



Shenzhen Properties Group

深房集团

**Shenzhen Special Economic Zone Real Estate &
Properties (Group) Co., Ltd.**

2025 Annual Report

Announcement No.: 2026-010

[March 20, 2026]

2025 Annual Report

Section I Important Notes, Table of Contents and Interpretations

The Board of Directors, the directors, and the executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.

Principal CHEN Ming, Chief Finance Officer WANG Jianfei and Chief Accountant (accounting officer) ZHOU Hongpu declare that they guarantee the authenticity, accuracy and completeness of the financial report in the Annual Report.

All directors attended the board meeting at which this report was considered.

Certain descriptions about the Company's operating plans or work arrangements for the future mentioned in this Report, the implementation of which is subject to various factors, shall not be considered as promises to investors. Therefore, investors are reminded to exercise caution when making investment decisions.

The Board has approved a final dividend plan as follows: based on the total share capital of 1,011,660,000 shares, a cash dividend of RMB0.35 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves.

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List of Reference Documents

1. The financial statements with the personal signatures and stamps of the Company's legal representative, Chief Financial Officer and head of the financial department.
2. The original of the Auditor's Report with the stamp of the CPA firm, as well as the personal signatures and stamps of the CPAs.
3. The originals of all the documents and announcements disclosed by the Company on the designated information disclosure media during the Reporting Period.

Interpretations

Item of interpretations	Refers to	Interpretations
"Shenzhen SASAC" or the "Municipal SASAC"	Refers to	State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government
SIHC	Refers to	Shenzhen Investment Holdings Co., Ltd.
The Company, the Group, SPG or "we"	Refers to	Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
Shenzhen Property Management	Refers to	Shenzhen Property Management Co., Ltd.
Petrel Hotel	Refers to	Shenzhen Petrel Hotel Co., Ltd.
Zhentong Engineering	Refers to	Shenzhen Zhentong Engineering Co., Ltd.
Huazhan Construction Supervision	Refers to	Shenzhen Huazhan Construction Supervision Co., Ltd
Jianbang Group	Refers to	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.
Chuanqi Real Estate Development	Refers to	Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd.
Guangmingli	Refers to	SPG Guangmingli Project
Linxinyuan	Refers to	SPG Linxinyuan Project
Cuilinyuan	Refers to	SPG Cuilinyuan Project

Section II Company Profile and Major Financial Indicators

I. Information about the Company

Stock name	SPG, SPG-B	Stock code	000029 (200029)
Stock exchange where the Company's stocks are listed	Shenzhen Stock Exchange		
Chinese name	Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.		
Abbreviation in Chinese	深房集团		
Foreign name of the Company (if any)	ShenZhenSpecial Economic Zone Real Estate&Properties (Group)co., Ltd.		
Abbreviation of the Company's foreign name (if any)	SPG		
Legal representative	Chen Ming		
Registered address	Floors A46-A48 and B46-B48, SPG Plaza, No. 3005, Renmin South Road, Jiabei Community, Nanhu Street, Luohu District, Shenzhen		
Postal code of registered address	518001		
Historical changes of the Company's registered address	None		
Office address	Floors 46-48, SPG Plaza, No. 3005, Renmin South Road, Shenzhen		
Postal code of business address	518001		
Company's website	http://www.sfjt.com.cn		
E-mail	spg@sfjt.sihc.com.cn		

II. Contact person and contact information

	Secretary of the Board of Directors	Securities affairs representative
Name	Luo Yi	Hong Lu
Contact address	47/F, SPG Plaza, Renmin South Road, Luohu District, Shenzhen, Guangdong, P.R.China	47/F, SPG Plaza, Renmin South Road, Luohu District, Shenzhen, Guangdong, P.R.China
Tel.	(86 755) 25108897	(86 755) 25108837
Fax	(86 755) 82294024	(86 755) 82294024
E-mail	spg@sfjt.sihc.com.cn	spg@sfjt.sihc.com.cn

III. Information disclosure and storage location

Stock exchange websites where companies disclose annual reports	Shenzhen Stock Exchange (http://www.szse.cn/)
Name and website of the media where the Company discloses its annual report	Securities Times, Shanghai Securities News, and CNINFO (http://www.cninfo.com.cn)
Storage location of annual reports	47/F, SPG Plaza, No. 3005, Renmin South Road, Luohu District, Shenzhen, Guangdong, P.R.China

IV. Registration changes

Unified social credit code	91440300192179585N
Changes in primary business since the listing of the Company (if any)	None.
Previous changes of controlling shareholder (if any)	On 24 March 1999, the controlling shareholder was changed from Shenzhen Investment Management Co., Ltd. to Shenzhen Construction Investment Holdings Co., Ltd. On 14 February 2006, it was changed to Shenzhen Investment Holdings Co., Ltd.

V. Other relevant information

Accounting firm engaged by the Company

Name	Pan-China Certified Public Accountants (Special General Partnership)
Office address	128 Xixi Road, Lingyin Street, Xihu District, Hangzhou City, Zhejiang Province, China
Signing accountants	Wang Huansen, Lin Zhenhua

Sponsor engaged by the Company to perform continuous supervision during the reporting period

Applicable Not applicable

Financial consultant engaged by the Company to perform continuous supervision during the reporting period

Applicable Not applicable

VI. Main accounting data and financial indicators

Whether the Company needs to retroactively adjust or restate the accounting data of previous years

Yes No

	2025	Year 2024	Increase/decrease this year compared with last year	Year 2023
Operating revenue (RMB)	1,482,872,299.36	407,022,191.44	264.32%	530,887,720.68
Net profit attributable to the shareholders of the listed company (RMB)	99,956,003.75	-176,710,947.65	156.56%	-250,839,542.09
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss (RMB)	234,352,924.49	-197,979,921.69	218.37%	-267,984,286.36
Net cash flows from operating activities (RMB)	-95,319,433.93	-127,403,949.79	25.18%	1,045,037,248.19
Basic earnings per share (RMB/share)	0.0988	-0.1747	156.55%	-0.2479
Diluted earnings per share (RMB/share)	0.0988	-0.1747	156.55%	-0.2479
Weighted average rate of return on net assets	2.81%	-4.91%	7.72%	-6.52%
	As at the end of 2025	As at the end of 2024	Increase/decrease at the end of this year compared with the end of last year	As at the end of 2023

Total assets (RMB)	3,882,782,985.57	5,987,780,656.67	-35.15%	6,485,312,507.46
Net assets attributable to shareholders of the listed company (RMB)	3,612,323,196.38	3,512,112,493.42	2.85%	3,691,082,484.20

The net profit of the Company in the last three fiscal years before and after deducting non-recurring profit or loss is negative, and the audit report of the latest year shows that the going-concern ability of the Company is uncertain

Yes No

The lowest of the Company's audited total profit, net profit, and net profit attributable to the listed company's shareholders after exceptional gains and losses during the reporting period was negative.

Yes No

VII. Differences between accounting data under domestic and foreign accounting standards

1. Differences in net profit and net assets in the financial reports disclosed in accordance with the international accounting standards and the Chinese accounting standards

Applicable Not applicable

During the reporting period of the Company, there was no difference in net profits and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards

2. Differences in net profit and net assets in financial reports disclosed in accordance with both the international accounting standards and Chinese accounting standards

Applicable Not applicable

During the reporting period of the Company, there was no difference in net profits and net assets in financial reports disclosed in accordance with the international accounting standards and Chinese accounting standards

VIII. Main financial indicators by quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	330,053,200.67	307,313,020.68	261,486,861.10	584,019,216.91
Net profit attributable to shareholders of the listed company	72,421,123.75	30,606,522.67	42,090,029.10	-45,161,671.77
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	68,102,809.31	26,249,678.66	37,588,629.07	102,411,807.45
Net cash flows from operating activities	-18,784,578.27	-68,637,663.31	-4,582,204.79	-3,314,987.56

Whether the above financial indicators or their aggregate are significantly different from the financial indicators related to the Company's disclosed quarterly and semi-annual reports

Yes No

IX. Non-recurring profit or loss items and amounts

Applicable Not applicable

Unit: RMB

Item	Amount in 2025	Amount in 2024	Amount in 2023	Notes
Profit or loss on disposal of non-current assets (including write-off of provision for asset impairment)	-151,762,085.94	740,874.42	9,940,254.23	
Government subsidies included in the current profit or loss (except for those that are closely related to the Company's normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a sustained impact on the Company's profit or loss)		753,298.54	440,049.96	
Gain/Loss on entrusting others with investments or asset management	16,621,332.22	18,461,736.59	7,985,840.50	
Reversal of provision for impairment of accounts receivable subject to separate impairment test			3,994,030.79	
Non-operating revenue and expenses other than the above-mentioned items	940,511.89	2,170,518.43	393,461.44	
Less: income tax effects	210,384.02	863,081.95	5,639,314.23	
Affected amount of minority interests (after tax)	-13,705.11	-5,628.01	-30,421.58	
Total	-134,396,920.74	21,268,974.04	17,144,744.27	--

Specific circumstances of other profit or loss items that meet the definition of non-recurring profit or loss:

Applicable Not applicable

The Company had no specific profit or loss items that meet the definition of non-recurring profit or loss.

Notes on the definition of the non-recurring profit or loss items listed in the "Interpretive Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public - Non-recurring Profit or Loss" as recurring profit or loss items

Applicable Not applicable

Item	Amount involved (RMB)	Reasons
Refund of service fee for withholding individual income tax	31,652.46	Continuously occurring from year to year, not occasional, recognized as recurring gains and losses

Section III Management's Discussion and Analysis

I. Main business engaged in by the Company during the reporting period

The Company shall comply with the disclosure requirements for the real estate industry as set out in the Guidelines for Self-Regulation of Listed Companies of Shenzhen Stock Exchange No. 3 - Industry Information Disclosure

The Company focuses on the development of residential properties. Its projects for sale are mainly located in Shenzhen and Shantou, including SF Cui Lin Yuan in Shenzhen and Tianyue Bay in Shantou. The Company is specialised in residential real estate development, with on-sale projects mainly distributed in Shenzhen and Shantou. These include Cuilinyuan in Shenzhen and Tianyuewan in Shantou.

New land reserve projects

Land parcel or project name	Location	Land planning purpose	Land area (m ²)	Capacity building area (m ²)	Land Acquisition Method	Equity ratio	Total land price (RMB10,000)	Equity consideration (RMB10,000)
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Cumulative Land Reserve

Project/Area name	Total floor area (10,000 m ²)	Total construction area (10,000 m ²)	Remaining developable floor area (10,000 m ²)
Shantou Xinfeng Building	0.59	2.66	2.66
Total	0.59	2.66	2.66

Development of main projects

City/Region	Project	Location	Project format	Equity ratio	Commencement time	Development progress	Schedule of completion	Land area (m ²)	Planned capacity building area (m ²)	Completed area of the current period (m ²)	Cumulative completed area (m ²)	Estimated total investment amount (RMB10,000)	Total accumulated investment amount (RMB10,000)
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Sales of main projects

City/Region	Project	Location	Project format	Equity ratio	Capacity building area	Salable area (m ²)	Cumulative pre-sale (sales) area (m ²)	The current period pre-sale (sales) area (m ²)	Amount of pre-sale (sale) in the current period (RMB10,000)	Cumulative settlement area (m ²)	Settlement area in the current period (m ²)	Settlement amount in the current period (RMB10,000)
Shenzhen	Cuilinyuan	Longgang District	Ready for sale	100.00%	60111	56137	54393.38	0	0	54393.38	0	0
Shantou	Tianyuewan Phase I	Chaoyang District	Ready for sale	100.00%	153470	160372	122486.86	1806.32	1,012.4	121646.61	2232.21	823.41
Shantou	Tianyuewan Phase II	Chaoyang District	Ready for sale	100.00%	127770	137059	50858.58	8854.16	5,159.3	48537.71	6802.53	3,371.83
Shenzhen	Guangmingli	Guangming area	Ready for sale	100.00%	53605	51975	36041.35	383.86	1,256	35742.02	31138.84	127,733.7

Leasing of main projects

Project	Location	Project format	Equity ratio	Rentable area (m ²)	Accumulated leased area (m ²)	Average occupancy rate
Real Estate Mansion	Shenzhen	Commercial	100.00%	3413.88	3413.88	100.00%

North Tower of Guoshang Mansion	Shenzhen	Commercial	100.00%	4819.71	4819.71	100.00%
Petrel Building	Shenzhen	Commercial	100.00%	22475.47	22475.47	100.00%
SPG Plaza	Shenzhen	Office building	100.00%	58382.15	26811.48	45.92%
Podium of SPG Plaza	Shenzhen	Commercial	100.00%	20377.02	18469.49	90.64%
Wenjin Garden	Shenzhen	Commercial	100.00%	3531.6	3531.6	100.00%

Level-I land development

Applicable Not applicable

Financing approach

Financing approach	Financing balance at the end of the period (RMB10,000)	Financing cost range/average financing cost (RMB10,000)	Term structure			
			Within 1 year	1-2 years	2-3 years	Over 3 years
Others	737.99 ¹	1.2%-2.4%	737.99			
Total	737.99		737.99			

Note: 1. Others are borrowings from accounts receivable factoring.

Development strategy and business plan for the next year

Please refer to "Prospects" in this part of the Report.

