and exemption	58.25		Income-related
Technology Innovation Bureau 2020 Technology Fund Index (Eleventh Batch)	358,000.00		Income-related
Technology Innovation Bureau 2020 Technology Fund Index (Eleventh Batch) Technology Entrepreneurship Enterprise Incubation Plan Support	358,000.00		Income-related
Nanjing Finance Bureau fund allocation (Nanjing Technology Bureau (System) Fourth Batch - 2021 Science Education Demonstration Base funding)	75,000.00		Income-related

Subsidy item	Current amount	Previous amount	Asset-related/income-related
Jiangbei New District Management Committee subsidy		40,250,000.00	Income-related
19 affordable house subsidy		5,520,000.00	Income-related
Subsidies for keeping employment stable	35,069.69	364,706.25	Income-related
New District COVID-19 prevention and treatment work science subsidy funds		10,000.00	Income-related
2020 Municipal Overseas Chinese Scholar Entrepreneurial Park service capability building performance reward funds		200,000.00	Income-related
Provincial funding and city support bonus funds of Nanjing 2019 Provincial Technology Entrepreneurship Enterprise Incubation Plan		310,000.00	Income-related
Sugang International Youth Innovation Entrepreneurship Base decoration subsidy		300,000.00	Income-related
COVID-19 science popularization award		10,000.00	Income-related
Epidemic control material funds		20,000.00	Income-related
Software Park Technology 2018 Provincial Crowd Innovation Community Filing Pilot Building subsidy		3,000,000.00	Income-related
Software Park Technology Provincial Double Innovation Normal Base performance evaluation award funds		1,500,000.00	Income-related
Service trade innovation development award funds		4,000,000.00	Income-related
2016 stable foreign capital growth assessment award		83,500.00	Income-related
Other	687,197.15	628,021.09	Income-related
Financial operation subsidy income	8,000,000.00	34,000,000.00	Income-related
Receipt of rental fee subsidy 2019.1.1-2021.12.31 from Nanjing Lihe Chuangzhan	5,384,421.60		Income-related
Receipt of financial subsidy - sandbox supervision project	2,000,000.00		Income-related
Total	41,052,833.40	92,903,644.68	

51. Investment income

Items	Current amount	Previous amount
Long-term equity investment incomes by equity methods	-12,007,065.42	36,505,521.72
Investment revenue from held-to-maturity investment during holding period	—	11,533,387.96
Investment revenue of available-for-sale financial assets during holding period	—	248,737,521.34
Investment income earned from disposal of available-for-sale financial assets	—	48,005,845.48
Investment income from disposing transactional financial assets	1,412,999.83	—
Dividend income obtained during the period of holding other equity instrument investment	318,083,823.46	—
Interest income obtained during the period of holding other debt investments	26,791.67	—
Other investment income	104.08	—
Total	307,516,653.62	344,782,276.50

52. Proceed from fair value variance

Source of profit from fluctuation of fair value	Current amount	Previous amount
Financial assets measured at fair value with changes charged to current profits and losses	-337,050.00	-16,495,122.00
Investment real estate measured at fair value	-5,202,886.43	
Total	-5,539,936.43	-16,495,122.00

53. credit impairment losses

Items	Current amount
Bad debt losses	-5,333,371.20
Total	-5,333,371.20

54. Asset impairment losses

Items	Current amount	Previous amount
Bad debt losses		182,600.00
Total		182,600.00

55. Asset disposal gains

Items	Current amount	Previous amount
Fixed asset disposal gains or losses	-6,872.42	2,860.00
Total	-6,872.42	2,860.00

56. Non-operating income

Items	Current amount	Previous amount
Government grants irrelevant to daily activities of the enterprise	9,121,040.95	1,461,054.12
Abandoned profits from damage of non-current assets	497,080.55	296,351.28
Fine income	18,400.00	
Compensation, indemnity funds	573,931.59	2,015,500.00
Other	7,361,958.05	3,113,405.07
Total	17,572,411.14	6,886,310.47

Among them, government grants are as follows:

Subsidy item	Current amount	Previous amount	Asset-related/income-related
Park WiFi construction fee	5,000,000.00		Income-related
Q1 river pipe maintenance fee	16,200.00		Income-related
Received trade union fund return	14,736.06		Income-related
Received government subsidy	455,104.89		Income-related
Received subsidy of Science Innovation Bureau	3,000,000.00		Income-related
2020 Jiangsu Province Postdoctoral Innovation Practice Base funding	200,000.00		Income-related
Doctoral research subsidy	80,000.00		Income-related
2020 annual development plan for newly identified high-tech enterprises and scientific fund subsidy	150,000.00		Income-related
2020 Jiangbei New District staff innovation award	5,000.00		Income-related
Government subsidy	200,000.00		Income-related

Subsidy item	Current amount	Previous amount	Asset-related/income-related
2020 Jiangbei New District service trade innovation development fund		1,000,000.00	Income-related
2019 enterprise research and development expense subsidy		227,600.00	Income-related
2020 industrial reward funds for enterprises above the designated scale		200,000.00	Income-related
Key project activity funds		33,454.12	Income-related
Total	9,121,040.95	1,461,054.12	--

57. Non-operating expenses

Items	Current amount	Previous amount
Public welfare donation expenses	28,000.00	98,224.00
Fine and tax late fee expenditure	3,036,959.27	852,988.98
Scrap losses of non-current assets	178,663.18	17,085,109.40
Other	11,925,425.40	102,782.91
Total	15,169,047.85	18,139,105.29

58. Income tax expenses

(1) Income Tax Expense Statement

Items	Current amount	Previous amount
Current income tax expense	57,712,930.28	3,446,433.15
Deferred income tax expenses	-2,108,191.37	45,650.00
Total	55,604,738.91	3,492,083.15

59. Supplementary information of Cash Flow Statement

(1) Supplementary information of Cash Flow Statement

Supplementary information	Current amount	Previous amount
1. Net profits adjusted to cash flow from operating activities:		
Net profits	-32,152,497.71	129,528,653.19
Plus: provision for impairment of assets		-182,600.00
credit impairment losses	5,333,371.20	
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	95,899,764.97	203,775,508.45
Amortization of intangible assets	40,926,147.44	24,002,430.68
Amortization of long-term prepaid expenses	37,619,298.92	16,590,778.86
Losses from disposing fixed assets, intangible assets and other long-term assets (revenues marked with "-")	6,872.42	-2,860.00
Losses of fixed asset scrapping (revenues marked with "-")	-318,417.37	16,788,758.12
Fair value change losses (revenues marked with "-")	5,539,936.43	16,495,122.00
Financial costs (revenues marked with "-")	509,110,739.28	315,522,190.49
Investment losses (revenues marked with "-")	-307,516,653.62	-344,782,276.50
Decrease of deferred income tax assets (increase marked with "-")	-513,491.24	117,475.78

Supplementary information	Current amount	Previous amount
Increase of deferred income tax liabilities (decrease marked with "-")	-1,443,807.32	
Decrease of inventory (increase marked with "-")	-13,470,684,610.94	-13,572,411,260.20
Decrease of operational receivables (increase marked with "-")	-481,551,849.32	1,207,680,547.49
Increase of operational payables (decrease marked with "-")	3,772,253,070.85	10,098,028,564.14
Other		
Net cash flow from operating activities	-9,827,492,126.01	-1,888,848,967.50
2. Major investing and financing activities uninvolved cash receipts and expenditures:		
Debt conversion to capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance lease		
3. Net change of cash and cash equivalents:		
Closing balance of cash	40,102,307,196.06	40,493,103,347.20
Less: opening cash balance	45,410,178,018.62	31,495,045,888.76
Add: Cash equivalents closing balance		
Less: opening balance of cash equivalents		
Net increase of cash and cash equivalents	-5,307,870,822.56	8,998,057,458.44

(2) Composition of cash and cash equivalents

Items	Closing balance	Opening balance
I. Cash	40,102,307,196.06	45,410,178,018.62
Of which: cash on hand	389,584.20	395,348.94
Bank deposits for payment at any time	39,451,074,364.41	44,464,829,180.94
Other monetary assets for payment at any time	650,843,247.45	944,953,488.74
Funds deposited in central bank that can be used for payment		
Inter-bank deposits		
Inter-bank offers		
II. Cash equivalents		
Of which: bond investments due within three months		
III. Year-end cash and cash equivalent balance	40,102,307,196.06	45,410,178,018.62
Of which: cash and cash equivalents with restricted use by the parent company or group subsidiaries		

60. Assets with limited ownership or right of use

Items	Year-end book value	Limited reasons
Monetary fund	88,811,624.88	See Note VI 1 currency fund restriction
Intangible assets	67,626,578.29	Bank loan mortgage
Investment real estate	5,568,413,953.93	Bank loan mortgage
Accounts receivable	2,870,569,680.80	Bank loan pledge
Construction in process	425,145,189.95	Bank loan pledge
Inventory	310,681,934.00	Bank loan mortgage
Total	9,331,248,961.85	

VII. Consolidation scope changes**1. Business combination under the same control****(1) Business combination under different control in current period**

Name of consolidated party	Proportion of equity obtained in consolidation of enterprises (%)	Basis for constituting consolidation of enterprises under the same control	Consolidation date	Basis for determining the consolidation date
Nanjing Xuyuan Property Management Co., Ltd	100	Under final control of Nanjing Jiangbei New District Management Committee	2021-1-1	Equity Transfer Agreement

(Continued)

Name of consolidated party	Income of consolidated party from the beginning of consolidation year to the consolidation date	Net profits of consolidated party from the beginning of consolidation year to the consolidation date	Incomes of the consolidated party during the comparison period	Net profits of the consolidated party during the comparison period
Nanjing Xuyuan Property Management Co., Ltd			1,475,677.58	-148,762.26

2. Changes in consolidation scope for other reasons

Subsidiary Nanjing Yangtze River Digital Technology Development Co., Ltd was newly established, and Nanjing Yangzi Anning Investment Development Co., Ltd and Nanjing Jiangbei Xingchuan Equity Investment Fund Partnership Enterprise (limited partnership) were newly established by the subsidiary.

VIII. Equity in other entities**1. Equity in subsidiaries****(1) Composition of corporate group**

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Jiangbei New District Central Business District Investment Development Co., Ltd	Nanjing	Nanjing	Project investment; asset management	69.29%	30.71%	Establishment
Nanjing Kang'an Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and management		51.00%	Subsidiary establishment
Berkeley Nanjing Medical Research Co., Ltd.	Nanjing	Nanjing	Medical technology research and development		100.00%	Subsidiary establishment
Nanjing Jiangbei New District Central Business District Development Operation Co., Ltd	Nanjing	Nanjing	Real estate development and management		51.72%	Subsidiary establishment
Nanjing Taiyi Accurate Health Management Co., Ltd	Nanjing	Nanjing	Health management		100.00%	Subsidiary establishment
Nanjing Jiangbei New District Central District Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure		100.00%	Replacement

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Jiangbei New District Concrete Co., Ltd	Nanjing	Nanjing	Concrete, concrete product		85.00%	Subsidiary establishment
Nanjing Jinkang Industrial Investment Fund Co., Ltd	Nanjing	Nanjing	Entrepreneurship investment; engaged in investment activities with own funds; equity investment		100.00%	Subsidiary establishment
Nanjing Pukou New City Development and Construction Co., Ltd.	Nanjing	Nanjing	Industrial investment	93.13%		Transfer
Nanjing Pukou New City Affordable Housing Development and Construction Co., Ltd.	Nanjing	Nanjing	Real estate development		100.00%	Subsidiary establishment
Nanjing Tianyi Engineering Project Management Co., Ltd.	Nanjing	Nanjing	Engineering project management		100.00%	Subsidiary establishment
Nanjing Pukou New City Asset Management Co., Ltd.	Nanjing	Nanjing	Asset management		100.00%	Subsidiary establishment
Nanjing Tianyi Property Co., Ltd	Nanjing	Nanjing	Development and management of real estate		100.00%	Subsidiary establishment
Nanjing Yangtze River Assets Operation and Management Co., Ltd.	Nanjing	Nanjing	Asset management	100.00%		Establishment
Nanjing Jiangbei New District Security Guard Service Co., Ltd	Nanjing	Nanjing	Door guard, patrol, guard (excluding armed guard)		100.00%	Subsidiary establishment
Nanjing Beichen Yangtze River Exhibition and Convention Co., Ltd	Nanjing	Nanjing	Accommodation service; catering services, etc.		51.00%	Subsidiary establishment
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure construction	77.09%		Transfer
Nanjing Ancient Water Industry Co., Ltd.	Nanjing	Nanjing	Water production and supply		80.36%	Subsidiary establishment
Nanjing New City Industrial Co., Ltd.	Nanjing	Nanjing	Enterprise management		100.00%	Subsidiary establishment
Nanjing Jiangbei Technology Entrepreneurship Incubation Management Co., Ltd	Nanjing	Nanjing	Support platform enterprise development		100.00%	Subsidiary establishment
Nanjing Sci-Tech Chemical & Material Technology Park Management Co., Ltd.	Nanjing	Nanjing	Support platform enterprise development		80.00%	Subsidiary establishment
Nanjing Yanjiang Thermal Power Co., Ltd.	Nanjing	Nanjing	Heating supply service		51.00%	Subsidiary establishment
Nanjing Jiangbei Public Test Co., Ltd	Nanjing	Nanjing	Public bicycle lease		100.00%	Subsidiary establishment

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Shoulv Environment Technology Co., Ltd	Nanjing	Nanjing	Renewable resource recycling, processing		90.00%	Subsidiary establishment
Nanjing High-tech Public Utility Business Co., Ltd	Nanjing	Nanjing	Municipal engineering construction		100.00%	Subsidiary acquisition
Nanjing Xinyitian Hotel Management Co., Ltd.	Nanjing	Nanjing	Hotel management		100.00%	Subsidiary acquisition
Nanjing Jiangbei Water Development Co., Ltd	Nanjing	Nanjing	Sewage treatment		100.00%	Group transfer
Nanjing Xin'antu Public Transportation Service Co., Ltd	Nanjing	Nanjing	Public bicycle lease		100.00%	Group transfer
Nanjing Jiangbei Public New Energy Co., Ltd	Nanjing	Nanjing	Heat production and supply		100.00%	Subsidiary establishment
Nanjing Jiangbei Water and Raw Water Co., Ltd	Nanjing	Nanjing	Tap water production and supply		70.00%	Subsidiary establishment
Nanjing Yangtze River New City Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment	100.00%		Establishment
Nanjing Yangzi Yuanxiang Construction Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		60.00%	Subsidiary establishment
Nanjing Zaohewan Agricultural Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		58.33%	Subsidiary establishment
Nanjing Yangzi Xingshi Construction Development Co., Ltd.	Nanjing	Nanjing	Land arrangement		60.00%	Subsidiary establishment
Nanjing Jinniu Lake Cultural Tourism Development Co., Ltd.	Nanjing	Nanjing	Tourism project development		55.00%	Subsidiary establishment
Nanjing Jinniuhu Wildlife Kingdom Co., Ltd.	Nanjing	Nanjing	Animal breeding		100.00%	Subsidiary establishment
Nanjing Jinniu Lake Culture Technology Co., Ltd.	Nanjing	Nanjing	Cultural product R&D		51.00%	Subsidiary establishment
Nanjing Pukou Railway Station Historical Street Protection Development Co., Ltd	Nanjing	Nanjing	Urban infrastructure construction, public facility management, etc.		100.00%	Subsidiary acquisition
Nanjing Yangzi Jinji Property Co., Ltd	Nanjing	Nanjing	Real estate development and sales		49.00%	Establishment
Nanjing Yangzi Anning Investment Development Co., Ltd	Nanjing	Nanjing	Engineering construction, asset management		60.00%	Subsidiary establishment
Nanjing Yangtze River New City Equity Investment Partnership Enterprise (limited partnership)	Nanjing	Nanjing	Equity investment, venture capital investment	99.95%	0.05%	Establishment

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Jiangbei New District Yangzi Sci-Tech Financial Leasing Co., Ltd.	Nanjing	Nanjing	Financial leasing business	79.55%		Establishment
Nanjing Yangzi Development Investment Co., Ltd.	Nanjing	Nanjing	Affordable housing investment and construction	100.00%		Establishment
Nanjing Jiangbei New District New Financial Development Construction Co., Ltd.	Nanjing	Nanjing	First-level land development		70.00%	Subsidiary establishment
Nanjing Jiangbei New District Railway Construction Investment Co., Ltd.	Nanjing	Nanjing	Railway project investment in new district		70.00%	Subsidiary establishment
Nanjing Jiangbei New District Technology Investment Group Co., Ltd.	Nanjing	Nanjing	Undertaking service outsourcing business	80.01%	10.99%	Establishment
Nanjing High-Tech Financing Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee		100.00%	Subsidiary establishment
Nanjing High-Tech Venture Capital Co., Ltd.	Nanjing	Nanjing	Venture capital investment		100.00%	Subsidiary establishment
Nanjing Jiangbei New District Biomedical Public Service Platform Co., Ltd.	Nanjing	Nanjing	Public technical platform operation and management		86.05%	Subsidiary establishment
Nanjing Dingshan Urban Industrial Park Investment Development Co., Ltd	Nanjing	Nanjing	Asset management and capital operation		100.00%	Subsidiary acquisition
Nanjing Jiangbei New District Innovation Investment Fund Management Co., Ltd	Nanjing	Nanjing	Equity investment, venture capital investment		100.00%	Subsidiary establishment
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing	Nanjing	Financing guarantee business		95.65%	Subsidiary acquisition
Nanjing Advanced Computing Industry Development Co., Ltd	Nanjing	Nanjing	Network security equipment, application system development		70.00%	Subsidiary establishment
Nanjing High-Tech Precision Medical Technology Co., Ltd.	Nanjing	Nanjing	Medical inspection technology R&D, technology transfer, technology service, technology consultation, etc.		66.60%	Subsidiary acquisition
Nanjing Jiangbei Xingchuang Equity Investment Partnership Enterprise (limited partnership)	Nanjing	Nanjing	Equity investment; entrepreneurial investment (limited to investment of non-listed enterprise)		100.00%	Subsidiary establishment

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Yangtze River Investment Fund Management Co., Ltd.	Nanjing	Nanjing	Fund investment management	100.00%		Establishment
Nanjing Yangzi Commercial Factoring Co., Ltd.	Nanjing	Nanjing	Commercial factoring	100.00%		Establishment
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing	Nanjing	Investment in establishing high-tech enterprise	51.00%		Transfer
Nanjing Xinbei Construction Development Co., Ltd	Nanjing	Nanjing	Real estate development operation, property management		100.00%	Subsidiary acquisition
Nanjing Yanjiang Economic & Technological Development Co., Ltd.	Nanjing	Nanjing	Chemical, mechanical technology development, transfer, service, consultation		92.07%	Subsidiary acquisition
Nanjing Xinlv Construction Group Co., Ltd	Nanjing	Nanjing	Real estate development		96.56%	Subsidiary establishment
Nanjing Biological Medicine Valley Construction and Development Co., Ltd.	Nanjing	Nanjing	Biomedical Valley construction management		100.00%	Subsidiary establishment
Nanjing Software Park Economic Development Co., Ltd.	Nanjing	Nanjing	Software Park construction management		100.00%	Subsidiary establishment
Nanjing Jiangbei New District Independent Innovation Service Co., Ltd.	Nanjing	Nanjing	Park development and construction		85.71%	Subsidiary establishment
Nanjing New City Management and Maintenance Center	Nanjing	Nanjing	Environmental sanitation, greening project		100.00%	Subsidiary establishment
Nanjing Dingye Baitai Biotechnology Co., Ltd.	Nanjing	Nanjing	New drug, biotechnology product		100.00%	Subsidiary establishment
Nanjing Xingao Municipal Engineering Co., Ltd.	Nanjing	Nanjing	Municipal engineering construction		100.00%	Subsidiary establishment
Nanjing Software Park Entrepreneurship Service Center	Nanjing	Nanjing	High-tech consulting service		100.00%	Subsidiary establishment
Nanjing Jiangbei Cultural Tourism Media Development Co., Ltd.	Nanjing	Nanjing	Operation agent of website and new media public account		100.00%	Subsidiary establishment
Nanjing Beilian Asset Management Co., Ltd	Nanjing	Nanjing	Human resource service		100.00%	Subsidiary establishment
Nanjing High-Tech Environmental Monitoring Station Co., Ltd.	Nanjing	Nanjing	Environmental quality monitoring		99.00%	Subsidiary establishment

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Satellite Application Industrial Park Economic Development Co., Ltd.	Nanjing	Nanjing	Investment in Satellite Application Industrial Park		100.00%	Subsidiary establishment
Nanjing High-Tech Urban Construction Development Co., Ltd.	Nanjing	Nanjing	Investment in public projects of the park		100.00%	Subsidiary establishment
Nanjing Intelligent Manufacturing Industrial Park Construction Development Co., Ltd.	Nanjing	Nanjing	Intelligent manufacturing industry investment		100.00%	Subsidiary establishment
Nanjing Software Park Science and Technology Development Co., Ltd.	Nanjing	Nanjing	Asset operation management		100.00%	Subsidiary establishment
Nanjing Jiangbei New District Xincheng Technology Entrepreneurship Co., Ltd	Nanjing	Nanjing	Commercial service industry		100.00%	Subsidiary acquisition
Nanjing Jiangbei Medical Innovation Industrial Fund (Limited Partnership)	Nanjing	Nanjing	Medical health		69.99%	Subsidiary establishment
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited Partnership)	Nanjing	Nanjing	Intelligent manufacturing industry investment		69.00%	Subsidiary establishment
New & High (HK) Limited	Nanjing	Nanjing			100.00%	Subsidiary establishment
Nanjing Hanyuan Beishu Health Industry Fund (Limited Partnership)	Nanjing	Nanjing	Investment consultation, investment management		99.00%	Subsidiary establishment
Nanjing Beilian Entrepreneurship Investment Co., Ltd	Nanjing	Nanjing	Equity investment, venture capital investment		100.00%	Subsidiary establishment
Nanjing Beilian Financing Lease Co., Ltd	Nanjing	Nanjing	Financial leasing business		100.00%	Subsidiary establishment
Nanjing Jiangbei Medical Asset Management Co., Ltd	Nanjing	Nanjing	Asset management; medical project construction, etc.		100.00%	Subsidiary establishment
Nanjing Guangde Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and operation, etc.		51.00%	Subsidiary establishment
Nanjing Yangzi Technology Venture Capital Investment Fund (Limited Partnership)	Nanjing	Nanjing	Sci-tech entrepreneurship project investment	99.00%	1.00%	Establishment
Nanjing Yangzi Scientific Innovation Industrial Investment Fund Phase I (Limited Partnership)	Nanjing	Nanjing	Engage in investment management and related consulting service	99.00%	1.00%	Establishment

Name of subsidiaries	Main business place	Registered place	Business nature	Shareholding ratio		Acquisition mode
				Direct	Indirect	
Nanjing Jiangbei New District Strategic Investment and Collaborative Innovation Fund (Limited Partnership)	Nanjing	Nanjing	Initiate establishment of sub-fund	10.00%	90.00%	Establishment
Nanjing Jiangbei High-Tech Industrial Development Equity Investment Fund (Limited Partnership)	Nanjing	Nanjing	Sci-tech industrial investment		100.00%	Establishment
Nanjing Jiangbei New District Hub Economic Development Co., Ltd	Nanjing	Nanjing	Urban infrastructure	100.00%		Replacement
Nanjing Digital Finance Industry Research Institute Co., Ltd	Nanjing	Nanjing	Financial data processing technology development	60.00%		Establishment
Nanjing Yangtze River Cultural Sports Investment Development Co., Ltd	Nanjing	Nanjing	State-owned cultural asset business and capital operation	100.00%		Replacement
Nanjing Yangtze River Innovative Entrepreneurship Investment Fund (Limited Partnership)	Nanjing	Nanjing	Fund management investment, entrepreneurial investment	99.90%	0.10%	Establishment
YANGTZE RIVER DEVELOPMENT (HK) LIMITED	Nanjing	Nanjing		100.00%		Establishment
XI YANG OVERSEAS LIMITED	Nanjing	Nanjing			100.00%	Establishment
Nanjing Engineering Consultation Center Co., Ltd	Nanjing	Nanjing	Bidding and tender consultation	100.00%		Transfer
Nanjing Nanzi Engineering Consultation Co., Ltd	Nanjing	Nanjing	Engineering consultation, engineering cost consultation		100.00%	Transfer
Nanjing Reform and Opening-up Magazine Co., Ltd	Nanjing	Nanjing	Editing, publishing, distribution of Reform and Opening-up Magazine		100.00%	Transfer
Nanjing Yangtze River Digital Technology Development Co., Ltd	Nanjing	Nanjing	Software and information technology service	100.00%		Establishment

2. Joint ventures and associated enterprises of the company

Name of enterprise	Enterprise type	Registered place	Registered capital (ten thousand Yuan)	Shareholding ratio (%)	Voting right ratio (%)
Nanjing Bao'an High-Tech Investment Co., Ltd.	Limited liability company	Nanjing	3,000.00	34.00	34.00
Nanjing Science & High-Tech Development Co., Ltd.	Limited liability company	Nanjing	2,000.00	30.00	30.00

Name of enterprise	Enterprise type	Registered place	Registered capital (ten thousand Yuan)	Shareholding ratio (%)	Voting right ratio (%)
Nanjing Jieyuan Growth Venture Capital Partnership Corporation (Limited Partnership)	Limited partnership enterprise	Nanjing	12,000.00	33.33	33.33
Nanjing High-Tech Life Science Venture Capital Center (Limited Partnership)	Limited partnership enterprise	Nanjing	3,000.00	33.33	33.33
Nanjing Green Technology Research Institute Co., Ltd.	Limited liability company	Nanjing	2,025.00	25.93	25.93
Nanjing Jiangbei New District Investment Development Co., Ltd.	Limited liability company	Nanjing	200,000.00	25.00	25.00
Nanjing Huayuan Zhongshan Technology Entrepreneurship Park Co., Ltd	Limited liability company	Nanjing	2,000.00	50.00	50.00
Nanjing Chemical Industrial Park Energy Saving and Emission Reduction Technology Co., Ltd.	Limited liability company	Nanjing	1,100.00	40.00	40.00
Nanjing Jinganxian Rail Transit Investment Development Co., Ltd.	Limited liability company	Nanjing	600.00	33.33	33.33
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	Limited liability company	Nanjing	10,000.00	30.00	30.00
Nanjing Shengshi Yangzi Fund Investment Management Co., Ltd.	Limited liability company	Nanjing	500.00	35.00	35.00
Nanjing Yangzi Jasmine Valley Culture Technology Co., Ltd.	Limited liability company	Nanjing	1,428.57	30.00	30.00
Nanjing Beizhong Chuangshi Intelligent Information Industrial Investment Partnership Corporation (Limited Partnership)	Limited liability company	Nanjing	1,250.00	40.00	40.00
Nanjing Lihe Changjiang Innovation Center Co., Ltd.	Limited liability company	Nanjing	1,500.00	33.33	33.33
Cloud Health Bio Information Nanjing Co., Ltd.	Limited liability company	Nanjing	2,000.00	50.00	50.00
Jiangsu Zhuye Construction Technology Development Co., Ltd.	Limited liability company	Nanjing	10,000.00	30.00	30.00
Nanjing Weinuoer Technological Project Management Co., Ltd.	Limited liability company	Nanjing	5,000.00	30.00	30.00
Nanjing Chosen Genetic Technology Co., Ltd.	Limited liability company	Nanjing	5,000.00	30.00	30.00
Nanjing Digital City Investment Construction Co., Ltd.	Limited liability company	Nanjing	10,000.00	30.00	30.00
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd	Limited liability company	Nanjing	100,000.00	30.00	30.00
Super Accuracy (Nanjing) Technology Co., Ltd	Limited liability company	Nanjing	17,828.60	33.85	33.85
Nanjing Mingfa Commercial Management Co., Ltd.	Limited liability company	Nanjing	USD 100 million	20.00	20.00
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd	Limited liability company	Nanjing	20,000.00	36.00	36.00
Nanjing Dingnuo Biomedical Technology Co., Ltd	Limited liability company	Nanjing	10,100.00	49.50	49.50

Name of enterprise	Enterprise type	Registered place	Registered capital (ten thousand Yuan)	Shareholding ratio (%)	Voting right ratio (%)
Shihu Technology (Nanjing) Co., Ltd	Limited liability company	Nanjing	866.67	30.77	30.77
Jiangsu JITRI Intelligent Manufacturing Technology Research Institute Co., Ltd.	Limited liability company	Nanjing	1,000.00	25.00	25.00
Jiangsu Beilian Guoxin Technology Co., Ltd	Limited liability company	Nanjing	10,000.00	40.00	40.00
Nanjing Tech University Membrane Application Technology Research Institute Co., Ltd.	Limited liability company	Nanjing	5,000.00	12.00	12.00
Nanjing Rongchuang Sport Health Technology Micro-loan Co., Ltd	Limited liability company	Nanjing	10,000.00	30.00	30.00
Nanjing Jinlv Financial Leasing Co., Ltd.	Limited liability company	Nanjing	20,000.00	30.14	30.14

IX. Associated parties and associated transactions

1. Parent company of the company

Name of parent company	Registered place	Shareholding ratio of parent company to the company (%)	Voting right ratio of parent company to the company (%)	The ultimate controller of the company
Nanjing Jiangbei New District Management Committee	Nanjing	100	100	Nanjing Jiangbei New District Management Committee

2. Subsidiaries of the Company

See Note VIII. 1. Equity in subsidiaries.

3. Conditions of associated party transactions

(1) Associated guarantee

① The Company as the guarantor

Name of the guarantor	Name of the secured party	Amount guaranteed (RMB ten thousand)	Guarantee Period		Whether the guarantee has been fulfilled
			Guarantee start date	Guarantee due date	
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	3,600.00	2019/12/2	2022/8/12	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	3,600.00	2019/12/20	2022/8/12	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	17,464.00	2020/8/3	2023/7/29	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	8,000.00	2021/2/8	2023/8/8	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	5,000.00	2021/2/3	2022/2/3	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	4,600.00	2021/4/25	2023/4/25	No
Total	--	42,264.00	--	--	--

X. Commitments and contingencies**1. Major commitments**

None.

2. Contingencies

(1) For the contingent liability arising from providing debt guarantee to other entities and financial impact.

Name of the guarantor	Name of the secured party	Amount guaranteed (RMB ten thousand)	Guarantee Period		Whether the guarantee has been fulfilled
			Guarantee start date	Guarantee due date	
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	3,600.00	2019/12/2	2022/8/12	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	3,600.00	2019/12/20	2022/8/12	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	17,464.00	2020/8/3	2023/7/29	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	8,000.00	2021/2/8	2023/8/8	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	5,000.00	2021/2/3	2022/2/3	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jinlv Financial Leasing Co., Ltd.	4,600.00	2021/4/25	2023/4/25	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	110,000.00	2018/8/31	2024/8/30	No
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	30,000.00	2018/9/21	2024/9/20	No
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	500.00	2015/6/25	2021/7/22	No
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	5,000.00	2014/11/7	2025/7/22	No
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	9,000.00	2015/3/20	2028/7/22	No
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	34,500.00	2016/1/28	2025/12/10	No
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	20,000.00	2016/1/27	2023/12/31	No
Nanjing Jiangbei New District Public Asset Development Co., Ltd.	Nanjing Xinming Economic Development Co., Ltd.	2,000.00	2019/8/23	2021/8/22	No
Nanjing Jiangbei New District Public Asset Development Co., Ltd.	Nanjing Xinming Economic Development Co., Ltd.	5,000.00	2019/12/3	2021/12/2	No

Name of the guarantor	Name of the secured party	Amount guaranteed	Guarantee Period		Whether the guarantee has been fulfilled
		(RMB ten thousand)	Guarantee start date	Guarantee due date	
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Hengrui Environmental Protection Technology Co., Ltd	300.00	2020/8/12	2021/8/11	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Lingxian Environmental Protection Technology Co., Ltd	400.00	2020/8/20	2021/8/19	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Jiangsu Hongji Energy-saving New Technology Co., Ltd	800.00	2020/8/20	2021/8/19	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing NEWATT Smart Control Technology Co., Ltd	400.00	2020/9/4	2021/9/3	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Huiyi Hesheng Trading Co., Ltd	500.00	2020/9/18	2021/9/17	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Yunxian Network Technology Co., Ltd	500.00	2020/9/17	2021/9/17	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Guoxin Energy Co., Ltd	400.00	2020/9/10	2021/8/31	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Lingxian Environmental Protection Technology Co., Ltd	400.00	2020/9/28	2021/9/27	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing NEWATT Smart Control Technology Co., Ltd	200.00	2020/10/20	2021/10/19	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Jinsanli Rubber Co., Ltd	1,000.00	2020/10/22	2021/10/19	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Yunxian Network Technology Co., Ltd	500.00	2020/10/29	2021/10/28	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Haiyuan TCM Slice Co., Ltd	500.00	2020/10/29	2021/10/28	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Zhiyan AI Technology Research Institute Co., Ltd	350.00	2020/11/18	2021/11/17	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Changge Technology Development Co., Ltd	150.00	2020/11/13	2021/11/12	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Jiayi Digital Additional Material Technology Research Institute Co., Ltd	300.00	2020/12/2	2021/12/1	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing NEWATT Smart Control Technology Co., Ltd	200.00	2020/11/23	2021/11/18	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Jiangsu Superbio Technology Nanjing Co., Ltd	500.00	2020/12/15	2021/12/14	No

Name of the guarantor	Name of the secured party	Amount guaranteed	Guarantee Period		Whether the guarantee has been fulfilled
		(RMB ten thousand)	Guarantee start date	Guarantee due date	
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Shunjun Transportation Co., Ltd	800.00	2020/12/1	2021/11/30	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Hengrui Environmental Protection Technology Co., Ltd	200.00	2020/12/15	2021/12/11	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Lingxian Environmental Protection Technology Co., Ltd	200.00	2020/12/15	2021/12/22	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Leichun Construction Machinery Co., Ltd	200.00	2020/12/24	2021/12/15	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Sansheng Logistics Co., Ltd	490.00	2020/12/29	2021/12/20	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Zhongrui Logistics Co., Ltd	490.00	2020/12/29	2021/12/20	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Jiangsu Yangyaochen Economic and Trade Industrial Development Co., Ltd	490.00	2020/12/29	2021/12/20	No
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd	Nanjing Sute Electric Co., Ltd	700.00	2020/12/15	2021/12/15	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Yitong Large Piece Lifting Transportation Co., Ltd	300.00	2020/8/5	2021/8/2	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Liangtian Hoisting Co., Ltd	180.00	2020/9/15	2021/9/13	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Weixun Chemical (Nanjing) Co., Ltd	400.00	2020/10/12	2021/10/11	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Lianzun New Building Material Co., Ltd	300.00	2020/11/12	2021/11/12	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Yangchuan Electromechanical Equipment Maintenance and Installation Co., Ltd	200.00	2020/11/27	2021/11/26	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Jiangsu Chaowei Petrochemical Co., Ltd	900.00	2020/12/24	2021/12/23	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Lianzun New Building Material Co., Ltd	400.00	2020/12/15	2021/12/15	No
Nanjing Changfeng Financing Guarantee Co., Ltd	Nanjing Yangchuan Electromechanical Equipment Maintenance and Installation Co., Ltd	200.00	2020/12/31	2021/12/30	No
Total	--	272,114.00	--	--	--

(2) Contingent liabilities related to joint venture or associated enterprise investments

See the “Note VIII Equity in other entities”.

XI. Events after the balance sheet date

The company has no events after balance sheet day to disclose.

XII. Other important matters

None.

XIII. Notes on major items of parent company's financial statement

1. Accounts receivable

(1) Disclosure by age

Aging	Closing balance
Within 1 year	73,118,319.94
1-2 years	27,744,216.16
Subtotal	100,862,536.10
Less: bad debt provision	
Total	100,862,536.10

(2) Classified and presented by bad debt provision method

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Accounts receivable with single provision for bad debt reserve					
Accounts receivable for which bad debt provision has been assessed by portfolios	100,862,536.10	100.00			100,862,536.10
Of which: combination of account age					
Other combinations	100,862,536.10	100.00			100,862,536.10
Total	100,862,536.10	100.00			100,862,536.10

(Continued)

Category	Previous year ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Account receivable with significant amount of single item and separate provision for bad debts					
Receivables with bad debt provision as per credit risk characteristic combinations	76,900,320.49	100.00			76,900,320.49
Of which: combination of account age					
Other combinations	76,900,320.49	100.00			76,900,320.49
Account receivable with insignificant amount of single item but separate provision for bad debts					

Category	Previous year ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Total	76,900,320.49	100.00			76,900,320.49

(3) No bad debt reserve accrued, recovered or reversed this year

(4) Accounts receivables of top five year-end balance classified by the overdue party

Name of debtors	Year-end balance of accounts receivable	Proportion to the total year-end balance of accounts receivable (%)	Year-end balance of bad debt reserve
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	31,534,102.86	31.26	
Nanjing Software Park Science and Technology Development Co., Ltd.	21,751,397.27	21.57	
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	15,158,371.44	15.03	
Nanjing Pukou Railway Station Historical Street Protection Development Co., Ltd	13,832,876.72	13.71	
Nanjing Jiangbei New District Railway Construction Investment Co., Ltd.	4,487,671.22	4.45	
Total	86,764,419.51	86.02	

2. Other receivables

Items	Closing balance	Previous year ending balance
Other receivables	9,078,189,912.25	8,952,590,443.92
Interests receivable		
Dividends receivable	671,070,677.85	715,176,340.60
Total	9,749,260,590.10	9,667,766,784.52

(1) Other receivables

① Disclosure by age

Aging	Closing balance
Within 1 year	5,231,109,444.14
1-2 years	1,845,275,615.67
2-3 years	1,662,246,028.57
3-4 years	306,614,678.99
4-5 years	32,944,144.88
Over 5 years	549,542.50
Subtotal	9,078,739,454.75
Less: bad debt provision	549,542.50
Total	9,078,189,912.25

② Disclosure of other receivable classification

Category	Previous year ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Accrual ratio (%)	
Other receivables with significant amount of single item and separate provision for bad debts					
Other receivables with bad debt provision as per credit risk characteristic combinations	8,953,139,986.42	100.00	549,542.50	0.01	8,952,590,443.92
Of which: combination of account age	549,542.50	0.01	549,542.50	100.00	
Other combinations	8,952,590,443.92	99.99			8,952,590,443.92
Other receivables with insignificant amount of single item but separate provision for bad debts					
Total	8,953,139,986.42	100.00	549,542.50	0.01	8,952,590,443.92

③ Provision for bad debt reserve

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses in the next 12 months	Expected credit losses throughout existence period (no credit impairment occurred)	Expected credit losses throughout existence period (credit impairment occurred)	
Balance as of January 1, 2020	549,542.50			549,542.50
Book balance of other receivables as of January 1, 2020 in the current period:				
——Transfer in Phase II				
——Transfer in Phase III				
——Transfer back to Phase II				
——Transfer back to Phase I				
Provision in the current period				
Reversal in the current period				
Write-off in the current period				
Written off in the current period				
Other changes				
Closing balance	549,542.50			549,542.50

④ Other receivables of top five year-end balance classified by the overdue party

Name of entity	Nature of funds	Closing balance	Aging	Proportion to total closing balance of other receivables (%)	Closing balance of provision for bad debts
Nanjing Jiangbei New District Technology Investment Group Co., Ltd.	Transaction accounts	1,885,631,299.80	0-3 years	20.77	

Name of entity	Nature of funds	Closing balance	Aging	Proportion to total closing balance of other receivables (%)	Closing balance of provision for bad debts
Nanjing Yangzi Development Investment Co., Ltd.	Transaction accounts	1,052,610,155.38	Within 1 year	11.59	
Nanjing Jiangbei New District Management Committee	Transaction accounts	981,473,551.92	Within 1 year	10.81	
Nanjing Pukou Railway Station Historical Street Protection Development Co., Ltd	Fund interest and exchange	869,047,186.59	Within 1 year	9.57	
Nanjing Yangtze River New City Development Co., Ltd.	Fund interest and exchange	690,022,915.02	0-4 years	7.60	
Total	—	5,478,785,108.71	—	60.34	

(2) Dividends receivable

① Dividends receivable

Projects (or investee companies)	Year-end balance	Previous year ending balance
Nanjing Yangzi Scientific Innovation Industrial Investment Fund Phase I (Limited Partnership)	2,767,604.88	2,767,604.88
Nanjing Yangzi Township Development Investment Fund Phase I (Limited Partnership)		1,224,679.22
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I (Limited Partnership)	3,318,756.55	3,318,756.55
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	99,951,452.18	63,287,009.80
Nanjing Yangzi Agricultural Bank Industrial Investment Fund Phase I (Limited Partnership)	22,351.86	22,351.86
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	5,157,994.24	5,157,994.24
Nanjing Yangzi ICBC Technology Industrial Investment Fund Phase I (Limited Partnership)	3,114,444.71	3,114,444.71
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	27,529,930.83	25,900,764.16
Suzhou Industrial Park Guochuang Kaiyuan Phase II Investment Center (Limited Partnership)	322,591,910.57	403,766,503.15
Nanjing Yangtze River Innovative Entrepreneurship Investment Fund (Limited Partnership)	206,616,232.03	206,616,232.03
Total	671,070,677.85	715,176,340.60

3. Long-term equity investment

(1) Classification of long-term equity investment

Items		Closing balance			Previous year ending balance		
		Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment subsidiaries	in	33,298,079,599.12		33,298,079,599.12	32,627,829,599.12		32,627,829,599.12
Investment associated enterprises and joint ventures	in and	696,373,861.86		696,373,861.86	630,710,409.94		630,710,409.94
Total		33,994,453,460.98		33,994,453,460.98	33,258,540,009.06		33,258,540,009.06

(2) Investment in subsidiaries

Investee	Previous year ending balance	Increase in the current year	Decrease in the current year	Year-end balance	Impairment provision this year	Balance at the end of the year of depreciation reserves
Nanjing Jiangbei New District Yangzi Sci-Tech Financial Leasing Co., Ltd.	210,000,000.00	40,000,000.00		250,000,000.00		
Nanjing Yangzi Commercial Factoring Co., Ltd.	500,000,000.00			500,000,000.00		
Nanjing Yangtze River Assets Operation and Management Co., Ltd.	390,000,000.00			390,000,000.00		
Nanjing Yangzi Development Investment Co., Ltd.	5,307,708,391.71	40,000,000.00		5,347,708,391.71		
Nanjing Yangtze River Investment Fund Management Co., Ltd.	100,000,000.00			100,000,000.00		
Nanjing Yangtze River New City Development Co., Ltd.	3,641,094,325.56			3,641,094,325.56		
Nanjing Jiangbei New District Technology Investment Group Co., Ltd.	2,200,000,000.00	10,000,000.00		2,210,000,000.00		
Nanjing	3,994,336,857.86			3,994,336,857.86		

Investee	Previous year ending balance	Increase in the current year	Decrease in the current year	Year-end balance	Impairment provision this year	Balance at the end of the year of depreciation reserves
Jiangbei New District Public Asset Investment Development Co., Ltd.						
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	9,684,742,735.38	120,000,000.00		9,804,742,735.38		
Nanjing Pukou New City Development and Construction Co., Ltd.	1,551,557,517.58	350,000,000.00		1,901,557,517.58		
Nanjing Jiangbei New District Central Business District Investment Development Co., Ltd	1,800,000,000.00	521,214,486.38		2,321,214,486.38		
Nanjing Jiangbei New District Central District Development Co., Ltd.	500,964,486.38		500,964,486.38			
Nanjing Jiangbei New District Hub Economic Development Co., Ltd	424,051,378.08	70,000,000.00		494,051,378.08		
Nanjing Digital Finance Industry Research Institute Co., Ltd	3,000,000.00			3,000,000.00		
Nanjing Yangtze River Cultural Sports Investment Development Co., Ltd	800,429,141.74			800,429,141.74		
Nanjing Yangtze River New City Equity Investment Partnership Enterprise	1,501,000,000.00			1,501,000,000.00		

Investee	Previous year ending balance	Increase in the current year	Decrease in the current year	Year-end balance	Impairment provision this year	Balance at the end of the year of depreciation reserves
(limited partnership)						
Nanjing Engineering Consultation Center Co., Ltd	18,944,764.83			18,944,764.83		
Nanjing Yangtze River Digital Technology Development Co., Ltd		20,000,000.00		20,000,000.00		
Total	32,627,829,599.12	1,171,214,486.38	500,964,486.38	33,298,079,599.12		

(3) Investment in associated enterprises and joint ventures

Investee	Shareholding ratio (%)	Opening balance	Increase and decrease of this year							Year-end balance	Balance at the end of the year of depreciation reserves
			Additional investment	Reduced investment	Investment income recognized under equity method	Adjustment of other comprehensive revenues	Other equity change	Declaration of cash dividends or profits	Provision for impairment	Other	
I. Associated enterprises											
Nanjing Aifeike Aviation Development Co., Ltd.	3.88										
Nanjing Jiangbei New District Investment Development Co., Ltd.	25.00	528,613,608.96								528,613,608.96	
Nanjing Jinlv Financial Leasing Co., Ltd.	30.14	102,096,800.98	73,024,590.40					7,361,138.48		167,760,252.90	
Total		630,710,409.94	73,024,590.40					7,361,138.48		696,373,861.86	

4. Operating incomes and operating costs

(1) Basic information on operating income and operating costs

Items	Current amount		Previous amount	
	Operating income	Operating costs	Operating income	Operating costs
Main business	58,714,554.53		37,117,368.39	
Other businesses	13.84		214.53	
Total	58,714,568.37		37,117,582.92	

(2) Presentation of operating income, operating cost business category

Items	Operating income		Operating costs	
	Current amount	Previous amount	Current amount	Previous amount
Integrated service business	58,714,554.53		37,117,368.39	
Other	13.84		214.53	
Total	58,714,568.37		37,117,582.92	

5. Investment income

Sources of investment incomes	Current amount	Previous amount
Long-term equity investment incomes by equity methods	5,799,981.78	530,290.27
Investment incomes generated by the disposal of long-term equity investments		
Income earned from investment in available-for-sale financial assets during holdings	—	226,181,700.02
Dividend income obtained during the period of holding other equity instrument investment	132,950,128.22	—
Total	138,750,110.00	226,711,990.29

Nanjing Yangzi State-owned Investment Group Co., Ltd

Legal representative:

Accounting director:

Accounting firm director:



统一社会信用代码

91110102082881146K

营业执照

(副本) (5-1)



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中兴华会计师事务所(特殊普通合伙)

报告审讫章(1)

名称 中兴华会计师事务所(特殊普通合伙)

类型 特殊普通合伙企

执行事务合伙人 李尊农

经营范围 审查企业会计报表,出具审计报告;验证企业资本,出具验资报告;办理企业合并、分立、清算事宜中的审计业务,出具有关报告;基本建设年度财务决算审计;代理记账;会计咨询、税务咨询、管理咨询、会计培训;法律、法规规定的其他业务。(市场主体依法自主选择经营项目,开展经营活动;依法须经批准的项目,经相关部门批准后依批准的内容开展经营活动;不得从事国家和本市产业政策禁止和限制类项目的经营活动。)

成立日期 2013年11月04日

合伙期限 2013年11月04日至长期

主要经营场所 北京市丰台区丽泽路20号院1号楼南楼20层

登记机关



2021年 05月 11日



会计师事务所 执业证书

名称：中兴华会计师事务所（特殊普通合伙）

首席合伙人：李尊农

主任会计师：

经营场所：北京市西城区阜外大街1号东塔楼15层

组织形式：特殊普通合伙

执业证书编号：11000167

批准执业文号：京财会许可〔2013〕0066号

批准执业日期：2013年10月25日

中兴华会计师事务所（特殊普通合伙）
报告审订章（1）



证书序号：0000066

说明

- 1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。
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二〇一八年二月九日

中华人民共和国财政部制





证书序号: 000368

会计师事务所 证券、期货相关业务许可证

仅作为公告附件使用

经财政部、中国证券监督管理委员会审查，批准

中兴华会计师事务所（特殊普通合伙）

执行证券、期货相关业务。

首席合伙人：李尊农

证书号：24

发证时间：二〇一九年十二月九日

证书有效期至：二〇二一年十二月八日



中兴华会计师事务所（特殊普通合伙）





姓名 任华贵
Full name
性别 男
Sex
出生日期 1974-12-16
Date of birth
工作单位 江苏苏亚金诚会计师事务所(特
Working unit 殊普通合伙)
身份证号码 321088197412164897
Identity card No.

证书编号: 320000180016
No. of Certificate
批准注册协会: 江苏省注册会计师协会
Authorized Institute of CPAs
发证日期: 2004 年 06 月 25 日
Date of Issuance

年度检验登记 Annual Renewal Registration

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This certificate is valid for another year after
this renewal.



任华贵(320000180016)
您已通过2019年年检
江苏省注册会计师协会



任华贵(320000180016)
您已通过2020年年检
江苏省注册会计师协会



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



同意调入
Agree the holder to be transferred to





姓名 王祖秀

Full name

性别 女

Sex

出生日期 1986-10-22

Date of birth

工作单位 立信中联闽都会计师事务所

Working unit 限公司江苏分

身份证号码 500226198610223513

Identity card No.

证书编号: 120100232567

No. of Certificate

批准注册协会: 江苏省注册会计师协会

Authorized Institute of CPAs

发证日期: 2013 年 09 月 30 日

Date of Issuance

/y /m /d

年度检验登记

Annual Renewal Registration

本证书经检验合格, 继续有效一年。

This certificate is valid for another year after this renewal.



王祖秀(120100232567)
您已通过2019年年检
江苏省注册会计师协会



王祖秀(120100232567)
您已通过2020年年检
江苏省注册会计师协会

注册会计师工作单位变更事项登记

Registration of the Change of Working Unit by a CPA

同意调出

Agree the holder to be transferred from



Stamp of the transfer-out Institute of CPAs

2016 年 12 月 14 日

/y /m /d

同意调入

Agree the holder to be transferred to



Stamp of the transfer-in Institute of CPAs

2016 年 12 月 14 日

/y /m /d



ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP

20/F, Tower B, Lize SOHO, 20 Lize Road, Fengtai District, Beijing PR China

Audit Report

Zhongxinghua Audit (2021) No. 021366

To the shareholders of Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.:

I. Audit Opinion

We have audited the accompanying financial statements of Nanjing Yangzi State-owned Assets Investment Group Co., Ltd. (hereinafter referred to as "Yangzi State-owned Investment Group"), which comprise the consolidated and company balance sheets as at 31 December 2020; the consolidated and company income statements for the year then ended; the consolidated and company cash flow statements for the year then ended; the consolidated and company statements of changes in owners' equity for the year then ended; and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of Yangzi State-owned Investment Group, as at 31 December 2020, and their financial performance and cash flows for the year then ended in accordance with the requirements of the Accounting Standards for Business Enterprises ("ASBEs").

II. Foundation of audit opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Yangzi State-owned Investment Group in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Responsibilities of management and those charged with governance for financial statements

Management of Yangzi State-owned Investment Group is responsible for the preparation and fair presentation of these financial statements in accordance with the ASBEs, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error.



In preparing these financial statements, management is responsible for assessing Yangzi State-owned Investment Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate Yangzi State-owned Investment Group or to cease operations, or has no realistic alternative but to do so.

The governance level is responsible for overseeing the financial reporting process.

IV. Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (IV) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Yangzi State-owned Investment Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions



may cause Yangzi State-owned Investment Group to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Yangzi State-owned Investment Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the governance level regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ZHONGXINGHUA CERTIFIED PUBLIC
ACCOUNTANTS LLP

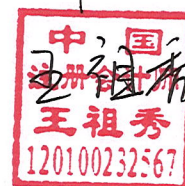
Beijing, the People's Republic of China



Signing CPA:



Signing CPA:



April 27, 2021

Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Audit Report



00002021040121498893

Report file no. : Zhongxinghua Audit (2021) No. 021366

ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP

Consolidated Balance Sheet

As at 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2020	As at 31/12/2019
Current assets:			
Cash at bank and on hand	VI.1	45,958,494,044.14	32,212,452,553.42
Financial assets at fair value through profit or loss	VI.2	5,798,802.00	35,585,124.00
Derivative financial assets			
Bills receivable	VI.3	2,782,327.58	
Accounts receivable	VI.4	7,824,125,589.72	5,090,618,747.21
Prepayments	VI.5	4,299,560,539.27	4,459,026,814.22
Other receivables	VI.6	21,265,225,582.85	21,549,478,237.94
Inventories	VI.7	91,826,724,676.73	73,028,970,121.98
Assets held for sale			
Non-current assets due within one year			
Other current assets	VI.8	2,611,213,179.14	2,072,825,177.84
Total current assets		173,793,924,741.43	138,448,956,776.61
Non-current assets:			
Available-for-sale financial assets	VI.9	25,703,923,502.58	16,990,469,720.46
Held-to-maturity investments	VI.10	91,420,000.00	633,522,904.40
Long-term receivables	VI.11	1,034,462,387.83	1,219,040,383.47
Long-term equity investments	VI.12	2,835,345,172.39	6,878,375,757.74
Investment properties	VI.13	19,918,930,002.85	14,862,912,051.80
Fixed assets	VI.14	2,890,664,994.25	2,897,801,010.60
Construction in progress	VI.15	16,362,778,832.01	11,564,053,704.74
Productive biological assets			
Oil and gas assets			
Intangible assets	VI.16	1,571,139,843.02	1,133,065,525.44
Development costs	VI.17	59,136,642.30	50,563,577.43
Goodwill			
Long-term deferred expenses	VI.18	369,432,919.15	253,972,208.91
Deferred tax assets	VI.19	145,780,918.83	152,973,402.99
Other non-current assets	VI.20	37,301,947,387.18	34,912,944,043.34
Total non-current assets		108,284,962,602.39	91,549,694,291.32
Total assets		282,078,887,343.82	229,998,651,067.93

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Balance Sheet(continued)

As at 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2020	As at 31/12/2019
Current liabilities:			
Short-term loans	VI.21	9,459,986,640.91	7,952,541,900.00
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable	VI.22		22,186,718.47
Accounts payable	VI.23	3,482,578,829.72	2,937,382,769.41
Advances from customers	VI.24	2,706,098,605.44	1,020,729,524.25
Employee benefits payable	VI.25	42,883,783.72	39,500,661.89
Taxes payable	VI.26	476,343,767.02	327,345,731.87
Other payables	VI.27	9,515,901,209.93	8,666,389,746.78
Liabilities held for sale			
Non-current liabilities due within one year	VI.28	20,590,412,877.11	20,665,347,659.84
Other current liabilities	VI.29	603,146,763.09	618,056,512.82
Total current liabilities		46,877,352,476.94	42,249,481,225.33
Non-current liabilities:			
Long-term loans	VI.30	89,586,097,190.04	74,109,438,450.90
Debentures payable	VI.31	49,748,432,083.10	29,923,068,481.27
Of which: preferred stock			
Perpetual debt			
Long-term payables	VI.32	7,509,495,846.92	12,014,176,136.50
Long-term employee benefits payable			
Provisions			
Deferred income	VI.33	332,464,697.48	256,448,460.66
Deferred tax liabilities	VI.19	1,847,958,508.02	1,506,971,496.20
Other non-current liabilities	VI.34	1,259,352,590.11	698,017,580.74
Total non-current liabilities		150,283,800,915.67	118,508,120,606.27
Total liabilities		197,161,153,392.61	160,757,601,831.60
Shareholders' equity:			
Paid-in capital	VI.35	13,000,000,000.00	9,000,000,000.00
Other equity instruments	VI.36	9,543,546,816.97	2,789,875,000.00
Of which: preferred stock			
Perpetual debt	VI.36	9,543,546,816.97	2,789,875,000.00
Capital reserve	VI.37	27,040,713,107.48	22,754,532,185.99
Less: treasury shares			
Other comprehensive income	VI.38	1,693,838,010.41	1,170,190,144.32
Specific reserve			
Surplus reserve	VI.39	6,290,674.41	3,863,253.58
General risk preparation	VI.40	38,368,295.65	16,326,497.70
Retained earnings	VI.41	2,524,530,987.08	2,217,292,859.43
Total equity attributable to shareholders of the company		53,847,287,892.00	37,952,079,941.02
Non-controlling interests		31,070,446,059.21	31,288,969,295.31
Total shareholders' equity		84,917,733,951.21	69,241,049,236.33
Total liabilities and shareholders' equity		282,078,887,343.82	229,998,651,067.93

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Income Statement

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2020	Year ended 31/12/2019
I. Operating income	VI.42	8,570,532,106.24	7,531,195,249.67
Including: Main business income	VI.42	8,570,532,106.24	7,531,195,249.67
II. Total operating costs		9,733,551,212.52	8,078,626,091.66
Including: operating costs	VI.42	6,791,178,751.12	5,849,918,644.40
Taxes and surcharges	VI.43	173,515,729.98	139,100,916.72
Selling and distribution expenses		102,169,474.03	79,238,948.35
General and administrative expenses		1,078,953,546.62	975,389,590.35
Research and development expenses		12,298,574.13	6,799,307.52
Financial expenses	VI.44	1,575,435,136.64	1,028,178,684.32
Including: interest expense	VI.44	1,957,683,087.36	1,231,482,898.25
Interest income	VI.44	494,061,628.05	311,723,351.21
Add: Other income	VI.45	316,405,724.28	390,606,682.09
Investment income ("-" for losses)	VI.46	947,264,447.33	607,991,526.43
Including: Income from investment in associates and joint ventures	VI.46	-18,721,962.51	-26,951,660.68
Gains from changes in fair value ("-" for losses)	VI.47	756,547,203.49	369,361,811.91
Impairment losses ("-" for losses)	VI.48	-55,894,037.18	15,512,656.82
Gains from assets disposal ("-" for losses)	VI.49	10,878,021.51	13,258,386.17
III. Operating profit ("-" for losses)		812,182,253.15	849,300,221.43
Add: Non-operating income	VI.50	93,321,461.03	22,186,544.86
Less: Non-operating expenses	VI.51	37,188,283.80	15,793,632.15
IV. Profit before income tax ("-" for losses)		868,315,430.38	855,693,134.14
Less: Income tax expenses	VI.52	410,839,484.25	303,494,761.19
V. Net profit for the year ("-" for losses)		457,475,946.13	552,198,372.95
(1) Classification according to operation continuity			
Including: Net profit from continuing operations ("-" for net loss)		457,475,946.13	552,198,372.95
Net profit from discontinued operations ("-" for net loss)			
(2) Classification according to attribute			
Including: Shareholders of the company		325,213,506.43	233,088,119.62
Non-controlling interests		132,262,439.70	319,110,253.33
VI. Other comprehensive income, net of tax	VI.38	1,073,101,728.41	77,159,963.46
Other comprehensive income (net of tax) attributable to shareholders of the company	VI.38	523,647,866.09	-40,956,967.17
A. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plan liability or asset			
b. Share of other comprehensive income of the equity method investments			
B. Items that may be reclassified to profit or loss	VI.38	523,647,866.09	-40,956,967.17
a. Share of other comprehensive income of the equity method investments			
b. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets	VI.38	186,510,417.66	232,898,533.08
c. Reclassification of held-to-maturity investments as available-for-sale financial assets			
d. Gains or losses arising from changes in fair value of investment property	VI.38	111,253,591.88	-240,569,653.62
e. Effective portion of gains or losses arising from cash flow hedging instruments			
f. Translation differences arising from translation of foreign currency financial statements	VI.38	225,883,856.55	-33,285,846.63
g. Others			
Other comprehensive income (net of tax) attributable to non-controlling interests	VI.38	549,453,862.32	118,116,930.63
VII. Total comprehensive income for the year		1,530,577,674.54	629,358,336.41
Attributable to: Shareholders of the company		848,861,372.52	192,131,152.45
Non-controlling interests		681,716,302.02	437,227,183.96

Legal representative: The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Cash Flow Statement

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2020	Year ended 31/12/2019
I. Cash flows from operating activities		
Proceeds from sales of goods or rendering of services	8,177,765,218.17	6,095,934,706.60
Refund of taxes	264,246,618.95	43,331,693.24
Proceeds from other operating activities	17,062,306,972.31	11,580,932,341.15
Sub-total of cash inflows	25,504,318,809.43	17,720,198,740.99
Payment for goods and services	27,580,187,646.72	15,714,512,181.95
Payment to and for employees	645,960,019.41	652,566,180.94
Payments of various taxes	679,256,266.14	1,300,009,677.14
Payment for other operating activities	8,898,329,660.32	10,435,473,557.13
Sub-total of cash outflows	37,803,733,592.59	28,102,561,597.16
Net cash flows from operating activities	-12,299,414,783.16	-10,382,362,856.17
II. Cash flows from investing activities		
Proceeds from disposal of investments	3,115,671,371.38	1,625,662,741.41
Investment returns received	878,033,727.88	307,842,528.45
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	1,156,130.37	1,843,799.55
Net proceeds from disposal of subsidiaries and other business units	13,744.46	
Proceeds from other investing activities	385,424.50	137,867,776.10
Sub-total of cash inflows	3,995,260,398.59	2,073,216,845.51
Payment for acquisition of fixed assets, intangible assets and other long-term assets	10,761,438,332.04	9,920,841,632.88
Payment for acquisition of investments	14,752,743,104.17	10,015,737,801.41
Net payment for acquisition of subsidiaries and other business units	1,108,116,037.54	8,635,522,974.43
Payment for other investing activities	27,661,354,112.10	29,594,874,249.89
Sub-total of cash outflows	-23,666,093,713.51	-27,521,657,404.38
Net cash flows from investing activities		
III. Cash flows from financing activities		
Proceeds from investors	12,286,395,554.57	12,056,364,926.91
Including: Proceeds from non-controlling shareholders of subsidiaries	219,050,000.00	427,400,000.00
Proceeds from borrowings	71,631,911,009.56	64,153,483,991.30
Proceeds from other financing activities		
Proceeds from other financing activities	17,189,600,742.83	14,208,355,592.46
Sub-total of cash inflows	101,107,907,306.96	90,418,204,510.67
Repayments of borrowings	37,169,560,528.81	31,547,751,922.03
Payment for dividends, profit distributions or interest	5,983,440,516.40	5,526,780,364.43
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries	40,976,126.03	6,199,627.34
Repayments for other financing activities	7,895,399,278.50	21,137,139,782.82
Sub-total of cash outflows	51,048,400,323.71	58,211,672,069.28
Net cash flows from financing activities	50,059,506,983.25	32,206,532,441.39
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
	-178,866,356.72	246,750,006.36
V. Net increase in cash and cash equivalents	13,915,132,129.86	-5,450,737,812.80
Add: Cash and cash equivalents as at 31/12/2019	31,494,176,774.78	36,944,914,587.58
VI. Cash and cash equivalent as at 31/12/2020	45,409,308,904.64	31,494,176,774.78

Legal representative:

The person in charge of accounting affairs:

The head of the accountir

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2020												
	Attributable to shareholders' equity of the parent company												
	Paid-in capital	Other equity instruments		Capital reserve	Less:treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Minority interests	Total equity	
		Preferred stock	Perpetual debt										Others
I.Balance at 31/12/2019	9,000,000,000.00		2,789,875,000.00		22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,217,292,859.43	31,288,969,295.31	69,241,049,236.33
Add : Changes in accounting policies													
Correction of prior period errors													
Others													
II.Balance at 01/01/2020	9,000,000,000.00		2,789,875,000.00		22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,217,292,859.43	31,288,969,295.31	69,241,049,236.33
III.Changes in equity during the year' "+"for increase)	4,000,000,000.00		6,753,671,816.97		4,286,180,921.49		523,647,866.09		2,427,420.83	22,041,797.95	307,238,127.65	-218,523,236.10	15,676,684,714.88
100%total comprehensive income							523,647,866.09				325,213,306.43	681,716,302.02	1,530,577,674.54
III.Shareholders' contributions and decrease of capital	4,000,000,000.00		6,753,671,816.97		4,286,180,921.49							-859,263,412.09	14,180,589,326.37
1.Contribution by ordinary shareholders	4,000,000,000.00				1,291,767,700.00							219,050,000.00	5,510,817,700.00
2. Capital contributed by other equity instruments holders													
3. Equity settled share-based payments													
4. Others			6,753,671,816.97		2,994,413,221.49				2,427,420.83	6,917,957.95	-17,975,378.78	-40,976,126.03	8,669,771,626.37
III) Appropriation of profits									2,427,420.83		-2,427,420.83		-49,606,126.03
1. Appropriation for surplus reserves									2,427,420.83		-2,427,420.83		
2. Extract general risk preparation										6,917,957.95	-6,917,957.95		
3. Distributions to shareholders											-8,630,000.00	-40,976,126.03	-49,606,126.03
4. Others													
IV) Transfer within equity													
1.Share capital increased by capital reserves transfer													
2.Share capital increased by surplus reserves transfer													
3.Transfer of surplus reserve to offset losses													
4.Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans													
5.Others													
IV)Specific Reserve													
1. Appropriation during the year													15,123,840.00
2. Utilisation during the year													15,123,840.00
VI)Others													
IV.Balance at 31/12/2020	13,000,000,000.00		9,543,346,816.97		27,040,713,107.48		1,693,838,010.41		6,290,674.41	38,368,295.65	2,524,530,987.08	31,070,446,059.21	84,917,733,951.21

The person in charge of accounting affairs:

The head of the accounting department:

Legal representative:

Consolidated Statement of Changes in Shareholders' Equity(continued)

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Year ended 31/12/2019													
Item	Attributable to shareholders' equity of the parent company												
	Paid-in capital	Other equity instruments			Capital reserve	Less:treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Minority interests	Total equity
		Preferred stock	Perpetual debt	Others									
I.Balance at 31/12/2018	6,000,000,000.00		1,794,375,000.00		19,167,577,878.85		1,211,147,111.49		2,190,691.52	4,165,000.00	2,365,524,848.79	32,355,760,369.47	62,900,738,900.12
Add : Changes in accounting policies													
Correction of prior period errors													
Others											-62,128,724.07	-18,463,731.59	-80,592,455.66
II.Balance at 01/01/2019	6,000,000,000.00		1,794,375,000.00		19,167,577,878.85		1,211,147,111.49		2,190,691.52	4,165,000.00	2,303,396,124.72	32,337,296,637.88	62,820,146,444.46
III.Changes in equity during the year("+, "-for decrease)	3,000,000,000.00		995,500,000.00		3,586,954,307.14		-40,956,967.17		1,672,562.06	12,163,497.70	-86,103,265.29	-1,048,327,342.57	6,420,902,791.87
(I)Total comprehensive income							-40,956,967.17				233,088,119.62	437,227,183.96	629,358,336.41
(II)Shareholders' contributions and decrease of capital	3,000,000,000.00		995,500,000.00		3,586,954,307.14					1,964,700.00		-1,485,554,526.53	6,098,864,480.61
1. Contribution by ordinary shareholders	3,000,000,000.00												3,000,000,000.00
2. Capital contributed by other equity instruments holders													
3. Equity settled share-based payments													
4. Others			995,500,000.00		3,586,954,307.14				1,964,700.00			-1,485,554,526.53	3,098,864,480.61
(III) Appropriation of profits									1,672,562.06		-319,191,384.91		-317,518,822.85
1. Appropriation for surplus reserves									1,672,562.06		-1,672,562.06		
2. Extract general risk preparation													
3. Distributions to shareholders											-316,671,600.63		-316,671,600.63
4. Others													
(IV) Transfer within equity											-847,222.22		-847,222.22
1.Share capital increased by capital reserves transfer													
2.Share capital increased by surplus reserves transfer													
3.Transfer of surplus reserve to offset losses													
4.Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans													
5. Others													
(V)Specific Reserve													
1. Appropriation during the year										10,198,797.70			10,198,797.70
2.Utilisation during the year										10,198,797.70			10,198,797.70
(VI)Others													
IV.Balance at 31/12/2019	9,000,000,000.00		2,789,875,000.00		22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,217,292,859.43	31,288,969,295.31	69,241,049,236.33

The person in charge of accounting affairs:

The head of the accounting department:

Legal representative:

Balance Sheet

As at 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2020	As at 31/12/2019
Current assets:			
Cash at bank and on hand		9,386,714,316.92	6,047,163,598.65
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable			
Accounts receivable	XIII.1	76,900,320.49	
Prepayments		1,546,604,013.26	916,556,337.99
Other receivables	XIII.2	9,667,766,784.52	9,150,321,884.24
Inventories			1,368,510,040.43
Assets held for sale			
Non-current assets due within one year			
Other current assets		935,868.49	19,660,073.51
Total current assets		20,678,921,303.68	17,502,211,934.82
Non-current assets:			
Available-for-sale financial assets		16,480,554,626.20	11,725,639,772.11
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	XIII.3	33,258,540,009.06	28,400,768,461.71
Investment properties			
Fixed assets		4,377,398.88	3,062,491.48
Construction in progress			
Productive biological assets			
Oil and gas assets			
Intangible assets		1,203,237.16	1,678,226.52
Development costs			
Goodwill			
Long-term deferred expenses		7,707,758.39	5,271,483.59
Deferred tax assets		137,385.64	68,692.82
Other non-current assets			
Total non-current assets		49,752,520,415.33	40,136,489,128.23
Total assets		70,431,441,719.01	57,638,701,063.05

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Balance Sheet(continued)

As at 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2020	As at 31/12/2019
Current liabilities:			
Short-term loans		4,685,992,000.00	5,367,091,900.00
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable			
Accounts payable			
Advances from customers			
Employee benefits payable		456,473.19	3,484,416.88
Taxes payable		2,928,204.05	2,640,902.89
Other payables		5,921,631,184.21	7,798,626,963.70
Liabilities held for sale			
Non-current liabilities due within one year		1,957,000,000.00	9,850,990,331.73
Other current liabilities			
Total current liabilities		12,568,007,861.45	23,022,834,515.20
Non-current liabilities:			
Long-term loans		5,731,000,000.00	3,006,500,000.00
Debentures payable		23,124,276,150.59	9,735,068,051.77
Of which: preferred stock			
Perpetual debt			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		28,855,276,150.59	12,741,568,051.77
Total liabilities		41,423,284,012.04	35,764,402,566.97
Shareholders' equity:			
Paid-in capital		13,000,000,000.00	9,000,000,000.00
Other equity instruments		6,988,034,081.12	2,291,000,000.00
Of which: preferred stock			
Perpetual debt		6,988,034,081.12	2,291,000,000.00
Capital reserve		8,980,026,881.85	10,558,845,960.36
Less: treasury shares			
Other comprehensive income			
Specific reserve			
Surplus reserve		6,290,674.41	3,863,253.58
Retained earnings		33,806,069.59	20,589,282.14
Total shareholders' equity		29,008,157,706.97	21,874,298,496.08
Total liabilities and shareholders' equity		70,431,441,719.01	57,638,701,063.05

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Income Statement

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2020	Year ended 31/12/2019
I. Operating income	XIII.4	93,657,282.32	37,396,713.91
Less: operating costs			
Taxes and surcharges		1,319,370.30	552,877.63
Selling and distribution expenses			
General and administrative expenses		57,896,793.79	55,615,427.42
Research and development expenses			
Financial expenses		792,219,882.71	271,464,301.85
Including: interest expense		896,321,253.82	286,843,290.43
Interest income		67,603,267.61	47,232,242.32
Add: Other income		120,348.10	15,000,000.00
Investment income ("-" for losses)	XIII.5	783,153,066.46	292,638,876.60
Including: Income from investment in associates and joint ventures			
Gains from changes in fair value ("-" for losses)			
Impairment losses ("-" for losses)		-274,771.25	-109,908.50
Gains from assets disposal ("-" for losses)			
II. Operating profit ("-" for losses)		25,219,878.83	17,293,075.11
Add: Non-operating income		800.00	
Less: Non-operating expenses		1,015,163.37	2,513.71
III. Profit before income tax ("-" for losses)		24,205,515.46	17,290,561.40
Less: Income tax expenses		-68,692.82	564,940.83
IV. Net profit for the year ("-" for losses)		24,274,208.28	16,725,620.57
A. Net profits from sustainable operation (net losses marked with "-")		24,274,208.28	16,725,620.57
B. Net profits from discontinued operations (net losses marked with "-")			
V. Other comprehensive income, net of tax			
A. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plan liability or asset			
b. Share of other comprehensive income of the equity method investments			
B. Items that may be reclassified to profit or loss			
a. Share of other comprehensive income of the equity method investments			
b. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets			
c. Gains or losses arising from changes in fair value of investment property			
d. Effective portion of gains or losses arising from cash flow hedging instruments			
e. Translation differences arising from translation of foreign currency financial statements			
f. Others			
VI. Total comprehensive income for the year		24,274,208.28	16,725,620.57

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Cash Flow Statement

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2020	Year ended 31/12/2019
I. Cash flows from operating activities			
Proceeds from sales of goods or rendering of services		22,376,355.59	39,894,940.08
Refund of taxes			
Proceeds from other operating activities		1,972,777,566.43	2,220,498,886.91
Sub-total of cash inflows		1,995,153,922.02	2,260,393,826.99
Payment for goods and services			76,711,874.27
Payment to and for employees		33,362,378.46	24,444,677.24
Payments of various taxes		1,319,370.30	3,252,735.98
Payment for other operating activities		1,649,928,021.08	1,876,203,610.56
Sub-total of cash outflows		1,684,609,769.84	1,980,612,898.05
Net cash flows from operating activities		310,544,152.18	279,780,928.94
II. Cash flows from investing activities			
Proceeds from disposal of investments		1,972,637,288.42	243,500,000.00
Investment returns received		491,830,831.98	75,842,772.63
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets			
Net proceeds from disposal of subsidiaries and other business units			
Proceeds from other investing activities			
Sub-total of cash inflows		2,464,468,120.40	319,342,772.63
Payment for acquisition of fixed assets, intangible assets and other long-term assets		6,626,872.73	9,178,487.06
Payment for acquisition of investments		15,084,300,605.63	12,288,622,044.08
Net payment for acquisition of subsidiaries and other business units			
Payment for other investing activities			
Sub-total of cash outflows		15,090,927,478.36	12,297,800,531.14
Net cash flows from investing activities		-12,626,459,357.96	-11,978,457,758.51
III. Cash flows from financing activities			
Proceeds from investors		5,291,767,700.00	4,241,000,000.00
Proceeds from borrowings		23,840,896,000.00	16,444,002,419.98
Proceeds from other financing activities		5,000,000,000.00	1,874,475,061.18
Sub-total of cash inflows		34,132,663,700.00	22,559,477,481.16
Repayments of borrowings		16,259,103,438.73	7,308,719,394.26
Payment for dividends, profit distributions or interest		609,816,557.61	210,039,283.95
Repayments for other financing activities		1,571,734,669.32	960,567,386.38
Sub-total of cash outflows		18,440,654,665.66	8,479,326,064.59
Net cash flows from financing activities		15,692,009,034.34	14,080,151,416.57
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-36,543,110.29	-31,131,855.46
V. Net increase in cash and cash equivalents		3,339,550,718.27	2,350,342,731.54
Add: Cash and cash equivalents as at 31/12/2019		6,047,163,598.65	3,696,820,867.11
VI. Cash and cash equivalent as at 31/12/2020		9,386,714,316.92	6,047,163,598.65

Legal representative: The person in charge of accounting affairs: The head of the accounting department:

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
		Preferred stock	Perpetual debt	Others							
I. Balance at 31/12/2019	9,000,000,000.00		2,291,000,000.00		10,558,845,960.36				3,863,253.58	20,589,282.14	21,874,298,496.08
Add : Changes in accounting policies											
Correction of prior period errors											
Others											
II. Balance at 01/01/2020	9,000,000,000.00		2,291,000,000.00		10,558,845,960.36				3,863,253.58	20,589,282.14	21,874,298,496.08
III. Changes in equity during the year("+" for increase)	4,000,000,000.00		4,697,034,081.12		-1,578,819,078.51				2,427,420.83	13,216,787.45	7,133,859,210.89
(I) Total comprehensive income										24,274,208.28	24,274,208.28
(II) Shareholders' contributions and decrease of capital	4,000,000,000.00		4,697,034,081.12		-1,578,819,078.51						7,118,215,002.61
1. Contribution by ordinary shareholders	4,000,000,000.00				1,291,767,700.00						5,291,767,700.00
2. Capital contributed by other equity instruments holders											
3. Equity settled share-based payments											
4. Others			4,697,034,081.12		-2,870,586,778.51				2,427,420.83	-11,057,420.83	1,826,447,302.61
(III) Appropriation of profits									2,427,420.83	-2,427,420.83	-8,630,000.00
1. Appropriation for surplus reserves											
2. Extract general risk preparation											
3. Distributions to shareholders											
4. Others										-8,630,000.00	-8,630,000.00
(IV) Transfer within equity											
1. Share capital increased by capital reserves transfer											
2. Share capital increased by surplus reserves transfer											
3. Transfer of surplus reserve to offset losses											
4. Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans											
5. Others											
(V) Specific Reserve											
1. Appropriation during the year											
2. Utilisation during the year											
(VI) Others											
IV. Balance at 31/12/2020	13,000,000,000.00		6,988,034,081.12		8,980,026,881.85				6,290,674.41	33,806,069.59	29,008,157,706.97

The head of the accounting department:

The person in charge of accounting affairs:

Legal representative:

Statement of Changes in Shareholders' Equity(continued)

For the year ended 31 December 2020

Prepared by: Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2019						
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income
		Preferred stock	Perpetual debt	Others			
I. Balance at 31/12/2018	6,000,000,000.00		1,295,500,000.00		8,483,456,189.33		
Add : Changes in accounting policies							
Correction of prior period errors							
Others							
II. Balance at 01/01/2019	6,000,000,000.00		1,295,500,000.00		8,483,456,189.33		
III. Changes in equity during the year("+", "-for decrease)	3,000,000,000.00		995,500,000.00		2,075,389,771.03		
(I) Total comprehensive income							
(II) Shareholders' contributions and decrease of capital	3,000,000,000.00		995,500,000.00		2,075,389,771.03		
1. Contribution by ordinary shareholders	3,000,000,000.00				2,075,389,771.03		
2. Capital contributed by other equity instruments holders							
3. Equity settled share-based payments							
4. Others			995,500,000.00				
(III) Appropriation of profits							
1. Appropriation for surplus reserves							
2. Extract general risk preparation							
3. Distributions to shareholders							
4. Others							
(IV) Transfer within equity							
1. Share capital increased by capital reserves transfer							
2. Share capital increased by surplus reserves transfer							
3. Transfer of surplus reserve to offset losses							
4. Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans							
5. Others							
(V) Specific Reserve							
1. Appropriation during the year							
2. Utilisation during the year							
(VI) Others							
IV. Balance at 31/12/2019	9,000,000,000.00		2,291,000,000.00		10,558,845,960.36		

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Notes to the Financial Statements of Nanjing Yangzi State-owned Assets Investment Group Co., Ltd

For the year ended 31 December 2020

I. Basic information of the company

1. Company registration place, organization form and headquarters address

The Pursuant to the Decision of the Nanjing Municipal Committee of the Communist Party of China and Nanjing Municipal People's Government on Establishing the Nanjing Yangzi State-owned Investment Group Co., Ltd (Ning Committee [2014] No.152) promulgated by the Nanjing Municipal Committee of the Communist Party of China on March 28, 2014, the Nanjing Yangzi State-owned Investment Group Co., Ltd (hereinafter referred to as "the company" or "company") capitals are composed of 51.00% equity of Nanjing Pukou New City Development and Construction Co., Ltd, 51.00% equity of Nanjing Jiangbei New District State-owned Assets Management Co., Ltd (Nanjing Chemical Industrial Park State-owned Assets Operation and Management Co., Ltd was renamed as Nanjing Jiangbei New District State-owned Assets Management Co., Ltd on November 22, 2018), 51.00% equity of Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd (Nanjing Dachang Investment Development Co., Ltd was renamed as Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd on August 20, 2018) and 51.00% equity of Nanjing Jiangbei New District Industrial Investment Group Co., Ltd (Nanjing High-Tech Economic Development Co., Ltd was renamed as Nanjing Jiangbei New District Industrial Investment Group Co., Ltd on December 11, 2017).

On April 4, 2014, the Nanjing Municipal Finance Bureau issued the Letter on Determining the Paid-in Capital of Nanjing Yangzi State-owned Investment Group Co., Ltd (Ning Financial Capital [2014] No.15), and verified the company's paid-in capital of RMB 5 billion.

The company was established on April 10, 2014 upon registration in the Nanjing Administration for Industry and Commerce.

On December 1, 2016, the State-owned Assets Supervision and Administration Commission of the Nanjing Municipal People's Government decided to change the company's investors to the Nanjing Jiangbei New District Administration Commission.

On July 10, 2018, the Nanjing Jiangbei New District Management Committee decided to increase the company's registered capital to 6 billion yuan, and the additional registered capital of 1 billion yuan was subscribed by the Nanjing Jiangbei New District Management Committee. The currency will be in currency before December 31, 2018. Ways to invest in place.

On April 9, 2019, the Management Committee of Jiangbei New District of Nanjing City decided to increase the company's registered capital to 7.8 billion yuan, and the additional registered capital of 1.8 billion yuan was subscribed by the Management Committee of Jiangbei New District of Nanjing City. It will be in currency before April 9, 2019. Ways to invest in place.

On June 27, 2019, the Management Committee of Jiangbei New District of Nanjing City decided to increase the company's registered capital to 9 billion yuan, and the newly added registered capital of 1.2 billion yuan was subscribed by the Management Committee of Jiangbei New District of Nanjing City in June 30, 2019. Ways to invest in place. As of December 31, 2019, the company's paid-in capital was RMB 9 billion.

On June 23, 2020, the Nanjing Jiangbei New District Management Committee decided to increase the company's registered capital to 13 billion yuan, and the newly added registered capital of 400 million yuan was subscribed by the Nanjing Jiangbei New District Management Committee in currency before June 30, 2020. Ways of funding are in place. As of December 31, 2020, the company's paid-in capital was 13 billion yuan.

The company's Business License Registration No.: 320100000201604130049; Address: No.6 Tianpu Road Pukou District Nanjing; Legal Representative: Huijuan Fan; Enterprise Type: Limited Liability Company (State-owned); Unified Social Credit Code: 9132010009392720XQ.