Guarantee to buyers of commercial housing for bank mortgage

Applicable Not applicable

Guaranteed unit	Financial institutions for loans	Guaranteed borrowing amount (RMB10,000)	Maturity date of guarantee	Remark
Homebuyers	China Construction Bank	38.85	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Shanglinyuan
Homebuyers	China Construction Bank, Agricultural Bank of China	151.43	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Cuilinyuan
Homebuyers	China Construction Bank	631.55	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Chuanqi Donghu Mingyuan
Homebuyers	Industrial and Commercial Bank of China, Bank of China, Postal Savings Bank	1,787.98	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Tianyuewan
Homebuyers	Industrial and Commercial Bank of China, Huaxia Bank, Rural Commercial Bank, Agricultural Bank of China, Postal Savings Bank of China, China Merchants Bank, Bank of China	15,557.88	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Guangmingli
Sub-total		18,167.69		

Joint investments by directors and senior management and the listed company (applicable for such

investments where the directors and senior management are the major source of investment):

Applicable Not applicable

Project	Type of investment entity	Investment amount (RMB)	Proportion of investment amount	Peak ratio of project funds	Accumulated income (RMB)	Exit status	Matching of actual investment amount and amount of income distribution
Linxinyuan Project	Directors, supervisors, and senior management of the Company	0.00	0.00%	0.00%	0.00	The co-investment in this project was terminated in June 2025, and the co-investment funds were fully returned.	Not applicable

II. Industry Overview for the Reporting Period

The Company shall comply with the disclosure requirements for the real estate industry as set out in the Guidelines for Self-Regulation of Listed Companies of Shenzhen Stock Exchange No. 3 - Industry Information Disclosure

Facing the profound and complex changes in both domestic and international situations in 2025, the CPC Central Committee with Comrade Xi Jinping at its core has steered the course and taken charge of the overall situation. It has coordinated both domestic and international imperatives, balanced the development and security, adhered to the general principle of seeking progress while maintaining stability, implemented more proactive and effective macroeconomic policies, deepened the development of a unified national market, and propelled China's economy forward against headwinds toward new and higher-quality development. In the industry, it is explicitly proposed in the recommendations of the 15th Five-Year Plan to construct "good houses" that are safe, comfortable, green and smart. It is further clarified on the Central Economic Work Conference held in December 2025 to orderly promote the construction of "good houses," marking a shift in the industry's development logic from "having a place to live" to "living well."

III. Analysis of core competitiveness

As the earliest real estate developer founded in the Shenzhen Special Economic Zone, the Company helped build the early city, and has created a number of "first places" in the history of real estate development in China. For example, the first to use the paid state-owned land, the first to introduce the foreign investment for the cooperative land development, the first to raise development funds by means of pre-sale of buildings, the first to carry out public bidding for construction projects in accordance with international practices, the first to set up a property management company to the buildings and residences developed in an all-rounded manner, as well as winning the bid in the new China's first auction of land use rights held in the Shenzhen Special Economic Zone.

After more than 40 years of development, the Company has grown into a business group with real estate development and operation as its main business, integrating engineering and construction, project supervision, asset management and other diversified operations. In the future, the Company will actively cultivate and promote a corporate culture of compliance, integrity and excellence. It will remain committed to giving back to society with high-quality products and building its reputation through quality, striving to become a respected and trustworthy listed company.

During the reporting period, the Company received several awards, including the "Top 20 Greater Bay Area Listed Companies for Green Governance 2025," the "2025 Listed Company ESG Value Communication Award," and the "Top 20 A-share Listed Companies for ESG Performance in Real Estate Industry 2025." The SPG Plaza project was awarded the "2024 Outstanding Leasing Project Award".

IV. Analysis of primary business

1. Overview

The year 2025 is the final year of the 14th Five-Year Plan and a crucial year for the Company to overcome challenges and forge ahead. Facing a complex and challenging internal and external environment, the Company has focused on its core tasks, intensified its efforts, and taken concrete actions, to promote a steady and improving trend in its development with enhanced quality. Looking back on the year, the Company has focused on and made solid progress in the following key areas:

(I) Achieving good performance in the core business with targeted and joint efforts.

i. Making every effort for marketing The Guangmingli project has achieved 100% clearance of the housing resource approved by the government for sale, and the handover process has been successfully completed. The total sales area of Shantou Tianyuewan Project increased by 56% year-on-year, with sales revenue growing by 63% year-on-year. ii. Focusing on improving the quality and efficiency of our property operations. As of the end of 2025, the consolidated average occupancy rate of the Group's self-owned properties reached 90.9%. The renovation of the rooftop helipad at SPG Plaza was successfully completed, and thus SPG Plaza was granted as the "Low-Altitude Economy Industrial Building" by the Government of Luohu District. iii. Fully tapping the operational potential of our subsidiaries. Petrel Hotel surpassed its annual performance targets for both operating revenue and total profit. Zhentong Engineering made substantial breakthroughs in market expansion within the system. The Shantou Branch achieved a 100% rent collection rate for Zhongshan East Market. Huazhan Construction Supervision undertook three external supervision projects. Chuanqi Real Estate Development completed the setup of its organizational structure and business processes, officially transitioning to specialized commercial operation and management.

(II) Achieving positive results in risk prevention and resolution by securing the baseline and concentrating on tackling tough issues. First, we prudently mitigated the project risks. We won favorable judgments in cases such as the RMB 344 million loan contract dispute involving Jianbang Company. The declaration of creditor claims for the bankruptcy liquidation of Jianbang Company is progressed smoothly. Second, we effectively prevented and controlled the safety risks. We thoroughly advanced the "Three-Year Action Plan for Addressing the Root Causes of Workplace Safety Issues," with 91 safety inspections conducted, 373 safety hazards identified, and a 100% rectification rate achieved throughout the year. Third, we properly handled the stability-related risks. We formulated special work plans to properly handle the matters such as the handover of the SPG Guangmingli Project, outstanding payments to suppliers of SPG Lixinyuan Project, and employee co-investment, ensuring no major petitioning or public opinion incidents occurred throughout the year.

(III) Strengthening foundations and focusing control to achieve significant improvements in capabilities. First, our governance system was further improved. We optimized the organizational structure and the list of powers and responsibilities of the headquarters to further clarify the management authorities and responsibilities. We continued to optimize and adjust our system of rules and regulations, revising or establishing 102 policies throughout the year. Second, our management support became more robust. We organized the special training programs, such as "Training for Management and Reserve Talents" and "Intelligent AI Applications"; we deepened the development of database on "Good House" information and house types, and compiled the "Leasing Operation Manual" to enhance the employees' professional performance

capabilities. We strengthened the centralized fund management to ensure the standardized and efficient use of funds. Third, the efficiency of our corporate management became more prominent. The disposal work of inefficient/ineffective assets and non-core/non-dominant businesses was advanced continuously, with progress made in the divestment of Shenzhen Zhentong New Electromechanical Industrial Development Co., Ltd. and Xinfeng Real Estate Development and Construction (Wuhan) Co., Ltd.

(IV) Raising awareness and focusing on planning to promote continuous exploration and promotion of future development. First, we strengthened the strategic coordination and organizational support. We established a dedicated task force to scientifically define the task divisions and clearly assign the primary responsibilities. Second, we deepened the research on future development paths and project reserves. We closely tracked the latest regulatory rules and capital market trends, deepened the policy interpretation and forward-looking analysis, and strengthened the communication with controlling shareholders and professional institutions to build a regular collaborative mechanism and expand the high-quality project resources.

(V) The guiding and orienting role is more prominent with party building as guidance and integrated efforts. First, we strengthened the political building to earnestly fulfill our responsibilities and mission. We made solid progress in thoroughly implementing the central Party leadership's eight-point decision on improving work conduct, organizing 132 times of special subject learning throughout the year. Second, we deepened the integration of Party building and business operations, focusing on mutual promotion to enhance efficiency. We dynamically optimized the list of "three major and one large" decision-making matters. The Group's Party Committee reviewed 227 major business and management matters throughout the year, effectively leveraging the political and organizational functions of the Party organization. Third, we strictly governed the Party, resolutely enforced the discipline and promoted a new trend of conduct. We consolidated the primary and supervisory responsibilities for exercising full and strict governance over the Party, and signed the responsibility letters for Party conduct and clean governance at all levels. We innovatively promoted the integrated mechanism of ensuring that officials "dare not, cannot, and do not want to be corrupt," with 26 reminder talks conducted. We created the culture brand of "Clean and Virtuous SPG", launching the original cultural works such as themed micro-videos and sitcoms, leading to a continuous improvement in the political ecosystem.

2. Revenue and cost

(1) Composition of operating revenue

Unit: RMB

	2025		Year 2024		YoY change
	Amount	Percentage of operating revenue	Amount	Percentage of operating revenue	
Total operating revenue	1,482,872,299.36	100%	407,022,191.44	100%	264.32%
By industry					
Real estate	1,324,656,290.59	89.33%	162,523,053.49	39.93%	715.06%
Engineering construction	81,299,490.77	5.48%	160,327,744.72	39.39%	-49.29%
Property management	3,289,025.70	0.22%	3,644,981.08	0.90%	-9.77%
Rental and others	73,627,492.30	4.97%	80,526,412.15	19.78%	-8.57%
By product					
Residence	1,323,692,839.30	89.27%	142,671,853.48	35.05%	827.79%

Shops and parking lots	963,451.29	0.06%	19,851,200.01	4.88%	-95.15%
Others	158,216,008.77	10.67%	244,499,137.95	60.07%	-35.29%
By region					
Guangdong Province	1,482,174,330.27	99.95%	406,326,508.54	99.83%	264.77%
Overseas	697,969.09	0.05%	695,682.90	0.17%	0.33%
Subsales model					
Main business	1,475,508,650.42	99.50%	399,806,208.89	98.23%	269.06%
Others	7,363,648.94	0.50%	7,215,982.55	1.77%	2.05%

(2) Industry, product, region and sales model accounting for more than 10% of the company's operating revenue or operating profit

Applicable Not applicable

Unit: RMB

	Operating revenue	Operating costs	Gross margin	YoY change in operating revenue	YoY change in operating costs	YoY change in gross margin
By industry						
Real estate	1,324,656,290.59	937,154,626.27	29.25%	715.06%	637.42%	34.17%
Engineering construction	81,299,490.77	82,326,326.57	-1.26%	-49.29%	-46.66%	-133.78%
Rental and others	73,627,492.30	47,859,287.75	35.00%	-8.57%	3.34%	-17.63%
By product						
Residence	1,323,692,839.30	936,338,669.36	29.26%	827.79%	696.65%	66.06%
By region						
Guangdong Province	1,482,174,330.27	1,067,340,240.59	27.99%	264.77%	221.84%	52.29%
Subsales model						

Under the circumstances that the calculation method of the Company's main business data is adjusted during the reporting period, the Company's main business data for the latest period is adjusted according to the calculation method at the end of the reporting period

Applicable Not applicable

(3) Whether the company's physical sales revenue is greater than the revenue of labor services

Yes No

Industry classification	Item	Unit	2025	Year 2024	YoY change
Real estate development	Sales volume	RMB'0,000	7,649.70	22,139.68	-65.45%
	Production volume	RMB'0,000	647.34	22,206.96	-97.08%
	Inventory	RMB'0,000	115,387.58	440,320.07	-73.79%

Reasons for the YoY change of more than 30% in relevant data

Applicable Not applicable

In 2025, the Company's real estate sales volume and production volume both decreased compared to the previous year. The inventory decreased year-on-year, mainly due to the sales carry-over completed for SPG Guangmingli Project in 2025 and the exclusion of Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. that was taken over by a bankruptcy administrator for bankruptcy and liquidation on November 30, 2025.

(4) Performance of major sales contracts and major procurement contracts signed by the Company as of the reporting period

Applicable Not applicable

(5) Composition of operating costs

Industry classification

Industry classification

Unit: RMB

Industry classification	Item	2025		Year 2024		YoY change
		Amount	Proportion in operating costs	Amount	Proportion in operating costs	
Real estate		937,154,626.27	87.60%	127,086,267.87	38.24%	637.42%
Engineering construction		82,326,326.57	7.70%	154,348,805.43	46.45%	-46.66%
Property management		2,472,204.15	0.23%	2,406,037.36	0.72%	2.75%
Rental and others		47,859,287.75	4.47%	48,484,539.64	14.59%	-1.29%

Notes

The completion of sales carry-over for SPG Guangmingli Project in 2025 led to a year-on-year increase in the cost of real estate sales; affected by the market environment, the construction workload decreased year-on-year.

(6) Whether there was any change in the consolidation scope during the reporting period

Yes No

For details on changes in the scope of consolidation during the reporting period, please see "Section VIII Financial Statements".