2.The nature of the company's business and main operating activities

Business scope: investment, asset operation and management of urban functional projects and industrial transformation and upgrading carriers (including holding properties); asset management; equity management; fund management. (Projects that are subject to approval in accordance with the law can only carry out business activities after being approved by relevant departments)

3.Approval of financial reports

The approval of the financial report of the Group is the Board of Directors of Company, and the date of approval is April 27, 2021.

4.Scope of consolidated financial statements

A total of 23 subsidiaries of the company included in the merger scope in 2020, for details, please refer to VIII. Interest in other entities. There is no new subsidiary in the scope of consolidation than the previous year, for details, please refer to Note VII. Change of consolidation scope.

II.Basis of preparation

1.Preparation basis

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related

provisions issued by the Ministry of Finance (collectively, " Accounting Standards for Business Enterprises "). It is based on the accounting policies and estimates described in Note IV "Important Accounting Policies and Accounting Estimates".

The Company adopts the accrual basis of accounting. Except for certain financial instruments and investment properties, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

As an investment entity of state-owned capital, the company accepts the government's entrustment to undertake urban construction and government-invested items, and performs part of the government's related functions on behalf of it. The company does not apply corporate income tax treatment to the special subsidy income from government funding. Therefore, the preparation of the consolidated financial statements of the company did not consider the impact of possible income tax liability.

2.Continuing operations

The financial statements of the Company have been prepared on going concern basis. The Company has evaluated its ability of going concern for the next at least 12 months since 31 December 2019 considering all available information.

III.Statement of Following the Accounting Standards for Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely present the Company's and consolidated financial position As at 31 December 2020 and the Company's and consolidated operating results and cash flows For the year ended 31 December 2020.

IV.Significant accounting policies and accounting estimate

The company and its subsidiaries are engaged in business services, etc. The company and its subsidiaries have formulated a number of specific accounting policies and accounting estimates for transactions and matters such as revenue recognition, construction contract completion percentage determination, research and development expenditures, etc., based on actual production and operation characteristics and in accordance with relevant corporate accounting standards. See details This Note IV. 26 " Revenue" the corresponding descriptions. For the explanation of the significant accounting judgments and estimates made by the management, please refer to Note IV. 32 " Significant accounting estimates and judgments ".

1.Accounting period

The company's accounting period is divided into annual and interim periods. Interim accounting period refers to a reporting period shorter than a complete fiscal year. The accounting period of the Company is from 1 January to 31 December.

2. Operating cycle

The normal business cycle refers to the period from when the company purchases assets for processing to when it realizes cash or cash equivalents. The company takes 12 months as a business cycle and uses it as the standard for dividing the liquidity of assets and liabilities.

3. Functional currency

The financial statements of the Company have been prepared in RMB.

4. Measurement attributes

The company generally adopts historical cost when measuring accounting elements. When the determined amount of accounting elements meets the requirements of enterprise accounting standards, can be obtained and reliably measured, and adopts replacement cost, net realizable value, present value and fair value measurement, The company will give special instructions.

5. Accounting treatments for business combinations involving enterprises under common control and business combinations not involving enterprises under common control

Business combination refers to a transaction or event in which two or more separate businesses are combined to form a reporting entity. Business combinations are divided into business combinations under common control and business combinations not under common control.

(1) Business combinations involving enterprises under common control

The enterprises participating in the merger are ultimately controlled by the same party or the same multiple parties before and after the merger, and the control is not temporary. It is a business combination under the same control. In a business combination under the same control, the party that obtains control of other participating companies on the merger day is the merging party, and the other companies participating in the merger are the merging party. The merger date refers to the date on which the combining party actually obtains control of the combined party.

For a business combination involving enterprises under common control, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date, except for adjustments due to different accounting policies. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings.

The direct costs incurred by the merging party for the business combination shall be included in the current profit and loss when incurred.

(2) Business combinations involving enterprises not under common control

If the enterprises participating in the merger are not ultimately controlled by the same party or parties before and after the combination, the business combination is facilitated under different controls. For business combinations not under the same control, the party that obtains control over other participating enterprises on the acquisition date is the acquirer, and other enterprises that participate in the combination are the acquirees. The acquisition date refers to the date when acquirer actually obtains control over acquiree.

For the business combinations under different controls, the combination cost includes the assets paid by the acquirer to obtain control over acquire on the acquisition date, the liabilities generated or undertaken and the fair value of the issued equity securities. The intermediary costs used for auditing, legal services, appraisal consulting and other administrative expenses during the process of business combination are included into the current profits and losses. The transaction costs of the marketable equity securities or debt securities issued by the acquirer as the combined consideration are included into the initial confirmation amount of marketable equity securities or debt securities. The involved contingent consideration is included in the consolidated cost as per its fair value on the purchasing date, if new or further evidences compared with existing circumstances on the purchasing date occur within 12 months after the purchasing date, so that contingent consideration needs to be adjusted, the consolidated goodwill shall be adjusted accordingly. The combination costs generated by the acquirer and the identifiable net assets obtained during the combination process are computed based on the fair value on the acquisition date. Goodwill is identified as the excess of combination cost over the fair value of identifiable net assets obtained by the acquirer in combination on the acquisition date. If the combination cost is less than the fair value of identifiable net assets obtained by acquiree in the combination, the fair value of identifiable assets, liabilities and/or contingent liabilities of the acquiree and the combination costs should be re-computed first. If the combination cost is still less than the fair value of identifiable net assets obtained by the acquiree in the combination, the difference shall be included into the current profits and losses.

When the deductible temporary difference obtained by the purchasing party from the purchased party is unrecognized due to incompliance with the deferred income tax asset recognition criteria on the purchasing date, within 12 months after the purchasing date, if new or further information shows relevant circumstances of the purchasing date have existed, and economic benefits of the purchased party brought by the deductible temporary difference on the purchasing date is expected to realize, the relevant deferred income tax assets are recognized, while the goodwill is reduced; if the goodwill is insufficient to offset, the difference part is recognized as current profits and losses;

except for the above circumstances, the deferred income tax assets recognized in connection with enterprise consolidation are included in current profits and losses.

Business combination under different control realized step by step through multiple transactions, according to the "Notice of the Ministry of Finance on Issuing Interpretation of Accounting Standards for Enterprises No. 5" (Caikuai [2012] No. 19) and "Accounting Standards for Business Enterprises No. 33-Merger "Financial Statement" Article 51 on the "package deal" judgment criteria (see Note IV.5 (2)), to determine whether the multiple transactions belong to "package deal". If it belongs to a "package deal", refer to the previous paragraphs of this part and note IV.14 "Long-term equity investment" for accounting treatment; if it does not belong to a "package deal", distinguish between individual financial statements and consolidated financial statements for related accounting treatment:

In the individual financial statements, the sum of the book value of the equity investment held by the purchaser before the purchase date and the new investment cost of the purchase date is taken as the initial investment cost of the investment; the equity of the purchaser held before the purchase date If other comprehensive income is involved, the other comprehensive income related to the investment will be accounted for on the same basis as the purchaser 's direct disposal of related assets or liabilities (ie, except for Except for the corresponding share in the changes caused by the net liabilities or net assets of the defined benefit plan, the rest is transferred to the current investment income).

In the consolidated financial statements, the equity of the purchased party held before the purchase date is remeasured according to the fair value of the equity at the purchase date, and the difference between the fair value and its book value is included in the current investment income; held before the purchase date If the equity of the purchased party involves other comprehensive income, the other comprehensive income related to it should be accounted for on the same basis as the purchaser 's direct disposal of related assets or liabilities (ie, except for Except for the corresponding share in the changes caused by the net liabilities or net assets of the defined benefit plan, the rest are converted into the current investment income of the purchase date).

6.Consolidated financial statements

(1)Scope of consolidated financial statements

The scope of consolidated financial statements is based on control. Control exists when the Company has power over the investee; exposure, or rights to variable returns from its involvement with the investee and has the ability to affect its returns through its power over the investee. A subsidiary is an entity that is controlled by the Company (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Company, and all significant intra-group balances and transactions are eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary or business are included in the consolidated financial statements as if the combination had occurred at the date that the ultimate controlling party first obtained control.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented separately in the consolidated income statement below the "net profit" line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the transaction is treated as equity transaction, and the book value of shareholder's equity attributed to the Company and to the non-controlling interest is adjusted to reflect the change in the Company's interest in the subsidiaries. The difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve in the consolidated balance sheet, with any excess adjusted to retained earnings.

When the control of the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity is re-measured at its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity minus the difference between the share of the original subsidiary's net assets that should be continuously calculated from the date of purchase based on the original shareholding ratio is included in the current period of loss of control Investment income. Other comprehensive income related to the original subsidiary's equity investment is accounted for on the same basis as the purchaser's direct disposal of related assets or liabilities when it loses control (ie, except for the remeasurement of the original subsidiary's defined benefit plan Except for changes due to net liabilities or net assets, the rest are also converted into current investment income). Afterwards,

follow-up measurement of this part of the remaining equity in accordance with "Accounting Standards for Business Enterprises No. 2-Long-term Equity Investment" or "Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments", please refer to Note IV. 14. "Long-term equity investment" or Note IV.10 "Finance Instruments".

If the company disposes of the equity investment in the subsidiary in stages through multiple transactions until it loses control, it is necessary to distinguish whether the transaction of equity investment in the subsidiary until the loss of control is a package transaction. The terms, conditions and economic impact of the disposal of various transactions on the subsidiary's equity investment are consistent with one or more of the following conditions, usually indicating that multiple transactions should be accounted for as a package transaction: ① These transactions are simultaneous or under consideration Concluded under the influence of each other; ② these transactions as a whole can achieve a complete business result; ③ the occurrence of a transaction depends on the occurrence of at least one other transaction; ④ a transaction alone is uneconomical, but and Other transactions are economic when considered together. If it does not belong to a package deal, for each of these transactions, according to the situation, the partial disposal of long-term equity investment in the subsidiary company without losing control rights (see Note IV. 14, (2) ④) and "The loss of control over the original subsidiary due to the disposal of part of the equity investment or other reasons" (see the previous paragraph for details) is accounted for. Disposal of the equity investment in the subsidiary until the loss of control rights is a package transaction, the transactions are treated as a transaction that disposes of the subsidiary and loses control rights; however, each time the price is disposed before the loss of control rights The difference corresponding to the disposal of the investment and the share of the subsidiary's net assets is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the profit or loss of the current period when control is lost

7.Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Company classifies joint arrangements into joint operations and joint ventures.

(1) Joint operations

A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company recognizes the following items relating to its interest in a joint operation, and account for them in accordance with relevant accounting standards:

- A、 its solely-held assets, and its share of any assets held jointly;
- B、 its solely-assumed liabilities, and its share of any liabilities assumed jointly;

C、its revenue from the sale of its share of the output arising from the joint operation;

D、its share of the revenue from the sale of the output by the joint operation; and

E、its solely-incurred expenses, and its share of any expenses incurred jointly.

(2)Joint ventures

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Company adopts equity method under long-term equity investment in accounting for its investment in joint venture. It is handled in accordance with the accounting policies described in Note IV. 14(2) ② "Long-term equity investment accounted for by the equity method".

When the company invests or sells assets as a joint venture (the asset does not constitute a business, the same applies below), or purchases assets from the joint operation, before the assets are sold to a third party, the company only confirms that the transaction has occurred. The part of the profit and loss that belongs to other parties that jointly operate. If any asset impairment loss that meets the requirements of "Accounting Standards for Business Enterprises No. 8-Asset Impairment", etc., the company confirms the loss in full for the case where the company invests or sells assets to the joint operation; When the company purchases assets from a joint operation, the company recognizes the loss according to the share assumed.

8.Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

9.Foreign currency transactions and translation of foreign currency financial statements

(1)Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Company at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss.

(2)Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding “retained earnings”, are translated to Renminbi at the spot exchange rates at the transaction dates.

Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates [the rates determined under a systematic and rational method that approximate the spot exchange rates] at the transaction dates.

Cash flow statement of foreign operation is translated to Renminbi at the spot exchange rates [the rates determined under a systematic and rational method that approximate the spot exchange rates] at the cash flow occurrence dates. Effect of foreign exchange rate changes on cash and cash equivalents is presented separately as “Effect of foreign exchange rate changes on cash and cash equivalents” in the cash flow statement.

The resulting translation differences are recognised in other comprehensive income in shareholders’ equity of balance sheet.

The translation differences accumulated in shareholders’ equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

10.Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Determination of fair value of financial assets and financial liabilities

Fair value refers to the price that market participants can receive or transfer a liability in the orderly transaction that occurs on the measurement date. The company measures the fair value of financial assets and financial liabilities at the price of the main market. If there is no main market, the fair value of the financial assets and financial liabilities is measured at the most favorable market price, and the data applicable at the time and with sufficient available data and valuation techniques supported by other information. The input value used in fair value measurement is divided into three levels, that is, the first level input value is the unadjusted quotation of the same asset or liability that can be obtained in the active market on the measurement date; the second level input value is divided by the first level The input value of the relevant assets or liabilities other than the input value is directly or indirectly observable; the input value of the third level is the unobservable input value of the related assets or liabilities. The company preferentially uses the first level input value, and finally uses the third level input value. The level to which the fair value measurement result belongs is determined by the lowest level to which the input value that is significant to the fair value measurement as a whole belongs.

(2) Recognition, derecognition, classification and measurement of financial assets of financial instruments

A financial asset or a financial liability is recognized when the Company becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

- ① the contractual rights to the cash flows from the financial asset expire; or
- ② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria set out below in "Transfer of Financial Assets".

A financial liability (or part of it) is derecognized when its contractual obligation (or part of it) is discharged or cancelled or expires. If the Company (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognized and a new financial liability is recognized.

If the financial assets are traded regularly, the financial assets are recognized and derecognized at the transaction date.

The Company classifies financial assets into four categories at initial recognition: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are measured initially at fair value. For financial assets at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets, any related directly attributable transaction costs are included in their initial costs.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated to financial assets at fair value through profit or loss on initial recognition. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, and changes therein and any dividend or interest income earned on the financial assets are recognised in profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the company has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses arising from derecognition, impairment or amortization is recognized in profit or loss for the current period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, including account receivables and other receivables. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method. Gains and losses arising from derecognition, impairment or amortization is recognized in profit or loss for the current period.

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that are designated upon initial recognition as available for sale and other financial assets which do not fall into any of the above categories. Available-for-sale financial assets are measured at fair value subsequent to initial recognition and changes therein are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses from monetary financial assets which are recognised directly in profit or loss. When an investment is derecognised, the gain or loss accumulated in other comprehensive income is reclassified to profit or loss. The discount or premium are amortised using the effective interest method and recognised as interest income. Dividend and interest are recognised in profit or loss using the effective interest method.

Available-for-sale investments in equity instruments without quoted price in an active market whose fair value cannot be measured reliably, and derivative assets that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost subsequent to initial recognition.

(3) Classification and measurement of financial liabilities

The Company classifies financial liabilities into different categories at initial recognition: financial liabilities at fair value through profit or loss, and other financial liabilities. For financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial liabilities, any related directly attributable transaction costs are included in their initial costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated to financial liabilities at fair value through profit or loss on initial recognition. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, and changes therein and any dividend or interest income earned on the financial liabilities are recognised in profit or loss.

Other financial liabilities

Derivative liabilities that are linked to and must be settled by delivery of equity instruments without quoted price in an active market whose fair value cannot be measured reliably, are measured

at cost subsequent to initial recognition. Other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses arising from derecognition or amortization is recognized in profit or loss for the current period.

Financial guarantee contract

Financial guarantee contracts that are not designated as financial liabilities measured at fair value and whose changes are included in the current profit or loss are initially recognized at fair value, and are determined in accordance with "Accounting Standards for Business Enterprises No. 13-Contingencies" after initial recognition. The higher of the amount and the initial confirmation amount after deducting the accumulated amortization amount determined in accordance with the principles of "Accounting Standards for Business Enterprises No. 26-Revenue" shall be subsequently measured.

(4) Impairment of financial assets

The carrying amounts of financial assets (other than those at fair value through profit or loss) are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is recognised. Objective evidence of impairment of financial assets are the matters that occurred after initial recognition of financial assets which has impact on the expected future cash flows of financial assets, and can be reliably measured by the Company.

Objective evidence that a financial asset is impaired includes but is not limited to:

- ① significant financial difficulty of the issuer or obligor;
- ② a breach of contract by the borrower, such as a default or delinquency in interest or principal payments;
- ③ considering economic or legal factors, the Company makes concessions to a debtor in financial difficulties;
- ④ it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- ⑤ the disappearance of an active market for that financial asset because of financial difficulties faced by the issuer;
- ⑥ the cash flow of an asset in a financial asset group cannot be identified to be reduced, but after evaluating the group as a whole using the public data, the expected future cash flow of the financial asset group since its initial recognition has definitely been reduced and measurable, including:
 - The debtor's pay back ability gradually deteriorates;

- Changes taken place in the economic environment in which the debtor operates, indicating that the debtor cannot pay back.

⑦ significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, indicating that the cost of an investment in an equity instrument may not be recovered by the investor;

⑧ a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost. For example, at the balance sheet, there is a decline of more than 20%-50% in the fair value of an equity investment or a decline persisting for 6- months in the fair value of an equity investment.

A decline persisting for 6- 12 months (including 12 months) in the fair value of an equity investment is that monthly average fair value of the equity investment is less than the initial investment cost persisting for 6-12 months.

⑨ other objective evidences.

Financial assets carried at amortised cost

If an impairment loss on a financial asset carried at amortised cost has been incurred, the amount of loss is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate and the values of the underlying collateral. The amount of loss is recognised in profit or loss for the current period.

For a financial asset that is individually significant, the Company assesses the asset individually for impairment. If there is objective evidence that the asset is impaired, the impairment loss is recognized in profit or loss for the current period. For a financial asset that is not individually significant, the impairment assessment is made collectively where financial assets share similar credit risk characteristics [or the asset is assessed individually for impairment]. For financial assets not having been individually assessed as impaired (including financial assets no matter it is individually significant or not), the Company makes impairment assessment collectively where financial assets share similar credit risk characteristics. For financial assets having been individually assessed as impaired, they are not included in collective assessment of impairment.

If, after an impairment loss has been recognised on financial assets measured at amortized cost, there is a recovery in the value of the financial asset which can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss. A reversal of an impairment loss will not result in the asset's carrying amount exceeding what the amortised cost would have been had no impairment loss been recognised in prior years.

Available-for-sale financial assets

When an available-for-sale financial asset is impaired, the cumulative loss arising from a decline in fair value that has been recognised directly in other comprehensive income is reclassified to profit or loss. The reclassified accumulated loss is the asset's initial cost deducting amounts recovered and amortized, current fair value and impairment losses previously recognized in profit or loss.

If, after an impairment loss has been recognised on an available-for-sale debt instrument, the fair value of the debt instrument increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. An impairment loss recognised for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

Financial assets measured at cost

When an equity instrument without quoted price in an active market whose fair value cannot be measured reliably, and derivative assets that are linked to and must be settled by delivery of such unquoted equity instruments, is impaired, the difference between the carrying amount and the present value discounted at the market rate of return on future cash flows of the similar financial assets shall be recognized as impairment loss in profit or loss. The impairment loss recognized is not reversed.

(6) Transfer of financial assets

Transfer of financial assets is the transfer or delivery of financial assets to another party (the transferee) other than the issuer of financial assets.

A financial asset is derecognised if the Company transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. A financial asset is not derecognised if the Company retains substantially all the risks and rewards of ownership of the financial asset to the transferee.

The Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Company has forgone control over the financial asset, the financial assets is derecognized, and new assets and liabilities are recognized. If the Company retains control over the financial asset, the financial asset is recognised to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognised.

11.Receivables

Receivables include bills receivable, accounts receivables and other receivables.

(1) Basis for provision for bad and doubtful debts

The company checks the book value of the receivables on the balance sheet date. If there is the following objective evidence that the receivables are impaired, the impairment provision is made: ① The debtor has serious financial difficulties; ② The debtor violates the contract terms (Such as default or overdue payment of interest or principal, etc.); ③ the debtor is likely to go bankrupt or undergo other financial restructuring; ④ other objective basis indicating that the receivable is impaired.

(2) Method of provision for bad and doubtful debts

① Receivables that are individually significant and assessed individually for impairment:

Judgement basis or criteria for receivables that are individually significant: Receivables individually greater than RMB 1 million are significant.

Method of provisioning for bad and doubtful debts for receivables that are individually significant and assessed individually: Receivables that are individually significant are subject to separate impairment assessment, if there is objective evidence that the impairment occurred, an impairment loss in respect of a receivable is calculated as the excess of its carrying amount over the present value of the estimated future cash flows.

For receivables not having been individually assessed as impaired, the Company makes impairment assessment collectively.

② Receivables that are collectively assessed for impairment based on credit risk characteristics:

A. Basis for collective receivables that are collectively assessed for impairment based on credit risk characteristics:

The company groups financial assets according to the similarity and relevance of credit risk characteristics for receivables with insignificant amounts and significant amounts that have not been impaired in individual tests. These credit risks usually reflect the debtor's ability to repay all due amounts in accordance with the contract terms of such assets, and are related to the future cash flow calculation of the asset under inspection.

Basis for collective assessment:

Group of collective assessment	Basis for collective assessment
Ageing group	Use the ageing of receivables as credit risk characteristics to divide the group
Other group -Related party group	Use the relationship between receivables and transaction objects as credit risk characteristics to divide
Other group -Government group	Divide and combine credit risk characteristics with the reputation of the trading object

B. Method of provision for bad and doubtful debts collectively assessed for impairment based on credit risk characteristics

When carrying out the impairment test according to the combination method, the amount of bad debt provision is based on the combination structure of receivables and similar credit risk characteristics (the debtor's ability to repay the arrears according to the contract terms). Assess the loss already existing in the portfolio.

The accrual method of bad debt preparation for different groups:

Group of collective assessment	Method of provision for bad and doubtful debts collectively
Ageing group	Ageing analysis method
Other group -Related party group	No provision for bad debts
Other group -Government group	No provision for bad debts

The provisioning for groups of receivables using the ageing analysis method is as follows:

Ageing	Provision as a percentage of accounts receivable (%)	Provision as a percentage of other receivables (%)
Within 1 year	0	0
1 to 2 years	5	5
2 to 3 years	10	10
3 to 4 years	30	30
4 to 5 years	50	50
Over 5 years	100	100

③Receivables that are individually insignificant but assessed individually for impairment:

Reasons for assessing individually for impairment of receivables that are individually insignificant: Litigation receivables, receivables with customer credit deterioration.

(3)Reversal of bad debt provision

If there is objective evidence that the value of the receivable has been restored, and it is objectively related to the events that occurred after the loss is confirmed, the originally recognized impairment loss is reversed and included in the current profit and loss. However, the book value after the reversal does not exceed the amortized cost of the receivable on the date of reversal under the assumption that no impairment provision is made.

If the company transfers the receivable to the financial institution without recourse, the difference between the transaction amount and the book value of the receivables written off and related taxes shall be included in the current profit and loss.

12.Inventories

Inventories include raw materials, work in progress, consumables, packaging materials, finished goods, issuing goods, development costs, and product developments.

The Company maintains a perpetual inventory system. Inventories are initially measured at cost. Raw materials, work in progress, finished goods and issuing goods are calculated using weighted average method. Low-value consumables are charged to profit or loss when they are used. Packaging materials are amortised when they are used.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value is measured based on the verified evidences and considerations for the purpose of holding inventories and the effect of post balance sheet events.

Any excess of the cost over the net realisable value of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss. The Company usually recognises provision for decline in value of inventories by a single (type, group) inventory item. If the factors caused the value of inventory previously written-down have disappeared, the provision for decline in value of inventories previously made is reversed.

13.Holding assets for sale

If the company recovers its book value mainly through the sale (including the exchange of non-monetary assets with commercial substance, the same applies below) instead of continuously using a non-current asset or disposal group, it will be classified as held for sale. The specific standard is to satisfy the following conditions at the same time: a non-current asset or disposal group can be immediately sold under the current situation according to the practice of selling such assets or disposal group in similar transactions; the company has made a decision on the sale plan and has been determined Purchase commitment; the sale is expected to be completed within one year. Among them, the disposal group refers to a group of assets that are disposed of as a whole through sale or other methods in a transaction, and liabilities directly related to these assets transferred in the transaction. If the asset group or asset group combination to which the disposal group belongs distributes the goodwill acquired in the business combination in accordance with "Accounting Standards for Business Enterprises No. 8-Asset Impairment", the disposal group shall include the goodwill allocated to the disposal group.

When the company's initial measurement or re-measurement on the balance sheet date is divided into non-current assets held for sale and disposal group, and its book value is higher than the net value of fair value minus selling expenses, the book value is written down to The net value of the fair value minus the selling expenses, the reduced amount is recognized as an asset impairment loss, which is included in the current profit and loss, and at the same time, the provision for impairment of assets held for sale is provided. For the disposal group, the recognized asset impairment loss first offsets the book value of the goodwill in the disposal group, and then proportionally deducts the

enterprise accounting standards 42-non-current assets held for sale in the disposal group , Disposal Group and Termination of Operation (hereinafter referred to as "Holding for Sale Criteria") the book value of various non-current assets. If the net value of the disposal group held for sale on the subsequent balance sheet date minus the selling expenses increases, the previously written-down amount shall be restored and the criteria for holding for sale shall be applied after being classified as holding for sale The amount of non-current assets recognized as measurement impairment loss is reversed internally, and the amount reversed is included in the current profit and loss, and the book value of each non-current asset measured and measured according to the criteria for holding for sale in addition to goodwill in the disposal group The proportion of the proportion increases its book value; the book value of the deducted goodwill, and the non-current assets that are measured by the standard of holding for sale are not allowed to be transferred back to the asset impairment loss recognized before being classified as holding for sale .

Non-current assets held for sale or non-current assets in the disposal group are not depreciated or amortized, and interest and other expenses of liabilities in the disposal group held for sale continue to be recognized.

When the non-current assets or disposal group no longer meets the criteria for holding the category for sale, the company will no longer divide it into the category for holding for sale or remove the non-current assets from the disposal group holding for sale. It is measured according to the lower of the following two: (1) The book value before being classified as held for sale, adjusted according to the assumption that it should not be recognized as depreciation, amortization or impairment if it is not classified as held for sale After the amount; (2) recoverable amount.

14.Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and equity investments in joint ventures and associates. An associate is an enterprise over which the Company has significant influence. The company's long-term equity investment that does not have control, joint control or significant influence on the investee is accounted for as an available-for-sale financial asset or a financial asset that is measured at fair value and its changes are included in the current profit , For details of its accounting policies, refer to Note IV. 10 "Financial Instruments"

Joint control refers to the company's common control of an arrangement in accordance with the relevant agreement, and related activities of the arrangement must be agreed upon by the parties sharing control rights before they can make decisions. Significant influence means that the company has the right to participate in the decision-making of the financial and operating policies of the invested unit, but cannot control or jointly control the formulation of these policies with other parties.

(1)Determination of initial investment cost

The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. For a long-term equity investment obtained through a business combination not involving enterprises under common control, the initial cost is the combination cost.

A long-term equity investment acquired other than through a business combination: A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Company acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For a long-term equity investment which is accounted for using the cost method, Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

For a long-term equity investment which is accounted for using the equity method, where the initial cost of a long-term equity investment exceeds the Company's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Company's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

Under the equity method, the Company recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Company. Changes in the Company's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Company's equity, and the carrying amount of the investment is adjusted accordingly. In calculating its share of the investee's net profits or losses, other comprehensive income and other

changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition.

When the Company becomes capable of exercising joint control or significant influence (but not control) over an investee due to additional investment or other reasons, the Company uses the fair value of the previously-held equity investment, together with additional investment cost, as the initial investment cost under the equity method. The difference between the fair value and carrying amount of the previously-held equity investment, and the accumulated changes in fair value included in other comprehensive income, shall be transferred to profit or loss for the current period upon commencement of the equity method.

When the Company can no longer exercise joint control of or significant influence over an investee due to partial disposal of the equity investment or other reasons, the remaining equity investment shall be accounting for using Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of the loss of joint control or significant influence. Any other comprehensive income previously recognised under the equity method shall be accounted for on the same basis as would have been required if the Company had directly disposed of the related assets or liabilities for the current period upon discontinuation of the equity method. Other movement of owner's equity related to original equity investment is transferred to profit or loss for the current period.

When the Company can no longer exercise control over an investee due to partial disposal of the equity investment or other reasons, and the remaining equity after disposal can exercise joint control of or significant influence over an investee, the remaining equity is adjusted as using equity method from acquisition. When the remaining equity can no longer exercise joint control of or significant influence over an investee, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of loss of control.

When the Company can no longer exercise control over an investee due to new capital injection by other investors, and the Company can exercise joint control of or significant influence over an investee, the Company recognizes its share of the investee's new added net assets using new shareholding percentage. The difference between its new share of the investee's new added net

assets and its decreased shareholding percentage of the original investment is recognized in profit or loss. And the Company adjusts to the equity method using the new shareholding percentage as if it uses the equity method since it obtains the investment.

Unrealised profits and losses resulting from transactions between the Company and its associates or joint ventures are eliminated to the extent of the Company's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Company and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

The company disposes of the equity investment in the subsidiary step by step through multiple transactions until it loses control. If the above transaction is a package transaction, each transaction is accounted for as a transaction to dispose of the equity investment in the subsidiary and lose control. Before the loss of control, the difference between the price of each disposal and the book value of the long-term equity investment corresponding to the disposed equity is first recognized as other comprehensive income, and then transferred to the current loss or loss of control when the control is lost.

15. Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. The Company's investment properties include leased land use rights, land use right held and provided for to transfer after appreciation and leased building and construction.

Investment properties are initially measured at fair value model, the basis for accounting policy selection is

- ① There is an active properties market in the location of investment properties.
- ② The company can obtain the market price and other relevant information of similar or similar properties from the properties transaction market, so as to make a reasonable estimate of the fair value of investment properties.

The company does not accrue depreciation or amortization of investment properties, and adjusts its book value based on the fair value of the investment properties on the balance sheet date. The difference between the fair value and the original book value is included in the current profit and loss.

When determining the fair value of investment properties, the company is determined at the evaluation price of the evaluation agency.

When self-used properties or inventory is converted into investment properties, it is valued at the fair value of the conversion date. If the fair value of the conversion date is less than the original book value, the difference is included in the current profit and loss; if the fair value of the conversion

date is greater than the original book value, the difference recognized as other comprehensive income. When the investment properties is converted into self-use properties, the fair value of the conversion date is used as the book value of the self-use properties, and the difference between the fair value and the original book value is included in the current profit and loss.

When the investment properties is disposed of, or is permanently withdrawn from use and it is expected that no economic benefits can be obtained from its disposal, the confirmation of the investment properties is terminated. The income from disposal of investment properties sold, transferred, scrapped or damaged is deducted from its book value and related taxes and included in the current profit and loss.

16.Fixed assets

(1)Recognition of fixed assets

Fixed assets represent the tangible assets held by the Company for use in production of goods, use in supply of services, rental or for administrative purposes with useful lives over one accounting year, value is above RMB 2000.Fixed assets are only recognised when its related economic benefits are likely to flow to the Company and its cost can be reliably measured.

Fixed assets include buildings, machinery and equipment, motor vehicles,Office and electronic equipment and others.Fixed asset are initially measured at cost, Among them, the cost of outsourced Fixed assets includes the purchase price and import duties and other related taxes and fees, and other expenses that can be directly attributed to the asset before the Fixed assets are ready for use; the cost of self-built Fixed assets, It consists of the necessary expenditures incurred before the construction of the asset reaches the intended usable state; Fixed assets invested by investors are recorded as the value according to the value agreed in the investment contract or agreement, but the value agreed in the contract or agreement is recorded as fair value ; Fixed assets leased under finance leases shall be recorded as the lower of the fair value of the leased assets on the lease start date and the present value of the minimum lease payment.

Continued expenditures related to fixed assets, including repair expenditures, renovation and reconstruction expenditures, etc., if they meet the conditions for confirmation of fixed assets, they are included in the cost of fixed assets. For the replaced parts, the confirmation of the book value is terminated;If conditions are met, they are included in the current profit or loss when they occur.

(2)Depreciation of fixed assets

The cost of a fixed asset is depreciated using the straight-line method since the state of intended use, unless the fixed asset is fixed assets that have been fully depreciated and still in use, and the separately priced land. Not considering impairment provision, the estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

For the year ended 31 December 2020

Category	Estimated useful life(years)	Residual value rate %	Depreciation rate %
Buildings	10-40	5	2.38-9.50
Machinery and equipment	10-15	5	6.33-9.50
Motor vehicles	4-10	5	9.50-23.75
Office and electronic equipment	3-20	5	4.75-31.67
Pipe network and others	5-50	5	1.90-19.00

At the end of each year, the company reviews the estimated useful life, estimated net salvage value and depreciation method of fixed assets. If there is a change, it will be treated as a change in accounting estimates.

When the Fixed assets are disposed of, or no economic benefits are expected to be generated through use or disposal, the confirmation of the fixed assets is terminated. The amount of fixed assets sold, transferred, scrapped or damaged, after deducting its book value and related taxes, is included in the current profit and loss.

(3) Fixed assets impairment test method and impairment preparation accrual method

For the impairment of the fixed assets, please refer to Note.IV. 21. Impairment of long-term assets

(4) Recognition and measurement of fixed assets acquired under finance leases

A financial lease is a lease that substantially transfers all risks and rewards related to the ownership of assets. The ownership may or may not be transferred eventually. Depreciation is accounted for in accordance with the accounting policies of fixed assets. If there is reasonable certainty that the Company will obtain ownership of a leased asset at the end of the lease term, the leased asset is depreciated over its estimated useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and its estimated useful life.

(5) Other

Subsequent expenditures related to fixed assets, if the economic benefits related to the fixed assets are likely to flow in and their costs can be reliably measured, they are included in the cost of Fixed assets and the confirmation of the book value of the replaced part is terminated. Other follow-up expenses other than this are included in the current profit and loss when incurred.

When the Fixed assets are in the state of disposal or no economic benefits are expected to be generated through use or disposal, the confirmation of the fixed assets is terminated. The difference between the disposal income of fixed assets sold, transferred, scrapped or damaged after deducting its book value and related taxes is included in the current profit and loss.

The company will review the service life, estimated net residual value and depreciation method of the fixed assets at least at the end of the year. If there is a change, it will be treated as a change in accounting estimates.

17.Construction in progress

The cost of construction in progress is determined according to the actual project expenditure, including various project expenditures and other related expenses incurred during the construction period. The construction in progress is carried forward to fixed assets after reaching the expected usable state.

For the impairment of the Construction in progress, please refer to Note.IV. 21. Impairment of long-term assets

18.Borrowing costs

Borrowing costs include borrowing interest, amortization of discounts or premiums, ancillary expenses, and exchange differences due to foreign currency borrowings.

(1)Capitalisation criteria

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss as incurred. The capitalisation of borrowing costs shall commence only when the following criteria are met:

- ① capital expenditures have been incurred, including expenditures that have resulted in payment of cash, transfer of other assets or the assumption of interest-bearing liabilities;
- ② borrowing costs have been incurred;
- ③ the activities that are necessary to prepare the asset for its intended use or sale have commenced.

Capitalisation period The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period.

Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(3) Capitalisation rate of borrowing costs and calculation basis of capitalised amount for interest expense actually incurred on specific borrowings, the eligible capitalised amount is the net amount of the borrowing costs after deducting any investment income earned before some or all of the funds are used for expenditures on the qualifying asset. To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company shall

determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset, the capitalisation rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings specifically for the purpose of obtaining a qualifying asset.

In the capitalisation period, exchange differences of specific borrowings in foreign currency shall be capitalised; exchange differences of general borrowings in foreign currency is recognised in profit or loss for the current period.

19.Intangible assets

(1)Intangible assets

Intangible assets are identifiable non-monetary assets that are owned or controlled by the company, without physical shape.

Intangible assets are initially measured at cost. Expenditures related to intangible assets are included in the cost of intangible assets if the relevant economic benefits are likely to flow into the company and their costs can be reliably measured. Expenditure for other items is included in the current profit or loss when incurred.

Land use rights acquired are usually accounted as intangible assets. The plant and other buildings of self-development and construction, the related land use rights expenditures and building construction costs are accounted as intangible assets and fixed assets, respectively. For the purchased houses and buildings, the relevant price should be allocated between the land use rights and the buildings. If it is difficult to allocate them reasonably, all of them should be treated as fixed assets.

Intangible assets with limited useful lives are amortized by the straight line ageing average method over their expected useful lives from the moment they are available for use, less their estimated net residual value and the accumulative amount of accrued impairment losses. Intangible assets with indefinite useful lives are not amortized.

At the end of the period, the useful life and amortization method of intangible assets with limited useful life are reviewed, if any change occurs, they are treated as changes in accounting estimates. In addition, the service life of an intangible asset with an indefinite useful life is reviewed. If there is evidence that the period during which the intangible asset brings economic benefits to the enterprise is predictable, the service life of the intangible asset is estimated and the intangible asset with a finite service life is amortized as the amortization policy.

(2)Research & development expenditure

The expenditures of the company's internal research and development projects are divided into research phase expenditures and development phase expenditures.

Expenditure for the research phase is included in the current profit or loss when incurred.

Expenditure in the development phase that satisfies the following conditions at the same time is recognized as intangible assets. Expenditure at the development stage that does not satisfy the following conditions is included in the current profit and loss:

- ①.It is feasible technically to finish intangible assets for use or sale;
- ②.It is intended to finish and use or sell the intangible assets;
- ③.The ways in which intangible assets generate economic benefit includes the way that it can prove the existence of the market of the products from the intangible assets or it can prove the existence of the market of intangible assets itself. If intangible assets are used internally and it can prove their usefulness;
- ④.It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources; and
- ⑤.The development expenditures of the intangible assets can be reliably measured.

If it is not possible to distinguish between research phase expenditures and development phase expenditures, all R&D expenditures incurred should be charged to the current profit or loss.

(3) Intangible asset impairment test method and impairment provision method

As for intangible asset impairment test method and impairment provision method, please refer to Note IV 21 " Impairment of long-term assets ".

20.Long-term deferred expenses

Long-term deferred expenses are those expenses that have occurred but should be borne by the reporting period and subsequent periods with amortization period of more than one year. The company's long-term deferred expenses mainly include rent, consulting fee, decoration fee, and testing fee .Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period.

21.Impairment of long-term assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, investment properties measured using a cost model, fixed assets, construction in progress, productive biological assets measured using a cost model, intangible assets, goodwill, proven oil and gas mining rights and wells and related facilities, etc. (Excluding inventories, investment property measured using a fair value model, deferred tax assets and financial assets) is determined as follows:

At each balance sheet date, the Company determines whether there is any indication of impairment. If any indication exists, the recoverable amount of the asset is estimated. In addition, the Company estimates the recoverable amounts of goodwill, intangible assets with indefinite useful

lives and intangible assets not ready for use at each year-end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of expected future cash flows. The recoverable amount is estimated for each individual asset. If it is not possible to estimate the recoverable amount of each individual asset, the Company determines the recoverable amount for the asset group to which the asset belongs. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly.

For goodwill impairment test, the carrying amount of goodwill arising from a business combination is allocated reasonably to the relevant asset group since the acquisition date. If the carrying amount of goodwill is unable to be allocated to asset group, the carrying amount of goodwill will be allocated to asset portfolio. Asset group or portfolio of asset group is asset group or portfolio of asset group which can be benefit from synergies of a business combination and is not greater than the reportable segment of the Company.

In impairment testing, if impairment indication exists in asset group or portfolio of asset group containing allocated goodwill, impairment test is first conducted for asset group or portfolio of asset group that does not contain goodwill, and corresponding recoverable amount is estimated and any impairment loss is recognized. Then impairment test is conducted for asset group or portfolio of asset group containing goodwill by comparing its carrying amount and its recoverable amount. If the recoverable amount is less than the carrying amount, impairment loss of goodwill is recognized.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

22.Employee benefits

(1) Scope of employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employees or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Company's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

According to liquidity, employee benefits are presented as "employee benefits payable" and "long-term employee benefits payable" on the balance sheet.

(2) Short-term employee benefits

In the current period, the Company has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and corresponding costs in the profit or loss. If these liabilities are not expected to be fully paid 12 months after the end of the reporting period in which employee renders the service to the Company, and if the financial impact is significant, these liabilities shall be discounted using the net present value method.

(2) Post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate fund and will have no future obligations to pay the contributions. Defined benefit plans are post-employment benefit plans other than defined contribution plans. The Company has only defined contribution plan in place.

Defined contribution plans include primary endowment insurance, unemployment insurance.

The Company shall recognise, in the accounting period in which an employee provides service, the contribution payable to a defined contribution plan as a liability, with a corresponding charge to the profit or loss for the current period or the cost of a relevant asset.

(4) Termination benefits

The Company provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to the profit or loss for the current period, at the earlier of the following dates: When the Company cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a redundancy proposal; or when the Company recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

(5) Other long-term employee benefits

Other long-term employee benefits provided by the Company to the employees satisfied the conditions for classifying as a defined contribution plan; those benefits shall be accounted for in accordance with the above requirements relating to defined contribution plan. When the benefits satisfied a defined benefit plan, it shall be accounted for in accordance with the above requirements relating to defined benefit plan, but the movement of net liabilities or assets in re-measurement of defined defined benefit plan shall be recorded in profit or loss for the current period or cost of relevant assets.

23. Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

- (1) The Company has a present obligation;
 - (2) It is probable that an outflow of economic benefits will be required to settle the obligation;
- and
- (3) The amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Company reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amount shall not exceed the carrying amount of the provision.

(1) Loss contract

A loss contract is a contract that inevitably costs more than expected economic benefits in fulfilling contractual obligations. If the contract to be executed becomes a loss contract, and the obligations arising from the loss contract meet the above-mentioned conditions for confirming the estimated liability, the portion of the contract's estimated loss exceeding the confirmed impairment loss (if any) of the target asset of the contract is recognized as an estimated liability.

(2) Restructuring obligations

For a detailed, formal and publicly announced restructuring plan, when the aforementioned conditions for confirming the expected liabilities are met, the estimated liability amount is determined based on the direct expenditure related to the restructuring. Regarding the reorganization obligation to sell part of the business, only when the company promises to sell part of the business (that is, when the binding sale agreement is signed), the obligation related to the reorganization will be confirmed.

24. Share-based Payment

(1) Accounting treatment method of share-based payment

The term "share-based payment" refers to a transaction in which an enterprise grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employee or

other parties. The share-based payments shall consist of equity-settled share-based payments and cash-settled share-based payments.

①. Equity-settled share-based payment

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. When the service in vesting period is completed or the specified performance conditions are met for exercisable right, based on the best estimate of the quantity of exercisable right equity instruments in vesting period, the fair value amount is included in relevant costs or expenses by straight-line method calculation/in case of immediately exercising the right after granting, it is included in relevant costs or expenses on the grant date, and capital reserve is increased accordingly.

On each balance sheet date during the vesting period, the company makes the best estimate based on the latest information of exercisable right, staff number change and other subsequent information, and modifies the expected number of exercisable right equity instruments. The impact of aforesaid estimates is included in the current relevant costs or expenses, and the capital reserve is adjusted accordingly.

As for equity-settled share-based payment in exchange for other party's service, if the fair value of other party's service can be reliably measured, it is measured as per the fair value of other party's service on the acquisition date; if the fair value of other party's service cannot be reliably measured, but the fair value of equity instruments can be reliably measured, it is measured as per the fair value of equity instruments on the service acquisition date, and included in relevant cost or expense, which increases the owner's equity accordingly.

When the fair value of granted equity instruments cannot be reliably measured, it shall be measured as per the inner value of equity instruments on the service acquisition date, subsequent each balance sheet date and settlement date, and the inner value changes are included in current profits and losses.

②. Cash-settled share-based payment

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the enterprise. . In case of immediately exercising the right after granting, it is included in relevant costs or expenses on the granting date, and liabilities are increased accordingly; if the right may not be exercised until the service in vesting period is completed or the specified performance conditions are met, on each balance sheet date within the vesting period, based on the best estimate of exercisable right status, the service obtained in the current period shall be included in costs or expenses, as per the fair value of liabilities undertaken by the enterprise, and liabilities are increased accordingly.

The company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes in the current profits and losses.

(2) Relevant accounting treatment of share-based payment plan modification and termination

When the company modifies the share-based payment plan, if the modification increases the fair value of granted equity instruments, the increase of service is recognized according to increased fair value of equity instruments. The increased fair value of equity instruments refers to the difference between fair value of equity instruments on the modification date before and after the modification. If the modification reduces total fair value of share-based payment or adopts other methods unfavorable to employees, accounting treatment will continuously be carried out on the obtained service, and such change is deemed as never occurred, unless the company has canceled a part or all of the granted equity instruments.

During the vesting period, if the granted equity instruments are cancelled, the company makes acceleration of exercisable right on the canceled and granted equity instruments, the amount that shall be recognized in the remaining vesting period will be immediately included in the current profits and losses, and the capital reserve is simultaneously recognized. If employees or other party can choose to meet non-vesting conditions but fails to meet in the vesting period, the company will treat it as cancellation of equity instruments.

(3) Accounting treatment of share-based payment transaction involving the company and its shareholders or actual controllers

For share-based payment transaction involving the company and its shareholders or actual controllers, if either the settlement enterprise or the service-accepting enterprise is inside the company, and the other is outside the company, accounting treatment shall be performed in the consolidated financial statement of the company according to the following regulations:

①. If the settlement enterprise settles by its own equity instruments, the share-based payment transaction shall be treated as equity-settled share-based payment; otherwise, it is treated as cash-settled share-based payment.

If the settlement enterprise is an investor of the service-accepting enterprise, it shall recognize long-term equity investment of the service-accepting enterprise as per fair value of equity instruments on the grant date or fair value of liabilities borne, and simultaneously recognize capital reserve (other capital reserves) or liabilities.

②. If the service-accepting enterprise has no settlement obligation or grants its own equity instruments to the company employees, such share-based payment transaction shall be treated as equity-settled share-based payment; if the service-accepting enterprise has settlement obligation and

does not grant its own equity instruments to the company employees, such share-based payment transaction shall be treated as cash-settled share-based payment.

For share-based payment transaction between enterprises inside the company, if the service-accepting enterprise and the settlement enterprise are not the same enterprise, the recognition and measurement of such share-based payment transaction is treated by the above principle in the respective individual financial statement of the service-accepting enterprise and the settlement enterprise.

25. Preferred Stock, Perpetual bond and other financial instruments

(1) Distinction between perpetual bond and preferred stock

The financial instruments issued by the company, such as perpetual bond and preferred stock that meet the following conditions are regarded as equity instruments:

①. Such financial instruments do not include contractual obligations to deliver cash or other financial assets to the other party or exchange financial assets or financial liabilities with other parties under potentially adverse conditions;

②. If such financial instruments must or may be settled by using the company's own equity instruments in the future, and if such financial instruments are underivative instruments, they exclude the contractual obligations to deliver variable number of own equity instruments for settlement; if they are derivative instruments, the company can only settle such financial instruments by exchanging fixed amount of cash or other financial assets with fixed number of own equity instruments.

Except for the financial instruments classified as equity instruments under the above conditions, other financial instruments issued by the company shall be classified as financial liabilities.

If the financial instruments issued by the company are compound financial instruments, they are recognized as a liability as per the fair value of liability part, and recognized as "other equity instruments" as per the actually received amount deducting the fair value of liability part. The transaction costs incurred for issuing compound financial instrument are apportioned between liability component and equity component as per their respective proportion to the total issuance price.

(2) Accounting method for perpetual bond and preferred stock

Financial instruments such as perpetual bonds and preferred stocks categorized as financial liabilities, their relevant interests, dividends (or stock dividends), gains or losses, as well as gains or losses arising from redemption or refinancing, etc, except for the borrowing cost eligible for capitalization (see Note IV 18 "Borrowing cost"), are included in the current profits and losses.

For the financial instruments of perpetual bond, preferred stock, etc classified as equity instruments, during their issuance (including refinancing), repurchase, sale or cancellation, the company handles as equity changes, and related transaction costs are also deducted from equity. The company's distribution to holders of equity instruments is regarded as profit distribution.

The company does not recognize the fair value changes of equity instruments.

26.Revenue

The company's operating income mainly includes income from the sale of goods, income from the provision of labor services, income from the transfer of asset use rights and income from construction contracts. The recognition principles are as follows:

(1)Sale of goods

Revenue is recognised when all the following conditions are satisfied: significant risks and rewards of ownership of goods have been transferred to the buyer; the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; it is probable that the economic benefits will flow to the Company; and the revenue and costs can be measured reliably.

(2)Rendering of services

Where the outcome of a transaction involving the rendering of services can be estimated reliably, revenue is recognised by reference to the stage of completion.

The stage of completion is based on the proportion of costs incurred to date to the estimated total costs.

Rendering of services can be estimated reliably when all the following conditions are satisfied:

- A. The revenue can be measured reliably;
- B. It is probable that the economic benefits will flow to the Company;
- C. The stage of completion can be measured reliably;
- D. The costs incurred and to be incurred in the transaction can be measured reliably.

Where the outcome cannot be estimated reliably, revenues are recognised to the extent of the costs incurred that are expected to be recoverable, and an equivalent amount is charged to profit or loss as service cost; otherwise, the costs incurred are recognised in profit or loss and no service revenue is recognised.

The contract or agreement between the company and other enterprises includes the sale of goods and the provision of labor services. If the sales of goods and the provision of services can be distinguished and measured separately, the sales of goods and the provision of services shall be treated separately; If the labor service part cannot be distinguished, or if it can be distinguished but cannot be measured separately, all the contracts are treated as sales commodities.

(3)Revenue from construction contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract expenses associated with the construction contract are recognised using the percentage of completion method. When the outcome of a construction contract cannot be estimated reliably, if the contract costs can be recovered, revenue is recognised to the extent of contract costs incurred that can be recovered, and the contract costs are recognised as contract expenses when incurred; otherwise, the contract costs are recognised as contract expenses immediately when incurred, and no contract revenue is recognised.

If the estimated total costs exceed contract revenue, the Company recognises estimated loss in profit or loss for the current period.

The stage of completion of a contract is determined based on the proportion of contract costs incurred for work performed to date to the completion of a physical proportion of the contract work.

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- A. The contract revenue can be measured reliably;
- B. It is probable that the economic benefits will flow to the Company;
- C. The actual contract costs incurred can be distinguished clearly and measured reliably;
- D. The completion progress of the contract and the costs need to be incurred to complete the contract can be measured reliably.

The accumulated costs incurred in the contract under construction, the accumulated confirmed gross profit (loss) and the settled price are listed in the balance sheet as the net amount after offset. The portion of the sum of the accumulated costs of the contract under construction and the accumulated confirmed gross profit (loss) that exceeds the settled price is listed as Inventories; the price of the contract under construction exceeds the accumulated cost and accumulated confirmed gross profit (The sum of the losses) is listed as Advances from customers.

(4)Royalty income

According to relevant contracts or agreements, revenue is recognized on an accrual basis.

(5)Interest income

It is calculated and determined according to the time when others use the company's currency funds and the actual interest rate.

27.Government grants

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value. If fair value cannot be reliably determined, it is measured at a nominal amount of RMB 1.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

For government grants with unspecified purpose, the amount of grants used to form a long-term asset is regarded as government grants related to an asset, the remaining amount of grants is regarded as government grants related to income. If it is not possible to distinguish, the amount of grants is treated as government grants related to income. A government grant related to an asset is offset against the carrying amount of the related asset, or recognised as deferred income and amortised to profit or loss over the useful life of the related asset on a reasonable and systematic manner. A grant that compensates the Group for expenses or losses already incurred is recognised in profit or loss or offset against related expenses directly. A grant that compensates the Group for expenses or losses to be incurred in the future is recognised as deferred income, and included in profit or loss or offset against related expenses in the periods in which the expenses or losses are recognised.

A grant related to ordinary activities is recognised as other income or offset against related expenses based on the economic substance. A grant not related to ordinary activities is recognised as non-operating income. When a recognised government grant is reversed, carrying amount of the related asset is adjusted if the grant was initially recognized as offset against the carrying amount of the related asset. If there is balance of relevant deferred income, it is offset against the carrying amount of relevant deferred income. Any excess of the reversal to the carrying amount of deferred income is recognised in profit or loss for the current period. For other circumstances, reversal is directly recognized in profit or loss for the current period.

28. Deferred income tax assets/deferred income tax liabilities

(1) Current income tax

On the balance sheet date, the current income tax liabilities (or assets) formed in current and prior period are measured at the expected amount of income tax payable (or refundable) calculated in accordance with the tax law. The taxable income on which the calculation of current income tax expenses is based is calculated after corresponding adjustment to the pre-tax accounting profit in the reporting period pursuant to relevant tax laws.

(2) Deferred income tax assets/deferred income tax liabilities

For the gap between Carrying amount of some assets and liabilities and their tax basis, as well as the temporary difference arising from the gap between Carrying amount of the items which are not recognized as assets and liabilities but whose taxable basis can be determined according to the tax law, the balance sheet liability method is used to recognize deferred income tax assets and deferred income tax liabilities.

For the taxable temporary difference related to initial recognition of goodwill and initial recognition of assets or liabilities arising from the trade, instead of enterprise consolidation, unaffffecting accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax liabilities are not recognized. In addition, for the taxable temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the company is able to control the time of temporary difference return, and such temporary difference is unlikely to reverse in the foreseeable future, relevant deferred income tax liabilities are not recognized as well. Except for the above exceptions, the company recognizes deferred income tax liabilities arising from all other taxable temporary differences.

For the deductible temporary difference related to initial recognition of assets or liabilities arising from the trade, instead of enterprise consolidation, unaffffecting accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax assets are not recognized. In addition, for the deductible temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the temporary difference is unlikely to reverse in the foreseeable future, or the taxable income is unlikely to acquire to offset the deductible temporary difference in the future, relevant deferred income tax assets are not recognized. Except for the above exceptions, the company recognizes deferred income tax assets arising from other deductible temporary differences, limited to the taxable income that is likely to obtain to offset the deductible temporary difference.

For the deductible losses and tax credits that can be carried forward in subsequent years, relevant deferred income tax assets are recognized, limited to the future taxable income that is likely to obtain to offset the deductible losses and tax credits.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured as per the applicable tax rate during the period of expected recovery for relevant assets or liquidation of relevant liabilities, according to the tax law.

On the balance sheet date, the Carrying amount of deferred income tax assets is reviewed; if it is likely not to obtain sufficient taxable income to offset the benefits of deferred income tax assets in the future, the Carrying amount of deferred income tax assets shall be written off. If it is likely to obtain sufficient taxable income, the write-off amount may be reversed.

(3)Income tax expenses

Income tax expenses include current income tax and deferred income tax.

Except that the current income tax and deferred income tax recognized as other comprehensive revenue or related to the transaction and matter directly included in shareholder's equity are charged to other comprehensive revenue or shareholder's equity, as well as the deferred income tax arising from enterprise consolidation to adjust Carrying amount of goodwill, other current income tax and deferred income tax expenses or revenues are charged to current profits and losses.

(4)Income tax offsetting

When having legitimate right of net settlement, and intending to execute net settlement or concurrently obtaining assets and settling liabilities, the company's current income tax assets and current income tax liabilities shall be reported at the net amount after offsetting.

When having legitimate right of net settlement for current income tax assets and current income tax liabilities, and the deferred income tax assets and deferred income tax liabilities are related to the income tax levied on the same taxpayer by the same tax collection department or related to different taxpayers, but in every future period of reversal for the important deferred income tax assets and liabilities, the involved taxpayer intends to execute net settlement of current income tax assets and liabilities or simultaneously obtains assets and settles liabilities, the company's deferred income tax assets and deferred income tax liabilities are reported at the net amount after offsetting.

29.Operating leases and finance leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset to the lessee. An operating lease is a lease other than a finance lease.

(1)As a lessor

At the commencement of the lease term, the Company recognises the aggregate of the minimum lease receipts determined at the inception of a lease and the initial direct costs as finance lease receivable, and recognises unguaranteed residual value at the same time. The difference between the aggregate of the minimum lease receipts, the initial direct costs and the unguaranteed residual value, and the aggregate of their present value is recognised as unearned finance income. Unearned finance income is allocated to each accounting period during the lease term using the effective interest method.

Income derived from operating leases is recognised in profit or loss using the straight-line method over the lease term. Initial direct costs are charged to profit or loss immediately.

(2)As a lessee

When the Company acquires an asset under a finance lease, the asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments, each

determined at the inception of the lease. At the commencement of the lease term, the minimum lease payments are recorded as long-term payables. The difference between the carrying amount of the leased assets and the minimum lease payments is accounted for as unrecognised finance charges. Initial direct costs attributable to a finance lease that are incurred by the Company are added to the carrying amount of the leased asset. Unrecognised finance charges arising from a finance lease are recognised using an effective interest method over the lease term. Depreciation is accounted for in accordance with the accounting policies of fixed assets.

Rental payments under operating leases are recognised as part of the cost of another related asset or as expenses on a straight-line basis over the lease term. Initial direct costs are charged to profit or loss immediately.

30. Other important accounting policies and accounting estimates

Discontinued operations

Discontinued operations refer to the integral part that meets one of the following conditions, has been disposed of or classified as held-for-sale by the company and can be separately classified during operation and preparation of financial statement: ① this integral part represents an independent primary business or a major operating area; ② this integral part is an intended part of disposal plan on an independent primary business or a major operating area; ③ this integral part is a subsidiary acquired solely for resale.

31. Changes in significant accounting policies , accounting estimates and correction of errors in prior periods

(1) Changes in significant accounting policies

The company has not experienced any changes in significant accounting policies during the year.

(2) Changes in significant accounting estimates

The company has not experienced any significant changes in accounting estimates during the year.

32. Significant accounting estimates and judgments

Estimates as well as underlying assumptions involved are reviewed on an ongoing basis, based on historical experience and other factors, including reasonableness of estimation about future events. In the process of applying accounting policies, due to internal uncertainties of operating activities, the company needs to make judgments, estimates and assumptions on the book value of report items that cannot be accurately measured. These judgments, estimates and assumptions are made based on past experience of the company executives, and considering other relevant factors. These judgments, estimates and assumptions affect the reporting amount of incomes, expenses, assets and liabilities, as

well as disclosure of contingent liabilities on the balance sheet date. Nevertheless, the actual results caused by uncertainties of these estimates may be different from current estimates of the company executives, and further cause significant adjustment on the book value of affected assets or liabilities in the future.

The followings are significant accounting estimations and key assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

On the balance sheet date, important areas for the company's judgments, estimates and assumptions on financial statement item amount are as follows:

(1) Revenue recognition-construction contract

When the results of the construction contract can be reliably estimated, the company uses the percentage of completion method to recognize contract revenue on the balance sheet date. The completion percentage of the contract is confirmed in accordance with the method described in Note IV.26. Revenue of this Note, and is calculated cumulatively in each fiscal year in which each construction contract is executed.

When determining the percentage of completion, contract costs incurred, estimated total contract revenue and total costs, and contract recyclability, significant judgement is required. Item management mainly relies on past experience and work to make judgments. It is expected that the total contract revenue and total costs, as well as the estimated changes in contract execution results, may affect the operating income, operating costs, and profit and loss of the current or future periods, and may have a significant impact.

(2) Lease classification

The company classifies leases as operating leases and financial leases in accordance with the provisions of "Accounting Standards for Business Enterprises No. 21-Leases". During the classification, the management needs to determine whether all risks related to the ownership of leased assets have been and remuneration is transferred to the lessee in substance, or whether the company has substantially assumed all risks and rewards related to the ownership of leased assets, and make an analysis and judgment.

(3) Accrued provision for bad debts

The company uses the allowance method for bad debt accounting, according to accounting policy of account receivable. The impairment of account receivable is based on assessing the recoverability of account receivable. To identify impairment of account receivable requires judgments and estimates of executives. The difference between actual result and original estimate

will affect the book value of account receivable, as well as the reversal and accrued provision for bad debts of account receivable during the period of estimates changed.

(4) Inventory falling price reserves

The company measures as per the lower of cost and net realizable value, and makes provision for inventory devaluation to the obsolete and unsalable inventory of which the cost exceeds the net realizable value, according to inventory accounting policy. The inventory devaluation to net realizable value is based on assessing the saleability of inventory and its net realizable value. To identify inventory devaluation requires judgments and estimates of executives based on obtaining conclusive evidence, and considering the purpose of holding inventory, influence of events after balance sheet date and other factors. The difference between actual result and original estimate will affect the Carrying amount of inventory, as well as the reversal or accrued provision for inventory devaluation during the period of estimates changed.

(5) Fair value of financial instruments

For the financial instruments unavailable on active trading market, the company determines its fair value through various valuation methods. These valuation methods include discounted cash flow model analysis, etc. At the time of valuation, the company needs to estimate future cash flow, credit risk, market volatility rate, correlation, etc, and choose the appropriate discount rate. These relevant assumptions are uncertain and their changes will have an impact on the fair value of financial instruments.

(6) Held-to-maturity investments

The company categorizes the non-derivative financial assets that have fixed or determinable repayment amount, fixed maturity date and meet the criteria and that the company has a clear intention and ability to hold to maturity, as held-to-maturity investments. Such categorizing work involves a lot of judgment. In the process of making judgment, the company assesses the willingness and ability of holding such investment to the maturity date. Except in certain circumstances (such as selling an insignificant amount of investment when approaching the maturity date), if the company fails to hold these investments to the maturity date, all such investments must be re-categorized as available-for-sale financial assets, and such financial assets may not be divided into held-to-maturity investments in the current fiscal year and the following two full fiscal years. This case may exert a significant impact on the value of relevant financial assets presented in the financial statement, and affect the corporate strategy of financial instrument risk management.

(7) Held-to-maturity investment impairment

The company determines whether the held-to-maturity investments are impaired largely based on judgment of the management level. Objective evidences of impairment include serious financial

difficulties of the issuer preventing the financial assets from continuous transaction on the active market and causing failure to perform the contract (e.g.: payment of interests or principal in breach of contract), etc. In the process of making judgment, the company needs to assess the impact of objective impairment evidences on the expected future cash flow of such investments.

(10) Depreciation and amortization

After considering the residue value of investing properties, fixed assets and intangible assets, the company uses straight line method for depreciation and amortization provision in the service life. The company regularly reviews the service life, to determine the amount of depreciation and amortization expenses included in each reporting period. The service life is determined by the company based on past experience of similar assets and combined with expected technical updates. In case of significant change in previous estimates, the depreciation and amortization expenses will be adjusted in the future.

(11) Development expenditure

When determining the amount of capitalization, the management of the company needs to make assumptions about the expected future cash flow of the asset, the applicable discount rate and the expected benefit period.

(12) Deferred income tax assets:

Insofar as it is highly probable to offset losses with sufficient taxable profits, the company recognizes deferred income tax assets with all unused tax losses. This requires the company executives to use a large number of judgments to estimate the time and amount of future taxable profits, and combine the tax planning strategy, to determine the amount of deferred income tax assets that shall be recognized.

(13) Income tax

In normal operating activities of the company, final tax treatment and calculation of some transactions have certain uncertainties. Whether some items can be listed as pre-tax shall gain approval of the tax authority. If there is difference between the final recognized result of these taxation matters and the originally estimated amount, such difference will have an impact on the current income tax and deferred income tax during the period of final recognition.

(14) Internal retirement benefits and supplementary retirement benefits

The amount of internal retirement benefits and supplementary retirement welfare expenses and liabilities of the company is determined based on various assumptions. These assumptions include discount rate, average medical cost growth rate, subsidy growth rate for retired and retired personnel, and other factors. The difference between the actual result and the hypothesis will be confirmed immediately when it occurs and included in the current year's expenses. Although management

believes that reasonable assumptions have been adopted, changes in actual empirical values and assumptions will still affect the company's internal retirement benefits and supplementary retirement benefits expenses and liability balances.

(15) Provisions

Based on the contract terms, existing knowledge and historical experience, the company estimates and makes corresponding preparations for product quality assurance, estimated contract losses, and late delivery penalty. In the event that such contingent matters have formed a current obligation, and the performance of such current obligations is likely to cause economic benefits to flow out of the company, the company's best estimate of the contingencies in accordance with the relevant current obligation to spend Confirmed as estimated liabilities. The recognition and measurement of expected liabilities depend to a large extent on management's judgment. In the judgment process, the company needs to assess the risks, uncertainties and time value of money related to these contingencies.

Among them, the company will commit to the estimated liabilities for after-sale quality maintenance provided to customers for the sale, repair and renovation of the goods sold. The company's recent maintenance experience data has been taken into account when estimating debt, but the recent maintenance experience may not reflect future maintenance. Any increase or decrease in this provision may affect the profit or loss in future years.

(16) Fair value measurement

Certain assets and liabilities of the company are measured at fair value in the financial statements. The company's board of directors has established a valuation committee (the valuation committee is led by the company's chief financial officer) to determine appropriate valuation techniques and inputs for fair value measurement. When making an estimate of the fair value of an asset or liability, the company uses available observable market data. If the input value of the first level cannot be obtained, the company will hire a third-party qualified appraiser to perform the valuation. The valuation committee works closely with qualified external valuers to determine appropriate valuation techniques and input values for related models. The Chief Financial Officer reports the findings of the Valuation Committee to the company's board of directors quarterly to explain the causes of fluctuations in the fair value of related assets and liabilities. Relevant information about the valuation techniques and input values used in the process of determining the fair value of various assets and liabilities are disclosed in the notes.

V. Taxation

1. Main types of taxes and corresponding tax rates

Categories of taxes	Tax basis	Tax rate
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For the year ended 31 December 2020

Categories of taxes	Tax basis	Tax rate
VAT	Taxable income	16%、13%、10%、9%、6%、5%、3% etc.
City maintenance and construction tax	Amount of VAT paid	7%
Corporate income tax	Taxable profits	25%
Educational surcharge	Amount of VAT paid	3%
Local education surcharge	Amount of VAT paid	2%
Property tax	Property's rental income or the residual value from original value less the deducting proportion(30%)	1.2% , 12%
Land value added tax	Value added from real estate transfer	Progressive tax rate, 2% advance payment of income

Note: Nanjing Jiangbei New District Industrial Investment Group Co., Ltd., a subsidiary of the Company, was originally engaged in the business tax on the income of the house leasing business at the rate of 5%. According to the "Notice on the Comprehensive Promotion of the Pilot Change of Business Tax to VAT" (Caishui [2016] No. 36) and other relevant regulations, the company's income from rent business will be changed to VAT from May 1, 2016. For the simple collection method, the tax rate is 5%. The income from engaging in construction business was originally subject to business tax at 3%. Since May 1, 2016, the value-added tax was changed to a simple collection method with a tax rate of 3%.

2. Tax preference

①Nanjing Gaoxin Water Co., Ltd., a subsidiary company of the company, is engaged in the sewage treatment business, which complies with the provisions of the Notice of the Ministry of Finance and the State Administration of Taxation on Issuing the "Catalogue of Preferential Value-Added Tax on Resources Comprehensive Utilization Products and Services" (Cai Shui [2015] No. 78). Enjoy the VAT pay-as-you-go policy, with a tax refund rate of 70%.

②Nanjing Shoulu Environmental Technology Co., Ltd., a subsidiary of the company, is engaged in the comprehensive utilization of construction (construction) waste and coal gangue production of construction sand and gravel aggregate products. According to the notice (Cai Shui [2015] No. 78) of the "Preferential Catalogue", the VAT tax refund policy is provided, and the tax refund rate is 50%.

③Nanjing Shoulu Environmental Technology Co., Ltd., a subsidiary of the company, complies with the regulations of the Ministry of Finance and the State Administration of Taxation and the National Development and Reform Commission issued by the National Development and Reform

Commission. Starting from the tax year to which a production and operation income belongs, the corporate income tax will be exempt from the first to the third year, and the corporate income tax will be halved from the fourth to the sixth year. This notice will be implemented as of January 1, 2016.

④According to the Tax Matters Notice issued by the State Taxation Bureau of Luhe District, Nanjing City on August 28, 2017 (LuGuoShui Shui Tong [2017] No. 26572), a subsidiary of Nanjing Yangzi Yuanxiang Construction Development Co., Ltd., a subsidiary of the company The self-produced agricultural products of Nanjing Zaohewan Agricultural Development Co., Ltd. are exempt from VAT.

The company's subsidiary Nanjing Yangzi Yuanxiang Construction and Development Co., Ltd., a subsidiary of Nanjing Zaohewan Agricultural Development Co., Ltd., is exempt from corporate income tax on income from agricultural production.

VI. Notes to the consolidated financial statements

1. Cash at bank and in hand

(1) Cash at bank and in hand balance

Item	As at 31/12/2020	As at 31/12/2019
Cash in hand	395,348.94	607,395.89
Deposits with banks	44,913,960,066.96	27,228,753,185.79
Other monetary funds	1,044,138,628.24	4,983,091,971.74
Total	45,958,494,044.14	32,212,452,553.42
Including: the total amount of funds deposited abroad		

Note: At the end of year 2020, other currency funds includes margin deposits of RMB 6,668,521.17, deposits of investment funds of RMB 8,791,711.58, time deposits of RMB 708,160,973.98, structured deposits of RMB 320,000,000.00, and deposits in transit of RMB 517,421.51.

(2) Restrictions of cash and other monetary fund use at the end of the year

Item	As at 31/12/2020	As at 31/12/2019
Margin	4,661,391.23	406,089,060.17
Pledge of fixed deposit		290,000,000.00
Acceptance deposit		22,186,718.47
Dedicated bond account deposit	94,523,748.27	
Total	99,185,139.50	718,275,778.64

2. Financial assets at fair value through profit or loss

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Financial assets held for trading	5,798,802.00	35,585,124.00
Including: Investment in debt instruments		
Investment in equity instruments	5,798,802.00	35,585,124.00
Total	5,798,802.00	35,585,124.00

3. Bills receivable

(1) Disclosure of bills receivable

Classification	As at 31/12/2020	As at 31/12/2019
Bank acceptance bills	1,200,000.00	
Commercial acceptance bills	1,582,327.58	
Total	2,782,327.58	

(2) There is no outstanding endorsed or discounted bills that have not matured at the end of the year

4. Accounts receivable

(1) Accounts receivable by category

Category	As at 31/12/2020				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Individually significant and assessed for impairment individually	8,189,795.93	0.10	6,078,567.45	74.22	2,111,228.48
Collectively assessed for impairment based on credit risk characteristics	7,860,579,801.07	99.89	38,565,439.83	0.49	7,822,014,361.24
Including: Ageing group	371,124,789.74	4.72	38,565,439.83	10.39	332,559,349.91
Other group	7,489,455,011.33	95.17			7,489,455,011.33
Individually insignificant but assessed for impairment individually	489,435.85	0.01	489,435.85	100.00	
Total	7,869,259,032.85	100.00	45,133,443.13	0.57	7,824,125,589.72

(Continued)

Category	As at 31/12/2019				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Individually significant and assessed for impairment	19,000,000.00	0.37	19,000,000.00	100.00	

For the year ended 31 December 2020

Category	As at 31/12/2019				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
individually					
Collectively assessed for impairment based on credit risk characteristics	5,112,292,788.14	99.63	21,674,040.93	0.42	5,090,618,747.21
Including: Ageing group	166,185,757.69	3.24	21,674,040.93	13.04	144,511,716.76
Other group	4,946,107,030.45	96.39			4,946,107,030.45
Individually insignificant but assessed for impairment individually					
Total	5,131,292,788.14	100.00	40,674,040.93	0.79	5,090,618,747.21

A. Provision for bad and doubtful debts for accounts receivable which are individually significant and assessed for impairment individually

Debtor	As at 31/12/2020			
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)	Rationale of provision
Nanjing Jinkou Machinery Group Co., Ltd.	5,299,986.01	3,188,757.53	60.17	Exceeding the value of the collateral
Nanjing Saikente Import and Export Co., Ltd.	1,063,266.78	1,063,266.78	100.00	Exceeding the value of the collateral
Nanjing Chengqiao Tongli Concrete Co., Ltd.	1,826,543.14	1,826,543.14	100.00	Exceeding the value of the collateral
Total	8,189,795.93	6,078,567.45	—	—

B. Accounts receivable which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2020		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)
Within 1 year	316,654,907.29		

For the year ended 31 December 2020

Ageing	As at 31/12/2020		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
1 to 2 years	9,376,671.23	468,833.57	5.00
2 to 3 years	6,083,374.14	608,337.41	10.00
3 to 4 years	1,291,472.80	387,441.85	30.00
4 to 5 years	1,235,074.57	617,537.29	50.00
More than 5 years	36,483,289.71	36,483,289.71	100.00
Total	371,124,789.74	38,565,439.83	—

(Continued)

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	133,148,619.04		
1 to 2 years	8,929,853.25	446,492.66	5.00
2 to 3 years	1,856,179.41	185,617.95	10.00
3 to 4 years	1,239,774.57	371,932.38	30.00
4 to 5 years	682,666.96	341,333.48	50.00
More than 5 years	20,328,664.46	20,328,664.46	100.00
Total	166,185,757.69	21,674,040.93	—

(2) Additions, recoveries or reversals of provision for bad and doubtful debts during the year:

Additions of provision for bad and doubtful debts during the year is RMB 4,459,402.20.

(3) No accounts receivable written off during this year.

(4) As at 31 December 2020, the five largest accounts receivable aggregated by debtors were analysed as follows:

Debtor	As at 31/12/2020	The proportion of the total accounts receivable (%)	Provision for bad and doubtful debts
Nanjing High-tech Industrial Development Zone Management Committee	2,657,144,590.89	33.77	
Management Office of Industrial Technology Research and Innovation Park, Jiangbei New District, Nanjing	1,368,692,188.85	17.39	
Finance Bureau of Nanjing Jiangbei New District	774,649,252.48	9.84	

For the year ended 31 December 2020

Debtor	As at 31/12/2020	The proportion of the total accounts receivable (%)	Provision for bad and doubtful debts
Management Committee			
Nanjing Chemical Industry Park Management Committee	693,558,360.60	8.81	
Changlu Sub-district Office, People's Government of Luhe District, Nanjing	348,126,490.05	4.42	
Total	5,842,170,882.87	74.23	

5. Prepayments

(1) The ageing analysis of prepayments is as follows:

Ageing	As at 31/12/2020		As at 31/12/2019	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	2,185,921,557.22	50.84	2,566,147,974.10	57.55
1 to 2 years	512,632,018.33	11.92	1,600,636,401.07	35.89
2 to 3 years	1,414,668,887.84	32.90	37,719,096.57	0.85
More than 3 years	186,338,075.88	4.34	254,523,342.48	5.71
Total	4,299,560,539.27	100.00	4,459,026,814.22	100.00

(2) Significant prepayments ageing over 1 year:

Debtor	As at 31/12/2020	Reasons for unsettlement
Levy Management Center of Jiangbei New District, Nanjing	708,055,500.00	Not settled
Finance Office, Xingdian Sub-district Office, People's Government of Pukou District, Nanjing	44,770,000.00	Not settled
Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	40,000,000.00	Not settled
Nanjing Pukou Kangju Construction Group Co., Ltd.	28,142,430.00	Not settled
Jinrun Construction Group Co., Ltd.	20,000,000.00	Not settled
Total	840,967,930.00	

(3) As at 31 December 2020, the five largest prepayments aggregated by debtors were analysed as follows:

For the year ended 31 December 2020

Debtor	As at 31/12/2020	The proportion of other total receivables (%)
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	914,020,000.00	21.26
Levy Management Center of Jiangbei New District, Nanjing	708,055,500.00	16.47
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	273,346,475.00	6.36
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I Enterprise (Limited Partnership)	272,165,055.55	6.33
Public Works Construction Center of Jiangbei New District, Nanjing	224,603,515.21	5.22
Total	2,392,190,545.76	55.64

6. Other receivables

Item	As at 31/12/2020	As at 31/12/2019
Other receivables	20,721,511,415.91	21,091,209,435.34
Interest receivable	27,703,071.82	32,403,977.47
Dividends receivable	516,011,095.12	425,864,825.13
Total	21,265,225,582.85	21,549,478,237.94

(1) Other receivables

① Other receivables by category

Category	As at 31/12/2020				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision(%)	
Individually significant and assessed for impairment individually	93,967,109.47	0.45	93,967,109.47	100.00	
Collectively assessed for impairment based on credit risk characteristics	20,824,437,163.43	99.55	102,925,747.52	0.49	20,721,511,415.91
Including: Ageing group	1,839,859,874.14	8.80	102,925,747.52	5.59	1,736,934,126.62
Other group	18,984,577,289.29	90.75			18,984,577,289.29

For the year ended 31 December 2020

Category	As at 31/12/2020				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Individually insignificant but assessed for impairment individually	1,036,773.72	0.00	1,036,773.72	100.00	
Total	20,919,441,046.62	100.00	197,929,630.71	0.95	20,721,511,415.91

(Continued)

Category	As at 31/12/2019				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Individually significant and assessed for impairment individually	15,000,000.00	0.07	15,000,000.00	100.00	
Collectively assessed for impairment based on credit risk characteristics	21,185,256,130.19	99.55	94,046,694.85	0.44	21,091,209,435.34
Including: Ageing group	975,290,267.64	4.58	94,046,694.85	9.64	881,243,572.79
Other group	20,209,965,862.55	94.97			20,209,965,862.55
Individually insignificant but assessed for impairment individually	79,698,617.16	0.37	79,698,617.16	100.00	
Total	21,279,954,747.35	100.00	188,745,312.01	0.89	21,091,209,435.34

A. Provision for bad and doubtful debts for other receivables which are individually significant and assessed for impairment individually

Debtors	As at 31/12/2020			
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)	Rationale of provision
Nanjing Luhe Economic and Technological Development Corporation	15,000,000.00	15,000,000.00	100.00	Funds cannot be recovered
Gaoxin Foreign Economic and Technical Cooperation Co., Ltd.	25,000,000.00	25,000,000.00	100.00	Long-term closure

For the year ended 31 December 2020

Debtors	As at 31/12/2020			
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)	Rationale of provision
Nanjing High-Tech Economic Development Co., Ltd.	53,967,109.47	53,967,109.47	100.00	Long-term closure
Total	93,967,109.47	93,967,109.47	—	—

B. Other receivables which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2020		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	1,621,148,896.53		
1 to 2 years	61,923,226.70	3,096,161.34	5.00
2 to 3 years	14,436,666.33	1,443,666.63	10.00
3 to 4 years	59,668,744.56	17,900,623.37	30.00
4 to 5 years	4,394,087.69	2,197,043.85	50.00
More than 5years	78,288,252.33	78,288,252.33	100.00
Total	1,839,859,874.14	102,925,747.52	—

(Continued)

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	764,991,200.24		
1 to 2 years	48,816,531.36	2,440,826.58	5.00
2 to 3 years	66,582,514.56	6,658,251.46	10.00
3 to 4 years	11,671,898.41	3,501,569.52	30.00
4 to 5 years	3,564,151.57	1,782,075.79	50.00
More than 5years	79,663,971.50	79,663,971.50	100.00
Total	975,290,267.64	94,046,694.85	—

② Additions, recoveries or reversals of provision for bad and doubtful debts during the year:

Additions of provision for bad and doubtful debts during the year is RMB 9,184,318.70.

③ No other receivables written off during this year

④ As at 31 December 2020, the five largest other receivables aggregated by debtors were analysed as follows:

For the year ended 31 December 2020

Debtors	Nature of Payment	As at 31/12/2020	Ageing	The proportion of other total receivables (%)	Provision for bad and doubtful debts
Finance Bureau of Nanjing High-tech Industrial Development Zone Management Committee	Receipt and payment on behalf of	5,150,286,894.41	1-3years	24.62	
Nanjing Jiangbei New District Management Committee	Receipt and payment on behalf of	3,916,449,821.83	0-5years/over 5 years	18.72	
Land Reserve Center of Nanjing High-tech Industrial Development Zone	Current payment	2,138,605,322.00	3-4years	10.22	
Pukou New Town Sub-center of Nanjing Land Reserve Center	Current payment	1,947,837,203.06	0-5years	9.31	
Nanjing Chemical Industry Park Management Committee	Current accounts, loans	841,316,455.86	0-3years/4 to 5 years/over 5 years	4.02	
Total	—	13,994,495,697.16	—	66.89	

(2)Interest receivable

① Interest receivable by category

Item	As at 31/12/2020	As at 31/12/2019
Time deposit	11,337,435.29	22,422,340.94
Entrusted Loan	3,800,000.00	
Bond investment	806,666.67	806,666.67
Hold-to-maturity investment interest	11,758,969.86	9,174,969.86
Total	27,703,071.82	32,403,977.47

(3) Dividends receivable

① Dividends receivable

Item	As at 31/12/2020	As at 31/12/2019
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	8,118,374.32	8,105,058.80
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I (Limited Partnership)	3,876,747.52	
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	65,473,301.34	97,286,118.38
Nanjing Yangzi Agricultural Bank Industry Investment Fund Phase I (Limited Partnership)	23,528.26	247,725.85
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	5,197,361.97	2,457,859.52
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	3,114,444.71	840,899.42
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	25,900,764.16	19,608,750.27
Suzhou Industrial Park Guochuang Kaiyuan Phase II	403,766,503.15	297,318,412.89
Nanjing Jiangbei New Area Construction Investment Group Co., Ltd.	540,069.69	
Total	516,011,095.12	425,864,825.13

7. Inventories

(1) Inventories by category

Item	As at 31/12/2020		
	Book balance	Provision for impairment of inventories	Carrying amount
Raw materials	25,354,801.91		25,354,801.91
Low-value consumables	460,710.27		460,710.27
Finished goods	188,976.32		188,976.32
Development costs	86,650,173,476.33	2,916,869.41	86,647,256,606.92
Product developments	2,090,681,389.45		2,090,681,389.45
Engineering construction	3,058,431,080.00		3,058,431,080.00
Consumable biological assets	7,524,979.37	4,015,614.53	3,509,364.84
Others	841,747.02		841,747.02

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Item	As at 31/12/2020		
	Book balance	Provision for impairment of inventories	Carrying amount
Total	91,833,657,160.67	6,932,483.94	91,826,724,676.73

(Continued)

Item	As at 31/12/2019		
	Book balance	Provision for impairment of inventories	Carrying amount
Raw materials	19,455,511.85		19,455,511.85
Low-value consumables	460,710.27		460,710.27
Finished goods	2,303,245.18		2,303,245.18
Development costs	67,212,576,162.85	2,916,869.41	67,209,659,293.44
Product developments	3,524,565,155.26		3,524,565,155.26
Engineering construction	2,268,474,560.56		2,268,474,560.56
Consumable biological assets	7,549,655.84	3,498,010.42	4,051,645.42
Total	73,035,385,001.81	6,414,879.83	73,028,970,121.98

(2)Provision for impairment of inventories

Item	As at 31/12/2019	Additions during the year		Written back during the year		As at 31/12/2020
		Provision	others	Reversals or write-off	others	
Development costs	2,916,869.41					2,916,869.41
Consumable biological assets	3,498,010.42	517,604.11				4,015,614.53
Total	6,414,879.83	517,604.11				6,932,483.94

8. Other current assets

Item	As at 31/12/2020	As at 31/12/2019
Prepaid expenses	31,064,612.93	49,043,043.73
Deductible input VAT	1,827,435,677.71	1,448,363,192.65
Other tax prepaid	533,388,924.20	24,007,901.48
Financial product		551,411,039.98
Entrusted Loan	50,000,000.00	

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Item	As at 31/12/2020	As at 31/12/2019
Financial lease assets	146,654,556.18	
Other	22,669,408.12	
Total	2,611,213,179.14	2,072,825,177.84

9. Available-for-sale financial assets

(1) Available-for-sale financial assets

Item	As at 31/12/2020		
	Book balance	Provision for impairment	Carrying amount
Available-for-sale debt instruments			
Available-for-sale equity instruments	25,005,058,719.06	113,311,883.15	24,891,746,835.91
Including: at fair value	2,151,571,039.98		2,151,571,039.98
at cost	22,853,487,679.08	113,311,883.15	22,740,175,795.93
Others	812,176,666.67		812,176,666.67
Total	25,817,235,385.73	113,311,883.15	25,703,923,502.58

(Continued)

Item	As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount
Available-for-sale debt instruments	93,873,500.00		93,873,500.00
Available-for-sale equity instruments	16,148,199,248.46	106,903,028.00	16,041,296,220.46
Including: at fair value	1,167,080,343.61		1,167,080,343.61
at cost	14,981,118,904.85	106,903,028.00	14,874,215,876.85
Others	855,300,000.00		855,300,000.00
Total	17,097,372,748.46	106,903,028.00	16,990,469,720.46

(2) Available-for-sale debt instruments

Investee	As at 31/12/2020	As at 31/12/2019	Percentage of share holding in investees(%)
Connaught Technology (Nanjing) Co., Ltd.		10,000,000.00	1.57
Xifeng Optoelectronics (Nanjing) Technology Co., Ltd.		83,873,500.00	7.04
Total		93,873,500.00	—

(3) Available-for-sale financial assets at fair value

Category	Available-for-sale equity instruments	Total
Cost of equity instrument/ amortised cost of debt instrument	398,853,463.03	398,853,463.03
Fair value	2,151,571,039.98	2,151,571,039.98
Cumulative fair value changes recognised in other comprehensive income	1,752,717,576.95	1,752,717,576.95
Provision for impairment		

(4) Available-for-sale financial assets at cost									
Investees	Book value				Provision for impairment				Percentage of shareholding in investees (%)
	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	
Beijing Anlong Gene Medicine Technology Co., Ltd.		5,000,000.00		5,000,000.00					3.13
Beijing Bai Caibang Technology Co., Ltd.		50,000,000.00		50,000,000.00					1.66
Beijing Guanqun Information Technology Co., Ltd.	35,000,000.00			35,000,000.00					8.22
Beijing Hui Nao Cloud Computing Co., Ltd.	25,000,000.00	25,000,000.00		50,000,000.00					14.29

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Beijing Youxuan Software Co., Ltd.	29,992,500.00				29,992,500.00				1.99
Bellinger Institute of Biomedicine (Nanjing) Co., Ltd.		150,000.00			150,000.00				
Boaoxin Biotechnology (Nanjing) Co., Ltd.		10,500,000.00			10,500,000.00				2.50
Feimian Instrument Technology (Nanjing) Co., Ltd.	1,500,000.00				1,500,000.00				10.00
Harmony Health Insurance Co., Ltd.	2,955,291,666.67	2,850,000,000.00			5,805,291,666.67				25.00
Hongze High-tech Industrial Park Investment and Development Co., Ltd.	30,000,000.00		30,000,000.00						
Jiangsu Aidi Technology Research Institute Co., Ltd.	300,000.00				300,000.00				10.00
Jiangsu Beidou Satellite Application Industry Research Institute Co., Ltd.	5,000,000.00				5,000,000.00				16.67
Jiangsu Beilian Guoxin Technology Co., Ltd.		5,000,000.00			5,000,000.00				20.00

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Jiangsu Damei Health Technology Co., Ltd.	11,000,000.00	11,000,000.00		22,000,000.00					10.81
Jiangsu Fahua Credit Certification Co., Ltd.	5,000,000.00			5,000,000.00					5.06
Jiangsu Gaochun High-tech Zone Construction Development Co., Ltd.	20,000,000.00			20,000,000.00					4.44
Jiangsu Gaotou Yida Ninghai Venture Capital Fund (Limited Partnership)	45,000,000.00	60,000,000.00		105,000,000.00					15.00
Jiangsu Guangyu Collaborative Technology Development Research Institute Co., Ltd.	450,000.00			450,000.00					13.26
Jiangsu Hanqing New Material Technology Research Institute Co., Ltd.		1,000,000.00		1,000,000.00					10.00
Jiangsu Hongtu Intelligent Venture Capital Management Enterprise (Limited Partnership)	300,000.00			300,000.00					10.00

Jiangsu Hongcheng Big Data Technology and Application Research Institute Co., Ltd.	1,000,000.00				1,000,000.00					30.00
Jiangsu Jicui Industrial Biotechnology Research Institute Co., Ltd.	300,000.00				300,000.00					15.00
Jiangsu Jicui Yaokang Biotechnology Co., Ltd.	1,000,000.00			431,554.52	568,445.48					4.46
Jiangsu Jiaohao New Energy Technology Co., Ltd.	500,000.00				500,000.00					
Jiangsu Jiuquan Red Earth Intelligent Venture Capital Fund (Limited Partnership)	45,000,000.00	27,000,000.00			72,000,000.00					23.08
Jiangsu Jiuquan Integrated Circuit Industry Investment Co., Ltd.	60,000,000.00	180,000,000.00			240,000,000.00					12.00
Jiangsu Jiuquan Tianhui Sumintou Health Industry Fund (Limited Partnership)	39,991,932.00	6,000,000.00		7,243,544.34	38,748,387.66					9.90

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Jiangsu Jiuquan Emerging Industry Development Fund (Limited Partnership)	350,000,000.00		66,292,767.97	283,707,232.03					16.50
Jiangsu Jingji Information Industry Development Co., Ltd.		20,000,000.00		20,000,000.00					7.42
Jiangsu Nanchuang Institute of Chemistry and Life Health Co., Ltd.	1,250,000.00			1,250,000.00					12.50
Jiangsu Rongze Information Technology Co., Ltd.	20,000,000.00			20,000,000.00					
Jiangsu Saigu Cell Engineering Research Institute Co., Ltd.	1,000,000.00			1,000,000.00					10.00
Jiangsu Saiyi Cell Technology Research Institute Co., Ltd.	700,000.00			700,000.00					9.00
Jiangsu Province Supply and Marketing Cooperation Industry Development Fund (Limited Partnership)	66,666,700.00	33,333,300.00		100,000,000.00					19.76

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Jiangsu Shibang Flexible Electronics Research Institute Co., Ltd.		1,000,000.00			1,000,000.00					15.00
Jiangsu Suwei Software Technology Co., Ltd.	1,514,000.00			1,514,000.00		1,514,000.00			1,514,000.00	9.71
Jiangsu Tianhui Hongyou Pharmaceutical and Health Industry Fund Partnership (Limited Partnership)	9,571,970.00			1,163,437.00		8,408,533.00				3.86
Jiangsu Future Network Transportation Research Institute Co., Ltd.	1,500,000.00					1,500,000.00				15.00
Jiangsu Wucheng Gongju Network Technology Co., Ltd.	12,000,000.00					12,000,000.00				10.00
Jiangsu Zhimaihui Technology Development Co., Ltd.	30,000,000.00					30,000,000.00				26.08
Jushi Technology (Jiangsu) Co., Ltd.		30,000,000.00				30,000,000.00				
Kaixin Financial Services Jiangsu Co., Ltd.		19,979,020.00				19,979,020.00				3.31

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Lucky Wisdom Technology Co., Ltd.		10,000,000.00							
Mei Ao Technology (Guangzhou) Co., Ltd.	50,000,000.00			50,000,000.00					14.29
Nanjing Aimeifei Biomedical Technology Co., Ltd.	19,000,000.00			19,000,000.00					4.43
Nanjing Aifeike General Aviation Development Co., Ltd.	50,000,000.00			50,000,000.00					3.83
Nanjing Anhuai Innovative Drug Research Institute Co., Ltd.		1,000,000.00		1,000,000.00					10.00
Nanjing Anyuan Technology Co., Ltd.		20,000,000.00		20,000,000.00					1.86
Nanjing Baoan High-tech Investment Co., Ltd.	2,040,000.00			2,040,000.00					34.00
Nanjing Beizhong Chuangzhi Intelligent Information Industry Investment Partnership (Limited Partnership)	24,000.00			24,000.00					40.00

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Nanjing Bidun Environmental Technology Co., Ltd.	5,000,000.00				5,000,000.00					3.57
Nanjing Industrial Investment Baishi Material Technology Partnership Enterprise (Limited Partnership)		5,000,000.00			5,000,000.00					
Nanjing Chuxin Integrated Circuit Co., Ltd.		2,000,000.00			2,000,000.00					1.41
Nanjing Chuhan Technology Co., Ltd.	9,000,000.00	20,000,000.00			29,000,000.00					11.77
Nanjing Chuangdingminghe Equity Investment Partnership (Limited Partnership)	80,000,000.00	220,000,000.00			300,000,000.00					20.58
Nanjing Chuangxin Huilian Technology Co., Ltd.		10,927,000.00			10,927,000.00					6.19
Nanjing Chunrong Energy Saving Technology Co., Ltd.	30,000,000.00				30,000,000.00					10.00

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Nanjing Metrology Internet Industry Investment Enterprise (Limited Partnership)	502,500.00				502,500.00					25.00
Nanjing Enran Ruiguang Health Industry Investment Enterprise (Limited Partnership)	30,000,000.00	20,000,000.00			50,000,000.00					20.62
Nanjing Enran Ruiguang Investment Management Center (Limited Partnership)	125,000.00				125,000.00					5.00
Nanjing Fengxing Technology Co., Ltd.	15,000,000.00				15,000,000.00					5.00
Nanjing Fengrui Qihang Dejian Science and Technology Innovation Investment Partnership (Limited Partnership)		15,170,000.00			15,170,000.00					19.01
Nanjing High-tech Foreign Economic and Technical Cooperation Co., Ltd.	25,000,000.00				25,000,000.00	25,000,000.00			25,000,000.00	100.00

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Nanjing High-Tech Economic Development Co., Ltd.	67,900,000.00			67,900,000.00	67,900,000.00	67,900,000.00	0
Nanjing Guanhai Microelectronics Co., Ltd.	10,000,000.00						5.08
Nanjing Guosheng Relief Asset Management Partnership (Limited Partnership)	360,600,000.00						1.48
Nanjing Guoxin Energy Co., Ltd.	9,000,000.00						5.36
Nanjing Guoxing Environmental Protection Industry Research Institute Co., Ltd.	1,000,000.00						10.00
Nanjing Haibokang Information Technology Co., Ltd.	2,000,000.00						20.00
Nanjing Haichang Chinese Medicine Group Co., Ltd.	10,000,000.00					10,000,000.00	10.00
Nanjing Hengpu Weiye Technology Co., Ltd.	2,000,000.00	2,000,000.00					4.19

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Nanjing Huagong Innovation Environmental Research Institute Co., Ltd.		1,000,000.00		1,000,000.00		1,000,000.00				10.00
Nanjing Huaruichuan Electronic Technology Co., Ltd.	2,489,028.00					2,489,028.00	2,489,028.00		2,489,028.00	5.00
Nanjing Huarui Brain Science Research Institute Co., Ltd.	2,500,000.00					2,500,000.00				40.00
Nanjing Huashi Electronic Technology Co., Ltd.	40,000,000.00					40,000,000.00				4.23
Nanjing Chemical Trade Management Service Co., Ltd.	485,454.55					485,454.55				5.00
Nanjing Huijing Youth Exchange Equity Investment Partnership (Limited Partnership)	100,000,000.00	100,000,000.00				200,000,000.00				10.00
Nanjing Huitong Creative Display Co., Ltd.	9,081,624.00					9,081,624.00				2.00
Nanjing Huizhu Information Technology Research Institute Co., Ltd.		500,000.00				500,000.00				10.00

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Nanjing Jiruikang Biotechnology Research Institute Co., Ltd.		150,000.00			150,000.00					10.00
Nanjing Jiayi Precision Machinery Manufacturing Co., Ltd.	19,994,600.00									11.76
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	2,335,000,000.00	2,570,237,777.78	1,410,000,000.00		3,495,237,777.78					10.00
Nanjing Jiangbei Jiakang Technology Venture Capital Partnership (Limited Partnership)		123,750,000.00			123,750,000.00					83.00
Nanjing Jiangbei New Energy Development Management Co., Ltd.	5,000,000.00				5,000,000.00					0.75
Nanjing Jiangbei New Area Construction Investment Group Co., Ltd.	50,000,000.00	28,332,891.66			78,332,891.66					0.83

Nanjing Jiangbei New Area shed reform private equity investment fund Phase I	60,000,000.00	64,833,333.33	64,833,333.33	64,833,333.33	60,000,000.00				
Nanjing Jiangbei New Area Biomedical Public Service Platform Co., Ltd.	76,560,000.00				76,560,000.00				6.91
Nanjing Jiangbei New Area Investment Development Co., Ltd.	100,000,000.00				100,000,000.00				30.00
Nanjing Jiangbei New District Xingjing Health Community Construction Partnership (Limited Partnership)	27,780,000.00				27,780,000.00				2.70
Nanjing Jiangbei Medical Innovation Industry Fund (Limited Partnership)	29,142,830.00				29,142,830.00				
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	10,000,000.00				10,000,000.00				35.40

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Nanjing Jieyuan Investment Management Partnership (Limited Partnership)	750,000.00				750,000.00					15.00
Nanjing Jinpu Consumer Smart Manufacturing Equity Investment Fund Partnership (Limited Partnership)	38,450,000.00				38,450,000.00					11.93
Nanjing Jinpu New Wave Emerging Industry Equity Investment Fund Partnership (Limited Partnership)	7,000,000.00	93,000,000.00			100,000,000.00					19.74
Nanjing Jingdian Antioxidant Technology Research Institute Co., Ltd.		1,000,000.00			1,000,000.00					10.00
Nanjing Jingruikang Molecular Medicine Technology Co., Ltd.	100,000.00				100,000.00					10.00

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Nanjing Jingyong Medical and Health Venture Capital Fund Partnership (Limited Partnership)	3,000,000.00				3,000,000.00				3.09
Nanjing Jufeng New Material Co., Ltd.	6,000,000.00				6,000,000.00				10.40
Nanjing Trusted Blockchain and Algorithm Economic Research Institute Co., Ltd.	150,000.00				150,000.00				25.00
Nanjing Cooper Microelectronics Co., Ltd.	10,000,000.00				10,000,000.00				16.13
Nanjing Raison Optoelectronics Co., Ltd.	40,000,000.00				40,000,000.00				17.48
Nanjing Science and Technology Financial Digital Technology Research Institute Co., Ltd.	750,000.00				750,000.00				12.50
Nanjing Lizhi Psychological Big Data Industry Research Institute Co., Ltd.	1,500,000.00				1,500,000.00				15.00

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Nanjing Leading Life and Health Industry Technology Research Institute Co., Ltd.	300,000.00				300,000.00					10.00
Nanjing Overseas Chinese Venture Capital Enterprise (Limited Partnership)	5,882,305.88			5,490,240.00	392,065.88					19.61
Nanjing Luhe Jiuyin Rural Bank Co., Ltd.	6,000,000.00				6,000,000.00					6.00
Nanjing Green and Healthy Building Research Institute Co., Ltd.	1,700,000.00				1,700,000.00					20.00
Nanjing Luye Life Science and Technology Research Institute Co., Ltd.	1,000,000.00				1,000,000.00					10.00
Nanjing Meishen Intelligent Technology Co., Ltd.		2,000,000.00			2,000,000.00					
Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	1,781,322,916.66				1,781,322,916.66					48.99

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Nanjing Mingfa Tongsheng Electronic Information Technology Development Co., Ltd.	3,710,000.00				3,710,000.00					30.00
Nanjing Nanome Technology Co., Ltd.		25,000,000.00			25,000,000.00					11.76
Nanjing Nanda Smart City Planning and Design Co., Ltd.		20,000,000.00			20,000,000.00					16.43
Nanjing Ningbei Rail Transit Co., Ltd.	767,895,500.00	1,214,257,200.00			1,982,152,700.00					21.90
Nanjing Ningtie Nondestructive Testing Technology Research Institute Co., Ltd.	500,000.00	3,000,000.00			3,500,000.00					10.00
Nanjing Ningxin Technology Development Co., Ltd.		40,000,000.00			40,000,000.00					10.00
Nanjing Oukai Biotechnology Co., Ltd.	6,000,000.00	3,000,000.00			9,000,000.00					25.73
Nanjing Pinyi Intelligent Manufacturing Technology Research Institute Co., Ltd.		135,000.00			135,000.00					9.00

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Nanjing Qixia Urban Construction Development Group Co., Ltd.	20,000,000.00				20,000,000.00					0.59
Nanjing Qiruiyoukang Technology Development Investment Partnership (Limited Partnership)	75,000,000.00	240,502,546.00			315,502,546.00					99.34
Nanjing Qingyan New Materials Research Institute Co., Ltd.	500,000.00				500,000.00					9.40
Nanjing Quankai Bio-based Materials Research Institute Co., Ltd.	1,000,000.00				1,000,000.00					10.00
Nanjing Rongzhi Information Innovation Research Institute Co., Ltd.	1,500,000.00				1,500,000.00					15.00
Nanjing Rongkangbo Institute of Clinical Medicine Co., Ltd.	1,500,000.00				1,500,000.00					15.00
Nanjing Software Park Animation Industry Base Joint Stock Company	5,000,000.00				5,000,000.00	5,000,000.00			5,000,000.00	100.00

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Nanjing Runbei Intelligent Environmental Research Institute Co., Ltd.	1,000,000.00					1,000,000.00				10.00
Nanjing Saifu Hengquan Venture Capital Fund (Limited Partnership)	50,000,000.00					50,000,000.00				8.79
Nanjing Shengding Pharmaceutical Technology Co., Ltd.	1,000,000.00					1,000,000.00				10.00
Nanjing Shengde Biological Technology Research Institute Co., Ltd.	1,500,000.00					1,500,000.00				15.00
Nanjing Shihe Gene Biotechnology Co., Ltd.	50,000,000.00					50,000,000.00				0.82
Nanjing High-Tech Venture Capital Co., Ltd.	20,000,000.00					20,000,000.00				6.51
Nanjing Jingrui Construction Investment Co., Ltd.	20,000,000.00					20,000,000.00				2.84
Nanjing Subo Evidence Science Research Institute Co., Ltd.	300,000.00					300,000.00				10.00

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Nanjing Sumintou Ruisheng Equity Investment Partnership (Limited Partnership)	10,000,000.00				10,000,000.00					10.00
Nanjing Carbon Silicon Artificial Intelligence Biomedical Technology Research Institute Co., Ltd.	150,000.00				150,000.00					10.00
Nanjing Tiangang Institute of Immunological Drugs Co., Ltd.		300,000.00			300,000.00					10.00
Nanjing Tianzong Yikang Biotechnology Co., Ltd.	5,100,000.00				5,100,000.00					5.81
Nanjing Tongchang New Materials Research Institute Co., Ltd.		300,000.00			300,000.00					
Nanjing Wanban Shangpin Information Technology Co., Ltd.		3,000,000.00			3,000,000.00					
Nanjing Weilizhibo Biological Technology Co., Ltd.	20,000,000.00	40,000,000.00			60,000,000.00					6.97

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Nanjing Future Hospital Research Institute Co., Ltd.	1,500,000.00				1,500,000.00				15.00
Nanjing Wobri Environmental Research Institute Co., Ltd.		1,000,000.00			1,000,000.00				10.00
Nanjing Modern Agricultural Industry Technological Innovation Demonstration Park Development and Construction Co., Ltd.	200,000,000.00				200,000,000.00				40.00
Nanjing GCL New Energy Power Technology Research Institute Co., Ltd.	100,000.00				100,000.00				10.00
Nanjing Xinchai Semiconductor Technology Co., Ltd.	47,000,000.00				47,000,000.00				4.57
Nanjing Core Vision Microelectronics Technology Co., Ltd.	20,000,000.00	13,330,369.89			33,330,369.89				8.16
Nanjing New Six City Construction Investment Co., Ltd.	30,000,000.00				30,000,000.00				6.98

Nanjing Xinnong Yangzi Modern Agricultural Industry Development Fund Phase I (Limited Partnership)	30,000,000.00				30,000,000.00							32.97
Nanjing Xinda Safety Emergency Management Research Institute Co., Ltd.		800,000.00			800,000.00							10.00
Nanjing Xinda Institute of Meteorological Science and Technology Co., Ltd.	4,500,000.00				4,500,000.00							15.00
Nanjing Starlink High-Tech Development Co., Ltd.	90,000.00				90,000.00							1.33
Nanjing Xunlian Intelligent Technology Co., Ltd.		30,000,000.00			30,000,000.00							11.76
Nanjing Riverside Resources Ecological Science Research Institute Co., Ltd.	3,000,000.00				3,000,000.00							15.00
Nanjing Yangzi Hotel Co., Ltd.	800,000.00				800,000.00							1.84

For the year ended 31 December 2020

Nanjing Yangzi Town Development Investment Fund Phase I (Limited Partnership)	20,000,000.00					10,000,000.00	10,000,000.00					20.00
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	161,000,000.00					40,000,000.00	121,000,000.00					40.12
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	200,000,000.00						200,000,000.00					22.22
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I Enterprise (Limited Partnership)	200,000,000.00					200,000,000.00						20.00
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	200,000,000.00						200,000,000.00					19.99

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Nanjing Gravity Industrial Welding Technology Research Institute Co., Ltd.	870,000.00				870,000.00					15.00
Nanjing Yingmeng Investment Management Center (Limited Partnership)	30,000,000.00				30,000,000.00					15.59
Nanjing Garden Landscape Flowers and Trees Co., Ltd.	500,000.00				500,000.00					10.00
Nanjing Yuejin Automobile Co., Ltd.	560,000,000.00				560,000,000.00					14.03
Nanjing Yunzhou Venture Capital Center (Limited Partnership)		35,000,000.00			35,000,000.00					10.00
Nanjing Yunsheng Medical Industry Investment Partnership (Limited Partnership)	15,000,000.00			4,650,000.00	10,350,000.00					15.00
Nanjing Zhiuofu Financial Information Co., Ltd.	300,000.00				300,000.00					1.00

Nanjing Zhipu Molecular Medicine Technology Research Institute Co., Ltd.	1,500,000.00				1,500,000.00					15.00
Nanjing Zhiyan Artificial Intelligence Technology Research Institute Co., Ltd.		500,000.00			500,000.00					10.00
Nanjing Sino-Australian Translational Medicine Research Institute Co., Ltd.	500,000.00				500,000.00					5.00
Nanjing Zhongjin Qihong Investment Fund Partnership (Limited Partnership)	95,538,751.00	196,814,204.00			292,352,955.00					19.76
Nanjing Zhongwei Nano Functional Materials Research Institute Co., Ltd.	1,000,000.00				1,000,000.00					10.00
Nanjing Zijin Jushi Private Enterprise Relief and Development Fund Phase I (Limited Partnership)	180,000,000.00		60,000,000.00		120,000,000.00					40.00
Nanjing Zijin Emerging Industry Venture Capital Fund Co., Ltd.	20,000,000.00				20,000,000.00					6.67

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Pengtai Storage (Nanjing) Technology Co., Ltd.	42,218,571.59	10,700,138.41		52,918,710.00				
Qingxi Microelectronics (Nanjing) Co., Ltd.		3,000,000.00		3,000,000.00				
Randian (Nanjing) Biomedical Technology Co., Ltd.		5,250,000.00		5,250,000.00				5.83
Shanghai Jixitai Network Technology Co., Ltd.		30,000,000.00		30,000,000.00				
Shanghai Jilian Network Technology Co., Ltd.	50,000,000.00			50,000,000.00				1.38
Shanghai Lingdong Microelectronics Co., Ltd.	30,900,000.00	28,000,000.00		58,900,000.00				
Shanghai Parsono Biotechnology Co., Ltd.	30,000,000.00			30,000,000.00				9.09
Shanghai Yangtze River Delta Synergy Advantage Industry Equity Investment Partnership	150,000,000.00	150,000,000.00	1,303,955.09	298,696,044.91				6.94
Shanghai Zhimeng Pharmaceutical Technology Co., Ltd.		30,000,000.00		30,000,000.00				5.17

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Talent Intelligent Technology Research Institute (Nanjing) Co., Ltd.		300,000.00			300,000.00				10.00
Wuxi Guolian Yihualu Investment Partnership (Limited Partnership)		32,670,000.00			32,670,000.00				
Xifeng Optoelectronics Technology (Nanjing) Co., Ltd.	113,461,227.00	90,345,500.00	64,205,727.00		139,601,000.00				7.04
Advanced Manufacturing Industry Investment Fund Phase II (Limited Partnership)		325,000,000.00			325,000,000.00				5.20
Xinhua Zhang Technology Co., Ltd.		100,000,000.00			100,000,000.00				
Xu Nuo Pharmaceutical (Nanjing) Co., Ltd.		15,000,000.00			15,000,000.00				
Yabang Green Process and New Materials Research Institute Nanjing Co., Ltd.	2,000,000.00				2,000,000.00				10.00

For the year ended 31 December 2020

Yao Shunze Biological Medicine (Nanjing) Co., Ltd.		166,700.00				166,700.00				166,700.00									10.00
Insports (Nanjing) Sports Development Co., Ltd.		20,000,000.00				20,000,000.00				20,000,000.00									
Yangtze River Economic United Development (Group) Co., Ltd.	600,000.00									600,000.00									
Yangtze River Delta Shipping Development Research Institute (Jiangsu) Co., Ltd.		150,000.00				150,000.00				150,000.00									
Supreme Interventional Ablation Technology Research Institute (Nanjing) Co., Ltd.		250,000.00				250,000.00				250,000.00									5.00
Sino-German Institute of Intelligent Manufacturing (Jiangsu) Co., Ltd.	1,950,000.00									1,950,000.00									26.00
CLP (Nanjing) Industrial Investment Fund Partnership (Limited Partnership)		203,483,867.68				203,483,867.68				203,483,867.68									14.96

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(5)Others

Investees	Book value				Provision for impairment			
	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	As at 31 /1 2/ 20 19	Incre ase durin g the year	Decrea se durin g the year	As at 31/12 /2020
Anhui Guoyuan Trust Co., Ltd. Trust Guarantee Fund	35,200,000.00		5,280,000.00	29,920,000.00				
Nanjing Pukou District Affordable Housing Construction Development Co., Ltd.	30,000,000.00			30,000,000.00				
Zijin Trust Co., Ltd. Trust Guarantee Fund	765,250,000.00	6,400,000.00	74,833,333.3 3	696,816,666.6 7				
Jiangsu Trust Co., Ltd. Trust Guarantee Fund	10,000,000.00	7,640,000.00	50,000.00	17,590,000.00				
Bairui Trust Co., Ltd. Trust Guarantee Fund	14,850,000.00			14,850,000.00				
Yunnan International		10,000,000.00		10,000,000.00				

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Investees	Book value				Provision for impairment			
	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	As at 31/12/ 2019	Incre ase durin g the year	Decrea se durin g the year	As at 31/12 /2020
Trust Co., Ltd. Trust Guarantee Fund								
Ping An Trust Co., Ltd. Trust Guarantee Fund		8,000,000.00		8,000,000.00				
Trust Industry Guarantee Fund		5,000,000.00		5,000,000.00				
Total	855,300,000.00	37,040,000.00	80,163,333.33	812,176,666.67				

10. Held-to-maturity investments

Item	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Talent apartment custom project				512,462,849.70		512,462,849.70
Nanjing Lidao Modern Agriculture Development Co., Ltd.	38,000,000.00		38,000,000.00	38,000,000.00		38,000,000.00

For the year ended 31 December 2020

Agricultural Bank of China	10,420,000.00		10,420,000.00	10,060,054.70		10,060,054.70
Ancient water industry water supply fee income right asset support special plan subordinated asset-backed securities (19 ancient times)	43,000,000.00		43,000,000.00	43,000,000.00		43,000,000.00
Jiangbei Public Security Housing Asset Support Special Plan Subordinated Asset-backed Securities (19 Jiangbao times)				30,000,000.00		30,000,000.00
Total	91,420,000.00		91,420,000.00	633,522,904.40		633,522,904.40

11. Long-term receivables

(1) Long-term receivables by nature

Item	As at 31/12/2020			Discount rate interval
	Book balance	Provision for impairment	Carrying amount	
Finance Leases	1,034,462,387.83		1,034,462,387.83	
including: unearned finance income	165,914,662.04		165,914,662.04	
Total	1,034,462,387.83		1,034,462,387.83	

Item	As at 31/12/2019			Discount rate interval
	Book balance	Provision for impairment	Carrying amount	
Finance Leases	1,219,040,383.47		1,219,040,383.47	
including: unearned finance income	111,652,745.50		111,652,745.50	
Total	1,219,040,383.47		1,219,040,383.47	

12. Long-term equity investments

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
I .Joint venture										
Nanjing Saixing Pharmaceutical Biomedical Innovation Development Co., Ltd.	1,066,596.69			-1,066,596.69						
Nanjing Institute of Chemical Technology Zhongshan Science and	11,010,358.48			-33,399.61					10,976,958.87	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Technology Pioneer Park Co., Ltd.										
Cambridge University Nanjing Science and Technology Innovation Center Co., Ltd.	1,609,527.53	2,500,000.00		-1,651,020.49					2,458,507.04	
Nanjing Jingkang Senior Care Industry Development Co., Ltd.	2,005,129.75			4,131.25					2,009,261.00	
Subtotal	15,691,612.45	2,500,000.00		-2,746,885.54					15,444,726.91	
II. Associates										

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Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Xinnong Modern Agricultural Industry Investment Management Co., Ltd.	1,136,302.00		1,136,302.00							
Nanjing Prosperity Yangzi Fund Investment Management Co., Ltd.	4,885,795.20			3,547,097.10			2,779,877.84		5,653,014.46	
Cloud Health Biological Information	6,750,679.96								6,750,679.96	

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Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Co., Ltd.										
Nanjing Yangzi Mosmine Valley Cultural Technology Co., Ltd.	25,644,333.09			-928,994.47					24,715,338.62	
Jiangsu Zhuye Construction Technology Development Co., Ltd.	23,967,290.95			-997,312.35					22,969,978.60	
Nanjing Winuoer Technology Project Management	13,013,484.95			-13,987.17					12,999,497.78	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Co., Ltd.										
Nanjing Qiuzhen Gene Technology Co., Ltd.	11,321,508.51			-3,769,452.89					7,552,055.62	
Nanjing Diyang Biological Technology Co., Ltd.	4,328,007.09		4,328,007.09							
Nanjing Digital City Investment and Construction Co., Ltd.	11,558,552.43			132,241.41					11,690,793.84	
Academia Sinica Green Finance	750,000.00								750,000.00	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Research Institute (Nanjing) Co., Ltd.										
Nanjing Ningbei Rail Transit Co., Ltd.	1,074,257,200.00	140,000,000.00						-1,214,257,200.00		
Nanjing Yangzi Blockchain Equity Investment Partnership (Limited Partnership)	151,890,000.00	91,500,000.00		-2,373,372.34					241,016,627.66	
Nanjing Saifu Equity		150,000,000.00		-4,267,994.49					145,732,005.51	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Investment Fund (Limited Partnership)										
Nanjing Yangzi Saikē Digital Technology Venture Capital Fund		24,500,000.00		-228,846.20					24,271,153.80	
Beiwentou Cultural Investment	277,428.76			-277,428.76						
Nanjing Co., Ltd.										
Nanjing Jiangbei New Area Underground Space Research	2,340,750.85			-354,358.40					1,986,392.45	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehen- sive income	Other equity movemen- ts	Declared distributi- on of cash dividends or profits	Provi- sion for impai- rmen- t		
Institute Co., Ltd.										
Nanjing Gezhouba Urban Underground Space Comprehensive Construction and Development Co., Ltd.	208,700,000.00	74,100,000.00							282,800,000.00	
Nanjing Jiangbei New Area Environmental Technology Co., Ltd.		2,000,000.00							2,000,000.00	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Zhongke Superfine (Nanjing) Technology Co., Ltd.		300,000,000.00		11,690,935.84					288,309,064.16	
Nanjing Jiangbei Jiakang Technology Venture Capital Partnership (Limited Partnership)	71,459,796.03	53,000,000.00		-1,099,043.60					123,360,752.43	
Nanjing Mingfa Business Management Co., Ltd.	90,290,491.94			4,150,963.78					94,441,455.72	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd.	18,268,626.13	73,600,000.00		-8,763,399.45					83,105,226.68	
Nanjing Jinpu Consumer Smart Manufacturing Equity Investment Fund Partnership (Limited Partnership)	76,900,000.00								76,900,000.00	
Nanjing Xingnaheyuan		75,000,000.00		-1,090,333.85					73,909,666.15	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Venture Capital Partnership (Limited Partnership)										
Nanjing Dingnuo Biomedical Technology Co., Ltd.	50,000,000.00								50,000,000.00	
Nanjing Oriental Lanpu Deep Technology Fund (Limited Partnership)	38,151,169.93			-491,805.55					37,659,364.38	
Nanjing Jinti Venture Capital Partnership		24,500,000.00		-63,513.10					24,436,486.90	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
(Limited Partnership)										
Nanjing Yuanluoxin Technology Co., Ltd.	20,000,000.00								20,000,000.00	
Shihu Technology (Nanjing) Co., Ltd.		20,000,000.00							20,000,000.00	
Jiangsu Jicui Intelligent Manufacturing Technology Research Institute Co., Ltd.	563,536.34			10,235,671.81					10,799,208.15	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Jiangsu Beilian Guoxin Technology Co., Ltd.		10,000,000.00		-1,131,168.64					8,868,831.36	
Nanjing Institute of Technology Membrane Application Technology Co., Ltd.	6,310,826.27			-1,008,873.60		528,000.00			5,829,952.67	
Nanjing Jiusheng Cultural Industry Investment Fund Partnership (Limited Partnership)	5,940,442.15			-116,205.47					5,824,236.68	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Lihe Yangtze River Innovation Center Co., Ltd.	5,530,054.22			-1,589,589.74					3,940,464.48	
Nanjing Underground Space High-Tech Industry Research Institute Co., Ltd.	1,146,507.30			1,536,111.60					2,682,618.90	
Nanjing Haoxiang Basic Software Research Institute Co., Ltd.	2,003,274.12			155,956.94					2,159,231.06	
Nanjing Green	2,015,784.35			-710,021.81					1,305,762.54	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Technology Research Institute Co., Ltd.										
Nanjing Green Additive Intelligent Manufacturing Research Institute Co., Ltd.	1,896,224.88			113,451.67					2,009,676.55	
Nanjing Jiangbei Sibaiyi Equity Investment Management Co., Ltd.	1,994,497.22			7,244.00					2,001,741.22	
Jiangsu Jicui Advanced	1,800,000.00								1,800,000.00	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Polymer Materials Research Institute Co., Ltd.										
Nanjing One Internet Industry Investment Center (Limited Partnership)	3,968,075.66			-422.57					3,967,653.09	
Jiangsu Yangtze River Delta Smart Water Research Institute Co., Ltd.	1,153,178.98			544,821.91					1,698,000.89	
Jiangsu Jicui Institute of	605,248.62			1,055,245.54					1,660,494.16	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Medical Immunology Technology Co., Ltd.										
Jiangsu Hongcheng Big Data Technology and Application Research Institute Co., Ltd.	3,213,512.26			-1,798,360.23					1,415,152.03	
Nanjing Micron Electronics Industry Research Institute Co., Ltd.		2,000,000.00		-587,010.44					1,412,989.56	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Huarui Brain Science Research Institute Co., Ltd.	1,480,464.10			-351,835.79					1,128,628.31	
Nanjing Hande Digital Twin Technology Research Institute Co., Ltd.	261,857.48	400,000.00		330,640.35					992,497.83	
New Ruixin Intelligent IOT Research Institute (Nanjing) Co., Ltd.		891,600.00		24,937.54					916,537.54	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Jiangsu Jicui New Pharmaceutical Preparation Technology Research Institute Co., Ltd.	682,341.26			92,822.55					775,163.81	
Jiangsu Shuike Shangyu Energy Technology Research Institute Co., Ltd.		1,000,000.00		-304,360.76					695,639.24	
Nanjing Wisdom Geotechnical Engineering Technology		600,000.00		-165,510.28					434,489.72	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Research Institute Co., Ltd.										
Jiaotong University Materials Technology (Jiangsu) Research Institute Co., Ltd.		600,000.00		-292,424.09					307,575.91	
Nanjing Super Computing Network Co., Ltd.	556,495.49			-299,741.88					256,753.61	
Jiangsu Tongchuang Valley New	276,778.72			-174,536.94					102,241.78	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Materials Research Institute Co., Ltd. Nanjing Beizhong Chuangzhi Intelligent Information Industry Investment Partnership (Limited Partnership)	55,790.45			2.46					55,792.91	
Nanjing High-tech Composite Material	23,324.35			-23,324.35						

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Technology Co., Ltd.										
Nanjing Trusted Blockchain and Algorithm Economic Research Institute Co., Ltd.	278,596.59			-278,596.59						
Nanjing Lixing Microelectronics Technology Co., Ltd.	629,744.17			-629,744.17						
Nanjing Nanzhi Advanced Optoelectronic Integration										

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Technology Research Institute Co., Ltd.										
Nanjing Micro Nano Technology Research Institute Co., Ltd.		300,000.00		-300,000.00						
CLP (Nanjing) Industrial Investment Fund Partnership (Limited Partnership)	210,748,253.14		6,516,132.32						-204,232,120.82	
Nanjing Golden Main Line Rail	2,000,000.00								2,000,000.00	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Transit Investment Development Co., Ltd.										
Nanjing Yanjiang Economic and Technological Development Co., Ltd.	179,216,247.42		179,216,247.42							
Nanjing Chemical Industry Park Energy Saving and Emission Reduction	2,204,240.15								2,204,240.15	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Technology Co., Ltd.										
Nanjing High- tech Investment Promotion Company	100,000.00								100,000.00	
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	4,977,536.96			390,888.34					5,368,425.30	
Nanjing Yike Population Health Research Institute Co., Ltd.	2,545,556.22		2,545,556.22							
Nanjing Baoan High-tech	6,888,460.88			-76,638.12					6,811,822.76	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Investment Co., Ltd.										
Nanjing Science and Technology High-tech Development Co., Ltd.	3,659,696.67			-1,083,403.64					2,576,293.03	
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	28,153,111.76			-2,415,931.90					25,737,179.86	
Nanjing High- tech Life Science Venture Capital	1,009,398.85	8,990,000.00		601.15					10,000,000.00	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Center (Limited Partnership)										
Nanjing Gaoyi Water Environment Industry Investment Partnership (Limited Partnership)	5,500,083.06			-84.87					5,499,998.19	
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited Partnership)	163,849,646.74	90,836,442.48	608,565.00	-3,471,684.37					250,605,839.85	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehen- sive income	Other equity movemen- ts	Declared distributi- on of cash dividends or profits	Provi- sion for impai- rmen- t		
Nanjing Tunzhiqingyan Venture Capital Partnership (Limited Partnership)		24,500,000.00		-204,775.47					24,295,224.53	
Nanjing Chuangyi Kaitai Venture Capital Partnership (Limited Partnership)		50,000,000.00		43,726.38					50,043,726.38	
Nanjing Bofu Venture Capital Partnership (Limited		25,000,000.00		-105,090.48					24,894,909.52	

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Partnership)										
Nanjing Renpu Venture Capital Partnership (Limited Partnership)		3,000,000.00		1,487.25					3,001,487.25	
Nanjing Sunac Sports Health Technology Small Loan Co., Ltd.		30,000,000.00							30,000,000.00	
Nanjing Jiangbei New Area Investment Development	521,313,911.80			7,299,697.16					528,613,608.96	

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For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
New District										
Nanjing Huaxian Hi-Tech Co., Ltd.	20,000,000.00		20,000,000.00							
Nanjing Dubu Software Technology Co., Ltd.	830,000.00		830,000.00							
Nanjing Feilining Cryogenic Engineering Co., Ltd.	500,000.00		500,000.00							
Nanjing Feite High-tech Industrial	60,000.00		60,000.00							

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Company										
Dragon Chi Information Technology (Nanjing) Co., Ltd.	6,000,000.00		6,000,000.00							
Nanjing Yuanfu Technology Co., Ltd.	8,000,000.00		8,000,000.00							
Nanjing Xunlian Intelligent Technology Co., Ltd.	15,000,000.00		15,000,000.00							
Nanjing Chuxin Integrated Circuit	5,000,000.00		5,000,000.00							

For the year ended 31 December 2020

Investee	Balance As at 31/12/2019	Movements during the year							As at 31/12/2020	Balance of provision for impairment as at 31/12/2020
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Co., Ltd.										
Other	795,263,052.49									
Subtotal	6,859,584,145.29	1,321,053,704.98	252,740,810.05	-15,975,076.97		528,000.00	8,210,365.95		2,819,900,445.48	
III .Subsidiaries										
Nanjing Chaoxin Material										
Technology Development Co., Ltd.	3,100,000.00								3,100,000.00	3,100,000.00
Subtotal	3,100,000.00								3,100,000.00	3,100,000.00
Total	6,878,375,757.74	1,323,553,704.98	252,740,810.05	-18,721,962.51		528,000.00	8,210,365.95		2,838,445,172.39	3,100,000.00

Note: Other changes in the current period are due to reclassification caused by the reduction of equity transfers and changes in equity ratios.

13. Investment properties**(1) Investment properties measured using the cost model:**

Item	Building	Total
I. Cost		
1. Balance As at 31/12/2019	154,707,226.68	154,707,226.68
2. Additions during the year	1,837,318,573.56	1,837,318,573.56
(1) Transfer from inventories/fixed assets/construction in progress	1,837,318,573.56	1,837,318,573.56
3. Decrease during the year		
4. Balance As at 31/12/2020	1,992,025,800.24	1,992,025,800.24
II. Accumulated depreciation:		
1. Balance As at 31/12/2019	7,503,300.49	7,503,300.49
2. Additions during the year	21,305,016.93	21,305,016.93
(1) Provision	21,305,016.93	21,305,016.93
3. Decrease during the year		
4. Balance As at 31/12/2020	28,808,317.42	28,808,317.42
III. Provision for impairment		
1. Balance As at 31/12/2019		
2. Additions during the year		
3. Decrease during the year		
4. Balance As at 31/12/2020		
IV. Carrying amount		
1. Balance As at 31/12/2020	1,963,217,482.82	1,963,217,482.82
2. Balance As at 31/12/2019	147,203,926.19	147,203,926.19

(2) Investment properties measured using the fair value measurement model:

Item	Building	Total
I. Balance As at 31/12/2019	14,715,708,125.61	14,715,708,125.61
II. Movements during the year	2,177,299,699.88	2,177,299,699.88
(1) Purchases	906,445,682.48	906,445,682.48

For the year ended 31 December 2020

Item	Building	Total
(2)Transfer from inventories/fixed assets/construction in progress	1,305,535,685.32	1,305,535,685.32
(3)Additions due to business combinations		
Less:(1)Disposals	32,131,884.24	32,131,884.24
(2) Converted to own property	2,549,783.68	2,549,783.68
(3)Movements in fair value	1,062,704,694.54	1,062,704,694.54
III.Balance As at 31/12/2020	17,955,712,520.03	17,955,712,520.03

(3)Investment properties pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending
Demolition and resettlement houses 15 plots of commercial houses	143,452,275.94	Processing
Civic Center	1,041,126,751.86	Processing
Service Trade Building	710,762,949.70	Processing
Bayou Park	67,875,505.32	Processing
Ascendas Building	1,596,651,567.00	Self-built project, real estate certificate is being processed
Shanpan Second Village	16,967,224.00	Self-built project, real estate certificate is being processed
Nanjing Institute of Biomedicine and Biomedicine Innovation Platform Building Project	376,017,100.00	The real estate certificate is being processed
Plant 20	24,611,900.00	Has been included in the scope of demolition and expropriation
29#Factory	55,839,600.00	Has been included in the scope of demolition and expropriation
Biomedical Park	90,547,200.00	Has been included in the scope of demolition and expropriation
Total	4,123,852,073.82	

14. Fixed assets

Notes to the Financial Statements of Nanjing Yangzi State-owned Assets Investment Group Co., Ltd

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Fixed assets	2,808,734,858.01	2,799,470,225.31
Disposal of fixed assets	81,930,136.24	98,330,785.29
Total	2,890,664,994.25	2,897,801,010.60

(1)Fixed assets

①Fixed assets details

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
I .Cost						
1. Balance As at 31/12/2019	1,375,452,873.81	698,322,475.71	69,576,196.05	364,403,865.30	1,080,304,078.48	3,588,059,489.35
2. Additions during the year	683,896,777.12	88,293,102.73	7,644,267.50	121,884,600.87	276,787,171.32	1,178,505,919.54
(1)Purchases	22,460,877.25	50,755,029.49	6,855,524.14	101,861,910.21	137,889,967.67	319,823,308.76
(2) Transfer in of construction in progress	661,435,899.87	198,849.56	788,743.36	20,022,690.66	138,888,151.93	821,334,335.38
(3)Other		37,339,223.68			9,051.72	37,348,275.40
3. Decrease during the year	150,554,577.56	461,414,821.49	19,585,871.32	253,552,535.15	291,794,909.58	1,176,902,715.10
(1) Disposals or written-offs	120,737,580.33	21,710,893.53	18,980,235.47	10,412,542.45	27,775,422.99	199,616,674.77
(2) Transfer to investment	29,816,997.23					29,816,997.23

For the year ended 31 December 2020

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
properties						
(3)Other		439,703,927.96	605,635.85	243,139,992.70	264,019,486.59	947,469,043.10
4. Balance As at 31/12/2020	1,908,795,073.37	325,200,756.95	57,634,592.23	232,735,931.02	1,065,296,340.22	3,589,662,693.79
II.Accumulated depreciation	-7,181,077.70	-7,198,396.26	1,025,222.90	51,727,237.55	-48,303,302.55	-9,930,316.06
1. Balance As at 31/12/2019	123,766,042.39	161,610,952.72	46,911,247.46	123,247,617.13	333,053,404.34	788,589,264.04
2. Additions during the year	54,403,840.27	35,114,540.41	9,204,254.53	20,591,269.14	76,477,727.33	195,791,631.68
(1) Provision	54,403,840.27	20,323,237.91	9,204,254.53	20,591,269.14	76,477,010.74	180,999,612.59
(2) Additions due to business combinations		14,791,302.50			716.59	14,792,019.09
3. Decrease during the year	43,178,394.92	9,276,949.12	19,434,887.67	55,021,382.55	76,541,445.68	203,453,059.94
(1) Disposals or written-offs	29,611,017.80	9,276,949.12	18,111,740.68	2,187,614.00	982,315.86	60,169,637.46

For the year ended 31 December 2020

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
(2)Other	13,567,377.12		1,323,146.99	52,833,768.55	75,559,129.82	143,283,422.48
4. Balance As at 31/12/2020	134,991,487.74	187,448,544.01	36,680,614.32	88,817,503.72	332,989,685.99	780,927,835.78
III.Provision for impairment						
1. Balance As at 31/12/2019						
2. Additions during the year						
3. Decrease during the year						
4. Balance as at 31/12/2020						
IV.Carrying amount						
1. Balance As at 31/12/2020	1,773,803,585.63	137,752,212.94	20,953,977.91	143,918,427.30	732,306,654.23	2,808,734,858.01
2. Balance As at 31/12/2019	1,251,686,831.42	536,711,522.99	22,664,948.59	241,156,248.17	747,250,674.14	2,799,470,225.31

Note: Other reductions were mainly due to the adjustment of the temporary valuation cost of fixed assets and the reclassification of fixed assets.

②Fixed assets pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending
Concrete office building	125,151,624.95	The land is leased and the property right certificate cannot be processed
East District of Nanjing International Health City Volkswagen Technology Innovation Center	160,828,262.01	The land is temporarily used temporarily, and the property right certificate has not been applied for
Yangtze River Creative District	408,403,902.67	The land is leased and the property right certificate cannot be processed
Guixin Garden Facade Room	2,889,600.00	Resettlement housing without certificate
Waterworks Phase III Housing	722,400.73	Processing
Duty room	103,200.00	Processing
Hotel room	2,039,712.64	Processing
Water Control Complex	1,323,647.99	Processing
Pump room	1,213,370.56	Processing
Second pump room	78,901.44	Processing
Waterworks guard duty building	49,424.00	Processing
Company office building	2,598,699.52	Processing
warehouse	62,644.48	Processing
Booster station house	2,639,664.16	Processing
Sanitation base housing	9,133,278.01	Processing
Fangting Panyuan Phase II	30,380,577.24	Processing
Eternal Home Phase II	2,639,727.72	Processing
Fengbin Garden Phase II	11,509,446.16	Processing
Yijingjiayuan	5,327,468.11	Processing
Renjinyuan Phase I	26,616,112.97	Processing
High-tech Garden Phase II 4 properties	1,513,055.76	Processing

For the year ended 31 December 2020

Item	Carrying amount	Reason why certificates are pending
214 sets of storage rooms in Yumin Home	7,165,460.76	Processing
74 properties in Dingtai Home	3,268,684.80	Processing
North Park Basement	218,284.12	Processing
Sanitation base housing	9,133,278.01	Processing
Total	815,010,428.81	--

15. Construction in progress

(1) Construction in progress

Category	As at 31/12/2020	As at 31/12/2019
Construction in progress	16,362,778,832.01	11,557,076,713.72
Engineer material		6,976,991.02
Total	16,362,778,832.01	11,564,053,704.74

(2) Significant construction in progress

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Yangtze River Boat Complex	1,793,610,457.27		1,793,610,457.27	1,672,081,777.63		1,672,081,777.63
"Vertical Forest" Project	1,470,676,210.16		1,470,676,210.16	1,388,333,151.38		1,388,333,151.38
The carrier purchase of A1, A3-A7 of China Resources Vientiane Enterprise Center	1,016,455,505.22		1,016,455,505.22			
Kechuang C1 plot	719,744,410.76		719,744,410.76	312,812,288.92		312,812,288.92
Jiangbei New Area Water Environment Improvement System Phase III	642,959,967.13		642,959,967.13	287,677,922.84		287,677,922.84
Jiangbei New Area Water Environment Improvement System	611,405,951.59		611,405,951.59	577,624,191.47		577,624,191.47

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Phase II						
The second water source project	571,327,355.93		571,327,355.93			
Mingfa Apartment Building 3	553,092,379.88		553,092,379.88			
Land Consolidation and Development in Yeshan Area of Jinniu Lake	531,351,136.32		531,351,136.32	725,915,745.38		725,915,745.38
Yaogu Talent Public Rental Housing	466,239,377.81		466,239,377.81	417,809,590.70		417,809,590.70
Jinniu Street Phase II Relocation Project	427,863,267.07		427,863,267.07	431,693,943.07		431,693,943.07
Business center	425,145,189.95		425,145,189.95	341,281,244.14		341,281,244.14
River water source heat pump No. 3, 6, 7 energy stations	403,779,252.08		403,779,252.08			
R&D Building Phase III	375,835,042.02		375,835,042.02	281,782,845.34		281,782,845.34
Expansion and Reconstruction of Gaoxin North Sewage Treatment Plant	373,054,436.45		373,054,436.45	289,754,628.17		289,754,628.17
Other projects	365,872,805.64		365,872,805.64	212,782,086.34		212,782,086.34
Juhui Garden	364,662,210.27		364,662,210.27	189,379,229.38		189,379,229.38
Underground Space Phase I	342,491,351.68		342,491,351.68	224,861,297.98		224,861,297.98
5 Wangjiang Road	296,631,641.06		296,631,641.06			
Rural sewage treatment project in Jiangbei New District	293,040,386.95		293,040,386.95	248,029,926.42		248,029,926.42
Dachang Sewage Treatment Plant	279,096,960.35		279,096,960.35	84,552,058.78		84,552,058.78
Modern Industry	256,313,303.70		256,313,303.70	184,149,656.27		184,149,656.27

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Innovation Center						
Health Technology Industrial Park	245,826,334.25		245,826,334.25	238,667,870.46		238,667,870.46
Nanyuan Neighborhood Service Center	235,452,719.99		235,452,719.99	6,563,598.37		6,563,598.37
Public Health Technology Innovation Center	231,527,111.00		231,527,111.00	206,143,337.37		206,143,337.37
Big data center	218,132,060.27		218,132,060.27			
Chemical light	207,520,500.78		207,520,500.78	110,134,819.13		110,134,819.13
Water Plant Phase IV Reconstruction and Expansion Project	178,721,668.81		178,721,668.81	82,778,643.32		82,778,643.32
Yangtze River Creative District	148,738,190.42		148,738,190.42	422,840,105.85		422,840,105.85
Dachang Sewage Treatment Plant External Pipeline Network Construction Project	132,493,144.03		132,493,144.03	57,816,263.78		57,816,263.78
Jinniuhu Street Resettlement Housing Phase I	111,422,969.82		111,422,969.82	73,953,990.20		73,953,990.20
Longhua Zhigu North District Project	105,091,265.28		105,091,265.28	10,746,113.25		10,746,113.25
Accelerator Phase 6	98,423,962.29		98,423,962.29	3,095,365.75		3,095,365.75
Rural road ashing project	96,692,310.26		96,692,310.26	96,692,310.26		96,692,310.26
Three-supply and one- industry pipe network transfer project	95,983,522.86		95,983,522.86	98,021,920.80		98,021,920.80
Nanjing Tongyang	91,846,551.92		91,846,551.92	63,289,141.24		63,289,141.24

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Textile						
Nanjing Intelligent Manufacturing Industrial Park (Zhongshan Park) Standardized Plant Environment Improvement Project	87,769,238.18		87,769,238.18	25,255,573.06		25,255,573.06
Rental Housing in Nanjing Biomedical Valley (Phase III)	84,184,470.20		84,184,470.20	234,954,943.40		234,954,943.40
China Meteorological Valley Start Area Project	82,071,216.49		82,071,216.49	2,471,848.61		2,471,848.61
Gene Sequencing Project	75,881,578.95		75,881,578.95			
Central Business District Exhibition Center	65,339,971.34		65,339,971.34	49,035,814.67		49,035,814.67
Zhujiashan River Water Supply Project	65,164,889.04		65,164,889.04			
Intelligent transportation supporting projects in the direct management area in 2019 (the area of Pancheng, Yanjiang, Mount Tai, and Dingshan)	56,207,164.56		56,207,164.56	52,477,034.43		52,477,034.43
New Nanjing Art Museum Project	50,980,564.51		50,980,564.51			
Kunpeng Ecological Industry Base Kunpeng	50,000,000.00		50,000,000.00			

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Digital Platform						
Leisure and tourism sector planning	46,997,173.23		46,997,173.23	32,741,051.31		32,741,051.31
Nanhua Jiangbei Community	44,984,666.45		44,984,666.45			
Autumn Teng Transformation Line Project	43,473,448.37		43,473,448.37	551,411.08		551,411.08
Intelligent R&D Base Project	39,297,756.63		39,297,756.63	16,573,883.04		16,573,883.04
Robot and Intelligent Equipment Base of Nanjing Intelligent Manufacturing Industrial Park	38,336,910.68		38,336,910.68			
Peking University Molecule Phase I	34,472,995.51		34,472,995.51			
Low-carbon cloud platform	33,224,001.03		33,224,001.03	33,224,001.03		33,224,001.03
Office Building B11, East District, Nanjing University of Technology Science and Technology Industrial Park	31,244,001.29		31,244,001.29			
National Health and Medical Big Data Center	28,130,992.42		28,130,992.42	511,876,351.56		511,876,351.56
New Town Construction and Development Project	27,515,566.01		27,515,566.01	20,691,267.18		20,691,267.18
River water source heat pump No. 3, 6, and 7	27,406,421.22		27,406,421.22			

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
energy station supporting pipe network project						
Underground Space Phase II	26,674,368.21		26,674,368.21	854,089.59		854,089.59
ICC data center computer room equipment procurement	26,650,590.65		26,650,590.65			
Big data center grade protection project	25,841,504.58		25,841,504.58			
The first phase of shed reform in the old town district of Chengqiao Street	25,165,094.34		25,165,094.34	25,165,094.34		25,165,094.34
Advanced Network Computing and Experiment Nanjing Innovation Center Computing Center Equipment	25,148,814.10		25,148,814.10			
Yeshan Resettlement Housing Project	23,088,965.97		23,088,965.97	9,823,618.72		9,823,618.72
Beilian Tiandi Project	22,021,317.86		22,021,317.86	5,346,538.46		5,346,538.46
Jinniu Lake Yeshan Tourism Resort Phase I Tourism Avenue Project	21,940,024.08		21,940,024.08	21,940,024.08		21,940,024.08
Jinniuhu Street Resettlement Housing Phase II	21,858,495.37		21,858,495.37	5,635,124.61		5,635,124.61
One-stop service platform for high-end medical device industrialization	21,857,044.36		21,857,044.36			

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Window on the Earth Theme Park	20,823,351.95		20,823,351.95	20,087,775.45		20,087,775.45
Accelerator Phase Five	19,107,538.69		19,107,538.69	4,620,234.29		4,620,234.29
Construction and Operation Project of Domestic Waste Sorting Collection Point in Jiangbei New Area	18,184,440.76		18,184,440.76			
Sanitation Facilities of Taishan Street	16,900,000.00		16,900,000.00			
Ketou Cloud Center	15,934,893.09		15,934,893.09	71,367,101.60		71,367,101.60
Zaohekou Ecological Agriculture Project	13,838,668.38		13,838,668.38	6,610,903.32		6,610,903.32
Fengbin Complex Building Decoration	12,437,761.19		12,437,761.19	4,100,606.76		4,100,606.76
Mass Spectrometry Analysis and Testing Center Project	11,649,296.10		11,649,296.10	38,795,056.64		38,795,056.64
The first phase of the construction of the external pipe network of the high-tech northern sewage treatment plant in Jiangbei New District	11,140,145.50		11,140,145.50			
Jiangshuiyuan Heat Pump No. 1 Energy Station	10,767,254.68		10,767,254.68			
Municipal complex	10,462,074.01		10,462,074.01			
Service Center Renovation Project	9,678,627.51		9,678,627.51	9,646,744.12		9,646,744.12
Advanced treatment project of the second	8,730,573.25		8,730,573.25			

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
phase of the water plant						
Meteorological business and service crowd- creation platform information system integration project	8,729,826.43		8,729,826.43	8,846,887.27		8,846,887.27
Worker's Home Project	8,652,776.46		8,652,776.46			
2019 Road Traffic Facilities Upgrade and Reconstruction Project in the Directly Managed Area	8,627,986.99		8,627,986.99	51,160.99		51,160.99
Upgrade and renovation of the exhibition hall of the National Health and Medical Big Data Center	8,053,737.45		8,053,737.45			
Intelligent Connected Car	7,856,811.98		7,856,811.98	7,856,811.98		7,856,811.98
Longhua Zhigu Southern District Project	6,955,684.32		6,955,684.32			
Beidou Building Regional Landscape Upgrade Project	6,309,045.12		6,309,045.12	5,893,517.73		5,893,517.73
Smart Park Information Platform	5,787,105.37		5,787,105.37	2,794,877.57		2,794,877.57
Xiaotang Road Bus Terminal	5,722,911.74		5,722,911.74	5,019,270.51		5,019,270.51
2019 Intelligent Transportation (Public Bicycle Supporting) Project in the Directly	4,973,156.55		4,973,156.55	4,774,132.19		4,774,132.19

For the year ended 31 December 2020

Project	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Managed Area of Jiangbei New Area						
Construction project of bus depots around Jiangbei New Area	4,878,748.44		4,878,748.44			
Biobank	4,787,795.81		4,787,795.81	42,265,486.81		42,265,486.81
Pubin Road Bus Station	4,588,307.43		4,588,307.43			
Wafer test platform	4,206,990.36		4,206,990.36	2,824,576.56		2,824,576.56
Smart health platform	3,444,445.49		3,444,445.49	3,444,445.49		3,444,445.49
Leixin Optoelectronics Project	3,204,171.43		3,204,171.43			
R&D Building Phase IV	567,889.90		567,889.90	511,253,205.71		511,253,205.71
Concrete mixing station project	2,601,268.84		2,601,268.84	77,984,053.57		77,984,053.57
Accelerator Phase IV (Phase II)	2,359.02		2,359.02	88,427,950.24		88,427,950.24
Other sporadic projects	51,723,030.87		51,723,030.87	250,529,181.76		250,529,181.76
Total	16,362,778,832.01		16,362,778,832.01	11,557,076,713.72		11,557,076,713.72

16. Intangible assets

(1) Intangible assets

Item	Land use right	Proprietary technology	Software	Concession	Total
I. Cost					
1. Balance As at 31/12/2019	1,069,074,033.71	960,000.00	41,244,380.49	98,558,321.00	1,209,836,735.20
2. Additions during the year	493,653,120.30		30,399,400.05	76,952.84	524,129,473.19
(1) Purchase	493,653,120.30		30,399,400.05	76,952.84	524,129,473.19
3. Decrease during the year	42,431,062.49		7,568.01		42,438,630.50

For the year ended 31 December 2020

Item	Land use right	Proprietary technology	Software	Concession	Total
(1) Disposal	5,145,062.49		7,568.01		5,152,630.50
(2) Transfer to construction in progress	37,286,000.00				37,286,000.00
4. Balance As at 31/12/2020	1,520,296,091.52	960,000.00	71,636,212.53	98,635,273.84	1,691,527,577.89
II.Accumulative amortisation					
1. Balance As at 31/12/2019	40,571,781.16	683,250.00	24,016,377.63	11,499,800.97	76,771,209.76
2. Additions during the year	30,066,912.25	67,666.67	8,789,100.88	9,882,387.17	48,806,066.97
(1) Provision	30,066,912.25	67,666.67	8,789,100.88	9,882,387.17	48,806,066.97
3. Decrease during the year	5,189,541.86				5,189,541.86
(1) Disposal	1,184,644.40				1,184,644.40
(2) Transfer to construction in progress	4,004,897.46				4,004,897.46
4. Balance As at 31/12/2020	65,449,151.55	750,916.67	32,805,478.51	21,382,188.14	120,387,734.87
III.Provision for impairment					
1. Balance As at 31/12/2019					
2. Additions during the year					
(1) Provision					
3. Decrease during the year					

For the year ended 31 December 2020

Item	Land use right	Proprietary technology	Software	Concession	Total
(1) Disposal					
4. Balance As at 31/12/2020					
IV.Carrying amount					
1. Balance As at 31/12/2020	1,454,846,939.97	209,083.33	38,830,734.02	77,253,085.70	1,571,139,843.02
2. Balance As at 31/12/2019	1,028,502,252.55	276,750.00	17,228,002.86	87,058,520.03	1,133,065,525.44

(2) Intangible assets pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending
NO.Ning 2014GY27 land for public facilities	11,708,950.68	Processing

17.Development costs

Project	As at 31/12/2019	Additions during the year Internal development	Decreased during the year Recognised in profit or loss	As at 31/12/2020
Million Population Genome Project	47,169,811.50			47,169,811.50
China Securities Regulatory Commission Regional Equity Duration Blockchain Pilot Project		4,514,714.53		4,514,714.53
Nanjing Mathematics Research Institute Digital Cockpit Phase I Project		150,000.00		150,000.00
Digital Finance Experimental Base Application Demonstration Project	3,393,765.93	953,680.85		4,347,446.78
Smart Enterprise Cloud APP		603,773.58		603,773.58

For the year ended 31 December 2020

Project	As at 31/12/2019	Additions during the year	Decreased during the year	As at 31/12/2020
		Internal development	Recognised in profit or loss	
The impact of gut microbiota on human diseases		291,922.28	141,691.14	150,231.14
The impact of third-hand smoke and PM2.5 on cancer risk		946,255.89	456,914.61	489,341.28
New drug development		898,286.17	440,369.75	457,916.42
Discover and validate biomarkers used to predict patient prognosis and treatment response		2,031,946.72	995,934.39	1,036,012.33
Big data platform		423,742.81	206,348.07	217,394.74
Total	50,563,577.43	10,814,322.83	2,241,257.96	59,136,642.30

18.Long-term deferred expenses

Item	As at 31/12/2019	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2020
Renovation costs	94,134,915.85	163,305,807.33	55,066,341.98	1,111,437.32	201,262,943.88
Consulting service fee	85,509,190.61	19,600,000.00	13,994,775.50		91,114,415.11
Dongda Science and Technology Park Project	30,065,976.98		7,676,419.68		22,389,557.30
Fees for technical services	22,248,333.34		1,857,916.67		20,390,416.67
Hotel Supplies		18,937,012.57	3,701,098.62		15,235,913.95
Accelerator related projects	4,632,382.93		1,004,447.40		3,627,935.53
Qiaobei Triangle Land Parking Lot		2,778,426.77			2,778,426.77
Zhennanhe Road No. 100 Party Building Center Reconstruction	2,129,888.94	67,799.21	517,103.10		1,680,585.05

For the year ended 31 December 2020

Item	As at 31/12/2019	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2020
Project					
Dongmen Caichang Parking Lot		1,485,187.37			1,485,187.37
Roof Garden Project of No. 100 Zhennanhe Road		1,520,572.32	101,371.49		1,419,200.83
Planning exhibition hall parking lot and carport	1,488,816.56		364,608.29		1,124,208.27
Upgrade and renovation of indoor LED screen at No. 100, Zhennanhe Road	1,199,666.66	23,168.33	248,712.19		974,122.80
Puxin Infrastructure	1,034,015.12		71,313.48		962,701.64
Gene 2nd floor laboratory and air conditioning renovation	223,689.33	405,436.90	62,912.63		566,213.60
Reconstruction project of underground pit in No. 100 hall of Zhenhe South Road		412,686.42			412,686.42
6 Tianpu Road	760,956.33		371,023.12		389,933.21
Banyuan Hotel Renovation		376,664.85	72,903.15		303,761.70
Office area renovation project on the		766,526.12	485,466.54		281,059.58

For the year ended 31 December 2020

Item	As at 31/12/2019	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2020
first floor of public construction center					
Renovation fee for No. 3 Tianpu Road	264,149.66		86,664.63		177,485.03
Sporadic renovation of ancillary facilities in the office building at No. 100, Zhennanhe Road		295,651.04	157,680.55		137,970.49
The production project of No. 100 guide sign in Zhennanhe Road		160,498.11	32,099.62		128,398.49
1 Tianpu Road	172,662.24		82,877.81		89,784.43
Office building electromechanical intelligent transformation		90,825.69	10,091.74		80,733.95
P2 laboratory transformation		81,166.61	5,411.12		75,755.49
18th floor electrical installation project	34,999.86		11,351.35		23,648.51
Pathogenic biological laboratory transformation	6,100.97		1,284.40		4,816.57
Planning the interior	22,718.93		22,718.93		

For the year ended 31 December 2020

Item	As at 31/12/2019	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2020
renovation of the exhibition hall					
Planning exhibition hall carport	82,248.23		82,248.23		
Relocation of Tianpu Road No. 1 Cable	36,332.54		36,332.54		
Land lease fee for concrete mixing station	1,500,000.00		1,500,000.00		
Other	8,425,163.83	393,645.35	5,233,786.56	1,269,966.11	2,315,056.51
Total	253,972,208.91	210,701,074.99	92,858,961.32	2,381,403.43	369,432,919.15

19. Deferred tax assets and deferred tax liabilities**(1) Deferred tax assets**

Item	As at 31/12/2020		As at 31/12/2019	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provisions for impairment of assets	394,230,780.13	98,557,695.10	233,605,188.80	58,401,297.20
Deductible tax losses	166,209,229.28	41,552,307.32	272,244,800.96	68,061,200.24
Pre-operating expenses	2,557,317.90	639,329.48	3,307,929.70	826,982.42
Changes in fair value of investment properties	7,555,777.77	1,888,944.44		
Deferred income	9,537,499.86	2,384,374.96	24,779,590.96	6,194,897.74
Unrealised profits of intra-group transactions	3,033,070.08	758,267.53	71,568,184.85	17,892,046.23
Other			6,387,916.64	1,596,979.16
Total	583,123,675.02	145,780,918.83	611,893,611.91	152,973,402.99

(2) Deferred tax liabilities

Item	As at 31/12/2020		As at 31/12/2019	
	Taxable temporary	Deferred tax liabilities	Taxable temporary	Deferred tax liabilities

For the year ended 31 December 2020

	differences		differences	
Assessing value-added accrued deferred income tax liabilities	5,062,384,278.75	1,265,596,069.70	5,994,212,740.84	1,498,553,185.21
Asset book value is greater than tax base	2,329,449,753.30	582,362,438.32	33,673,243.96	8,418,310.99
Total	7,391,834,032.05	1,847,958,508.02	6,027,885,984.80	1,506,971,496.20

20. Other non-current assets

Item	As at 31/12/2020	As at 31/12/2019
Nanjing Qinhuai State-owned Assets Holding Group Co., Ltd.	3,841,600,000.00	3,962,110,000.00
Nanjing Xinsha Construction Investment Holding Group Co., Ltd.	3,799,700,000.00	3,903,700,000.00
Nanjing Chemical Industry Park Affordable Housing Development Center		861,900,000.00
Nanjing New Six City Construction Investment Co., Ltd.	3,228,521,000.00	3,272,521,000.00
Nanjing Pukou District Affordable Housing Construction Development Co., Ltd.	2,239,018,547.50	2,388,418,547.50
Nanjing Zijin (Gaochun) Technology Entrepreneurship Special Social Construction Development Co., Ltd.		1,534,740,000.00
Nanjing Qixia Urban Construction Development Group Co., Ltd.	2,386,830,000.00	2,430,330,000.00
Nanjing Jiangning District Affordable Housing Construction Development Co., Ltd.	2,275,330,000.00	2,290,330,000.00
Nanjing Guokai Yuhua Urban Renewal Development Co., Ltd.	1,417,020,000.00	4,242,050,000.00
Nanjing Lishuishan Affordable Housing Construction Co., Ltd.	2,352,800,000.00	2,627,030,000.00
Nanjing Tiebei Industrial Investment Co., Ltd.	1,121,660,000.00	1,121,660,000.00
Nanjing Beiyuan Investment Real Estate Co., Ltd.		187,500,000.00
Levy Management Center of Jiangbei New District, Nanjing	10,011,057,721.59	3,231,924,000.00
Jiangsu Gaochun High-tech Zone Construction	1,419,840,000.00	

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Development Co., Ltd.		
Prepaid long-term asset purchases	1,277,833,735.84	1,133,291,701.39
Pipeline and other assets	395,627,183.88	
Demolition compensation		200,000,000.00
Yanjiang Subdistrict Office, People's Government of Pukou District, Nanjing	300,000,000.00	300,000,000.00
Entrusted Loan	1,060,380,000.00	1,060,380,000.00
Convertible debt investment	38,000,000.00	69,000,000.00
Office building co-construction deposit	10,000,000.00	10,000,000.00
Central Green Axis (Phase I)	5,529,198.37	6,058,794.45
Inferior-level special plan funds	121,200,000.00	80,000,000.00
Total	37,301,947,387.18	34,912,944,043.34

21. Short-term loans

(1) Short-term loans by category

Category	As at 31/12/2020	As at 31/12/2019
Loans secured by mortgages		49,000,000.00
Guaranteed loans	4,548,994,640.91	1,898,450,000.00
Unsecured loans	4,910,992,000.00	6,005,091,900.00
Total	9,459,986,640.91	7,952,541,900.00

(2) At the end of the year, the company has no short-term loans that have not been repaid.

22. Bills payable

Category	As at 31/12/2020	As at 31/12/2019
Bank acceptance bills		22,186,718.47
Total		22,186,718.47

Note: The total balance of due but unpaid bills payable at the end of the year is 0.