(7) Information about significant changes or adjustments in the Company's business, products or services during the reporting period

Applicable Not applicable

(8) Main sales customers and suppliers

Main sales customers of the Company

Total sales amount of top five customers (RMB)	48,459,602.74
Ratio of top 5 customers' sales to total annual sales	3.27%
Ratio of related-party sales among top 5 customers to total annual sales	0.00%

Information on the Company's top 5 customers

No.	Customer name	Sales amount (RMB)	Ratio in total annual sales amount
1	Legal Person I	23,341,087.14	1.57%
2	Legal Person II	8,224,927.22	0.55%

3	Legal Person III	6,245,043.43	0.42%
4	Natural Person I	5,325,874.31	0.36%
5	Natural Person II	5,322,670.64	0.36%
Total	--	48,459,602.74	3.27%

Other information of main customers

Applicable Not applicable

Main suppliers of the Company

Total purchase amount of top five suppliers (RMB)	37,511,053.77
Ratio of total purchase amount of the top five suppliers in the total annual purchase amount	23.55%
Ratio of related-party purchases among top 5 suppliers to total annual purchases	0.00%

Information on the Company's top 5 suppliers

No.	Supplier name	Purchase amount (RMB)	Ratio in the annual purchase amount
1	Legal Person I	12,783,347.35	8.03%
2	Legal Person II	7,636,875.15	4.80%
3	Legal Person III	6,506,982.53	4.09%
4	Legal Person IV	5,497,060.00	3.45%
5	Legal Person V	5,086,788.74	3.19%
Total	--	37,511,053.77	23.55%

Other information of main suppliers

Applicable Not applicable

During the reporting period, the Company's trading business revenue accounted for more than 10% of its operating revenue

Applicable Not applicable

3. Costs

Unit: RMB

	2025	Year 2024	YoY change	Explanation of significant changes
Selling and distribution expenses	20,775,223.41	13,164,672.93	57.81%	Mainly due to an increase in referral agency fees and commissions.
G&A expenses	72,505,249.03	70,118,532.01	3.40%	
Financial expenses	-1,220,135.02	-5,502,747.12	77.83%	Mainly due to a decrease in the average balance of bank deposits and a decrease in deposit interest income compared to the same period last year.
R&D expenses	0.00	0.00		

4. R&D investment

Applicable Not applicable

5. Cash flows

Unit: RMB

Item	2025	Year 2024	YoY change
Sub-total of cash inflows from operating activities	268,464,376.68	485,135,222.14	-44.66%
Sub-total of cash outflows from operating activities	363,783,810.61	612,539,171.93	-40.61%
Net cash flows from operating activities	-95,319,433.93	-127,403,949.79	25.18%
Sub-total of cash inflows from investing activities	1,115,186,529.17	1,866,393.80	59,650.87%
Sub-total of cash outflows from investing activities	1,161,905,620.00	91,547,315.83	1,169.19%
Net cash flows from the investing activities	-46,719,090.83	-89,680,922.03	47.91%
Sub-total of cash inflows from financing activities	50,000.00	1,563,000.00	-96.80%
Sub-total of cash outflows from financing activities	99,922,535.86	122,813,684.41	-18.64%
Net cash flows from financing activities	-99,872,535.86	-121,250,684.41	17.63%
Net increase in cash and cash equivalents	-242,018,333.57	-338,236,158.91	28.45%

Description of main influencing factors of significant YoY changes in relevant data

Applicable Not applicable

Cash inflow from operating activities decreased year on year mainly due to the decrease in real estate sales volume and engineering construction volume. Cash used in operating activities decreased year on year primarily driven by the decreased development and construction of real estate projects. Net cash flow from investing activities increased year-on-year mainly driven by decreased purchase of financial products. Cash inflow from financing activities decreased year-on-year mainly driven by decreased new bank borrowing raised this period. Cash outflow from financing activities increased year-on-year mainly driven by repaying bank borrowings in this period

Explanation of the reasons for the significant difference between the net cash flow generated from the operating activities of the Company and the net profit of the current year during the reporting period

Applicable Not applicable

There is a big difference between the net operating cash flow and the net profit for the year, primarily due to the long time span between property development, sales and revenue recognition.

V. Analysis of non-primary businessApplicable Not applicable**VI. Analysis of assets and liabilities****1. Major changes in asset composition**

Unit: RMB

	As at the end of 2025		Early 2025		Increase/decrease in percentage	Explanation of significant changes
	Amount	Ratio of total assets	Amount	Ratio of total assets		

Monetary funds	284,686,525.04	7.33%	529,242,725.36	8.84%	-1.51%	Mainly due to the purchase of money market funds, repayment of bank loans, and payment of taxes during the year.
Accounts receivable	44,898,083.74	1.16%	56,672,795.52	0.95%	0.21%	
Contract assets	29,035,256.28	0.75%	30,888,723.09	0.52%	0.23%	
Inventories	1,099,359,619.25	28.31%	3,636,840,229.34	60.74%	-32.43%	Mainly driven by the carry-over of real estate revenue.
Investment properties	522,634,659.17	13.46%	515,925,116.54	8.62%	4.84%	
Long-term equity investments	0.00	0.00%	0.00	0.00%	0.00%	
Fixed assets	14,949,900.45	0.39%	17,489,207.57	0.29%	0.10%	
Construction in progress	571,822.67	0.01%	0.00	0.00%	0.01%	
Right-of-use assets	0.00	0.00%	0.00	0.00%	0.00%	
Short-term borrowings	50,000.00	0.00%	1,563,000.00	0.03%	-0.03%	
Contract liabilities	28,400,659.20	0.73%	1,298,146,232.35	21.68%	-20.95%	Mainly driven by the revenue from the transfer of advanced sales proceeds from property sales.
Long-term borrowings	0.00	0.00%	62,273,677.82	1.04%	-1.04%	Mainly driven by repaying bank borrowings in this period.
Lease liabilities	0.00	0.00%	0.00	0.00%	0.00%	
Financial assets held for trading	1,050,256,058.41	27.05%	987,801,938.51	16.50%	10.55%	Mainly driven by the purchase of money market funds.
Accounts payable	171,738,333.04	4.42%	464,488,982.30	7.76%	-3.34%	Mainly driven by the deconsolidation of the holding subsidiary due to bankruptcy and liquidation, of which the accounts payable were no longer

						included in the scope of consolidation.
Taxes payable	26,922,082.58	0.69%	27,554,810.01	0.46%	0.23%	
Other payables	144,280,409.16	3.72%	561,016,653.17	9.37%	-5.65%	Mainly driven by the deconsolidation of the holding subsidiary due to bankruptcy and liquidation, of which the other related payables were no longer included in the scope of consolidation.
Other receivables	747,900,491.52	19.26%	7,438,040.83	0.12%	19.14%	Mainly driven by the deconsolidation of the holding subsidiary due to bankruptcy and liquidation, of which the transactions with related parties at the consolidation level were no longer offset

High proportion of overseas assets

Applicable Not applicable

2. Assets and liabilities measured at fair value

Applicable Not applicable

Unit: RMB

Item	Beginning balance	Profit or loss from changes in fair value in the current period	Cumulative changes in fair value included in equity	Impairment provision in the current period	Amount purchased in the current period	Amount sold in the current period	Other changes	Ending balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	987,801,938.51	16,621,332.22			1,160,000,000.00	1,114,167,212.32		1,050,256,058.41
4. Other equity instrument investments	14,697,341.18	-125,829.37						14,571,511.81
Total of the	1,002,499,2	16,495,502.			1,160,000,0	1,114,167,2		1,064,827,5

above	79.69	85			00.00	12.32		70.22
Financial liabilities	0.00							0.00

Other changes

Whether there were significant changes in the measurement attributes of the Company's major assets during the reporting period

Yes No

3. Restrictions on asset rights as of the end of the reporting period

(1) Restricted assets at the end of the period

Unit: RMB

Item	Ending book balance	Closing book value	Restricted type	Reason for restriction
Monetary funds	5,674,439.78	5,674,439.78	Detain	Project of public facilities inside and surrounding the urban renewal project of Longgang District, Shenzhen-construction funds
Monetary funds	50,154.19	50,154.19	Detain	Construction deposit
Monetary funds	70,010.20	70,010.20	Detain	Stop payments, suspend accounts
Accounts receivable	7,379,890.15	7,158,493.45	Pledged	Put in pledge for short-term borrowings
Total	13,174,494.32	12,953,097.62		

(2) Restricted assets at the beginning of the period

Unit: RMB

Item	Beginning book balance	Opening book value	Restricted type	Reason for restriction
Monetary funds	5,817,217.78	5,817,217.78	Detain	Project of public facilities inside and surrounding the urban renewal project of Longgang District, Shenzhen-construction funds; land reclamation costs of Guangmingli Project
Monetary funds	2,306,548.48	2,306,548.48	Frozen	Legitigation freeze
Monetary funds	50,155.58	50,155.58	Detain	Construction deposit
Monetary funds	158,549.08	158,549.08	Detain	Stop payments, suspend accounts
Accounts receivable	4,918,250.30	4,770,702.79	Pledged	Put in pledge for short-term borrowings
Inventories	234,599,800.76	161,509,611.70	Litigation preservation	Supplier litigation preservation
Investment properties	137,329,055.83	38,505,029.10	Mortgage	Loan mortgage

Total	385,179,577.81	213,117,814.51		
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VII. Analysis of investment status

1. Overall situation

Applicable Not applicable

Amount of Reporting Period (RMB)	Amount of the same period of last year (RMB)	Change (%)
25,060,000.00	284,195,236.43	-91.18%

2. Major equity investments acquired during the reporting period

Applicable Not applicable

3. Major non-equity investments in progress during the reporting period

Applicable Not applicable

4. Investment in the financial assets

(1) Securities investment

Applicable Not applicable

The Company had no securities investment during the reporting period.

(2) Derivative investment

Applicable Not applicable

The Company had no derivative investment during the reporting period.

VIII. Sales of major assets and equities

1. Sales of major assets

Applicable Not applicable

The Company did not sell major assets during the reporting period.

2. Sale of major equity

Applicable Not applicable

IX. Analysis of major holding and participating companies

Applicable Not applicable

Major subsidiaries and participating companies with an impact of 10% or more on the Company's net profit

Unit: RMB

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd.	Subsidiaries	Real estate development	30000000	1,664,867,774.67	1,254,991,892.44	1,277,337,034.84	342,666,494.02	257,063,506.72
Shenzhen Properties Group Longgang Development Co., Ltd.	Subsidiaries	Real estate development	30000000	94,092,259.97	64,330,329.67	2,134,413.54	-125,690.81	608,978.96

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Shantou Hualin Real Estate Development Co., Ltd.	Subsidiaries	Real estate development	91226120.44	104,618,357.01	52,388,495.44	382,221.71	-512,394.53	12,319,773.20
Shantou Huafeng Real Estate Development Co., Ltd.	Subsidiaries	Real estate development	80000000	703,978,834.31	-52,825,483.96	42,409,792.23	-5,266,936.92	-5,266,934.95
Great Wall Real Estate Co., Ltd. in the United States	Subsidiaries	Real estate development	2051146	19,946,289.06	-91,799,069.07	697,969.09	-328,980.98	-328,980.98
Shenzhen Zhentong Engineering Co., Ltd.	Subsidiaries	Installation and maintenance	10000000	94,758,959.89	2,871,707.88	89,329,264.64	-10,376,700.29	-10,376,700.29
Shenzhen Petrel Hotel Co., Ltd.	Subsidiaries	Property leasing and management	30000000	56,581,578.88	42,248,291.56	19,556,350.49	1,369,528.56	862,910.96
Shenzhen Huazhan Construction Supervision Co., Ltd.	Subsidiaries	Supervision	8000000	11,051,237.33	10,684,333.61	2,483,707.18	49,445.95	46,861.94
Xinfeng Enterprise Co., Ltd.	Subsidiaries	Investment, management	502335	332,353,762.54	-233,575,962.99	0.00	-1,845,359.26	-1,845,359.26

Information on acquisition and disposal of subsidiaries during the reporting period

Applicable Not applicable

Company name	Methods of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operation and performance
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Transferred to the liquidation team for management	Entry to bankruptcy liquidation procedures

Notes to main holding and participating companies

1. In October 2021, the Company won the bid for a land plot in Guangming District and established the project company Shenzhen SPG Chuanqi Real Estate Development Co., Ltd. to be responsible for the development and construction of the land. In November 2024, the Company completed the acceptance of the construction project. In 2025, the carryover revenue reached RMB 1,277.337 million, accounting for 96.43% revenue from the Group's real estate sector and 86.14% of the Group's operating income.

2. The subordinate subsidiaries engaged in real estate development also include: Shenzhen SPG Longgang Development Co., Ltd., Shantou SEZ Wellam FTY Building Development, Co., Ltd., Shantou Huafeng Real Estate Development Co., Ltd. The Cuilinyuan project developed by Shenzhen SPG Longgang Development Co., Ltd., and Jinyedao and Yuejing Dongfang developed by Shantou SEZ Wellam FTY Building Development, Co., Ltd. left a few amount of remaining buildings for sale. Shantou Huafeng Real Estate Development Co., Ltd. was responsible for the development of Tianyuewan project (divided into Phase I and Phase II). Tianyuewan Phase I was open for sale in October 2016 and completed in December 2019. The Phase II started construction in November 2018 and was completed at the end of June 2021. As of December 31, 2025, the overall sales progress is relatively slow with an accumulated sales rate of about 76.37% for Tianyuewan Phase I and 37.11% for Phase II.

3. Shenzhen Zhentong Engineering Co., Ltd. was engaged in the business of building installation and maintenance with the 2025 operating revenues of RMB89.3293 million and of 6.02% to the operating revenues of the Company.

4. The 2025 net profit of Xin Feng Enterprise Co., Ltd. was of RMB-1.8454 million which mainly due to the depreciation and amortization of investment property.

5. Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. was taken over by a bankruptcy administrator for bankruptcy and liquidation on November 30, 2025, and thus it is no longer included in the scope of consolidation.

X. Structured entities controlled by the Company

Applicable Not applicable

XI. Prospects for the future development of the Company

(I) Industry pattern and trend

Currently, China's real estate industry is in a dynamic bottoming-out process, with accelerated integration of the industrial chain and market resources increasingly concentrating in leading enterprises. The industry's development logic is shifting from "having a place to live" to "living well," presenting new opportunities and challenges.

(II) Potential risks and countermeasures

1. Macroeconomic risks and countermeasures

Currently, the external environment is confronted with complex challenges such as frequent geopolitical conflicts and accelerated anti-globalization, and China's economy has a solid foundation, numerous advantages, strong resilience, and great potential, with the supporting conditions and fundamental trend of long-term positive growth unchanged. The real estate industry has a greater correlation with the macroeconomy and is more influenced by the macroeconomic cycle. The Company will continue paying close attention to the international and domestic macroeconomic situations and proactively adjust its operation strategies.

2. Industry development risks and countermeasures

At this stage, as existing policies continue to show effects, new policies are effectively

implemented, and the combined impact of policies is continuously released, the real estate market is in the critical stage of stabilizing and halting the decline amid fluctuations. Nevertheless, for some time to come, the real estate industry will still face many risks and potential hidden dangers, including intensified market differentiation and insufficient willingness of property developers to acquire land, and the market competition pattern will present a new situation. The Company will closely monitor industry policies, follow national strategic direction, continuously optimize the business development path, and actively explore innovative operating models to better adapt to changes in the external environment.

3. Business operating risks and countermeasures

Against the backdrop of increasingly fierce competition in the real estate market, the Company is facing challenges such as insufficient reserves of development land resources, difficulties in selling inventory projects, and a lack of substantial results in new business expansion, all of which are putting pressure on corporate operation and development. The Company will closely monitor market dynamics and industry policy trends, focus on property leasing and sales, the operations of its subsidiaries, and business expansion, and actively seek innovative models and paths that align with its actual development needs to flexibly respond to market challenges and explore broader development space.

(III) Development strategy and business plan

In 2026, the primary guiding principle for SPG's work is: to adhere to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implement the spirit of the 20th CPC National Congress and its plenary sessions, as well as the Central Economic Work Conference, adhere to the general principle of seeking progress while maintaining stability, and take Party building as the guide to coordinate and advance all key tasks. Through solid and effective work, we will ensure the full completion of our annual goals and tasks, laying a solid foundation for a good start to the 15th Five-Year Plan.

1. Adhere to seeking progress while maintaining stability, and focus on improving quality and efficiency to strengthen our core. First, optimize the marketing strategies and expand sales channels, to accelerate the reduction of existing real estate inventory. Second, efficiently revitalize our own property resources, and enhance the quality and efficiency of asset operations, to provide strong support for the Company's development. Third, strengthen the responsibility of the affiliated enterprises, stimulate their inherent potential and market competitiveness, and gather a powerful force for the development of the Company.

2. Adhere to the strategic guidance, and strengthen the top-level design for overall planning. First, scientifically plan the Group's work for the 15th Five-Year Plan by closely following the direction of national macroeconomic policies and the reform and development trends of state-owned assets and state-owned enterprises. Second, Unite the efforts of all parties, and explore high-quality investment opportunities, to open up new horizons for the Company's development. Third, promote the high-standard construction of the characteristic industrial platform of SPG Plaza based on the development foundation of Luohu District's characteristic industries.

3. Adhere to the bottom-line thinking, and strengthen the risk prevention and control to solidify our foundation. First, resolutely uphold the bottom-line safety goals by effectively implementing the responsibilities for workplace safety, and enhancing the precision of accident prevention and the timeliness of response. Second, focus on tackling the historical risks, formulate the rectification plans for each item, to strictly prevent risk spillover. Third, fully fulfill the responsibilities for handling public complaints and maintaining stability, as well as for public opinion management, and resolutely prevent the ideological risks and major sudden instability incidents.

4. Adhere to lean management, and deepen reform and innovation to enhance the efficiency. First, strengthen and optimize the departments at the headquarters, promote the subsidiaries to become more refined, specialized, larger and stronger in their respective subdivisions through differentiated approaches, and at the same time, improve the echelon building of talents. Second, strengthen the core of governance, deepen ESG governance and market value management, improve compliance management and internal control systems, and enhance financial coordination and fund management. Third, further promote the refined cost management, strictly control all capital expenditures, and strictly investigate and punish acts of extravagance and waste.

5. Adhere to the guidance of Party building, and consolidate the core strength to enhance the cohesiveness of our Company. First, comprehensively strengthen Party building, consolidate the responsibility system for Party building, and promote the all-round progress and excellence of primary Party organizations. Second, comprehensively promote the construction of Party building brand, deepen the development of model branch, strengthen the leadership of Party building over mass organizations, and create a strong atmosphere of unity, hard working and entrepreneurship. Third, advance the full and strict governance over the Party, strengthen the integrity-focused publicity and education, promote the integration and synergy of discipline inspection with other supervision mechanisms such as audit, finance, and compliance, and jointly build a system where officials dare not, cannot and do not want to be corrupt.

XII. Reception, survey, communication, interview and other activities during the reporting period

√Applicable Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
January 02, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 6, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 13, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 20, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
January 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 5, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 10, 2025	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about measures to prevent air pollution	Not applicable
February 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 18, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 27, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
March 03, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 07, 2025	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
March 10, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 14, 2025	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the company's information disclosure	Not applicable
March 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
March 24, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the company's litigation matters	Not applicable
March 24, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 01, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 11, 2025	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
April 17, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 30, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the subsidiary's business	Not applicable
May 06, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 06, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
May 8, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 12, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 13, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the subsidiary's business	Not applicable
May 16, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the matter of attending the shareholders' meeting	Not applicable
May 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 21, 2025	The	Written	Individual	Individual	Inquire about the number of	Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
	Company	inquiry		investor	shareholders	
May 22, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 29, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
June 03, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 11, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
June 12, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
June 13, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 23, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 23, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the company's operating conditions and strategic planning	Not applicable
June 24, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
June 25, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the company's future development plan	Not applicable
July 01, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 01, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the company's performance	Not applicable
July 02, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 03, 2025	The Company	Telephone communication	Individual	Individual investor	Inquiry about the consulting company's business	Not applicable
July 04, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 11, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 14, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 15, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
July 22, 2025	The	Written	Individual	Individual	Inquire about the number of	Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
	Company	inquiry		investor	shareholders	
July 28, 2025	The Company	Written inquiry	Individual	Individual investor	Inquired about the number and register information of shareholders	Not applicable
July 31, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 01, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 04, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 06, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 09, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 10, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 12, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 13, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquired about the number and register information of shareholders	Not applicable
August 19, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 20, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquired about the number and register information of shareholders	Not applicable
August 25, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
August 26, 2025	The Company	Written inquiry	Individual	Individual investor	Inquired about the number and register information of shareholders	Not applicable
August 27, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 01, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 05, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 8, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 09, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 22, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 24, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
September 25,	The	Written	Individual	Individual	Inquire about the number of	Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
2025	Company	inquiry		investor	shareholders	
September 30, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the company's performance	Not applicable
October 09, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 10, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 10, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the company's performance	Not applicable
October 13, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 13, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 17, 2025	The Company	Telephone communication	Individual	Individual investor	Inquired about individual shareholding information	Not applicable
October 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 22, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
October 22, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the progress of non-compete commitment	Not applicable
October 30, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the bankruptcy and liquidation application against Jianbang Company	Not applicable
November 03, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 11, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 12, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 14, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 14, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the matter of shareholders' shareholding decrease	Not applicable
November 17, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 19, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 21, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 24, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 25, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 25, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the matter of shareholders' shareholding decrease	Not applicable
November 26, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable

Reception time	Reception place	Reception mode	Type of reception object	Reception object	Main contents discussed and information provided	Index of basic information of the survey
November 27, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
November 28, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 01, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 02, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 04, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 10, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 11, 2025	The Company	Written inquiry	Individual	Individual investor	Registration for the Annual General Meeting	Not applicable
December 12, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the matter of shareholders' shareholding decrease	Not applicable
December 15, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 16, 2025	The Company	Telephone communication	Individual	Individual investor	Inquire about the matter of shareholders' shareholding decrease	Not applicable
December 22, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
December 29, 2025	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable

XIII. Formulation and implementation of market value management system and valuation improvement plan

Whether the Company has formulated a market value management system.

Yes No

Whether the Company has disclosed plans for valuation enhancement.

Yes No

XIV. Implementation of the action plan of "double improvement of quality return".

Whether the company has disclosed the announcement of the action plan of "double improvement of quality return".

Yes No

Section IV Corporate Governance, Environment and Society

I. Basic status of corporate governance

During the reporting period, the Company constantly improved its governance structure and standardized the Company's operation in strict accordance with the requirements of the Company Law, the Securities Law and the Governance Guidelines for Listed Companies and other laws and regulations. During the reporting period, the Company's governance institutions at all levels have carried out their responsibilities and authorities clearly and definitely and have performed their own functions. At the same time, they have checked and balanced each other in decision-making, implementation and supervision effectively, and have operated in a coordinated manner.

(I) Operation of the general meeting of shareholders

The preparation, holding of the annual and extraordinary general meetings of shareholders of the Company as well as disclosure of the resolutions made at the meetings have been carried out in strict accordance with the Company Law, the Rules of the General Meeting of Shareholders of Listed Companies of China Securities Regulatory Commission (CSRC), the Articles of Association and the Rules of Procedure of the General Meeting of Shareholders of the Company. The notification time of the meeting, the procedure of authorization, the procedure of convening, the convener, the qualification of the personnel attending the meeting and the voting procedure of the meeting have all been in line with relevant provisions. An on-site interaction for shareholders has been set at the shareholders' meeting to ensure that the shareholders, especially the small and medium-sized shareholders, can exercise their legitimate rights.

(II) Operation of the Board of Directors

The preparation and holding of the board meeting of the Company and the disclosure of the resolution made at the meeting have been carried out in strict accordance with the *Company Law*, the *Self-regulation Guidelines for Listed Companies of Shenzhen Stock Exchange No. 1-Standardized Operation of Listed Companies on the Main Board*, the *Articles of Association* and the *Rules of Procedure of the Board Meeting of the Company*. The number and manning of the board of directors have met the requirements of laws and regulations. The directors have worked diligently and responsibly, and the board of directors has worked hard in making decisions and setting the direction for the Company, and has exercised its power in accordance with the requirements for corporate governance.

(III) Operation of the management

The management of the Company performed its duties in strict accordance with the Company Law, the Guidelines for Self-Regulation of Companies Listed on Shenzhen Stock Exchange No. 1 - Standardized Operation of Companies Listed on the Main Board, the Articles of Association and the Working Rules of the General Manager. The management is fully responsible for the production and operation management of the Company, diligently and dutifully performs its duties, effectively implements the decisions of the Board of Directors, and the division of labor among the management is clear, and there is no "insider control".

Whether there is any significant difference between the actual status of corporate governance and the laws, administrative regulations and the provisions issued by the China Securities Regulatory Commission on the governance of listed companies

Yes No

There are no significant differences between the actual status of corporate governance and the laws, administrative regulations and the provisions issued by the China Securities Regulatory Commission on

the governance of listed companies

II. The independence of the Company from the controlling shareholder and actual owner in terms of assets, personnel, finance, organization and business

(I) Assets: The Company's assets are independent, without any illegal occupation by the controlling shareholder.

(II) In respect of personnel, the Company was absolutely independent in management of labour, personnel and salaries from the controlling shareholders. All the senior executives of the Company took no office title concurrently at the Shareholder Company.

(III) In respect of finance, the Company has independent financial department, paid taxes according to the law, and opened independent bank accounts.

(IV) Organization: The Company has office premises independent of the controlling shareholder, without any situations of mixed operations or shared offices; The Company's board of directors and other internal organizations operated independently.

(V) In respect of business, the Company has independent and complete business and independent operation ability.