23. Accounts payable

(1) The ageing analysis of accounts payable is as follows:

Ageing	As at 31/12/2020	As at 31/12/2019
Within 1 year	2,093,229,793.72	1,432,962,633.30
1 to 2 years	315,842,698.56	469,893,805.89
2 to 3 years	45,851,479.24	40,064,980.18
More than 3 years	1,027,654,858.20	994,461,350.04

For the year ended 31 December 2020

Total	3,482,578,829.72	2,937,382,769.41
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(3) Including significant accounts payable with aging of more than 1 year

Creditor	As at 31/12/2020	Unsettled reason
Pukou District Pufei House Demolition Co., Ltd.	841,224,214.52	Unsettlement
Pukou Branch of Nanjing Municipal Land and Resources Bureau	171,925,363.00	Unsettlement
Total	1,013,149,577.52	

24. Advances from customers

(1) The ageing analysis of advances from customers is as follows:

Ageing	As at 31/12/2020	As at 31/12/2019
Within 1 year	2,267,148,392.15	772,978,254.97
1 to 2 years	399,412,611.15	20,173,348.46
2 to 3 years	151,363.80	13,943,487.53
More than 3 years	39,386,238.34	213,634,433.29
Total	2,706,098,605.44	1,020,729,524.25

(2) Including significant advances from customers are with aging of more than 1 year

Nature	As at 31/12/2020	Reasons for not being transferred
Pearl Spring Economic Development Co., Ltd.	171,000,000.00	The project has not been completed
Levy Management Center of Jiangbei New District, Nanjing	130,000,000.00	The project has not been completed
Finance Office, Taishan Sub-district Office, People's Government of Pukou District, Nanjing	47,693,053.05	The house is unfinished and not yet delivered
Nanjing Pukou District Pufei Housing Demolition Co., Ltd.	11,064,300.00	Not yet settled
Nanjing Puyi Metal Material Co., Ltd.	4,325,620.00	Not yet settled
Total	364,082,973.05	

25. Employee benefits payable

(1) Overall situation

Item	As at 31/12/2019	Accrued during the year	Decreased during the year	As at 31/12/2020
Short-term employee benefits	38,812,804.29	624,240,530.85	620,779,726.97	42,273,608.17
Post-employment benefits -	687,857.60	22,969,606.59	23,047,288.64	610,175.55

For the year ended 31 December 2020

Item	As at 31/12/2019	Accrued during the year	Decreased during the year	As at 31/12/2020
defined contribution plans				
Termination benefits		59,521.00	59,521.00	
Other benefits due within one year				
Total	39,500,661.89	647,269,658.44	643,886,536.61	42,883,783.72

(2) Short-term employee benefits

Item	As at 31/12/2019	Accrued during the	Decreased during the	As at 31/12/2020
Salaries, bonus, allowances	34,208,255.28	495,121,401.70	492,186,776.55	37,142,880.43
Staff welfare	1,175,130.64	28,806,427.78	29,162,204.76	819,353.66
Social insurances	38,750.66	20,949,362.96	20,924,293.09	63,820.53
Including : 1. Medical insurance	25,640.68	19,265,055.37	19,236,962.45	53,733.60
2. Work-related injury insurance	4,849.82	112,919.25	113,158.41	4,610.66
3. Maternity insurance	8,260.16	1,694,159.07	1,698,422.96	3,996.27
4. Others		-122,770.73	-124,250.73	1,480.00
Housing Fund	341,168.20	59,833,154.23	59,831,969.43	342,353.00
Labor union fees, staff and workers' education fee	2,101,694.46	7,765,866.57	5,895,057.87	3,972,503.16
Short-term paid absences	947,805.05		1,010,723.65	-62,918.60
Short-term profit -sharing plan		11,764,317.61	11,768,701.62	-4,384.01
Total	38,812,804.29	624,240,530.85	620,779,726.97	42,273,608.17

(3) Defined contribution plans

Item	As at 31/12/2019	Accrued during the year	Decreased during the year	As at 31/12/2020
Post-employment benefits	180,271.83	9,151,974.73	9,283,048.56	49,198.00
Unemployment insurance	8,919.74	416,702.29	423,397.76	2,224.27
Enterprise annuity payment	498,666.03	13,400,929.57	13,340,842.32	558,753.28
Total	687,857.60	22,969,606.59	23,047,288.64	610,175.55

26. Taxes payable

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Corporate income tax	274,413,771.69	201,811,387.39
VAT	86,455,452.61	45,844,930.63
Business tax	3,034,094.45	3,120,235.99
Land value added tax	26,046,443.75	26,046,443.75
Land holding tax	4,881,665.88	3,880,459.43
Property tax	38,488,023.89	18,800,589.77
Urban maintenance and construction tax	9,806,985.11	8,076,774.42
Educational surcharge	6,952,047.48	5,713,805.40
Individual income tax	2,764,625.44	1,603,944.09
Stamp duty	13,970,509.15	1,227,229.34
Environmental Protection Tax	7,468,337.77	3,290,646.90
Other	2,061,809.80	7,929,284.76
Total	476,343,767.02	327,345,731.87

27. Other payables

Item	As at 31/12/2020	As at 31/12/2019
Other payables	8,247,778,310.08	7,752,592,633.56
Interest payable	1,259,072,742.34	890,111,014.73
Dividends payable	9,050,157.51	23,686,098.49
Total	9,515,901,209.93	8,666,389,746.78

(1) Other payables

① Other payables listed according to the nature of the payment:

Item	As at 31/12/2020	As at 31/12/2019
Expenses payable	18,498,015.97	37,649,516.14
Deposit, security deposit	359,246,668.02	332,378,273.96
Current payment	6,662,406,188.70	6,515,533,738.34
Temporary loan	631,632,231.32	313,121,875.00
Other	575,995,206.07	553,909,230.12
Total	8,247,778,310.08	7,752,592,633.56

② Including significant other payable with aging of more than 1 year

Creditor	As at 31/12/2020	Reasons for non-payment
Finance Bureau of Gulou District, Nanjing	525,000,000.00	Not settled

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Creditor	As at 31/12/2020	Reasons for non-payment
Nanjing Xinsha Construction Investment Holding Group Co., Ltd.	315,000,000.00	Not settled
Nanjing Qinhui State-owned Assets Holding Group Co., Ltd.	262,300,000.00	Not settled
Nanjing Zijin (Gaochun) Technology Entrepreneurship Special Community Construction Development Co., Ltd.	103,390,000.00	Not settled
Total	1,205,690,000.00	

(2) Interest payable

Item	As at 31/12/2020	As at 31/12/2019
Interest payable for long-term loans with interest paid in installments and principal paid on maturity	227,145,261.18	198,343,771.32
Interest payable on debentures	1,011,340,234.73	10,761,638.29
Interest payable on short-term loans	20,587,246.43	650,316,164.66
Other		30,689,440.46
Total	1,259,072,742.34	890,111,014.73

(3) Dividends payable

Item	As at 31/12/2020	As at 31/12/2019
Dividends for ordinary shares	5,088,038.79	23,686,098.49
Dividends of preferred stocks/perpetual bonds classified as equity instruments	3,962,118.72	
Total	9,050,157.51	23,686,098.49

28. Non-current liabilities due within one year

Item	As at 31/12/2020	As at 31/12/2019
Long-term loans due within one year(Note VI, 30)	11,221,580,448.58	14,600,568,077.34
Debentures payable within one year(Note VI, 31)	8,462,652,322.13	5,682,815,873.11
Long-term payables due within one year(Note VI, 32)	906,180,106.40	381,963,709.39
Total	20,590,412,877.11	20,665,347,659.84

29. Other current liabilities

Item	As at 31/12/2020	As at 31/12/2019
Short-term debentures payable	600,000,000.00	600,000,000.00
Withholding property, maintenance and storage fees	3,146,763.09	18,056,512.82

For the year ended 31 December 2020

Total	603,146,763.09	618,056,512.82
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30. Long-term loans

Item	As at 31/12/2020	As at 31/12/2019
Unsecured loans	11,160,390,891.32	11,100,264,460.00
Guaranteed loans	66,722,907,791.76	46,210,217,154.74
Loans secured by mortgages	3,169,309,501.11	6,364,840,000.00
Pledged loans	19,755,069,454.43	25,033,548,547.50
Other loans		1,136,366.00
Less: long-term loans due within one year(Note VI, 28)	11,221,580,448.58	14,600,568,077.34
Total	89,586,097,190.04	74,109,438,450.90

31. Debentures payable

(1) Debentures payable

Item	As at 31/12/2020	As at 31/12/2019
Nanjing Jiangbei New Area Railway Construction Investment Co., Ltd. 2020 non-public issuance of special corporate bonds for project proceeds	2,000,000,000.00	
19 Pubao 01	397,605,000.00	397,040,000.00
US Dollar Bond	1,297,150,120.00	
China Construction Bank Proposal 1		1,199,180,771.00
China Construction Bank Proposal 2		1,597,098,022.00
2020 first tranche of private placement bonds	1,998,459,280.55	
20 Yangzi 03 Private Equity Bond Funds	1,998,044,961.00	
20 Yangtze 04 Private Equity Bond Funds	1,198,820,856.00	
20 Yangtze G01 public Bond fundraising	1,498,691,191.00	
20 Yangtze G2 public company bond funds	799,240,569.00	
20 Yangtze G3 public company bond funds	2,697,380,219.00	
20 Yangzi State Investment Bond 01 Corporate Bond Raised Funds	398,819,372.00	
Nanjing Securities 19 Yangzi State Investment Bond 01	1,497,189,960.97	1,496,406,555.97
Nanjing Securities 19 Yangzi State Investment Bond 02	1,995,662,671.92	1,994,548,272.92
Nanjing Securities 19 Yangzi State Investment	997,810,639.32	997,332,273.32

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Item	As at 31/12/2020	As at 31/12/2019
Bond 03		
Nanjing Securities 19 Yangzi State Investment Bond 04	2,095,366,754.77	2,094,256,271.77
Yangtze 02 Private Equity Bond Second Phase Bond	2,797,679,917.27	
CICC USD Bond 1	1,865,087,315.43	1,859,112,293.60
CICC USD Bond 2	1,286,022,442.34	1,293,412,384.19
18 Jiangbei Technology MTN001	398,415,094.34	397,735,849.05
18 Jiangbei Technology MTN002	398,245,283.02	397,566,037.74
18 Jiangbei 01 Bond	746,698,113.21	745,566,037.73
19 Jiangbei 01 Bond	248,773,584.91	248,396,226.42
19 Jiangbei 03 Bond	497,295,597.48	496,540,880.50
19 Jiangbei Referendum CP001		399,358,490.57
19 Jiangbei Referendum CP002		399,295,597.49
G20 Jiangbei 1	399,318,658.28	
G20 Jiangbei 2	489,133,254.71	
20 Jiangbei Referendum SCP001	400,000,000.00	
20 Jiangbei Referendum CP001	399,874,213.83	
Ping An Securities-Ancient Water Industry Water Supply Fee-Profit Right Asset-backed Special Plan	780,840,000.00	819,960,000.00
Jiangbei Public Affordable Housing Asset Support Special Plan		533,000,000.00
Overseas Bond XS1997069692	3,230,524,330.58	3,441,724,056.02
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd. Non-public Issuance of 2020 Corporate Bonds (First Tranche)	600,000,000.00	
15 Ning Gaoxin PPN001		1,298,778,052.31
16 Ning Gaoxin PPN001	699,792,667.83	698,765,607.35
16 Ning High-tech PPN002	599,563,211.91	598,691,200.61
16 Nanjing High-tech MTN001	1,000,000,000.00	1,000,000,000.00
17 Ning Gaoxin	1,204,766,024.23	1,235,018,581.53
17 Nanjing High-tech Bond	637,847,295.52	796,768,459.42

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
18 years of Jiangbei production and investment ZR001	1,500,000,000.00	1,500,000,000.00
18 Jiangbei Industrial Investment MTN001	998,219,474.50	997,480,539.10
18 Jiangbei Industrial Investment MTN002	998,203,521.89	997,465,488.61
18 Jiangbei Investment Bond 01	1,990,569,339.25	1,988,055,632.47
19 Jiangbei New District PPN001	996,429,846.12	995,691,744.89
20 Jiangbei New District PPN001	1,196,146,729.35	
2020 non-public issuance of corporate bonds	1,342,475,104.75	
20 Jiangbei New District MTN001	1,197,398,958.23	
20 Jiangbei New District PPN002	996,534,274.65	
20 Jiangbei New District MTN002	597,714,716.66	
20 Jiangbei New District MTN003	498,817,106.72	
20 Jiangbei New District MTN004	996,189,708.49	
20 Jiangbei New District PPN003	797,004,795.64	
Overseas bonds XS2013577056		1,044,514,564.85
Overseas bonds XS2068598908		347,124,462.95
Overseas bonds XS216829093	1,954,148,390.50	
Overseas bonds XS2216050042	1,301,113,838.06	
19 North Park 01	510,000,000.00	510,000,000.00
19 North Park 02	490,000,000.00	490,000,000.00
19 North Park 03	300,000,000.00	300,000,000.00
Debentures payable within one year(Note VI, 28)	8,462,652,322.13	5,682,815,873.11
Total	49,748,432,083.10	29,923,068,481.27

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(2) Increases and decreases of debentures payable(Excluding other financial instruments such as preference shares and perpetual bonds classified as financial liabilities)

Debenture Name	Face value	Issuance date	Term	Issuance amount	As at 31/12/2019
Nanjing Jiangbei New Area Railway Construction Investment Co., Ltd. 2020 non-public issuance of special corporate bonds for project proceeds	2,000,000,000.00	2020/7/21	28 years	2,000,000,000.00	
19 Pubao 01	400,000,000.00	2019.12.18	5 years	400,000,000.00	397,040,000.00
US Dollar Bond	USD 200 million	2020/11/17	5 years	1,304,980,000.00	
China Construction Bank Proposal 1	1,200,000,000.00	2017/9/12	3 years	1,200,000,000.00	1,199,180,771.00
China Construction Bank Proposal 2	1,600,000,000.00	2017/10/24	3 years	1,600,000,000.00	1,597,098,022.00
2020 first tranche of private placement bonds	2,000,000,000.00	2020/1/10	5 years	2,000,000,000.00	
20 Yangtze 03 Private Equity Bond Funds	2,000,000,000.00	2020/11/16	5 years	2,000,000,000.00	
20 Yangtze 04 Private Equity Bond Funds	1,200,000,000.00	2020/11/26	5 years	1,200,000,000.00	
20 Yangtze G01 public Bond fundraising	1,500,000,000.00	2020/4/28	5 years	1,500,000,000.00	
20 Yangtze G2 public company bond funds	800,000,000.00	2020/9/21	5 years	800,000,000.00	
20 Yangtze G3 public company bond funds	2,700,000,000.00	2020/11/2	5 years	2,700,000,000.00	
20 Yangtze State Investment Bond 01 Corporate Bond Raised Funds	400,000,000.00	2020/10/19	10 years	400,000,000.00	
Nanjing Securities 19 Yangtze State Investment Bond 01	1,500,000,000.00	2019/3/19	5 years	1,500,000,000.00	1,496,406,555.97

For the year ended 31 December 2020

Debenture Name	Face value	Issuance date	Term	Issuance amount	As at 31/12/2019
Nanjing Securities 19 Yangzi State Investment Bond 02	2,000,000,000.00	2019/8/12	5 years	2,000,000,000.00	1,994,548,272.92
Nanjing Securities 19 Yangzi State Investment Bond 03	1,000,000,000.00	2019/10/21	5 years	1,000,000,000.00	997,332,273.32
Nanjing Securities 19 Yangzi State Investment Bond 04	2,100,000,000.00	2019/10/29	5 years	2,100,000,000.00	2,094,256,271.77
Yangtze 02 Private Equity Bond Second Phase Bond	2,800,000,000.00	2020/3/11	5 years	2,800,000,000.00	
CICC USD Bond 1	USD 500 million	2017/12/5	5 years	1,859,586,850.40	1,859,112,293.60
CICC USD Bond 2	USD 300 million	2017/12/5	10 years	1,304,971,369.60	1,293,412,384.19
18 Jiangbei Technology MTN001	400,000,000.00	2018/5/8	5 years	400,000,000.00	397,735,849.05
18 Jiangbei Technology MTN002	400,000,000.00	2018/8/16	5 years	400,000,000.00	397,566,037.74
18 Jiangbei 01 Bond	750,000,000.00	2018/12/4	5 years	750,000,000.00	745,566,037.73
19 Jiangbei 01 Bond	250,000,000.00	2019/4/4	5 years	250,000,000.00	248,396,226.42
19 Jiangbei 03 Bond	500,000,000.00	2019/8/27	5 years	500,000,000.00	496,540,880.50
19 Jiangbei Referendum CP001	400,000,000.00	2019/4/29	1 years	400,000,000.00	399,358,490.57
19 Jiangbei Referendum CP002	400,000,000.00	2019/9/4	1 years	400,000,000.00	399,295,597.49
G20 Jiangbei 1	400,000,000.00	2020/3/27	3 years	400,000,000.00	
G20 Jiangbei 2	490,000,000.00	2020/4/30	3 years	490,000,000.00	
20 Jiangbei Referendum SCP001	400,000,000.00	2020/4/26	270 days	400,000,000.00	

For the year ended 31 December 2020

Debenture Name	Face value	Issuance date	Term	Issuance amount	As at 31/12/2019
20 Jiangbei Referendum CP001	400,000,000.00	2020/9/29	1 years	400,000,000.00	
Ping An Securities-Ancient Water Industry Water Supply Fee-Profit Right Asset-backed Special Plan	843,000,000.00	2019/7/12	9 years	843,000,000.00	819,960,000.00
Jiangbei Public Affordable Housing Asset Support Special Plan	533,000,000.00	2018/9/21	3 years	533,000,000.00	533,000,000.00
Overseas Bond XS1997069692	3,417,516,490.50	2019/6/5	5 years	3,417,516,490.50	3,441,724,056.02
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd. Non-public Issuance of 2020 Corporate Bonds (First Tranche)	600,000,000.00	2020/11/29	3 years	600,000,000.00	
15 Ning Gaoxin PPN001	1,300,000,000.00	2015/8/17	5 years	1,300,000,000.00	1,298,778,052.31
16 Ning Gaoxin PPN001	700,000,000.00	2016/3/18	5 years	700,000,000.00	698,765,607.35
16 Ning High-tech PPN002	600,000,000.00	2016/6/30	5 years	600,000,000.00	598,691,200.61
16 Nanjing High-tech MTN001	1,000,000,000.00	2016/10/28	5 years	1,000,000,000.00	1,000,000,000.00
17 Ning Gaoxin	1,240,000,000.00	2017/7/27	5 years	1,240,000,000.00	1,235,018,581.53
17 Nanjing High-tech Bond	800,000,000.00	2017/12/6	7 years	800,000,000.00	796,768,459.42
18 years of Jiangbei production and investment ZR001	1,500,000,000.00	2018/3/30	3 years	1,500,000,000.00	1,500,000,000.00
18 Jiangbei Industrial Investment MTN001	1,000,000,000.00	2018/3/9	5 years	1,000,000,000.00	997,480,539.10
18 Jiangbei Industrial Investment MTN002	1,000,000,000.00	2018/3/19	5 years	1,000,000,000.00	997,465,488.61

For the year ended 31 December 2020

Debenture Name	Face value	Issuance date	Term	Issuance amount	As at 31/12/2019
18 Jiangbei Investment Bond 01	2,000,000,000.00	2018/6/15	7 years	2,000,000,000.00	1,988,055,632.47
19 Jiangbei New District PPN001	1,000,000,000.00	2019/3/29	5 years	1,000,000,000.00	995,691,744.89
20 Jiangbei New District PPN001	1,200,000,000.00	2020/2/24	3 years	1,200,000,000.00	
2020 non-public issuance of corporate bonds	1,350,000,000.00	2020/3/16	5 years	1,350,000,000.00	
20 Jiangbei New District MTN001	1,200,000,000.00	2020/4/14	5 years	1,200,000,000.00	
20 Jiangbei New District PPN002	1,000,000,000.00	2020/4/16	3 years	1,000,000,000.00	
20 Jiangbei New District MTN002	600,000,000.00	2020/8/7	3 years	600,000,000.00	
20 Jiangbei New District MTN003	500,000,000.00	2020/9/15	5 years	500,000,000.00	
20 Jiangbei New District MTN004	1,000,000,000.00	2020/10/23	3 years	1,000,000,000.00	
20 Jiangbei New District PPN003	800,000,000.00	2020/10/13	3 years	800,000,000.00	
Overseas bonds XS2013577056	1,031,205,000.00	2019/6/17	1 years	1,031,205,000.00	1,044,514,564.85
Overseas bonds XS2068598908	352,665,000.00	2019/10/25	1 years	352,665,000.00	347,124,462.95
Overseas bonds XS216829093	2,119,018,292.03	2020/5/21	1 years	2,119,018,292.03	
Overseas bonds XS2216050042	1,378,219,479.23	2020/8/25	1 years	1,378,219,479.23	
19 North Park 01	510,000,000.00	2019/4/25	4 years	510,000,000.00	510,000,000.00
19 North Park 02	490,000,000.00	2019/4/25	4 years	490,000,000.00	490,000,000.00
19 North Park 03	300,000,000.00	2019/4/25	4 years	300,000,000.00	300,000,000.00
Debentures payable within one year(Note VI, 28)	—	—	—	—	5,682,815,873.11
Total	—	—	—	—	29,923,068,481.27

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(Continued)

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
Nanjing Jiangbei New Area Railway Construction Investment Co., Ltd. 2020 non-public issuance of special corporate bonds for project proceeds	2,000,000,000.00						2,000,000,000.00
19 Pubao 01			565,000.00				397,605,000.00
US Dollar Bond	1,304,980,000.00		7,829,880.00		-15,659,760.00		1,297,150,120.00
China Construction Bank Proposal 1			819,229.00	1,200,000,000.00			
China Construction Bank Proposal 2			2,901,978.00	1,600,000,000.00			
2020 first tranche of private placement bonds	2,000,000,000.00		-1,540,719.45				1,998,459,280.55
20 Yangzi 03 Private Equity Bond Funds	2,000,000,000.00		-1,955,039.00				1,998,044,961.00
20 Yangtze 04 Private Equity Bond Funds	1,200,000,000.00		-1,179,144.00				1,198,820,856.00

For the year ended 31 December 2020

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
20 Yangtze G01 public Bond fundraising	1,500,000,000.00		-1,308,809.00				1,498,691,191.00
20 Yangtze G2 public company bond funds	800,000,000.00		-759,431.00				799,240,569.00
20 Yangtze G3 public company bond funds	2,700,000,000.00		-2,619,781.00				2,697,380,219.00
20 Yangzi State Investment Bond 01 Corporate Bond Raised Funds	400,000,000.00		-1,180,628.00				398,819,372.00
Nanjing Securities 19 Yangzi State Investment Bond 01			783,405.00				1,497,189,960.97
Nanjing Securities 19 Yangzi State Investment Bond 02			1,114,399.00				1,995,662,671.92
Nanjing Securities 19 Yangzi State Investment Bond 03			478,366.00				997,810,639.32
Nanjing Securities 19 Yangzi State Investment			1,110,483.00				2,095,366,754.77

For the year ended 31 December 2020

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
Bond 04							
Yangtze 02 Private Equity Bond Second Phase Bond	2,800,000,000.00		-2,320,082.73				2,797,679,917.27
CICC USD Bond 1			132,712,698.23		-126,737,676.40		1,865,087,315.43
CICC USD Bond 2			84,540,506.28		-91,930,448.13		1,286,022,442.34
18 Jiangbei Technology MTN001			679,245.29				398,415,094.34
18 Jiangbei Technology MTN002			679,245.28				398,245,283.02
18 Jiangbei 01 Bond			1,132,075.48				746,698,113.21
19 Jiangbei 01 Bond			377,358.49				248,773,584.91
19 Jiangbei 03 Bond			754,716.98				497,295,597.48
19 Jiangbei Referendum CP001			641,509.43	400,000,000.00			
19 Jiangbei Referendum CP002			704,402.51	400,000,000.00			
G20 Jiangbei 1	400,000,000.00		-681,341.72				399,318,658.28
G20 Jiangbei 2	490,000,000.00		-866,745.29				489,133,254.71

For the year ended 31 December 2020

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
20 Jiangbei Referendum SCP001	400,000,000.00						400,000,000.00
20 Jiangbei Referendum CP001	400,000,000.00		-125,786.17				399,874,213.83
Ping An Securities-Ancient Water Industry Water Supply Fee-Profit Right Asset-backed Special Plan				39,120,000.00			780,840,000.00
Jiangbei Public Affordable Housing Asset Support Special Plan				533,000,000.00			
Overseas Bond XS1997069692		148,866,000.00	9,875,492.30	148,866,000.00	-221,075,217.74		3,230,524,330.58
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd. Non-public Issuance of 2020 Corporate Bonds (First Tranche)	600,000,000.00						600,000,000.00
15 Ning Gaoxin PPN001		75,400,000.00	1,221,947.69	1,375,400,000.00			

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Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
16 Ning Gaoxin PPN001		32,900,000.00	1,027,060.48	32,900,000.00			699,792,667.83
16 Ning High-tech PPN002		30,000,000.00	872,011.30	30,000,000.00			599,563,211.91
16 Nanjing High-tech MTN001		35,800,000.00		35,800,000.00			1,000,000,000.00
17 Ning Gaoxin		69,316,000.00	1,747,442.70	101,316,000.00			1,204,766,024.23
17 Nanjing High-tech Bond		48,000,000.00	1,078,836.10	208,000,000.00			637,847,295.52
18 years of Jiangbei production and investment ZR001		99,000,000.00		99,000,000.00			1,500,000,000.00
18 Jiangbei Industrial Investment MTN001		60,500,000.00	738,935.40	60,500,000.00			998,219,474.50
18 Jiangbei Industrial Investment MTN002		60,300,000.00	738,033.28	60,300,000.00			998,203,521.89
18 Jiangbei Investment Bond 01		138,000,000.00	2,513,706.78	138,000,000.00			1,990,569,339.25
19 Jiangbei New District PPN001		47,000,000.00	738,101.23	47,000,000.00			996,429,846.12
20 Jiangbei New District PPN001	1,200,000,000.00	35,230,684.93	-39,083,955.58				1,196,146,729.35

For the year ended 31 December 2020

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
2020 non-public issuance of corporate bonds	1,350,000,000.00	39,686,301.37	-47,211,196.62				1,342,475,104.75
20 Jiangbei New District MTN001	1,200,000,000.00	30,719,342.47	-33,320,384.24				1,197,398,958.23
20 Jiangbei New District PPN002	1,000,000,000.00	25,027,397.26	-28,493,122.61				996,534,274.65
20 Jiangbei New District MTN002	600,000,000.00	8,640,000.00	-10,925,283.34				597,714,716.66
20 Jiangbei New District MTN003	500,000,000.00	6,376,027.40	-7,558,920.68				498,817,106.72
20 Jiangbei New District MTN004	1,000,000,000.00	15,440,000.00	-19,250,291.51				996,189,708.49
20 Jiangbei New District PPN003	800,000,000.00	13,472,000.00	-16,467,204.36				797,004,795.64
Overseas bonds XS2013577056		26,678,312.76	1,901,102.72	1,073,093,980.33			
Overseas bonds XS2068598908		14,047,550.04	1,672,924.91	362,844,937.90			
Overseas bonds	2,119,018,292.03	48,237,200.00	5,538,936.88	48,237,200.00	-170,408,838.41		1,954,148,390.50

For the year ended 31 December 2020

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance As at 31/12/2020
XS216829093							
Overseas bonds							
XS2216050042	1,378,219,479.23	17,933,160.00	2,209,113.00	17,933,160.00	-79,314,754.17		1,301,113,838.06
19 North Park 01		24,480,000.00		24,480,000.00			510,000,000.00
19 North Park 02		24,745,000.00		24,745,000.00			490,000,000.00
19 North Park 03		15,600,000.00		15,600,000.00			300,000,000.00
Debentures payable within one year(Note VI, 28)							8,462,652,322.13
Total	30,142,217,771.26	1,191,394,976.23	52,850,276.44	8,076,136,278.23	-705,126,694.85		49,748,432,083.10

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32. Long-term payables

Item	As at 31/12/2020	As at 31/12/2019
Long-term payables	4,443,630,189.91	5,142,099,731.41
Special payables	3,972,045,763.41	7,254,040,114.48
Less: long-term payables due within one year(Note VI, 28)	906,180,106.40	381,963,709.39
Total	7,509,495,846.92	12,014,176,136.50

(1)Long-term payables:

Item	As at 31/12/2020	As at 31/12/2019
Demolition and resettlement fee for the fourth phase of the shantytown reconstruction of the vinyl road plot	237,386,100.00	237,386,100.00
Demolition and resettlement fee for Xiaotang plot in the fourth phase of shantytown reconstruction	470,669,400.00	470,669,400.00
China Foreign Trade Financial Leasing Co., Ltd.	396,000,000.00	
ICisC hardware simulation accelerator equipment project	24,948,617.95	
Land transfer fee	27,816,322.00	27,816,322.00
Anhui Guoyuan Trust Co., Ltd.	840,531,138.14	887,441,584.97
Nanjing Yangzi Agricultural Bank Industrial Investment Fund Phase I (Limited Partnership)	549,000,000.00	999,000,000.00
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	899,000,000.00	899,000,000.00
Nanjing Zijin Financial Leasing Co., Ltd.	6,534,344.75	12,377,281.82
Nanjing Anzu Financial Leasing Co., Ltd.	67,032,112.38	
ABC Financial Assets Investment Co., Ltd.	492,759,833.39	500,000,000.00
Suxing Financial Leasing Co., Ltd.		31,270,712.39
Finance lease	431,952,321.30	1,077,138,330.23
Less: long-term payables due within one year(Note VI, 28)	906,180,106.40	381,963,709.39
Total	3,537,450,083.51	4,760,136,022.02

(2)Special payables:

Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Provincial-level construction industry modernization special guiding funds	7,310,000.00			7,310,000.00

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Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Jiangbei New District Management Committee Urbanization Demonstration Zone Construction Subsidy Fund	5,595,000.00			5,595,000.00
Specific fund	6,433,884,851.18	329,806,698.54	6,506,481,945.49	257,209,604.23
Talent special funds	2,702,355.92		1,406,322.37	1,296,033.55
Special construction and development funds	4,513,067.54		4,513,067.54	
Three-supply and one-industry pipe network transfer project	108,005,610.09	76,079,800.00		184,085,410.09
Public rental housing commission management fee	300,000.00		300,000.00	
Science and Technology Special Fund	385,421.00	406,800.00	200,000.00	592,221.00
Renovation of the fire brigade barracks	4,649,120.91			4,649,120.91
Compensation for demolition of bus station, Keyuan Hotel, No. 2 apartment plot, and Xiaobailou plot	44,346,601.00			44,346,601.00
Demolition compensation	36,776,641.00			36,776,641.00
2017 Nanjing Emerging Industry Guidance Special Fund-Integrated Circuit Special Subsidy	42,831.87	764,168.13	807,000.00	
2017 new major public technology project service platform funds	41,176.00	1,308,824.00	1,350,000.00	
2019 Nanjing Special Fund for Industrial and Informatization DevelopmentNanjing Integrated Circuit Design	600,000.00	400,000.00	600,000.00	400,000.00

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Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Industry Public Technical Service Platform				
Nanjing Municipal Bureau of Industry and Information Technology and Municipal Bureau of Industry and Information Technology paid the special fund for the subject research of the integrated circuit industry landmark project	240,000.00			240,000.00
The second and fourth batch of provincial-level business development special funds (service trade) in 2019	950,000.00		408,752.13	541,247.87
Special support funds for the innovation and development of service trade in Jiangbei New Area in 2019	2,000,000.00			2,000,000.00
2019 Nanjing Jiangbei New Area Integrated Circuit Enterprise Core Team Special Fund		3,000,000.00		3,000,000.00
Municipal Finance Bureau Support Fund Project Project Fee	28,301.89		28,301.89	
Jiangbei New Area Finance Bureau Pancheng No. 2 plot project shed reform special debt appropriation	300,000,000.00	500,000,000.00		800,000,000.00
Jiangbei New Area Finance Bureau Taishan 350H plot project shed reform special debt appropriation	200,000,000.00			200,000,000.00
Business Incubation Fund	360,000.00		180,000.00	180,000.00

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Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Technology innovation carrier cultivation funding	400,000.00		400,000.00	
Cultivate high-tech enterprise rewards	150,000.00			150,000.00
Provincial Science and Technology Special Fund	759,136.08		744,272.44	14,863.64
Venture Capital Guidance Fund	100,000,000.00			100,000,000.00
Special funds for technology platform construction		8,500,000.00	1,303,340.35	7,196,659.65
Special debt for shed reform in Block B, Phase I, Block No. 5.6 of Getang		200,000,000.00		200,000,000.00
Runtai Phase VI and Phase VII Project		800,000,000.00		800,000,000.00
Huangyao Land Project		200,000,000.00		200,000,000.00
Runtai Phase IV Project		440,000,000.00		440,000,000.00
Runtai Phase V Project		190,000,000.00		190,000,000.00
Science and Technology Innovation Bureau of the Administrative Committee of Jiangbei New District, Nanjing (at this level)		580,000.00		580,000.00
Nanjing's 2019 Provincial Science and Technology Startup Enterprise Incubation Plan Provincially allocated funds and municipal supporting funds		155,000.00		155,000.00
Nanjing's 2020 Provincial Science and Technology Startup Enterprise Incubation Plan Provincially Appropriated Funds and		155,000.00		155,000.00

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Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Municipal Supporting Funds				
Project Fund for Qiaobei Microcirculation Project, Finance Bureau of Nanjing Jiangbei New District Management Committee		230,000,000.00	195,561,509.57	34,438,490.43
Project funds for the emergency treatment plan for the section of Jiangbei New District, the Financial Bureau of the Jiangbei New District Management Committee, Nanjing City		2,172,970.04		2,172,970.04
Weiba Road project fund for the unblocked construction of the Dutou Road of the Finance Bureau of the Management Committee of Nanjing Jiangbei New District		39,410,000.00		39,410,000.00
The first batch of central government support subsidies for the development of the housing rental market in 2020		79,350,900.00		79,350,900.00
Nanjing Urban and Rural Construction Committee 20 years of building energy efficiency demonstration subsidy funds		200,000.00		200,000.00
Special debt fund for expansion and transformation of high-tech northern sewage treatment plant		158,000,000.00		158,000,000.00
Capital of Dachang Sewage Special Bond		172,000,000.00		172,000,000.00
Total	7,254,040,114.48	3,432,290,160.71	6,714,284,511.78	3,972,045,763.41

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33. Deferred income

Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020	Reason for deferral
Government grant	256,448,460.66	136,661,875.87	60,645,639.05	332,464,697.48	
Total	256,448,460.66	136,661,875.87	60,645,639.05	332,464,697.48	—

Including: items involving government grant

Item	As at 31/12/2019	Additions during the year	Recognition as in other income	Other	As at 31/12/2020
Jiangbei New Area Finance Bureau allocates 2018 affordable housing construction funds	28,852,700.00				28,852,700.00
Grants for the construction of the Medical Valley Building	21,000,000.00		21,000,000.00		
Public construction platform funds	1,337,500.00		570,000.00		767,500.00
Special funds for heavy metals and petroleum	18,833.32		18,833.32		
Special funds for the first phase of gas and water equipment	13,333.33		13,333.33		
On-site sampling and analysis auxiliary equipment	39,562.53		39,562.53		

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Item	As at 31/12/2019	Additions during the year	Recognition as in other income	Other	As at 31/12/2020
Gas and Water Phase II Expansion Equipment Project	429,000.00		429,000.00		
Environmental emergency, monitoring equipment and reagents, consumables projects	154,000.00		77,000.00		77,000.00
Software Park Management Office allocates subsidies for G03 project construction	45,000,000.00				45,000,000.00
Received special funds for the housing project of the Pancheng No. 2 plot and the Taishan 350H plot allocated by the Finance Bureau of Jiangbei New Area in 2019	10,140,000.00				10,140,000.00
Receive the 2019 provincial-level affordable housing construction	898,500.00				898,500.00

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Item	As at 31/12/2019	Additions during the year	Recognition as in other income	Other	As at 31/12/2020
guidance funds allocated by the Finance Bureau of the New District (Rentai Sixth and Seventh Phase, Pancheng No. 2 Land, and Huangyao Land)					
Central Infrastructure Construction Fund for Pancheng Four Group Project		30,850,000.00			30,850,000.00
IC subsidy		27,616,437.56	8,539,780.64		19,076,656.92
Shanty Town Renovation Subsidy		11,999,000.00			11,999,000.00
Financial Subsidy Funds for Huangyao Land Project		19,270,000.00	8,220,000.00		11,050,000.00
Subsidy for Pancheng Fourth Group and Qiaoyi River Project		5,670,000.00			5,670,000.00
Qiaoyihe's 2019 Central Government Affordable Housing Subsidy		5,520,000.00			5,520,000.00
Subsidy for Phase I B of Getang No.		5,520,000.00			5,520,000.00

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Item	As at 31/12/2019	Additions during the year	Recognition as in other income	Other	As at 31/12/2020
5 and No. 6 Blocks					
Shanty Town Renovation Funds for the 350 Mu H Land Project in Mount Tai		3,120,000.00			3,120,000.00
Eternal Facade House Subsidy		2,283,711.45	72,884.40		2,210,827.05
Subsidy on the south side of Xiaoshan		372,726.86	29,716.49		343,010.37
Eternal Home Commercial Housing	2,283,711.45		2,283,711.45		
South of Xiaoshan Road	372,726.86		372,726.86		
Chengqiao Water Supply Network	1,571,666.68		76,666.67		1,495,000.01
11 years of water pipe network	4,018,666.65		182,666.67		3,835,999.98
Water pipe network in northern mountainous area	2,006,388.88		2,482,666.67		-476,277.79
North Mountain Water Pipe Network Phase 2	62,129,166.67				62,129,166.67
Zhongshan Science and Technology Park Heating Pipeline	1,405,555.46		127,777.80		1,277,777.66
new energy vehicles	121,875.00		121,875.00		

For the year ended 31 December 2020

Item	As at 31/12/2019	Additions during the year	Recognition as in other income	Other	As at 31/12/2020
City public bicycle	7,286,507.45		1,199,142.24		6,087,365.21
DN1400 Pipeline Project from Yongzhuang to Longchi Section of National Highway 328	52,046,525.03	6,380,000.00	2,245,106.22		56,181,418.81
University Science Park Public Technical Service Platform	1,081,241.35		475,188.76		606,052.59
Received the 2018 Green Nanjing Special Subsidy	1,000,000.00				1,000,000.00
Shanty Town Renovation	11,999,000.00		11,999,000.00		
Subsidies for upgrading and upgrading of sewage treatment plants in high-tech zones	1,242,000.00		69,000.00		1,173,000.00
Subsidy for the construction of waste sorting collection points in the community		18,060,000.00			18,060,000.00
Total	256,448,460.66	136,661,875.87	60,645,639.05		332,464,697.48

34. Other non-current liabilities

Item	As at 31/12/2020	As at 31/12/2019
Yangzi Petrochemical Pipeline Network	8,480,000.02	9,893,333.36

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Item	As at 31/12/2020	As at 31/12/2019
Maintenance Fee [Note 1]		
Yangtze Petrochemical Water Charge [Note 2]	7,837,989.99	8,935,257.04
Pre-collected water supply secondary pressurized operation and maintenance fee [Note 3]	227,929,512.14	215,029,620.32
Yangzi's first phase of water improvement [Note 4]	10,472,000.03	12,217,333.36
Agricultural to Water Project [Note 5]	233,965,751.66	212,534,051.66
Yangzi living area secondary pressurization, pipe network operation and maintenance	1,200,000.00	1,400,000.00
Affordable housing abs	376,000,000.00	
Other shareholders' equity	393,467,336.27	238,007,985.00
Total	1,259,352,590.11	698,017,580.74

Note 1: In November 2010, Yangzi Petrochemical Branch of Sinopec Group Asset Management Co., Ltd. (hereinafter referred to as Party A) and Nanjing Yanjiang Industrial Development Zone Management Committee (hereinafter referred to as Party B) signed the "Water Supply Business Transfer Agreement". The agreement stipulates: Party A will hand over all the water supply business and functions of Yangzi living area to Party B, including the secondary pressurization of Yangzi living area, water supply network operation and maintenance, user metering and other operations and management related to water supply business, entrusted by Party B The company takes over. Party A transfers all water supply assets of Yangzi Life to Party B by free transfer. As compensation for the transfer of the water supply business, Party A paid the company's transfer fee of RMB 27.1 million in one lump, and the company fully collected it in 2011. In 2011, the carried-out household renovation project income carried forward was RMB 6.0 million, and the remaining RMB 21.20 million was included in the operating income based on 15-year amortization. The actual costs of pipe network renovation and maintenance fees were directly included in the cost.

Note 2: In 2011, the living water supply fee of Nanjing Yangzi Petrochemical Industry Company was pre-received at RMB 24,687,576.22 and billed for settlement. In 2011, 2012, 2013, 2014, 2015, 2016, and 2017, the actual water supply was resold to confirm the business. Revenues were RMB 1,694,118.18, RMB 1,918,336.69, RMB 2,953,380.15, RMB 1,900,784.01, RMB 1,741,065.47, RMB 1,570,408.59, and RMB 1,359,880.06.

Note 3: Because the company needs to undertake the post-maintenance work of the secondary pressurization, the company will allocate the operating and maintenance fees for the secondary pressurization of the water supply related to the water supply project to the operating income in the following year in 15-year amortization.

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Note 4: The company converted the corresponding assets formed by Yangzi Petrochemical's Yangzi Phase I water improvement project of RMB 26.18 million into fixed assets, which were deferred into operating income according to the fixed asset service life of 15 years.

Note 5: The company has undertaken the rural water reform project (also known as the agricultural water reform project) in 2013. According to the relevant agreement, the rural water reform project shall be funded by the government, and the company shall be the construction unit; Nanjing Luhe District Urban Investment Development Co., Ltd. shall The actual investment situation, the project funds shall be settled according to actual conditions. As of December 31, 2020, the rural water improvement project has been completed. The company's book project expenditure was 26,671.75 ten thousand yuan, and only 23,396.58 ten thousand yuan was received from the government for repayment of principal and interest. To be confirmed and settled with the competent government department of the rural water improvement project.

35. Paid-in capital

Investor	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Nanjing Jiangbei New District Management Committee	9,000,000,000.00	4,000,000,000.00		13,000,000,000.00
Total	9,000,000,000.00	4,000,000,000.00		13,000,000,000.00

36. Other equity instruments

Financial instruments issued	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Perpetual bonds:	2,789,875,000.00	4,053,671,816.97	300,000,000.00	6,543,546,816.97
BOC Perpetual Bond	497,750,000.00			497,750,000.00
Bank of Beijing Perpetual Bond	300,000,000.00		300,000,000.00	
BOC Perpetual Winning Ticket	497,750,000.00			497,750,000.00
Pudong Development Perpetual Ticket	995,500,000.00			995,500,000.00
20 Yangtze Y1 Renewable Corporate Bonds		699,034,081.12		699,034,081.12
20 Yangtze Y2 Renewable Corporate Bonds		300,000,000.00		300,000,000.00

For the year ended 31 December 2020

Financial instruments issued	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
20 Yangtze Y3 Renewable Corporate Bonds		1,998,000,000.00		1,998,000,000.00
18 Jiangbei Industrial Investment MTN003	498,875,000.00			498,875,000.00
20 Jiangbei New District MTN005		598,200,000.00		598,200,000.00
2020 Renewable Corporate Bond (First Tranche)		458,437,735.85		458,437,735.85
Perpetual trust:		3,000,000,000.00		3,000,000,000.00
Yunnan International Trust Co., Ltd.		3,000,000,000.00		3,000,000,000.00
Total	2,789,875,000.00	7,053,671,816.97	300,000,000.00	9,543,546,816.97

37. Capital reserve

Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Capital premium	6,103,456,189.33			6,103,456,189.33
Other capital reserves	16,651,075,996.66	4,286,180,921.49		20,937,256,918.15
Total	22,754,532,185.99	4,286,180,921.49		27,040,713,107.48

38. Other comprehensive income

Item	As at 31/12/2019	Movements during the year					As at 31/12/2020
		Before-tax amount	Less: previously recognized amount transferred to profit or loss	Less: income tax expense	Net-of-tax amount attributable to shareholders of the Company	Net-of-tax amount attributable to shareholders of Non-controlling	
I.Items that will not be reclassified to profit or loss							
II.Items that may be reclassified to profit or loss							
1. Gain or loss arising from changes in fair value of available- for-sale financial assets	1,170,190,144.32	1,292,307,431.35	4,877,957.87	214,327,745.08	523,647,866.09	549,453,862.31	1,693,838,010.41
2. Gains and losses from changes in fair value of investment properties	437,946,223.43	569,520,811.28		142,380,202.82	186,510,417.66	240,630,190.80	624,456,641.09
3. Translation differences arising from translation of foreign currency financial statements	767,086,440.42	292,668,126.92	4,877,957.87	71,947,542.26	111,253,591.88	104,589,034.91	878,340,032.30

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Item	As at 31/12/2019	Movements during the year					As at 31/12/2020
		Before-tax amount	Less: previously recognized amount transferred to profit or loss	Less: income tax expense	Net-of-tax amount attributable to shareholders of the Company	Net-of-tax amount attributable to shareholders of Non-controlling	
Total	-34,842,519.53	430,118,493.15			225,883,856.55	204,234,636.60	191,041,337.02

39. Surplus reserve

Item	As at 31/12/2019	Additions during the year	Reductions during the year	As at 31/12/2020
Statutory surplus	3,863,253.58	2,427,420.83		6,290,674.41
Total	3,863,253.58	2,427,420.83		6,290,674.41

Note: According to the provisions of the company law and the articles of association, the company withdraws the statutory surplus reserve fund at 10% of its net profit. If the statutory surplus public accumulation amount is more than 50% of the company's registered capital, it can no longer be withdrawn.

After the company withdraws the statutory surplus reserve fund, it can withdraw any surplus reserve fund. Upon approval, the discretionary surplus reserve can be used to make up for previous years' losses or increase share capital.

40. General risk preparation

Item	As at 31/12/2019	Accrual during the year	Reductions during the year	As at 31/12/2020
General risk preparation	16,326,497.70	22,041,797.95		38,368,295.65

Note: RMB 15,123,840.00 of the increase in general risk reserves during the year is a government support fund obtained by the subsidiary Nanjing Jiangbei New Area Technology Investment Group Co., Ltd.

41. Retained earnings

Item	As at 31/12/2020	As at 31/12/2019
Retained earnings as at 31/12/2019 (before adjustment)	2,217,292,859.43	2,365,524,848.79
Total adjustments for opening retained earnings("+" for increase; "-" for decrease)		-62,128,724.07
Retained earnings as at 31/12/2019(after adjustment)	2,217,292,859.43	2,303,396,124.72
Add: Net profits for the year attributable to shareholders of the Company	325,213,506.43	233,088,119.62
Less: Appropriation for statutory surplus reserve	2,427,420.83	1,672,562.06
Appropriation for discretionary surplus reserve		
Appropriation for general reserve fund	6,917,957.95	
Cash dividends	8,630,000.00	316,671,600.63
Dividends converted to share capital		
Other		847,222.22
Retained earnings As at 31/12/2020	2,524,530,987.08	2,217,292,859.43

42. Operating income and operating cost

For the year ended 31 December 2020

Item	Year ended 31/12/2020		Year ended 31/12/2019	
	Operating income	Operating cost	Operating income	Operating cost
Principal activities	8,524,030,624.74	6,770,522,342.30	7,394,589,104.78	5,834,841,752.90
Other operating activities	46,501,481.50	20,656,408.82	136,606,144.89	15,076,891.50
Total	8,570,532,106.24	6,791,178,751.12	7,531,195,249.67	5,849,918,644.40

(1) Operating income and operating costs from principal activities by product:

Item	Year ended 31/12/2020		Year ended 31/12/2019	
	Operating income	Operating cost	Operating income	Operating cost
Infrastructure	2,523,703,175.99	2,210,775,424.46	1,053,419,559.05	955,011,179.26
Land development and consolidation business	980,839,644.80	783,652,227.00	785,125,632.93	636,933,873.03
Affordable housing sales	2,346,512,949.61	2,025,641,058.40	1,856,622,058.98	1,629,544,688.91
Transportation business			56,054,528.62	33,224,800.76
Labor service	715,780,000.59	602,260,911.69	569,525,949.95	419,102,992.14
Technical Advisory Services	44,871,235.08	13,838,676.87	72,297,891.90	71,203,083.89
Leasing business	783,666,189.67	419,321,780.85	838,317,720.16	432,538,830.89
Water supply, heating, steam supply business	237,954,095.24	174,086,354.94	1,553,503,225.49	1,289,870,062.48
Sewage treatment			12,455,890.94	10,386,165.83
Emergency repair of water supply project	197,483,115.02	73,512,378.89	331,969,731.86	138,605,129.47
Property Management Service	96,306,325.99	78,347,922.61	52,274,139.32	25,252,460.70
Financial Services	196,380,398.07	129,097,802.34	132,647,512.48	92,681,629.34
Trade income	267,712,904.65	235,752,676.72		
Other	132,820,590.03	24,235,127.53	80,375,263.10	100,486,856.20
Total	8,524,030,624.74	6,770,522,342.30	7,394,589,104.78	5,834,841,752.90

43. Taxes and surcharges

Item	Year ended 31/12/2020	Year ended 31/12/2019
Business tax	384,327.81	3,718,716.45

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019
Urban maintenance and construction tax	6,416,319.45	16,409,771.90
Educational surcharge	4,572,657.02	11,712,149.11
Environmental Protection Tax	14,712,196.81	20,299,196.95
Property tax	69,663,168.87	57,708,756.24
Land holding tax	15,993,692.63	14,520,141.17
Vehicle and vessel usage tax	12,787.17	52,225.91
Stamp duty	17,124,815.21	12,475,181.74
Land value added tax	42,109,903.47	1,478,679.84
Disability Insurance	114,676.60	
Other	2,411,184.94	726,097.41
Total	173,515,729.98	139,100,916.72

Note: Please refer to Note V. Taxation for details of various taxes and additional payment standards.

44. Financial expenses

Item	Year ended 31/12/2020	Year ended 31/12/2019
Interest expenses	1,957,683,087.36	1,231,482,898.25
Less: Interest income	494,061,628.05	311,723,351.21
Add: Net exchange losses/gains	69,226,914.47	10,317,399.16
Bank charges	7,370,097.30	26,144,398.60
Financing expenses	35,216,665.56	71,957,168.52
Others		171.00
Total	1,575,435,136.64	1,028,178,684.32

45. Other income

Item	Year ended 31/12/2020	Year ended 31/12/2019
Government grants related to daily business activities	316,405,724.28	390,606,682.09
Total	316,405,724.28	390,606,682.09

(1) Details of government grants as follows:

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
2011 tap water pipe network	182,666.67	182,666.67	Related to assets
2015 High-tech Finance Bureau platform construction fund		10,000,000.00	Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
2016 Annual Foreign Investment Steady Growth Assessment Award	83,500.00		Related to income
2017 Municipal Science and Technology Business Incubator Performance Evaluation Fund		200,000.00	Related to income
2018 party building assessment rewards		2,000.00	Related to income
Financial subsidies for the construction of characteristic towns in 2018	3,064,800.00		Related to income
Special funds for affordable housing in Jiangbei New Area in 2019	5,520,000.00		Related to income
2019 Special Reward for Open Economy Development	200,000.00		Related to income
Newly-regulated industrial enterprise awards in the 2019 Science and Technology Park		50,000.00	Related to income
Special funding for the cultivation of high-tech enterprises in 2019		3,300,000.00	Related to income
2019 Intellectual Property Strategy Special Fund		200,000.00	Related to income
2019 Jiangbei New Area State-owned Capital Operating Budget Expenditure Plan Fund		20,000,000.00	Related to income
2019 Jiangsu Postdoctoral Innovation Practice Base Funding Fund		150,000.00	Related to income
The second batch of provincial-level modern service industry (other service industry) special funds in 2020	1,000,000.00		Related to income
2020 Jiangsu Hewlett-Packard Financial Development Special Fund	1,000,000.00		Related to income
2020 Municipal-level Overseas Students Pioneer Park Service Capacity Building Performance Award Fund	200,000.00		Related to income
2020 Jiangsu Province Inclusive Finance Development Special Fund	843,000.00		Related to income
2020 Nanjing Service Industry	500,000.00		Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
Development Special Fund			
Subsidy funds for popular science activities in the new area in the first half of 2020	25,300.00		Related to income
2020 Provincial Technology Transfer Intermediary Award and Supplementary Funds	13,180.00		Related to income
2020 World Semiconductor Conference activity funding	6,687,144.92		Related to income
Subsidy funds for popular science activities in the second half of 2020	19,000.00		Related to income
River management fees for the first and second quarters of 2020	432,400.00		Related to income
328 National Highway Project Financial Subsidy	2,245,106.22	2,993,474.97	Related to assets
Rental income of Building B	4,513,067.54	4,705,851.15	Related to income
Subsidies for Semiconductor Talent Conference	1,699,227.00		Related to income
Water pipe network in northern mountainous area	2,482,666.67	10,098,500.00	Related to assets
City bike rental subsidy	1,199,142.24	3,432,156.62	Related to assets
Chengqiao Water Supply Network	76,666.67	76,666.66	Related to assets
Funding subsidies for the Party and Mass Service Center and the Integrity Culture and Education Center		620,000.00	Related to income
City Beautician Rewards		232,000.00	Related to income
Rice subsidy		104,000.00	Related to income
The second phase expansion equipment project	77,000.00		Related to income
High temperature subsidy		34,000.00	Related to income
Subsidies for the elimination of highly polluting vehicles		135,000.00	Related to income
Subsidies for the construction of biomedical preparation accelerators of		11,000,000.00	Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
the High-tech Finance Bureau			
Subsidies for upgrading and upgrading of sewage treatment plants in high-tech zones	69,000.00	69,000.00	Related to assets
Utility service operation subsidy	36,560,000.00	5,257,500.00	Related to income
Management Office Operation Subsidy	12,593,562.00		Related to income
Decoration subsidy for Maritime Safety Administration	6,000,000.00		Related to income
River maintenance funds	548,600.00		Related to income
Special subsidies for science popularization	100,000.00	44,000.00	Related to income
Feasibility study report and reporting service project funds	1,545,000.00		Related to income
Garbage sorting reward	172,396.05		Related to income
Nanjing's 2019 Provincial Science and Technology Startup Enterprise Incubation Plan Provincial Appropriation Funds and Municipal Supporting Funds	310,000.00		Related to income
Operating expenses of the Management Committee of Jiangbei New District, Nanjing City	12,000,000.00		Related to income
Environmental emergency, monitoring equipment and reagents, consumables projects		77,000.00	Related to income
Jiangbei New Area Management Committee Economic Development Bureau Foreign Investment Special Fund		41,750.00	Related to income
Capital subsidy for investment promotion activities of the Economic Development Bureau of Jiangbei New District Management Committee		420,000.00	Related to income
Jiangbei New Area State-owned Party Working Committee Party Building Demonstration Position Subsidy Fund		10,000.00	Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
Jiangbei New District Science and Technology Innovation Bureau's 2019 Municipal Overseas Students Pioneer Park Construction Award		500,000.00	Related to income
Funding for Postdoctoral Innovation Practice Base in Jiangbei New Area Research and Innovation Park		50,000.00	Related to income
Funding for the Jiangsu Innovation Program for Returned Overseas Chinese Scholars		400,000.00	Related to income
Economic Development Bureau 2018 Business Development Special Fund		28,800.00	Related to income
Special support funds for open economic development		1,000,000.00	Related to income
Technological innovation carrier fosters high-end rewards		200,000.00	Related to income
The Finance Bureau of Nanjing Jiangbei New District Management Committee allocates daily expenses to No. 16 Gaoxin Road		4,248,206.99	Related to income
Enterprise operation subsidy	42,946,861.78		Related to income
Agricultural product brand building subsidies		50,000.00	Related to income
Platform construction subsidy funds		13,918,986.00	Related to income
Three road construction subsidies including Puhui Road		15,000,000.00	Related to income
Gas and Water Phase II Expansion Equipment Project		468,000.00	Related to income
Special funds for the first phase of gas and water equipment	39,562.53	160,000.00	Related to income
Personnel placement subsidy		833,000.00	Related to income
Talent fund special subsidy	1,406,322.37		Related to income
Daily operating subsidies	821,594.52		Related to income
Biomedical Valley Platform Construction	10,000,000.00		Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
Fund			
Subsidies for the construction of biomedical preparation accelerators	11,000,000.00		Related to income
Sugang International Youth Innovation and Entrepreneurship Base Decoration Subsidy	300,000.00		Related to income
Subsidies from Software Park Management Office		236,000,000.00	Related to income
Special funds for snow removal and antifreeze		100,000.00	Related to income
Shanpan Xinyuan Provincial Livable Demonstration Residential Area Project Subsidy Fund		800,000.00	Related to income
Supernatant Reuse Technical Reform Project		50,000.00	Related to income
Tax refund	102,739.58	1,448,463.55	Related to income
Special community subsidy		4,441,796.02	Related to income
Condolences		611,800.00	Related to income
Job stabilization subsidy	1,800,105.82	364,289.29	Related to income
Pollution monitoring and accident early warning system construction and maintenance project		117,333.33	Related to income
Subsidies for the installation of automatic pollution source monitoring facilities		89,000.00	Related to income
Sewage facility construction subsidy funds		330,000.00	Related to income
On-site sampling and analysis auxiliary equipment	429,000.00	52,750.00	Related to income
Subsidy on the south side of Xiaoshan		120,001.03	Related to income
New energy vehicle subsidy	121,875.00	247,646.00	Related to assets
R&D Center Technology Innovation and Entrepreneurship Support Fund		8,750,000.00	Related to income
Eternal Home Commercial Housing		72,884.40	Related to income
Budget revenue funds		15,000,000.00	Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
Zhongshan Science and Technology Park Heating Pipeline	127,777.80	127,777.80	Related to assets
Special Funds for Monitoring Environmental Protection of Heavy Metals and Waste Gas Pollution Sources	13,333.33	45,833.33	Related to income
Special funds for heavy metals and petroleum	18,833.32	226,000.01	Related to income
Subsidies for the promotion and application of prefabricated buildings		3,170,000.00	Related to income
Subsidies from Comprehensive Enforcement Bureau		12,000.00	Related to income
Rent and property fee subsidies	24,733,291.22	8,058,768.00	Related to income
New material platform subsidies	475,188.76		Related to assets
New crown pneumonia science award	10,000.00		Related to income
Study time subsidy	20,000.00		Related to income
Epidemic prevention and control materials	20,000.00		Related to income
Related to assets subsidy	570,000.00		Related to income
Special subsidies for the park	7,226.90		Related to income
Investment promotion and file upgrade subsidy	75,000,000.00		Related to income
Retirees' subsidies	9,740,000.00		
Water supply subsidy	15,000,000.00		
Other sporadic subsidies	19,739,585.37	77,780.27	Related to income
Total	316,405,724.28	390,606,682.09	

46. Investment income

Item	Year ended 31/12/2020	Year ended 31/12/2019
Income from long-term equity investments accounted for using the equity method	-18,721,962.51	295,516,243.76
Investment income from disposal of long-term equity investments	1,472,903.51	
Investment income from holding financial assets at fair	33,082.00	

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019
value through profit or loss		
Investment income from disposal of financial assets at fair value through profit or loss	23,959,362.00	
Investment income from holding held-to-maturity investments	14,022,576.64	25,800,417.11
Investment income from holding available-for-sale financial assets	873,724,336.16	197,269,345.65
Investment income from disposal of available-for-sale financial assets	49,975,954.59	37,788,785.32
Investment income from disposal of equity investment		48,442,757.70
Others	2,798,194.94	3,173,976.89
Total	947,264,447.33	607,991,526.43

47. Gains/losses from changes in fair value

Item	Year ended 31/12/2020	Year ended 31/12/2019
Financial assets measured at fair value	-18,367,322.00	21,803,124.00
Investment properties measured at fair value	774,914,525.49	347,558,687.91
Total	756,547,203.49	369,361,811.91

48. Impairment losses

Item	Year ended 31/12/2020	Year ended 31/12/2019
Receivables impairment	-14,199,847.51	29,515,684.82
Inventories impairment	-517,604.11	
Available-for-sale financial assets impairment	-7,922,855.15	-14,003,028.00
Impairment from disposals of fixed assets	-33,253,730.41	
Total	-55,894,037.18	15,512,656.82

49. Gains from assets disposal

Item	Year ended 31/12/2020	Year ended 31/12/2019
Gains/losses from disposal of holding assets for sale		13,258,386.17
Gains/losses from disposals of fixed assets	10,878,021.51	
Total	10,878,021.51	13,258,386.17

50. Non-operating income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019
Government grants not related to daily business activities	65,681,836.52	15,204,612.81
Physical count surplus	48,000.00	
Loss in damage and scrap of non-current assets	957,790.53	1,679,236.87
Fine income	433,541.10	
Compensation	20,915,121.76	
No need to pay	2,466,556.30	
Other	2,818,614.82	5,302,695.18
Total	93,321,461.03	22,186,544.86

(1)Details of government grants as follows:

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
2018 value-added tax, urban construction tax and additional tax rebates		35,167.36	Related to income
2018 major service platform performance appraisal reward bonus		1,500,000.00	Related to income
2019 high-level warehousing subsidies	50,000.00		Related to income
2019 technology transfer exporter rewards	70,000.00		Related to income
2019 Corporate Research and Development Expense Subsidy	227,600.00		Related to income
2019 Provincial High Enterprise Entry Enterprise Incentives	150,000.00		Related to income
2019 Intellectual Property Special Fund	1,600.00		Related to income
2020 second batch of provincial-level modern service industry special funds	3,000,000.00		Related to income
2020 High Enterprise Cultivation Declaration Subsidy	30,000.00		Related to income
2020 Industrial Incentive Fund	200,000.00		Related to income
2020 Jiangbei New Area Service Trade Innovation and Development Special Fund	1,000,000.00		Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
2020 Software Expo Offline Exhibition Reward Fund	100,000.00		Related to income
2020 City Technology Innovation Voucher Subsidy	100,000.00		Related to income
Warehouse relocation compensation fee	1,500,000.00		Related to income
Service organization capacity improvement project funds		700,000.00	Related to income
Service Trade Packaging Development Fund Subsidies		1,000,000.00	Related to income
High-tech enterprises declare government subsidies	50,000.00		Related to income
Technology Innovation Voucher Payment		74,498.00	Related to income
Other subsidies		839,947.45	Related to income
Software Expo offline exhibition award funds	100,000.00		Related to income
Special funds for business development		1,000,000.00	Related to income
Social Security Center Stabilization Subsidies	6,811.66		Related to income
Life and Health Industry Office Operation Subsidy	81,275.96		Related to income
Receive epidemic subsidy from the Bureau of Finance	20,000.00		Related to income
Received interest subsidies for public service supporting equipment funds	40,555,292.11		Related to income
Receiving Jiangbei New District Management Committee Science and Technology Innovation Bureau	2,000.00		Related to income
Receive the 2020 Nanjing Service Industry Development Special Fund from the Economic Development Bureau of the New	1,200,000.00		Related to income

For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019	Related to assets/ income
District			
Special funds for cultural development (industry) support project funds	300,000.00		Related to income
Refund of labor union funds for small and micro enterprises	24,560.67		Related to income
Small and Micro Enterprise Financing Guarantee Fee Reduction Award (Special Fund for the Development of Central SMEs)		315,000.00	Related to income
Operating subsidy	16,000,000.00	5,000,000.00	Related to income
Funds for key project activities	912,696.12		Related to income
Free WIFI bonus for key parks		4,740,000.00	Related to income
Total	65,681,836.52	15,204,612.81	--

51. Non-operating expenses

Item	Year ended 31/12/2020	Year ended 31/12/2019
Donations provided	2,034,130.49	24,000.00
Fines and late fees	1,181,408.51	3,463,158.13
Compensation expenses	1,529,815.00	
Loss in damage and scrap of non- current assets	30,852,809.51	1,920,514.86
Other	1,590,120.29	10,385,959.16
Total	37,188,283.80	15,793,632.15

52. Income tax expenses

Item	Year ended 31/12/2020	Year ended 31/12/2019
Current tax expense for the year based on tax law and regulations	328,063,547.60	287,413,628.86
Changes in deferred tax assets/ liabilities	82,775,936.65	16,081,132.33
Total	410,839,484.25	303,494,761.19

53. Supplementary information on cash flow statement

(1) Supplement to cash flow statement:

Item	Year ended 31/12/2020	Year ended 31/12/2019
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For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019
1.Reconciliation of net profit/loss to cash flows from operating activities:		
Net profit	457,475,946.13	584,738,467.29
Add: Provisions for impairment of assets	55,894,037.18	-15,512,656.82
Depreciation of fixed assets, depreciation of investment properties, depletion of oil and gas assets, and depreciation of productive biological assets(delete if there is no such item)	180,999,612.59	286,227,026.94
Amortization of intangible assets	48,806,066.97	32,271,744.99
Amortization of long-term deferred expenses	92,858,961.32	71,717,739.05
Losses from disposal of fixed assets, intangible assets, and other long-term assets ("- " for gains)	-10,878,021.51	-13,245,120.24
Loss from scrapping of fixed assets ("- " for gains)	29,895,018.98	2,156,390.80
Losses from changes in fair value ("- " for gains)	-756,547,203.49	-369,361,811.91
Financial expenses ("- " for income)	1,957,831,187.64	1,478,157,390.95
Losses arising from investment ("- " for gains)	-947,264,447.33	-607,991,526.43
Decrease in deferred tax assets ("- " for increase)	7,192,484.16	-24,268,197.00
Increase in deferred tax liabilities ("- " for decrease)	90,388,204.71	142,644,447.19
Decrease in gross inventories ("- " for increase)	-20,617,554,138.70	-11,234,343,251.29
Decrease in operating receivables ("- " for increase)	-1,368,355,131.39	-9,725,169,973.45
Increase in operating payables ("- " for decrease)	8,479,842,639.58	9,009,323,973.76
Others		292,500.00
Net cash flows from operating activities	-12,299,414,783.16	-10,382,362,856.17
2.Investing and financing activities not requiring the use of cash:		
Conversion of debt into capital		
Convertible bonds due within one year		
Acquisition of fixed assets under finance leases		
3. Change in cash and cash equivalents		
Cash As at 31/12/2020	45,409,308,904.64	31,494,176,774.78
Less: cash As at 31/12/2019	31,494,176,774.78	36,944,914,587.58
Add: cash equivalents As at 31/12/2020		
Less: cash equivalents As at 31/12/2019		
Net increase/decrease in cash and cash equivalents	13,915,132,129.86	-5,450,737,812.80

(2) Details of cash and cash equivalents

Item	Year ended 31/12/2020	Year ended 31/12/2019
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For the year ended 31 December 2020

Item	Year ended 31/12/2020	Year ended 31/12/2019
Cash	45,409,308,904.64	31,494,176,774.78
Including: Cash on hand	395,348.94	607,395.89
Bank deposits available on demand	44,463,960,066.96	27,228,753,185.79
Other monetary funds available on demand	944,953,488.74	4,264,816,193.10
Cash equivalents		
Including: Bond investments with a maturity of 3 months or less		
Cash and cash equivalents As at 31/12/2020	45,409,308,904.64	31,494,176,774.78
Including: the restricted use of cash and cash equivalents by the parent company or its subsidiaries		

54. Assets with restrictive ownership title or right of use

Item	As at 31/12/2020	Reason for restriction
Cash at bank and on hand	99,185,139.50	Rerer to Note VI. 1 Cash at bank and on hand Restriction
Intangible assets	67,626,578.29	Bank loan mortgage
Investment properties	6,032,556,353.93	Bank loan mortgage
Accounts receivable	2,870,569,680.80	Bank loan mortgage
Construction in progress	425,145,189.95	Bank loan mortgage
Fixed assets	300,622.81	Bank loan mortgage
Inventories	310,681,934.00	Bank loan mortgage
Total	9,806,065,499.28	

VII. Change of consolidation scope

During the year, the subsidiaries named Nanjing Jiangbei Public New Energy Co., Ltd., Nanjing Jiangbei Water Raw Water Co., Ltd., Nanjing Jinkang Industrial Investment Fund Co., Ltd., Nanjing Beichen Yangtze River Conference and Exhibition Co., Ltd., and Nanjing Chuhewan Cultural Tourism Development Co., Ltd. are newly established

VIII. Interest in other entities**1. Interests in subsidiaries****(1) Composition of the Group**

Subsidiaries		Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
					Direct	Indirect	
Nanjing New	Jiangbei District	Nanjing	Nanjing	Project investment;	69.29%	30.71%	Establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Central Business District Investment Development Co., Ltd.			asset management			
Nanjing Kang Placement Industry Co., Ltd.	Nanjing	Nanjing	Real estate development and management		51.00%	Subsidiary establishment
Berkeley Nanjing Medical Research Co., Ltd.	Nanjing	Nanjing	Medical technology research and development		100.00 %	Subsidiary establishment
Nanjing Jiangbei New District Central Business District Development and Operation Co., Ltd.	Nanjing	Nanjing	Real estate development and management		51.72%	Subsidiary establishment
Nanjing Taiwan Medical Precision Health Management Co., Ltd.	Nanjing	Nanjing	Health management		100.00 %	Subsidiary establishment
Nanjing Jiangbei New District Central District Development Co., Ltd.	Nanjing	Nanjing	Urban Infrastructure		100.00 %	Replacement
Nanjing Jiangbei New Area Concrete Co., Ltd.	Nanjing	Nanjing	Concrete, concrete products		85.00%	Subsidiary establishment
Nanjing Jinkang Industrial Investment Fund Co., Ltd.	Nanjing	Nanjing	Venture capital; engage in investment activities with own funds;		100.00 %	Subsidiary establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
			equity investment			
Nanjing Pukou New City Development and Construction Co., Ltd.	Nanjing	Nanjing	Industrial Investment	51.00%		Appropriation
Nanjing Pukou New City Affordable Housing Development and Construction Co., Ltd.	Nanjing	Nanjing	Real estate development		100.00 %	Subsidiary establishment
Nanjing Tianyi Engineering Project Management Co., Ltd.	Nanjing	Nanjing	Engineering project management		100.00 %	Subsidiary establishment
Nanjing Pukou New City Asset Management Co., Ltd.	Nanjing	Nanjing	asset Management		100.00 %	Subsidiary establishment
Nanjing Tianyi Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and management		100.00 %	Subsidiary establishment
Nanjing Yangtze River Asset Operation Management Co., Ltd.	Nanjing	Nanjing	asset Management	100.00%		Establishment
Nanjing Jiangbei New Area Security Service Co., Ltd.	Nanjing	Nanjing	Guard, patrol, guard (excluding armed guard)		100.00 %	Subsidiary establishment
Nanjing Beichen	Nanjing	Nanjing	Accommodati		51.00%	Subsidiary

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Yangtze River Conference & Exhibition Co., Ltd.			on services; catering services, etc.			establishment
Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure construction	77.09%		Appropriation
Nanjing Yuangu Water Industry Co., Ltd.	Nanjing	Nanjing	Water supply		80.36%	Subsidiary establishment
Nanjing New City Industrial Co., Ltd.	Nanjing	Nanjing	Business management		100.00%	Subsidiary establishment
Nanjing Jiangbei Technology Venture Incubation Management Co., Ltd.	Nanjing	Nanjing	Support the development of platform enterprises		100.00%	Subsidiary establishment
Nanjing Science and Technology Chemical and Material Science Park Management Co., Ltd.	Nanjing	Nanjing	Support the development of platform enterprises		80.00%	Subsidiary establishment
Nanjing Yanjiang Thermal Power Co., Ltd.	Nanjing	Nanjing	Heating service		51.00%	Subsidiary establishment
Nanjing Jiangbei Public Inspection Co., Ltd.	Nanjing	Nanjing	Open bicycle rental		100.00%	Subsidiary establishment
Nanjing First Green Environmental Technology Co., Ltd.	Nanjing	Nanjing	Recycling and processing of renewable resources		90.00%	Subsidiary establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Nanjing High-tech Public Utilities Co., Ltd.	Nanjing	Nanjing	Municipal engineering construction		100.00 %	Acquired by Subsidiary
Nanjing Xinyitian Hotel Management Co., Ltd.	Nanjing	Nanjing	Hotel management		100.00 %	Acquired by Subsidiary
Nanjing Jiangbei Water Development Co., Ltd.	Nanjing	Nanjing	Sewage treatment		100.00 %	Appropriation
Nanjing Xin'antu Public Transport Service Co., Ltd.	Nanjing	Nanjing	Open bicycle rental		100.00 %	Appropriation
Nanjing Jiangbei Public New Energy Co., Ltd.	Nanjing	Nanjing	Heat production and supply		100.00 %	Subsidiary establishment
Nanjing Jiangbei Water Supply Raw Water Co., Ltd.	Nanjing	Nanjing	Tap water production and supply		70.00%	Subsidiary establishment
Nanjing Yangtze River New City Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment	100.00%		Establishment
Nanjing Yangzi Yuanxiang Construction and Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		60.00%	Subsidiary establishment
Nanjing Zaohevan Agricultural Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		58.33%	Subsidiary establishment
Nanjing Yangzi Star Stone Construction and Development Co., Ltd.	Nanjing	Nanjing	Land consolidation		60.00%	Subsidiary establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Ltd.						
Nanjing Jinniu Lake Cultural Tourism Development Co., Ltd.	Nanjing	Nanjing	Tourism project development		55.00%	Subsidiary establishment
Nanjing Jinniu Lake Wild Animal Kingdom Co., Ltd.	Nanjing	Nanjing	Animal feeding		100.00 %	Subsidiary establishment
Nanjing Jinniu Culture Technology Co., Ltd.	Nanjing	Nanjing	Cultural product development		51.00%	Subsidiary establishment
Nanjing Pukou Railway Station Historic District Conservation and Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure construction, public facilities management, etc.		100.00 %	Acquired by Subsidiary
Nanjing Yangzi Jinji Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and sales	51.00%		Establishment
Nanjing Yangzijiang New City Equity Investment Partnership (Limited Partnership)	Nanjing	Nanjing	Equity investment, venture capital	99.95%	0.05%	Establishment
Nanjing Jiangbei New Area Yangzi Technology Financial Leasing Co., Ltd.	Nanjing	Nanjing	Financial leasing business	79.55%		Establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Nanjing Yangzi Development Investment Co., Ltd.	Nanjing	Nanjing	Affordable housing investment and construction	100.00%		Establishment
Nanjing Jiangbei New Area New Financial Development and Construction Co., Ltd.	Nanjing	Nanjing	First-level land development		70.00%	Subsidiary establishment
Nanjing Jiangbei New Area Railway Construction Investment Co., Ltd.	Nanjing	Nanjing	Investment in railway projects within the new district		70.00%	Subsidiary establishment
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd.	Nanjing	Nanjing	Undertake service outsourcing business	80.01%	10.99%	Establishment
Nanjing High-tech Finance Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee		100.00%	Subsidiary establishment
Nanjing High-tech Venture Capital Co., Ltd.	Nanjing	Nanjing	Venture Capital		100.00%	Subsidiary establishment
Nanjing Jiangbei New Area Biomedical Public Service Platform Co., Ltd.	Nanjing	Nanjing	Public technology platform operation and management		86.05%	Subsidiary establishment
Nanjing Dingshan Urban Industrial Park Investment Development Co.,	Nanjing	Nanjing	Asset management and capital operation		100.00%	Acquired by Subsidiary

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Ltd.						
Nanjing Jiangbei New Area Innovation Investment Fund Management Co., Ltd.	Nanjing	Nanjing	Equity investment, venture capital		100.00 %	Subsidiary establishment
Nanjing Changfeng Financial Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee business		95.65%	Acquired by Subsidiary
Nanjing Advanced Computing Industry Development Co., Ltd.	Nanjing	Nanjing	Network security equipment and application system development		70.00%	Subsidiary establishment
Nanjing High-tech Precision Medical Technology Co., Ltd.	Nanjing	Nanjing	Medical laboratory technology research and development, technology transfer, technical services, technical consulting, etc.		66.60%	Acquired by Subsidiary
Nanjing Yangtze River Investment Fund Management Co., Ltd.	Nanjing	Nanjing	Fund investment management	100.00%		Establishment
Nanjing Yangzi Commercial Factoring Co., Ltd.	Nanjing	Nanjing	Commercial factoring	100.00%		Establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing	Nanjing	Invest in the establishment of high-tech enterprises	51.00%		Appropriation
Nanjing Xinbei Construction Development Co., Ltd.	Nanjing	Nanjing	Real estate development and operation, property management		100.00%	Acquired by Subsidiary
Nanjing Yanjiang Economic and Technological Development Co., Ltd.	Nanjing	Nanjing	Chemical and mechanical technology development, transfer, service, consulting		92.07%	Acquired by Subsidiary
Nanjing Xinju Construction Group Co., Ltd.	Nanjing	Nanjing	Real estate development		96.56%	Subsidiary establishment
Nanjing Biomedical Valley Construction and Development Co., Ltd.	Nanjing	Nanjing	Biomedicine Valley Construction Management		100.00%	Subsidiary establishment
Nanjing Software Park Economic Development Co., Ltd.	Nanjing	Nanjing	Construction Management of Software Park		100.00%	Subsidiary establishment
Nanjing Jiangbei New Area Independent Innovation Service Co., Ltd.	Nanjing	Nanjing	Park development and construction		85.71%	Subsidiary establishment
Nanjing New Urban Management and	Nanjing	Nanjing	Environmental sanitation and		100.00%	Subsidiary establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Maintenance Center			greening project			t
Nanjing Dingye Baitai Biotechnology Co., Ltd.	Nanjing	Nanjing	New drugs, biotechnology products		100.00 %	Subsidiary establishment
Nanjing Xingao Municipal Engineering Co., Ltd.	Nanjing	Nanjing	Municipal engineering construction		100.00 %	Subsidiary establishment
Nanjing Software Park Entrepreneurship Service Center	Nanjing	Nanjing	High-tech consulting services		100.00 %	Subsidiary establishment
Nanjing Jiangbei Cultural Tourism Media Development Co., Ltd.	Nanjing	Nanjing	Agency operation and maintenance of websites and new media public accounts		100.00 %	Subsidiary establishment
Nanjing Beilian Asset Management Co., Ltd.	Nanjing	Nanjing	Human Resources Service		100.00 %	Subsidiary establishment
Nanjing High-tech Environmental Monitoring Station Co., Ltd.	Nanjing	Nanjing	Environmental quality monitoring		99.00%	Subsidiary establishment
Nanjing Satellite Application Industrial Park Economic Development Co., Ltd.	Nanjing	Nanjing	Satellite Application Industrial Park Investment		100.00 %	Subsidiary establishment
Nanjing High-tech	Nanjing	Nanjing	Investment in		100.00	Subsidiary

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Urban Construction Development Co., Ltd.			public works in the park		%	establishment
Nanjing Intelligent Manufacturing Industrial Park Construction and Development Co., Ltd.	Nanjing	Nanjing	Intelligent manufacturing industry investment		100.00 %	Subsidiary establishment
Nanjing Software Park Technology Development Co., Ltd.	Nanjing	Nanjing	Asset operation management		100.00 %	Subsidiary establishment
Nanjing Jiangbei New District Xincheng Technology Entrepreneurship Co., Ltd.	Nanjing	Nanjing	Business Service Industry		100.00 %	Acquired by Subsidiary
Nanjing Jiangbei Medical Innovation Industry Fund (Limited Partnership)	Nanjing	Nanjing	medical health		69.99%	Subsidiary establishment
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited Partnership)	Nanjing	Nanjing	Intelligent manufacturing industry investment		69.00%	Subsidiary establishment
New & High (HK) Limited	Nanjing	Nanjing			100.00 %	Subsidiary establishment
Nanjing Hanyuan Multiple Health	Nanjing	Nanjing	Investment consulting,		99.00%	Subsidiary establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Industry Fund (Limited Partnership)			investment management			t
Nanjing Beilian Venture Capital Co., Ltd.	Nanjing	Nanjing	Equity investment, venture capital		100.00 %	Subsidiary establishment
Nanjing Beilian Financial Leasing Co., Ltd.	Nanjing	Nanjing	Financial leasing business		100.00 %	Subsidiary establishment
Nanjing Jiangbei Medical Asset Management Co., Ltd.	Nanjing	Nanjing	Asset management; medical project health facilities, etc.		100.00 %	Subsidiary establishment
Nanjing Guangde Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development, operation, etc.		51.00%	Subsidiary establishment
Nanjing Yangzi Technology Venture Equity Investment Fund (Limited Partnership)	Nanjing	Nanjing	Science and technology venture project investment	99.00%	1.00%	Establishment
Nanjing Yangzi Science and Technology Innovation Industry Investment Fund Phase I (Limited Partnership)	Nanjing	Nanjing	Engaged in investment management and related consulting services	99.00%	1.00%	Establishment
Nanjing Jiangbei New Area Strategic Investment Cooperative Innovation Fund	Nanjing	Nanjing	Initiate the establishment of sub-funds	10.00%	90.00%	Establishment

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
(Limited Partnership)						
Nanjing Jiangbei High-tech Industry Development Equity Investment Fund (Limited Partnership)	Nanjing	Nanjing	Technology Industry Investment		100.00 %	Establishment
Nanjing Jiangbei New Area Hub Economic Development Co., Ltd.	Nanjing	Nanjing	Urban Infrastructure	100.00%		Replacement
Nanjing Digital Financial Industry Research Institute Co., Ltd.	Nanjing	Nanjing	Financial data processing technology development	60.00%		Establishment
Nanjing Yangtze River Sports Investment Development Co., Ltd.	Nanjing	Nanjing	Management and capital operation of state-owned cultural assets	100.00%		Replacement
Nanjing Yangtze River Innovation Venture Capital Fund (Limited Partnership)	Nanjing	Nanjing	Fund management investment, venture capital	99.90%	0.10%	Establishment
YANGTZE RIVER DEVELOPMENT (HK) LIMITED	Nanjing	Nanjing		100.00%		Establishment
XI YANG OVERSEAS LIMITED	Nanjing	Nanjing			100.00 %	Establishment
Nanjing Engineering	Nanjing	Nanjing	Bidding consultation	100.00%		Appropriation

For the year ended 31 December 2020

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Consulting Center Co., Ltd.						
Nanjing South Consulting Engineering Consulting Co., Ltd.	Nanjing	Nanjing	Engineering consulting, engineering cost consulting		100.00 %	Appropriation
Nanjing "Reform and Opening Magazine" Co., Ltd.	Nanjing	Nanjing	Editing, publishing and distribution of "Reform and Development" magazine		100.00 %	Appropriation

2. Interests in joint ventures or associates

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Nanjing Baoan High-tech Investment Co., Ltd.	Co.,Ltd.	Nanjing	3,000.00	34.00	34.00
Nanjing Science and Technology High-tech Development Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	30.00	30.00
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	LLP	Nanjing	12,000.00	33.33	33.33
Nanjing High-tech Life Science Venture Capital Center (Limited Partnership)	LLP	Nanjing	3,000.00	33.33	33.33
Nanjing Green Technology Research Institute Co., Ltd.	Co.,Ltd.	Nanjing	2,025.00	25.93	25.93
Nanjing Jiangbei New Area Investment Development	Co.,Ltd.	Nanjing	200,000.00	25.00	25.00

For the year ended 31 December 2020

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Co., Ltd.					
Nanjing Institute of Chemical Technology Zhongshan Science and Technology Pioneer Park Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	50.00	50.00
Nanjing Chemical Industry Park Energy Saving and Emission Reduction Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,100.00	40.00	40.00
Nanjing Golden Main Line Rail Transit Investment Development Co., Ltd.	Co.,Ltd.	Nanjing	600	33.33	33.33
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	30.00	30.00
Nanjing Prosperity Yangzi Fund Investment Management Co., Ltd.	Co.,Ltd.	Nanjing	500	35.00	35.00
Nanjing Yangzi Mosmine Valley Cultural Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,428.57	30.00	30.00
Nanjing Beizhong Chuangzhi Intelligent Information Industry Investment Partnership (Limited Partnership)	Co.,Ltd.	Nanjing	1,250.00	40.00	40.00
Nanjing Lihe Yangtze River Innovation Center Co., Ltd.	Co.,Ltd.	Nanjing	1,500.00	33.33	33.33
Nanjing Institute of Chemical Technology Zhongshan Science and	Co.,Ltd.	Nanjing	2,000.00	50.00	50.00

For the year ended 31 December 2020

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Technology Pioneer Park Co., Ltd.					
Cloud Health Biological Information Nanjing Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	50.00	50.00
Jiangsu Zhuye Construction Technology Development Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	30.00	30.00
Nanjing Winuoer Technology Project Management Co., Ltd.	Co.,Ltd.	Nanjing	5,000.00	30.00	30.00
Nanjing Qiuzhen Gene Technology Co., Ltd.	Co.,Ltd.	Nanjing	5,000.00	30.00	30.00
Nanjing Digital City Investment and Construction Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	30.00	30.00
Nanjing Gezhouba Urban Underground Space Comprehensive Construction and Development Co., Ltd.	Co.,Ltd.	Nanjing	100,000.00	30.00	30.00
Zhongke Superfine (Nanjing) Technology Co., Ltd.	Co.,Ltd.	Nanjing	17,828.60	33.85	33.85
Nanjing Mingfa Business Management Co., Ltd.	Co.,Ltd.	Nanjing	USD 100 million	20.00	20.00
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd.	Co.,Ltd.	Nanjing	20,000.00	36.00	36.00
Nanjing Dingnuo Biomedical Technology Co., Ltd.	Co.,Ltd.	Nanjing	10,100.00	49.50	49.50
Shihu Technology	Co.,Ltd.	Nanjing	866.67	30.77	30.77

For the year ended 31 December 2020

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
(Nanjing) Co., Ltd.					
Jiangsu Jicui Intelligent Manufacturing Technology Research Institute Co., Ltd.	Co.,Ltd.	Nanjing	1,000.00	25.00	25.00
Jiangsu Beilian Guoxin Technology Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	40.00	40.00
Nanjing Institute of Technology Membrane Application Technology Co., Ltd.	Co.,Ltd.	Nanjing	5,000.00	12.00	12.00
Nanjing Sunac Sports Health Technology Small Loan Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	30.00	30.00
Nanjing Golden Travel Financial Leasing Co., Ltd.	Co.,Ltd.	Nanjing	20,000.00	22.22	22.22

IX.Related parties and related party transactions**1. Information about the parent of the Company**

Name	Registration place	Shareholding percentage %	Percentage of voting rights %	The company's ultimate controller
Nanjing Jiangbei New District Management Committee	Nanjing	100	100	Nanjing Jiangbei New District Management Committee

2. Information about the subsidiaries of the Company

For information about the subsidiaries of the Company, refer to Note VIII.1. Interests in subsidiaries

3. Transactions with related parties

(1) As the guarantor

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	4,800.00	2019/12/2	2022/8/12	N
Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	4,800.00	2019/12/20	2022/8/12	N
Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	6,857.00	2020/4/13	2021/4/12	N
Nanjing Yangzi State-owned Assets Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	15,330.00	2020/8/3	2023/7/29	N
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New Area Construction Investment Group Co., Ltd.	5,000.00	2014/6/13	2021/7/22	N
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New Area Construction Investment Group Co., Ltd.	5,000.00	2014/11/7	2025/7/22	N
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New Area Construction Investment Group Co., Ltd.	10,000.00	2015/3/20	2028/7/22	N
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	42,000.00	2016/1/28	2025/12/10	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Ltd.					
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	30,000.00	2016/1/27	2023/12/31	N
Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd.	Nanjing Xinming Economic Development Co., Ltd.	2,000.00	2019/8/23	2021/8/22	N
Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd.	Nanjing Xinming Economic Development Co., Ltd.	5,000.00	2019/12/3	2021/12/2	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiangsu Subo Biomedical Technology Nanjing Co., Ltd.	200.00	2020/2/27	2021/2/27	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiangsu Heima Hi-Tech Co., Ltd.	100.00	2020/3/3	2021/1/3	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Oukai Biotechnology Co., Ltd.	400.00	2020/3/12	2021/3/12	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Joule Technology Co., Ltd.	1,000.00	2020/3/25	2020/3/16	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Pinsheng Medical Technology Co., Ltd.	500.00	2020/3/18	2021/3/17	N
Nanjing Jiangbei New Area Green Financing	Nanjing Guoxin Energy Co., Ltd.	500.00	2020/5/11	2021/5/11	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Guarantee Co., Ltd.					
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Hanbo Ruichen Health Management Co., Ltd.	800.00	2020/5/11	2021/5/10	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Pinsheng Medical Technology Co., Ltd.	500.00	2020/5/19	2021/5/18	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Ningtie Nondestructive Testing Technology Research Institute Co., Ltd.	400.00	2020/6/1	2021/5/31	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing General Electric Equipment Co., Ltd.	300.00	2020/6/9	2021/6/8	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Changge Technology Development Co., Ltd.	150.00	2020/6/15	2021/6/14	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Bidun Environmental Technology Co., Ltd.	400.00	2020/6/9	2021/3/19	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Yufa Agricultural Technology Development Co., Ltd.	400.00	2020/6/16	2021/6/15	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Yulan Landscaping Construction Co., Ltd.	500.00	2020/6/15	2021/6/10	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Oukai Biotechnology Co., Ltd.	10.00	2020/6/18	2021/6/17	N
Nanjing Jiangbei New	Nanjing Hanbo	200.00	2020/6/19	2021/6/18	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Area Green Financing Guarantee Co., Ltd.	Ruichen Health Management Co., Ltd.				
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Hengrui Environmental Protection Technology Co., Ltd.	300.00	2020/8/12	2021/8/11	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	400.00	2020/8/20	2021/8/19	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiangsu Hongji Energy- saving New Technology Co., Ltd.	800.00	2020/8/20	2021/8/19	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing New Watt Intelligent Control Technology Co., Ltd.	400.00	2020/9/4	2021/9/3	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Huiyi Hesheng Trading Co., Ltd.	500.00	2020/9/18	2021/9/17	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Yuntian Network Technology Co., Ltd.	500.00	2020/9/17	2021/9/17	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Guoxin Energy Co., Ltd.	400.00	2020/9/10	2021/8/31	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	400.00	2020/9/28	2021/9/27	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Practice Medical Laboratory Co., Ltd.	200.00	2020/4/28	2021/4/27	N
Nanjing Jiangbei New	Nanjing New Watt	200.00	2020/10/20	2021/10/19	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Area Green Financing Guarantee Co., Ltd.	Intelligent Control Technology Co., Ltd.				
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Jinsanli Rubber & Plastic Co., Ltd.	1,000.00	2020/10/22	2021/10/19	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Yuntian Network Technology Co., Ltd.	500.00	2020/10/29	2021/10/28	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Haiyuan Chinese Medicine Pieces Co., Ltd.	500.00	2020/10/29	2021/10/28	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Zhiyan Artificial Intelligence Technology Research Institute Co., Ltd.	350.00	2020/11/18	2021/11/17	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Changge Technology Development Co., Ltd.	150.00	2020/11/13	2021/11/12	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiayi Digital Additive Technology Research Institute Co., Ltd.	300.00	2020/12/2	2021/12/1	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing New Watt Intelligent Control Technology Co., Ltd.	200.00	2020/11/23	2021/11/18	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiangsu Subo Biomedical Technology Nanjing Co., Ltd.	500.00	2020/12/15	2021/12/14	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Guoxin Energy Co., Ltd.	370.00	2020/11/5	2021/5/5	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Shunjun Transportation Co., Ltd.	800.00	2020/12/1	2021/11/30	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Hengrui Environmental Protection Technology Co., Ltd.	200.00	2020/12/15	2021/12/11	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	200.00	2020/12/15	2021/12/22	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Leichun Construction Machinery Co., Ltd.	200.00	2020/12/24	2021/12/15	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Sansheng Logistics Co., Ltd.	490.00	2020/12/29	2021/12/20	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Zhongrui Logistics Co., Ltd.	490.00	2020/12/29	2021/12/20	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Jiangsu Yangyaochen Economic and Trade Industrial Development Co., Ltd.	490.00	2020/12/29	2021/12/20	N
Nanjing Jiangbei New Area Green Financing Guarantee Co., Ltd.	Nanjing Sute Electric Co., Ltd.	700.00	2020/12/15	2021/12/15	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Bacon Chemical Co., Ltd.	100.00	2020/1/22	2021/1/19	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Shanwang Chemical Co., Ltd.	280.00	2020/3/10	2021/3/9	N

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Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Co., Ltd.					
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Erma Logistics Co., Ltd.	50.00	2020/3/26	2021/3/25	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Shunjun Transportation Co., Ltd.	400.00	2020/3/25	2021/3/19	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Baiyun Environmental Technology Group Co., Ltd.	400.00	2020/4/2	2021/4/1	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Wofeng Building Material Trading Co., Ltd.	250.00	2020/4/27	2021/4/19	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Yitong Heavy Lifting and Transportation Co., Ltd.	200.00	2020/6/4	2021/6/3	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Jiangsu Rongliwang Hoisting Engineering Co., Ltd.	200.00	2020/6/10	2021/6/4	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Haoyu Logistics Co., Ltd.	500.00	2020/6/29	2021/6/28	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Yitong Heavy Lifting and Transportation Co., Ltd.	300.00	2020/8/5	2021/8/2	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Liangtian Hoisting Co., Ltd.	180.00	2020/9/15	2021/9/13	N

For the year ended 31 December 2020

Guarantor	Guarantee	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Changfeng Financial Deduction Co., Ltd.	Weixun Chemical (Nanjing) Co., Ltd.	400.00	2020/10/12	2021/10/11	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Gujie Packaging Container Co., Ltd.	48.00	2020/10/30	2021/4/19	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Lianzun New Building Materials Co., Ltd.	300.00	2020/11/12	2021/11/12	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Yangchuan Mechanical and Electrical Equipment Maintenance and Installation Co., Ltd.	200.00	2020/11/27	2021/11/26	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Jiangsu Chaowei Petrochemical Co., Ltd.	900.00	2020/12/24	2021/12/23	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Lianzun New Building Materials Co., Ltd.	400.00	2020/12/15	2021/12/15	N
Nanjing Changfeng Financial Deduction Co., Ltd.	Nanjing Yangchuan Mechanical and Electrical Equipment Maintenance and Installation Co., Ltd.	200.00	2020/12/31	2021/12/30	N
Total	--	153,995.00	--	--	--

X.Commitments and contingencies**1. Significant commitments**

Non

2. Contingencies

(1) For contingent liabilities formed by providing debt guarantees to other units and their financial impact, refer to Note IX, Related Party Transactions.

(2) For information about contingent liabilities related to joint venture or associate investment, please refer to the Note VIII. Interests in other entities.

XI. Post balance sheet date events

There is no events after the balance sheet date to be disclosed.

XII. Other significant items**1. Correction of errors in prior periods**

Retrospective restatement:

At the request of the Nanjing Municipal Audit Bureau, the subsidiary Nanjing Jiangbei New Area Public Assets Investment and Development Co., Ltd. (hereinafter referred to as "Public Assets") signed a 720 million loan agreement with Nanjing Yangzi Development and Investment Co., Ltd. in June 2016 and generated interest income 150,843,400.00 Yuan should offset the project investment cost of its Dachang ecological protection forest project. The company made corrections to the interest income confirmed in the previous period. The corrections are as follows:

Item	Balance as at 31/12/2019	Balance as at 1/1/2020	Adjustment amount
Inventories	73,179,813,521.98	73,028,970,121.98	-150,843,400.00
Operating income	7,574,582,042.12	7,531,195,249.67	-43,386,792.45
Income tax expenses	314,341,459.30	303,494,761.19	-10,846,698.11
Deferred tax assets	115,262,552.99	152,973,402.99	37,710,850.00
Retained earnings as at 31/12/2018	2,365,524,848.79	2,303,396,124.72	-62,128,724.07
Non-controlling interests as at 31/12/2018	32,355,760,369.47	32,337,296,637.88	-18,463,731.59

XIII. Notes to the Company's financial statements**1. Accounts receivable**

(1) Accounts receivable by category

Category	As at 31/12/2020		
	Book balance	Provision for bad and doubtful debts	Carrying amount

For the year ended 31 December 2020

	Amount	Proportion (%)	Amount	Percentage of provision(%)	
Individually significant and assessed for impairment individually					
Collectively assessed for impairment based on credit risk characteristics	76,900,320.49	100.00			76,900,320.49
Including: Ageing group					
Other group	76,900,320.49	100.00			76,900,320.49
Individually insignificant but assessed for impairment individually					
Total	76,900,320.49	100.00			76,900,320.49

(2) No additions, recoveries or reversals of provision for bad and doubtful debts during the year.

(3) As at 31 December 2020, the five largest accounts receivable aggregated by debtors were analysed as follows:

Debtor	As at 31/12/2020	The proportion of the total accounts receivable (%)	Provision for bad and doubtful debts
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	23,584,350.09	30.67	
Nanjing Software Park Technology Development Co., Ltd.	15,525,493.15	20.19	
Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd.	10,806,134.91	14.05	
Nanjing Pukou Railway Station Historic District Conservation and Development Co., Ltd.	6,394,520.54	8.32	
Nanjing Jiangbei New District Central Business District Development and Operation Co., Ltd.	4,173,077.26	5.43	
Total	60,483,575.95	78.66	

2. Other receivables

Item	As at 31/12/2020	As at 31/12/2019
Other receivables	8,952,590,443.92	8,731,367,975.96

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Interest receivable		
Dividends receivable	715,176,340.60	418,953,908.28
Total	9,667,766,784.52	9,150,321,884.24

(1) Other receivables

① Other receivables by category

Category	As at 31/12/2020				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Individually significant and assessed for impairment individually					
Collectively assessed for impairment based on credit risk characteristics	8,953,139,986.42	100.00	549,542.50	0.01	8,952,590,443.92
Including: Ageing group	549,542.50	0.01	549,542.50	100.00	
Other group	8,952,590,443.92	99.99			8,952,590,443.92
Individually insignificant but assessed for impairment individually					
Total	8,953,139,986.42	100.00	549,542.50	0.01	8,952,590,443.92

(Continued)

(Continued)

Category	As at 31/12/2019				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Individually significant and assessed for impairment individually					
Collectively assessed for impairment based on credit risk characteristics	8,731,642,747.21	100.00	274,771.25		8,731,367,975.96
Including: Ageing group	549,542.50	0.01	274,771.25	50.00	274,771.25
Other group	8,731,093,204.71	99.99			8,731,093,204.71
Individually insignificant					

For the year ended 31 December 2020

Category	As at 31/12/2019				Carrying amount
	Book balance		Provision for bad and doubtful debts		
	Amount	Proportion (%)	Amount	Proportion (%)	
but assessed for impairment individually					
Total	8,731,642,747.21	100.00	274,771.25		8,731,367,975.96

A. Other receivables which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2020		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)
Over 5 years	549,542.50	274,771.25	50.00
Total	549,542.50	274,771.25	50.00

(Continued)

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)
4 to 5 years	549,542.50	274,771.25	50.00
Total	549,542.50	274,771.25	50.00

② Additions, recoveries or reversals of provision for bad and doubtful debts during the year:

Additions during the year is RMB 274,771.25

③ There is no other receivables written off during this year

④ Other receivables categorized by nature

Nature	As at 31/12/2020	As at 31/12/2019
General operating receivables	954,095,569.86	248,033,112.28
Receivable deposit and security deposit	25,732,947.12	161,897.70
Receivable from government	1,988,686,218.13	2,751,807,581.27
Related party-funds	5,984,075,708.81	5,731,365,384.71
Total	8,952,590,443.92	8,731,367,975.96

⑤ As at 31 December 2020, the five largest other receivables aggregated by debtors were analysed as follows:

Debtors	Nature	As at 31/12/2020	Ageing	The proportion of other total receivables (%)	Provision for bad and doubtful debts
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For the year ended 31 December 2020

Debtors	Nature	As at 31/12/2020	Ageing	The proportion of other total receivables (%)	Provision for bad and doubtful debts
Nanjing Jiangbei New District Management Committee	Current payment	1,915,487,351.92	0-4years	21.39	
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd.	Current payment	1,844,011,265.82	0-2years	20.60	
Nanjing Yangzi Jinji Real Estate Co., Ltd. (Accounting)	Fund interest and transactions	733,419,553.06	0-2years	8.19	
Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	Equity premium repurchase	638,581,667.08	0-3years	7.13	
Nanjing Yangzi Commercial Factoring Co., Ltd.	Fund interest and transactions	576,936,390.46	Within 1 year	6.44	
Total	—	5,708,436,228.34	—	63.75	

(2)Dividends receivable

Item	As at 31/12/2020	As at 31/12/2019
Nanjing Yangtze Science and Technology Industrial Investment Fund Phase I (Limited Partnership)	2,767,604.88	2,767,604.88
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	1,224,679.22	1,435,561.30
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase I (Limited Partnership)	3,318,756.55	-861,080.34
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	63,287,009.80	95,099,826.84
Nanjing Yangzi Agricultural Bank Industry	22,351.86	22,351.86

For the year ended 31 December 2020

Item	As at 31/12/2020	As at 31/12/2019
Investment Fund Phase I (Limited Partnership)		
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	5,157,994.24	2,418,491.79
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	3,114,444.71	840,899.42
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	25,900,764.16	19,608,750.27
Suzhou Industrial Park Guochuang Kaiyuan Phase II	403,766,503.15	297,621,502.26
Nanjing Yangtze River Innovation Venture Capital Fund (Limited Partnership)	206,616,232.03	
Total	715,176,340.60	418,953,908.28

2. Long-term equity investments

(1) Long-term equity investments classification:

Item	As at 31/12/2020			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Subsidiaries	32,627,829,599.12		32,627,829,599.12	24,953,967,573.56		24,953,967,573.56
Investment in associates and joint ventures	630,710,409.94		630,710,409.94	3,446,800,888.15		3,446,800,888.15
Total	33,258,540,009.06		33,258,540,009.06	28,400,768,461.71		28,400,768,461.71

(2) Investment in subsidiaries

Investee	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	Provision for impairment	Balance of provision for impairment As at 31/12/2020
Nanjing Jiangbei New Area Yangzi Technology	126,000,000.00	84,000,000.00		210,000,000.00		

For the year ended 31 December 2020

Investee	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	Provision for impairment	Balance of provision for impairment As at 31/12/2020
Financial Leasing Co., Ltd.						
Nanjing Yangzi Commercial Factoring Co., Ltd.	500,000,000.00			500,000,000.00		
Nanjing Yangtze River Asset Operation Management Co., Ltd.	390,000,000.00			390,000,000.00		
Nanjing Yangzi Development Investment Co., Ltd.	5,167,708,391.71	140,000,000.00		5,307,708,391.71		
Nanjing Yangtze River Investment Fund Management Co., Ltd.	100,000,000.00			100,000,000.00		
Nanjing Yangtze River New City Development	1,000,000,000.00	2,641,094,325.56		3,641,094,325.56		

For the year ended 31 December 2020

Investee	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	Provision for impairment	Balance of provision for impairment As at 31/12/2020
Co., Ltd.						
Nanjing Jiangbei New Area Technology Investment Group Co., Ltd.	2,000,000,000.00	200,000,000.00		2,200,000,000.00		
Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd.	3,694,336,857.86	300,000,000.00		3,994,336,857.86		
Nanjing Jiangbei New Area Industrial Investment Group Co., Ltd.	7,819,645,035.38	1,865,097,700.00		9,684,742,735.38		
Nanjing Pukou New City Development and Construction Co., Ltd.	718,887,517.58	832,670,000.00		1,551,557,517.58		
Nanjing Jiangbei	1,800,000,000.00			1,800,000,000.00		

For the year ended 31 December 2020

Investee	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	Provision for impairment	Balance of provision for impairment As at 31/12/2020
New District Central Business District Investment Development Co., Ltd.						
Nanjing Jiangbei New District Central District Development Co., Ltd.	400,964,486.38	100,000,000.00		500,964,486.38		
Nanjing Jiangbei New Area Hub Economic Development Co., Ltd.	424,051,378.08			424,051,378.08		
Nanjing Digital Financial Industry Research Institute Co., Ltd.	3,000,000.00			3,000,000.00		
Nanjing Yangtze River Sports	800,429,141.74			800,429,141.74		

For the year ended 31 December 2020

Investee	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2020	Provision for impairment	Balance of provision for impairment As at 31/12/2020
Investment Development Co., Ltd.						
Nanjing Yangzijiang New City Equity Investment Partnership (Limited Partnership)		1,501,000,000.00		1,501,000,000.00		
Nanjing Engineering Consulting Center Co., Ltd.	8,944,764.83	10,000,000.00		18,944,764.83		
Total	24,953,967,573.56	7,673,862,025.56		32,627,829,599.12		

For the year ended 31 December 2020

(3) Investment in associates and joint ventures

Investee	Share holding ratio (%)	As at 31/12/2019	Movements during the year						As at 31/12/2020	Balance of provision for impairment nt As at 31/12/2020
			Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment	
1. Interests in subsidiaries										
Nanjing Jiangbei New Area State-owned Assets Management Co., Ltd.	49.00	2,870,586,778.51							2,870,586,778.51	
Nanjing Aifeike General Aviation Development Co., Ltd.	3.88									

For the year ended 31 December 2020

Investee	Share holding ratio (%)	As at 31/12/2019	Movements during the year					Movements during the year		As at 31/12/2020	Balance of provision for impairment nt As at 31/12/2020
			Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment		
Nanjing Jiangbei New Area Investment Development Co., Ltd.	25.00	521,313,911.80			7,299,697.16					528,613,608.96	
Nanjing Golden Travel Financial Leasing Co., Ltd.	22.22	54,900,197.84	44,735,662.50		7,891,428.75			5,430,488.11		102,096,800.98	
Total		3,446,800,888.15	44,735,662.50		15,191,125.91			5,430,488.11	2,870,586,778.51	630,710,409.94	

3. Operating income and Operating cost

(1) Operating income and Operating cost:

Item	Year ended 31/12/2020		Year ended 31/12/2019	
	Operating income	Operating cost	Operating income	Operating cost
Principal activities	93,656,562.61		37,396,582.42	
Other operating activities	719.71		131.49	
Total	93,657,282.32		37,396,713.91	

(2) Operating income and operating costs from principal activities by product:

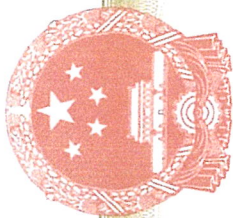
Item	Year ended 31/12/2020		Year ended 31/12/2019	
	Operating income	Operating cost	Operating income	Operating cost
Comprehensive service business	93,656,562.61		37,396,582.42	
Other	719.71		131.49	
Total	93,657,282.32		37,396,713.91	

4. Investment income

Source of investment income	Year ended 31/12/2020	Year ended 31/12/2019
Income from long-term equity investments accounted for using the equity method	15,191,125.91	15,111,604.89
Investment income from disposal of long-term equity investments	1,137,405.00	
Investment income from holding available-for-sale financial assets	766,824,535.55	277,527,271.71
Total	783,153,066.46	292,638,876.60

Nanjing Yangzi State-owned Assets Investment Group Co., Ltd

Legal representative: The person in charge of accounting affairs: The head of the
accounting department:



营业执照

(副本) (5-1)

统一社会信用代码

91110102082881146K



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中兴华会计师事务所(普通合伙)

报告审讫章(1)

名称 中兴华会计师事务所(普通合伙)

类型 特殊普通合伙企

出资人 李尊农

经营范围

审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。(依法须经批准的项目，经相关部门批准后方可开展经营活动，依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。)

成立日期 2013年11月04日

合伙期限 2013年11月04日至 长期

主要经营场所 北京市丰台区丽泽路20号院1号楼南楼20层

登记机关

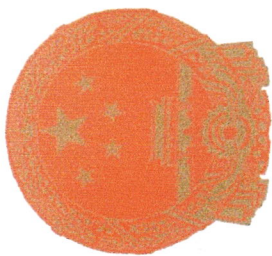


2021年 09月 11日

国家企业信用信息公示系统网址: <http://www.gsxt.gov.cn>

市场主体应当于每年1月1日至6月30日通过
国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制



会计师事务所

执业证书

名称：中兴华会计师事务所（特殊普通合伙）

首席合伙人：李尊农

主任会计师：

经营场所：北京市西城区阜外大街1号南楼5层



组织形式：特殊普通合伙

执业证书编号：11000167

批准执业文号：京财会许可〔2013〕0066号

批准执业日期：2013年10月25日

证书序号：0000066

说明

《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

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4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。



发证机关：

二〇一八年二月九日

中华人民共和国财政部制





证书序号: 000368

会计师事务所

证券、期货相关业务许可证

经财政部、中国证监会监督管理委员会审查, 批准

中兴华会计师事务所 (特殊普通合伙) 执行证券、期货相关业务。

首席合伙人: 李尊农

证书号: 24

发证时间: 二〇一二年十二月八日

证书有效期至: 二〇一三年十二月八日



附件使用

中兴华会计师事务所
地址: 北京市西城区
电话: 010-63761111



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姓名 任华贵
Full name
性别 男
Sex
出生日期 1974-12-16
Date of birth
工作单位 江苏苏亚金诚会计师事务所(特殊普通合伙)
Working unit
身份证号码 321088197412164897
Identity card No.

证书编号:
No. of Certificate

320000180016

批准注册协会:
Authorized Institute of CPAs

江苏省注册会计师协会

发证日期:
Date of Issuance

2004 06 25
年 月 日

2014 05 12

年度检验登记 Annual Renewal Registration

本证书经检验合格, 继续有效一年。
This certificate is valid for another year after this renewal.



任华贵(320000180016)
您已通过2019年年检
江苏省注册会计师协会



任华贵(320000180016)
您已通过2020年年检
江苏省注册会计师协会



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



同意调入
Agree the holder to be transferred to





姓名 王祖秀

Full name

性别 女

Sex

出生日期 1986-10-22

Date of birth

工作单位 立信中联闽都会计师事务所

Working unit 限公司江苏分

身份证号码 500226198610223813

Identity card No.

证书编号: 120100232567

No. of Certificate

批准注册协会: 江苏省注册会计师协会

Authorized Institute of CPAs

发证日期: 2013 年 09 月 30 日

Date of Issuance

/y /m /d

年度检验登记

Annual Renewal Registration

本证书经检验合格, 继续有效一年。

This certificate is valid for another year after this renewal.



王祖秀(120100232567)
您已通过2019年年检
江苏省注册会计师协会



王祖秀(120100232567)
您已通过2020年年检
江苏省注册会计师协会

注册会计师工作单位变更事项登记

Registration of the Change of Working Unit by a CPA

同意调出

Agree the holder to be transferred from



Stamp of the transfer-out Institute of CPAs

2016 年 12 月 14 日

/y /m /d

同意调入

Agree the holder to be transferred to



Stamp of the transfer-in Institute of CPAs

2016 年 12 月 14 日

/y /m /d

Nanjing Yangzi State-owned Investment Group Co., Ltd.

Audit Report



00002020040131956830

Report file no. : Zhongxinghua Audit No. [2020] 021217

ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP



Audit Report

Zhongxinghua Audit No. [2020] 021217

To the shareholders of Nanjing Yangzi State-owned Investment Group Co., Ltd.:

I. Audit Opinions

We have audited the accompanying financial statements of Nanjing Yangzi State-owned Investment Group Co., Ltd. (hereinafter referred to as "Yangzi State-owned Investment Group"), which comprise: the consolidated and company balance sheets as at December 31, 2019; the consolidated and company income statements for the year then ended; the consolidated and company cash flow statements for the year then ended; the consolidated and company statements of changes in owners' equity for the year then ended; and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of Yangzi State-owned Investment Group as at 31 December 2019, and their financial performance and cash flows for the year then ended in accordance with the requirements of the Accounting Standards for Business Enterprises ("CASs").

II. Foundation of audit opinions

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We are independent of Yangzi State-owned Investment Group in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code.

III. Management and governance liabilities for financial statement

Management of Yangzi State-owned Investment Group is responsible for the preparation and fair presentation of these financial statements in accordance with the CASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing Yangzi State-owned Investment Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Yangzi State-owned Investment Group or to cease operations, or has no realistic alternative but to do so.

The governance level is responsible for overseeing the financial reporting process.



IV. Responsibilities of CPA for financial statement audit.

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

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (IV) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Yangzi State-owned Investment Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Yangzi State-owned Investment Group to cease to continue as a going concern.
- (V) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Yangzi State-owned Investment Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP

We communicate with the governance level regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ZHONGXINGHUA CERTIFIED PUBLIC
ACCOUNTANTS LLP

Beijing, the People's Republic of China



Signing CPA:



Signing CPA:



April 30, 2020

Consolidated Balance Sheet

As at 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2019	As at 31/12/2018
Current assets:			
Cash at bank and on hand	VI.1	32,212,452,553.42	37,319,375,924.08
Financial assets at fair value through profit or loss	VI.2	35,585,124.00	
Derivative financial assets			
Bills receivable	VI.3		88,725,977.25
Accounts receivable	VI.4	5,090,618,747.21	5,662,674,558.91
Prepayments	VI.5	4,459,026,814.22	2,002,065,015.59
Other receivables	VI.6	21,549,478,237.94	14,588,339,466.77
Inventories	VI.7	73,179,813,521.98	66,139,011,040.66
Assets held for sale			
Non-current assets due within one year			
Other current assets	VI.8	2,072,825,177.84	1,143,501,751.00
Total current assets		138,599,800,176.61	126,943,693,734.26
Non-current assets:			
Available-for-sale financial assets	VI.9	16,990,469,720.46	12,996,393,253.12
Held-to-maturity investments	VI.10	633,522,904.40	555,246,518.31
Long-term receivables	VI.11	1,219,040,383.47	668,337,244.28
Long-term equity investments	VI.12	6,878,375,757.74	1,225,740,329.51
Investment properties	VI.13	14,862,912,051.80	9,203,405,422.76
Fixed assets	VI.14	2,897,801,010.60	3,593,393,111.02
Construction in progress	VI.15	11,564,053,704.74	7,906,012,834.73
Productive biological assets			
Oil and gas assets			
Intangible assets	VI.16	1,133,065,525.44	1,889,832,403.62
Development costs	VI.17	50,563,577.43	
Goodwill	VI.18		1,810,000.00
Long-term deferred expenses	VI.19	253,972,208.91	223,050,846.96
Deferred tax assets	VI.20	115,262,552.99	133,029,137.53
Other non-current assets	VI.21	34,912,944,043.34	41,571,573,447.59
Total non-current assets		91,511,983,441.32	79,967,824,549.43
Total assets		230,111,783,617.93	206,911,518,283.69

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Balance Sheet(continued)

As at 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2019	As at 31/12/2018
Current liabilities:			
Short-term loans	VI.22	7,952,541,900.00	4,226,456,000.00
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable	VI.23	22,186,718.47	77,961,336.50
Accounts payable	VI.24	2,937,382,769.41	2,410,330,960.67
Advances from customers	VI.25	1,020,729,524.25	1,154,466,472.13
Employee benefits payable	VI.26	39,500,661.89	28,812,189.38
Taxes payable	VI.27	327,345,731.87	1,038,005,888.97
Other payables	VI.28	8,666,389,746.78	7,684,941,615.89
Liabilities held for sale			
Non-current liabilities due within one year	VI.29	20,665,347,659.84	13,854,183,222.23
Other current liabilities	VI.30	618,056,512.82	2,108,001,545.06
Total current liabilities		42,249,481,225.33	32,583,159,230.83
Non-current liabilities:			
Long-term loans	VI.31	74,109,438,450.90	74,027,192,260.19
Debentures payable	VI.32	29,923,068,481.27	26,162,001,509.23
Of which: preferred stock			
Perpetual debt			
Long-term payables	VI.33	12,014,176,136.50	9,216,795,757.82
Long-term employee benefits payable			
Provisions			
Deferred income	VI.34	256,448,460.66	116,549,976.97
Deferred tax liabilities	VI.20	1,506,971,496.20	1,416,706,303.12
Other non-current liabilities	VI.35	698,017,580.74	488,374,345.41
Total non-current liabilities		118,508,120,606.27	111,427,620,152.74
Total liabilities		160,757,601,831.60	144,010,779,383.57
shareholders' equity:			
Paid-in capital	VI.36	9,000,000,000.00	6,000,000,000.00
Other equity instruments		2,789,875,000.00	1,794,375,000.00
Of which: preferred stock			
Perpetual debt		2,789,875,000.00	1,794,375,000.00
Capital reserve	VI.37	22,754,532,185.99	19,167,577,878.85
Less: treasury shares			
Other comprehensive income	VI.38	1,170,190,144.32	1,211,147,111.49
Specific reserve			
Surplus reserve	VI.39	3,863,253.58	2,190,691.52
General risk preparation		16,326,497.70	4,163,000.00
Retained earnings	VI.40	2,304,506,742.23	2,365,524,848.79
Total equity attributable to shareholders of the company		38,039,293,823.82	30,544,978,530.65
Non-controlling interests		31,314,887,962.51	32,355,760,369.47
Total shareholders' equity		69,354,181,786.33	62,900,738,900.12
Total liabilities and shareholders' equity		230,111,783,617.93	206,911,518,283.69

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Income Statement

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2019	Year ended 31/12/2018
I. Operating income	VI.41	7,574,582,042.12	7,177,000,059.15
Including: Main business income	VI.41	7,574,582,042.12	7,177,000,059.15
II. Total operating costs		8,078,626,091.66	7,727,941,812.23
Including: operating costs	VI.41	5,849,918,644.40	5,704,354,116.75
Taxes and surcharges	VI.42	139,100,916.72	109,827,781.31
Selling and distribution expenses		79,238,948.35	79,353,497.06
General and administrative expenses		975,389,590.35	705,098,275.93
Research and development expenses		6,799,307.52	4,551,104.41
Financial expenses	VI.43	1,028,178,684.32	1,124,757,036.77
Including: interest expense		1,231,482,898.25	1,374,756,210.89
Interest income		311,723,351.21	278,595,123.35
Add: Other income	VI.44	390,606,682.09	251,478,709.63
Investment income ("-" for losses)	VI.45	607,991,526.43	673,346,204.84
Including: Income from investment in associates and joint ventures			
Gains from changes in fair value ("-" for losses)	VI.46	369,361,811.91	270,117,970.33
Impairment losses ("-" for losses)	VI.47	15,512,656.82	7,675,593.65
Gains from assets disposal ("-" for losses)	VI.48	13,258,386.17	121,846,716.26
III. Operating profit ("-" for losses)		892,687,013.88	773,523,441.63
Add: Non-operating income	VI.49	22,186,544.86	12,411,253.97
Less: Non-operating expenses	VI.50	15,793,632.15	9,458,714.01
IV. Profit before income tax ("-" for losses)		899,079,926.59	776,475,981.59
Less: Income tax expenses	VI.51	314,341,459.30	207,481,560.38
V. Net profit for the year ("-" for losses)		584,738,467.29	568,994,421.21
(1) Classification according to operation continuity			
Including: Net profit from continuing operations ("-" for net loss)		584,738,467.29	568,994,421.21
Net profit from discontinued operations ("-" for net loss)			
(2) Classification according to attribute			
Including: Shareholders of the company		258,173,278.35	251,683,856.87
Non-controlling interests		326,565,188.94	317,310,564.34
VI. Other comprehensive income, net of tax		77,159,963.46	162,237,604.15
Other comprehensive income (net of tax) attributable to shareholders of the company		-40,956,967.17	265,897,464.02
A. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plan liability or asset			
b. Share of other comprehensive income of the equity method investments			
B. Items that may be reclassified to profit or loss		-40,956,967.17	265,897,464.02
a. Share of other comprehensive income of the equity method investments			
b. Gains or losses arising from changes in fair value of available-for-sale financial assets		232,898,533.08	-83,741,421.57
c. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets			
d. Gains or losses arising from changes in fair value of investment property		-240,569,653.62	396,928,973.62
e. Effective portion of gains or losses arising from cash flow hedging instruments			
f. Translation differences arising from translation of foreign currency financial statements		-33,285,846.63	-47,290,088.03
g. Others			
Other comprehensive income (net of tax) attributable to non-controlling interests		118,116,930.63	-103,659,859.87
VII. Total comprehensive income for the year		661,898,430.75	731,232,025.36
Attributable to: Shareholders of the company		217,216,311.18	517,581,320.89
Non-controlling interests		444,682,119.57	213,650,704.47

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Consolidated Cash Flow Statement

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2019	Year ended 31/12/2018
I. Cash flows from operating activities			
Proceeds from sales of goods or rendering of services		6,095,934,706.60	9,320,942,743.88
Refund of taxes		43,331,693.24	16,916,819.12
Proceeds from other operating activities		11,580,932,341.15	11,975,935,886.51
Sub-total of cash inflows		17,720,198,740.99	21,313,795,449.51
Payment for goods and services		15,714,512,181.95	16,249,993,845.68
Payment to and for employees		652,566,180.94	478,093,028.82
Payments of various taxes		1,300,009,677.14	721,340,109.45
Payment for other operating activities		10,435,473,557.13	10,032,526,913.95
Sub-total of cash outflows		28,102,561,597.16	27,481,953,897.90
Net cash flows from operating activities		-10,382,362,856.17	-6,168,158,448.39
II. Cash flows from investing activities			
Proceeds from disposal of investments		1,625,662,741.41	363,810,277.68
Investment returns received		307,842,528.45	537,235,645.96
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		1,843,799.55	4,418,013.17
Net proceeds from disposal of subsidiaries and other business units			
Proceeds from other investing activities		137,867,776.10	1,692,169,281.33
Sub-total of cash inflows		2,073,216,845.51	2,597,633,218.14
Payment for acquisition of fixed assets, intangible assets and other long-term assets		9,920,841,632.88	5,353,977,104.17
Payment for acquisition of investments		10,015,737,801.41	5,296,506,307.06
Net payment for acquisition of subsidiaries and other business units		1,022,771,841.17	1,001,777,500.00
Payment for other investing activities		8,635,522,974.43	1,035,997,390.35
Sub-total of cash outflows		29,594,874,249.89	12,688,258,301.58
Net cash flows from investing activities		-27,521,657,404.38	-10,090,625,083.44
III. Cash flows from financing activities			
Proceeds from investors		12,056,364,926.91	5,459,623,293.83
Including: Proceeds from non-controlling shareholders of subsidiaries		427,400,000.00	24,900,000.00
Proceeds from borrowings		64,153,483,991.30	43,932,870,341.17
Proceeds from other financing activities		14,208,355,592.46	7,653,761,403.62
Sub-total of cash inflows		90,418,204,510.67	57,046,255,038.62
Repayments of borrowings		31,547,751,922.03	26,937,827,198.50
Payment for dividends, profit distributions or interest		5,526,780,364.43	4,563,897,767.88
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		6,199,627.34	72,407,600.00
Repayments for other financing activities		21,137,139,782.82	6,182,982,209.42
Sub-total of cash outflows		58,211,672,069.28	37,684,707,175.80
Net cash flows from financing activities		32,206,532,441.39	19,361,547,862.82
IV. Effect of foreign exchange rate changes on cash and cash equivalents		246,750,006.36	122,502,038.00
V. Net increase in cash and cash equivalents		-5,450,737,812.80	3,225,266,368.99
Add: Cash and cash equivalents as at 31/12/2018		36,944,914,587.58	33,719,648,218.59
VI. Cash and cash equivalent as at 31/12/2019		31,494,176,774.78	36,944,914,587.58

Legal representative: The person in charge of accounting affairs: The head of the accounting departmen

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2019

Prepared by Nanjing Yangg State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2019										
	Attributable to shareholders' equity of the parent company										
	Paid-in capital	Preference shares	Other equity instruments	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve fund	Retained earnings	Sub-total
I. Balance at 31/12/2018	6,000,000,000.00			19,167,577,878.85		1,211,147,111.49		2,190,691.52	4,163,000.00	2,365,524,848.79	30,544,978,530.05
Add: Changes in accounting policies											
Correction of prior period errors											
Others											
II. Balance at 01/01/2019	6,000,000,000.00			19,167,577,878.85		1,211,147,111.49		2,190,691.52	4,163,000.00	2,365,524,848.79	30,544,978,530.05
III. Changes in equity during the year ("+" for increase)	3,000,000,000.00			3,586,954,307.14		-40,956,967.17		1,672,562.06	12,163,497.70	-61,018,106.56	7,494,315,293.17
(I) Total comprehensive income						-40,956,967.17				258,173,278.35	217,216,311.18
(II) Shareholders' contributions and decrease of capital	3,000,000,000.00			3,586,954,307.14					1,964,700.00		7,551,419,007.14
1. Contribution by ordinary shareholders	3,000,000,000.00										3,000,000,000.00
2. Capital contributed by other equity instruments holders											
3. Equity settled share-based payments											
4. Others				3,586,954,307.14					1,964,700.00		4,551,654,307.14
(III) Appropriation of profits								1,672,562.06		-319,191,384.91	-317,518,822.85
1. Appropriation for surplus reserves								1,672,562.06		-1,672,562.06	
2. Extract general risk preparation										-316,671,600.63	-316,671,600.63
3. Distributions to shareholders											
4. Others										-847,222.22	-847,222.22
(IV) Transfer within equity											
1. Share capital increased by capital reserves transfer											
2. Share capital increased by surplus reserves transfer											
3. Transfer of surplus reserve to offset losses											
4. Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans											
5. Others											
(V) Specific Reserve											
1. Appropriation during the year											
2. Utilization during the year											
(VI) Others											
IV. Balance at 31/12/2019	9,000,000,000.00		2,789,875,000.00	22,754,532,185.99		1,170,190,144.32		3,863,253.58	16,326,497.70	2,304,506,742.23	38,039,295,823.82

The person in charge of accounting affairs:

The head of the accounting department:

Legal representative:

Consolidated Statement of Changes in Shareholders' Equity(continued)

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2018													Total equity
	Attributable to shareholders' equity of the parent company													
	Paid-in capital	Other equity instruments			Capital reserve	Less:treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve fund	Retained earnings	Sub-total	Minority interests	
		Preference shares	Perpetual loans	Others										
I. Balance at 31/12/2017	5,000,000,000.00				15,475,712,385.59		945,249,647.47		1,603,308.02	2,422,000.00	2,176,275,597.64	23,601,262,938.72	29,229,062,189.84	52,830,325,128.56
Add : Changes in accounting policies														
Correction of prior period errors														
Others														
II. Balance at 01/01/2018	5,000,000,000.00				15,475,712,385.59		945,249,647.47		1,603,308.02	2,422,000.00	2,176,275,597.64	23,601,262,938.72	29,229,062,189.84	52,830,325,128.56
III. Changes in equity during the year ("+", "for decrease")	1,000,000,000.00		1,794,375,000.00		3,691,865,493.26		265,897,464.02		587,383.50	1,741,000.00	189,249,251.15	6,943,715,591.93	3,126,698,179.63	10,070,413,771.56
(I) Total comprehensive income							265,897,464.02				251,683,856.87	517,581,320.89	213,650,704.47	731,232,025.36
(II) Shareholders' contributions and decrease of capital	1,000,000,000.00				3,691,865,493.26							6,486,240,493.26	2,913,047,475.16	9,399,287,968.42
1. Contribution by ordinary shareholders	1,000,000,000.00				3,691,865,493.26							4,691,865,493.26	2,913,047,475.16	7,604,912,968.42
2. Capital contributed by other equity instruments holders														
3. Equity settled share-based payments														
4. Others														
(III) Appropriation of profits			1,794,375,000.00						587,383.50		-62,434,605.72	-61,847,222.22		1,794,375,000.00
1. Appropriation for surplus reserves									587,383.50		-587,383.50			-61,847,222.22
2. Extract general risk preparation														
3. Distributions to shareholders														
4. Others														
(IV) Transfer within equity														
1. Share capital increased by capital reserves transfer														
2. Share capital increased by surplus reserves transfer														
3. Transfer of surplus reserve to offset losses														
4. Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans														
5. Others														
(V) Specific Reserve										1,741,000.00		1,741,000.00		1,741,000.00
1. Appropriation during the year										1,741,000.00		1,741,000.00		1,741,000.00
2. Utilisation during the year														
(VI) Others														
IV. Balance at 31/12/2018	6,000,000,000.00		1,794,375,000.00		19,167,577,878.85		1,211,147,111.49		2,190,691.52	4,163,000.00	2,365,524,848.79	30,544,978,530.65	32,355,760,369.47	62,900,738,900.12

Legal representative: The person in charge of accounting affairs:

The head of the accounting department:

Balance Sheet

As at 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2019	As at 31/12/2018
Current assets:			
Cash at bank and on hand		6,047,163,598.65	3,696,820,867.11
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable			
Accounts receivable			
Prepayments		916,556,337.99	430,786,712.99
Other receivables		9,150,321,884.24	6,321,423,469.86
Inventories		1,368,510,040.43	1,296,000,000.00
Assets held for sale			
Non-current assets due within one year			
Other current assets		19,660,073.51	1,319,474.85
Total current assets		17,502,211,934.82	11,746,350,524.81
Non-current assets:			
Available-for-sale financial assets		11,725,639,772.11	7,371,255,103.03
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments		28,400,768,461.71	20,208,167,085.79
Investment properties			
Fixed assets		3,062,491.48	1,097,095.39
Construction in progress			
Productive biological assets			
Oil and gas assets			
Intangible assets		1,678,226.52	1,725,513.05
Development costs			
Goodwill			
Long-term deferred expenses		5,271,483.59	
Deferred tax assets		68,692.82	41,215.69
Other non-current assets			
Total non-current assets		40,136,489,128.23	27,582,286,012.95
Total assets		57,638,701,063.05	39,328,636,537.76

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Balance Sheet(continued)

As at 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	As at 31/12/2019	As at 31/12/2018
Current liabilities:			
Short-term loans		5,367,091,900.00	2,689,056,000.00
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable			
Accounts payable			
Advances from customers			
Employee benefits payable		3,484,416.88	222,740.13
Taxes payable		2,640,902.89	4,622,852.91
Other payables		7,798,626,963.70	3,697,188,245.11
Liabilities held for sale			
Non-current liabilities due within one year		9,850,990,331.73	1,968,000,000.00
Other current liabilities			2,097,064,412.99
Total current liabilities		23,022,834,515.20	10,456,154,251.14
Non-current liabilities:			
Long-term loans		3,006,500,000.00	7,115,500,000.00
Debentures payable		9,735,068,051.77	5,956,119,182.14
Of which: preferred stock			
Perpetual debt			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		12,741,568,051.77	13,071,619,182.14
Total liabilities		35,764,402,566.97	23,527,773,433.28
Shareholders' equity:			
Paid-in capital		9,000,000,000.00	6,000,000,000.00
Other equity instruments		2,291,000,000.00	1,295,500,000.00
Of which: preferred stock			
Perpetual debt		2,291,000,000.00	1,295,500,000.00
Capital reserve		10,558,845,960.36	8,483,456,189.33
Less: treasury shares			
Other comprehensive income			
Specific reserve			
Surplus reserve		3,863,253.58	2,190,691.52
General risk preparation			
Retained earnings		20,589,282.14	19,716,223.63
Total shareholders' equity		21,874,298,496.08	15,800,863,104.48
Total liabilities and shareholders' equity		57,638,701,063.05	39,328,636,537.76

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Income Statement

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2019	Year ended 31/12/2018
I. Operating income		37,396,713.91	49,274,181.88
Less: operating costs			
Taxes and surcharges		552,877.63	1,846,142.83
Selling and distribution expenses			
General and administrative expenses		55,615,427.42	40,326,821.36
Research and development expenses			
Financial expenses		271,464,301.85	439,269,531.86
include: interest expense			
Interest income			
Add: Other income		15,000,000.00	
Investment income ("-" for losses)		292,638,876.60	440,146,875.51
Including: Income from investment in associates and joint ventures			
Gains from changes in fair value ("-" for losses)			
Impairment losses ("-" for losses)		-109,908.50	-109,908.50
Gains from assets disposal ("-" for losses)			7,224.85
II. Operating profit ("-" for losses)		17,293,075.11	7,875,877.69
Add: Non-operating income			
Less: Non-operating expenses		2,513.71	28,672.72
III. Profit before income tax ("-" for losses)		17,290,561.40	7,847,204.97
Less: Income tax expenses		564,940.83	1,973,370.00
IV. Net profit for the year ("-" for losses)		16,725,620.57	5,873,834.97
A. Net profits from sustainable operation (net losses marked with "-")		16,725,620.57	5,873,834.97
B. Net profits from discontinued operations (net losses marked with "-")			
V. Other comprehensive income, net of tax			
A. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plan liability or asset			
b. Share of other comprehensive income of the equity method investments			
B. Items that may be reclassified to profit or loss			
a. Share of other comprehensive income of the equity method investments			
b. Gains or losses arising from changes in fair value of available-for-sale financial assets			
c. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets			
d. Gains or losses arising from changes in fair value of investment property			
e. Effective portion of gains or losses arising from cash flow hedging instruments			
f. Translation differences arising from translation of foreign currency financial statements			
g. Others			
VI. Total comprehensive income for the year		16,725,620.57	5,873,834.97

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Cash Flow Statement

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Note	Year ended 31/12/2019	Year ended 31/12/2018
I. Cash flows from operating activities			
Proceeds from sales of goods or rendering of services		39,894,940.08	52,254,921.77
Refund of taxes			
Proceeds from other operating activities		2,220,498,886.91	96,115,451.00
Sub-total of cash inflows		2,260,393,826.99	148,370,372.77
Payment for goods and services		76,711,874.27	1,299,182,139.57
Payment to and for employees		24,444,677.24	20,793,730.22
Payments of various taxes		3,252,735.98	3,392,730.77
Payment for other operating activities		1,876,203,610.56	216,270,965.23
Sub-total of cash outflows		1,980,612,898.05	1,539,639,565.79
Net cash flows from operating activities		279,780,928.94	-1,391,269,193.02
II. Cash flows from investing activities			
Proceeds from disposal of investments		243,500,000.00	95,000,000.00
Investment returns received		75,842,772.63	304,991,045.00
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets			137,756.30
Net proceeds from disposal of subsidiaries and other business units			
Proceeds from other investing activities			
Sub-total of cash inflows		319,342,772.63	400,128,801.30
Payment for acquisition of fixed assets, intangible assets and other long-term assets		9,178,487.06	569,304.61
Payment for acquisition of investments		12,288,622,044.08	8,343,587,111.45
Net payment for acquisition of subsidiaries and other business units			
Payment for other investing activities			
Sub-total of cash outflows		12,297,800,531.14	8,344,156,416.06
Net cash flows from investing activities		-11,978,457,758.51	-7,944,027,614.76
III. Cash flows from financing activities			
Proceeds from investors		4,241,000,000.00	2,100,000,000.00
Proceeds from borrowings		16,444,002,419.98	9,853,068,730.13
Proceeds from other financing activities		1,874,475,061.18	3,039,192,130.54
Sub-total of cash inflows		22,559,477,481.16	14,992,260,860.67
Repayments of borrowings		7,308,719,394.26	6,637,431,202.00
Payment for dividends, profit distributions or interest		210,039,283.95	466,583,509.45
Repayments for other financing activities		960,567,386.38	200,874,808.13
Sub-total of cash outflows		8,479,326,064.59	7,304,889,519.58
Net cash flows from financing activities		14,080,151,416.57	7,687,371,341.09
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-31,131,855.46	14,412,397.33
V. Net increase in cash and cash equivalents		2,350,342,731.54	-1,633,513,069.36
Add: Cash and cash equivalents as at 31/12/2018		3,696,820,867.11	5,330,333,936.47
VI. Cash and cash equivalent as at 31/12/2019		6,047,163,598.65	3,696,820,867.11

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2019

Prepared by: Nanjing Yangzi State-owned Investment Group Co., Ltd.

Expressed in RMB

Item	Year ended 31/12/2019						
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income
		Preference shares	Perpetual loans	Others			
I. Balance at 31/12/2018	6,000,000,000.00		1,295,500,000.00		8,483,456,189.33		
Add: Changes in accounting policies							
Correction of prior period errors							
Others							
II. Balance at 01/01/2019	6,000,000,000.00		1,295,500,000.00		8,483,456,189.33		
III. Changes in equity during the year ("for decrease")	3,000,000,000.00		995,500,000.00		2,075,389,771.03		
(I) Total comprehensive income							
(II) Shareholders' contributions and decrease of capital	3,000,000,000.00		995,500,000.00		2,075,389,771.03		
1. Contribution by ordinary shareholders	3,000,000,000.00				2,075,389,771.03		
2. Capital contributed by other equity instruments holders							
3. Equity settled share-based payments							
4. Others			995,500,000.00				
(III) Appropriation of profits							
1. Appropriation for surplus reserves							
2. Extract general risk preparation							
3. Distributions to shareholders							
4. Others							
(IV) Transfer within equity							
1. Share capital increased by capital reserves transfer							
2. Share capital increased by surplus reserves transfer							
3. Transfer of surplus reserve to offset losses							
4. Carry-over re-measurement of changes in net liabilities or net assets of defined benefit plans							
5. Others							
(V) Specific Reserve							
1. Appropriation during the year							
2. Utilisation during the year							
(VI) Others							
IV. Balance at 31/12/2019	9,000,000,000.00		2,291,000,000.00		10,553,845,960.36		

The head of the accounting department:

The person in charge of accounting affairs:

Legal representative:

For the year ended 31 December 2019

Expressed in RMB

The head of the accounting department:

The person in charge of accounting affairs:

Legal representative:

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

I. Basic information of the company

1. Company registration place, organization form and headquarters address

The Pursuant to the Decision of the Nanjing Municipal Committee of the Communist Party of China and Nanjing Municipal People's Government on Establishing the Nanjing Yangzi State-owned Investment Group Co., Ltd (Ning Committee [2014] No.152) promulgated by the Nanjing Municipal Committee of the Communist Party of China on March 28, 2014, the Nanjing Yangzi State-owned Investment Group Co., Ltd (hereinafter referred to as "the company" or "company") capitals are composed of 51.00% equity of Nanjing Pukou New City Development and Construction Co., Ltd, 51.00% equity of Nanjing Jiangbei New District State-owned Assets Management Co., Ltd (Nanjing Chemical Industrial Park State-owned Assets Operation and Management Co., Ltd was renamed as Nanjing Jiangbei New District State-owned Assets Management Co., Ltd on November 22, 2018), 51.00% equity of Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd (Nanjing Dachang Investment Development Co., Ltd was renamed as Nanjing Jiangbei New District Public Assets Investment Development Co., Ltd on August 20, 2018) and 51.00% equity of Nanjing Jiangbei New District Industrial Investment Group Co., Ltd (Nanjing High-Tech Economic Development Co., Ltd was renamed as Nanjing Jiangbei New District Industrial Investment Group Co., Ltd on December 11, 2017).

On April 4, 2014, the Nanjing Municipal Finance Bureau issued the Letter on Determining the Paid-in Capital of Nanjing Yangzi State-owned Investment Group Co., Ltd (Ning Financial Capital [2014] No.15), and verified the company's paid-in capital of RMB 5,000,000,000.

The company was established on April 10, 2014 upon registration in the Nanjing Administration for Industry and Commerce.

On December 1, 2016, the State-owned Assets Supervision and Administration Commission of the Nanjing Municipal People's Government decided to change the company's investors to the Nanjing Jiangbei New District Administration Commission.

On July 10, 2018, the Nanjing Jiangbei New District Management Committee decided to increase the company's registered capital to 6 billion yuan, and the additional registered capital of 1 billion yuan was subscribed by the Nanjing Jiangbei New District Management Committee. The currency will be in currency before December 31, 2018. Ways to invest in place.

On April 9, 2019, the Management Committee of Jiangbei New District of Nanjing City decided to increase the company's registered capital to 7.8 billion yuan, and the additional registered capital of 1.8 billion yuan was subscribed by the Management Committee of Jiangbei New District of Nanjing City. It will be in currency before April 9, 2019. Ways to invest in place.

On June 27, 2019, the Management Committee of Jiangbei New District of Nanjing City decided to increase the company's registered capital to 9 billion yuan, and the newly added registered capital of 1.2 billion yuan was subscribed by the Management Committee of Jiangbei New District of Nanjing City in June 30, 2019. Ways to invest in place. As of December 31, 2019, the company's paid-in capital was RMB 9 billion.

The company's Business License Registration No.: 320100000201604130049; Address: No.6 Tianpu Road Pukou District Nanjing; Legal Representative: Li Zhenchu; Enterprise Type: Limited Liability Company (State-owned); Unified Social Credit Code: 9132010009392720XQ.

2.The nature of the company's business and main operating activities

The company's business scope: industrial investment; port shoreline development; construction project management; property management; municipal engineering, landscaping engineering, earth and stone engineering, industrial and civil construction engineering, steel structure engineering, foundation and basic engineering, interior and exterior decoration Engineering construction; self-operated and agent import and export business of various commodities and technologies with an exception of goods and technologies that are restricted or prohibited by the state; warehousing services; house leasing; house repair; construction materials, sales of metal materials; underground integrated pipeline network and gallery Construction and operation management; properties development and sales. (For the projects subject to the approval according to law, the business activities must not be carried out without the approval the relevant department)

3.Approval of financial reports

The approval of the financial report of the Group is the Board of Directors of Company, and the date of approval is April 30, 2020.

4.Scope of consolidated financial statements

A total of 23 subsidiaries of the company included in the merger scope in 2019, for details, please refer to VIII.Interest in other entities. There are more than 8 subsidiaries included in the consolidation scope than the previous year,for details, please refer to Note VII. Change of consolidation scope.

II.Basis of preparation

1.Preparation basis

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related provisions issued by the Ministry of Finance (collectively, " Accounting Standards for Business Enterprises "). It is based on the accounting policies and estimates described in Note IV "Important Accounting Policies and Accounting Estimates".

The Company adopts the accrual basis of accounting. Except for certain financial instruments and investment properties, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

As an investment entity of state-owned capital, the company accepts the government's entrustment to undertake urban construction and government-invested items, and performs part of the government's related functions on behalf of it. The company does not apply corporate income tax treatment to the special subsidy income from government funding. Therefore, the preparation of the consolidated financial statements of the company did not consider the impact of possible income tax liability.

2.Continuing operations

The financial statements of the Company have been prepared on going concern basis. The Company has evaluated its ability of going concern for the next at least 12 months since 31 December 2019 considering all available information.

III.Statement of Following the Accounting Standards for Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely present the Company's and consolidated financial position as at 31 December 2019 and the Company's and consolidated operating results and cash flows for the year ended 31 December 2019.

IV.Significant accounting policies and accounting estimate

1.Accounting period

The company's accounting period is divided into annual and interim periods. Interim accounting period refers to a reporting period shorter than a complete fiscal year.The accounting period of the Company is from 1 January to 31 December.

2.Operating cycle

The normal business cycle refers to the period from when the company purchases assets for processing to when it realizes cash or cash equivalents. The company takes 12 months as a business cycle and uses it as the standard for dividing the liquidity of assets and liabilities.

3.Functional currency

The financial statements of the Company have been prepared in RMB.

4.Measurement attributes

The company generally adopts historical cost when measuring accounting elements. When the determined amount of accounting elements meets the requirements of enterprise accounting standards, can be obtained and reliably measured, and adopts replacement cost, net realizable value, present value and fair value measurement, The company will give special instructions.

5.Accounting treatments for business combinations involving enterprises under common control and business combinations not involving enterprises under common control

Business combination refers to a transaction or event in which two or more separate businesses are combined to form a reporting entity. Business combinations are divided into business combinations under common control and business combinations not under common control.

(1)Business combinations involving enterprises under common control

The enterprises participating in the merger are ultimately controlled by the same party or the same multiple parties before and after the merger, and the control is not temporary. It is a business combination under the same control. In a business combination under the same control, the party that obtains control of other participating companies on the merger day is the merging party, and the other companies participating in the merger are the merging party. The merger date refers to the date on which the combining party actually obtains control of the combined party.

For a business combination involving enterprises under common control, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date, except for adjustments due to different accounting policies. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings.

The direct costs incurred by the merging party for the business combination shall be included in the current profit and loss when incurred.

(2)Business combinations involving enterprises not under common control

If the enterprises participating in the merger are not ultimately controlled by the same party or parties before and after the combination, the business combination is facilitated under different controls. For business combinations not under the same control, the party that obtains control over other participating enterprises on the acquisition date is the acquirer, and other enterprises that participate in the combination are the acquirees. The acquisition date refers to the date when acquirer actually obtains control over acquiree.

For the business combinations under different controls, the combination cost includes the assets paid by the acquirer to obtain control over acquire on the acquisition date, the liabilities generated or undertaken and the fair value of the issued equity securities. The intermediary costs used for auditing, legal services, appraisal consulting and other administrative expenses during the process of business combination are included into the current profits and losses. The transaction costs of the marketable equity securities or debt securities issued by the acquirer as the combined consideration are included into the initial confirmation amount of marketable equity securities or debt securities. The involved contingent consideration is included in the consolidated cost as per its fair value on the purchasing date, if new or further evidences compared with existing circumstances on the purchasing date occur within 12 months after the purchasing date, so that contingent consideration needs to be adjusted, the consolidated goodwill shall be adjusted accordingly. The combination costs generated by the acquirer and the identifiable net assets obtained during the combination process are computed based on the fair value on the acquisition date. Goodwill is identified as the excess of combination cost over the fair value of identifiable net assets obtained by the acquirer in combination on the acquisition date. If the combination cost is less than the fair value of identifiable net assets obtained by acquiree in the combination, the fair value of identifiable assets, liabilities and/or contingent liabilities of the acquiree and the combination costs should be re-computed first. If the combination cost is still less than the fair value of identifiable net assets obtained by the acquiree in the combination, the difference shall be included into the current profits and losses.

When the deductible temporary difference obtained by the purchasing party from the purchased party is unrecognized due to incompliance with the deferred income tax asset recognition criteria on the purchasing date, within 12 months after the purchasing date, if new or further information shows relevant circumstances of the purchasing date have existed, and economic benefits of the purchased party brought by the deductible temporary difference on the purchasing date is expected to realize, the relevant deferred income tax assets are recognized, while the goodwill is reduced; if the goodwill is insufficient to offset, the difference part is recognized as current profits and losses; except for the above circumstances, the deferred income tax assets recognized in connection with enterprise consolidation are included in current profits and losses.

Business combination under different control realized step by step through multiple transactions, according to the "Notice of the Ministry of Finance on Issuing Interpretation of Accounting Standards for Enterprises No. 5" (Caikuai [2012] No. 19) and "Accounting Standards for Business Enterprises No. 33-Merger "Financial Statement" Article 51 on the "package deal" judgment criteria (see Note IV.5 (2)), to determine whether the multiple transactions belong to "package deal". If it belongs to a "package deal", refer to the previous paragraphs of this part and note IV.13 "Long-term

equity investment" for accounting treatment; if it does not belong to a "package deal", distinguish between individual financial statements and consolidated financial statements for related accounting treatment:

In the individual financial statements, the sum of the book value of the equity investment held by the purchaser before the purchase date and the new investment cost of the purchase date is taken as the initial investment cost of the investment; the equity of the purchaser held before the purchase date If other comprehensive income is involved, the other comprehensive income related to the investment will be accounted for on the same basis as the purchaser's direct disposal of related assets or liabilities (ie, except for Except for the corresponding share in the changes caused by the net liabilities or net assets of the defined benefit plan, the rest is transferred to the current investment income).

In the consolidated financial statements, the equity of the purchased party held before the purchase date is remeasured according to the fair value of the equity at the purchase date, and the difference between the fair value and its book value is included in the current investment income; held before the purchase date If the equity of the purchased party involves other comprehensive income, the other comprehensive income related to it should be accounted for on the same basis as the purchaser's direct disposal of related assets or liabilities (ie, except for Except for the corresponding share in the changes caused by the net liabilities or net assets of the defined benefit plan, the rest are converted into the current investment income of the purchase date).

(3) Transaction costs for business combination

The overhead for the business combination, including the expenses for audit, legal services, valuation advisory, and other administrative expenses, are recorded in profit or loss for the current period when incurred. The transaction costs of equity or debt securities issued as the considerations of business combination are included in the initial recognition amount of the equity or debt securities.

6. Consolidated financial statements

(1) Scope of consolidated financial statements

The scope of consolidated financial statements is based on control. Control exists when the Company has power over the investee; exposure, or rights to variable returns from its involvement with the investee and has the ability to affect its returns through its power over the investee. A subsidiary is an entity that is controlled by the Company (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing

consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Company, and all significant intra-group balances and transactions are eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary or business are included in the consolidated financial statements as if the combination had occurred at the date that the ultimate controlling party first obtained control.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented separately in the consolidated income statement below the "net profit" line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the transaction is treated as equity transaction, and the book value of shareholder's equity attributed to the Company and to the non-controlling interest is adjusted to reflect the change in the Company's interest in the subsidiaries. The difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve in the consolidated balance sheet, with any excess adjusted to retained earnings.

When the control of the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity is re-measured at its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity minus the difference between the share of the original subsidiary's net assets that should be continuously calculated from the date of purchase based on the original shareholding ratio is included in the current period of loss of control Investment income. Other comprehensive income related to the original subsidiary's equity investment is accounted for on the same basis as the purchaser's direct disposal of related assets or liabilities when it loses control (ie, except for the remeasurement of the original subsidiary's defined benefit plan Except for changes due to net liabilities or net assets, the rest are also converted into current investment income). Afterwards, follow-up measurement of this part of the remaining equity in accordance with "Accounting Standards for Business Enterprises No. 2-Long-term Equity Investment" or "Accounting Standards

for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments", please refer to Note IV. 12. "Long-term equity investment" or "Finance Instruments" in Note IV.

If the company disposes of the equity investment in the subsidiary in stages through multiple transactions until it loses control, it is necessary to distinguish whether the transaction of equity investment in the subsidiary until the loss of control is a package transaction. The terms, conditions and economic impact of the disposal of various transactions on the subsidiary's equity investment are consistent with one or more of the following conditions, usually indicating that multiple transactions should be accounted for as a package transaction: ① These transactions are simultaneous or under consideration Concluded under the influence of each other; ② these transactions as a whole can achieve a complete business result; ③ the occurrence of a transaction depends on the occurrence of at least one other transaction; ④ a transaction alone is uneconomical, but and Other transactions are economic when considered together. If it does not belong to a package deal, for each of these transactions, according to the situation, the partial disposal of long-term equity investment in the subsidiary company without losing control rights (see Note IV. 12, (2) ④) and "The loss of control over the original subsidiary due to the disposal of part of the equity investment or other reasons" (see the previous paragraph for details) is accounted for. Disposal of the equity investment in the subsidiary until the loss of control rights is a package transaction, the transactions are treated as a transaction that disposes of the subsidiary and loses control rights; however, each time the price is disposed before the loss of control rights The difference corresponding to the disposal of the investment and the share of the subsidiary's net assets is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the profit or loss of the current period when control is lost

7. Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Company classifies joint arrangements into joint operations and joint ventures.

(1) Joint operations

A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company recognizes the following items relating to its interest in a joint operation, and account for them in accordance with relevant accounting standards:

- A、 its solely-held assets, and its share of any assets held jointly;
- B、 its solely-assumed liabilities, and its share of any liabilities assumed jointly;
- C、 its revenue from the sale of its share of the output arising from the joint operation;
- D、 its share of the revenue from the sale of the output by the joint operation; and

E、its solely-incurred expenses, and its share of any expenses incurred jointly.

(2)Joint ventures

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Company adopts equity method under long-term equity investment in accounting for its investment in joint venture. It is handled in accordance with the accounting policies described in Note IV. 12 (2) ② "Long-term equity investment accounted for by the equity method".

When the company invests or sells assets as a joint venture (the asset does not constitute a business, the same applies below), or purchases assets from the joint operation, before the assets are sold to a third party, the company only confirms that the transaction has occurred. The part of the profit and loss that belongs to other parties that jointly operate. If any asset impairment loss that meets the requirements of "Accounting Standards for Business Enterprises No. 8-Asset Impairment", etc., the company confirms the loss in full for the case where the company invests or sells assets to the joint operation; When the company purchases assets from a joint operation, the company recognizes the loss according to the share assumed.

8.Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

9.Foreign currency transactions and translation of foreign currency financial statements

(1)Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Company at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss.

(2)Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance

sheet date. Equity items, excluding “retained earnings”, are translated to Renminbi at the spot exchange rates at the transaction dates.

Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates [the rates determined under a systematic and rational method that approximate the spot exchange rates] at the transaction dates.

Cash flow statement of foreign operation is translated to Renminbi at the spot exchange rates [the rates determined under a systematic and rational method that approximate the spot exchange rates] at the cash flow occurrence dates. Effect of foreign exchange rate changes on cash and cash equivalents is presented separately as “Effect of foreign exchange rate changes on cash and cash equivalents” in the cash flow statement.

The resulting translation differences are recognised in other comprehensive income in shareholders’ equity of balance sheet.

The translation differences accumulated in shareholders’ equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

10.Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Determination of fair value of financial assets and financial liabilities

Fair value refers to the price that market participants can receive or transfer a liability in the orderly transaction that occurs on the measurement date. The company measures the fair value of financial assets and financial liabilities at the price of the main market. If there is no main market, the fair value of the financial assets and financial liabilities is measured at the most favorable market price, and the data applicable at the time and with sufficient available data and valuation techniques supported by other information. The input value used in fair value measurement is divided into three levels, that is, the first level input value is the unadjusted quotation of the same asset or liability that can be obtained in the active market on the measurement date; the second level input value is divided by the first level The input value of the relevant assets or liabilities other than the input value is directly or indirectly observable; the input value of the third level is the unobservable input value of the related assets or liabilities. The company preferentially uses the first level input value, and finally uses the third level input value. The level to which the fair value measurement result belongs is determined by the lowest level to which the input value that is significant to the fair value measurement as a whole belongs.

(2) Recognition, derecognition, classification and measurement of financial assets of financial instruments

A financial asset or a financial liability is recognized when the Company becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

- ① the contractual rights to the cash flows from the financial asset expire; or
- ② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria set out below in "Transfer of Financial Assets".

A financial liability (or part of it) is derecognized when its contractual obligation (or part of it) is discharged or cancelled or expires. If the Company (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognized and a new financial liability is recognized.

If the financial assets are traded regularly, the financial assets are recognized and derecognized at the transaction date.

The Company classifies financial assets into four categories at initial recognition: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are measured initially at fair value. For financial assets at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets, any related directly attributable transaction costs are included in their initial costs.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated to financial assets at fair value through profit or loss on initial recognition. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, and changes therein and any dividend or interest income earned on the financial assets are recognised in profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the company has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses arising from derecognition, impairment or amortization is recognized in profit or loss for the current period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, including account receivables and other receivables.

Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method. Gains and losses arising from derecognition, impairment or amortization is recognized in profit or loss for the current period.

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that are designated upon initial recognition as available for sale and other financial assets which do not fall into any of the above categories. Available-for-sale financial assets are measured at fair value subsequent to initial recognition and changes therein are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses from monetary financial assets which are recognised directly in profit or loss. When an investment is derecognised, the gain or loss accumulated in other comprehensive income is reclassified to profit or loss. The discount or premium are amortised using the effective interest method and recognised as interest income. Dividend and interest are recognised in profit or loss using the effective interest method.

Available-for-sale investments in equity instruments without quoted price in an active market whose fair value cannot be measured reliably, and derivative assets that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost subsequent to initial recognition.

(3) Classification and measurement of financial liabilities

The Company classifies financial liabilities into different categories at initial recognition: financial liabilities at fair value through profit or loss, and other financial liabilities. For financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial liabilities, any related directly attributable transaction costs are included in their initial costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated to financial liabilities at fair value through profit or loss on initial recognition. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, and changes therein and any dividend or interest income earned on the financial liabilities are recognised in profit or loss.

Other financial liabilities

Derivative liabilities that are linked to and must be settled by delivery of equity instruments without quoted price in an active market whose fair value cannot be measured reliably, are measured at cost subsequent to initial recognition. Other financial liabilities are measured at amortised cost

using the effective interest method. Gains and losses arising from derecognition or amortization is recognized in profit or loss for the current period.

Financial guarantee contract

Financial guarantee contracts that are not designated as financial liabilities measured at fair value and whose changes are included in the current profit or loss are initially recognized at fair value, and are determined in accordance with "Accounting Standards for Business Enterprises No. 13-Contingencies" after initial recognition. The higher of the amount and the initial confirmation amount after deducting the accumulated amortization amount determined in accordance with the principles of "Accounting Standards for Business Enterprises No. 26-Revenue" shall be subsequently measured.

(4) Impairment of financial assets

The carrying amounts of financial assets (other than those at fair value through profit or loss) are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is recognised. Objective evidence of impairment of financial assets are the matters that occurred after initial recognition of financial assets which has impact on the expected future cash flows of financial assets, and can be reliably measured by the Company.

Objective evidence that a financial asset is impaired includes but is not limited to:

- ① significant financial difficulty of the issuer or obligor;
- ② a breach of contract by the borrower, such as a default or delinquency in interest or principal payments;
- ③ considering economic or legal factors, the Company makes concessions to a debtor in financial difficulties;
- ④ it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- ⑤ the disappearance of an active market for that financial asset because of financial difficulties faced by the issuer;
- ⑥ the cash flow of an asset in a financial asset group cannot be identified to be reduced, but after evaluating the group as a whole using the public data, the expected future cash flow of the financial asset group since its initial recognition has definitely been reduced and measurable, including:
 - The debtor's pay back ability gradually deteriorates;
 - Changes taken place in the economic environment in which the debtor operates, indicating that the debtor cannot pay back.

⑦ significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, indicating that the cost of an investment in an equity instrument may not be recovered by the investor;

⑧ a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost. For example, at the balance sheet, there is a decline of more than 20%-50% in the fair value of an equity investment or a decline persisting for 6- months in the fair value of an equity investment.

A decline persisting for 6- 12 months (including 12 months) in the fair value of an equity investment is that monthly average fair value of the equity investment is less than the initial investment cost persisting for 6-12 months.

⑨ other objective evidences.

Financial assets carried at amortised cost

If an impairment loss on a financial asset carried at amortised cost has been incurred, the amount of loss is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate and the values of the underlying collateral. The amount of loss is recognised in profit or loss for the current period.

For a financial asset that is individually significant, the Company assesses the asset individually for impairment. If there is objective evidence that the asset is impaired, the impairment loss is recognized in profit or loss for the current period. For a financial asset that is not individually significant, the impairment assessment is made collectively where financial assets share similar credit risk characteristics [or the asset is assessed individually for impairment]. For financial assets not having been individually assessed as impaired (including financial assets no matter it is individually significant or not), the Company makes impairment assessment collectively where financial assets share similar credit risk characteristics. For financial assets having been individually assessed as impaired, they are not included in collective assessment of impairment.

If, after an impairment loss has been recognised on financial assets measured at amortized cost, there is a recovery in the value of the financial asset which can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss. A reversal of an impairment loss will not result in the asset's carrying amount exceeding what the amortised cost would have been had no impairment loss been recognised in prior years.

Available-for-sale financial assets

When an available-for-sale financial asset is impaired, the cumulative loss arising from a decline in fair value that has been recognised directly in other comprehensive income is reclassified to profit or loss. The reclassified accumulated loss is the asset's initial cost deducting amounts recovered and amortized, current fair value and impairment losses previously recognized in profit or loss.

If, after an impairment loss has been recognised on an available-for-sale debt instrument, the fair value of the debt instrument increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. An impairment loss recognised for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

Financial assets measured at cost

When an equity instrument without quoted price in an active market whose fair value cannot be measured reliably, and derivative assets that are linked to and must be settled by delivery of such unquoted equity instruments, is impaired, the difference between the carrying amount and the present value discounted at the market rate of return on future cash flows of the similar financial assets shall be recognized as impairment loss in profit or loss. The impairment loss recognized is not reversed.

(6) Transfer of financial assets

Transfer of financial assets is the transfer or delivery of financial assets to another party (the transferee) other than the issuer of financial assets.

A financial asset is derecognised if the Company transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. A financial asset is not derecognised if the Company retains substantially all the risks and rewards of ownership of the financial asset to the transferee.

The Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Company has forgone control over the financial asset, the financial assets is derecognized, and new assets and liabilities are recognized. If the Company retains control over the financial asset, the financial asset is recognised to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognised.

11.Receivables

Receivables include accounts receivables and other receivables.

(1) Basis for provision for bad and doubtful debts

The company checks the book value of the receivables on the balance sheet date. If there is the following objective evidence that the receivables are impaired, the impairment provision is made: ① The debtor has serious financial difficulties; ② The debtor violates the contract terms (Such as default or overdue payment of interest or principal, etc.); ③ the debtor is likely to go bankrupt or undergo other financial restructuring; ④ other objective basis indicating that the receivable is impaired.

(2) Method of provision for bad and doubtful debts

① Receivables that are individually significant and assessed individually for impairment:

Judgement basis or criteria for receivables that are individually significant: Receivables individually greater than RMB 1 million are significant.

Method of provisioning for bad and doubtful debts for receivables that are individually significant and assessed individually: Receivables that are individually significant are subject to separate impairment assessment, if there is objective evidence that the impairment occurred, an impairment loss in respect of a receivable is calculated as the excess of its carrying amount over the present value of the estimated future cash flows.

For receivables not having been individually assessed as impaired, the Company makes impairment assessment collectively.

② Receivables that are collectively assessed for impairment based on credit risk characteristics:

A. Basis for collective receivables that are collectively assessed for impairment based on credit risk characteristics:

The company groups financial assets according to the similarity and relevance of credit risk characteristics for receivables with insignificant amounts and significant amounts that have not been impaired in individual tests. These credit risks usually reflect the debtor's ability to repay all due amounts in accordance with the contract terms of such assets, and are related to the future cash flow calculation of the asset under inspection.

Basis for collective assessment:

Group of collective assessment	Basis for collective assessment
Ageing group	Use the ageing of receivables as credit risk characteristics to divide the group
Other group -Related party group	Use the relationship between receivables and transaction objects as credit risk characteristics to divide
Other group -Government group	Divide and combine credit risk characteristics with the reputation of the trading object

B. Method of provision for bad and doubtful debts collectively assessed for impairment based on credit risk characteristics

When carrying out the impairment test according to the combination method, the amount of bad debt provision is based on the combination structure of receivables and similar credit risk characteristics (the debtor's ability to repay the arrears according to the contract terms). Assess the loss already existing in the portfolio.

The accrual method of bad debt preparation for different groups:

Group of collective assessment	Method of provision for bad and doubtful debts collectively
Ageing group	Ageing analysis method
Other group -Related party group	No provision for bad debts
Other group -Government group	No provision for bad debts

The provisioning for groups of receivables using the ageing analysis method is as follows:

Ageing	Provision as a percentage of accounts receivable (%)	Provision as a percentage of other receivables (%)
Within 1 year	0	0
1-2years	5	5
2-3years	10	10
3-4years	30	30
4-5years	50	50
Over 5years	100	100

③Receivables that are individually insignificant but assessed individually for impairment:

Reasons for assessing individually for impairment of receivables that are individually insignificant: Litigation receivables, receivables with customer credit deterioration.

(3)Reversal of bad debt provision

If there is objective evidence that the value of the receivable has been restored, and it is objectively related to the events that occurred after the loss is confirmed, the originally recognized impairment loss is reversed and included in the current profit and loss. However, the book value after the reversal does not exceed the amortized cost of the receivable on the date of reversal under the assumption that no impairment provision is made.

If the company transfers the receivable to the financial institution without recourse, the difference between the transaction amount and the book value of the receivables written off and related taxes shall be included in the current profit and loss.

12.Inventories

Inventories include raw materials, work in progress, consumables, packaging materials, finished goods, issuing goods, development costs, and product developments.

The Company maintains a perpetual inventory system. Inventories are initially measured at cost. Raw materials, work in progress, finished goods and issuing goods are calculated using weighted average method. Low-value consumables are charged to profit or loss when they are used. Packaging materials are amortised when they are used.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value is measured based on the verified evidences and considerations for the purpose of holding inventories and the effect of post balance sheet events.

Any excess of the cost over the net realisable value of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss. The Company usually recognises provision for decline in value of inventories by a single (type, group) inventory item. If the factors caused the value of inventory previously written-down have disappeared, the provision for decline in value of inventories previously made is reversed.

13.Holding assets for sale

If the company recovers its book value mainly through the sale (including the exchange of non-monetary assets with commercial substance, the same applies below) instead of continuously using a non-current asset or disposal group, it will be classified as held for sale. The specific standard is to satisfy the following conditions at the same time: a non-current asset or disposal group can be immediately sold under the current situation according to the practice of selling such assets or disposal group in similar transactions; the company has made a decision on the sale plan and has been determined Purchase commitment; the sale is expected to be completed within one year. Among them, the disposal group refers to a group of assets that are disposed of as a whole through sale or other methods in a transaction, and liabilities directly related to these assets transferred in the transaction. If the asset group or asset group combination to which the disposal group belongs distributes the goodwill acquired in the business combination in accordance with "Accounting Standards for Business Enterprises No. 8-Asset Impairment", the disposal group shall include the goodwill allocated to the disposal group.

When the company's initial measurement or re-measurement on the balance sheet date is divided into non-current assets held for sale and disposal group, and its book value is higher than the net value of fair value minus selling expenses, the book value is written down to The net value of the fair value minus the selling expenses, the reduced amount is recognized as an asset impairment loss, which is included in the current profit and loss, and at the same time, the provision for impairment of assets held for sale is provided. For the disposal group, the recognized asset impairment loss first offsets the book value of the goodwill in the disposal group, and then proportionally deducts the

enterprise accounting standards 42-non-current assets held for sale in the disposal group , Disposal Group and Termination of Operation (hereinafter referred to as "Holding for Sale Criteria") the book value of various non-current assets. If the net value of the disposal group held for sale on the subsequent balance sheet date minus the selling expenses increases, the previously written-down amount shall be restored and the criteria for holding for sale shall be applied after being classified as holding for sale The amount of non-current assets recognized as measurement impairment loss is reversed internally, and the amount reversed is included in the current profit and loss, and the book value of each non-current asset measured and measured according to the criteria for holding for sale in addition to goodwill in the disposal group The proportion of the proportion increases its book value; the book value of the deducted goodwill, and the non-current assets that are measured by the standard of holding for sale are not allowed to be transferred back to the asset impairment loss recognized before being classified as holding for sale .

Non-current assets held for sale or non-current assets in the disposal group are not depreciated or amortized, and interest and other expenses of liabilities in the disposal group held for sale continue to be recognized.

When the non-current assets or disposal group no longer meets the criteria for holding the category for sale, the company will no longer divide it into the category for holding for sale or remove the non-current assets from the disposal group holding for sale. It is measured according to the lower of the following two: (1) The book value before being classified as held for sale, adjusted according to the assumption that it should not be recognized as depreciation, amortization or impairment if it is not classified as held for sale After the amount; (2) recoverable amount.

14.Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and equity investments in joint ventures and associates. An associate is an enterprise over which the Company has significant influence. The company's long-term equity investment that does not have control, joint control or significant influence on the investee is accounted for as an available-for-sale financial asset or a financial asset that is measured at fair value and its changes are included in the current profit , For details of its accounting policies, refer to Note IV. 10 "Financial Instruments"

Joint control refers to the company's common control of an arrangement in accordance with the relevant agreement, and related activities of the arrangement must be agreed upon by the parties sharing control rights before they can make decisions. Significant influence means that the company has the right to participate in the decision-making of the financial and operating policies of the invested unit, but cannot control or jointly control the formulation of these policies with other parties.

(1)Determination of initial investment cost

The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. For a long-term equity investment obtained through a business combination not involving enterprises under common control, the initial cost is the combination cost.

A long-term equity investment acquired other than through a business combination: A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Company acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For a long-term equity investment which is accounted for using the cost method, Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

For a long-term equity investment which is accounted for using the equity method, where the initial cost of a long-term equity investment exceeds the Company's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Company's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

Under the equity method, the Company recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Company. Changes in the Company's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Company's equity, and the carrying amount of the investment is adjusted accordingly. In calculating its share of the investee's net profits or losses, other comprehensive income and other

changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition.

When the Company becomes capable of exercising joint control or significant influence (but not control) over an investee due to additional investment or other reasons, the Company uses the fair value of the previously-held equity investment, together with additional investment cost, as the initial investment cost under the equity method. The difference between the fair value and carrying amount of the previously-held equity investment, and the accumulated changes in fair value included in other comprehensive income, shall be transferred to profit or loss for the current period upon commencement of the equity method.

When the Company can no longer exercise joint control of or significant influence over an investee due to partial disposal of the equity investment or other reasons, the remaining equity investment shall be accounting for using Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of the loss of joint control or significant influence. Any other comprehensive income previously recognised under the equity method shall be accounted for on the same basis as would have been required if the Company had directly disposed of the related assets or liabilities for the current period upon discontinuation of the equity method. Other movement of owner's equity related to original equity investment is transferred to profit or loss for the current period.

When the Company can no longer exercise control over an investee due to partial disposal of the equity investment or other reasons, and the remaining equity after disposal can exercise joint control of or significant influence over an investee, the remaining equity is adjusted as using equity method from acquisition. When the remaining equity can no longer exercise joint control of or significant influence over an investee, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of loss of control.

When the Company can no longer exercise control over an investee due to new capital injection by other investors, and the Company can exercise joint control of or significant influence over an investee, the Company recognizes its share of the investee's new added net assets using new shareholding percentage. The difference between its new share of the investee's new added net

assets and its decreased shareholding percentage of the original investment is recognized in profit or loss. And the Company adjusts to the equity method using the new shareholding percentage as if it uses the equity method since it obtains the investment.

Unrealised profits and losses resulting from transactions between the Company and its associates or joint ventures are eliminated to the extent of the Company's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Company and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

The company disposes of the equity investment in the subsidiary step by step through multiple transactions until it loses control. If the above transaction is a package transaction, each transaction is accounted for as a transaction to dispose of the equity investment in the subsidiary and lose control. Before the loss of control, the difference between the price of each disposal and the book value of the long-term equity investment corresponding to the disposed equity is first recognized as other comprehensive income, and then transferred to the current loss or loss of control when the control is lost.

15. Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. The Company's investment properties include leased land use rights, land use right held and provided for to transfer after appreciation and leased building and construction.

Investment properties are initially measured at fair value model, the basis for accounting policy selection is

- ① There is an active properties market in the location of investment properties.
- ② The company can obtain the market price and other relevant information of similar or similar properties from the properties transaction market, so as to make a reasonable estimate of the fair value of investment properties.

The company does not accrue depreciation or amortization of investment properties, and adjusts its book value based on the fair value of the investment properties on the balance sheet date. The difference between the fair value and the original book value is included in the current profit and loss.

When determining the fair value of investment properties, the company is determined at the evaluation price of the evaluation agency.

When self-used properties or inventory is converted into investment properties, it is valued at the fair value of the conversion date. If the fair value of the conversion date is less than the original book value, the difference is included in the current profit and loss; if the fair value of the conversion

date is greater than the original book value, the difference recognized as other comprehensive income. When the investment properties is converted into self-use properties, the fair value of the conversion date is used as the book value of the self-use properties, and the difference between the fair value and the original book value is included in the current profit and loss.

When the investment properties is disposed of, or is permanently withdrawn from use and it is expected that no economic benefits can be obtained from its disposal, the confirmation of the investment properties is terminated. The income from disposal of investment properties sold, transferred, scrapped or damaged is deducted from its book value and related taxes and included in the current profit and loss.

16.Fixed assets

(1)Recognition of fixed assets

Fixed assets represent the tangible assets held by the Company for use in production of goods, use in supply of services, rental or for administrative purposes with useful lives over one accounting year, value is above RMB 2000.Fixed assets are only recognised when its related economic benefits are likely to flow to the Company and its cost can be reliably measured.

Fixed assets include buildings, machinery and equipment, motor vehicles,Office and electronic equipment and others.Fixed asset are initially measured at cost, Among them, the cost of outsourced Fixed assets includes the purchase price and import duties and other related taxes and fees, and other expenses that can be directly attributed to the asset before the Fixed assets are ready for use; the cost of self-built Fixed assets, It consists of the necessary expenditures incurred before the construction of the asset reaches the intended usable state; Fixed assets invested by investors are recorded as the value according to the value agreed in the investment contract or agreement, but the value agreed in the contract or agreement is recorded as fair value ; Fixed assets leased under finance leases shall be recorded as the lower of the fair value of the leased assets on the lease start date and the present value of the minimum lease payment.

Continued expenditures related to fixed assets, including repair expenditures, renovation and reconstruction expenditures, etc., if they meet the conditions for confirmation of fixed assets, they are included in the cost of fixed assets. For the replaced parts, the confirmation of the book value is terminated;If conditions are met, they are included in the current profit or loss when they occur.