III. Horizontal competitions

Applicable Not applicable

Problem type	Type of related relationship with listed companies	Company name	Nature	Problem Cause	Solution	Work progress and follow-up plan
Horizontal competitions	Controlling shareholder	Shenzhen Investment Holdings Co., Ltd.	Others	Both the Company and Shenzhen Properties & Resources Development (Group) Ltd. (referred to as SZPRD) are subsidiaries controlled by Shenzhen Investment Holdings Co., Ltd, and are engaged in real estate development and commercial housing sales, which belong to the same industry and thus have a situation of horizontal competition.	<p>1. Solution for industry competition between SZPRD and SPG. For the existing businesses of Shenzhen Property Management that are in competition with SPG, SIHC will initiate one or more practically operable solutions within the scope allowed by laws and regulations and complete the implementation of related solutions by 9 November 2026, to resolve the existing horizontal competition issue:</p> <p>(1) Solve the horizontal competition through asset sales or asset swaps; (2) Solve the horizontal competition through equity transfers, (3) Other measures that can effectively address the horizontal competition.</p> <p>2. Other commitments to avoid horizontal competition. As the controlling shareholder of the listed company and during the period when the listed company is listed on the Shenzhen Stock Exchange, companies, enterprises, and economic organizations controlled or actually controlled by SIHC (excluding enterprises controlled by the listed company, collectively referred to as "subsidiaries") will not engage in business directly competitive with the listed company in new business fields other than those where</p>	For relevant matters, please refer to the Announcement on the Application of the Company's Controlling Shareholder for Change of Commitments on Avoiding Horizontal Competitions (Announcement No.: 2024-035) and the Announcement on the Resolution of the Third Extraordinary General Meeting of 2024 (Announcement No.: 2024-41) disclosed by the Company on September

													there is existing horizontal competition. SIHC commits not to seek unfair benefits through its status as the controlling shareholder of the listed company, thereby harming the rights and interests of the listed company and its shareholders. In case of violation of the above commitments, SIHC will bear the corresponding legal responsibilities, including but not limited to compensation for all losses caused to the listed company.	30 and October 19, 2024 respectively.
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IV. Directors and Senior Management

1. Basic information

Name	Gender	Age	Position	Employment status	Beginning date of term	Ending date of term	Number of shares held at the beginning of the period (shares)	Number of shares increased in the current period (shares)	Number of shares reduced in the current period (shares)	Other increase/decrease (shares)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease in share
Chen Ming	Male	52	Chairman of the Board	Incumbent	December 16, 2025		0	0	0	0	0	
Qian Zhong	Male	52	Director	Incumbent	September 12, 2023		0	0	0	0	0	
Wang Jiangtao	Male	59	Secretary of the Discipline Inspection Commission	Incumbent	April 1, 2022		0	0	0	0	0	
Wang Jianfei	Male	53	Director	Incumbent	October 11, 2021		0	0	0	0	0	
Wang Jianfei	Male	53	Financial Director	Incumbent	September 22, 2021		0	0	0	0	0	
Li Wenkun	Male	52	Director	Incumbent	November 30, 2023		0	0	0	0	0	
Meng Fei	Male	50	Director	Incumbent	August 23, 2024		0	0	0	0	0	
Peng Xingtang	Male	44	Director	Incumbent	March 6, 2026		0	0	0	0	0	
He Zuowen	Male	63	Independent director	Incumbent	June 30, 2020		0	0	0	0	0	
Mi Xuming	Male	50	Independent director	Incumbent	June 30, 2020		0	0	0	0	0	
Liu Haifeng	Male	54	Independent director	Incumbent	May 17, 2024		0	0	0	0	0	
Zhang Hongwei	Male	59	Deputy General Manager	Incumbent	July 15, 2020		0	0	0	0	0	
Huang Weijun	Male	53	Deputy General Manager	Incumbent	July 29, 2022		0	0	0	0	0	
Wu Zhiyong	Male	54	Deputy General Manager	Incumbent	July 29, 2022		0	0	0	0	0	
Luo Yi	Male	52	Secretary to the Board of Directors, Office Director	Incumbent	December 31, 2020		0	0	0	0	0	

			the Board of Directors									
Tang Xiaoping	Male	55	Chairman of the Board	Resigned	March 30, 2023	December 16, 2025	0	0	0	0	0	
Tang Xiaoping	Male	55	Director	Resigned	December 31, 2020	December 16, 2025	0	0	0	0	0	
Tang Xiaoping	Male	55	General manager	Resigned	December 14, 2020	December 16, 2025	0	0	0	0	0	
Zhang Manhua	Male	51	Director	Resigned	March 30, 2023	March 6, 2026	0	0	0	0	0	
Total	--	--	--	--	--	--	0	0	0	0	0	--

Whether there have been departures of any directors, supervisors, or dismissals of senior management personnel during their terms of office in the reporting period

Yes No

1. The Company held the second extraordinary general meeting of 2025 on December 16, 2025, at which Mr. Chen Ming was elected as a director of the Company. Mr. Tang Xiaoping ceased to hold the positions of Chairman, director, legal representative, and General Manager of the Company. On the same day, the Company held the 26th meeting of the 8th Board of Directors, at which Mr. Chen Ming was elected as the Chairman and legal representative of the Company, and would serve as the Chairman of the Strategy Committee and the Compliance Committee of the Board of Directors. For details, please refer to the *Announcement on Resolutions of the Second Extraordinary General Meeting of 2025* and the *Announcement on Resolutions of the 26th Meeting of the 8th Board of Directors*, both disclosed by the Company on December 17, 2025.

2. The Company held the first extraordinary general meeting of 2026 on March 6, 2026, at which Mr. Peng Xingting was elected as a director of the Company. Mr. Zhang Manhua ceased to be a director of the Company and no longer holds any other position in the Company. For details, please refer to the *Announcement on Resolutions of the 27th Meeting of the 8th Board of Directors* disclosed by the Company on February 13, 2026, and the *Announcement on Resolutions of the First Extraordinary General Meeting of 2026* disclosed on March 7, 2026.

Changes in directors and senior management of the Company

Applicable Not applicable

Name	Position	Type	Date	Reasons
Tang Xiaoping	Chairman and General Manager	Resigned	December 16, 2025	Job transfer
Zhang Manhua	Director	Resigned	March 6, 2026	Job transfer

2. Office holding

Professional background, work experience and main duties in the Company of existing directors and senior management

Chen Ming: Formerly served as Deputy General Manager of Shenzhen Jianan (Group) Co., Ltd., and Secretary of the Party Committee and Chairman of China Shenzhen Foreign Trade (Group) Co., Ltd. He currently serves as Chairman and Secretary of the Party Committee of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Qian Zhong: He once acted as the Director of the Board of Directors Office (Strategy Research Office), Member of the Discipline Inspection Committee, and the Head of the Operation Management Department of Shenzhen Properties & Resources Development (Group) Ltd.; currently serving as the Deputy Secretary of the CPC, Director, and Chairman of the Trade Union Confederation of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Wang Jiangtao: He once worked as the Executive Deputy General Manager and Party Branch Secretary of Shenzhen Foreign Economic and Trade Investment Company, Director, Secretary of the Discipline Inspection Commission and Party Commission, and Chairman of the Supervisory Board of Shenzhen General Institute of Architectural Design and Research Co., Ltd.; he currently serves as the Secretary of the Discipline Inspection Commission and a member of the Party Committee of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Wang Jianfei: He once acted as the Head of the Financial Management Department of Shenzhen Construction Development (Group) Company, Deputy General Manager of Hubei Shentou Control Investment Development Co., Ltd.; currently serving as Director, Chief Financial Officer, and Member of the Party Committee of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Li Wenkun: Previously, a Deputy General Manager of Shenzhen Toukong Property Management Co., Ltd., a Director, a Deputy Secretary of the Party Committee, and the Secretary of the Discipline Inspection Commission of Shenzhen Shentou Environmental Protection Technology Co., Ltd., and a Director, and a Deputy Secretary of the Party Committee of Shenzhen Environmental Protection Technology Group Co., Ltd. (original name was Shenzhen Shentou Environmental Protection Technology Co., Ltd.); currently, a Director of Shenzhen Water Planning and Design Institute Co., Ltd., and a Director of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Meng Fei: He previously worked at Shenzhen Tianhong Shopping Mall Co., Ltd. and Shenzhen Press Group, and served as a Senior Manager and Deputy Head of the Financial Department (Settlement Center) of Shenzhen Investment Holdings Co., Ltd. He currently serves as a director and Chief Financial Officer of Shenzhen-Hong Kong Innovation and Technology Cooperation Zone Development Co., Ltd., a director of SIHC Hong Kong Investment Holdings Limited, a director of Shenzhen Textile (Holdings) Co., Ltd, and a director of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Peng Xingting: He formerly served as Deputy Director of the Strategic Research Department (Board of Directors' Office) of Shenzhen Investment Holdings Co., Ltd. He currently serves as the Director of the Strategic Management Department of Shenzhen Investment Holdings Co., Ltd., a director of China Shenzhen Foreign Trade (group) Co., Ltd., a supervisor of Guotai Junan Investment Management Co., Ltd., a director of Shenzhen Data Exchange Co., Ltd., and a director of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

He Zuowen: He once worked as Associate Professor of Accounting at Changsha University of Science & Technology (formerly Changsha Electric Power Institute), Partner at Shenzhen Huapeng Accounting Firm, Head of the Shenzhen branch of Beijing Zhongtian Huazheng Certified Public Accountants (now Da Hua Certified Public Accountants LLP), Partner at Lixin Accounting Firm; currently serving as Partner, Member of the Partner Management Committee, and Secretary of the Party Branch of Zhengdan Zhiyuan (Shenzhen) Certified Public Accountants (Special General Partnership), Chairman of Shenzhen Tianye Taxation Firm Co., Ltd., and Independent Director of Shenzhen Ruijie Technology Co., Ltd. and Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. Major social positions include: Off-campus Master's Tutor at Shenzhen University, Member of the Shenzhen Institute of Certified Public Accountants Industry Committee of the Communist Party of China, Expert in Expert Database of Shenzhen State-owned Assets Supervision and Administration Commission, Shenzhen Development and Reform Commission, Shenzhen Science and Technology Innovation Commission, Shenzhen Radio and Television Culture, Tourism and Sports Bureau, and Shenzhen United Property And Share Rights Exchanged.

Mi Xuemin: He once worked as a lecturer and associate professor at Shenzhen University, holds a PhD in Management from Xiamen University, a postdoctoral

fellowship in Applied Economics from Xiamen University, and was a visiting scholar at the University of Exeter's Department of Accounting in the UK. He is currently a professor and doctoral supervisor at the Department of Accounting in Shenzhen University, as well as an independent director at Shenzhen Farben Information Technology Co., Ltd., OFILM Group Co., Ltd., Ruineng Semiconductor Technology Co., Ltd. and Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd..

Liu Haifeng: Formerly served as a partner at Guangdong Xintong Law Firm and an independent director of Shenzhen CEREALS HOLDINGS Co., Ltd. He currently serves as a primary partner at Guangdong Hancheng Law Firm and an independent director of CR Trust, and Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Zhang Hongwei: He once worked as the General Manager of Shenzhen Urban Construction Investment Development Co., Ltd. and Hefei Ruifa Urban Construction Investment and Development Co., Ltd., and Manager of the Development Department, Sales Department, Project Department II, and Engineering Management Department of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.; currently the Deputy General Manager and a member of the Party Committee of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Huang Weijun: Once served as a member of the Party Committee, Secretary of the Committee for Discipline Inspection and Deputy GM of Shenzhen Guangming Group Co., Ltd., a member of the Party Committee, Secretary of the Committee for Discipline Inspection and Deputy GM of Shenzhen OCT Vision Inc. (concurrently as an executive director of Shenzhen OCT International Media Performing Co., Ltd.), and now serving as the Deputy GM, member of the CPC of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Wu Zhiyong: Once served as the Chairman and GM of Shenzhen Petrel Hotel Co., Ltd., Deputy Manager of Property Management Department and Manager of the Asset Operation Center of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.; and now serving as the Deputy GM, member of the CPC of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Luo Yi: He was once the Vice GM, Deputy Director of Board Secretariat and Securities Representative in the Shantou branch of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. Currently, he serves as the Board Secretary and Office Director of the Board in Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

Situation where the controlling shareholder and actual controller concurrently serve as the chairman and general manager of the listed company

Applicable Not applicable

*.Positions held in shareholders

Applicable Not applicable

Name of the appointed personnel	Name of shareholder	Positions held in shareholders	Beginning date of term	Ending date of term	Whether to receive remuneration allowance from the shareholder unit
Peng Xingting	Shenzhen Investment Holdings Co., Ltd.	Director of Strategic Management Department	June 5, 2024		Yes
Description of the positions held in	Not applicable				

shareholders	
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*.Position in other entities

√Applicable Not applicable

Name of the appointed personnel	Name of other entities	Positions held in other entities	Beginning date of term	Ending date of term	Whether to receive remuneration allowances in other entities
Li Wenkun	Shenzhen Water Planning & Design Institute Co., Ltd.	Director	September 4, 2023		No
Meng Fei	Shenzhen Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Director and Finance Director	April 18, 2025		Yes
Meng Fei	Hong Kong Investment Holdings Co., Ltd. under Shenzhen Investment Holdings	Director	July 18, 2024		No
Meng Fei	Shenzhen Textile (Holdings) Co., Ltd.	Director	23 July 2024		No
Peng Xingting	China Shenzhen Foreign Trade (Group) Company Limited	Director	August 16, 2021		No
Peng Xingting	Guotai Junan Securities Co., Ltd.	Supervisor	December 30, 2021		No
Peng Xingting	Shenzhen Data Exchange Co., Ltd.	Director	March 17, 2023		No
He Zuowen	Zhengdan Zhiyuan (Shenzhen) Public Certified Accountants (Special Partnership) General	Partner, and Member of the Partner Management Committee	December 31, 2023		Yes
He Zuowen	Shenzhen Tianye Taxation Firm Co., Ltd.	Chairman of the Board	September 03, 2007		Yes
He Zuowen	Shenzhen Ruijie Technology Co., Ltd.	Independent director	October 11, 2024		Yes
Mi Xuming	Shenzhen University	Professor and Doctoral Supervisor	December 01, 2009		Yes
Mi Xuming	Shenzhen Farben Information Technology Co., Ltd.	Independent director	January 29, 2021		Yes
Mi Xuming	OFILM Group Co., Ltd.	Independent director	October 11, 2023		Yes
Mi Xuming	Ween Semiconductors Co., Ltd.	Independent director	December 22, 2025		Yes
Liu Haifeng	Guangdong Hancheng Law Firm	Primary partner	February 01, 2007		Yes
Liu Haifeng	CR Trust	Independent director	February 28, 2025		Yes
Explanation of serving in	None				

other entities

Punishments imposed in the recent three years by the securities regulator on the incumbent directors and senior management as well as those who left in the Reporting Period:

Applicable Not applicable

3. Remuneration of Directors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors and senior management:

The remuneration of the Company's directors and senior management shall be determined and implemented in accordance with the regulations of the Company's remuneration management system.