(2)Depreciation of fixed assets

The cost of a fixed asset is depreciated using the straight-line method since the state of intended use, unless the fixed asset is fixed assets that have been fully depreciated and still in use, and the separately priced land. Not considering impairment provision, the estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

For the year ended 31 December 2019

Category	Estimated useful life(years)	Residual value rate %	Depreciation rate %
Buildings	10-40	5	2.38-9.50
Machinery and equipment	10-15	5	6.33-9.50
Motor vehicles	4-10	5	9.50-23.75
Office and electronic equipment	3-20	5	4.75-31.67
Pipe network and others	5-50	5	1.90-19.00

At the end of each year, the company reviews the estimated useful life, estimated net salvage value and depreciation method of fixed assets. If there is a change, it will be treated as a change in accounting estimates.

When the Fixed assets are disposed of, or no economic benefits are expected to be generated through use or disposal, the confirmation of the fixed assets is terminated. The amount of fixed assets sold, transferred, scrapped or damaged, after deducting its book value and related taxes, is included in the current profit and loss.

(3) Fixed assets impairment test method and impairment preparation accrual method

For the impairment of the fixed assets, please refer to Note.IV. 21. Impairment of long-term assets

(4) Recognition and measurement of fixed assets acquired under finance leases

A financial lease is a lease that substantially transfers all risks and rewards related to the ownership of assets. The ownership may or may not be transferred eventually. Depreciation is accounted for in accordance with the accounting policies of fixed assets. If there is reasonable certainty that the Company will obtain ownership of a leased asset at the end of the lease term, the leased asset is depreciated over its estimated useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and its estimated useful life.

(5) Other

Subsequent expenditures related to fixed assets, if the economic benefits related to the fixed assets are likely to flow in and their costs can be reliably measured, they are included in the cost of Fixed assets and the confirmation of the book value of the replaced part is terminated. Other follow-up expenses other than this are included in the current profit and loss when incurred.

When the Fixed assets are in the state of disposal or no economic benefits are expected to be generated through use or disposal, the confirmation of the fixed assets is terminated. The difference between the disposal income of fixed assets sold, transferred, scrapped or damaged after deducting its book value and related taxes is included in the current profit and loss.

The company will review the service life, estimated net residual value and depreciation method of the fixed assets at least at the end of the year. If there is a change, it will be treated as a change in accounting estimates.

17. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction projects, capitalised borrowing costs and any other costs directly attributable to bringing the asset to working condition for its intended use. Construction in progress is transferred to fixed asset when it is ready for its intended use.

Construction in progress is measured at the actual cost incurred. Self-operated construction projects are measured by direct materials, direct wages, direct construction fees, etc.; outsourced construction projects are measured by the project price payable; etc.; equipment installation projects are based on the value of the installed equipment, installation costs, project trial operation, etc. Expenditure, etc. determine the project cost. Construction in progress costs also include borrowing costs and exchange gains and losses that should be capitalized.

Construction in progress starts from the day when it reaches the expected usable state, according to the project budget, cost or actual cost of the project, the fixed assets are carried forward at the estimated value, and the depreciation starts to be accrued from the next month. Then adjust the difference of the original value of fixed assets.

For the impairment of the Construction in progress, please refer to Note.IV. 19. Impairment of long-term assets

18. Borrowing costs

Borrowing costs include borrowing interest, amortization of discounts or premiums, ancillary expenses, and exchange differences due to foreign currency borrowings.

(1) Capitalisation criteria

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss as incurred. The capitalisation of borrowing costs shall commence only when the following criteria are met:

- ① capital expenditures have been incurred, including expenditures that have resulted in payment of cash, transfer of other assets or the assumption of interest-bearing liabilities;
- ② borrowing costs have been incurred;
- ③ the activities that are necessary to prepare the asset for its intended use or sale have commenced.

Capitalisation period The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period.

Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(3) Capitalisation rate of borrowing costs and calculation basis of capitalised amount for interest expense actually incurred on specific borrowings, the eligible capitalised amount is the net amount of the borrowing costs after deducting any investment income earned before some or all of the funds are used for expenditures on the qualifying asset. To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company shall determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset, the capitalisation rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings specifically for the purpose of obtaining a qualifying asset.

In the capitalisation period, exchange differences of specific borrowings in foreign currency shall be capitalised; exchange differences of general borrowings in foreign currency is recognised in profit or loss for the current period.

19.Intangible assets

(1)Intangible assets

Intangible assets are identifiable non-monetary assets that are owned or controlled by the company, without physical shape.

Intangible assets are initially measured at cost. Expenditures related to intangible assets are included in the cost of intangible assets if the relevant economic benefits are likely to flow into the company and their costs can be reliably measured. Expenditure for other items is included in the current profit or loss when incurred.

Land use rights acquired are usually accounted as intangible assets. The plant and other buildings of self-development and construction, the related land use rights expenditures and building construction costs are accounted as intangible assets and fixed assets, respectively. For the purchased houses and buildings, the relevant price should be allocated between the land use rights and the buildings. If it is difficult to allocate them reasonably, all of them should be treated as fixed assets.

Intangible assets with limited useful lives are amortized by the straight line stAgeing average method over their expected useful lives from the moment they are available for use, less their

estimated net residual value and the accumulative amount of accrued impairment losses. Intangible assets with indefinite useful lives are not amortized.

At the end of the period, the useful life and amortization method of intangible assets with limited useful life are reviewed, if any change occurs, they are treated as changes in accounting estimates. In addition, the service life of an intangible asset with an indefinite useful life is reviewed. If there is evidence that the period during which the intangible asset brings economic benefits to the enterprise is predictable, the service life of the intangible asset is estimated and the intangible asset with a finite service life is amortized as the amortization policy.

(2) Research & development expenditure

The expenditures of the company's internal research and development projects are divided into research phase expenditures and development phase expenditures.

Expenditure for the research phase is included in the current profit or loss when incurred.

Expenditure in the development phase that satisfies the following conditions at the same time is recognized as intangible assets. Expenditure at the development stage that does not satisfy the following conditions is included in the current profit and loss:

- ①. It is feasible technically to finish intangible assets for use or sale;
- ②. It is intended to finish and use or sell the intangible assets;
- ③. The ways in which intangible assets generate economic benefit includes the way that it can prove the existence of the market of the products from the intangible assets or it can prove the existence of the market of intangible assets itself. If intangible assets are used internally and it can prove their usefulness;
- ④. It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources; and
- ⑤. The development expenditures of the intangible assets can be reliably measured.

If it is not possible to distinguish between research phase expenditures and development phase expenditures, all R&D expenditures incurred should be charged to the current profit or loss.

(3) Intangible asset impairment test method and impairment provision method

As for intangible asset impairment test method and impairment provision method, please refer to Note IV 21 " Impairment of long-term assets ".

20. Long-term deferred expenses

Long-term deferred expenses are those expenses that have occurred but should be borne by the reporting period and subsequent periods with amortization period of more than one year. The company's long-term deferred expenses mainly include rent, consulting fee, decoration fee, and

testing fee. Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period.

21. Impairment of long-term assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, investment properties measured using a cost model, fixed assets, construction in progress, productive biological assets measured using a cost model, intangible assets, goodwill, proven oil and gas mining rights and wells and related facilities, etc. (Excluding inventories, investment property measured using a fair value model, deferred tax assets and financial assets) is determined as follows:

At each balance sheet date, the Company determines whether there is any indication of impairment. If any indication exists, the recoverable amount of the asset is estimated. In addition, the Company estimates the recoverable amounts of goodwill, intangible assets with indefinite useful lives and intangible assets not ready for use at each year-end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of expected future cash flows. The recoverable amount is estimated for each individual asset. If it is not possible to estimate the recoverable amount of each individual asset, the Company determines the recoverable amount for the asset group to which the asset belongs. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly.

For goodwill impairment test, the carrying amount of goodwill arising from a business combination is allocated reasonably to the relevant asset group since the acquisition date. If the carrying amount of goodwill is unable to be allocated to asset group, the carrying amount of goodwill will be allocated to asset portfolio. Asset group or portfolio of asset group is asset group or portfolio of asset group which can be benefit from synergies of a business combination and is not greater than the reportable segment of the Company.

In impairment testing, if impairment indication exists in asset group or portfolio of asset group containing allocated goodwill, impairment test is first conducted for asset group or portfolio of asset group that does not contain goodwill, and corresponding recoverable amount is estimated and any impairment loss is recognized. Then impairment test is conducted for asset group or portfolio of asset group containing goodwill by comparing its carrying amount and its recoverable amount. If the recoverable amount is less than the carrying amount, impairment loss of goodwill is recognized.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

22.Employee benefits**(1) Scope of employee benefits**

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employees or for the termination of employment relationship.

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Company's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

According to liquidity, employee benefits are presented as "employee benefits payable" and "long-term employee benefits payable" on the balance sheet.

(2) Short-term employee benefits

In the current period, the Company has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and corresponding costs in the profit or loss. If these liabilities are not expected to be fully paid 12 months after the end of the reporting period in which employee renders the service to the Company, and if the financial impact is significant, these liabilities shall be discounted using the net present value method.

(2)Post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate fund and will have no future obligations to pay the contributions. Defined benefit plans are post-employment benefit plans other than defined contribution plans. The Company has only defined contribution plan in place.

Defined contribution plans include primary endowment insurance, unemployment insurance.

The Company shall recognise, in the accounting period in which an employee provides service, the contribution payable to a defined contribution plan as a liability, with a corresponding charge to the profit or loss for the current period or the cost of a relevant asset.

(4) Termination benefits

The Company provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to the profit or loss for the current period, at the earlier of the following dates: When the Company cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a

redundancy proposal; or when the Company recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

(5) Other long-term employee benefits

Other long-term employee benefits provided by the Company to the employees satisfied the conditions for classifying as a defined contribution plan; those benefits shall be accounted for in accordance with the above requirements relating to defined contribution plan. When the benefits satisfied a defined benefit plan, it shall be accounted for in accordance with the above requirements relating to defined benefit plan, but the movement of net liabilities or assets in re-measurement of defined defined benefit plan shall be recorded in profit or loss for the current period or cost of relevant assets.

23.Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

- (1)The Company has a present obligation;
 - (2)It is probable that an outflow of economic benefits will be required to settle the obligation;
- and
- (3)The amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Company reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amount shall not exceed the carrying amount of the provision.

(1)Loss contract

A loss contract is a contract that inevitably costs more than expected economic benefits in fulfilling contractual obligations. If the contract to be executed becomes a loss contract, and the obligations arising from the loss contract meet the above-mentioned conditions for confirming the estimated liability, the portion of the contract 's estimated loss exceeding the confirmed impairment loss (if any) of the target asset of the contract is recognized as an estimated liability.

(2) Restructuring obligations

For a detailed, formal and publicly announced restructuring plan, when the aforementioned conditions for confirming the expected liabilities are met, the estimated liability amount is determined based on the direct expenditure related to the restructuring. Regarding the reorganization obligation to sell part of the business, only when the company promises to sell part of the business (that is, when the binding sale agreement is signed), the obligation related to the reorganization will be confirmed.

24.Share-based Payment

(1)Accounting treatment method of share-based payment

The term "share-based payment" refers to a transaction in which an enterprise grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employee or other parties. The share-based payments shall consist of equity-settled share-based payments and cash-settled share-based payments.

①.Equity-settled share-based payment

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. When the service in vesting period is completed or the specified performance conditions are met for exercisable right, based on the best estimate of the quantity of exercisable right equity instruments in vesting period, the fair value amount is included in relevant costs or expenses by straight-line method calculation/in case of immediately exercising the right after granting, it is included in relevant costs or expenses on the grant date, and capital reserve is increased accordingly.

On each balance sheet date during the vesting period, the company makes the best estimate based on the latest information of exercisable right, staff number change and other subsequent information, and modifies the expected number of exercisable right equity instruments. The impact of aforesaid estimates is included in the current relevant costs or expenses, and the capital reserve is adjusted accordingly.

As for equity-settled share-based payment in exchange for other party's service, if the fair value of other party's service can be reliably measured, it is measured as per the fair value of other party's service on the acquisition date; if the fair value of other party's service cannot be reliably measured, but the fair value of equity instruments can be reliably measured, it is measured as per the fair value of equity instruments on the service acquisition date, and included in relevant cost or expense, which increases the owner's equity accordingly.

When the fair value of granted equity instruments cannot be reliably measured, it shall be measured as per the inner value of equity instruments on the service acquisition date,

subsequent each balance sheet date and settlement date, and the inner value changes are included in current profits and losses.

②.Cash-settled share-based payment

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the enterprise. . In case of immediately exercising the right after granting, it is included in relevant costs or expenses on the granting date, and liabilities are increased accordingly; if the right may not be exercised until the service in vesting period is completed or the specified performance conditions are met, on each balance sheet date within the vesting period, based on the best estimate of exercisable right status, the service obtained in the current period shall be included in costs or expenses, as per the fair value of liabilities undertaken by the enterprise, and liabilities are increased accordingly.

The company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes in the current profits and losses.

(2)Relevant accounting treatment of share-based payment plan modification and termination

When the company modifies the share-based payment plan, if the modification increases the fair value of granted equity instruments, the increase of service is recognized according to increased fair value of equity instruments. The increased fair value of equity instruments refers to the difference between fair value of equity instruments on the modification date before and after the modification. If the modification reduces total fair value of share-based payment or adopts other methods unfavorable to employees, accounting treatment will continuously be carried out on the obtained service, and such change is deemed as never occurred, unless the company has canceled a part or all of the granted equity instruments.

During the vesting period, if the granted equity instruments are cancelled, the company makes acceleration of exercisable right on the canceled and granted equity instruments, the amount that shall be recognized in the remaining vesting period will be immediately included in the current profits and losses, and the capital reserve is simultaneously recognized. If employees or other party can choose to meet non-vesting conditions but fails to meet in the vesting period, the company will treat it as cancellation of equity instruments.

(3)Accounting treatment of share-based payment transaction involving the company and its shareholders or actual controllers

For share-based payment transaction involving the company and its shareholders or actual controllers, if either the settlement enterprise or the service-accepting enterprise is inside the company, and the other is outside the company, accounting treatment shall be performed in the consolidated financial statement of the company according to the following regulations:

①.If the settlement enterprise settles by its own equity instruments, the share-based payment transaction shall be treated as equity-settled share-based payment; otherwise, it is treated as cash-settled share-based payment.

If the settlement enterprise is an investor of the service-accepting enterprise, it shall recognize long-term equity investment of the service-accepting enterprise as per fair value of equity instruments on the grant date or fair value of liabilities borne, and simultaneously recognize capital reserve (other capital reserves) or liabilities.

②.If the service-accepting enterprise has no settlement obligation or grants its own equity instruments to the company employees, such share-based payment transaction shall be treated as equity-settled share-based payment; if the service-accepting enterprise has settlement obligation and does not grant its own equity instruments to the company employees, such share-based payment transaction shall be treated as cash-settled share-based payment.

For share-based payment transaction between enterprises inside the company, if the service-accepting enterprise and the settlement enterprise are not the same enterprise, the recognition and measurement of such share-based payment transaction is treated by the above principle in the respective individual financial statement of the service-accepting enterprise and the settlement enterprise.

25.Preferred Stock, Perpetual bond and other financial instruments

(1)Distinction between perpetual bond and preferred stock

The financial instruments issued by the company, such as perpetual bond and preferred stock that meet the following conditions are regarded as equity instruments:

①.Such financial instruments do not include contractual obligations to deliver cash or other financial assets to the other party or exchange financial assets or financial liabilities with other parties under potentially adverse conditions;

②.If such financial instruments must or may be settled by using the company's own equity instruments in the future, and if such financial instruments are underivative instruments, they exclude the contractual obligations to deliver variable number of own equity instruments for settlement; if they are derivative instruments, the company can only settle such financial instruments

by exchanging fixed amount of cash or other financial assets with fixed number of own equity instruments.

Except for the financial instruments classified as equity instruments under the above conditions, other financial instruments issued by the company shall be classified as financial liabilities.

If the financial instruments issued by the company are compound financial instruments, they are recognized as a liability as per the fair value of liability part, and recognized as "other equity instruments" as per the actually received amount deducting the fair value of liability part. The transaction costs incurred for issuing compound financial instrument are apportioned between liability component and equity component as per their respective proportion to the total issuance price.

(2) Accounting method for perpetual bond and preferred stock

Financial instruments such as perpetual bonds and preferred stocks categorized as financial liabilities, their relevant interests, dividends (or stock dividends), gains or losses, as well as gains or losses arising from redemption or refinancing, etc, except for the borrowing cost eligible for capitalization (see Note IV 18 "Borrowing cost"), are included in the current profits and losses.

For the financial instruments of perpetual bond, preferred stock, etc classified as equity instruments, during their issuance (including refinancing), repurchase, sale or cancellation, the company handles as equity changes, and related transaction costs are also deducted from equity. The company's distribution to holders of equity instruments is regarded as profit distribution.

The company does not recognize the fair value changes of equity instruments.

26. Revenue

(1) Sale of goods

Revenue is recognised when all the following conditions are satisfied: significant risks and rewards of ownership of goods have been transferred to the buyer; the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; it is probable that the economic benefits will flow to the Company; and the revenue and costs can be measured reliably.

(2) Rendering of services

Where the outcome of a transaction involving the rendering of services can be estimated reliably, revenue is recognised by reference to the stage of completion.

The stage of completion is based on the proportion of costs incurred to date to the estimated total costs.

Rendering of services can be estimated reliably when all the following conditions are satisfied:

A. The revenue can be measured reliably;

- B. It is probable that the economic benefits will flow to the Company;
- C. The stage of completion can be measured reliably;
- D. The costs incurred and to be incurred in the transaction can be measured reliably.

Where the outcome cannot be estimated reliably, revenues are recognised to the extent of the costs incurred that are expected to be recoverable, and an equivalent amount is charged to profit or loss as service cost; otherwise, the costs incurred are recognised in profit or loss and no service revenue is recognised.

The contract or agreement between the company and other enterprises includes the sale of goods and the provision of labor services. If the sales of goods and the provision of services can be distinguished and measured separately, the sales of goods and the provision of services shall be treated separately; If the labor service part cannot be distinguished, or if it can be distinguished but cannot be measured separately, all the contracts are treated as sales commodities.

(3) Revenue from construction contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract expenses associated with the construction contract are recognised using the percentage of completion method. When the outcome of a construction contract cannot be estimated reliably, if the contract costs can be recovered, revenue is recognised to the extent of contract costs incurred that can be recovered, and the contract costs are recognised as contract expenses when incurred; otherwise, the contract costs are recognised as contract expenses immediately when incurred, and no contract revenue is recognised.

If the estimated total costs exceed contract revenue, the Company recognises estimated loss in profit or loss for the current period.

The stage of completion of a contract is determined based on the proportion of contract costs incurred for work performed to date to the completion of a physical proportion of the contract work.

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- A. The contract revenue can be measured reliably;
- B. It is probable that the economic benefits will flow to the Company;
- C. The actual contract costs incurred can be distinguished clearly and measured reliably;
- D. The completion progress of the contract and the costs need to be incurred to complete the contract can be measured reliably.

The accumulated costs incurred in the contract under construction, the accumulated confirmed gross profit (loss) and the settled price are listed in the balance sheet as the net amount after offset. The portion of the sum of the accumulated costs of the contract under construction and the

accumulated confirmed gross profit (loss) that exceeds the settled price is listed as Inventories; the price of the contract under construction exceeds the accumulated cost and accumulated confirmed gross profit (The sum of the losses) is listed as Advances from customers.

(4) Royalty income

According to relevant contracts or agreements, revenue is recognized on an accrual basis.

(5) Interest income

It is calculated and determined according to the time when others use the company's currency funds and the actual interest rate.

27. Government grants

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value. If fair value cannot be reliably determined, it is measured at a nominal amount of RMB 1.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

For government grants with unspecified purpose, the amount of grants used to form a long-term asset is regarded as government grants related to an asset, the remaining amount of grants is regarded as government grants related to income. If it is not possible to distinguish, the amount of grants is treated as government grants related to income. A government grant related to an asset is offset against the carrying amount of the related asset, or recognised as deferred income and amortised to profit or loss over the useful life of the related asset on a reasonable and systematic manner. A grant that compensates the Group for expenses or losses already incurred is recognised in profit or loss or offset against related expenses directly. A grant that compensates the Group for expenses or losses to be incurred in the future is recognised as deferred income, and included in profit or loss or offset against related expenses in the periods in which the expenses or losses are recognised.

A grant related to ordinary activities is recognised as other income or offset against related expenses based on the economic substance. A grant not related to ordinary activities is recognised as non-operating income. When a recognised government grant is reversed, carrying amount of the related asset is adjusted if the grant was initially recognized as offset against the carrying amount of the related asset. If there is balance of relevant deferred income, it is offset against the carrying

amount of relevant deferred income. Any excess of the reversal to the carrying amount of deferred income is recognised in profit or loss for the current period. For other circumstances, reversal is directly recognized in profit or loss for the current period.

28. Deferred income tax assets/deferred income tax liabilities

(1) Current income tax

On the balance sheet date, the current income tax liabilities (or assets) formed in current and prior period are measured at the expected amount of income tax payable (or refundable) calculated in accordance with the tax law. The taxable income on which the calculation of current income tax expenses is based is calculated after corresponding adjustment to the pre-tax accounting profit in the reporting period pursuant to relevant tax laws.

(2) Deferred income tax assets/deferred income tax liabilities

For the gap between Carrying amount of some assets and liabilities and their tax basis, as well as the temporary difference arising from the gap between Carrying amount of the items which are not recognized as assets and liabilities but whose taxable basis can be determined according to the tax law, the balance sheet liability method is used to recognize deferred income tax assets and deferred income tax liabilities.

For the taxable temporary difference related to initial recognition of goodwill and initial recognition of assets or liabilities arising from the trade, instead of enterprise consolidation, unaffected accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax liabilities are not recognized. In addition, for the taxable temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the company is able to control the time of temporary difference return, and such temporary difference is unlikely to reverse in the foreseeable future, relevant deferred income tax liabilities are not recognized as well. Except for the above exceptions, the company recognizes deferred income tax liabilities arising from all other taxable temporary differences.

For the deductible temporary difference related to initial recognition of assets or liabilities arising from the trade, instead of enterprise consolidation, unaffected accounting profit and taxable income (or deductible loss) when incurred, relevant deferred income tax assets are not recognized. In addition, for the deductible temporary difference related to investment of subsidiaries, associated enterprises and joint ventures, if the temporary difference is unlikely to reverse in the foreseeable future, or the taxable income is unlikely to acquire to offset the deductible temporary difference in the future, relevant deferred income tax assets are not recognized. Except for the above exceptions, the company recognizes deferred income tax

assets arising from other deductible temporary differences, limited to the taxable income that is likely to obtain to offset the deductible temporary difference.

For the deductible losses and tax credits that can be carried forward in subsequent years, relevant deferred income tax assets are recognized, limited to the future taxable income that is likely to obtain to offset the deductible losses and tax credits.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured as per the applicable tax rate during the period of expected recovery for relevant assets or liquidation of relevant liabilities, according to the tax law.

On the balance sheet date, the Carrying amount of deferred income tax assets is reviewed; if it is likely not to obtain sufficient taxable income to offset the benefits of deferred income tax assets in the future, the Carrying amount of deferred income tax assets shall be written off. If it is likely to obtain sufficient taxable income, the write-off amount may be reversed.

(3)Income tax expenses

Income tax expenses include current income tax and deferred income tax.

Except that the current income tax and deferred income tax recognized as other comprehensive revenue or related to the transaction and matter directly included in shareholder's equity are charged to other comprehensive revenue or shareholder's equity, as well as the deferred income tax arising from enterprise consolidation to adjust Carrying amount of goodwill, other current income tax and deferred income tax expenses or revenues are charged to current profits and losses.

(4)Income tax offsetting

When having legitimate right of net settlement, and intending to execute net settlement or concurrently obtaining assets and settling liabilities, the company's current income tax assets and current income tax liabilities shall be reported at the net amount after offsetting.

When having legitimate right of net settlement for current income tax assets and current income tax liabilities, and the deferred income tax assets and deferred income tax liabilities are related to the income tax levied on the same taxpayer by the same tax collection department or related to different taxpayers, but in every future period of reversal for the important deferred income tax assets and liabilities, the involved taxpayer intends to execute net settlement of current income tax assets and liabilities or simultaneously obtains assets and settles liabilities, the company's deferred income tax assets and deferred income tax liabilities are reported at the net amount after offsetting.

29.Operating leases and finance leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset to the lessee. An operating lease is a lease other than a finance lease.

(1)As a lessor

At the commencement of the lease term, the Company recognises the aggregate of the minimum lease receipts determined at the inception of a lease and the initial direct costs as finance lease receivable, and recognises unguaranteed residual value at the same time. The difference between the aggregate of the minimum lease receipts, the initial direct costs and the unguaranteed residual value, and the aggregate of their present value is recognised as unearned finance income. Unearned finance income is allocated to each accounting period during the lease term using the effective interest method.

Income derived from operating leases is recognised in profit or loss using the straight-line method over the lease term. Initial direct costs are charged to profit or loss immediately.

(2)As a lessee

When the Company acquires an asset under a finance lease, the asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments, each determined at the inception of the lease. At the commencement of the lease term, the minimum lease payments are recorded as long-term payables. The difference between the carrying amount of the leased assets and the minimum lease payments is accounted for as unrecognised finance charges. Initial direct costs attributable to a finance lease that are incurred by the Company are added to the carrying amount of the leased asset. Unrecognised finance charges arising from a finance lease are recognised using an effective interest method over the lease term. Depreciation is accounted for in accordance with the accounting policies of fixed assets.

Rental payments under operating leases are recognised as part of the cost of another related asset or as expenses on a straight-line basis over the lease term. Initial direct costs are charged to profit or loss immediately.

30.Other important accounting policies and accounting estimates

Discontinued operations

Discontinued operations refer to the integral part that meets one of the following conditions, has been disposed of or classified as held-for-sale by the company and can be separately classified during operation and preparation of financial statement: ① this integral part represents an independent primary business or a major operating area; ② this integral part is an intended part of disposal plan on an independent primary business or a major operating area; ③ this integral part is a subsidiary acquired solely for resale.

31.Changes in significant accounting policies , accounting estimates and correction of errors in prior periods

(1)Changes in significant accounting policies

On September 19, 2019, the Ministry of Finance issued the Circular on Revising and Issuing the Formats of Corporate Financial Statements for the Year of 2019 (Cai Kuai [2019] No. 6) in 2019. The Group's financial statements for the year ended 2019 are prepared in accordance with the above standards and circular. Impacts of the revisions on the financial statements of the Group and the Company are as follows:

NO.	Original statement items	Amount	New statement items	Amount
1	Bills receivable and accounts receivable	5,751,400,536.16	Bills receivable	88,725,977.25
			Accounts receivable	5,662,674,558.91
2	Bills payable and Accounts payable	2,488,292,297.17	Bills payable	77,961,336.50
			Accounts payable	2,410,330,960.67
3	Impairment losses	-7,675,593.65	Impairment losses	7,675,593.65

Note: In the new statement items, the position of the item "asset impairment loss" is moved down as an addition item, and the loss is filled in with "-".

(2)Changes in significant accounting estimates

The company has not experienced any significant changes in accounting estimates during the reporting period.

32.Significant accounting estimates and judgments

Estimates as well as underlying assumptions involved are reviewed on an ongoing basis, based on historical experience and other factors, including reasonableness of estimation about future events. In the process of applying accounting policies, due to internal uncertainties of operating activities, the company needs to make judgments, estimates and assumptions on the book value of report items that cannot be accurately measured. These judgments, estimates and assumptions are made based on past experience of the company executives, and considering other relevant factors. These judgments, estimates and assumptions affect the reporting amount of incomes, expenses, assets and liabilities, as well as disclosure of contingent liabilities on the balance sheet date. Nevertheless, the actual results caused by uncertainties of these estimates may be different from current estimates of the company executives, and further cause significant adjustment on the book value of affected assets or liabilities in the future.

The followings are significant accounting estimations and key assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities

within the next financial year.

On the balance sheet date, important areas for the company's judgments, estimates and assumptions on financial statement item amount are as follows:

(1) Revenue recognition-construction contract

When the results of the construction contract can be reliably estimated, the company uses the percentage of completion method to recognize contract revenue on the balance sheet date. The completion percentage of the contract is confirmed in accordance with the method described in Note IV.26. Revenue of this Note, and is calculated cumulatively in each fiscal year in which each construction contract is executed.

When determining the percentage of completion, contract costs incurred, estimated total contract revenue and total costs, and contract recyclability, significant judgement is required. Item management mainly relies on past experience and work to make judgments. It is expected that the total contract revenue and total costs, as well as the estimated changes in contract execution results, may affect the operating income, operating costs, and profit and loss of the current or future periods, and may have a significant impact.

(3)Lease classification

The company classifies leases as operating leases and financial leases in accordance with the provisions of "Accounting Standards for Business Enterprises No. 21-Leases". During the classification, the management needs to determine whether all risks related to the ownership of leased assets have been and remuneration is transferred to the lessee in substance, or whether the company has substantially assumed all risks and rewards related to the ownership of leased assets, and make an analysis and judgment.

(3)Accrued provision for bad debts

The company uses the allowance method for bad debt accounting, according to accounting policy of account receivable. The impairment of account receivable is based on assessing the recoverability of account receivable. To identify impairment of account receivable requires judgments and estimates of executives. The difference between actual result and original estimate will affect the book value of account receivable, as well as the reversal and accrued provision for bad debts of account receivable during the period of estimates changed.

(4)Inventory falling price reserves

The company measures as per the lower of cost and net realizable value, and makes provision for inventory devaluation to the obsolete and unsalable inventory of which the cost exceeds the net realizable value, according to inventory accounting policy. The inventory devaluation to net realizable value is based on assessing the saleability of inventory and its net

realizable value. To identify inventory devaluation requires judgments and estimates of executives based on obtaining conclusive evidence, and considering the purpose of holding inventory, influence of events after balance sheet date and other factors. The difference between actual result and original estimate will affect the Carrying amount of inventory, as well as the reversal or accrued provision for inventory devaluation during the period of estimates changed.

(5) Fair value of financial instruments

For the financial instruments unavailable on active trading market, the company determines its fair value through various valuation methods. These valuation methods include discounted cash flow model analysis, etc. At the time of valuation, the company needs to estimate future cash flow, credit risk, market volatility rate, correlation, etc, and choose the appropriate discount rate. These relevant assumptions are uncertain and their changes will have an impact on the fair value of financial instruments.

(6) Held-to-maturity investments

The company categorizes the non-derivative financial assets that have fixed or determinable repayment amount, fixed maturity date and meet the criteria and that the company has a clear intention and ability to hold to maturity, as held-to-maturity investments. Such categorizing work involves a lot of judgment. In the process of making judgment, the company assesses the willingness and ability of holding such investment to the maturity date. Except in certain circumstances (such as selling an insignificant amount of investment when approaching the maturity date), if the company fails to hold these investments to the maturity date, all such investments must be re-categorized as available-for-sale financial assets, and such financial assets may not be divided into held-to-maturity investments in the current fiscal year and the following two full fiscal years. This case may exert a significant impact on the value of relevant financial assets presented in the financial statement, and affect the corporate strategy of financial instrument risk management.

(7) Held-to-maturity investment impairment

The company determines whether the held-to-maturity investments are impaired largely based on judgment of the management level. Objective evidences of impairment include serious financial difficulties of the issuer preventing the financial assets from continuous transaction on the active market and causing failure to perform the contract (e.g.: payment of interests or principal in breach of contract), etc. In the process of making judgment, the company needs to assess the impact of objective impairment evidences on the expected future cash flow of such investments.

(10) Depreciation and amortization

After considering the residue value of investing properties, fixed assets and intangible assets, the company uses straight line method for depreciation and amortization provision in the service life. The company regularly reviews the service life, to determine the amount of depreciation and amortization expenses included in each reporting period. The service life is determined by the company based on past experience of similar assets and combined with expected technical updates. In case of significant change in previous estimates, the depreciation and amortization expenses will be adjusted in the future.

(11) Development expenditure

When determining the amount of capitalization, the management of the company needs to make assumptions about the expected future cash flow of the asset, the applicable discount rate and the expected benefit period.

(12) Deferred income tax assets:

Insofar as it is highly probable to offset losses with sufficient taxable profits, the company recognizes deferred income tax assets with all unused tax losses. This requires the company executives to use a large number of judgments to estimate the time and amount of future taxable profits, and combine the tax planning strategy, to determine the amount of deferred income tax assets that shall be recognized.

(13) Income tax

In normal operating activities of the company, final tax treatment and calculation of some transactions have certain uncertainties. Whether some items can be listed as pre-tax shall gain approval of the tax authority. If there is difference between the final recognized result of these taxation matters and the originally estimated amount, such difference will have an impact on the current income tax and deferred income tax during the period of final recognition.

(14) Internal retirement benefits and supplementary retirement benefits

The amount of internal retirement benefits and supplementary retirement welfare expenses and liabilities of the company is determined based on various assumptions. These assumptions include discount rate, average medical cost growth rate, subsidy growth rate for retired and retired personnel, and other factors. The difference between the actual result and the hypothesis will be confirmed immediately when it occurs and included in the current year's expenses. Although management believes that reasonable assumptions have been adopted, changes in actual empirical values and assumptions will still affect the company's internal retirement benefits and supplementary retirement benefits expenses and liability balances.

(15) Provisions

Based on the contract terms, existing knowledge and historical experience, the company

estimates and makes corresponding preparations for product quality assurance, estimated contract losses, and late delivery penalty. In the event that such contingent matters have formed a current obligation, and the performance of such current obligations is likely to cause economic benefits to flow out of the company, the company's best estimate of the contingencies in accordance with the relevant current obligation to spend Confirmed as estimated liabilities. The recognition and measurement of expected liabilities depend to a large extent on management's judgment. In the judgment process, the company needs to assess the risks, uncertainties and time value of money related to these contingencies.

Among them, the company will commit to the estimated liabilities for after-sale quality maintenance provided to customers for the sale, repair and renovation of the goods sold. The company's recent maintenance experience data has been taken into account when estimating debt, but the recent maintenance experience may not reflect future maintenance. Any increase or decrease in this provision may affect the profit or loss in future years.

(16) Fair value measurement

Certain assets and liabilities of the company are measured at fair value in the financial statements. The company's board of directors has established a valuation committee (the valuation committee is led by the company's chief financial officer) to determine appropriate valuation techniques and inputs for fair value measurement. When making an estimate of the fair value of an asset or liability, the company uses available observable market data. If the input value of the first level cannot be obtained, the company will hire a third-party qualified appraiser to perform the valuation. The valuation committee works closely with qualified external valuers to determine appropriate valuation techniques and input values for related models. The Chief Financial Officer reports the findings of the Valuation Committee to the company's board of directors quarterly to explain the causes of fluctuations in the fair value of related assets and liabilities. Relevant information about the valuation techniques and input values used in the process of determining the fair value of various assets and liabilities are disclosed in the notes.

V. Taxation

1. Main types of taxes and corresponding tax rates

Categories of taxes	Tax basis	Tax rate
VAT	Taxable income	Confirm the corresponding tax rate according to taxable items
City maintenance and construction tax	Amount of VAT paid	7%
Corporate income tax	Taxable profits	25%

For the year ended 31 December 2019

Categories of taxes	Tax basis	Tax rate
Educational surcharge	Amount of VAT paid	3%
Local education surcharge	Amount of VAT paid	2%
Property tax	Property's rental income or the residual value from original value less the deducting proportion(30%)	1.2%, 12%
Land value added tax	Value added from real estate transfer	Progressive tax rate, 2% advance payment of income

Value-added tax: According to Caishui [2018] No. 32 "Notice on Adjusting Value-added Tax Rates" issued by the Ministry of Finance, taxpayers who are subject to VAT taxable sales or imported goods are subject to the 17% and 11% tax rates. Adjusted to 16% and 10% respectively.

Note: Nanjing Jiangbei New District Industrial Investment Group Co., Ltd., a subsidiary of the Company, was originally engaged in the business tax on the income of the house leasing business at the rate of 5%. According to the "Notice on the Comprehensive Promotion of the Pilot Change of Business Tax to VAT" (Caishui [2016] No. 36) and other relevant regulations, the company's income from rent business will be changed to VAT from May 1, 2016. For the simple collection method, the tax rate is 5%. The income from engaging in construction business was originally subject to business tax at 3%. Since May 1, 2016, the value-added tax was changed to a simple collection method with a tax rate of 3%.

2. Tax preference

Nanjing Gaoxin Water Co., Ltd., a subsidiary company of the company, is engaged in the sewage treatment business, which complies with the provisions of the Notice of the Ministry of Finance and the State Administration of Taxation on Issuing the "Catalogue of Preferential Value-Added Tax on Resources Comprehensive Utilization Products and Services" (Cai Shui [2015] No. 78). Enjoy the VAT pay-as-you-go policy, with a tax refund rate of 70%.

VI. Notes to the consolidated financial statements

1. Cash at bank and in hand

(1) Cash at bank and in hand balance

Item	As at 31/12/2019	As at 31/12/2018
Cash in hand	607,395.89	543,734.45
Deposits with banks	27,228,753,185.79	34,356,425,581.28
Other monetary funds	4,983,091,971.74	2,962,406,608.35
Total	32,212,452,553.42	37,319,375,924.08

(2) Restrictions of cash and other monetary fund use at the end of the year

Item	As at 31/12/2019	As at 31/12/2018
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For the year ended 31 December 2019

Item	As at 31/12/2019	As at 31/12/2018
Margin	406,089,060.17	59,461,336.50
Pledge of fixed deposit	290,000,000.00	315,000,000.00
Acceptance deposit	22,186,718.47	
Total	718,275,778.64	374,461,336.50

2. Financial assets at fair value through profit or loss

Item	As at 31/12/2019	As at 31/12/2018
Financial assets held for trading	35,585,124.00	
Including: Investment in debt instruments		
Investment in equity instruments	35,585,124.00	
Total	35,585,124.00	

3. Bills receivable

(1) Disclosure of bills receivable

Classification	As at 31/12/2019	As at 31/12/2018
Bank acceptance bills		88,725,977.25
Total		88,725,977.25

4. Accounts receivable

(1) Accounts receivable by category

Category	As at 31/12/2019				Carrying amount
	Book balance		Provision for bad and doubtful debts		
	Amount	Proportion (%)	Amount	Percentage of provision(%)	
Individually significant and assessed for impairment individually	19,000,000.00	0.37	19,000,000.00	100.00	
Collectively assessed for impairment based on credit risk characteristics	5,112,292,788.14	99.63	21,674,040.93	0.42	5,090,618,747.21
Including: Ageing group	166,185,757.69	3.24	21,674,040.93	13.04	144,511,716.76
Other group	4,946,107,030.45	96.39			4,946,107,030.45
Individually insignificant but assessed for impairment individually					
Total	5,131,292,788.14	100.00	40,674,040.93	0.79	5,090,618,747.21

(Continued)

Category	As at 31/12/2018		
	Book balance	Provision for bad and doubtful debts	Carrying

For the year ended 31 December 2019

	Amount	Proportion (%)	Amount	Percentage of provision(%)	amount
Individually significant and assessed for impairment individually	19,000,000.00	0.33	19,000,000.00	100.00	
Collectively assessed for impairment based on credit risk characteristics	5,687,725,764.82	99.54	25,051,205.91	0.44	5,662,674,558.91
Including: Ageing group	250,521,287.07	4.38	25,051,205.91	10.00	225,470,081.16
Other group	5,437,204,477.75	95.16			5,437,204,477.75
Individually insignificant but assessed for impairment individually	7,324,572.00	0.13	7,324,572.00	100.00	
Total	5,714,050,336.82	100.00	51,375,777.91	0.90	5,662,674,558.91

A. Provision for bad and doubtful debts for accounts receivable which are individually significant and assessed for impairment individually

Debtor	As at 31/12/2019			
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)	Rationale of provision
Dachang District Housing System Reform Office	19,000,000.00	19,000,000.00	100.00	Funds cannot be recovered
Total	19,000,000.00	19,000,000.00	—	—

B. Accounts receivable which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	133,148,619.04		
1 to 2 years	8,929,853.25	446,492.66	5.00
2 to 3 years	1,856,179.41	185,617.95	10.00
3 to 4 years	1,239,774.57	371,932.38	30.00
4 to 5 years	682,666.96	341,333.48	50.00
More than 5 years	20,328,664.46	20,328,664.46	100.00
Total	166,185,757.69	21,674,040.93	—

(Continued)

Ageing	As at 31/12/2018		
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For the year ended 31 December 2019

	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	211,421,122.33		
1 to 2 years	6,263,975.98	313,198.80	5.00
2 to 3 years	1,821,296.59	182,129.66	10.00
3 to 4 years	7,886,725.90	2,366,017.77	30.00
4 to 5 years	1,876,613.19	938,306.60	50.00
More than 5 years	21,251,553.08	21,251,553.08	100.00
Total	250,521,287.07	25,051,205.91	—

(2) Additions, recoveries or reversals of provision for bad and doubtful debts during the year:

Recoveries or reversals of provision for bad and doubtful debts during the year is RMB252,439.3. The change in consolidation scope this year reduced the amount of bad debt provision by RMB 10,449,297.64.

(3) No accounts receivable written off during this year.

(4) As at 31 December 2019, the five largest accounts receivable aggregated by debtors were analysed as follows:

Debtor	As at 31/12/2019	The proportion of the total accounts receivable (%)	Provision for bad and doubtful debts
Nanjing High-tech Industrial Development Zone Management Committee	1,851,134,855.47	36.07	
Nanjing Software Park Management Office	758,889,421.74	14.79	
Nanjing Chemical Park Demolition Management Office	693,677,760.60	13.52	
Zhejiang Yaxia Decoration Co., Ltd.	216,656,980.99	4.22	
Nanjing Binjiang Investment Development Co., Ltd.	200,000,000.00	3.90	
Total	3,720,359,018.80	72.50	

5. Prepayments

(1) The ageing analysis of prepayments is as follows:

Ageing	As at 31/12/2019		As at 31/12/2018	
	Amount	Proportion (%)	Amount	Proportion (%)

For the year ended 31 December 2019

Ageing	As at 31/12/2019		As at 31/12/2018	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	2,566,147,974.10	57.55	1,688,666,969.59	84.35
1 to 2 years	1,600,636,401.07	35.89	55,779,908.08	2.78
2 to 3 years	37,719,096.57	0.85	105,557,976.63	5.27
More than 3 years	254,523,342.48	5.71	152,060,161.29	7.60
Total	4,459,026,814.22	100.00	2,002,065,015.59	100.00

(2) Significant prepayments ageing over 1 year:

Creditor	Debtor	As at 31/12/2019	Ageing	Reasons for unsettlement
Nanjing Jinniuhu Cultural Tourism Development Co., Ltd.	Jinniuhu Sub-district Office, People's Government of Liuhe District, Nanjing	226,530,000.00	1-2years	Not settled
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I Enterprise (Limited Partnership)	195,139,777.77	1-2years	Not settled
Nanjing Software Park Economic Development Co., Ltd.	Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	40,000,000.00	3-5years	Not settled
Nanjing Software Park Technology Development Co., Ltd.	China Construction Eighth Engineering Division.Corp.LTD	16,000,000.00	1-3years	Not settled
Nanjing Software Park Economic Development Co., Ltd.	Jiangsu Nantong Sanjian Group Co., Ltd.	11,079,457.00	1-2years	Not settled
Total		488,749,234.77		

6. Other receivables

Item	As at 31/12/2019	As at 31/12/2018
Other receivables	21,091,209,435.34	14,330,519,321.55
Interest receivable	32,403,977.47	33,639,819.17
Dividends receivable	425,864,825.13	224,180,326.05

For the year ended 31 December 2019

Item	As at 31/12/2019	As at 31/12/2018
Total	21,549,478,237.94	14,588,339,466.77

(1) Other receivables

① Other receivables by category

Category	As at 31/12/2019				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision(%)	
Individually significant and assessed for impairment individually	15,000,000.00	0.07	15,000,000.00	100.00	
Collectively assessed for impairment based on credit risk characteristics	21,185,256,130.19	99.56	94,046,694.85	0.44	21,091,209,435.34
Including: Ageing group	975,290,267.64	4.59	94,046,694.85	9.64	881,243,572.79
Other group	20,209,965,862.55	94.97			20,209,965,862.55
Individually insignificant but assessed for impairment individually	79,698,617.16	0.37	79,698,617.16	100.00	
Total	21,279,954,747.35	100.00	188,745,312.01	0.89	21,091,209,435.34

(Continued)

Category	As at 31/12/2018				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision(%)	
Individually significant and assessed for impairment individually	15,900,000.00	0.11	15,900,000.00	100.00	
Collectively assessed for impairment based on credit risk characteristics	14,451,595,649.46	98.86	121,076,327.91	0.84	14,330,519,321.55
Including: Ageing group	1,643,243,874.88	11.24	121,076,327.91	7.37	1,522,167,546.97
Other group	12,808,351,774.58	87.62			12,808,351,774.58
Individually insignificant but assessed for impairment	150,649,686.84	1.03	150,649,686.84	100.00	

For the year ended 31 December 2019

Category	As at 31/12/2018				Carrying amount
	Book balance		Provision for bad and doubtful debts		
	Amount	Proportion (%)	Amount	Percentage of provision(%)	
individually					
Total	14,618,145,336.30	100.00	287,626,014.75	/	14,330,519,321.55

A. Provision for bad and doubtful debts for other receivables which are individually significant and assessed for impairment individually

Debtors	As at 31/12/2019			
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)	Rationale of provision
Nanjing Liuhe Economic and Technical Development Corporation	15,000,000.00	15,000,000.00	100.00	Funds cannot be recovered
Nanjing High-Tech Economic Development Co., Ltd.	53,944,009.47	53,944,009.47	100.00	Funds cannot be recovered
High-tech Foreign Economic and Technical Cooperation Co., Ltd.	25,000,000.00	25,000,000.00	100.00	Funds cannot be recovered
Nanjing Onard Optoelectronic Materials Co., Ltd.	40,361.93	40,361.93	100.00	Funds cannot be recovered
Nanjing Jinkou Machinery Group Co., Ltd.	714,245.76	714,245.76	100.00	Funds cannot be recovered
Total	94,698,617.16	94,698,617.16	—	—

B. Other receivables which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	764,991,200.24		
1-2years	48,816,531.36	2,440,826.58	5.00
2-3years	66,582,514.56	6,658,251.46	10.00
3-4years	11,671,898.41	3,501,569.52	30.00
4-5years	3,564,151.57	1,782,075.79	50.00
More than 5years	79,663,971.50	79,663,971.50	100.00
Total	975,290,267.64	94,046,694.85	—

(Continued)

For the year ended 31 December 2019

Ageing	As at 31/12/2018		
	Book balance	Provision for bad and doubtful debts	Percentage of provision(%)
Within 1 year	1,430,062,533.16		
1-2years	72,289,417.85	3,614,470.89	5.00
2-3years	19,803,310.18	1,980,331.02	10.00
3-4years	3,590,948.68	1,077,284.60	30.00
4-5years	6,186,847.24	3,093,423.63	50.00
More than 5years	111,310,817.77	111,310,817.77	100.00
Total	1,643,243,874.88	121,076,327.91	—

② Additions, recoveries or reversals of provision for bad and doubtful debts during the year:

Recoveries or reversals of provision for bad and doubtful debts during the year is RMB 28,582,076.87. Other receivables written off during this year is RMB 69,668,275.87. Changes in the scope of consolidation decreased by RMB 630,350.00.

③ Other receivables written off during this year

Item		Written-off amount			
Other receivables written off		69,668,275.87			
Including significant other receivables written off:					
Debtors	Nature of other receivables	Written-off amount	Reason for written-off	Approval procedures performed	Other receivables arising from related party transactions(Y/N)
Nanjing Huaxian High-tech Co., Ltd.	Borrowings	69,668,275.87	liquidated		N
Total		69,668,275.87			

④As at 31 December 2019, the five largest other receivables aggregated by debtors were analysed as follows:

Debtors	Relationship with the company	As at 31/12/2019	Ageing	The proportion of other total receivables (%)	Provision for bad and doubtful debts
Nanjing High-tech Industrial Development Zone Management Committee Finance	Unrelated party	5,150,528,406.01	0-5years	24.21	

For the year ended 31 December 2019

Debtors	Relationship with the company	As at 31/12/2019	Ageing	The proportion of other total receivables (%)	Provision for bad and doubtful debts
Bureau					
Nanjing Jiangbei New District Management Committee	Related party	4,171,569,983.41	0-4years	19.60	
Land Reserve Center of Nanjing High-tech Industrial Development Zone	Unrelated party	2,138,605,322.00	0-4years	10.05	
Pukou New Town Branch Center of Nanjing Land Reserve Center	Unrelated party	1,709,642,470.50	1-5years	8.03	
Nanjing Chemical Industry Park Management Committee	Unrelated party	922,692,211.53	0-5years	4.34	
Total	—	14,093,038,393.45	—	66.23	

(2) Interest receivable

① Interest receivable by category

Item	As at 31/12/2019	As at 31/12/2018
Time deposit	22,357,310.80	14,184,307.32
Entrusted Loan	10,046,666.67	19,455,511.85
Total	32,403,977.47	33,639,819.17

(3) Dividends receivable

① Dividends receivable

Item	As at 31/12/2019	As at 31/12/2018
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	8,105,058.80	6,947,648.78
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase I (Limited Partnership)		128,509.70
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	97,286,118.38	
Nanjing Yangzi Agricultural Bank Industry Investment	247,725.85	23,528.25

For the year ended 31 December 2019

Item	As at 31/12/2019	As at 31/12/2018
Fund Phase I (Limited Partnership)		
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	2,457,859.52	2,026,260.45
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	840,899.42	840,899.42
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	19,608,750.27	8,824,791.94
Suzhou Industrial Park Guochuang Kaiyuan Phase II	297,318,412.89	205,388,687.51
Total	425,864,825.13	224,180,326.05

7. Inventories

(1) Inventories by category

Item	As at 31/12/2019		
	Book balance	Provision for impairment of inventories	Carrying amount
Raw materials	19,455,511.85		19,455,511.85
Low-value consumables	460,710.27		460,710.27
Stock Goods	2,303,245.18		2,303,245.18
Development costs	67,212,576,162.85	2,916,869.41	67,209,659,293.44
Product development	3,524,565,155.26		3,524,565,155.26
Engineering construction	2,419,317,960.56		2,419,317,960.56
Expendable biological assets	7,549,655.84	3,498,010.42	4,051,645.42
Total	73,186,228,401.81	6,414,879.83	73,179,813,521.98

(Continued)

Item	As at 31/12/2018		
	Book balance	Provision for impairment of inventories	Carrying amount
Raw materials	14,579,423.93		14,579,423.93
Stock Goods	2,303,390.91		2,303,390.91
Development costs	59,222,626,495.43	2,916,869.41	59,219,709,626.02
Product development	4,440,641,349.26		4,440,641,349.26
Engineering construction	2,457,725,605.12		2,457,725,605.12
Expendable biological assets	7,549,655.84	3,498,010.42	4,051,645.42
Total	66,145,425,920.49	6,414,879.83	66,139,011,040.66

(2) Provision for impairment of inventories

Item	As at 31/12/2018	Additions during the year		Written back during the year		As at 31/12/2019
		Provision	others	Reversals or write-off	others	
Raw materials						
Low-value consumables						
Stock Goods						
Development costs	2,916,869.41					2,916,869.41
Product development						
Engineering construction						
Expendable biological assets	3,498,010.42					3,498,010.42
Total	6,414,879.83					6,414,879.83

8. Other current assets

Item	As at 31/12/2019	As at 31/12/2018
Prepaid expenses	49,043,043.73	37,158,907.61
Deductible input VAT	1,448,363,192.65	703,469,506.06
Income tax prepaid		1,311,542.63
Other tax prepaid	24,007,901.48	57,231,351.46
Financial product	551,411,039.98	344,330,443.24
Total	2,072,825,177.84	1,143,501,751.00

9. Available-for-sale financial assets

(1) Available-for-sale financial assets

Item	As at 31/12/2019			As at 31/12/2018		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Available-for-sale debt instruments	93,873,500.00		93,873,500.00	69,236,000.00		93,873,500.00

For the year ended 31 December 2019

Item	As at 31/12/2019			As at 31/12/2018		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Available-for-sale equity instruments	17,003,499,248.46	106,903,028.00	16,896,596,220.46	13,020,057,253.12	92,900,000.00	17,003,499,248.46
Including: at fair value	1,167,080,343.61		1,167,080,343.61	633,917,587.86		1,167,080,343.61
at cost	15,836,418,904.85	106,903,028.00	15,729,515,876.85	12,386,139,665.26	92,900,000.00	15,836,418,904.85
Others						
Total	17,097,372,748.46	106,903,028.00	16,990,469,720.46	13,089,293,253.12	92,900,000.00	17,097,372,748.46

(2) Available-for-sale debt instruments

Investee	As at 31/12/2019	As at 31/12/2018	Percentage of share holding in investees(%)
Connaught Technology (Nanjing) Co., Ltd.	10,000,000.00		1.57
Xifeng Optoelectronics (Nanjing) Technology Co., Ltd.	83,873,500.00	69,236,000.00	7.04
Total	93,873,500.00	69,236,000.00	——

(3) Available-for-sale financial assets at fair value

Category	Bank of Nanjing	Bank of Communications	Jiangsu Zijin Rural Commercial Bank Co., Ltd.	Aerospace Industry Development Co., Ltd.	As at 31/12/2019
Cost of equity instrument/ amortised cost of debt instrument	32,932,541.00	1,552,653.80	36,800,000.00	63,360,000.00	134,645,194.80
Fair value	307,424,956.89	5,897,560.12	311,121,019.44	542,636,807.16	1,167,080,343.61
Cumulative fair value changes recognised in other	274,492,415.89	4,344,906.32	274,321,019.44	479,276,807.16	1,032,435,148.81

For the year ended 31 December 2019

comprehensive income					
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(4) Available-for-sale financial assets at cost

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Chunrong Energy Saving Technology Co., Ltd.	30,000,000.00			30,000,000.00				10.00	
Nanjing Jiayi Precision Machine Manufacturing Co., Ltd.	19,994,600.00			19,994,600.00				11.76	
Jiangsu Five Cities Cohesion Network Technology Co., Ltd.	12,000,000.00			12,000,000.00				10.00	
Jiangsu Zhimaihui Technology Development Co., Ltd.		15,000,000.00		15,000,000.00				13.04	
Jiangsu Rongze Information Technology Co., Ltd.		20,000,000.00		20,000,000.00				8.00	
Nanjing Shihe Gene		30,000,000.00		30,000,000.00					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Biotechnology Co., Ltd.									
Nanjing Jiangbei New District Construction Investment Group Co., Ltd.		50,000,000.00		50,000,000.00				0.85	
Nanjing Chemical Industry Park Chemical Glass Equipment Co., Ltd.	100,000.00		100,000.00					0.50	
Nanjing Hengpu Weiye Technology Co., Ltd.	2,000,000.00			2,000,000.00				4.19	
Nanjing Overseas Investment Venture Capital Enterprise (Limited Partnership)	5,882,305.88			5,882,305.88				19.61	
Nanjing Software Park Animation Industry Base	5,000,000.00			5,000,000.00				16.67	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Co., Ltd. has a company									
Nanjing Haichang									
Chinese Medicine Group Co., Ltd.	10,000,000.00			10,000,000.00		10,000,000.00		10.00	
Zijin Trust Co., Ltd.	126,250,000.00			126,250,000.00				5.00	
Nanjing High-tech									
Venture Capital Co., Ltd.	20,000,000.00			20,000,000.00				6.51	
Jiangsu Suwei Software Technology Co., Ltd.	1,514,000.00			1,514,000.00		1,514,000.00		10.00	
Nanjing Huaruichuan Electronic Technology Co., Ltd.	2,489,028.00			2,489,028.00		2,489,028.00		5.00	
Nanjing Ningbei Rail Transit Co., Ltd.	557,952,700.00			557,952,700.00				7.95	
Nanjing Zijin Emerging Industries Investment Fund Co., Ltd.	20,000,000.00			20,000,000.00				6.67	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing High-tech Foreign Economic and Technical Cooperation Co., Ltd.	25,000,000.00			25,000,000.00	25,000,000.00			100.00	
Nanjing High-tech Economic Development Co., Ltd.	67,900,000.00			67,900,000.00	67,900,000.00			100.00	
Nanjing Institute of Biomedicine, Nanjing University	5,000,000.00			5,000,000.00				50.00	
Hongze High-tech Industrial Park Investment Development Co., Ltd.	30,000,000.00			30,000,000.00				60.00	
Jiangsu Zijin Rural Commercial Bank Co., Ltd.	36,800,000.00		36,800,000.00						
Nanjing Baoan High-tech	2,040,000.00			2,040,000.00				6.80	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Investment Co., Ltd.									
Nanjing Yuejin Automobile Co., Ltd.	560,000,000.00			560,000,000.00				14.03	
Jiangsu Trust-Xinbaosheng No. 52 (Jiangbei Investment) Collective Fund Trust Plan Trust Guarantee Fund		10,000,000.00		10,000,000.00					
Jiangsu Hongtu Intelligent Venture Investment Management Enterprise	150,000.00			150,000.00				1.50	
Jiangsu Yuanquan Red Earth Intelligent Venture Capital Fund (Limited Partnership)	22,500,000.00			22,500,000.00				11.54	
Feimian Instrument	1,500,000.00			1,500,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Technology (Nanjing) Co., Ltd.									
Nanjing Xinda Meteorological Science and Technology Research Institute Co., Ltd.	2,250,000.00	2,250,000.00		4,500,000.00				15.00	
Jiangsu Future Network Transportation Research Institute Co., Ltd.	1,500,000.00			1,500,000.00				15.00	
Nanjing Dongju Carbon Fiber Composite Materials Research Institute Co., Ltd.		750,000.00		750,000.00				15.00	
Nanjing Ningtie Nondestructive Testing Technology Research Institute Co., Ltd.		500,000.00		500,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Leading Life Health Industry Technology Research Institute Co., Ltd.		300,000.00		300,000.00				10.00	
Invest in GCL New Energy Power Technology Research Institute Co., Ltd.		100,000.00		100,000.00				10.00	
Jiangsu Jiaohao New Energy Technology Co., Ltd.		500,000.00		500,000.00				10.00	
Nanjing Yinhe Biomedicine Co., Ltd.	4,446,587.95			4,446,587.95				5.40	
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	10,000,000.00			10,000,000.00				8.33	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Jiangsu Tianhui Hongyou Pharmaceutical Health Industry Fund Partnership Enterprise (Limited Partnership)	9,582,600.00		10,630.00	9,571,970.00				3.86	
Jiangsu Yuanquan Tianhui Sumin Investment Health Industry Fund (Limited Partnership)	10,000,000.00	6,000,000.00		16,000,000.00				3.9%	
Jiangsu Jicui Yaokang Biological Technology Co., Ltd.	1,000,000.00			1,000,000.00				1000	
Nanjing Jiangbei New Area Biomedical Public Service Platform Co., Ltd.	76,560,000.00			76,560,000.00				15.59	
Nanjing Shengding	1,000,000.00			1,000,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Pharmaceutical Technology Co., Ltd.									
Nanjing Jingruikang Molecular Pharmaceutical Technology Co., Ltd.	100,000.00			100,000.00				10.00	
Jiangsu Saigu Cell Engineering Research Institute Co., Ltd.	1,000,000.00			1,000,000.00				10.00	
Nanjing Eagle Alliance Investment Management Center (Limited Partnership)	30,000,000.00			30,000,000.00				15.59	
Jiangsu Saiyi Cell Technology Research Institute Co., Ltd.		700,000.00		700,000.00				10.00	
Jiangsu Nanchuang Chemical and Life Health		1,250,000.00		1,250,000.00				12.50	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Research Institute Co., Ltd.									
Nanjing Luye Life Science and Technology Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	
Nanjing Carbon Silicon Artificial Intelligence Biomedical Technology Research Institute Co., Ltd.		150,000.00		150,000.00				10.00	
Jiangsu Aidi Science and Technology Research Institute Co., Ltd.		300,000.00		300,000.00				10.00	
Nanjing Deming Biomedical Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Subo Evidence Science Research Institute Co., Ltd.		300,000.00		300,000.00				10.00	
Jiangsu Jicui Industrial Biotechnology Research Institute Co., Ltd.		300,000.00		300,000.00				15.00	
Nanjing CICC Qihong Investment Fund Partnership (Limited Partnership)		31,846,552.00		31,846,552.00				6.59	
Berry Trust Co., Ltd.	14,850,000.00			14,850,000.00					
Nanjing Huarui Brain Research Institute Co., Ltd.		1,500,000.00		1,500,000.00				15.00	
Jiangsu Tongchuanggu New Material Research Institute Co., Ltd.		450,000.00		450,000.00				15.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Metrology and Investment Corporation for Internet Industry (Limited Partnership)	221,100.00			221,100.00				11.00	
Jiangsu Guangyu Collaborative Technology Development Research Institute Co., Ltd.	150,000.00	300,000.00		450,000.00				15.00	
Nanjing Ditian High-tech Industrial Technology Research Institute Co., Ltd.		600,000.00		600,000.00				15.00	
Nanjing Low Power Chip Technology Research Institute Co., Ltd.		450,000.00		450,000.00				15.00	
Nanjing Gravity Industry Welding Technology		870,000.00		870,000.00				15.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Institute Co., Ltd.									
Nanjing Guoxing Environmental Protection Industry Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	
Nanjing Green Health Building Research Institute Co., Ltd.		700,000.00		700,000.00				10.00	
Nanjing Lizhi Psychological Big Data Industry Research Institute Co., Ltd.		1,500,000.00		1,500,000.00				15.00	
Nanjing Rongzhi Information Innovation Institute Co., Ltd.		1,500,000.00		1,500,000.00				15.00	
Beijing Wisdom Cloud Computing Co., Ltd.		25,000,000.00		25,000,000.00				7.69	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Weili Zhibo Biological Technology Co., Ltd.		20,000,000.00		20,000,000.00				3.85	
Beijing Guanqun Information Technology Co., Ltd.	35,000,000.00			35,000,000.00				7.22	
Nanjing Core Vision Microelectronics Technology Co., Ltd.	20,000,000.00			20,000,000.00				9.52	
Nanjing Cooper Microelectronics Co., Ltd.	10,000,000.00			10,000,000.00				16.13	
Shanghai Smart Microelectronics Co., Ltd.	30,900,000.00			30,900,000.00				6.35	
Xifeng Optoelectronics (Nanjing) Technology Co., Ltd.		34,618,000.00		34,618,000.00				7.04	
Nanjing Fengxing		15,000,000.00		15,000,000.00				15.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Technology Co., Ltd.									
Nanjing Xinchu Semiconductor Technology Co., Ltd.		47,000,000.00		47,000,000.00				5.27	
Shanghai Jilian Network Technology Co., Ltd.		50,000,000.00		50,000,000.00				1.38	
Beijing Youxuan Software Co., Ltd.		29,992,500.00		29,992,500.00				1.76	
Nanjing Chuhan Technology Co., Ltd.		9,000,000.00		9,000,000.00				6.00	
Nanjing Dayu Semiconductor Co., Ltd.		48,000,000.00		48,000,000.00				8.97	
PetaIO LTD		42,218,571.59		42,218,571.59				11.88	
Nanjing Radium Core Optoelectronics Co., Ltd.		40,000,000.00		40,000,000.00				19.44	
Connaught Technology (Nanjing) Co., Ltd.		5,000,000.00		5,000,000.00				1.57	

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Suzhou Muxing Intelligent Technology Co., Ltd.		10,000,000.00		10,000,000.00				3.23	
Nanjing Sidian Microsystems Co., Ltd.		10,000,000.00		10,000,000.00				4.35	
Meiao Technology (Guangzhou) Co., Ltd.		50,000,000.00		50,000,000.00				14.29	
Nanjing Xinnong Yangzi Modern Agriculture Industry Development Fund Phase I (Limited Partnership)	30,000,000.00			30,000,000.00				6.00	
Nanjing Modern Agricultural Industry Technology Innovation Demonstration Park Development and	200,000,000.00			200,000,000.00				40.00	

For the year ended 31 December 2019

Investees	Book value			Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	Increase during the year	Decrease during the year	As at 31/12/2019	
Construction Co., Ltd.								
Jiangsu Yuanquan Emerging Industry Development Fund (Limited Partnership)		350,000,000.00		350,000,000.00				
Raised by Nanjing Jinpu Consumer Smart Manufacturing Equity Investment Fund Partnership Enterprise (Limited Partnership)		38,450,000.00		38,450,000.00				
Nanjing Jinpu Emerging Industries Equity Investment Fund Partnership (Limited Partnership)		7,000,000.00		7,000,000.00				
Nanjing Yangtze		72,000,000.00		72,000,000.00				

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Blockchain Equity Investment Partnership (Limited Partnership)									
Nanjing Yangzi Environmental Infrastructure Investment Fund Phase I Enterprise (Limited Partnership)	10,000,000.00			10,000,000.00					
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	68,500,000.00			68,500,000.00					
Nanjing Yangzi Agricultural Bank Industry Investment Fund Phase I (Limited Partnership)	20,000,000.00			20,000,000.00					

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	1,000,000.00			1,000,000.00					
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	10,000,000.00			10,000,000.00					
Anhui Guoyuan Trust Co., Ltd.	35,200,000.00			35,200,000.00					
Kaiyuan Guochuang Carrier Investment in Suzhou Industrial Park	4,295,876.38			4,295,876.38					
Tibet Kaiyuan Guochuang Hengyu Venture Investment Management	2,068,992.95			2,068,992.95					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Co., Ltd.									
Nanjing Yangtze Blockchain Equity Investment Partnership (Limited Partnership)	315,000.00	2,175,000.00		2,490,000.00					
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	20,000,000.00			20,000,000.00					
Nanjing Xinglian High-Tech Development Co., Ltd.		90,000.00		90,000.00					
Nanjing Jiangbei New District Xingjing Healthy Community Construction Partnership (Limited Partnership)	27,780,000.00			27,780,000.00				2.70	

For the year ended 31 December 2019

Investees	Book value			Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Decrease during the year		
Nanjing Future Hospital Research Institute Co., Ltd.		1,500,000.00		1,500,000.00			15.00	
Nanjing Institute of Finance and Digital Technology Research Institute Co., Ltd.		600,000.00		600,000.00			10.00	
Nanjing Green Health Building Research Institute Co., Ltd.		1,000,000.00		1,000,000.00			10.00	
Sinopec Nanjing Yanjiang Petroleum Development Co., Ltd.	5,000,000.00			5,000,000.00			14.99	
Changjiang Economic United Development (Group) Co., Ltd.	600,000.00			600,000.00			5.00	3,696.85
Nanjing Yangzi	30,000,000.00			30,000,000.00			2.08	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Yongkang Economic Development Co., Ltd.									
Nanjing Chemical Trade Management Service Co., Ltd.	485,454.55			485,454.55				9.94	
Nanjing Yangtze Hotel Co., Ltd.	800,000.00			800,000.00				10.00	
Nanjing Ningbei Rail Transit Co., Ltd.	209,942,800.00			209,942,800.00				6.00	
Nanjing Liuhe Juysin Village Bank Co., Ltd.	6,000,000.00			6,000,000.00				5.00	
Nanjing Changfeng Investment Guarantee Co., Ltd.	30,000,000.00		30,000,000.00					26.09	
Nanjing Qingyan New Materials Research Institute Co., Ltd.	500,000.00			500,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Shengde Biotechnology Research Institute Co., Ltd.	1,500,000.00			1,500,000.00				15.00	
Shenyou Genome Research Institute (Nanjing) Co., Ltd.	1,500,000.00			1,500,000.00				15.00	
Nanjing Yanjiang Resource Ecology Research Institute Co., Ltd.	3,000,000.00			3,000,000.00				15.00	
Nanjing Quankai Bio-based Materials Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	
Nanjing Zhongwei Nano-functional Materials Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing China-Australia Institute of Translational Medicine Co., Ltd.		500,000.00		500,000.00				5.00	
Yabang Green Process and New Materials Institute Nanjing Co., Ltd.		2,000,000.00		2,000,000.00				10.00	
Nanjing Runbei Intelligent Environment Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	
Nanjing Chemical Industry Park Thermal Power Co., Ltd.	82,643,700.00		82,643,700.00						
Nanjing Xiba Wharf Co., Ltd.	68,250,000.00		68,250,000.00						
Jiangsu Port Group Co., Ltd.		57,798,010.47	57,798,010.47						

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Huaneng Nanjing Thermal Power Co., Ltd.	45,000,000.00	3,060,000.00	48,060,000.00						
Nanjing Longxiang Liquid Chemical Storage and Transportation Terminal Co., Ltd.	37,574,080.66		37,574,080.66						
Nanjing Suhao Technology Microfinance Co., Ltd.	20,000,000.00		20,000,000.00						
Nanjing Zijin Emerging Industries Investment Fund Co., Ltd.	20,000,000.00		20,000,000.00						
Nanjing Fusion Construction Engineering Co., Ltd.		9,955,500.00	9,955,500.00						
Nanjing Jiangbei New District Power		7,500,000.00	7,500,000.00						

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Distribution Co., Ltd.									
Nanjing Sembcorp Water Co., Ltd.	7,026,317.26		7,026,317.26						
Nanjing Chemical Park Water Co., Ltd.	5,969,332.08		5,969,332.08						
Nanjing Xiba Port Co., Ltd.	63,000,000.00		63,000,000.00						
Nanjing Chemical Trade Management Service Co., Ltd.	485,500.00		485,500.00						
Nanjing Huibang Horticulture Co., Ltd.		450,000.00	450,000.00						
Nanjing Lupengyuan Horticulture Co., Ltd.		100,000.00	100,000.00						
Oude Oil Storage (Nanjing) Co., Ltd.	69,649,008.86		69,649,008.86						
Nanjing Huachuang High-	20,000,000.00		20,000,000.00						

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
end Technology Industrialization Base Joint Stock Company									
Nanjing Jiangbei Gongrong Jintou No. 1 Debt-to-Equity Equity Investment Partnership (Limited Partnership)		1,000,000,000.00	1,000,000,000.00						
Nanjing Mingfa Technology Business City Construction Development Co., Ltd.	281,322,916.66			281,322,916.66				49.00	
Nanjing Ningbei Rail Transit Co., Ltd.	458,257,200.00		458,257,200.00						
Yanjiang Sub-district Office, People's Government of Pukou	300,000,000.00		300,000,000.00						

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
District, Nanjing									
Nanjing Jingrui Construction Investment Co., Ltd.	20,000,000.00			20,000,000.00				2.84	
Nanjing Pukou District Safe Housing Construction Development Co., Ltd.	30,000,000.00			30,000,000.00				1.63	
Nanjing Xinliu City Construction Investment Co., Ltd.	30,000,000.00			30,000,000.00				6.98	
Nanjing Qixia City Construction Development Group Co., Ltd.	20,000,000.00			20,000,000.00				0.72	
Nanjing Zijin (Gao Chun) Technology Venture	20,000,000.00			20,000,000.00				2.76	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Special Social Construction Development Co., Ltd.									
Jiangsu Damei Health Technology Co., Ltd.	11,000,000.00			11,000,000.00				10.81	
Sino-German Intelligent Manufacturing Research Institute (Jiangsu) Co., Ltd.	750,000.00			750,000.00				20.00	
Nanjing Haibokang Information Technology Co., Ltd.	2,000,000.00			2,000,000.00				20.00	
Suzhou Chensu Jinming Investment Partnership (Limited Partnership)	50,850,937.00			50,850,937.00					
Jiangsu Fahua Credit Certification Co., Ltd.	5,000,000.00			5,000,000.00				5.06	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Shanghai Passeno Biotechnology Co., Ltd.	30,000,000.00			30,000,000.00				9.09	
Jiangsu Zhimaithui Technology Development Co., Ltd.	15,000,000.00			15,000,000.00				13.04	
Nanjing Huashi Electronic Technology Co., Ltd.	30,000,000.00	10,000,000.00		40,000,000.00				4.72	
Shenzhen Pinsheng Medical Research Institute Co., Ltd.		30,000,000.00		30,000,000.00				6.52	
Nanjing Aimeifei Biomedical Technology Co., Ltd.		19,000,000.00		19,000,000.00					
Nanjing Shihe Gene Biotechnology Co., Ltd.		20,000,000.00		20,000,000.00					
Nanjing Mingfa	1,500,000,000.00			1,500,000,000.00				49.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Technology Business City Construction Development Co., Ltd.									
Nanjing Yike Crowd Health Research Institute Co., Ltd.	950,000.00			950,000.00				15.00	
Nanjing Zhipu Molecular Medical Technology Research Institute Co., Ltd.	500,000.00	1,000,000.00		1,500,000.00				15.00	
Nanjing Yijiyun Medical Data Research Institute Co., Ltd.	450,000.00			450,000.00				15.00	
Nanjing Qirui Youkang Technology Development Investment Partnership (Limited Partnership)	75,000,000.00			75,000,000.00				99.34	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Rongkangbo Medical Research Institute Co., Ltd.	450,000.00	1,050,000.00		1,500,000.00				15.00	
Nanjing Jiangbei Medical Innovation Industry Fund (Limited Partnership)	1,000,000.00	28,142,830.00		29,142,830.00				28.57	
Jiangsu Hongcheng Big Data Technology and Application Research Institute Co., Ltd.		1,000,000.00		1,000,000.00				10.00	
Nanjing Chuang Dingming and Equity Investment Partnership (Limited Partnership)		40,000,000.00		40,000,000.00				12.99	
Nanjing Huarui Brain Research Institute Co., Ltd.		2,500,000.00		2,500,000.00				25.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Huitong Creative Display Co., Ltd.	9,081,624.00			9,081,624.00				2.00	
Nanjing Securities Co., Ltd.	60,000,000.00		60,000,000.00						
Jiangsu Beidou Satellite Application Industry Research Institute Co., Ltd.	5,000,000.00			5,000,000.00				16.67	
Nanjing Jiangbei New District Independent Innovation Service Co., Ltd.	20,000,000.00		20,000,000.00					14.29	
Nanjing High-tech Environmental Monitoring Station Co., Ltd.	100,000.00		100,000.00					1.00	
Nanjing Bitun	5,000,000.00			5,000,000.00				3.57	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Environmental Protection Technology Co., Ltd.									
Nanjing Zhinuofu Financial Information Co., Ltd.	300,000.00			300,000.00				1.00	
Nanjing Jufeng New Material Co., Ltd.	6,000,000.00			6,000,000.00				10.40	
Nanjing Tianzong Yikang Biotechnology Co., Ltd.	5,100,000.00			5,100,000.00				12.23	
Nanjing Jieyuan Investment Management Partnership Enterprise (Limited Partnership)	750,000.00			750,000.00				15.00	
Nanjing Jingyong Medical Health Venture Capital Fund Partnership (Limited Partnership)	3,000,000.00			3,000,000.00				3.09	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Focus Internet Technology Microfinance Co., Ltd.	40,000,000.00		40,000,000.00					8.00	
Nanjing Yunsheng Medical Industry Investment Partnership (Limited Partnership)	15,000,000.00			15,000,000.00				15.00	
Nanjing Enran Ruiguang Investment Management Center (Limited Partnership)	125,000.00			125,000.00				5.00	
Nanjing Beizhong Creative Intelligent Information Industry Investment Partnership (Limited Partnership)	24,000.00			24,000.00				12.00	
Nanjing Enran Ruiguang	30,000,000.00			30,000,000.00				20.62	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Health Industry Investment Enterprise (Limited Partnership)									
Nanjing Sai Fuheng Quasi Venture Capital Fund (Limited Partnership)	50,000,000.00			50,000,000.00				8.79	
Jiangsu Hongtu Intelligent Venture Capital Management Enterprise (Limited Partnership)	150,000.00			150,000.00				5.00	
Nanjing Oriental Lanpu Deep Technology Fund (Limited Partnership)	7,500,000.00	17,500,000.00		25,000,000.00				25.00	
Nanjing Metrology and Investment Corporation for Internet Industry (Limited Partnership)	281,400.00			281,400.00				14.00	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Nanjing Guoxin Energy Co., Ltd.		9,000,000.00		9,000,000.00				5.66	
Nanjing CICC Qihong Investment Fund Partnership (Limited Partnership)		63,692,199.00		63,692,199.00				13.17	
Nanjing Oukai Biological Technology Co., Ltd.		6,000,000.00		6,000,000.00				10.00	
Jiangsu Yuanquan Tianhui Sumin Investment Health Industry Fund (Limited Partnership)	15,000,000.00	9,000,000.00	4,841.00	23,995,159.00				5.94	
Nanjing Yansheng Power Management Chip Investment Fund (Limited Partnership)								11.54	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Jiangsu Yuanquan Red Earth Intelligent Venture Capital Fund (Limited Partnership)	22,500,000.00			22,500,000.00				20.00	
Nanjing Yuanjinghuamu Co., Ltd.		500,000.00		500,000.00				10.00	
Nanjing Mingfa Tongsheng Electronic Information Technology Development Co., Ltd.		3,710,000.00		3,710,000.00				30.00	
Nanjing Jingxu Weiye Venture Capital Center (Limited Partnership)		2,000,000.00	2,000,000.00						
Nanjing Jiangbei New Energy Development Management Co., Ltd.	5,000,000.00			5,000,000.00				0.75	
Nanjing Guosheng		90,400,000.00		90,400,000.00				1.46	

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Rescue Asset Management Partnership (Limited Partnership)									
Nanjing Trusted Blockchain and Algorithmic Economic Research Institute Co., Ltd.		150,000.00		150,000.00				5.00	
Nanjing Institute of Finance and Digital Technology Research Institute Co., Ltd.		150,000.00		150,000.00				2.50	
Nanjing Yangzi ICB Technology Industry Investment Fund Phase I (Limited Partnership)	200,000,000.00		40,000,000.00	160,000,000.00					
Nanjing Yangtze	190,000,000.00			190,000,000.00					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Environmental Infrastructure Investment Fund Phase II (Limited Partnership)									
Nanjing Jiangbei New District Shed Reform Private Equity Investment Fund Phase I	60,000,000.00			60,000,000.00					
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	190,000,000.00		190,000,000.00						
Suzhou Industrial Park Guochuang Kaiyuan Investment Center (Limited Partnership)	1,303,044,203.03	215,769,230.19		1,518,813,433.22					
Nanjing Yangtze	190,000,000.00			190,000,000.00					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Environmental Infrastructure Investment Fund Phase I (Limited Partnership)									
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	2,280,000,000.00		13,500,000.00	2,266,500,000.00				16.83	
Nanjing Yangtze Agricultural Bank Industry Investment Fund Phase I (Limited Partnership)	380,000,000.00			380,000,000.00					
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	200,000,000.00			200,000,000.00					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
Partnership)									
Zijin Trust Co., Ltd.	639,000,000.00			639,000,000.00				5.00	
Sino-German Intelligent Manufacturing Research Institute (Jiangsu) Co., Ltd.	1,200,000.00			1,200,000.00					
Jiangsu Provincial Supply and Marketing Cooperation Industry Development Fund (Limited Partnership)	33,333,400.00	33,333,300.00		66,666,700.00				19.76	
Nanjing Yangtze Blockchain Equity Investment Partnership (Limited Partnership)	18,900,000.00	58,500,000.00		77,400,000.00					
Nanjing Zijin Boulder Private Enterprise Rescue		60,000,000.00		60,000,000.00					

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year		
and Development Fund Phase I (Limited Partnership)									
Shanghai Yangtze River Delta Collaborative Advantage Industry Equity Investment Partnership		150,000,000.00		150,000,000.00				6.94	
Harmony Health Insurance Co., Ltd.		2,955,291,666.67		2,955,291,666.67					
Nanjing Zijin Boulder Private Enterprise Rescue and Development Fund Phase I		120,000,000.00		120,000,000.00					
Nanjing Guosheng Difficult Asset Management Partnership		270,200,000.00		270,200,000.00					

For the year ended 31 December 2019

Investees	Book value			Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	Increase during the year	Decrease during the year		
(Limited Partnership)								
Nanjing Su Mintou Ruisheng Equity Investment Partnership (Limited Partnership)		10,000,000.00		10,000,000.00				
Jiangsu Yuanquan Integrated Circuit Industry Investment Co., Ltd.		60,000,000.00		60,000,000.00				
Nanjing Aircraft Development Co., Ltd.		50,000,000.00		50,000,000.00			16.32	
Nanjing Huijing Youth Exchange Equity Investment Partnership (Limited Partnership)	30,000,000.00	70,000,000.00		100,000,000.00				
Nanjing Chuang Dingming and Equity		40,000,000.00		40,000,000.00				

For the year ended 31 December 2019

Investees	Book value				Provision for impairment			Percentage of share holding in investees(%)	Cash dividend for the year
	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	
Investment Partnership									
Jiangsu Gaotou Yida									
Ninghai Venture Capital Fund (Limited Partnership)		45,000,000.00		45,000,000.00					
Nanjing Century City Real Estate Co., Ltd.	507,500,000.00		507,500,000.00						
Total	12,386,139,665.26	6,667,013,359.92	3,216,734,120.33	15,836,418,904.85	92,900,000.00	14,003,028.00		106,903,028.00	—

10. Held-to-maturity investments

Item	As at 31/12/2019			As at 31/12/2018		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Talent apartment custom project (Note)	512,462,849.70		512,462,849.70	489,246,432.59		489,246,432.59
Nanjing Xinnongyuan Agricultural Development Co., Ltd.				18,000,000.00		18,000,000.00
Nanjing Lidao Modern Agriculture Development Co., Ltd.	38,000,000.00		38,000,000.00	38,000,000.00		38,000,000.00
Agricultural Bank of China	10,060,054.70		10,060,054.70	10,000,085.72		10,000,085.72
Ancient water industry water supply fee income right asset support special plan subordinated asset-backed securities (19 ancient times)	43,000,000.00		43,000,000.00			
Jiangbei Public Security Housing Asset Support Special Plan Subordinated Asset-backed Securities (19 Jiangbao times)	30,000,000.00		30,000,000.00			
Total	633,522,904.40		633,522,904.40	555,246,518.31		555,246,518.31

Note: The Talent Apartment Customization Project is based on the "Talent Apartment

Custom Development Contract" signed by the company's subsidiary Nanjing Jiangbei New Area Yangzi Technology Finance Leasing Co., Ltd. and Mingfa Group Nanjing Real Estate Development Co., Ltd., mainly providing living support for innovative and entrepreneurial high-end talents in the new area. The contract has not been fully purchased by talents within two years of the signing of the contract. The company has the right to request Mingfa Group Nanjing Real Estate Development Co., Ltd. to repurchase the remaining houses at the original price. The company will bear the capital cost at the 6% annual interest rate according to the actual time occupied by the funds .

11. Long-term receivables

(1) Long-term receivables by nature

Item	As at 31/12/2019			Discount rate interval
	Book balance	Provision for impairment	Carrying amount	
Finance Leases	1,330,693,128.97		1,330,693,128.97	
including: unearned finance income	111,652,745.50		111,652,745.50	
Total	1,219,040,383.47		1,219,040,383.47	

Item	As at 31/12/2018			Discount rate interval
	Book balance	Provision for impairment	Carrying amount	
Finance Leases	702,984,674.97		702,984,674.97	
including: unearned finance income	34,647,430.69		34,647,430.69	
Total	668,337,244.28		668,337,244.28	

12. Long-term equity investments

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
I. Joint venture						
Cambridge University Nanjing Technology Innovation Center Co., Ltd.		2,500,000.00		-890,472.47		
Nanjing Jingkang Pension Industry Development		2,000,000.00		5,129.75		

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
Co., Ltd.						
Nanjing Saidexing Pharmaceutical Biomedicine Innovation Development Co., Ltd.	1,284,079.90			-217,483.21		
Nanjing Chemical Institute Zhongshan Science and Technology Pioneer Park Co., Ltd.	10,729,551.03			280,807.45		
Subtotal	12,013,630.93	4,500,000.00	-	-822,018.48	-	
II .Associates						
Beiwentou Cultural Investment Nanjing Co., Ltd.	1,000,000.00			-722,571.24		
Nanjing Jiangbei New District New Financial Development and Construction Co., Ltd.						
Nanjing Gezhouba City Underground Space Comprehensive Construction Development Co., Ltd.		148,700,000.00				
Nanjing Jiangbei New District Underground Space Research Institute Co., Ltd.	3,724,964.12			-1,384,213.27		
Nanjing Jiangbei New District Construction Construction Design and Construction Drawing Review Center	3,000,000.00					
Nanjing Jingan Railway Transportation Investment Development Co., Ltd.	2,000,000.00					
Nanjing Zhongshan Technology Industrial	19,401,875.92		19,401,875.92			

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
Co., Ltd.						
Nanjing Yanjiang Economic and Technological Development Co., Ltd.	200,845,693.38			-21,629,445.96		
Nanjing Fusion Construction Engineering Co., Ltd.	3,000,000.00		3,000,000.00			
Nanjing Yongli Real Estate Co., Ltd.	23,759,047.67		23,759,047.67			
Nanjing Zijin Chemical Park Venture Capital Fund Co., Ltd.	5,696,064.61		5,696,064.61			
Nanjing Chemical Industry Park Energy Saving and Emission Reduction Technology Co., Ltd.	2,204,225.10			15.05		
Nanjing High-Tech Merchants Company	100,000.00					
Nanjing Jiangbei New District Railway Construction Investment Co., Ltd.				-3,916,180.74		
Nanjing Huaxian High- tech Co., Ltd.	20,000,000.00					
CLP (Nanjing) Industrial Investment Fund Partnership Enterprise (Limited Partnership)		210,000,000.00		748,253.14		
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd.		18,400,000.00		-167,866.61		
Nanjing Jiangbei Sibaiyi Equity Investment Management Co., Ltd.		2,000,000.00		-5,502.78		

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
Nanjing Dubu Software Technology Co., Ltd.	830,000.00					
Nanjing Feilining Cryogenic Engineering Co., Ltd.	500,000.00					
Nanjing Feite High-tech Industrial Company	60,000.00					
Nanjing High-tech Pharmaceutical Valley Development and Construction Co., Ltd.	48,392,426.48		48,392,426.48			
Nanjing Green Technology Research Institute Co., Ltd.	2,141,470.34					
Jiangsu Jicui New Pharmaceutical Preparation Technology Co., Ltd.	565,912.39			116,428.87		
Jiangsu Jicui Medical Immunology Research Institute Co., Ltd.		600,000.00		5,248.62		
Jiangsu Jicui Intelligent Manufacturing Technology Research Institute Co., Ltd.	3,264,633.17		3,264,633.17			
Nanjing Mingfa Business Management Co., Ltd.	96,797,841.77			-6,507,349.83		
Nanjing Lihe Changjiang Innovation Center Co., Ltd.	4,226,984.76			1,303,069.47		
Nanjing Jiangbei High-tech Industrial Development Equity Investment Fund (Limited Partnership)	45,297,660.79			-54,707.82		
Nanjing Oriental Lanpu Deep Technology Fund	7,384,930.35	31,105,771.61				

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
(Limited Partnership)						
Nanjing Technology University Membrane Application Technology Research Institute Co., Ltd.	3,755,394.20			707,440.09		
Jiangsu Jicui Advanced Polymer Materials Research Institute Co., Ltd.	1,000,000.00	800,000.00				
Nanjing Nanzhi Advanced Optoelectronic Integration Technology Research Institute Co., Ltd.	2,554,638.40		2,554,638.40			
Nanjing Green Additive Intelligent Manufacturing Research Institute Co., Ltd.	1,936,593.98			-40,369.10		
Jiangsu Yangtze River Delta Smart Water Research Institute Co., Ltd.	921,511.34			231,667.64		
Jiangsu Hongcheng Big Data Technology and Application Research Institute Co., Ltd.		2,000,000.00		1,213,512.26		
Nanjing Supercomputing Network Co., Ltd.		600,000.00		-43,504.51		
Nanjing Trusted Blockchain and Algorithm Research Institute Co., Ltd.		600,000.00		-321,403.41		
Nanjing Hande Digital Twin Technology Research Institute Co.,		600,000.00		-338,142.52		

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensi ve income	Other equity movements
Ltd.						
Nanjing Metrology and One Internet Industry Investment Center (Limited Partnership)	1,043,634.87			719,954.31		
Nanjing Lixing Microelectronics Technology Co., Ltd.	284,931.88			344,812.29		
Nanjing Underground Space Hi-Tech Industry Research Institute Co., Ltd.		900,000.00		246,507.30		
Nanjing Haoxiang Basic Software Research Institute Co., Ltd.		2,000,000.00		3,274.12		
Nanjing Chengsheng Cultural Industry Investment Fund Partnership (Limited Partnership)		6,000,000.00		-59,557.85		
Nanjing High-Tech Merchants Company	100,000.00		100,000.00			
Nanjing Hi-Tech Composite Technology Co., Ltd.	337,547.19			-314,222.84		
Nanjing Beizhong Creative Intelligent Information Industry Investment Partnership (Limited Partnership)	55,787.90			2.55		
Nanjing Dingnuo Biomedical Technology Co., Ltd.		50,000,000.00				
Dragon Zhi Information Technology (Nanjing) Co., Ltd.		6,000,000.00				

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
Nanjing Jinpu Consumer Intelligent Manufacturing Equity Investment Fund Partnership Enterprise (Limited Partnership)		76,900,000.00				
Nanjing Yuanluoxin Technology Co., Ltd.		20,000,000.00				
Nanjing Digital City Investment and Construction Co., Ltd.	11,558,552.43					
Nanjing Shihe Health Information Technology Co., Ltd.	30,730,744.90		30,730,744.90			
Nanjing Yangtze Jasmine Valley Cultural Technology Co., Ltd.	26,179,805.88			-535,472.79		
Cloud Health Biological Information Nanjing Co., Ltd.	6,750,679.96					
Jiangsu Zhuye Construction Technology Development Co., Ltd.	22,513,529.59			1,453,761.36		
Nanjing Weinuoer Technology Project Management Co., Ltd.	12,580,295.41			433,189.54		
Nanjing Qiuzhen Gene Technology Co., Ltd.	5,144,077.25	6,177,431.26				
Nanjing Huashi Electronic Technology Co., Ltd.	10,181,883.42		10,000,000.00	-181,883.42		
Nanjing Diyang Biological Technology Co., Ltd.	4,328,007.09					
Nanjing Yangzi Technology Venture Equity Investment Fund (Limited Partnership)						

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
other					616,002,113.83	
Nanjing Rongkangbo Medical Research Institute Co., Ltd.						
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	4,164,384.07			813,152.89		
Nanjing Huarui Brain Research Institute Co., Ltd.						
Nanjing Yike Crowd Health Research Institute Co., Ltd.		2,500,000.00		45,556.22		
Nanjing Baoan High-tech Investment Co., Ltd.	6,915,086.46			-26,625.58		
Nanjing Science and Technology High-Tech Development Co., Ltd.	6,174,892.56			-2,515,195.89		
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	28,561,305.79			-408,194.03		
Nanjing High-tech Life Science Venture Capital Center (Limited Partnership)	1,009,370.38			28.47		
Nanjing Metrology and One Internet Industry Investment Center (Limited Partnership)	1,371,908.20	1,000,000.00		-167,421.72		
Nanjing Gaoyi Water Environmental Industry Investment Partnership (Limited Partnership)	5,500,093.79			-10.73		
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited	52,305,790.78	113,957,250.00		-2,413,394.04		

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
Partnership)						
Nanjing Xinnong Modern Agricultural Industry Investment Management Co., Ltd.	1,056,467.79			79,834.21		
Nanjing Shengshi Yangzi Fund Investment Management Co., Ltd.	6,639,713.07	315,000.00		367,442.99		
Nanjing Digital City Investment and Construction Co., Ltd.	11,558,552.43					
Nanjing Shihe Health Information Technology Co., Ltd.	30,730,744.90		30,730,744.90			
Beiwentou Cultural Investment Nanjing Co., Ltd.	1,000,000.00					
China Research Institute of Green Finance (Nanjing) Co., Ltd.	750,000.00					
Nanjing Ningbei Rail Transit Co., Ltd.		1,074,257,200.00				
Nanjing Chemical Industry Park Tianyu Solid Waste Disposal Co., Ltd.	44,866,687.41			843,321.99		
Nanjing Chemical Park Bored Water Co., Ltd.	22,548,507.73			6,321,733.53		
Nanjing Yongli Real Estate Co., Ltd.		23,805,754.78		341,176.28		
Nanjing Ruixu Product Technology Co., Ltd.	1,883,572.11			-715,788.71		
Nanjing Jingan Railway Transportation Investment Development Co., Ltd.	2,000,000.00					
Nanjing Jiangbei New	270,036,560.58	251,277,351.22				

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

Investee	Balance as at 31/12/2016	Movements during the year				
		Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements
District Investment Development Co., Ltd.						
Nanjing Aircraft Development Co., Ltd.	49,891,713.99		49,891,713.99			
Nanjing Golden Travel Financial Leasing Co., Ltd.	50,000,000.00	4,900,197.84				
Nanjing Jiangbei New District State-owned Assets Management Co., Ltd.						2,870,586,778.51
Subtotal	1,235,116,698.58	2,055,395,956.71	227,521,890.04	-26,129,642.20	616,002,113.83	2,870,586,778.51
III .Subsidiaries						
Nanjing Chaoxin Material Technology Development Co., Ltd.	3,100,000.00					
Subtotal	3,100,000.00					
IV.Convertible debt investment						
Nanjing Yuanfu Technology Co., Ltd.		8,000,000.00				
Nanjing Xunlian Intelligent Technology Co., Ltd.		15,000,000.00				
Nanjing Chuxin Integrated Circuit Co., Ltd.		5,000,000.00				
Subtotal		28,000,000.00				
Total	1,250,230,329.51	2,087,895,956.71	227,521,890.04	-26,951,660.68	616,002,113.83	2,870,586,778.51

(Continued)

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
I .Joint venture					
Cambridge University Nanjing Technology				1,609,527.53	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Innovation Center Co., Ltd.					
Nanjing Jingkang Pension Industry Development Co., Ltd.				2,005,129.75	
Nanjing Saidexing Pharmaceutical Biomedicine Innovation Development Co., Ltd.				1,066,596.69	
Nanjing Chemical Institute Zhongshan Science and Technology Pioneer Park Co., Ltd.				11,010,358.48	
Subtotal				15,691,612.45	
II .Associates					
Beiwentou Cultural Investment Nanjing Co., Ltd.				277,428.76	
Nanjing Jiangbei New District New Financial Development and Construction Co., Ltd.			30,000,000.00	30,000,000.00	
Nanjing Gezhouba City Underground Space Comprehensive Construction Development Co., Ltd.			60,000,000.00	208,700,000.00	
Nanjing Jiangbei New District Underground Space Research Institute Co., Ltd.				2,340,750.85	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Nanjing Jiangbei New District Construction Construction Design and Construction Drawing Review Center				3,000,000.00	
Nanjing Jingan Railway Transportation Investment Development Co., Ltd.				2,000,000.00	
Nanjing Zhongshan Technology Industrial Co., Ltd.					
Nanjing Yanjiang Economic and Technological Development Co., Ltd.				179,216,247.42	
Nanjing Fusion Construction Engineering Co., Ltd.					
Nanjing Yongli Real Estate Co., Ltd.					
Nanjing Zijin Chemical Park Venture Capital Fund Co., Ltd.					
Nanjing Chemical Industry Park Energy Saving and Emission Reduction Technology Co., Ltd.				2,204,240.15	
Nanjing High-Tech Merchants Company				100,000.00	
Nanjing Jiangbei			327,955,455.88	324,039,275.14	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
New District Railway Construction Investment Co., Ltd.					
Nanjing Huaxian High-tech Co., Ltd.				20,000,000.00	
CLP (Nanjing) Industrial Investment Fund Partnership Enterprise (Limited Partnership)				210,748,253.14	
Nanjing Integrated Circuit Design Service Industry Innovation Center Co., Ltd.				18,232,133.39	
Nanjing Jiangbei Sibaiyi Equity Investment Management Co., Ltd.				1,994,497.22	
Nanjing Dubu Software Technology Co., Ltd.				830,000.00	830,000.00
Nanjing Feilining Cryogenic Engineering Co., Ltd.				500,000.00	500,000.00
Nanjing Feite High-tech Industrial Company				60,000.00	60,000.00
Nanjing High-tech Pharmaceutical Valley Development and Construction Co., Ltd.					
Nanjing Green Technology Research Institute				2,141,470.34	

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Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Co., Ltd.					
Jiangsu Jicui New Pharmaceutical Preparation Technology Co., Ltd.				682,341.26	
Jiangsu Jicui Medical Immunology Research Institute Co., Ltd.				605,248.62	
Jiangsu Jicui Intelligent Manufacturing Technology Research Institute Co., Ltd.					
Nanjing Mingfa Business Management Co., Ltd.				90,290,491.94	
Nanjing Lihe Changjiang Innovation Center Co., Ltd.				5,530,054.23	
Nanjing Jiangbei High-tech Industrial Development Equity Investment Fund (Limited Partnership)				45,242,952.97	
Nanjing Oriental Lanpu Deep Technology Fund (Limited Partnership)				38,490,701.96	
Nanjing Technology University Membrane Application				4,462,834.29	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Technology Research Institute Co., Ltd.					
Jiangsu Jicui Advanced Polymer Materials Research Institute Co., Ltd.				1,800,000.00	
Nanjing Nanzhi Advanced Optoelectronic Integration Technology Research Institute Co., Ltd.					
Nanjing Green Additive Intelligent Manufacturing Research Institute Co., Ltd.				1,896,224.88	
Jiangsu Yangtze River Delta Smart Water Research Institute Co., Ltd.				1,153,178.98	
Jiangsu Hongcheng Big Data Technology and Application Research Institute Co., Ltd.				3,213,512.26	
Nanjing Supercomputing Network Co., Ltd.				556,495.49	
Nanjing Trusted Blockchain and Algorithm Research Institute Co., Ltd.				278,596.59	
Nanjing Hande Digital Twin Technology Research Institute				261,857.48	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Co., Ltd.					
Nanjing Metrology and One Internet Industry Investment Center (Limited Partnership)				1,763,589.18	
Nanjing Lixing Microelectronics Technology Co., Ltd.				629,744.17	
Nanjing Underground Space Hi-Tech Industry Research Institute Co., Ltd.				1,146,507.30	
Nanjing Haoxiang Basic Software Research Institute Co., Ltd.				2,003,274.12	
Nanjing Chengsheng Cultural Industry Investment Fund Partnership (Limited Partnership)				5,940,442.15	
Nanjing High-Tech Merchants Company					
Nanjing Hi-Tech Composite Technology Co., Ltd.				23,324.35	
Nanjing Beizhong Creative Intelligent Information Industry Investment Partnership (Limited Partnership)				55,790.45	
Nanjing Dingnuo Biomedical Technology Co., Ltd.				50,000,000.00	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Dragon Zhi Information Technology (Nanjing) Co., Ltd.				6,000,000.00	
Nanjing Jinpu Consumer Intelligent Manufacturing Equity Investment Fund Partnership Enterprise (Limited Partnership)				76,900,000.00	
Nanjing Yuanluoxin Technology Co., Ltd.				20,000,000.00	
Nanjing Digital City Investment and Construction Co., Ltd.				11,558,552.43	
Nanjing Shihe Health Information Technology Co., Ltd.					
Nanjing Yangtze Jasmine Valley Cultural Technology Co., Ltd.				25,644,333.09	
Cloud Health Biological Information Nanjing Co., Ltd.				6,750,679.96	
Jiangsu Zhuye Construction Technology Development Co., Ltd.				23,967,290.95	
Nanjing Weinuoer Technology Project Management Co., Ltd.				13,013,484.95	
Nanjing Qiuzhen				11,321,508.51	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Gene Technology Co., Ltd.					
Nanjing Huashi Electronic Technology Co., Ltd.				-0.00	
Nanjing Diyang Biological Technology Co., Ltd.				4,328,007.09	
Nanjing Yangzi Technology Venture Equity Investment Fund (Limited Partnership)					
other				616,002,113.83	
Nanjing Rongkangbo Medical Research Institute Co., Ltd.					
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.				4,977,536.96	
Nanjing Huarui Brain Research Institute Co., Ltd.					
Nanjing Yike Crowd Health Research Institute Co., Ltd.				2,545,556.22	
Nanjing Baoan High-tech Investment Co., Ltd.				6,888,460.88	
Nanjing Science and Technology High-Tech Development Co., Ltd.				3,659,696.67	
Nanjing Jieyuan Growth Venture Capital Partnership				28,153,111.76	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
(Limited Partnership)					
Nanjing High-tech Life Science Venture Capital Center (Limited Partnership)				1,009,398.85	
Nanjing Metrology and One Internet Industry Investment Center (Limited Partnership)				2,204,486.48	
Nanjing Gaoyi Water Environmental Industry Investment Partnership (Limited Partnership)				5,500,083.06	
Nanjing Jiangbei Intelligent Manufacturing Industry Fund (Limited Partnership)				163,849,646.74	
Nanjing Xinnong Modern Agricultural Industry Investment Management Co., Ltd.				1,136,302.00	
Nanjing Shengshi Yangzi Fund Investment Management Co., Ltd.	2,436,360.86			4,885,795.20	
Nanjing Digital City Investment and Construction Co., Ltd.				11,558,552.43	
Nanjing Shihe Health Information					

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Technology Co., Ltd.					
Beiwentou Cultural Investment Nanjing Co., Ltd.			-1,000,000.00		
China Research Institute of Green Finance (Nanjing) Co., Ltd.				750,000.00	
Nanjing Ningbei Rail Transit Co., Ltd.				1,074,257,200.00	
Nanjing Chemical Industry Park Tianyu Solid Waste Disposal Co., Ltd.			-45,710,009.40		
Nanjing Chemical Park Bored Water Co., Ltd.			-28,870,241.26		
Nanjing Yongli Real Estate Co., Ltd.			-24,146,931.06		
Nanjing Ruixu Product Technology Co., Ltd.			-1,167,783.40		
Nanjing Jingan Railway Transportation Investment Development Co., Ltd.			-2,000,000.00		
Nanjing Jiangbei New District Investment Development Co., Ltd.				521,313,911.80	
Nanjing Aircraft Development Co., Ltd.					
Nanjing Golden Travel Financial				54,900,197.84	

For the year ended 31 December 2019

Investee	Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
	Declared distribution of cash dividends or profits	Provision for impairment	Change in consolidation scope		
Leasing Co., Ltd.					
Nanjing Jiangbei New District State-owned Assets Management Co., Ltd.				2,870,586,778.51	
Subtotal	2,436,360.86		315,060,490.76	6,836,074,145.29	1,390,000.00
III. Subsidiaries					
Nanjing Chaoxin Material Technology Development Co., Ltd.				3,100,000.00	3,100,000.00
Subtotal				3,100,000.00	3,100,000.00
IV. Convertible debt investment					
Nanjing Yuanfu Technology Co., Ltd.				8,000,000.00	
Nanjing Xunlian Intelligent Technology Co., Ltd.				15,000,000.00	
Nanjing Chuxin Integrated Circuit Co., Ltd.				5,000,000.00	
Subtotal				28,000,000.00	
Total	2,436,360.86		315,060,490.76	6,882,865,757.74	4,490,000.00

13. Investment properties

(1) Investment properties measured using the cost model:

Item	Building	Total
I. Cost		
1. Balance as at 31/12/2018	154,707,226.68	154,707,226.68
2. Additions during the year		
(1) Purchases		
(2) Transfer from inventories/fixed assets/construction in progress		

For the year ended 31 December 2019

Item	Building	Total
3. Decrease during the year		
(1) Disposals or written-offs		
(2) Other		
4. Balance as at 31/12/2019	154,707,226.68	154,707,226.68
II. Accumulated depreciation:		
1. Balance as at 31/12/2018	3,751,650.25	3,751,650.25
2. Additions during the year	3,751,650.24	3,751,650.24
(1) Provision	3,751,650.24	3,751,650.24
3. Decrease during the year		
(1) Disposals or written-offs		
(2) Other		
4. Balance as at 31/12/2019	7,503,300.49	7,503,300.49
III. Provision for impairment		
1. Balance as at 31/12/2018		
2. Additions during the year		
(1) Provision		
3. Decrease during the year		
(1) Disposals or written-offs		
(2) Other		
4. Balance as at 31/12/2019		
IV. Carrying amount		
1. Balance as at 31/12/2019	147,203,926.19	147,203,926.19
2. Balance as at 31/12/2018	150,955,576.43	150,955,576.43

(2) Investment properties measured using the fair value measurement model:

Item	Building	Total
I. Balance as at 31/12/2018	9,052,449,846.33	9,052,449,846.33
II. Movements during the year	5,663,258,279.28	5,663,258,279.28
(1) Purchases	4,431,352.37	4,431,352.37
(2) Transfer from inventories/fixed	4,155,522,467.94	4,155,522,467.94

For the year ended 31 December 2019

Item	Building	Total
assets/construction in progress		
(3) Additions due to business combinations	1,360,950,000.00	1,360,950,000.00
Less: (1) Disposals		
(2) Other transfers out	287,055,162.26	287,055,162.26
(3) Movements in fair value	429,409,621.23	429,409,621.23
III. Balance as at 31/12/2019	14,715,708,125.61	14,715,708,125.61

(3) Investment properties pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending	Note
Nanjing Biomedical Research Institute and Biomedical Innovation Platform Building Project	436,970,000.00	Processing	
Plant 20	17,620,000.00	Processing	
29# Workshop	39,980,000.00	Processing	Total evaluation value with 28# plant
Biomedical Park (Incubator Building)	130,460,000.00	Processing	
Apartment A, B	27,060,000.00	Processing	
Tengfei Building	1,247,135,121.00	Processing	
Formulation accelerator	117,270,000.00	Processing	
Fanting Panyuan Phase II	65,313,346.00	Allocated land	
Eternal Home Phase II	8,920,599.00	Allocated land	
Fengbin Jiayuan Phase II	23,685,950.00	Allocated land	
Yijing Garden	18,676,943.00	Allocated land	
Sanpan Second Village	16,469,973.00	Allocated land	
Ren Jin Yuan Phase I	60,386,859.00	Allocated land	
Total	2,209,948,791.00		

14. Fixed assets

Item	As at 31/12/2019	As at 31/12/2018
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Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

For the year ended 31 December 2019

Item	As at 31/12/2019	As at 31/12/2018
Fixed assets	2,799,470,225.31	3,591,696,532.48
Disposal of fixed assets	98,330,785.29	1,696,578.54
Total	2,897,801,010.60	3,593,393,111.02

(1) Fixed assets

① Fixed assets details

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
I .Cost						
1. Balance as at 31/12/2018	1,215,049,278.15	246,852,339.78	162,017,960.88	192,832,445.69	3,515,715,812.38	5,332,467,836.88
2. Additions during the year	991,375,701.44	562,294,059.18	61,154,049.19	185,494,560.12	211,290,187.74	2,011,608,557.67
(1) Purchases	174,924,229.27	536,377,248.61	53,603,919.60	179,423,747.92	60,496,296.34	1,004,825,441.74
(2) Transfer in of construction in progress	712,735,352.01	24,712,004.50		136,521.11	137,074,456.67	874,658,334.29
(3) Enterprise consolidation increase	101,216,120.16	86,706.07	6,103,676.80	5,452,494.08	13,683,934.73	126,542,931.84
(4) Other	2,500,000.00	1,118,100.00	1,446,452.79	481,797.01	35,500.00	5,581,849.80
3. Decrease during the year	830,972,105.78	110,823,923.25	153,595,814.02	13,923,140.51	2,646,701,921.64	3,756,016,905.20
(1) Disposals or written-offs	194,726,153.75	105,658,969.60	18,939,937.90	9,076,552.49	1,599.00	328,403,212.74
(2) Enterprise consolidation decrease	11,349,696.32	5,129,453.65	54,753,692.97	1,884,678.13	1,977,570.21	75,095,091.28
(3) Other	624,896,255.71	35,500.00	79,902,183.15	2,961,909.89	2,644,722,752.43	3,352,518,601.18
4. Balance as at 31/12/2019	1,375,452,873.81	698,322,475.71	69,576,196.05	364,403,865.30	1,080,304,078.48	3,588,059,489.35
II. Accumulate						

For the year ended 31 December 2019

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
d depreciation:						
1. Balance as at 31/12/2018	274,527,928.08	146,264,803.35	86,460,454.80	89,320,942.46	1,144,197,175.71	1,740,771,304.40
2. Additions during the year	76,976,094.52	107,417,267.71	29,343,770.00	44,761,593.27	182,721,255.92	441,219,981.42
(1) Provision	51,509,646.75	107,412,895.16	24,629,159.67	41,131,228.11	174,712,843.96	399,395,773.65
(2) Enterprise consolidation decrease	25,466,447.77	4,372.55	4,714,610.33	3,630,365.16	8,008,411.96	41,824,207.77
3. Decrease during the year	227,737,980.21	92,071,118.34	68,892,977.34	10,834,918.60	993,865,027.29	1,393,402,021.78
(1) Disposals or written-offs	94,275,813.23	88,694,565.77	13,812,009.77	7,972,031.18	1,519.20	204,755,939.15
(2)Enterprise consolidation decrease	2,909,824.17	3,173,549.20	19,290,207.29	1,193,547.82	1,196,560.64	27,763,689.12
(3)Other	130,552,342.81	203,003.37	35,790,760.28	1,669,339.60	992,666,947.45	1,160,882,393.51
4. Balance as at 31/12/2019	123,766,042.39	161,610,952.72	46,911,247.46	123,247,617.13	333,053,404.34	788,589,264.04
III.Provision for impairment						
1. Balance as at 31/12/2018						
2. Additions during the year						
(1) Provision						
3. Decrease during the year						
(1) Disposals or written-offs						

For the year ended 31 December 2019

Item	Buildings	Mechanical equipment	Motor vehicles	Electronic equipment	Other equipments	Total
4. Balance as at 31/12/2019						
IV.Carrying amount						
1. Balance as at 31/12/2019	1,251,686,831.42	536,711,522.99	22,664,948.59	241,156,248.17	747,250,674.14	2,799,470,225.31
2. Balance as at 31/12/2018	940,521,350.07	100,587,536.43	75,557,506.08	103,511,503.23	2,371,518,636.67	3,591,696,532.48

②Fixed assets pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending
Guixinyuan Facade Room	3,158,400.00	Resettlement housing without certificates of ownership
Waterworks Phase III	795,826.21	Transfer nature
Duty room	112,800.00	Transfer nature
Hotel room	2,187,077.20	Transfer nature
Water making complex	1,456,054.55	Processing
Pump room	1,331,966.92	Processing
Second pump room	86,871.84	Processing
Waterhouse guard duty building	53,456.00	Processing
Office building	2,786,449.60	Processing
warehouse	67,170.40	Processing
Booster station house	2,947,197.88	Processing
Expansion project of distillery booster station	27,878,958.51	Processing
Total	42,862,229.11	

15. Construction in progress

(1) Construction in progress

Category	As at 31/12/2019	As at 31/12/2018
Construction in progress	11,557,076,713.72	7,906,012,834.73

For the year ended 31 December 2019

Category	As at 31/12/2019	As at 31/12/2018
Engineer material	6,976,991.02	
Total	11,564,053,704.74	7,906,012,834.73

(2) Significant construction in progress

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Mingfa Zhihui City Phase I, Phase II and Phase III	312,812,288.92		312,812,288.92	1,747,827,114.81		1,747,827,114.81
"Vertical Forest" Project	1,388,333,151.38		1,388,333,151.38	1,308,719,387.88		1,308,719,387.88
National Health and Medical Big Data Center	511,876,351.56		511,876,351.56	823,703,809.42		823,703,809.42
Land Consolidation and Development in Yeshan District of Jinniu Lake	725,915,745.38		725,915,745.38	654,191,060.92		654,191,060.92
Jinniuhu Street Phase II Relocation Project	431,693,943.07		431,693,943.07	564,326,249.37		564,326,249.37
Building 16, Tree House, Phase 4, R&D Building	511,153,074.69		511,153,074.69	344,013,023.17		344,013,023.17
zoo				271,247,246.16		271,247,246.16
Public Health Science and Technology Innovation Center	206,143,337.37		206,143,337.37	237,042,367.24		237,042,367.24
R&D Building Phase III Vitality Source	281,727,528.81		281,727,528.81	231,070,622.34		231,070,622.34
NO. 2018G18 land transfer fee				228,000,943.40		228,000,943.40
Health Technology Industrial Park	238,667,870.46		238,667,870.46	217,845,243.56		217,845,243.56
Yaogu Talent Public Rental Housing	217,809,590.70		217,809,590.70	204,091,364.27		204,091,364.27
Other sporadic projects	198,338,595.97		198,338,595.97	144,748,805.14		144,748,805.14

For the year ended 31 December 2019

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Nanjing Biomedical Valley Business Center Project	341,214,169.55		341,214,169.55	96,419,977.64		96,419,977.64
Formulation accelerator	120,275,865.95		120,275,865.95	85,953,125.66		85,953,125.66
Accelerator Phase III				61,251,516.81		61,251,516.81
Juhuiyuan	192,104,852.76		192,104,852.76	60,824,042.28		60,824,042.28
Accelerator Phase IV				56,238,854.00		56,238,854.00
Zhicheng Park 50000 square meters file upgrade project				47,768,295.23		47,768,295.23
Chemical light	110,113,198.66		110,113,198.66	46,700,385.00		46,700,385.00
Comprehensive Service Center	44,008,563.00		44,008,563.00	35,604,353.36		35,604,353.36
Science and Technology Cloud Center	71,367,101.60		71,367,101.60	34,188,196.45		34,188,196.45
NO.Ningxin District 2018GY30 land transfer fee				32,750,000.00		32,750,000.00
NO.Ningxin District 2018GY31 land transfer fee				32,750,000.00		32,750,000.00
DN1400 pipeline project from Yongzhuang to Longchi section of National Highway 328				32,655,769.13		32,655,769.13
Low-carbon cloud platform				30,931,548.20		30,931,548.20
Jinniuhu Street Resettlement House	79,589,114.81		79,589,114.81	27,160,743.59		27,160,743.59
Accelerator Phase IV (Phase II)				25,624,114.58		25,624,114.58

For the year ended 31 December 2019

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Three supply and one industry pipe network transfer project	98,021,920.80		98,021,920.80	25,183,498.00		25,183,498.00
The first stage of shed reform in the old town area of Chengqiao Street	25,165,094.34		25,165,094.34	25,000,000.00		25,000,000.00
Dongfang Laser Land Use Right and House Ownership Transfer	26,688,085.15		26,688,085.15	23,308,371.37		23,308,371.37
R&D Center (Convention and Exhibition Center)	178,657.34		178,657.34	22,497,559.11		22,497,559.11
Water Plant Phase IV Reconstruction and Expansion Project	82,778,643.32		82,778,643.32	22,042,573.49		22,042,573.49
New Town Construction and Development Project	21,020,617.96		21,020,617.96	18,035,369.24		18,035,369.24
Accelerator Phase II				18,020,464.30		18,020,464.30
Planning of leisure travel	32,741,051.31		32,741,051.31	16,688,315.11		16,688,315.11
Intelligent Connected Car	7,856,811.98		7,856,811.98	14,523,175.25		14,523,175.25
Window of the Earth Theme Park	20,087,775.45		20,087,775.45	13,222,762.49		13,222,762.49
Nanjing Jiangbei Port Economic Zone Bonded Logistics Center Co., Ltd. (Type B) Project				12,953,549.85		12,953,549.85
Medium-pressure steam pipeline from Yudai Power Plant to				10,889,036.91		10,889,036.91

For the year ended 31 December 2019

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Huntsman						
Changjiang River Complex	1,672,081,777.63		1,672,081,777.63			
Jiangbei New District Water Environment Improvement System Phase II	577,624,191.47		577,624,191.47			
Yangtze River Creative District	422,840,105.85		422,840,105.85			
Jiangbei New District Water Environment Improvement System Phase III	287,677,922.84		287,677,922.84			
Rural sewage treatment project in Jiangbei New District	248,029,926.42		248,029,926.42			
Nanjing Biomedical Valley Rental Housing (Phase III)	234,954,943.40		234,954,943.40			
Underground Space Phase I	224,861,297.98		224,861,297.98			
Modern Industry Innovation Center Project	184,149,656.27		184,149,656.27			
Purchase and reconstruction of northern sewage plant	176,542,543.73		176,542,543.73			
Expansion and Transformation of Gaoxinbei Sewage Treatment Plant	113,212,084.44		113,212,084.44			

For the year ended 31 December 2019

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Rural Road Ashing Project	96,692,310.26		96,692,310.26			
Dachang Sewage Treatment Plant	84,552,058.78		84,552,058.78			
Concrete mixing plant project	77,984,053.57		77,984,053.57			
Nanjing Tongyang Textile	63,289,141.24		63,289,141.24			
Dachang Sewage Treatment Plant Outer Pipeline Network Construction Project	57,816,263.78		57,816,263.78			
Nanjing office building and laboratory design and renovation project	55,461,861.99		55,461,861.99			
Directly managed district intelligent transportation supporting projects in 2019 (pancheng, yangjiang, taishan, dingshan area scope)	52,477,034.43		52,477,034.43			
Central Business District Exhibition Center	49,035,814.67		49,035,814.67			
Biobank	42,265,486.81		42,265,486.81			
Intelligent R&D Base Project	41,829,456.10		41,829,456.10			
Mass spectrometry analysis and testing center project	38,795,056.64		38,795,056.64			
Low-carbon cloud	33,224,001.03		33,224,001.03			

For the year ended 31 December 2019

Project	As at 31/12/2019			As at 31/12/2019		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
platform						
Jinniu Lake Yeshan Tourism Resort Phase I Tourism Avenue Project	21,940,024.08		21,940,024.08			
Building D4, Nangong University Industrial Park	21,076,013.62		21,076,013.62			
International Enterprise R&D Park	19,404,851.70		19,404,851.70			
(Zhongdanyuan Building B, 1st floor) Exhibition hall decoration project	10,954,472.29		10,954,472.29			
Other projects	350,621,360.41		350,621,360.41			
Total	11,557,076,713.72		11,557,076,713.72	7,906,012,834.73		7,906,012,834.73

16. Intangible assets

(1) Intangible assets

Item	Land use right	Proprietary technology	Software	Concession	Total
I. Cost					
1. Balance as at 31/12/2018	1,828,062,724.30	960,000.00	24,561,869.83	98,104,923.19	1,951,689,517.32
2. Additions during the year	580,007,071.59		18,632,091.92	453,397.81	599,092,561.32
(1) Purchase	579,078,260.65		18,296,873.32	453,397.81	597,828,531.78
(2) Additions due to business combinations	928,810.94		335,218.60		1,264,029.54
(3) Internal development					
3. Decrease	1,338,995,762.18		1,949,581.26		1,340,945,343.44

For the year ended 31 December 2019

Item	Land use right	Proprietary technology	Software	Concession	Total
during the year					
(1) Disposal	5,000,000.00				5,000,000.00
(2) Decrease due to business combinations	1,333,995,762.18		1,949,581.26		1,335,945,343.44
(3) Other					
4. Balance as at 31/12/2019	1,069,074,033.71	960,000.00	41,244,380.49	98,558,321.00	1,209,836,735.20
II. Accumulative amortisation					
1. Balance as at 31/12/2018	39,119,537.23	490,208.33	20,604,729.45	1,642,638.69	61,857,113.70
2. Additions during the year	30,901,123.49	193,041.67	4,098,011.56	9,857,162.28	45,049,339.00
(1) Provision	30,760,773.12	193,041.67	4,013,194.17	9,857,162.28	44,824,171.24
(2) Additions due to business combinations	140,350.37		84,817.39		225,167.76
3. Decrease during the year	29,448,879.56		686,363.38		30,135,242.94
(1) Disposal	900,000.00				900,000.00
(2) Decrease due to business combinations	28,548,879.56		686,363.38		29,235,242.94
4. Balance as at 31/12/2019	40,571,781.16	683,250.00	24,016,377.63	11,499,800.97	76,771,209.76
III. Provision for impairment					
1. Balance as at 31/12/2018					

For the year ended 31 December 2019

Item	Land use right	Proprietary technology	Software	Concession	Total
2. Additions during the year					
(1) Provision					
3. Decrease during the year					
(1) Disposal					
4. Balance as at 31/12/2019					
IV. Carrying amount					
1. Balance as at 31/12/2019	1,028,502,252.55	276,750.00	17,228,002.86	87,058,520.03	1,133,065,525.44
2. Balance as at 31/12/2018	1,788,943,187.07	469,791.67	3,957,140.38	96,462,284.50	1,889,832,403.62

(2) Intangible assets pending certificates of ownership

Item	Carrying amount	Reason why certificates are pending
NO.Ning 2014GY27 land for public facilities	11,977,607.29	Processing

17. Development costs

Project	As at 31/12/2018	Additions during the year		Decreased during the year		As at 31/12/2019
		Internal development	Others	Recognised as intangible assets	Recognised in profit or loss	
Million Population Genome Project		47,169,811.50				47,169,811.50
Digital financial experiment base application demonstration project		3,393,765.93				3,393,765.93
Total		50,563,577.43				50,563,577.43

18. Goodwill

For the year ended 31 December 2019

(1) Book value of goodwill

Name of investee or events from which goodwill arose	As at 31/12/2018	Additions during the year	Decreases during the year	As at 31/12/2019
Nanjing Chemical Industry Park Public Utilities Co., Ltd. (Note)	1,810,000.00		1,810,000.00	
Total	1,810,000.00		1,810,000.00	

Note: Nanjing Jiangbei New District State-owned Assets Management Co., Ltd.'s equity was allocated this year and is not included in the scope of consolidation. The decrease in goodwill is the decrease in mergers.

19. Long-term deferred expenses

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Land lease fee for concrete mixing plant		3,000,000.00	1,500,000.00		1,500,000.00
Planning interior renovation	159,031.37		136,312.44		22,718.93
Planning exhibition hall carport	191,912.75		109,664.52		82,248.23
6 Tianpu Road	1,131,974.49		371,018.16		760,956.33
1 Tianpu Road	255,540.00		82,877.76		172,662.24
Puxin Infrastructure	1,105,328.60		71,313.48		1,034,015.12
Renovation fee of No. 3 Tianpu Road	407,074.52		142,924.86		264,149.66
Tianpu Road No. 1 cable migration	75,968.18		39,635.64		36,332.54
Office		156,830.82	28,753.00		128,077.82

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
building renovation fees					
Planning exhibition hall parking lot and carport		1,823,041.43	1,040,797.35		782,244.08
Zhennanhe Road 100 Party Construction Center Renovation Project		2,505,751.69	375,862.75		2,129,888.94
Upgrading of indoor LED screen at No. 100 Zhennanhe Road		1,220,000.00	20,333.34		1,199,666.66
Renovation costs	522,705.97		263,593.55		259,112.42
Building B, Phase I	1,710,431.85		901,349.40		809,082.45
Building C, Phase I	1,523,985.21		522,509.20		1,001,476.01
Building D, Phase II	1,827,396.07		1,517,284.81		310,111.26
Innovative Materials Exhibition Hall	19,258,871.91	769.38	3,984,594.20		15,275,047.09
No. 3	183,979.37		183,979.37		0.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
apartment B building repairs new					
New renovation project for the office on the second floor of the 10,000- ton water booster station	190,925.84		95,463.00		95,462.84
3# Apartment A free area renovation	275,837.15		137,918.52		137,918.63
Nanjing High- tech Zone Public Utilities Service Center Interior Renovation	9,532,506.68	-590,750.45	2,042,679.96		6,899,076.27
Hotel Supplies	347,966.86		296,584.79		51,382.07
Hotel decoration works	3,691,838.79	548,908.53	1,299,778.67		2,940,968.65
High-tech public party building position		446,698.99	108,410.28		338,288.71
R&D center		4,061,124.61	407,660.07		3,653,464.54

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
sewage station					
Intelligent renovation project of Fangting Community		1,130,275.24	18,837.92		1,111,437.32
Incubator	23,708,333.42		1,460,000.00		22,248,333.42
Amortization of maintenance and reconstruction costs of the air monitoring station in Nanjing High- tech Zone (five years)	30,394.15		14,589.13		15,805.02
Nanzi Block C Decoration	637,633.86		300,297.12		337,336.74
New project from the wall of AC Tower in Nanzi	22,817.44		22,817.44		0.00
Nanzi Block A, 5th Floor Renovation	20,319.52		12,833.28		7,486.24
Dongda Science and Technology Park Project	37,742,396.66		7,676,419.68		30,065,976.98
Parking lot	6,800.12		3,399.96		3,400.16

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
monitoring installation cost					
Nanjing Satellite Application Industrial Park Urban Design and Core Area Conceptual Design Project	483,174.96		53,900.04		429,274.92
Beidou Phase II project site consolidation and Beidou building environmental improvement project	88,589.54		9,843.24		78,746.30
Service fee	28,806.68		28,806.68		0.00
Plant renovation costs		1,172,046.36	93,645.44		1,078,400.92
canteen	3,547,527.30	91,820.39	2,479,256.50		1,160,091.19
Sporadic	16,222,990.03	24,123,420.49	12,782,079.73		27,564,330.79
Nursery base roads, water points, etc.	56,887.44		52,511.64		4,375.80
Roads and fences at the base of the	237,530.34		135,731.52		101,798.82

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
flower house					
Office building renovation costs	25,200.00		14,400.00		10,800.00
Talent Building Power Connection Project	144,317.61		133,216.44		11,101.17
Dingye Phase I Lianlang second floor laboratory decoration project	197,347.32		148,010.64		49,336.68
Cell room project on the second floor of the auxiliary building of Talent Building B	66,866.81		47,199.96		19,666.85
Talent Building Phase II Underground Parking Renovation Project	199,950.03		119,970.00		79,980.03
Renovation of the 1-4th floor	100,714.73		52,546.68		48,168.05

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
toilet in the Bio Park					
Renovation of the indoor laboratory on the 3rd floor of Building B, Biological Park Building	115,684.03		60,357.00		55,327.03
Maintenance and renovation of the public part of the biological park	83,260.42		43,440.24		39,820.18
Renovation of the basement of the first floor of the annex of Dingye Building (Phase I)	68,264.26		35,616.24		32,648.02
Dingye Building (Phase I) Annex Building Roof Waterproof Maintenance and Renovation	111,713.25		58,285.20		53,428.05

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Renovation of waterproof layer on the top of Block B of incubator building	89,704.65		46,802.40		42,902.25
Dingye Phase I 2-9 bathroom renovation project	104,396.15		54,467.64		49,928.51
Dingye Phase I 4-9 floors test platform drainage pipe renovation project	116,583.21		60,826.08		55,757.13
Dingye Phase I main building and annex building infrastructure maintenance and renovation project	69,375.40		36,195.72		33,179.68
Incubator building monitoring	35,650.00		18,600.00		17,050.00
Waterproof repair work for Block C of	58,938.47		30,750.36		28,188.11

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
the incubator building					
Talent Building Waste Gas Reconstructio n Project	306,666.79		159,999.96		146,666.83
Service Center Lighting Upgrading Project	36,416.79		18,999.96		17,416.83
R&D Building Phase I	214,519.20	100,000.00	108,926.27		205,592.93
Service Center Temporary Domestic Water and Street Light Project	40,833.45		19,599.96		21,233.49
Temporary water and electricity connection project for minimally invasive land	39,583.42		18,999.96		20,583.46
Parrot team pole change and incoming cable	86,893.24		32,585.04		54,308.20

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
migration project					
Medical Transformatio n Platform Electricity Capacity Increase Project	58,858.89		17,657.64		41,201.25
Talent Building Import and Export Retrofit Project	68,917.41		20,170.92		48,746.49
Talent Building Phase II West Side Enclosure Wall and Parking Lot Renovation Project	70,387.10	24,034.62	32,618.43		61,803.29
Talent Building Wastewater Treatment Project	598,326.75		156,085.20		442,241.55
Life Technology Island Guide System	238,290.25		68,082.84		170,207.41

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Accelerator second-stage renovation fee	986,070.43		157,693.44		828,376.99
4F, 11F, 13- 19F air- conditioning renovation project in the office building of Biomedical Valley R&D Center		323,649.18	64,729.80		258,919.38
Accelerator 2nd Phase 06 Building 1-2 Floor Decoration Attachments (Fanshengzi Decoration)		3,893,355.57	259,557.04		3,633,798.53
Enterprise Service Center Monitoring System Fault Handling and System Upgrade		98,040.00	3,268.00		94,772.00
rent		4,200.00	2,100.00		2,100.00
Green lighthouse renovation fee		3,068,595.41			3,068,595.41

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Hongyang Plaza and other renovation fees	17,310,117.96	13,633,290.29	16,005,387.88		14,938,020.37
Traffic Police Brigade Office Renovation, New Facade of the Original Software College and Interior Bathroom Renovation Project		2,034,105.18	2,034,105.18		
Design fee of 13F exhibition hall, Block B, Chuangzhi Building (first and second payment)		65,836.23			65,836.23
Chuangzhi Block B 14-15F decoration design fee		144,339.62	144,339.62		0.00
Chuangzhi Block B 6-7F		144,339.62	144,339.62		0.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
decoration design fee					
Changfeng Building 11F decoration design fee		122,641.51	122,641.51		0.00
The interior design fee of the canteen on the first floor of the R&D Building of Nanjing Software Park (Zhongyi Building)		53,197.07			53,197.07
Nanjing Software Park Distribution Network and Power Channel Planning and Design Fees (Building of Normal University)		88,050.31			88,050.31
Firefighting renovation design fee for Chuangzhi Building and Changfeng		85,115.31			85,115.31

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Building					
Sporadic supplies		1,230,818.32	34,189.40		1,196,628.92
The north and west sides of the wall of Zhixin Technology Building		405,198.78			405,198.78
Loongson decoration project		158,532.11			158,532.11
Showroom renovation		2,891,833.06			2,891,833.06
Building wall lighting		501,326.86			501,326.86
Core on Nanjing		1,886,792.46			1,886,792.46
Chuangxinhui luminous character decoration		84,695.33			84,695.33
ICBC financing consultant fee		22,440,000.00	3,605,000.00		18,835,000.00
PCR laboratory decoration fee	260,168.08		59,548.56		200,619.52
19th floor showroom decoration fee	12,135.88		8,090.64		4,045.24
Renovation and	725,376.36	6,422.02	163,802.61		567,995.77

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
renovation of clean laboratory in Area A					
Renovation and renovation of clean laboratory in Area B	684,449.46		154,969.68		529,479.78
Ping An Finance Lease Service Fee	19,560,000.00	-19,560,000.00			0.00
Yangzi Financial Leasing Service Fee		2,400,000.00	120,000.00		2,280,000.00
ICBC operating property loan consulting service fee		17,460,000.00	519,642.85		16,940,357.15
Financial advisory fee	45,112,794.31	12,000,000.00	7,378,960.85		49,733,833.46
Xinghuo South Road Sanitation Base Project	58,985.00		29,492.40		29,492.60
Civil Engineering of Environmenta l Sanitation	28,112.68		14,056.20		14,056.48

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
and Greening Base of Xuefu Road					
Leveling of idle land on Yuxi Road and construction of new fences (environmental sanitation and greening)	56,280.65		16,884.24		39,396.41
Temporary land for sanitation and greening	129,549.42		38,864.76		90,684.66
Ankang Station Supporting Project	115,426.67		34,628.04		80,798.63
Garbage sedimentation tank of Yuxi Road Greening Base	732,226.64		179,320.80		552,905.84
Xiyan Pumping Station of Municipal Spark North Road	115,637.05		28,319.28		87,317.77
Watering	327,741.89		72,831.48		254,910.41

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
point of Huabao Road Nursery Base					
Wastewater integrated pool of incubator building	0.02		0.02		0.00
Enterprise Service Center	432,688.50		173,075.52		259,612.98
Greening Project of No. 2 Road of Biomedical Valley	230,823.68		120,429.60		110,394.08
Greening Project of Xinghuo Road in Biomedicine Valley	276,274.62		144,143.40		132,131.22
Greening Project of Biomedical Valley Square	252,587.59		131,784.72		120,802.87
Greening Project of Central Square	153,333.21		80,000.04		73,333.17
Talent Building Basement	23,000.00		12,000.00		11,000.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Amortisation for the year	Others decreases	As at 31/12/2019
Monitoring System					
Greening Project of Laoyougang Temporary Office	57,648.04		19,215.96		38,432.08
Renovation of Office Building No. 19-5, Pusi Road		821,969.59	228,324.90		593,644.69
Fire truck	3,573,300.00			3,573,300.00	
Overhaul	3,260,982.12			3,260,982.12	
Building No. 2 decoration and renovation project		6,201,745.40			6,201,745.40
Total	223,050,846.96	112,502,061.33	74,746,417.26	6,834,282.12	253,972,208.91

20.Deferred tax assets and deferred tax liabilities

(1)Deferred tax assets

Item	As at 31/12/2019		As at 31/12/2018	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provisions for impairment assets	233,605,188.80	58,401,297.20	342,497,710.84	85,624,427.71
Deductible tax losses	121,401,400.96	30,350,350.24	40,197,363.50	10,049,340.87
Pre-operating expenses	3,307,929.70	826,982.42	3,899,485.50	974,871.38
Staff payable			9,117.94	2,279.48
Deferred income	24,779,590.96	6,194,897.74	15,122,619.20	3,780,654.80

For the year ended 31 December 2019

Unrealised profits of intra-group transactions	71,568,184.85	17,892,046.23	119,439,692.40	29,859,923.10
Other	6,387,916.64	1,596,979.16	10,950,560.75	2,737,640.19
Total	461,050,211.91	115,262,552.99	532,116,550.13	133,029,137.53

(2) Deferred tax liabilities

Item	As at 31/12/2019		As at 31/12/2018	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Assessing value-added accrued deferred income tax liabilities	5,994,212,740.84	1,498,553,185.21	5,655,755,201.52	1,413,938,800.38
Asset book value is greater than tax base	33,673,243.96	8,418,310.99	11,070,010.96	2,767,502.74
Total	6,027,885,984.80	1,506,971,496.20	5,666,825,212.48	1,416,706,303.12

21. Other non-current assets

Item	As at 31/12/2019	As at 31/12/2018
Nanjing Qinhuai State-owned Assets Holding Group Co., Ltd.	3,962,110,000.00	4,105,920,000.00
Nanjing Xinsha Construction Investment Holding Group Co., Ltd.	3,903,700,000.00	4,020,200,000.00
Nanjing Chemical Industry Park Affordable Housing Development Center	861,900,000.00	861,900,000.00
Nanjing Xinliu City Construction Investment Co., Ltd.	3,272,521,000.00	3,416,021,000.00
Nanjing Pukou District Safe Housing Construction Development Co., Ltd.	2,388,418,547.50	2,871,658,547.50
Nanjing Zijin (Gao Chun) Technology Venture Special Social Construction Development Co., Ltd.	1,534,740,000.00	1,550,740,000.00
Nanjing Qixia City Construction Development Group Co., Ltd.	2,430,330,000.00	2,518,330,000.00

For the year ended 31 December 2019

Nanjing Jiangning District Safe Housing Construction Development Co., Ltd.	2,290,330,000.00	3,064,770,000.00
Nanjing Guokai Yuhua City Renewal Development Co., Ltd.	4,242,050,000.00	1,621,020,000.00
Nanjing Lishuishan Safe Housing Construction Co., Ltd.	2,627,030,000.00	2,696,460,000.00
Nanjing Tiebei Industrial Investment Co., Ltd.	1,121,660,000.00	1,121,660,000.00
Nanjing Beiyuan Investment Real Estate Co., Ltd.	187,500,000.00	187,500,000.00
Nanjing Jiangbei New Area Collection Management Center	3,231,924,000.00	774,494,800.00
Fixed assets prepayment		356,389,381.00
Demolition loan		10,781,540,568.34
Nanjing high-tech collective trust plan	80,000,000.00	80,000,000.00
Equipment and engineering advance payment	1,133,291,701.39	1,208,809,817.42
Demolition compensation	200,000,000.00	200,000,000.00
Premium repurchase		64,159,333.33
Yanjiang Sub-district Office, People's Government of Pukou District, Nanjing	300,000,000.00	
Entrusted Loan	1,060,380,000.00	
Convertible debt investment	69,000,000.00	70,000,000.00
Security deposit for office building	10,000,000.00	
Central Green Axis (Phase I)	6,058,794.45	
Total	34,912,944,043.34	41,571,573,447.59

22. Short-term loans

(1) Short-term loans by category

Category	As at 31/12/2019	As at 31/12/2018
Pledged loans		
Loans secured by mortgages	49,000,000.00	
Guaranteed loans	1,898,450,000.00	1,087,400,000.00
Unsecured loans	6,005,091,900.00	3,139,056,000.00
Total	7,952,541,900.00	4,226,456,000.00

(2) At the end of the year, the company has no short-term loans that have not been repaid.

23. Bills payable

For the year ended 31 December 2019

Category	As at 31/12/2019	As at 31/12/2018
Trade acceptance bills		
Bank acceptance bills	22,186,718.47	77,961,336.50
Total	22,186,718.47	77,961,336.50

Note: The total balance of due but unpaid bills payable at the end of the year is 0.

24. Accounts payable

(1) The ageing analysis of accounts payable is as follows:

Ageing	As at 31/12/2019	As at 31/12/2018
Within 1 year	1,432,962,633.30	1,146,961,497.46
1-2 years	469,893,805.89	152,009,428.77
2-3 years	40,064,980.18	43,491,119.51
More than 3 years	994,461,350.04	1,067,868,914.93
Total	2,937,382,769.41	2,410,330,960.67

(3) Including significant accounts payable with aging of more than 1 year

Creditor	As at 31/12/2019	Unsettled reason
Pukou District Pufei House Demolition Co., Ltd.	841,224,214.52	Unsettlement
Zhejiang Yaxia Decoration Co., Ltd.	233,750,000.00	Unsettlement
Mingfa Group Nanjing Real Estate Development Co., Ltd.	143,556,363.10	Unsettlement
Pukou Branch of Nanjing Municipal Land and Resources Bureau	171,925,363.00	Unsettlement
Jiangsu Suzhong Construction Group Co., Ltd.	11,937,530.10	Unsettlement
Finance Office of Yanjiang Street, Pukou District, Nanjing	7,060,214.00	Unsettlement
Nanjing Construction Engineering Group Co., Ltd.	13,323,109.68	Unsettlement
Jiangsu Hongsheng Construction Engineering Group Co., Ltd.	12,444,817.73	Unsettlement
Jiangsu Jinbiaoying Construction Co., Ltd.	2,350,924.94	Unsettlement
Jiangsu Jiangjian Group Co., Ltd.	2,315,163.60	Unsettlement
Nanjing Yingren Real Estate Development Co., Ltd.	2,105,231.30	Unsettlement
Jiangsu Jiuding Global Construction Technology Group Co., Ltd. Nanjing Branch	1,545,325.13	Unsettlement
Nanjing Huachun Construction and Installation	1,442,733.08	Unsettlement

For the year ended 31 December 2019

Creditor	As at 31/12/2019	Unsettled reason
Engineering Co., Ltd.		
Total	1,444,980,990.18	

25. Advances from customers

(1)The ageing analysis of advances from customers is as follows:

Ageing	As at 31/12/2019	As at 31/12/2018
Within 1 year	772,978,254.97	422,725,852.19
1-2 years	20,173,348.46	370,911,649.93
2-3 years	13,943,487.53	296,658,541.52
More than 3 years	213,634,433.29	64,170,428.49
Total	1,020,729,524.25	1,154,466,472.13

(2) Including significant advances from customers are with aging of more than 1 year

Nature	As at 31/12/2019	Reasons for not being transferred
Pearl Spring Economic Development Co., Ltd.	171,000,000.00	Unpaid advance payment
Dingshan Urban Industrial Park Phase I	39,384,714.00	Delivery has not yet been completed
Nanjing Baiao Software Co., Ltd.	1,277,974.75	Rent
Total	211,662,688.75	

26. Employee benefits payable

(1)Overall situation

Item	As at 31/12/2018	Accrued during the year	Decreased during the year	As at 31/12/2019
Short-term employee benefits	28,725,623.40	699,119,417.84	689,032,236.95	38,812,804.29
Post-employment benefits - defined contribution plans	86,565.98	62,382,418.37	61,781,126.75	687,857.60
Termination benefits		377,087.40	377,087.40	
Other benefits due within one year				
Total	28,812,189.38	761,878,923.61	751,190,451.10	39,500,661.89

(2)Short-term employee benefits

Item	As at 31/12/2018	Accrued during the year	Decreased during the year	As at 31/12/2019
Salaries, bonus, allowances	26,715,197.13	579,852,543.17	572,359,485.02	34,208,255.28

For the year ended 31 December 2019

Item	As at 31/12/2018	Accrued during the year	Decreased during the year	As at 31/12/2019
Staff welfare	98,907.69	34,542,959.13	33,466,736.18	1,175,130.64
Social insurances	8,691.35	33,391,146.13	33,361,086.82	38,750.66
Including : 1. Medical insurance	6,433.19	30,006,480.03	29,987,272.54	25,640.68
2. Work-related injury insurance	1,056.25	1,010,909.89	1,007,116.32	4,849.82
3. Maternity insurance	1,201.91	2,373,756.21	2,366,697.96	8,260.16
Housing Fund	10,814.20	41,670,766.23	41,340,412.23	341,168.20
Labor union fees, staff and workers' education fee	1,412,190.45	8,424,470.55	7,734,966.54	2,101,694.46
Short-term paid absences	479,822.58	1,237,532.63	769,550.16	947,805.05
Short-term profit –sharing plan				
Total	28,725,623.40	699,119,417.84	689,032,236.95	38,812,804.29

(3) Defined contribution plans

Item	As at 31/12/2018	Accrued during the year	Decreased during the year	As at 31/12/2019
Post-employment benefits	12,067.37	55,828,812.57	55,660,608.11	180,271.83
Unemployment insurance	7,364.59	1,618,104.12	1,616,548.97	8,919.74
Enterprise annuity payment	67,134.02	4,935,501.68	4,503,969.67	498,666.03
Total	86,565.98	62,382,418.37	61,781,126.75	687,857.60

27. Taxes payable

Item	As at 31/12/2019	As at 31/12/2018
Corporate income tax	201,811,387.39	830,243,437.90
VAT	45,844,930.63	144,866,069.59
Business tax	3,120,235.99	3,123,559.99
Land value added tax	26,046,443.75	3,565,331.00
Land holding tax	3,880,459.43	3,080,937.50
Property tax	18,800,589.77	21,609,900.69
Deed tax		690,365.76
Urban maintenance and construction tax	8,076,774.42	10,415,323.98
Educational surcharge	5,713,805.40	7,514,658.16

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Item	As at 31/12/2019	As at 31/12/2018
Individual income tax	1,603,944.09	2,389,862.67
Stamp duty	1,227,229.34	1,549,375.89
Environmental Protection Tax	3,290,646.90	1,295,107.99
Other	7,929,284.76	7,661,957.85
Total	327,345,731.87	1,038,005,888.97

28. Other payables

Item	As at 31/12/2019	As at 31/12/2018
Other payables	7,752,592,633.56	6,930,888,766.65
Interest payable	890,111,014.73	738,519,898.72
Dividends payable	23,686,098.49	15,532,950.52
Total	8,666,389,746.78	7,684,941,615.89

(1) Other payables

① Other payables listed according to the nature of the payment:

Item	As at 31/12/2019	As at 31/12/2018
Expenses payable	37,649,516.14	74,455,656.99
Deposit, security deposit	332,378,273.96	301,535,880.56
Current payment	6,515,533,738.34	4,499,865,883.27
Temporary loan	313,121,875.00	1,749,123,100.74
Other	553,909,230.12	305,908,245.09
Total	7,752,592,633.56	6,930,888,766.65

② The ageing analysis of other payable is as follows:

Ageing	As at 31/12/2019	As at 31/12/2018
Within 1 year	5,484,787,212.74	4,042,819,528.37
1~2 years	1,215,303,270.64	511,865,327.83
2~3 years	1,052,502,150.18	2,376,203,910.45
Total	7,752,592,633.56	6,930,888,766.65

③ Including significant other payable with aging of more than 1 year

Creditor	As at 31/12/2019	Reasons for non-payment
Nanjing Municipal Jiangbei New District Management Committee Social Undertaking Bureau	80,000,000.00	Not settled
Nanjing Pukou District Demolition	110,000,000.00	Not settled

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Creditor	As at 31/12/2019	Reasons for non-payment
Management Center		
Nanjing City Land Reserve Center	45,107,265.57	Not settled
Dingshan Town Finance Office	84,938,153.77	Not settled
Total	320,045,419.34	

(2) Interest payable

Item	As at 31/12/2019	As at 31/12/2018
Interest payable for long-term loans with interest paid in installments and principal paid on maturity	198,343,771.32	77,214,912.62
Interest payable on debentures	10,761,638.29	33,626,864.44
Interest payable on short-term loans	650,316,164.66	598,276,981.20
Other	30,689,440.46	29,401,140.46
Total	890,111,014.73	738,519,898.72

(3) Dividends payable

Item	As at 31/12/2019	As at 31/12/2018
Dividends for ordinary shares	23,686,098.49	15,532,950.52
Total	23,686,098.49	15,532,950.52

29. Non-current liabilities due within one year

Item	As at 31/12/2019	As at 31/12/2018
Long-term loans due within one year(Note VI, 31)	14,600,568,077.34	10,158,807,560.60
Debentures payable within one year(Note VI, 32)	5,682,815,873.11	3,231,870,561.33
Long-term payables due within one year(Note VI, 33)	381,963,709.39	463,505,100.30
Total	20,665,347,659.84	13,854,183,222.23

30. Other current liabilities

Item	As at 31/12/2019	As at 31/12/2018
Short-term debentures payable	600,000,000.00	2,097,389,946.36
Withholding property, maintenance and storage fees	18,056,512.82	10,611,598.70
Total	618,056,512.82	2,108,001,545.06

31. Long-term loans

Item	As at 31/12/2019	As at 31/12/2018
Unsecured loans	11,100,264,460.00	8,033,147,240.00
Guaranteed loans	46,210,217,154.74	49,876,565,484.79
Loans secured by mortgages	6,364,840,000.00	3,706,142,230.00

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Item	As at 31/12/2019	As at 31/12/2018
Pledged loans	25,033,548,547.50	22,569,008,500.00
Other loans	1,136,366.00	1,136,366.00
Less: long-term loans due within one year(Note VI, 29)	14,600,568,077.34	10,158,807,560.60
Total	74,109,438,450.90	74,027,192,260.19

32. Debentures payable

(1) Debentures payable

Item	As at 31/12/2019	As at 31/12/2018
China Construction Bank Medium Ticket 1	1,199,180,771.00	1,197,934,378.00
CCB 2	1,597,098,022.00	1,593,373,957.00
CICC USD Bond 1	1,859,112,293.60	1,812,266,296.74
CICC USD Bond 2	1,293,412,384.19	1,352,544,550.40
19 Yangtze SDIC Bond 01	1,496,406,555.97	
19 Yangtze National Investment Bond 02	1,994,548,272.92	
19 Yangtze National Investment Bond 03	997,332,273.32	
19 Yangtze SDIC Bond 04	2,094,256,271.77	
16 major corporate bonds		580,977,358.49
16 big factories 02		400,000,000.00
17 Big Factory 01		100,000,000.00
18 Jiangbei New District MTN001	397,735,849.05	400,000,000.00
18 Jiangbei New District MTN002	397,566,037.74	400,000,000.00
18 Jiangbei 01 debt	745,566,037.73	750,000,000.00
19 Jiangbei 01 debt	248,396,226.42	
19 Jiangbei 03 debt	496,540,880.50	
Jiangbei Referendum CP001 Bond	399,358,490.57	
19 Jiangbei Referendum CP002	399,295,597.49	
Jiangbei Public Security Housing Asset Support Special Plan	533,000,000.00	
Ping An Securities-Profit Right Asset Support Special Plan	819,960,000.00	
15 Ning Chemical Private Equity Bond		175,000,000.00
16Ning Chemical PPN001		500,000,000.00
16Ning Chemical PPN002		500,000,000.00

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17Ning Chemical MTN001		600,000,000.00
17 Ninghua 01 Private Equity Bond		600,000,000.00
17 Ninghua 02 Private Equity Bond		600,000,000.00
17Ning Chemical PPN001		1,000,000,000.00
18 Jiangbei Construction Investment MTN001		500,000,000.00
18 Jiangbei Construction Investment MTN002		500,000,000.00
18 Jiangbei Construction Investment PPN001		500,000,000.00
18 Jiangbei Construction Investment PPN002		500,000,000.00
18 Jiangbei Construction Investment PPN003		500,000,000.00
18 Nanjing Jiangbei Construction Investment 01		500,000,000.00
18 Sujiang North Construction Investment ZR001		500,000,000.00
19 Urba 01	397,040,000.00	
2012 bonds (1)		178,921,232.88
2015 bonds (2)	1,298,778,052.31	1,296,882,940.21
2016 Bond PPN001 (3)	698,765,607.35	697,786,104.52
2016 Bond PPN002 (4)	598,691,200.61	597,861,950.29
2016 bond MTN001 (5)	1,000,000,000.00	1,000,000,000.00
2017 Ning Gaoxin (6)	1,235,018,581.53	1,233,376,442.88
2017 Nanjing High-tech Debt (7)	796,768,459.42	795,685,226.24
In 18 years, Jiangbei invested ZR001 (8)	1,500,000,000.00	1,500,000,000.00
18 Jiangbei Investment MTN001 (9)	997,480,539.10	996,784,345.53
18 Jiangbei Investment MTN002 (10)	997,465,488.61	996,770,013.62
18 Jiangbei Investment Bond 01 (11)	1,988,055,632.47	1,984,757,945.31
2016ISIN: XS1527715335 (13)		2,052,949,328.45
19 Jiangbei New District PPN001	995,691,744.89	
XS2013577056	1,044,514,564.85	
XS2068598908	347,124,462.95	
XS1997069692	3,441,724,056.02	
19 North Park 01	510,000,000.00	
19 North Park 02	490,000,000.00	
19 North Park 03	300,000,000.00	

For the year ended 31 December 2019

Less: part of the year-end balance due within one year (Note VI, 29)	5,682,815,873.11	3,231,870,561.33
合计	29,923,068,481.27	26,162,001,509.23

(2) Increases and decreases of debentures payable(Excluding other financial instruments such as preference shares and perpetual bonds classified as financial liabilities)

Debenture Name	Face value	Issuance date	Term	Issuance amount	Cost as at 31/12/2018
China Construction Bank Medium Ticket 1	1,200,000,000.00	2017/9/12	3 years	1,200,000,000.00	1,197,934,378.00
CCB 2	1,600,000,000.00	2017/10/24	3 years	1,600,000,000.00	1,593,373,957.00
CICC USD Bond 1	\$500 million	2017/12/5	5 years	1,859,586,850.40	1,812,266,296.74
CICC USD Bond 2	\$500 million	2017/12/5	10 years	1,304,971,369.60	1,352,544,550.40
19 Yangtze SDIC Bond 01	1,500,000,000.00	2019/3/19	5 years	1,500,000,000.00	
19 Yangtze National Investment Bond 02	2,000,000,000.00	2019/8/12	5 years	2,000,000,000.00	
19 Yangtze National Investment Bond 03	1,000,000,000.00	2019/10/21	5 years	1,000,000,000.00	
19 Yangtze SDIC Bond 04	2,100,000,000.00	2019/10/29	5 years	2,100,000,000.00	
16 major corporate bonds	600,000,000.00	2016/1/19	5 years	600,000,000.00	596,400,000.00
16 big factories 02	400,000,000.00	2016/10/18	5 years	400,000,000.00	396,700,000.00
17 Big Factory 01	100,000,000.00	2017/5/25	5 years	100,000,000.00	99,500,000.00
18 Jiangbei New District MTN001	400,000,000.00	2018/5/8	5 years	400,000,000.00	397,056,603.77
18 Jiangbei New District MTN002	400,000,000.00	2018/8/16	5 years	400,000,000.00	396,886,792.46
18 Jiangbei 01 debt	750,000,000.00	2018/12/4	5 years	750,000,000.00	744,433,962.26
19 Jiangbei 01 debt	250,000,000.00	2018/5/21	3 years	250,000,000.00	
19 Jiangbei 03 debt	500,000,000.00	2018/8/17	3 years	500,000,000.00	
Jiangbei Referendum CP001 Bond	400,000,000.00	2018/5/30	3 years	400,000,000.00	
19 Jiangbei Referendum CP002	400,000,000.00	2018/8/22	3 years	400,000,000.00	

For the year ended 31 December 2019

Jiangbei Public Security Housing Asset Support Special Plan	533,000,000.00	2018/9/21	3 years	533,000,000.00	
Ping An Securities-Profit Right Asset Support Special Plan	843,000,000.00	2018/1/24	3 years	843,000,000.00	
15 Ning Chemical Private Equity Bond	500,000,000.00	2015/7/15	5 years	800,000,000.00	175,000,000.00
16Ning Chemical PPN001	250,000,000.00	2016/7/15	3 years	500,000,000.00	500,000,000.00
16Ning Chemical PPN002	500,000,000.00	2016/10/18	3 years	500,000,000.00	500,000,000.00
17Ning Chemical MTN001	400,000,000.00	2017/6/21	3 years	600,000,000.00	600,000,000.00
17 Ninghua 01 Private Equity Bond	400,000,000.00	2017/7/20	3 years	600,000,000.00	600,000,000.00
17 Ninghua 02 Private Equity Bond	533,000,000.00	2017/6/9	3 years	600,000,000.00	600,000,000.00
17Ning Chemical PPN001	843,000,000.00	2017/8/15	3 years	1,000,000,000.00	1,000,000,000.00
18 Jiangbei Construction Investment MTN001	900,000,000.00	2018/5/21	3 years	500,000,000.00	500,000,000.00
18 Jiangbei Construction Investment MTN002	1,300,000,000.00	2018/8/17	3 years	500,000,000.00	500,000,000.00
18 Jiangbei Construction Investment PPN001	700,000,000.00	2018/5/30	3 years	500,000,000.00	500,000,000.00
18 Jiangbei Construction Investment PPN002	600,000,000.00	2018/8/22	3 years	500,000,000.00	500,000,000.00
18 Jiangbei Construction Investment PPN003	1,000,000,000.00	2018/9/21	3 years	500,000,000.00	500,000,000.00
18 Nanjing Jiangbei Construction Investment 01	1,240,000,000.00	2018/1/24	3 years	500,000,000.00	500,000,000.00
18 Sujiang North Construction Investment ZR001	800,000,000.00	2018/12/26	3 years	500,000,000.00	500,000,000.00
19 Urba 01	400,000,000.00	2019/12/18	5 years	400,000,000.00	
2012 bonds	900,000,000.00	2012/9/7	7 years	900,000,000.00	178,921,232.88
2015 bonds	1,300,000,000.00	2015/8/17	5 years	1,300,000,000.00	1,296,882,940.21
2016 Bond PPN001	700,000,000.00	2016/3/18	5 years	700,000,000.00	697,786,104.52

Notes to the Financial Statements of Nanjing Yangzi State-owned Investment Group Co., Ltd.