After the review and approval at the 2022 Annual General Meeting of Shareholders held on 28 April 2023, the allowance for independent directors has been adjusted to RMB10,000 (pre-tax) per person per month from RMB7000 (pre-tax) per person per month since May 2023, and independent directors will not receive any remuneration other than it from the Company.

Remuneration of directors and senior management during the Reporting Period

Unit: RMB10,000

Name	Gender	Age	Position	Employment status	Total pre-tax compensation received from the Company	Whether get paid from related parties of the Company
Chen Ming	Male	52	Chairman of the Board	Incumbent	0	Yes
Qian Zhong	Male	52	Director	Incumbent	76.52	No
Wang Jiangtao	Male	59	Secretary of the Discipline Inspection Commission	Incumbent	103.2	No
Wang Jianfei	Male	53	Director and Finance Director	Incumbent	96	No
Zhang Manhua	Male	51	Director	Resigned	0	Yes
Li Wenkun	Male	52	Director	Incumbent	0	Yes
Meng Fei	Male	50	Director	Incumbent	0	Yes
He Zuowen	Male	63	Independent director	Incumbent	12	No
Mi Xuming	Male	50	Independent director	Incumbent	12	No
Liu Haifeng	Male	54	Independent director	Incumbent	12	No
Zhang Hongwei	Male	59	Deputy General Manager	Incumbent	78.31	No
Huang Weijun	Male	53	Deputy General Manager	Incumbent	81.16	No
Wu Zhiyong	Male	54	Deputy General Manager	Incumbent	81.16	No
Luo Yi	Male	52	Secretary to the Board of Directors, Office Director of the Board of Directors	Incumbent	58.05	No
Tang Xiaoping	Male	55	Chairman and	Resigned	87.73	Yes

			General Manager			
Total	--	--	--	--	698.13	--

Basis for performance assessment of the actual remuneration for all directors and senior management at the end of the reporting period	The relevant remuneration management systems of the Company and its controlling shareholder for directors and senior executives.
Completion of performance assessment for the actual remuneration for all directors and senior management at the end of the reporting period	In 2025, the scoring of some performance indicators for non-independent directors and senior management for the year 2024 has been completed. The final score is pending confirmation after the controlling shareholder verifies the 2024 operating performance assessment results of the Company; the allowances of independent directors are not subject to performance assessment.
Deferred payment arrangements for the actual remuneration of all directors and senior management at the end of the reporting period	Deferred payment arrangements are not applicable to the independent directors; in 2025, the 2023 performance-based annual salary and part of the 2024 performance-based annual salary for non-independent directors and senior management have been paid, but part of the 2025 performance-based annual salary and term-of-office incentive income have not yet been paid.
Withholding and clawback of actual remuneration of all directors and senior management at the end of the reporting period	Not applicable.

Other circumstances

Applicable Not applicable

V. Performance of Duty by Directors during the Reporting Period

1. Attendance of directors at board meetings and general meetings

Attendance of directors at board meetings and general meetings							
Name of director	Number of the board meetings to be attended during this reporting period	Number of the board meetings attended on site	Number of the board meetings attended by communication	Number of the board meetings attended by proxy	Number of absences from the Board meetings	Whether to fail to attend the meeting of the Board in person for two consecutive times	Number of general meetings attended
Chen Ming	1	1	0	0	0	No	0
Tang Xiaoping	10	2	8	0	0	No	3
Qian Zhong	11	3	8	0	0	No	3
Wang Jianfei	11	3	8	0	0	No	3
Zhang Manhua	11	0	11	0	0	No	0
Li Wenkun	11	3	8	0	0	No	3
Meng Fei	11	0	11	0	0	No	2
He Zuowen	11	3	8	0	0	No	3
Mi Xuming	11	3	8	0	0	No	2

Liu Haifeng	11	2	9	0	0	No	3
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Description of the failure to attend the board meetings in person for two consecutive times

Not applicable.

2. Objections raised by directors to relevant matters of the Company

Whether the directors have raised any objections to relevant matters of the Company?

Yes No

During the reporting period, the directors did not raise any objection to the relevant matters of the Company.

3. Other descriptions of directors' performance of duties

Whether the relevant suggestions of the directors to the Company have been adopted

Yes No

Director's statement on the adoption or non-adoption of the Company's relevant proposals

During the Reporting Period, all directors of the Company performed their duties diligently and conscientiously. They thoroughly mastered the Company's production and operation, internal control, and standardized operation, and put forward relevant opinions on the Company's major governance and operation decisions based on their professional advantages. These opinions were fully communicated and discussed among the directors before forming consensus, which effectively promoted scientific and objective decision-making by the Board of Directors, and helpfully safeguarded the legitimate rights and interests of the Company and all shareholders.

VI. Performance of Duty by Specialized Committees under the Board in the Reporting Period

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	January 13, 2025	The schedule for the 2024 annual financial statements and internal control audit, important audit matters, key areas of focus, and proposed audit	It is agreed that the schedule, important audit matters, key areas of focus, and proposed audit procedures for the 2024 financial statements and internal control audit conducted by Pan-China Certified Public Accountant (LLP) were agreed upon. procedures was reviewed.		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	March 18, 2025	Deliberation on the draft of 2024 Auditor's Report	It is concluded that the draft audit report prepared by Pan-China		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
					Certified Public Accountant (LLP) complies with the various provisions of enterprise accounting standards and truly and completely reflects the company's financial status as of 31 December 2024, as well as the operating results and cash flows for the year 2024. The audit work for the 2024 financial report was completed well.		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	March 20, 2025	Deliberation on the 2024 annual financial report statement and financial information in the 2024 annual report, the 2024 internal control self-assessment report, provisions for credit impairment and asset impairment for the year 2024, and the 2024 Internal Audit Work Summary Report	<p>1. It is concluded that the Company's financial statements are prepared in accordance with the provisions of enterprise accounting standards in all material respects, and are true, reliable, and complete. The 2024 audit report prepared by Pan-China Certified Public Accountant (LLP) fairly reflects the Company's financial status, operating results, and cash flows for 2024 in all material respects.</p> <p>2. It is concluded that the Company's</p>		

Name of committee	Membershi p	Number of meeting s held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performanc e of duties	Details of objection s (if any)
					<p>2024 Internal Control Self-assessment Report comprehensively, objectively, and truly reflects the actual situation of internal control in 2024. The Company has maintained effective internal control over financial reports in all material respects in accordance with the requirements of the standardized system of enterprise internal control and relevant regulations. During the reporting period, no significant deficiencies or material weaknesses in internal controls over financial reporting were identified within the company, and no significant deficiencies or material weaknesses in internal controls outside of financial reporting were found.</p> <p>3. It is concluded that the provisions for credit impairment and asset impairment for the year 2024 by the company are conducted in accordance</p>		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
					with and comply with the provisions of the Accounting Standards for Business Enterprises and the relevant company policies. The basis for these provisions is sufficient and aligns with the Company's operational status. This provision for credit and asset impairment is based on the principle of prudence, helping to more fairly reflect the Company's financial status and operating results as of 31 December 2024, making the Company's accounting information more reasonable. 4. The internal audit work conducted in 2024 was well recognized and the company is requested to carry out its audit work in 2025 in accordance with the work plan.		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	April 17, 2025	Deliberation on First Quarter 2025 Report, the 2024 Annual Internal Control System Work Report, and the First Quarter 2025 Internal Audit	1. It is concluded that the First Quarter 2025 Report truly, accurately, and completely reflects the Company's financial status, operating results, and		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
				Work Report	<p>cash flow for the first quarter of 2025.</p> <p>2. It is concluded that the company's 2024 Annual Internal Control System Work Report comprehensively, objectively and truthfully reflects the construction and supervision of the internal control system in 2024.</p> <p>3. The internal audit work conducted in first quarter of 2025 was well recognized and the company is requested to carry out its audit work continuously in accordance with the work plan.</p>		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	August 20, 2025	Deliberation on the Semi-annual Report for 2025, and the Report on Internal Audit for the first half of 2025	<p>1. It is concluded that the Semi-annual Report for 2025 truly, accurately, and completely reflects the Company's financial status, operating results, and cash flow for the first half of 2025.</p> <p>2. The internal audit work conducted in the first half of 2025 was well recognized and the company is requested to carry out its audit work continuously in accordance with the work</p>		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
					plan.		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	October 14, 2025	Deliberation on the Third Quarter 2025 Report, and the Third Quarter 2025 Internal Audit Work Report	<p>1. It is concluded that the Third Quarter 2025 Report truly, accurately, and completely reflects the Company's financial status, operating results, and cash flow for the third quarter of 2025.</p> <p>2. The internal audit work conducted in third quarter of 2025 was well recognized and the company is requested to carry out its audit work continuously in accordance with the work plan.</p>		
Audit Committee of the Board of Directors	He Zuowen, Mi Xuming, Meng Fei	7	November 5, 2025	Deliberation on the Evaluation Report on the Performance of the Accounting Firm for 2024, the Report of the Board's Audit Committee on its Supervision of the Accounting Firm, and the proposed renewal of the audit firm	<p>1. It is agreed to the "Evaluation Report on the Performance of the Accounting Firm for 2024".</p> <p>2. It is agreed to the "Report of the Board's Audit Committee on its Supervision of the Accounting Firm".</p> <p>3. It is agreed to appoint Pan-China Certified Public Accountants (Special General Partnership) as the audit firm of the Company for its 2025 financial statement and internal control.</p>		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
Remuneration and Appraisal Committee of the Board of Directors	Mi Xuming, Wang Jianfei, He Zuowen	5	March 07, 2025	The annual compensation of directors and senior management disclosed in the 2024 annual report was reviewed	It is concluded that the compensation decision-making process for the Company's directors and senior management members complies with regulations. The compensation standards for directors and senior management members align with the established compensation system. The compensation information disclosed in the 2024 annual report is true and accurate.		
Remuneration and Appraisal Committee of the Board of Directors	Mi Xuming, Wang Jianfei, He Zuowen	5	June 23, 2025	Deliberation on the "Performance Assessment Results and Application Plan for Senior Management for the Year 2023"	It is concluded that the 2023 <i>Performance Assessment and Application Plan</i> for senior management are consistent with the actual situation, providing a relatively accurate and comprehensive evaluation of the assessed individuals, and do not harm the interests of the Company and its shareholders, especially the minority shareholders.		
Remuneration and Appraisal Committee of the Board	Mi Xuming, Wang Jianfei, He Zuowen	5	July 15, 2025	Deliberation on the revision of the "Measures for Operating Performance	It is concluded that the revised "Measures for Operating Performance Assessment		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
of Directors				Assessment and Remuneration Management of Senior Management"	and Remuneration Management of Senior Management" comply with the income distribution policies for state-owned enterprises and the relevant requirements of the municipal state-owned assets supervision, which will effectively enhance the loyalty and diligence of the management team, and further improve the performance evaluation, and the incentive and restraint mechanisms for senior management, thus enhancing the corporate governance of the Company.		
Remuneration and Appraisal Committee of the Board of Directors	Mi Xuming, Wang Jianfei, He Zuowen	5	August 21, 2025	Deliberation on the formulation of the operating performance responsibility letters and employment agreements for senior management, and the revision of the "Enterprise Annuity Plan"	1. It is concluded that the letter of responsibility for annual business performance about senior management members in 2025 meets the requirements of the performance assessment indicators for 2025. It is aligned with the key work points for the year and the division of responsibilities among the leadership team members.		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
					<p>The agreement demonstrates good scientific and rational principles and does not harm the interests of the company and its shareholders, particularly the interests of minority shareholders.</p> <p>2. It is agreed to the "Enterprise Annuity Plan".</p>		
Remuneration and Appraisal Committee of the Board of Directors	Mi Xuming, Wang Jianfei, He Zuowen	5	September 19, 2025	Deliberation on the formulation of the 2024 <i>Performance Assessment Implementation Plan</i> for SPG senior executives	<p>It is concluded that the "2024 Performance Assessment Implementation Plan for SPG Senior Executives" complies with the provisions of the "Measures for Operating Performance Assessment and Remuneration Management of SPG Senior Management". The assessment indicators are scientifically sound and reasonable, and do not harm the interests of the Company and its shareholders, especially the minority shareholders. Approval is given to submit the relevant proposals to the Company's Board of Directors for review.</p>		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
Nomination Committee of the Board	Liu Haifeng, Qian Zhong, He Zuowen	1	November 21, 2025	Deliberation on the proposed change of directors	<p>After reviewing the relevant data of the nominee, it is concluded that Mr. Chen Ming meets the qualification requirements stipulated by relevant laws, administrative regulations, departmental rules, and normative documents. There is no circumstance where he is prohibited from serving as a director according to the Company Law and other laws and regulations. He has not been punished by the China Securities Regulatory Commission or other relevant departments, nor has he received disciplinary actions from the stock exchange. There is no situation where he is under investigation by judicial authorities for suspected crimes or is under investigation by the China Securities Regulatory Commission for suspected violations of laws and regulations. He has not been listed on the</p>		

Name of committee	Memberships	Number of meetings held	Date of meeting	Content of the meeting	Important opinions and suggestions put forward	Other performance of duties	Details of objections (if any)
					public information platform for illegal and dishonest conduct in the securities and futures market by the CSRC, nor has he been included in the list of dishonest persons subject to enforcement by any people's court. It is agreed to nominate Mr. Chen Ming as a candidate for the Company's director.		
Compliance Committee of the Board of Directors	Tang Xiaoping, Qian Zhong, Wang Jianfei, Liu Haifeng, He Zuowen	1	April 15, 2025	Deliberation on the "Proposal for the 2024 Annual Report on Compliance Construction"	It is concluded that the "2024 Annual Report on Compliance Construction" truthfully, accurately and completely reflected the Company's progress in promoting the construction of its compliance management system in 2024, and agreed to submit the relevant proposal to the Company's Board of Directors for deliberation.		