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2016 Bond PPN002	600,000,000.00	2016/6/30	5 years	600,000,000.00	597,861,950.29
2016 Bond MTN001	1,000,000,000.00	2016/10/27	5 years	1,000,000,000.00	1,000,000,000.00
2017 Ning Gaoxin	1,240,000,000.00	2017/7/27	5 years	1,240,000,000.00	1,233,376,442.88
2017 Nanjing High-tech Debt	800,000,000.00	2017/12/6	7 years	800,000,000.00	795,685,226.24
Jiangbei Investment ZR001 in 18 years	1,500,000,000.00	2018/3/30	3 years	1,500,000,000.00	1,500,000,000.00
18 Jiangbei Investment MTN001	1,000,000,000.00	2018/3/9	5 years	1,000,000,000.00	996,784,345.53
18 Jiangbei Investment MTN002	1,000,000,000.00	2018/3/19	5 years	1,000,000,000.00	996,770,013.62
18 Jiangbei Investment Bond 01	2,000,000,000.00	2018/6/15	7 years	2,000,000,000.00	1,984,757,945.31
19 Jiangbei New District PPN001	1,000,000,000.00	2019/3/29	5 years	1,000,000,000.00	
2016ISIN: XS1527715335	2,081,100,000.00	2016/11/29	3 years	2,081,100,000.00	2,052,949,328.45
XS2013577056 USD debt	1,031,205,000.00	2019/6/17	1 years	1,031,205,000.00	
XS2068598908 USD debt	352,665,000.00	2019/10/25	1 years	352,665,000.00	
XS1997069692 USD debt	3,417,516,490.50	2019/6/5	5 years	3,417,516,490.50	
19 North Park 01	510,000,000.00	2019/4/25	3 years	510,000,000.00	
19 North Park 02	490,000,000.00	2019/4/25	4 years	490,000,000.00	
19 North Park 03	300,000,000.00	2019/4/25	5 years	300,000,000.00	
Less: part of the year-end balance due within one year (Note VI, 35)	—	—	—	—	3,231,870,561.33
Total	—	—	—	—	26,162,001,509.23

For the year ended 31 December 2019

(Continued)

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance as at 31/12/2019
China Construction Bank Medium Ticket 1			1,246,393.00				1,199,180,771.00
CCB 2			3,724,065.00				1,597,098,022.00
CICC USD Bond 1			-39,644,003.14		86,490,000.00		1,859,112,293.60
CICC USD Bond 2			-116,792,166.21		57,660,000.00		1,293,412,384.19
19 Yangtze SDIC Bond 01	1,500,000,000.00	651,839.00	-4,245,283.03				1,496,406,555.97
19 Yangtze National Investment Bond 02	2,000,000,000.00	429,405.00	-5,881,132.08				1,994,548,272.92
19 Yangtze National Investment Bond 03	1,000,000,000.00	162,462.00	-2,830,188.68				997,332,273.32
19 Yangtze SDIC Bond 04	2,100,000,000.00	199,668.00	-5,943,396.23				2,094,256,271.77
16 major corporate bonds			3,600,000.00	600,000,000.00			
16 big factories 02			3,300,000.00	400,000,000.00			
17 Big Factory 01			500,000.00	100,000,000.00			
18 Jiangbei New District MTN001			679,245.28				397,735,849.05
18 Jiangbei New District MTN002			679,245.28				397,566,037.74
18 Jiangbei 01 debt			1,132,075.47				745,566,037.73

For the year ended 31 December 2019

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance as at 31/12/2019
19 Jiangbei 01 debt	250,000,000.00		-1,603,773.58				248,396,226.42
19 Jiangbei 03 debt	500,000,000.00		-3,459,119.50				496,540,880.50
Jiangbei Referendum CP001 Bond	400,000,000.00		-641,509.43				399,358,490.57
19 Jiangbei Referendum CP002	400,000,000.00		-704,402.51				399,295,597.49
Jiangbei Public Security Housing Asset Support Special Plan	533,000,000.00						533,000,000.00
Ping An Securities-Profit Right Asset Support Special Plan	843,000,000.00		-23,040,000.00				819,960,000.00
15 Ning Chemical Private Equity Bond						175,000,000.00	
16Ning Chemical PPN001						500,000,000.00	
16Ning Chemical PPN002						500,000,000.00	
17Ning Chemical MTN001						600,000,000.00	
17 Ninghua 01 Private Equity Bond						600,000,000.00	
17 Ninghua 02 Private Equity Bond						600,000,000.00	
17Ning Chemical PPN001						1,000,000,000.00	
18 Jiangbei Construction Investment MTN001						500,000,000.00	
18 Jiangbei Construction Investment						500,000,000.00	

For the year ended 31 December 2019

Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance as at 31/12/2019
MTN002							
18 Jiangbei Construction Investment PPN001						500,000,000.00	
18 Jiangbei Construction Investment PPN002						500,000,000.00	
18 Jiangbei Construction Investment PPN003						500,000,000.00	
18 Nanjing Jiangbei Construction Investment 01						500,000,000.00	
18 Sujiang North Construction Investment ZR001						500,000,000.00	
19 Urba 01	400,000,000.00		-2,960,000.00				397,040,000.00
2012 bonds			1,078,767.12	180,000,000.00			
2015 bonds			1,895,112.10				1,298,778,052.31
2016 Bond PPN001			979,502.83				698,765,607.35
2016 Bond PPN002			829,250.32				598,691,200.61
2016 Bond MTN001							1,000,000,000.00
2017 Ning Gaoxin			1,642,138.65				1,235,018,581.53

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Debenture Name	Issuance during the year	Interest at face value	Amortization of premiums or discounts	Repayment during the year	Exchange rate conversion	Other	Balance as at 31/12/2019
2017 Nanjing High-tech Debt			1,083,233.18				796,768,459.42
Jiangbei Investment ZR001 in 18 years							1,500,000,000.00
18 Jiangbei Investment MTN001			696,193.57				997,480,539.10
18 Jiangbei Investment MTN002			695,474.99				997,465,488.61
18 Jiangbei Investment Bond 01			3,297,687.16				1,988,055,632.47
19 Jiangbei New District PPN001	995,000,000.00		691,744.89				995,691,744.89
2016ISIN: XS1527715335			6,156,576.94	2,108,940,000.00	49,834,094.61		
XS2013577056 USD debt	1,027,090,783.06		2,259,525.25		15,164,256.54		1,044,514,564.85
XS2068598908 USD debt	350,576,393.24		380,239.04		-3,832,169.33		347,124,462.95
XS1997069692 USD debt	3,391,736,365.50		26,249,606.98		23,738,083.54		3,441,724,056.02
19 North Park 01	510,000,000.00						510,000,000.00
19 North Park 02	490,000,000.00						490,000,000.00
19 North Park 03	300,000,000.00						300,000,000.00
Less: part of the year-end balance due within one year (Note VI, 29)			6,156,576.94	2,108,940,000.00	49,834,094.61	1,000,000,000.00	5,682,815,873.11
Total	16,990,403,541.80	1,443,374.00	-151,105,474.28	1,280,000,000.00	179,220,170.75	6,475,000,000.00	29,923,068,481.27

For the year ended 31 December 2019

33. Long-term payables

Item	As at 31/12/2019	As at 31/12/2018
Long-term payables	5,142,099,731.41	5,764,921,651.33
Special payables	7,254,040,114.48	3,915,379,206.79
Less: long-term payables due within one year(Note VI, 29)	381,963,709.39	463,505,100.30
Total	12,014,176,136.50	9,216,795,757.82

(1)Long-term payables:

Item	As at 31/12/2019	As at 31/12/2018
Demolition and resettlement fees for the fourth-stage ethylene road plot in the shantytown renovation	237,386,100.00	
Demolition and resettlement fees for Xiaotang plot in the fourth phase of shantytown renovation	470,669,400.00	
China Foreign Trade Financial Leasing Co., Ltd.		48,000,000.00
ICBC Financial Leasing Co., Ltd.		410,762,951.71
Land grant	27,816,322.00	27,816,322.00
Guizhou Guiyin Financial Leasing Co., Ltd.		600,000,000.00
Anhui Guoyuan Trust Co., Ltd.	887,441,584.97	931,636,188.62
Nanjing Yangzi Agricultural Bank Industry Investment Fund Phase I (Limited Partnership)	999,000,000.00	999,000,000.00
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	899,000,000.00	899,000,000.00
Nanjing Zijin Financial Leasing Co., Ltd.	12,377,281.82	17,601,970.12
Ping An International Financial Leasing (Tianjin) Co., Ltd.		297,434,442.40
Nanjing Jiangbei New Area Yangzi Technology Financial Leasing Co., Ltd.		100,000,000.00
Agricultural Bank Financial Asset Investment Co., Ltd.	500,000,000.00	
Suxing Financial Leasing Co., Ltd.	31,270,712.39	
Finance lease payment	1,077,138,330.23	1,433,669,776.48

For the year ended 31 December 2019

Less: long-term payables due within one year	381,963,709.39	463,505,100.30
Total	4,760,136,022.02	5,301,416,551.03

(2)Special payables:

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Subsidies for the construction of three roads including Puhui Road	15,000,000.00		15,000,000.00	
Subsidies for the construction of urbanization demonstration zones	5,595,000.00		5,595,000.00	
Special funds for the promotion and application of prefabricated buildings	3,020,000.00		3,020,000.00	
Provincial construction industry modernization special guidance funds		7,310,000.00		7,310,000.00
Jiangbei New District Management Committee Urbanization Demonstration Zone Construction Subsidy Fund		5,595,000.00		5,595,000.00
specific fund	3,523,970,000.00	2,909,914,851.18		6,433,884,851.18
Talent special funds	2,000,000.00	2,000,000.00	1,297,644.08	2,702,355.92
Special construction and development funds	9,218,918.69		4,705,851.15	4,513,067.54
Special Support Fund for Open Economic Development	1,000,000.00		1,000,000.00	
DN1400 pipeline project from Yongzhuang to Longchi section of National Highway 328	35,086,029.96	19,953,970.04	55,040,000.00	
Three supply and one industry pipe network transfer project	97,024,680.00	10,980,930.09		108,005,610.09

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Entrusted management fee for public rental housing		300,000.00		300,000.00
Special Science and Technology Fund		685,421.00	300,000.00	385,421.00
Special community subsidies	4,441,796.02		4,441,796.02	
Fire brigade barracks renovation	4,649,120.91			4,649,120.91
Compensation for the demolition of bus station, Keyuan Hotel, No. 2 apartment plot and Xiaobailou plot	44,346,601.00			44,346,601.00
Demolition compensation	36,776,641.00			36,776,641.00
IC Fire Platform-Sensors and Industrial Internet	8,497,048.38		8,497,048.38	
2017 Nanjing Special Fund for Emerging Industries Guidance-Special Subsidy for Integrated Circuits	1,000,000.00		957,168.13	42,831.87
Special funds for the transformation and upgrading of provincial-level industrial and information industries in 2017	3,000,000.00		3,000,000.00	
2017 New major public technology project service platform funds	2,058,000.00		2,016,824.00	41,176.00
2019 Nanjing City Industrial and Information Development Special Fund Nanjing Integrated Circuit Design Industry Public Technology Service Platform		600,000.00		600,000.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Special Payables-Nanjing Industry and Information Technology Bureau Municipal Industry and Information Bureau pays special funds for integrated circuit industry landmark project research		240,000.00		240,000.00
Special Payables-The Second and Fourth Provincial Special Funds for Business Development in 2019 (Service Trade)		950,000.00		950,000.00
Special payables-2019 Jiangbei New District Service Trade Innovation Development Special Support Fund		2,000,000.00		2,000,000.00
Special work funds for the cultivation of high-tech enterprises in 2019		3,300,000.00	3,300,000.00	
Party building work		291,606.70	291,606.70	
Municipal Finance Bureau Support Fund Project Research Fee		28,301.89		28,301.89
Jiangbei New District Finance Bureau Pancheng No. 2 plot project shed reform special debt allocation		300,000,000.00		300,000,000.00
Jiangbei New District Finance Bureau Taishan 350H plot project shed reform special debt allocation		200,000,000.00		200,000,000.00
Business Incubation Fund		360,000.00		360,000.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Science and technology carrier cultivation funding		400,000.00		400,000.00
Cultivate high-tech enterprise rewards	150,000.00			150,000.00
Provincial Science and Technology Special Fund	1,367,520.83		608,384.75	759,136.08
Venture capital	100,000,000.00			100,000,000.00
Safety Supervision Bureau Subsidies for Online Monitoring of Major Hazard Sources and Accident Early Warning System	7,177,850.00		7,177,850.00	
Municipal Greening Subsidy	10,000,000.00		10,000,000.00	
Total	3,915,379,206.79	3,464,910,080.90	126,249,173.21	7,254,040,114.48

34. Deferred income

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019	Reason for deferral
Government grant	116,549,976.97	204,420,743.28	64,522,259.59	256,448,460.66	
Total	116,549,976.97	204,420,743.28	64,522,259.59	256,448,460.66	—

Including: items involving government grant

Item	As at 31/12/2018	Additions during the year	Recognition as in other income	Other	As at 31/12/2019
Eternal Home Commercial House	2,356,595.85		72,884.40		2,283,711.45
South side of Xiaoshan Road	492,727.89		120,001.03		372,726.86
Chengqiao Water Pipe Network	1,648,333.34		76,666.66		1,571,666.68
11-year water supply	4,201,333.32		182,666.67		4,018,666.65

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Item	As at 31/12/2018	Additions during the year	Recognition as in other income	Other	As at 31/12/2019
network					
Water supply network in the northern mountainous area	2,084,055.55		77,666.67		2,006,388.88
North Mountain Water Pipe Network Phase 2		72,150,000.00	10,020,833.33		62,129,166.67
Heating pipe of Zhongshan Science and Technology Park	1,533,333.26		127,777.80		1,405,555.46
new energy vehicles	726,768.00		604,893.00		121,875.00
City Public Bicycle	9,213,781.56	1,504,882.51	3,432,156.62		7,286,507.45
Fixed asset purchase subsidies	1,293,600.00			- 1,293,600.00	
DN1400 pipeline project from Yongzhuang to Longchi section of National Highway 328		55,040,000.00	2,993,474.97		52,046,525.03
University Technology Park Public Technology Service Platform	1,566,280.97		485,039.62		1,081,241.35
Equipment renovation funds	26,617.64		26,617.64		
New Material Platform 2015 Special	337,644.61		337,644.61		
New Material Platform 2012 Special	220,000.00		220,000.00		
Received 2018 Green Nanjing Special Subsidy Subsidy	1,000,000.00				1,000,000.00
Shantytown renovation		11,999,000.00			11,999,000.00
Subsidy for installation of automatic monitoring facilities for pollution sources	89,000.00		89,000.00		

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Recognition as in other income	Other	As at 31/12/2019
Subsidy for upgrading and upgrading the sewage treatment plant in the high-tech zone	1,311,000.00		69,000.00		1,242,000.00
Jiangbei New District Finance Bureau appropriation of 2018 affordable housing construction funds	28,852,700.00				28,852,700.00
Special funding for platform construction	12,279,684.13		12,279,684.13		
Funding for the construction of the Pharmaceutical Valley Building	21,000,000.00				21,000,000.00
2015 High-tech Finance Bureau platform construction funds	10,000,000.00		10,000,000.00		
Subsidies for the construction of accelerators for biomedical preparations of the High-tech Finance Bureau	11,000,000.00		11,000,000.00		
New energy vehicle subsidies	414,375.00		414,375.00		
Public construction platform funds	1,907,500.00		570,000.00		1,337,500.00
Pollution monitoring and accident warning system construction and maintenance projects	117,333.33		117,333.33		
Special funds for heavy metals and petroleum	244,833.33		226,000.01		18,833.32

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Item	As at 31/12/2018	Additions during the year	Recognition as in other income	Other	As at 31/12/2019
Special Fund for Environmental Protection of Heavy Metals and Exhaust Gas Source Monitoring	45,833.33		45,833.33		
Special fund for gas and water phase I equipment	173,333.33		160,000.00		13,333.33
On-site sampling and analysis auxiliary equipment	92,312.53		52,750.00		39,562.53
Gas and Water Phase II Expansion Equipment Project	897,000.00		468,000.00		429,000.00
Environmental emergency, monitoring equipment and reagents, consumable items	231,000.00		77,000.00		154,000.00
Staff resettlement subsidies	833,000.00		833,000.00		
Business Incubation Fund	360,000.00		360,000.00		
Software Park Management Office approves G03 project construction subsidies		45,000,000.00			45,000,000.00
Received the special fund allocated by the Jiangbei New District Finance Bureau for the housing project of Pancheng No. 2 and Taishan 350H in 2019		10,140,000.00			10,140,000.00
Receiving the new district finance bureau appropriation of the 2019 provincial-level guarantee housing construction guidance funds (Runtai six and seven phase, Pancheng No. 2 land,		898,500.00			898,500.00

For the year ended 31 December 2019

Item	As at 31/12/2018	Additions during the year	Recognition as in other income	Other	As at 31/12/2019
Huangyao plot)					
Total	116,549,976.97	196,732,382.51	55,540,298.82	1,293,600.00	256,448,460.66

35. Other non-current liabilities

Item	As at 31/12/2019	As at 31/12/2018
Yangzi Petrochemical Pipeline Network Maintenance Fee [Note 1]	9,893,333.36	11,306,666.69
Yangtze Petrochemical Water Charge [Note 2]	8,935,257.04	10,302,395.95
Pre-collected water supply secondary pressurized operation and maintenance fee [Note 3]	215,029,620.32	192,425,843.67
Yangzi's first phase of water improvement [Note 4]	12,217,333.36	13,962,666.69
Agricultural to Water Project [Note 5]	212,534,051.66	191,534,051.66
Yangzi living area secondary pressurization, pipe network operation and maintenance	1,400,000.00	1,600,000.00
Compensation for use of equipment [Note 6]		10,950,560.75
Other shareholders' equity	238,007,985.00	56,292,160.00
Total	698,017,580.74	488,374,345.41

Note 1: In November 2010, Yangzi Petrochemical Branch of Sinopec Group Asset Management Co., Ltd. (hereinafter referred to as Party A) and Nanjing Yanjiang Industrial Development Zone Management Committee (hereinafter referred to as Party B) signed the "Water Supply Business Transfer Agreement". The agreement stipulates: Party A will hand over all the water supply business and functions of Yangzi living area to Party B, including the secondary pressurization of Yangzi living area, water supply network operation and maintenance, user metering and other operations and management related to water supply business, entrusted by Party B The company takes over. Party A transfers all water supply assets of Yangzi Life to Party B by free transfer. As compensation for the transfer of the water supply business, Party A paid the company's transfer fee of RMB 27.1 million in one lump, and the company fully collected it in 2011. In 2011, the carried-out household renovation project income carried forward was RMB 6.0 million, and the remaining RMB 21.20 million was included in the operating income based on 15-year amortization. The actual costs of pipe network renovation and maintenance fees were directly included in the cost.

Note 2: In 2011, the living water supply fee of Nanjing Yangzi Petrochemical Industry Company was pre-received at RMB 24,687,576.22 and billed for settlement. In 2011, 2012, 2013, 2014, 2015, 2016, and 2017, the actual water supply was resold to confirm the business. Revenues were RMB 1,694,118.18, RMB 1,918,336.69, RMB 2,953,380.15, RMB 1,900,784.01, RMB 1,741,065.47, RMB 1,570,408.59, and RMB 1,359,880.06.

Note 3: Because the company needs to undertake the post-maintenance work of the secondary pressurization, the company will allocate the operating and maintenance fees for the secondary pressurization of the water supply related to the water supply project to the operating income in the following year in 15-year amortization.

Note 4: The company converted the corresponding assets formed by Yangzi Petrochemical's Yangzi Phase I water improvement project of RMB 26.18 million into fixed assets, which were deferred into operating income according to the fixed asset service life of 15 years.

Note 5: The company has undertaken rural water improvement projects (also known as agricultural to water projects) since 2013. According to relevant agreements, the rural water improvement projects are funded by the government and the company is the construction unit; Nanjing Liuhe District Urban Investment and Development Co., Ltd. settles the project. After that, according to the actual investment of the company, the project funds will be settled according to actual conditions. As of December 31, 2018, the rural water improvement project has been completed. The company's book construction expenditures amounted to RMB 259,509,700, and only received government repayments of RMB 191,541,400. To be confirmed and settled with the competent government department of rural water improvement project.

Note 6: On March 2, 2018, Celanese (Nanjing) Acetyl Intermediate Co., Ltd. (hereinafter Celanese) signed a steam supply contract termination agreement with the company. Both parties agreed that the company should charge a fixed monthly steam fee. Until December 31, 2017, Celanese paid the company a one-off payment of RMB 13,429,933.00 for the remaining 65 months of steam fixed expenses in one lump sum in March 2018. Unless otherwise agreed by Celanese and the company, the terms of the steam supply quality, specifications, reliability and measurement in the supply contract still apply to the next steam supply (if any), the company will no longer submit to Celanese or Any transferee or successor of the ethanol production facility charges any fees related to the total pipeline investment.

36. Paid-in capital

Investor	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Nanjing Jiangbei New District Management Committee	6,000,000,000.00	3,000,000,000.00		9,000,000,000.00

For the year ended 31 December 2019

Investor	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Total	6,000,000,000.00	3,000,000,000.00		9,000,000,000.00

37. Capital reserve

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Capital premium	6,103,456,189.33			6,103,456,189.33
Other capital reserves	13,064,121,689.52	3,586,954,307.14		16,651,075,996.66
Total	19,167,577,878.85	3,586,954,307.14		22,754,532,185.99

For the year ended 31 December 2019

38. Other comprehensive income

Item	As at 31/12/2018	Movements during the year				Other additions	As at 31/12/2019
		Before-tax amount	Less: previously recognized amount transferred to profit or loss	Less: income tax expense	Net-of-tax amount attributable to shareholders of the Company		
I.Items that will not be reclassified to profit or loss							
1. Remeasurement of net defined benefit plan liability							
2.Share of other comprehensive income of the equity method instruments							
II.Items that may be reclassified to profit or loss							
1. Share of other comprehensive income of the equity method instruments							
2.Gain or loss arising from	205,047,690.35	288,521,856.97		72,130,464.25	216,391,392.72	16,507,140.36	437,946,223.43

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Item	As at 31/12/2018	Movements during the year				Other additions	As at 31/12/2019
		Before-tax amount	Less: previously recognized amount transferred to profit or loss	Less: income tax expense	Net-of-tax amount attributable to shareholders of the Company		
changes in fair value of available-for-sale financial assets							
3. Reclassification from held-to-maturity financial assets to held-to-sale financial assets							
4. Effective portion of gains or losses arising from cash flow hedging instruments	1,007,656,094.04	-351,841,089.95		-87,960,272.49	-263,880,817.46	23,311,163.84	767,086,440.42
5. Translation differences arising from translation of foreign currency financial statements	-1,556,672.90	-33,285,846.63			-33,285,846.63		-34,842,519.53
Total	1,211,147,111.49	-96,605,079.61		-15,829,808.24	-80,775,271.37	39,818,304.20	1,170,190,144.32

39. Surplus reserve

Item	As at 31/12/2018	Additions during the year	Reductions during the year	As at 31/12/2019
Statutory surplus	2,190,691.52	1,672,562.06		3,863,253.58
Total	2,190,691.52	1,672,562.06		3,863,253.58

Note: According to the provisions of the company law and the articles of association, the company withdraws the statutory surplus reserve fund at 10% of its net profit. If the statutory surplus public accumulation amount is more than 50% of the company's registered capital, it can no longer be withdrawn.

After the company withdraws the statutory surplus reserve fund, it can withdraw any surplus reserve fund. Upon approval, the discretionary surplus reserve can be used to make up for previous years' losses or increase share capital.

40. Retained earnings

Item	Year ended 31/12/2019	Year ended 31/12/2018
Retained earnings as at 31/12/2018 (before adjustment)	2,365,524,848.79	2,176,275,597.64
Total adjustments for opening retained earnings("+" for increase; "-" for decrease)		
Retained earnings as at 31/12/2018(after adjustment)	2,365,524,848.79	2,176,275,597.64
Add: Net profits for the year attributable to shareholders of the Company	258,173,278.35	251,683,856.87
Less: Appropriation for statutory surplus reserve	1,672,562.06	587,383.50
Appropriation for discretionary surplus reserve		
Appropriation for general reserve fund		
Cash dividends	316,671,600.63	61,847,222.22
Dividends converted to share capital		
Other	847,222.22	
Retained earnings as at 31/12/2019	2,304,506,742.23	2,365,524,848.79

41. Operating income and operating cost

(1) Operating income and Operating cost:

Item	Operating income		Operating cost	
	Year ended 31/12/2019	Year ended 31/12/2018	Year ended 31/12/2019	Year ended 31/12/2018
Principal activities	7,437,975,897.23	5,834,841,752.90	6,944,100,248.97	5,598,294,951.21
Other	136,606,144.89	15,076,891.50	232,899,810.18	106,059,165.54

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operating activities				
Total	7,574,582,042.12	5,849,918,644.40	7,177,000,059.15	5,704,354,116.75

(2) Operating income and operating costs from principal activities by product:

Item	Year ended 31/12/2019		Year ended 31/12/2018	
	Operating income	Operating cost	Operating income	Operating cost
Infrastructure	1,096,806,351.50	955,011,179.26	1,083,535,430.43	883,928,302.67
Land development and consolidation business	785,125,632.93	636,933,873.03	299,662,021.76	215,936,838.37
Social housing sales	1,856,622,058.98	1,629,544,688.91	2,151,006,009.31	2,015,201,143.03
Transportation business	56,054,528.62	33,224,800.76	45,422,929.32	33,059,593.69
Labor service	569,525,949.95	419,102,992.14	627,905,194.48	518,572,829.09
Technical Advisory Services	204,945,404.38	163,884,713.23	38,299,392.29	4,782,697.70
Leasing business	838,317,720.16	432,538,830.89	617,609,971.35	350,654,021.54
Water supply, heat supply, steam supply business	1,553,503,225.49	1,289,870,062.48	1,454,781,259.28	1,241,877,179.95
Sewage treatment	12,455,890.94	10,386,165.83	16,978,013.08	30,540,095.67
Waterworks repair	331,969,731.86	138,605,129.47	284,933,028.38	108,733,345.48
Project management services			74,044,680.43	4,514,153.32
Property management services	52,274,139.32	25,252,460.70	181,630,529.96	146,224,697.45
Trade income			14,952,900.51	13,114,204.50
Other	80,375,263.10	100,486,856.20	53,338,888.39	31,155,848.75
Total	7,437,975,897.23	5,834,841,752.90	6,944,100,248.97	5,598,294,951.21

42. Taxes and surcharges

Item	Year ended 31/12/2019	Year ended 31/12/2018
Business tax	3,718,716.45	
Urban maintenance and construction tax	16,409,771.90	14,133,370.80
Educational surcharge	11,712,149.11	10,067,914.53

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Item	Year ended 31/12/2019	Year ended 31/12/2018
Environmental Protection Tax	20,299,196.95	12,104,627.25
Property tax	57,708,756.24	46,440,481.85
Land holding tax	14,520,141.17	10,038,752.16
Vehicle and vessel usage tax	52,225.91	41,425.32
Stamp duty	12,475,181.74	12,926,509.08
Land value added tax	1,478,679.84	3,649,152.90
Other	726,097.41	425,547.42
Total	139,100,916.72	109,827,781.31

Note: Please refer to Note V. Taxation for details of various taxes and additional payment standards.

43. Financial expenses

Item	Year ended 31/12/2019	Year ended 31/12/2018
Interest expenses	1,231,482,898.25	1,374,756,210.89
Less: Interest income	311,723,351.21	278,595,123.35
Add: Net exchange losses/gains	10,317,399.16	-94,564,826.66
Bank charges	26,144,398.60	10,606,041.90
Financing expenses	71,957,168.52	112,387,497.12
Others	171.00	167,236.87
Total	1,028,178,684.32	1,124,757,036.77

44. Other income

Item	Year ended 31/12/2019	Year ended 31/12/2018	Amount included in current non-recurring gains and losses
Government grants related to daily business activities	390,540,085.62	251,474,531.85	390,540,085.62
Other income related to daily business activities	66,596.47	4,177.78	66,596.47
Total	390,606,682.09	251,478,709.63	390,606,682.09

(1) Details of government grants as follows:

Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/income
Water pipe network in 2011	182,666.67	77,666.67	Related to

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
			income
2015 High-tech Finance Bureau platform construction funds	10,000,000.00		Related to income
2017 Environmental Protection Subsidy Fund (Wanjiaba Road Sewage Lift Pump Station Project)		1,960,000.00	Related to income
2017 special fund for business development		39,100.00	Related to income
2017 Provincial Science and Technology Venture Enterprise Incubation Plan Fund		180,000.00	Related to income
2017 municipal-level technology business incubator performance evaluation funds	200,000.00		Related to income
2018 Party Building Assessment Awards	2,000.00		Related to income
2018 high-tech enterprise cultivation work funds		2,900,000.00	Related to income
2018 high-tech enterprise cultivation special work funds		750,000.00	Related to income
2018 technology development plan and technology funding		380,000.00	Related to income
2018 provincial science and technology entrepreneurship incubation plan city supporting funds		180,000.00	Related to income
2018 International Service Trade (Service Outsourcing) Special Fund Award		250,000.00	Related to income
2018 Nanjing Jiangbei New District Service Trade Innovation Development Special Fund		8,000,000.00	Related to income
In 2018, Nanjing Service also developed special funds		200,000.00	Related to income
2019 Technology Park Newly Regulated Industrial Enterprise Award	50,000.00		Related to income
Special work funds for the cultivation of high-	3,300,000.00		Related to

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
tech enterprises in 2019			income
2019 Special Fund for Intellectual Property Strategy	200,000.00		Related to income
2019 Jiangbei New District State-owned capital operating budget expenditure plan funds	20,000,000.00		Related to income
Funding for 2019 Jiangsu Postdoctoral Innovation Practice Base	150,000.00		Related to income
328 National Highway Project Financial Subsidy	2,993,474.97		Related to income
Rental income of Building B	4,705,851.15	4,705,851.15	Related to income
Water supply network in the northern mountainous area	10,098,500.00	182,666.67	Related to income
Beidou location network service center platform construction subsidies		4,000,000.00	Related to income
City Beautician Reward	232,000.00		Related to income
Urban governance subsidies		100,000.00	Related to income
Urban bicycle rental subsidy	3,432,156.62	2,913,941.52	Related to income
Chengqiao Water Pipe Network	76,666.66	76,666.66	Related to income
Funding for Party and Mass Service Center and Integrity Culture and Education Center	620,000.00		Related to income
Rice subsidies	104,000.00		Related to income
Phase II expansion equipment project		468,000.00	Related to income
High temperature subsidies	34,000.00	54,200.00	Related to income

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
Subsidies for eliminating high-pollution vehicles	135,000.00		Related to income
Subsidies for the construction of accelerators for biomedical preparations of the High-tech Finance Bureau	11,000,000.00		Related to income
Special subsidies for high-tech enterprises		2,000,000.00	Related to income
High-tech Zone Jinzhuanghe River Regulation Project Environmental Protection Guidance Fund		2,030,000.00	Related to income
High-tech Zone Tuweiba River Remediation Project Environmental Protection Guidance Fund		800,000.00	Related to income
Subsidy for upgrading and upgrading the sewage treatment plant in the high-tech zone	69,000.00		Related to income
Public bicycle operation subsidy		2,773,196.00	Related to income
Public utility service operation subsidies	5,257,500.00	12,580,343.05	Related to income
Management Committee approve the purchase cost of Yuanxun office decoration furniture		35,019.83	Related to income
Advertising Industry Subsidy		3,800.00	Related to income
Administrative Law Enforcement Bureau Urban Governance Substitutes Awards		80,000.00	Related to income
Environmental emergency, monitoring equipment and reagents, consumable items	77,000.00	77,000.00	Related to income
Health big data genetic testing public technology service platform		5,000,000.00	Related to income
Jiangbei New District Service Trade Public Service Platform Project Supporting Fund		10,000,000.00	Related to income
Jiangbei New District Management Committee Economic Development Bureau Special Fund for Foreign Investment	41,750.00		Related to income

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
Jiangbei New District Management Committee Economic Development Bureau Investment Promotion Fund Subsidy	420,000.00		Related to income
Jiangbei New District Administrative Committee 2015-2017 refund of property fees, utility bills		3,427,600.00	Related to income
Jiangbei New District State-owned Party Working Committee Party Construction Demonstration Position Subsidy Fund	10,000.00		Related to income
Jiangbei New District Science and Technology Innovation Bureau 2019 City-level Overseas Students Pioneering Park Construction Award	500,000.00		Related to income
Funding for Postdoctoral Innovation Practice Base of Jiangbei New Area Research and Innovation Park	50,000.00		Related to income
Funding for the Innovation Program of Returned Overseas Students in Jiangsu Province	400,000.00		Related to income
EDB's special fund for business development in 2018	28,800.00		Related to income
Special Support Fund for Open Economic Development	1,000,000.00		Related to income
Science and technology carrier nurturing high rewards	200,000.00		Related to income
Special subsidies for popular science	44,000.00		Related to income
Waste classification subsidies		238,089.62	Related to income
Green Tower Operation Subsidy		1,691,004.00	Related to income
Environmental protection guidance fund for the sewage pipeline project of Wanjiaba Road, Yongjin Road, Nanjing High-tech Zone		440,000.00	Related to income
Nanjing Jiangbei New District Administrative		40,000,000.00	Related to

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
Committee Finance Bureau			income
Science and Technology Innovation Bureau of Nanjing Jiangbei New District Administrative Committee		2,020,000.00	Related to income
Nanjing City's 2013 Public Science and Technology Platform Special Program and Science and Technology Fund Subsidies (non-taxable income)		464,527.97	Related to income
Subsidy for Nanjing's 2017 provincial service industry special base		3,000,000.00	Related to income
Nanjing Jiangbei New District Management Committee Finance Bureau approve the daily expenses of No. 16 Gaoxin Road	4,248,206.99		Related to income
Nanjing City Cultural Industry Development Special Fund Subsidy		694,392.00	Related to income
Special funds for the promotion and application of prefabricated buildings in Nanjing		600,000.00	Related to income
Energy subsidies			Related to income
Agricultural product brand building subsidies	50,000.00		Related to income
Platform construction subsidy funds	13,918,986.00	6,194,549.13	Related to income
Special funding for platform construction		798,328.64	Related to income
Subsidies for the construction of three roads including Puhui Road	15,000,000.00		Related to income
Gas and Water Phase II Expansion Equipment Project	468,000.00		Related to income
Special fund for gas and water phase I equipment	160,000.00	160,000.00	Related to income
Zone allocated fixed assets		156,800.00	Related to

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
			income
Staff resettlement subsidies	833,000.00	1,428,000.00	Related to income
Soft Expo		1,709,639.30	Related to income
Subsidy for Software Park Management Office	236,000,000.00	59,000,000.00	Related to income
Special funds for snow removal and antifreeze	100,000.00		Related to income
Subsidies for Shanpan Xinyuan Provincial Livable Demonstration Residential Area Project	800,000.00		Related to income
Supernatant Reuse Technology Reform Project	50,000.00		Related to income
Provincial-level special energy-saving emission reduction funds		1,000,000.00	Related to income
Tax refund	1,448,463.55	1,034,435.63	Related to income
Special community subsidies	4,441,796.02		Related to income
Special software industry alliance subsidy (beidou industrial base construction)		63,505.74	Related to income
Condolences	611,800.00	518,800.00	Related to income
Post stability subsidies	364,289.29	592,599.55	Related to income
Special subsidies for pollution prevention		128,000.00	Related to income
Pollution monitoring and accident warning system construction and maintenance projects	117,333.33		Related to income
Subsidy for installation of automatic monitoring facilities for pollution sources	89,000.00		Related to income

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Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
Subsidies for construction of sewage facilities	330,000.00		Related to income
On-site sampling and analysis auxiliary equipment	52,750.00	52,750.00	Related to income
Subsidies to the south of Xiaoshan	120,001.03	72,884.41	Related to income
Subsidies for new energy vehicles	247,646.00	383,346.00	Related to income
Subsidies for the "Two Members" Part of the Fourth National Economic Census Unit in the New District		9,800.00	Related to income
R&D Center Technology Innovation and Entrepreneurship Enterprise Support Fund	8,750,000.00	7,200,000.00	Related to income
Eternal Home Commercial House	72,884.40	7,234,846.47	Related to income
Budget revenue funds	15,000,000.00		Related to income
Subsidies for upgrading and upgrading the park		45,000,000.00	Related to income
Cloud service platform funds		570,000.00	Related to income
Heating pipe of Zhongshan Science and Technology Park	127,777.80	127,777.80	Related to income
Special subsidy for Zhongchuang Space		119,404.04	Related to income
Special Fund for Environmental Protection of Heavy Metals and Exhaust Gas Source Monitoring	45,833.33	50,000.00	Related to income
Special funds for heavy metals and petroleum	226,000.01	226,000.00	Related to income
Subsidies for the promotion and application of prefabricated buildings	3,170,000.00	2,270,000.00	Related to income

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
Comprehensive Law Enforcement Subsidies	12,000.00		Related to income
Rental and property subsidies	8,058,768.00		Related to income
Other sporadic subsidies	11,183.80		Related to income
Total	390,540,085.62	251,474,531.85	

45. Investment income

Item	Year ended 31/12/2019	Year ended 31/12/2018
Income from long-term equity investments accounted for using the equity method	295,516,243.76	-56,934,411.22
Investment income from disposal of long-term equity investments		484,000.00
Investment income from holding held-to-maturity investments	25,800,417.11	31,082,902.30
Investment income from holding available-for-sale financial assets	197,269,345.65	683,342,959.48
Investment income from disposal of available-for-sale financial assets	37,788,785.32	
Investment income from disposal of equity investment	48,442,757.70	
Other	3,173,976.89	15,370,754.28
Total	607,991,526.43	673,346,204.84

46. Gains/losses from changes in fair value

Item	Year ended 31/12/2019	Year ended 31/12/2018
Financial assets measured at fair value	21,803,124.00	
Investment properties measured at fair value	347,558,687.91	270,117,970.33
Total	369,361,811.91	270,117,970.33

47. Impairment losses

Item	Year ended 31/12/2019	Year ended 31/12/2018
Receivables impairment	29,515,684.82	8,098,067.18
Inventories impairment		-422,473.53
Available-for-sale financial assets impairment	-14,003,028.00	
Total	15,512,656.82	7,675,593.65

48. Gains from assets disposal

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018	Amount included in current non- recurring gains and losses
Gains/losses from disposal of holding assets for sale	13,258,386.17		13,258,386.17
Gains/losses from disposals of fixed assets		46,917,932.41	
Other		74,928,783.85	
Total	13,258,386.17	121,846,716.26	13,258,386.17

49. Non-operating income

Item	Year ended 31/12/2019	Year ended 31/12/2018	Amount included in current non- recurring gains and losses
Government grants not related to daily business	15,204,612.81	285,395.00	15,204,612.81
Donations received		6,737,008.45	
Gains/losses from disposals of non-current assets	1,679,236.87	130,261.71	1,679,236.87
other	5,302,695.18	5,258,588.81	5,302,695.18
Total	22,186,544.86	12,411,253.97	22,186,544.86

(1)Details of government grants as follows:

Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
2018 major service platform performance evaluation reward bonus	1,500,000.00		Related to income
Service organization capacity enhancement project funds	700,000.00		Related to income
Service Trade Packing Development Fund Subsidies	1,000,000.00		Related to income
Technology Innovation Voucher	74,498.00		Related to income
Special funds for business development	1,000,000.00		Related to income
Small and micro enterprise financing guarantee fee reduction award (special fund for special development of central small and medium-sized enterprises)	315,000.00		Related to income
2018 value added tax, urban construction tax and	35,167.36		Related to

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018	Related to assets/ income
additional tax refund			income
Operating subsidies	5,000,000.00	285,395.00	Related to income
Free WIFI award supplementary funds in key parks	4,740,000.00		Related to income
Other subsidies	839,947.45		Related to income
Total	15,204,612.81	285,395.00	

50. Non-operating expenses

Item	Year ended 31/12/2019	Year ended 31/12/2018	Amount included in current non- recurring gains and losses
Losses from debt restructuring			
Donations provided	24,000.00	74,400.00	24,000.00
Fines and late fees	3,463,158.13	338,652.81	3,463,158.13
Confirmed loss contract		4,326.50	
Loss in damage and scrap of non-current assets	1,920,514.86	984,175.21	1,920,514.86
Other	10,385,959.16	8,057,159.49	10,385,959.16
Total	15,793,632.15	9,458,714.01	15,793,632.15

51. Income tax expenses

Item	Year ended 31/12/2019	Year ended 31/12/2018
Current tax expense for the year based on tax law and regulations	287,413,628.86	610,640,134.86
Changes in deferred tax assets	21,477,049.44	-403,158,574.48
Changes in deferred tax liabilities	5,450,781.00	
Total	314,341,459.30	207,481,560.38

52. Supplementary information on cash flow statement

(1) Supplement to cash flow statement:

Item	Year ended 31/12/2019	Year ended 31/12/2018
1.Reconciliation of net profit/loss to cash flows from operating activities:		
Net profit	584,738,467.29	568,994,421.21
Add: Provisions for impairment of assets	-15,512,656.82	-7,675,593.65

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018
Depreciation of fixed assets, depreciation of investment properties, depletion of oil and gas assets, and depreciation of productive biological assets(delete if there is no such item)	286,227,026.94	288,820,337.60
Amortization of intangible assets	32,271,744.99	17,561,177.28
Amortization of long-term deferred expenses	71,717,739.05	93,367,715.54
Losses from disposal of fixed assets, intangible assets, and other long-term assets ("- " for gains)	-13,245,120.24	-121,846,716.26
Loss from scrapping of fixed assets ("- " for gains)	2,156,390.80	853,913.50
Losses from changes in fair value ("- " for gains)	-369,361,811.91	-270,117,970.33
Financial expenses ("- " for income)	1,478,157,390.95	1,410,559,972.63
Losses arising from investment ("- " for gains)	-607,991,526.43	-673,346,204.84
Decrease in deferred tax assets ("- " for increase)	-24,268,197.00	-4,800,721.48
Increase in deferred tax liabilities ("- " for decrease)	142,644,447.19	-453,685,809.93
Decrease in gross inventories ("- " for increase)	-	-
	11,234,343,251.29	10,036,716,847.52
Decrease in operating receivables ("- " for increase)	-9,725,169,973.45	4,352,235,693.63
Increase in operating payables ("- " for decrease)	9,009,323,973.76	-1,157,789,508.81
Others	292,500.00	-174,572,306.96
Net cash flows from operating activities	-	-6,168,158,448.39
	10,382,362,856.17	
2. Investing and financing activities not requiring the use of cash:		
Conversion of debt into capital		
Convertible bonds due within one year		
Acquisition of fixed assets under finance leases		
3. Change in cash and cash equivalents		
Cash as at 31/12/2019	31,494,176,774.78	36,944,914,587.58
Less: cash As at 31/12/2018	36,944,914,587.58	33,719,648,218.59
Add: cash equivalents as at 31/12/2019		
Less: cash equivalents as at 31/12/2018		
Net increase/decrease in cash and cash equivalents	-5,450,737,812.80	3,225,266,368.99
(2) Details of cash and cash equivalents		
Item	Year ended 31/12/2019	Year ended 31/12/2018
Cash	31,494,176,774.78	36,944,914,587.58

For the year ended 31 December 2019

Item	Year ended 31/12/2019	Year ended 31/12/2018
Including: Cash on hand	607,395.89	543,734.45
Bank deposits available on demand	27,228,753,185.79	34,356,425,581.28
Other monetary funds available on demand	4,264,816,193.10	2,587,945,271.85
Cash equivalents		
Including: Bond investments with a maturity of 3 months or less		
Cash and cash equivalents as at 31/12/2019	31,494,176,774.78	36,944,914,587.58

53. Assets with restrictive ownership title or right of use

Item	As at 31/12/2019	Reason for restriction
Cash at bank and on hand	718,275,778.64	Rerer to Note VI. 1 Cash at bank and on hand Restriction
Investment properties	6,637,284,447.08	Bank loan mortgage
Accounts receivable	1,048,430,000.00	Bank loan mortgage
Accounts receivable	2,500,000,000.00	Bank loan mortgage
Fixed assets	300,622.81	Bank loan mortgage
Total	10,904,290,848.53	

VII. Change of consolidation scope**1. Business combinations involving enterprises not under common control**

(1) Business combinations involving enterprises not under common control occurred during the year

Acquiree	Acquisition date of equity investment	Cost of equity investment	Shareholding acquired %	Acquisition method	Acquisition date	Basis of acquisition date determination	Acquiree's income from acquisition date to 31/12/2019	Acquiree's net profit from acquisition date to 31/12/2019
Nanjing Jiangbei New District Central District Development Co., Ltd.	December 27, 2019	4.08	100.00	Replacement	December 27, 2019	Business change	10.27	0.003
Nanjing Jiangbei New District	December 27,	4.24	100.00	Replacement	December 27, 2019	Business change		-0.039

For the year ended 31 December 2019

Hub Economic Development Co., Ltd.	2019							
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2. Disposal of subsidiaries

According to the "Notice on the Adjustment of the Equity Structure of Jiangbei New Area State-owned Assets Corporation" (Ningxin District Guanfa (2019) No. 183) issued by the Jiangbei New District Management Committee of Nanjing City on November 20, 2019, the New District Management Committee allocated the net assets with The equivalent amount of cash capital increase and equity transfer are two steps to transfer the 51% equity of Jiangbei State Assets held by Yangzi State-owned Assets in two steps: the first step is to transfer the 2% of Jiangbei State Assets held by Yangzi State-owned Assets before December 31, 2019. The equity transfer was transferred to the New District Management Committee. In the second step, all 49% of Jiangbei State-owned equity held by Yangzi State-owned Assets will be transferred to the New District Management Committee before the end of June 2020. After the two equity transfers were completed, Yangzi State-owned Assets no longer holds Jiangbei State-owned equity.

VIII. Interest in other entities

1. Interests in subsidiaries

(1) Composition of the Group

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Nanjing International Health City Investment Development Co., Ltd.	Nanjing	Nanjing	Project investment; asset management	60.00%	40%	Establishment
Nanjing Kang Relocation Industry Co., Ltd.	Nanjing	Nanjing	Real estate development and management		51%	Subsidiary establishment
Berkeley Nanjing Medical Research Co., Ltd.	Nanjing	Nanjing	Medical Technology R&D		100%	Subsidiary establishment
Nanjing Jiangbei	Nanjing	Nanjing	Real estate		51.72%	Subsidiary

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Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
New District Central Business District Development and Operation Co., Ltd.			development and management			establishment
Nanjing Taiwan Medical Precision Health Management Co., Ltd.	Nanjing	Nanjing	Health management		100%	Subsidiary establishment
Nanjing Pukou New City Development and Construction Co., Ltd.	Nanjing	Nanjing	Industrial Investment	51%		Appropriation
Nanjing Pukou New Town Safe Housing Development and Construction Co., Ltd.	Nanjing	Nanjing	Real estate development		100%	Subsidiary establishment
Nanjing Tianyi Project Management Co., Ltd.	Nanjing	Nanjing	Project management		100%	Subsidiary establishment
Nanjing Pukou New Town Asset Management Co., Ltd.	Nanjing	Nanjing	asset Management		100%	Subsidiary establishment
Nanjing Tianyi Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and management		100%	Subsidiary establishment
Nanjing	Nanjing	Nanjing	asset	100%		Establishment

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Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Yangzijiang Asset Operation Management Co., Ltd.			Management			
Nanjing Jiangbei New Area Security Service Co., Ltd.	Nanjing	Nanjing	Doorman, patrol, guard (excluding armed guard)		100%	Subsidiary establishment
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure construction	77.09%		Appropriation
Nanjing Yuangu Water Co., Ltd.	Nanjing	Nanjing	Water supply		80.36	Subsidiary establishment
Nanjing Xincheng Industrial Co., Ltd.	Nanjing	Nanjing	Business management		100.00	Subsidiary establishment
Nanjing Chemical and Chemical Research Institute Co., Ltd.	Nanjing	Nanjing	Support the development of platform enterprises		100%	Subsidiary establishment
Nanjing Institute of Technology and Materials Science and Technology Park Management Co., Ltd.	Nanjing	Nanjing	Support the development of platform enterprises		80.00	Subsidiary establishment
Nanjing Chemical Industry Park Affordable Housing Development Center	Nanjing	Nanjing	Affordable housing development		100.00	Subsidiary establishment
Nanjing Yanjiang	Nanjing	Nanjing	Heating		51.00	Subsidiary establishment

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Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Thermal Power Co., Ltd.			service			
Nanjing Yongli Public Bicycle Service Co., Ltd.	Nanjing	Nanjing	Public bicycle rental		100.00	Subsidiary establishment
Nanjing Yangzijiang New Town Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment	100%		Establishment
Nanjing Yangzi Yuanxiang Construction Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		60%	Subsidiary establishment
Nanjing Zaohewan Agricultural Development Co., Ltd.	Nanjing	Nanjing	Agricultural project investment		58.33%	Subsidiary establishment
Nanjing Yangzi Xingshi Construction Development Co., Ltd.	Nanjing	Nanjing	Land consolidation		60%	Subsidiary establishment
Nanjing Jinniuhu Cultural Tourism Development Co., Ltd.	Nanjing	Nanjing	Tourism project development		55%	Subsidiary establishment
Nanjing Jinniuhu Wild Animal Kingdom Co., Ltd.	Nanjing	Nanjing	Animal feeding		100%	Subsidiary establishment
Nanjing Jinniuhu Culture Technology Co., Ltd.	Nanjing	Nanjing	Cultural product development		51%	Subsidiary establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Nanjing Pukou Railway Station Historic District Protection Development Co., Ltd.	Nanjing	Nanjing	Urban infrastructure construction, public facilities management, etc.		100.00 %	Establishment
Nanjing Jiangbei New Area Yangzi Technology Financial Leasing Co., Ltd.	Nanjing	Nanjing	Financial leasing business	70%		Establishment
Nanjing Jiangbei New District Central District Development Co., Ltd.	Nanjing	Nanjing	Urban Infrastructure	100.00%		Replacement
Nanjing Jiangbei New District Concrete Co., Ltd.	Nanjing	Nanjing	Concrete, concrete products		85%	Subsidiary establishment
Nanjing Yangtze Development and Investment Co., Ltd.	Nanjing	Nanjing	Affordable housing investment and construction	100%		Establishment
Nanjing Jiangbei New District New Financial Development and Construction Co., Ltd.	Nanjing	Nanjing	First-level land development		70%	Subsidiary establishment
Nanjing Jiangbei New District Railway Construction	Nanjing	Nanjing	Investment in railway projects within the new area		70%	Subsidiary establishment

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Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Investment Co., Ltd.						
Nanjing Jiangbei New District Technology Investment Group Co., Ltd.	Nanjing	Nanjing	To undertake service outsourcing business	80.01%	10.99%	Establishment
Nanjing High-tech Financing Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee		100%	Subsidiary establishment
Nanjing High-tech Venture Capital Co., Ltd.	Nanjing	Nanjing	Venture Capital		100%	Subsidiary establishment
Nanjing Jiangbei New Area Biomedical Public Service Platform Co., Ltd.	Nanjing	Nanjing	Public Technology Platform Operation and Management		84.40%	Subsidiary establishment
Nanjing Dingshan Urban Industrial Park Investment Development Co., Ltd.	Nanjing	Nanjing	Asset management and capital operation		100.00 %	Subsidiary acquisition
Nanjing Jiangbei New District Innovation Investment Fund Management Co., Ltd.	Nanjing	Nanjing	Equity investment, venture capital		100.00 %	Subsidiary establishment
Nanjing Changfeng Finance Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee business		95.65%	Subsidiary acquisition
Nanjing Advanced Computing	Nanjing	Nanjing	Network security		100.00 %	Subsidiary establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Industry Development Co., Ltd.			equipment and application system development			
Nanjing Yangtze River Investment Fund Management Co., Ltd.	Nanjing	Nanjing	Fund Investment Management	100%		Establishment
Nanjing Yangzi Commercial Factoring Co., Ltd.	Nanjing	Nanjing	Business factoring	100%		Establishment
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing	Nanjing	Invest in high-tech enterprises	51%		Appropriation
Public Utilities Company of Nanjing High-tech Development Zone (owned by the whole people)	Nanjing	Nanjing	Productive steaming gas supply		100%	Subsidiary establishment
Nanjing Xinju Construction Group Co., Ltd.	Nanjing	Nanjing	Real estate development		89.97%	Subsidiary establishment
Nanjing Biomedicine Valley Construction Development Co., Ltd.	Nanjing	Nanjing	Biomedical Valley Construction Management		84.85%	Subsidiary establishment
Nanjing Software Park Economic Development Co.,	Nanjing	Nanjing	Construction Management of Software		100%	Subsidiary establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Ltd.			Park			
Nanjing Jiangbei New District Independent Innovation Service Co., Ltd.	Nanjing	Nanjing	Park development and construction		100%	Subsidiary establishment
Nanjing New City Management and Maintenance Center (collective ownership)	Nanjing	Nanjing	Sanitation and greening projects		100%	Subsidiary establishment
Nanjing Dingye Baitai Biological Technology Co., Ltd.	Nanjing	Nanjing	New drugs, biotechnology products		100%	Subsidiary establishment
Nanjing Xingao Municipal Engineering Co., Ltd.	Nanjing	Nanjing	Municipal Engineering Construction		100%	Subsidiary establishment
Nanjing Software Park Venture Service Center	Nanjing	Nanjing	High-tech consulting services		100%	Subsidiary establishment
Nanjing Jiangbei Cultural Tourism Media Development Co., Ltd.	Nanjing	Nanjing	Agency operation and maintenance of website and new media public account		100%	Subsidiary establishment
Nanjing Jiangbei New District Talent Development Co., Ltd.	Nanjing	Nanjing	Human Resources Service		100%	Subsidiary establishment
Nanjing High-tech Environmental	Nanjing	Nanjing	Environmental quality		99%	Subsidiary establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Monitoring Station Co., Ltd.			monitoring			
Nanjing Satellite Application Industrial Park Economic Development Co., Ltd.	Nanjing	Nanjing	Satellite Application Industrial Park Investment		100%	Subsidiary establishment
Nanjing High-tech City Construction Development Co., Ltd.	Nanjing	Nanjing	Investment in public works in the park		100%	Subsidiary establishment
Nanjing Intelligent Manufacturing Industrial Park Construction and Development Co., Ltd.	Nanjing	Nanjing	Smart manufacturing industry investment		100%	Subsidiary establishment
Nanjing Software Park Technology Development Co., Ltd.	Nanjing	Nanjing	Asset Operation Management		100%	Subsidiary establishment
Nanjing Jiangbei Jiakang Intelligent Technology Fund (Limited Partnership)	Nanjing	Nanjing	Equity investment, venture capital		100%	Subsidiary establishment
Nanjing Jiangbei Medical Innovation Industry Fund (Limited Partnership)	Nanjing	Nanjing	medical health		69.99%	Subsidiary establishment
Nanjing Jiangbei Intelligent	Nanjing	Nanjing	Smart manufacturing		69%	Subsidiary establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Manufacturing Industry Fund (Limited Partnership)			industry investment			
New & High (HK) Limited	Nanjing	Nanjing			100%	Subsidiary establishment
Nanjing Hanyuan Multiple Health Industry Fund (Limited Partnership)	Nanjing	Nanjing	Investment consulting, investment management		99.00%	Establishment
Nanjing Beilian Equity Investment Co., Ltd.	Nanjing	Nanjing	Equity investment, venture capital		100.00 %	Establishment
Nanjing Beilian Financial Leasing Co., Ltd.	Nanjing	Nanjing	Financial leasing business		100.00 %	Establishment
Nanjing Jiangbei Medical Asset Management Co., Ltd.	Nanjing	Nanjing	Asset management; medical project health setting, etc.		100.00 %	Establishment
Nanjing Guangde Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development, management, etc.		51%	Subsidiary establishment
Nanjing Yangzi Technology Venture Equity Investment Fund (Limited Partnership)	Nanjing	Nanjing	Technological venture investment	99.00%	1%	Establishment
Nanjing Yangtze Science and	Nanjing	Nanjing	Engaged in investment	99.00%	1%	Establishment

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Technology Industrial Investment Fund Phase I (Limited Partnership)			management and related consulting services			
Nanjing Jiangbei New District Strategic Investment Collaborative Innovation Fund (Limited Partnership)	Nanjing	Nanjing	Initiate the establishment of a sub-fund	10%	90%	Establishment
Nanjing Jiangbei High-tech Industrial Development Equity Investment Fund (Limited Partnership)	Nanjing	Nanjing	Technology Industry Investment		100%	Establishment
Nanjing Jiangbei New District Hub Economic Development Co., Ltd.	Nanjing	Nanjing	Urban Infrastructure	100.00%		Replacement
Nanjing Digital Financial Industry Research Institute Co., Ltd.	Nanjing	Nanjing	Financial data processing technology development	60.00%		Establishment
Nanjing Yangzijiang Cultural and Sports Investment Development Co.,	Nanjing	Nanjing	Management and capital operation of state-owned cultural assets	100.00%		Replacement

For the year ended 31 December 2019

Subsidiaries	Principal place of business	Registration place	Business nature	Shareholding		Acquisition method
				Direct	Indirect	
Ltd.						
Nanjing Yangtze River Innovation Venture Capital Fund (Limited Partnership)	Nanjing	Nanjing	Fund management investment, venture capital	99.90%	0.1%	Establishment
Nanjing Yangzi Jinji Real Estate Co., Ltd.	Nanjing	Nanjing	Real estate development and sales	51.00%		Establishment
Nanjing Engineering Consulting Center Co., Ltd.	Nanjing	Nanjing	Bidding consultation	100.00%		Appropriation
Nanjing South Consulting Engineering Consulting Co., Ltd.	Nanjing	Nanjing	Engineering consulting, engineering cost consulting		100.00 %	Appropriation
Nanjing "Reform and Opening Magazine" Co., Ltd.	Nanjing	Nanjing	Editing, publishing and distribution of "Reform and Development" magazine		100.00 %	Appropriation

2. Interests in joint ventures or associates

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Nanjing Saidexing Pharmaceutical Biomedicine Innovation Development Co., Ltd.	Co.,Ltd.	Nanjing	1,000.00	50.00	50.00
Nanjing Huaxian High-tech	Co.,Ltd.	Nanjing	5,000.00	40.00	40.00

For the year ended 31 December 2019

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Co., Ltd.					
Nanjing Baoan High-tech Investment Co., Ltd.	Co.,Ltd.	Nanjing	3,000.00	34.00	34.00
Nanjing Hi-Tech Composite Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,400.00	19.78	19.78
Nanjing Science and Technology High-Tech Development Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	30.00	30.00
Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership)	LLP	Nanjing	12,000.00	33.33	33.33
Nanjing Hi-tech Life Science Venture Capital Center	LLP	Nanjing	3,000.00	33.33	33.33
Nanjing Green Technology Research Institute Co., Ltd.	Co.,Ltd.	Nanjing	2,025.00	25.93	25.93
Nanjing High-tech Pharmaceutical Valley Development and Construction Co., Ltd.	Co.,Ltd.	Nanjing	13,306.67	30.00	30.00
Jiangsu Jicui Intelligent Manufacturing Technology Research Institute Co., Ltd.	Co.,Ltd.	Nanjing	1,000.00	25.00	25.00
Nanjing Focus Internet Technology Microfinance Co., Ltd.	Co.,Ltd.	Nanjing	20,000.00	20.00	20.00
Nanjing Yanjiang Economic and Technological Development Co., Ltd. (Note)	Co.,Ltd.	Nanjing	31,531.00	92.07	<50
Nanjing Yuangu Industry &	Co.,Ltd.	Nanjing	300.00	34.07	34.07

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Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Trade Industrial Co., Ltd.					
Nanjing Jiangbei New District Investment Development Co., Ltd.	Co.,Ltd.	Nanjing	200,000.00	25.00	25.00
Nanjing Zijin Chemical Park Venture Capital Fund Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	51.00	51.00
Nanjing Chemical Institute Zhongshan Science and Technology Pioneer Park Co., Ltd.	Co.,Ltd.	Nanjing	2,000.00	50.00	50.00
Nanjing Chemical Industry Park Tianyu Solid Waste Disposal Co., Ltd.	Co.,Ltd.	Nanjing	HK\$9360.00	40.00	40.00
Nanjing Chemical Park Bored Water Co., Ltd.	Co.,Ltd.	Nanjing	5,000.00	40.00	40.00
Nanjing Chemical Industry Park Energy Saving and Emission Reduction Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,100.00	40.00	40.00
Nanjing Ruixu Product Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,633.00	48.99	48.99
Nanjing Jingan Railway Transportation Investment Development Co., Ltd.	Co.,Ltd.	Nanjing	600.00	33.33	33.33
Jiangsu Xintangcheng Cultural Investment Co., Ltd.	Co.,Ltd.	Nanjing	500.00	20.00	20.00
Nanjing Yangzi Yachuang Hotel Management Co., Ltd.	Co.,Ltd.	Nanjing	10,000.00	30.00	30.00
Nanjing Shengshi Yangzi Fund Investment	Co.,Ltd.	Nanjing	500.00	35.00	35.00

For the year ended 31 December 2019

Name	Type of enterprise	Registration place	Registered capital (ten thousand yuan)	Shareholding percentage %	Percentage of voting rights %
Management Co., Ltd.					
Nanjing Xinnong Modern Agricultural Industry Investment Management Co., Ltd.	Co.,Ltd.	Nanjing	500.00	22.00	22.00
Nanjing High-tech Biomedical Public Service Platform Co., Ltd.	Co.,Ltd.	Nanjing	300.00	44.74	44.74
Nanjing Yangtze Jasmine Valley Cultural Technology Co., Ltd.	Co.,Ltd.	Nanjing	1,428.57	30.00	30.00
Nanjing Aircraft Development Co., Ltd.	Co.,Ltd.	Nanjing	82,321.5497	30.00	30.00
Nanjing Beizhong Creative Intelligent Information Industry Investment Partnership (Limited Partnership)	Co.,Ltd.	Nanjing	1,250.00	40.00	40.00
Nanjing Lihe Changjiang Innovation Center Co., Ltd.	Co.,Ltd.	Nanjing	1,500.00	33.33	33.33
Nanjing Golden Travel Financial Leasing Co., Ltd.	Co.,Ltd.	Nanjing	20,000.00	22.22	22.22

Note: Although the company's subsidiary Nanjing Jiangbei New Area Public Assets Investment Development Co., Ltd. holds 92.07% of the equity of Nanjing Yanjiang Economic and Technical Development Co., Ltd., the actual controller of the company is Nanjing Zhongshan Science and Technology Management Committee, so it is not included in the scope of the consolidated statement.

IX.Related parties and related party transactions

1. Information about the parent of the Company

Name	Registration place	Shareholding percentage %	Percentage of voting rights %	The company's ultimate controller
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For the year ended 31 December 2019

Name	Registration place	Shareholding percentage %	Percentage of voting rights %	The company's ultimate controller
Nanjing Jiangbei New District Management Committee	Nanjing	100	100	Nanjing Jiangbei New District Management Committee

2. Information about the subsidiaries of the Company

For information about the subsidiaries of the Company, refer to Note VIII.1. Interests in subsidiaries

3. Transactions with related parties

(1) As the guarantor

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	Nanjing Jiangbei Technology Development Co., Ltd.	5,000.00	2019/3/22	2020/3/22	N
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	Nanjing Xinming Economic Development Co., Ltd.	7,000.00	2019/8/23	2020/8/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	5,000.00	2015/1/1	2022/12/1	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	5,000.00	2014/12/31	2020/12/1	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	5,000.00	2015/1/1	2021/12/1	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
District Industrial Investment Group Co., Ltd.	District Construction Investment Group Co., Ltd.				
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	5,000.00	2015/1/1	2022/6/1	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	7,500.00	2013/3/27	2020/3/25	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	1,140.00	2015/3/30	2020/4/10	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	12,900.00	2016/7/21	2021/1/29	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	7,000.00	2016/1/4	2021/6/28	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	700.00	2015/6/29	2021/6/28	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	6,300.00	2015/7/27	2021/6/28	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	12,000.00	2016/4/15	2022/8/31	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	1,750.00	2015/6/25	2023/1/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,250.00	2015/6/25	2022/7/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,500.00	2015/3/25	2022/1/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,000.00	2015/3/20	2021/7/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	500.00	2015/3/25	2022/7/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	8,000.00	2016/3/27	2022/9/6	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	500.00	2014/11/7	2021/7/22	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
	Ltd.				
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,500.00	2014/11/7	2021/1/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,000.00	2014/11/7	2020/7/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	2,000.00	2014/6/13	2020/1/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	500.00	2014/6/13	2020/7/22	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	4,300.00	2016/4/14	2021/4/14	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Jiangbei New District Construction Investment Group Co., Ltd.	4,000.00	2015/9/17	2020/9/17	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	40,000.00	2015/12/28	2021/12/28	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	24,250.00	2016/2/1	2025/12/10	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	5,000.00	2016/1/29	2025/12/10	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	2,750.00	2016/1/28	2025/12/10	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	10,000.00	2016/1/27	2025/12/10	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	29,900.00	2016/2/2	2023/12/31	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	100.00	2016/1/27	2023/12/31	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	6,600.00	2018/2/2	2020/6/30	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	2,400.00	2018/6/1	2020/6/12	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	5,000.00	2018/6/1	2020/12/12	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Economic Development Co., Ltd.	4,000.00	2018/6/1	2020/12/12	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Pukou Water Supply Corporation	15,000.00	2012/5/25	2020/11/15	N
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	Nanjing Norman	400.00	2019/1/3	2020/1/2	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
District Green Financing Guarantee Co., Ltd.	Biotechnology Co., Ltd.				
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Norman Biotechnology Co., Ltd.	400.00	2019/1/30	2020/1/29	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Practical Medical Laboratory Co., Ltd.	200.00	2019/3/25	2020/3/24	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Henglun Electric Equipment Co., Ltd.	100.00	2019/3/26	2020/3/25	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Zhipu Technology Co., Ltd.	500.00	2019/4/9	2020/4/8	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Guoxin Energy Co., Ltd.	500.00	2019/4/30	2020/4/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing General Electric Equipment Co., Ltd.	300.00	2019/5/30	2020/5/29	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Bitun Environmental Protection Technology Co., Ltd.	400.00	2019/6/11	2020/6/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Changge Technology Development Co., Ltd.	150.00	2019/6/20	2020/6/15	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Shierpu Trading Company	150.00	2019/6/26	2020/6/10	N
Nanjing Jiangbei New	Nanjing Zhipu	200.00	2019/07/10	2020/7/9	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
District Green Financing Guarantee Co., Ltd.	Technology Co., Ltd.				
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Jiangsu Hongji Energy Saving New Technology Co., Ltd.	800.00	2019/07/02	2020/7/2	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Jiangsu Yubiao Intelligent Technology Co., Ltd.	600.00	2019/08/14	2020/7/25	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Hengrui Environmental Protection Technology Co., Ltd.	200.00	2019/08/05	2020/8/4	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	400.00	2019/08/15	2020/8/14	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Hengrui Environmental Protection Technology Co., Ltd.	100.00	2019/08/12	2020/8/11	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Yuntian Network Technology Co., Ltd.	500.00	2019/08/28	2020/8/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Guoxin Energy Co., Ltd.	400.00	2019/08/28	2020/8/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing New Watt Intelligent Control Technology Co., Ltd.	400.00	2019/08/30	2020/8/19	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Huiyi Hesheng Trading Co., Ltd.	500.00	2019/09/09	2020/9/8	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Jiangsu Subo Biomedical Technology Nanjing Co., Ltd.	500.00	2019/09/19	2020/9/18	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Jiangsu Rongda Information Technology Industry Co., Ltd.	200.00	2019/09/03	2020/9/2	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Haiyuan Chinese Medicine Pieces Co., Ltd.	300.00	2019/09/20	2020/9/20	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing China Network Satellite Communications Co., Ltd.	800.00	2019/09/23	2020/9/23	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	400.00	2019/09/29	2020/9/28	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing New Watt Intelligent Control Technology Co., Ltd.	400.00	2019/10/15	2020/10/14	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Jinsanli Rubber & Plastic Co., Ltd.	1,000.00	2019/10/23	2020/01/16	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Guoxin Energy Co., Ltd.	380.00	2019/11/07	2020/11/6	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Southeast Industrial Equipment Co., Ltd.	300.00	2019/11/25	2020/11/24	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Jiayi Digital Additive Technology Research Institute Co.,	300.00	2019/11/29	2020/11/28	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
	Ltd.				
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Bitun Environmental Protection Technology Co., Ltd.	520.00	2019/11/07	2020/11/6	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Changge Technology Development Co., Ltd.	150.00	2019/11/25	2020/11/24	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Hengrui Environmental Protection Technology Co., Ltd.	200.00	2019/11/27	2020/11/15	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Haiyuan Chinese Medicine Pieces Co., Ltd.	200.00	2019/11/22	2020/11/22	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Yuntian Network Technology Co., Ltd.	500.00	2019/11/26	2020/11/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Sute Electric Co., Ltd.	750.00	2019/12/10	2020/12/10	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Leading Environmental Technology Co., Ltd.	400.00	2019/12/18	2020/12/17	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Shunjun Transportation Co., Ltd.	300.00	2019/12/16	2020/12/15	N
Nanjing Jiangbei New District Green Financing Guarantee Co., Ltd.	Nanjing Shunjun Transportation Co., Ltd.	500.00	2019/12/16	2020/12/15	N
Nanjing Jiangbei New	Jiangsu Subo	300.00	2019/12/30	2020/12/3	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
District Green Financing Guarantee Co., Ltd.	Biomedical Technology Nanjing Co., Ltd.			0	
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Baiyun Environmental Technology Group Co., Ltd.	400.00	2018/12/19	2019/12/18	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Mulinsen Activated Carbon Jiangsu Co., Ltd.	200.00	2019/1/8	2020/1/3	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yangchuan Electromechanical Equipment Maintenance Installation Co., Ltd.	200.00	2019/1/9	2020/1/8	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Shengguan Machinery Manufacturing Co., Ltd.	150.00	2019/1/31	2020/1/30	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Shunjun Transportation Co., Ltd.	400.00	2019/2/19	2020/2/13	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Zerun Logistics Co., Ltd.	400.00	2019/2/19	2020/2/19	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Lianzun New Building Material Co., Ltd.	400.00	2019/2/24	2020/2/24	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Erma Logistics Co., Ltd.	50.00	2019/3/27	2020/3/26	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Wofeng Building Material Trading Co., Ltd.	350.00	2019/3/18	2020/3/18	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Shanwang Chemical Co., Ltd.	280.00	2019/3/27	2020/3/10	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Ningpu Chemical Co., Ltd.	300.00	2019/3/29	2020/3/26	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Puning Chemical Co., Ltd.	200.00	2019/3/28	2020/3/26	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Haoyu Logistics Co., Ltd.	700.00	2019/5/10	2020/5/9	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Chunjia Engineering Plastic Co., Ltd.	400.00	2019/5/30	2020/5/29	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Baibang Electromechanical Equipment Installation Co., Ltd.	400.00	2019/5/30	2020/5/29	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Jiangsu Rongliwang Lifting Engineering Co., Ltd.	200.00	2019/6/10	2020/6/4	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yitong Heavy Lifting Transportation Co., Ltd.	200.00	2019/6/4	2020/6/3	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Zunding Energy Co., Ltd.	280.00	2019/6/19	2020/6/18	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Tianshi New Material Technology Co., Ltd.	450.00	2019/6/25	2020/6/20	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Liuhe Dingyang Pump Manufacturing Co., Ltd.	80.00	2019/6/19	2020/6/18	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Puning Chemical Co., Ltd.	100.00	2019/7/8	2020/7/4	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Erma Logistics Co., Ltd.	50.00	2019/7/22	2020/7/21	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yiga Electric Technology Co., Ltd.	60.00	2019/7/25	2020/7/24	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yiga Electric Technology Co., Ltd.	150.00	2019/7/25	2020/7/24	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Zheyuan Water Transport Co., Ltd.	300.00	2019/7/31	2020/5/28	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yitong Heavy Lifting Transportation Co., Ltd.	300.00	2019/8/8	2020/8/7	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Weixun Chemical (Nanjing) Co., Ltd.	400.00	2019/9/29	2020/9/28	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Liangtian Lifting Co., Ltd.	300.00	2019/9/29	2020/9/25	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Minkun Chemical Co., Ltd.	150.00	2019/10/25	2020/10/24	N
Nanjing Changfeng	Nanjing Gujie	99.00	2019/10/31	2020/10/1	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Financial Insurance Co., Ltd.	Packaging Container Co., Ltd.			2	
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Tongzhou Gas Co., Ltd.	300.00	2019/11/12	2020/11/11	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Tangdi Chemical Co., Ltd.	170.00	2019/11/12	2020/11/11	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Bacon Chemical Co., Ltd.	200.00	2019/11/13	2020/11/12	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Lianwo Material Co., Ltd.	200.00	2019/11/20	2020/11/19	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Lianzun New Building Material Co., Ltd.	100.00	2019/11/20	2020/11/19	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yangchuan Electromechanical Equipment Maintenance Installation Co., Ltd.	200.00	2019/11/18	2020/11/17	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Best Industrial Co., Ltd.	450.00	2019/11/26	2020/11/19	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Jiangsu Chaowei Petrochemical Co., Ltd.	600.00	2019/12/27	20201226	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Huaxia Iron and Steel Co., Ltd.	380.00	2019/12/26	20201219	N
Nanjing Changfeng	Nanjing Leichun	300.00	2019/12/25	20201213	N

For the year ended 31 December 2019

Guarantor	Guarantee holder	Amount of guarantee	Guarantee period		Guarantee expired (Y/N)
		(Ten thousand yuan)	Inception date of guarantee	Maturity date of guarantee	
Financial Insurance Co., Ltd.	Construction Machinery Co., Ltd.				
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Yangyaochen Economic and Trade Industrial Development Co., Ltd.	490.00	2019/12/25	20201218	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Zhongrui Logistics Co., Ltd.	490.00	2019/12/25	20201218	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Sansheng Logistics Co., Ltd.	490.00	2019/12/25	20201218	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Gaohai Chemical Co., Ltd.	200.00	2019/12/26	20201223	N
Nanjing Changfeng Financial Insurance Co., Ltd.	Nanjing Zhongpulong Labor Service Co., Ltd.	450.00	2019/12/31	20201225	N
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	14,400.00	2019/12/2	2022/8/12	N
Nanjing Yangzi State-owned Investment Group Co., Ltd.	Nanjing Golden Travel Financial Leasing Co., Ltd.	5,900.00	2019/12/18	2022/9/28	N
Total		306,209.00			

X. Commitments and contingencies**1. Significant commitments**

Non

2. Contingencies

(1) For contingent liabilities formed by providing debt guarantees to other units and their

financial impact, refer to Note IX, Related Party Transactions.

(2) For information about contingent liabilities related to joint venture or associate investment, please refer to the Note VIII. Interests in other entities.

XI. Post balance sheet date events

Non

XII. Other significant items

1. Correction of errors in prior periods

Retrospective restatement:

The factor company Pukou New City withdrew the equity swap of its subsidiaries Nanjing Tianyi Real Estate Co., Ltd. and Nanjing Century Jinyuan Real Estate Co., Ltd. in 2013, and the subsidiary Jiangbei Public Investment Real Estate changed its cost model to fair value measurement. The subsidiary Jiangbei State-owned Investment The change of real estate from cost model to fair value measurement, etc. has an impact on the items and amounts of the financial statements in the comparable period as follows:

Financial item affected in the comparable period	Cumulative amount
Cash at bank and on hand	171,063,174.14
Accounts receivable	116,033,115.68
Prepayments	-25,956,449.02
Other receivables	-278,595,457.12
Inventories	232,086,097.53
Other current assets	-5,182,647.39
Assets held for sale	200,000,000.00
Long-term equity investments	-452,487,272.05
Investment properties	662,712,795.91
Fixed assets	-53,630,490.36
Intangible assets	-2,449,200.00
Long-term deferred expenses	-9,858,956.82
Deferred tax assets	4,349,890.28
Other non-current assets	25,956,449.02
Accounts payable	-10,000.00
Employee benefits payable	1,219,471.98

For the year ended 31 December 2019

Financial item affected in the comparable period	Cumulative amount
Taxes payable	1,792,062.62
Other payables	-458,572,185.65
Non-current liabilities due within one year	6,500,000.00
Long-term loans	21,500,000.00
Long-term payables	445,840,000.00
Deferred tax liabilities	137,648,689.76
Capital reserve	-844,565,494.20
Other comprehensive income	45,569,406.36
Retained earnings	776,334,201.30
Non-controlling interests	450,784,897.63
Operating income	2,738,776.88
Operating costs	-16,213,238.00
Taxes and surcharges	228,306.58
Selling and distribution expenses	963,930.57
General and administrative expenses	-2,194,575.37
Research and development expenses	4,551,104.41
Financial expenses	63,564,415.96
Investment income	42,443.82
Gains from changes in fair value	64,452,177.33
Non-operating income	-46,570.38
Income tax expenses	20,686,793.50

XIII. Notes to the Company's financial statements**1. Other receivables**

Item	As at 31/12/2019	As at 31/12/2018
Other receivables	8,731,367,975.96	6,104,827,916.59
Interest receivable		103,644.07
Dividends receivable	418,953,908.28	216,491,909.20
Total	9,150,321,884.24	6,321,423,469.86

(1) Other receivables

① Other receivables by category

Category	As at 31/12/2019
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For the year ended 31 December 2019

	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Individually significant and assessed for impairment individually					
Collectively assessed for impairment based on credit risk characteristics	8,731,642,747.21	100.00	274,771.25		8,731,367,975.96
Including: Ageing group	549,542.50	0.01	274,771.25	50.00	274,771.25
Other group	8,731,093,204.71	99.99			8,731,093,204.71
Individually insignificant but assessed for impairment individually					
Total	8,731,642,747.21	100.00	274,771.25		8,731,367,975.96

(Continued)

Category	As at 31/12/2018				
	Book balance		Provision for bad and doubtful debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Individually significant and assessed for impairment individually					
Collectively assessed for impairment based on credit risk characteristics	6,104,992,779.34	100.00	164,862.75		6,104,827,916.59
Including: Ageing group	549,542.50	0.01	164,862.75	30.00	384,679.75
Other group	6,104,443,236.84	99.99			6,104,443,236.84
Individually insignificant but assessed for impairment individually					
Total	6,104,992,779.34	100.00	164,862.75		6,104,827,916.59

A. Other receivables which are collectively assessed for impairment using the ageing analysis method at the end of the year:

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)

For the year ended 31 December 2019

Ageing	As at 31/12/2019		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)
4-5years	549,542.50	274,771.25	50.00
Total	549,542.50	274,771.25	50.00

(Continued)

Ageing	As at 31/12/2018		
	Book balance	Provision for bad and doubtful debts	Percentage of provision (%)
3-4years	549,542.50	164,862.75	30.00
Total	549,542.50	164,862.75	

(2)Dividends receivable

Item	As at 31/12/2019	As at 31/12/2018
Nanjing Yangtze Science and Technology Industrial Investment Fund Phase I (Limited Partnership)	2,767,604.88	1,990,104.88
Nanjing Yangtze Town Development Investment Fund Phase I (Limited Partnership)	1,435,561.30	1,435,561.30
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase I (Limited Partnership)	-861,080.34	-861,080.34
Nanjing Jiangbei Infrastructure Equity Investment Fund (Limited Partnership)	95,099,826.84	-3,567,899.16
Nanjing Yangzi Agricultural Bank Industry Investment Fund Phase I (Limited Partnership)	22,351.86	22,351.86
Nanjing Yangtze Environmental Infrastructure Investment Fund Phase II (Limited Partnership)	2,418,491.79	2,418,491.79
Nanjing Yangzi ICBC Technology Industry Investment Fund Phase I (Limited Partnership)	840,899.42	840,899.42
Nanjing Yangtze River Transportation Infrastructure Investment Fund Phase I (Limited Partnership)	19,608,750.27	8,824,791.94
Suzhou Industrial Park Guochuang Kaiyuan Phase II	297,621,502.26	205,388,687.51
Total	418,953,908.28	216,491,909.20

2. Long-term equity investments

For the year ended 31 December 2019

(1) Long-term equity investments classification:

Item	As at 31/12/2019			As at 31/12/2018		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Subsidiaries	24,953,967,573.56		24,953,967,573.56	19,597,064,581.04		19,597,064,581.04
Investment in associates and joint ventures	3,446,800,888.15		3,446,800,888.15	611,102,504.75		611,102,504.75
Total	28,400,768,461.71		28,400,768,461.71	20,208,167,085.79		20,208,167,085.79

(2) Investment in subsidiaries

Investee	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	Provision for impairment	Balance of provision for impairment as at 31/12/2019
Nanjing Jiangbei New Area Yangzi Technology Financial Leasing Co., Ltd.	126,000,000.00			126,000,000.00		
Nanjing Yangzi Commercial Factoring Co., Ltd.	100,000,000.00	400,000,000.00		500,000,000.00		
Nanjing Yangzijiang Asset Operation Management Co., Ltd.	50,000,000.00	340,000,000.00		390,000,000.00		
Nanjing Yangtze Development and Investment Co., Ltd.	5,055,608,391.71	112,100,000.00		5,167,708,391.71		
Nanjing Yangtze River Investment Fund Management Co., Ltd.	100,000,000.00			100,000,000.00		
Nanjing Yangzijiang New Town Development Co., Ltd.	562,000,000.00	438,000,000.00		1,000,000,000.00		
Nanjing Jiangbei New District Technology	1,000,000,000.00	1,000,000,000.00		2,000,000,000.00		

For the year ended 31 December 2019

Investee	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	Provi sion for impai rment	Balance of provision for impairmen t as at 31/12/201 9
Investment Group Co., Ltd.						
Nanjing Jiangbei New District Public Asset Investment Development Co., Ltd.	1,194,336,857.86	2,500,000,000.00		3,694,336,857.86		
Nanjing Jiangbei New District Industrial Investment Group Co., Ltd.	7,519,645,035.38	300,000,000.00		7,819,645,035.38		
Nanjing Pukou New City Development and Construction Co., Ltd.	518,887,517.58	200,000,000.00		718,887,517.58		
Nanjing International Health City Investment Development Co., Ltd.	800,000,000.00	1,000,000,000.00		1,800,000,000.00		
Nanjing Jiangbei New District Central District Development Co., Ltd.		400,964,486.38		400,964,486.38		
Nanjing Jiangbei New District Hub Economic Development Co., Ltd.		424,051,378.08		424,051,378.08		
Nanjing Digital Financial Industry Research Institute Co., Ltd.		3,000,000.00		3,000,000.00		
Nanjing Yangzijiang Cultural and Sports Investment Development Co., Ltd.		800,429,141.74		800,429,141.74		
Nanjing Jiangbei New District State-owned Assets	2,570,586,778.51	300,000,000.00	2,870,586,778.51			

For the year ended 31 December 2019

Investee	As at 31/12/2018	Increase during the year	Decrease during the year	As at 31/12/2019	Provi sion for impai rment	Balance of provision for impairmen t as at 31/12/201 9
Management Co., Ltd.						
Nanjing Engineering Consulting Center Co., Ltd.		8,944,764.83		8,944,764.83		
Total	19,597,064,581.04	8,227,489,771.03	2,870,586,778.51	24,953,967,573.56		

For the year ended 31 December 2019

(3) Investment in associates and joint ventures

Investee	Shareholding ratio (%)	As at 31/12/2018	Movements during the year						Movements during the year			As at 31/12/2019	Balance of provision for impairment as at 31/12/2019
			Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment	Other			
1.Interests in joint ventures													
Subtotal													
2.Interests in subsidiaries													
Nanjing Jiangbei New District State-owned Assets Management Co., Ltd.	49.00							2,870,586,778.51				2,870,586,778.51	
Nanjing Jiangbei New District Investment Development Co., Ltd.	25.00	511,210,790.76			10,103,121.04							521,313,911.80	
Nanjing Aircraft Development Co., Ltd.	3.88	49,891,713.99						-49,891,713.99					

For the year ended 31 December 2019

Investee	Shareholding ratio (%)	As at 31/12/2018	Movements during the year					Movements during the year			Balance of provision for impairment as at 31/12/2019
			Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provision for impairment	Other	
Nanjing Golden Travel Financial Leasing Co., Ltd.	22.22	50,000,000.00			4,900,197.84						54,900,197.84
Subtotal		611,102,504.75			15,003,318.88		2,820,695,064.52				3,446,800,888.15
Total		611,102,504.75			15,003,318.88		2,820,695,064.52				3,446,800,888.15

For the year ended 31 December 2019

3. Operating income and Operating cost

(1) Operating income and Operating cost:

Item	Operating income		Operating cost	
	Year ended 31/12/2019	Year ended 31/12/2018	Year ended 31/12/2019	Year ended 31/12/2018
Principal activities	37,396,582.42		49,274,181.88	
Other operating activities	131.49			
Total	37,396,713.91		49,274,181.88	

(2) Operating income and operating costs from principal activities by product:

Item	Operating income		Operating cost	
	Year ended 31/12/2019	Year ended 31/12/2018	Year ended 31/12/2019	Year ended 31/12/2018
Comprehensive service business	37,396,582.42		49,274,181.88	
other	131.49			
Total	37,396,713.91		49,274,181.88	

4. Investment income

Source of investment income	Year ended 31/12/2019	Year ended 31/12/2018
Income from long-term equity investments accounted for using the equity method	15,111,604.89	5,213,871.43
Investment income from holding available-for-sale financial assets	277,527,271.71	434,933,004.08
Total	292,638,876.60	440,146,875.51

Nanjing Yangzi State-owned Investment Group Co., Ltd.

Legal representative: The person in charge of accounting affairs: The head of the
accounting department:



营业执照

统一社会信用代码

91110102082881146K



扫描二维码登录
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备案、许可、监
管信息

(副本) (5-1)

名称 中兴华会计师事务所(特殊普通合伙)

类型 特殊普通合伙企业

负责人 李尊农

经营范围 审查企业会计报表(特殊普通合伙)；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。(企业依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事本市产业政策禁止和限制类项目的经营活动。)

成立日期 2013年11月04日
合伙期限 2013年11月04日至 长期

主要经营场所 北京市西城区阜外大街1号东塔楼15层

中兴华会计师事务所(特殊普通合伙)
报告审查章(1)



登记机关

2020年03月26日

国家企业信用信息公示系统网址: <http://www.gsxt.gov.cn>

市场主体应当于每年1月1日至6月30日通过
国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制

证书序号: 0000066

说明

《会计师事务所执业证书》是证明持有人经财政部门依法审批, 准予执行注册会计师法定业务的凭证。

- 1、《会计师事务所执业证书》记载事项发生变动的, 应当向财政部门申请换发。
- 2、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。
- 3、会计师事务所终止或执业许可注销的, 应当向财政部门交回《会计师事务所执业证书》。



发证机关:

二〇一三年二月九日

中华人民共和国财政部制

兴华会计师事务所(特殊普通合伙)
审计报告章(一)

会计师事务所

执业证书

名称: 中兴华会计师事务所(特殊普通合伙)

首席合伙人: 李尊农

主任会计师:

经营场所: 北京市西城区阜外大街1号南楼15层



组织形式: 特殊普通合伙

执业证书编号: 11000167

批准执业文号: 京财会许可〔2013〕0066号

批准执业日期: 2013年10月25日



证书序号: 000368

会计师事务所

证券、期货相关业务许可证

经财政部、中国证监会审查，批准
 中兴华会计师事务所（特殊普通合伙）
 执行证券、期货相关业务。

首席合伙人: 李尊农



证书号: 24

发证时间: 二〇一二年十二月八日

证书有效期至: 二〇一三年十二月八日



姓名 任华贵
Full name
性别 男
Sex
出生日期 1974-12-16
Date of birth
工作单位 江苏苏亚金城会计师事务所(特殊普通合伙)
Working unit
身份证号码 321088197412184897
Identity card No.

证书编号: 320000180016
No. of Certificate

江苏省注册会计师协会

批准注册协会:

2004 06 25

发证日期 2004 年 06 月 25 日
Date of issuance

2014 年 05 月 12 日

年度检验登记 Annual Renewal Registration

本证书经检验合格, 继续有效一年。
This certificate is valid for another year after this renewal.



任华贵(320000180016)
您已通过2019年年检
江苏省注册会计师协会

年 月 日
/y /m /d

注册会计师工作单位变更事项登记 Registration of the Change of Working Unit by a CPA

同意调出

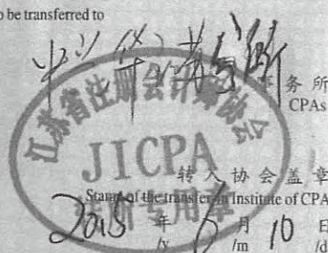
Agree the holder to be transferred from



2015 年 6 月 10 日
/y /m /d

同意调入

Agree the holder to be transferred to



2015 年 6 月 10 日
/y /m /d



姓 名 孙萍
Full name 女
性 别
Sex 1986-12-08
出生日期 南京南审希地会计师事务所有限
Date of birth 公司
工作单位
Working unit 341122198612080267
身份证号码
Identity card No.

证书编号:
No. of Certificate

32010042346

江苏省注册会计师协会

批准注册协会:
Authorized Institute of CPAs

2015 02 28

发证日期
Date of Issuance 年 月 日
/y /m /d



年度检验登记 Annual Renewal Registration

本证书经检验合格, 继续有效一年。
This certificate is valid for another year after
this renewal.



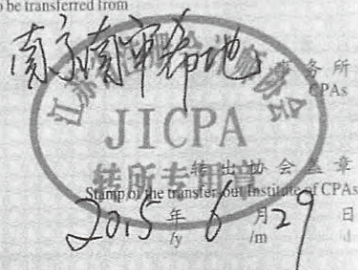
孙萍(32010042346)
您已通过2018年年检
江苏省注册会计师协会



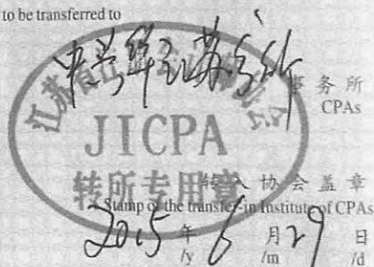
孙萍(32010042346)
您已通过2019年年检
江苏省注册会计师协会
/y /m /d

注册会计师工作单位变更事项登记 Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



同意调入
Agree the holder to be transferred to



ISSUER

Xi Yang Overseas Limited
Ritter House, Wickhams Cay II, Road Town
Tortola VG1110, British Virgin Islands

COMPANY

**Nanjing Yangzi State-owned
Assets Investment Group Co., Ltd**
(南京揚子國資投資集團有限責任公司)
No. 6 Tianpu Road
Nanjing City
Jiangsu Province
People's Republic of China

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United Kingdom

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

REGISTRAR AND TRANSFER AGENT

**The Bank Of New York Mellon SA/NV,
Dublin Branch**
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Grand Canal Dock, Dublin 2
Ireland

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16-19F, Kangyuan Zhihui Building
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Jianye District, Nanjing