VII. Performance of Duty by the Audit Committee

The Audit Committee finds out whether the company has risks during the monitoring activities during the reporting period

Yes No

The Audit Committee has no objection to the supervision matters during the reporting period.

VIII. Company's employees

1. Number, professional composition and education level of employees

Number of employees of the parent company at the end of the reporting period (person)	90
Number of in-service employees of major subsidiaries at the end of the reporting period	120
Total number of in-service employees at the end of the reporting period (person)	210
Total number of employees receiving salaries in the current period (person)	210
Number of retired employees whose expenses shall be borne by the parent company and major subsidiaries	0
Professional composition	
Professional composition category	Number of employees of each category (person)
Production personnel	36
Sales personnel	29
Technical personnel	43
Financial personnel	28
Administrative staff	74
Total	210
Education level	
Education level category	Quantity (person)
Doctor	3
Postgraduate	24
Undergraduate	100
Junior college	43
Technical college degree	3
High school diploma or below	37
Total	210

2. Remuneration policy

The management personnel above vice general manager (including vice GM) of the Company conducted annual salary system, other employees conducted contacting the performance with the benefit salary system.

3. Training plan

The Company formulates an annual training plan based on the Employee Training Management Measures. The Company implements training for current employees through methods such as internal training, inviting experts for on-site lectures, or participating in specialized external training programs. This training covers aspects such as job knowledge, professional skills, regulations, and business processes. The goal is to enrich and update employees' professional knowledge, enhance their overall quality, and improve their business skills.

4. Outsourcing of labor services

Applicable Not applicable

Total hours of labor outsourcing (hours)	59,501
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Total remuneration paid for labor outsourcing (RMB)	2,223,876.36
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IX. Specification of profit distribution and capitalizing of common reserves

Formulation, implementation or adjustment of the profit distribution policy during the reporting period, especially the cash dividend policy

√Applicable Not applicable

During the reporting period, the Company revised the profit distribution clauses in the "Articles of Association" in accordance with regulations such as the "Regulatory Guidelines for Listed Companies No. 3—Distribution of Cash Dividends of Listed Companies", the "Guidelines for Articles of Association of Listed Companies", and the "No. 1 Guidelines for the Self-supervision of Listed Companies on the Shenzhen Stock Exchange - Standard Operations of Companies Listed on the Main Board". The revised "Articles of Association" was reviewed and approved at the first extraordinary general meeting of 2025 held on November 26, 2025.

Special instructions for cash dividend policy	
Whether it meets the requirements of the Articles of Association or the resolution of the general meeting of shareholders:	Yes
Whether the dividend standards and proportions are explicit and clear:	Yes
Whether relevant decision-making procedures and mechanisms are complete:	Yes
Whether the Independent Directors have fulfilled their duties and played their due roles:	Yes
If the Company does not make cash dividends, it shall disclose the specific reasons and the next measures to be taken to enhance the returns level of investors:	Not applicable
Whether minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests are fully protected:	Yes
Whether the conditions and procedures are compliant and transparent if the cash dividend policy is adjusted or changed:	Yes

The Company is profitable during the reporting period and the profit available for distribution by the parent company is positive, but no cash dividend distribution plan is proposed

Applicable Not applicable

Profit distribution and conversion of capital reserves into share capital during the reporting period

√Applicable Not applicable

Number of bonus shares per 10 shares (shares)	0
Number of dividends per 10 shares (RMB) (including tax)	0.35
A total number of shares as the distribution basis (shares)	1,011,660,000
Cash dividend amount (yuan, including tax)	35,408,100.00
Other means (such as repurchase of shares) cash dividend amount (yuan)	0.00
Total cash dividend (RMB, including tax)	35,408,100.00
Distributable profit (yuan)	1,098,111,214.93

Proportion of cash dividend in the distributable profit	100%
Cash dividends this time	
If the company's development stage is hard to be identified and there are major capital expenditure arrangements, when the profit distribution is carried out, the proportion of cash dividends in this profit distribution should be at least 20%.	
Detailed explanation of the plan for profit distribution or conversion of capital reserves into share capital	
The Company's 2025 profit distribution plan was reviewed and approved at the 28th meeting of the 8th Board of Directors held on March 18, 2026, and submitted to the 2025 annual general meeting for deliberation. Based on the total share capital of 1,011,660,000 shares as of December 31, 2025, a cash dividend of RMB0.35 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves. This profit distribution plan is subject to approval at the general meeting before implementation.	

X. Implementation of the Company's equity incentive plan, employee stock ownership plan (ESOP) or other employee incentives

Applicable Not applicable

During the reporting period, the Company had no equity incentive plan, employee stock ownership plan or other employee incentive measures and their implementation.

XI. Construction and implementation of internal control system during the reporting period

1. Construction and implementation of internal control

The Company has established a relatively complete and continuously effective internal control system, and has carried out internal control evaluation in accordance with the internal control matrix and documents. The Company has maintained effective internal controls over financial reporting in all significant aspects according to the requirements of the corporate internal control standards and relevant regulations. No significant deficiencies in non-financial reporting internal controls have been identified, and no factors have occurred that would impact the conclusions regarding the effectiveness of internal controls. At the same time, the Company attaches great importance to the regulation and steering role of the big supervision system. By holding joint supervision meetings and carrying out key supervision and inspection, the Company has promoted the standardization level improvement of relevant management work. No major violations of regulations and disciplines have been found. In the future, the Company will continue to develop internal control in a standardized manner and strengthen the supervision and inspection of internal control in order to promote the healthy and sustainable development of the Company.

2. Details of major deficiencies in internal control found during the reporting period

Yes No

XII. Management and control of the Company's subsidiaries during the reporting period

Company name	Consolidation plan	Consolidation progress	Problems encountered in consolidation	Solutions taken	Progress of solution	Follow-up solution plan
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Abnormalities in the management and control of subsidiaries

Yes No

XIII. Evaluation Report on Internal Control or Audit Report on Internal Control

1. Internal control evaluation report

Full-text disclosure date of the Evaluation Report on Internal Control	March 20, 2026	
Full-text disclosure index of the Evaluation Report on Internal Control	2025 Internal Control Self-Evaluation Report on www.cninfo.com.cn	
Ratio of total assets of units included in the evaluation scope to total assets in the consolidated financial statements of the Company	89.56%	
Ratio of operating revenue of units included in the evaluation scope to the operating revenue of consolidated financial statements of the Company	99.95%	
Defect identification criteria		
Type	Financial report	Non-financial report
Qualitative criteria	<p>The Company, based on the actual situation, identifies the following events or signs that may indicate the presence of significant or material deficiencies in financial reporting: (1) The directors, supervisors and senior management were found to have fraudulent behavior. (2) The discovery by the certified public accountant of a material misstatement of a current period's financial reports and the failure of the internal controls to detect the misstatement during their operation. (3) The supervision of the Audit Committee under the Board and Internal Audit Service to the internal control is invalid. (4) The accounting personnel were without necessary qualities to complete the preparation of financial statements.</p>	<p>The qualitative criterion for the recognition of defects of internal control in the non-financial statements mainly were the order of severity of defect involving business nature, the direct or potential negative influence nature, the influence scope and other factors. Generally, the presence of the following signs indicates that there may be major or significant deficiencies in the non-financial report internal control: (1) lack of democratic decision-making procedures, such as lack of decision-making on major issues, important appointments or dismissals, significant project investment decisions, use of large funds (Three Major and One Big) decision-making procedures; (2) unscientific decision-making procedures, such as major decision-making errors resulting in significant property losses for the Company; (3) serious violations of national laws and regulations; (4) key management personnel or important talents leaving in large numbers; (5) frequent negative media reports with a broad impact; (6) failure to rectify the results of internal control evaluation, especially major or significant deficiencies; (7) lack of systematic control over important businesses or systemic failure of systems.</p>
Quantitative criteria	<p>Serious defects: the defects, or defect group may lead to the financial results misstatement or potential losses more than 3% of net assets. Important defects: the defects, or defect group may lead to the financial results</p>	<p>The quantitative criteria for defects of internal control in the non-financial statements were mainly based on the amount of direct economic loss that may be caused, with reference to the quantitative criteria for defects of</p>

	misstatement or potential losses that is greater than 1% of net assets but no more than 3% of net assets. General defects: the defects, or defect group may lead to the financial results misstatement or potential losses no more than 1% of net assets.	internal control in financial report of the Company.
Number of major deficiencies in financial reports		0
Number of major deficiencies in non-financial report		0
Number of significant deficiencies in financial report		0
Number of significant deficiencies in non-financial report		0

2. Audit Report on Internal Control

Applicable Not applicable

Review opinion in the Audit Report on Internal Control	
In our opinion, SPG has maintained effective internal control over financial reporting in all material respects, in accordance with the Basic Standard for Enterprise Internal Control and relevant regulations on December 31, 2025.	
Disclosure of the Audit Report on Internal Control	Disclosed
Full-text disclosure date of the Audit Report on Internal Control	March 20, 2026
Full-text disclosure index of the Audit Report on Internal Control	Report on Internal Control disclosed on www.cninfo.com.cn .
Opinion type of the Audit Report on Internal Control	Standard and unqualified opinion
Whether there are major deficiencies in non-financial reports	No

Whether the accounting firm issues an Audit Report on Internal Control with non-standard opinions

Yes No

Whether the Audit Report on Internal Control issued by the accounting firm is consistent with the opinion of the self-evaluation report of the Board of Directors

Yes No

Whether a non-standard internal control audit opinion was issued during the reporting period or the previous year

Yes No

XIV. Status of rectification of self-examination issues of special actions on governance of listed companies

During the reporting period, the Company did not have any issues that needed rectification after self-examination.

XV. Disclosure of Environmental Information

Whether the listed company and its main subsidiaries are included in the list of enterprises required to disclose the environmental information by law

Yes No

XVI. Social responsibility

Adhering to the philosophy of "thinking of the source when drinking water", while pursuing economic benefits, the Company proactively practiced its role as a state-owned enterprise, fulfilled its social responsibility, and gave back to the society with practical action. For details, please refer to the 2025 Environmental, Social and Corporate Governance (ESG) Report disclosed on CNINFO (www.cninfo.com.cn).

XVII. Consolidation and Expansion of the Achievements of Poverty Alleviation and Rural Revitalization

Paying close attention to rural development, the Company proactively implemented the national targeted poverty alleviation action, and continuously carried out consumer assistance and rural revitalisation tasks. For details, please refer to the 2025 Environmental, Social and Corporate Governance (ESG) Report disclosed on CNINFO (www.cninfo.com.cn).

Section V Significant Events

I. Fulfillment of commitments

1. Commitments made by the Company's actual owner, shareholders, related parties, acquirers, the Company and other related parties that have been fulfilled within the reporting period and those that have not been fulfilled as of the end of the reporting period

Applicable Not applicable

Reason	Party making commitment	Type	Content	Date	Term	Performance
Other commitments made to minority interests	Shenzhen Investment Holdings Co., Ltd.	Avoidance of horizontal competition	To avoid horizontal competition, Shenzhen Investment Holdings Co., Ltd. made such a commitment: For the Company's existing business that has horizontal competition with ShenZhen Properties & Resources Development (Group) Ltd., Shenzhen Investment Holdings Co., Ltd. will, within the scope permitted by laws and regulations, timely launch one or several of the following	September 10, 2021	Before November 9, 2024	The commitment has been changed. For relevant matters, please refer to the Announcement on the Application of the Company's Controlling Shareholder for Change of Commitments on Avoiding Horizontal Competitions (Announcement No.: 2024-035) and the Announcement on the Resolution of the Third Extraordinary General Meeting of 2024 (Announcement No.: 2024-41) disclosed by the

		<p>solutions that is practically feasible, and complete the implementation of the relevant solution(s) before 9 November 2024 to solve the existing horizontal competition problem: (1) Solve the horizontal competition between the two through asset sales or asset replacement; (2) Solve the horizontal competition between the two through equity transfer; (3) Take other measures that can effectively solve the problem of horizontal competition. Above commitment came into force upon the review and approval on the shareholders' meeting of ShenZhen Properties & Resources Development (Group) Ltd. (dated 27 September 2021).</p>			<p>Company on September 30 and October 19, 2024 respectively.</p>
<p>Other commitments made to minority interests</p>		<p>1. Solution for industry competition between SZPRD and SPG. For the existing businesses of Shenzhen Property Management that are in competition with SPG, SIHC will initiate one or more practically operable</p>	<p>September 26, 2024</p>	<p>Before November 9, 2026</p>	<p>In performance</p>

		<p>solutions within the scope allowed by laws and regulations and complete the implementation of related solutions by 9 November 2026, to resolve the existing horizontal competition issue: (1) Solve the horizontal competition through asset sales or asset swaps; (2) Solve the horizontal competition through equity transfers, (3) Other measures that can effectively address the horizontal competition.</p>			
<p>Other commitments made to minority interests</p>		<p>2. Other commitments to avoid horizontal competition. As the controlling shareholder of the listed company and during the period when the listed company is listed on the Shenzhen Stock Exchange, companies, enterprises, and economic organizations controlled or actually controlled by SIHC (excluding enterprises controlled by the listed company, collectively referred to as "subsidiaries") will not engage in business directly competitive with the listed company in new business fields other than those</p>	<p>September 26, 2024</p>	<p>As a controlling shareholder of a publicly listed company during its listing period on the Shenzhen Stock Exchange</p>	<p>In performance</p>

			where there is existing horizontal competition. SIHC commits not to seek unfair benefits through its status as the controlling shareholder of the listed company, thereby harming the rights and interests of the listed company and its shareholders. In case of violation of the above commitments, SIHC will bear the corresponding legal responsibilities, including but not limited to compensation for all losses caused to the listed company.			
Whether the commitment is fulfilled on time	Yes					
If the commitments are not fulfilled within the time limit, the specific reasons for the unfinished performance and the next work plan shall be specified	Not applicable					

2. If there is a profit forecast for the Company's assets or projects, and the reporting period is still in the profit forecast period, the Company shall explain that the assets or projects have met the original profit forecast and the reasons

Applicable Not applicable

3. Performance commitments involving the Company

Applicable Not applicable

II. Non-operational occupation of funds by the controlling shareholders and other related parties of the listed company

Applicable Not applicable

During the reporting period, there were no non-operational funds occupied by the controlling shareholders and other related parties for the listed company.

III. Illegal external guarantees

Applicable Not applicable

The Company had no illegal external guarantee during the reporting period.

IV. Explanation of the Board of Directors on the latest "modified report"

Applicable Not applicable

V. Explanations Given by the Board of Directors and the Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

Applicable Not applicable

VI. Explanation of the accounting policies, changes in accounting estimates or corrections of significant accounting errors compared to the financial report of the previous year

Applicable Not applicable

During the reporting period, the Company had no accounting policies, changes in accounting estimates or corrections of significant accounting errors.

VII. Explanation of changes in the scope of consolidated statements compared to the financial report of the previous year

Applicable Not applicable

Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. was taken over by a bankruptcy administrator for bankruptcy and liquidation on November 30, 2025, and thus it is no longer included in the scope of consolidation.

VIII. Appointment and dismissal of the accounting firm

Currently appointed accounting firm

Name of domestic accounting firm	Pan-China Certified Public Accountants (Special General Partnership)
Remuneration of domestic accounting firm (RMB10,000)	72
Number of consecutive years of audit services provided by domestic accounting firm	3
Name of certified public accountants of the domestic accounting firm	Wang Huansen, Lin Zhenhua
Number of consecutive years of audit services provided by certified public accountants of domestic accounting firm	3

Whether to change the accounting firm in the current period

Yes No

Engagement of internal control audit accounting firm, financial adviser or sponsor

Applicable Not applicable

During the Reporting Period, the Company engaged Pan-China Certified Public Accountant (LLP) to provide internal control and audit services for the Company at a service fee of RMB210,000.

IX. Delisting after the disclosure of the annual report

Applicable Not applicable

X. Matters related to bankruptcy and reorganization

Applicable Not applicable

During the reporting period, the Company had no bankruptcy restructuring related matters.

XI. Significant litigation and arbitration

Applicable Not applicable

Basic information of litigation (arbitration)	Amount involved (RMB10,000)	Whether estimated liabilities are formed	Proceedings of litigation (arbitration)	Results and influence of litigation (arbitration) trial	Execution of litigation (arbitration) judgment	Date of disclosure	Disclosure index
Lawsuit of bill dispute	17,715.14	No	This enforcement procedure is terminated. Jianbang Company has entered the bankruptcy and liquidation proceedings, and creditors may file claims with the administrator.	As Jianbang Group is incapable of paying the commercial bills due in January 2022, which total RMB177,151,400, Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry & Trade Co., Ltd., and Huizhou Jinlongsheng Industrial Co., Ltd. brought a lawsuit on the bill dispute to the People's Court of Huiyang District. The Huiyang District Court ruled at first instance in March 2023 that Jianbang Group should pay the acceptance bill amount and interest.	Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry & Trade Co., Ltd., and Huizhou Jinlongsheng Industrial Co., Ltd. have applied for execution to the Huizhou Intermediate People's Court. In February 2026, the Huizhou Intermediate People's Court issued an enforcement order, ruling to terminate this enforcement procedure.	October 30, 2025	The 2025 Semi-Annual Report (Announcement No.: 2025-023) and the Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn
Loan contract Dispute	39,568.85	No	The enforcement procedure is terminated. Jianbang	In January 2024, the Company received a civil judgment of the first instance	On December 2, 2025, the Company received the	May 13, 2025	The <i>Litigation Matters</i> (Announcement No.: 2025-013)

			Company has entered the bankruptcy and liquidation proceedings, and filed claims with the administrator.	issued by the Shenzhen Luohu District People's Court. The Company won the case and has applied to the Luohu District People's Court of Shenzhen for compulsory execution.	Enforcement Order, ruling to terminate the enforcement procedure. Given that Jianbang Company has entered the bankruptcy and liquidation proceedings, the Company has filed claims with the administrator.		and the <i>Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator</i> (Announcement No.: 2025-030) disclosed on cninfo.com.cn
Joint venture and cooperative real estate development contract disputes	74,357.5	No	In the second instance. Evergrande Pearl River Delta Company has entered the bankruptcy and liquidation proceedings, and filed claims with the administrator. Guangzhou Bopi and Shenzhen Qijin are undergoing liquidation and deregistration, and claims have been filed with their respective liquidation teams.	On January 8, 2025, our Company received the first instance civil judgment of the case, and the judgment made by the Huizhou Intermediate People's Court of the first instance supported some of our company's litigation claims. On January 22, 2025, our company filed an appeal regarding unsupported claims, the case was heard in the second instance on May 22, 2025, and it is currently in the second instance.	In the second instance.	December 8, 2023	Announcement on Litigation Matters (No.: 2023-048) on www.cninfo.com.cn
Loan contract Dispute	41,952.29	No	Jianbang Company and Evergrande Pearl River Delta Company have both entered bankruptcy and liquidation proceedings, and claims	In October 2024, the civil ruling for the second instance of this case was received, and the case was treated as a withdrawal of the lawsuit. The first-instance judgment has taken effect, and the Company has won the case. The Company	Given that Jianbang Company and Evergrande Pearl River Delta Company have both entered bankruptcy and liquidation proceedings,	June 12, 2025	The Litigation Matters (Announcement No.: 2025-016) and the Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation

			have been filed with their respective administrators. Guangzhou Bopi and Shenzhen Qijin are undergoing liquidation and deregistration, and claims have been filed with their respective liquidation teams.	applied to the court for compulsory enforcement in January 2025.	the Company has filed claims with their respective administrators. Meanwhile, Guangzhou Bopi and Shenzhen Qijin are undergoing liquidation and deregistration, and the Company has also filed claims with their respective liquidation teams.		Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn
Application for bankruptcy and liquidation	Under review of claims and debts	No	Under bankruptcy and liquidation, the administrator has taken over Jianbang Company.	On October 27, 2025, Jianbang Company received the <i>Civil Ruling</i> and the <i>Decision</i> from the Huizhou Intermediate People's Court. The court ruled to accept the bankruptcy and liquidation application filed by Zhongshan Shengtang Advertising Co., Ltd. against Jianbang Company and appointed an administrator.	On December 8, 2025, the Company submitted its claim declaration materials to the administrator of Jianbang Company based on the claim amount confirmed by the effective civil judgment, the confirmation letter of claims and debts, and transfer vouchers. The Company actively participated in creditors' meetings to exercise its rights as a creditor in accordance with the law.	October 30, 2025	The Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn

XII. Punishment and rectification

Applicable Not applicable

There was no punishment or rectification during the reporting period.

XIII. Integrity status of the Company and its controlling shareholders and actual owner

Applicable Not applicable

XIV. Major related party transactions

1. Related party transactions related to daily operations

Applicable Not applicable

During the reporting period, the Company had no related party transactions related to daily operations.

2. Related party transactions arising from the acquisition and sale of assets or equity

Applicable Not applicable

During the reporting period, the Company had no related party transactions arising from the acquisition or sale of assets or equity.

3. Related party transactions arising from joint external investment

Applicable Not applicable

During the reporting period, the Company had no related party transactions arising from joint external investment.

4. Related claims and debts

Applicable Not applicable

During the reporting period, the Company had no related debt transactions.

5. Information on transactions with finance companies with related relationship

Applicable Not applicable

There was no deposit, loan, credit or other financial business between the Company and the finance companies with related relationship and their related parties.

6. Transactions between the Company's holding finance companies and its related parties

Applicable Not applicable

There was no deposit, loan, credit or other financial business between the Company's holding finance companies and its related parties.

7. Other major related party transactions

Applicable Not applicable

The Company had no other major related party transactions during the reporting period.

XV. Major contracts and their performance

1. Custody, contracting and lease matters

(1) Custody

Applicable Not applicable

During the reporting period, the Company had nothing under custody.

(2) Contracting

Applicable Not applicable

During the reporting period, the Company had no contracting.

(3) Leases

Applicable Not applicable

During the reporting period, the Company had no leases.

2. Significant guarantees

Applicable Not applicable

The Company had no material guarantees during the reporting period.

3. Entrustment of others for cash asset management

(1) Entrusted wealth management

Applicable Not applicable

Overview of entrusted wealth management during the reporting period

Unit: RMB10,000

Product category	Risk characteristics	Balance of entrusted wealth management during the reporting period	Delinquent uncollected amount
Others	Money market funds - low risk	105,025.61	0

Details of high-risk entrusted wealth management where the Company, as a single client, entrusts a financial institution for asset management, or invests in products with low safety and poor liquidity

Applicable Not applicable

(2) Entrusted loans

Applicable Not applicable

There were no entrusted loans of the Company during the reporting period.

4. Other major contracts

Applicable Not applicable

There were no other major contracts of the Company during the reporting period.

XVI. Use of Raised Funds

Applicable Not applicable

The Company had no use of funds raised during the reporting period.

XVII. Notes to Other Major Matters

Applicable Not applicable

The Company had no other major matters to be explained during the reporting period.

XVIII. Major Matters of the Company's Subsidiaries

Applicable Not applicable

Section VI. Share Changes and Shareholder Information

I. Changes in shares

1. Changes in shares

Unit: shares

	Before the change		Increase or decrease in this change (+, -)					After the change	
	Number	Ratio	New shares issued	Bonus issue	Conversion of provident fund into shares	Others	Sub-total	Number	Ratio
I. Shares with restrictive conditions for sales	0	0.00%	0	0	0	0	0	0	0.00%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by the state-owned legal persons	0	0.00%	0	0	0	0	0	0	0.00%
3. Other domestic holdings	0	0.00%	0	0	0	0	0	0	0.00%
Including: shares held by domestic legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	0	0.00%	0	0	0	0	0	0	0.00%
4. Foreign shareholding	0	0.00%	0	0	0	0	0	0	0.00%
Including: shares held by overseas legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares	1,011,660,	100.00%	0	0	0	0	0	1,011,660,	100.00%

without restrictive conditions for sales	000							000	
1. RMB ordinary shares	891,660,000	88.14%	0	0	0	0	0	891,660,000	88.14%
2. Foreign shares listed domestically	120,000,000	11.86%	0	0	0	0	0	120,000,000	11.86%
3. Foreign shares listed overseas	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	1,011,660,000	100.00%	0	0	0	0	0	1,011,660,000	100.00%

Reasons for changes in shares

Applicable Not applicable

Approval of changes in shares

Applicable Not applicable

Transfer of changes in shares

Applicable Not applicable

Effect of changes in shares on financial indicators such as basic earnings per share and diluted earnings per share in the latest year and the latest period, and net assets per share attributable to the Company's ordinary shareholders

Applicable Not applicable

Other contents deemed necessary by the Company or required by the securities regulators to be disclosed

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

II. Issuance and listing of securities

1. Issuance of securities (excluding preferred shares) during the reporting period

Applicable Not applicable

2. Changes in the total number of shares and shareholder structure of the Company, and changes in the structure of assets and liabilities of the Company

Applicable Not applicable

3. Existing internal employee shares

Applicable Not applicable

III. Shareholders and actual owner

1. Number of the Company's shareholders and shareholding ratios

Unit: shares

Total number of ordinary shareholders at the end of the reporting period.	38,034	Total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report	38,997	Total number of preferred shareholders with restoration of voting rights at the end of the reporting period (if any) (see Note 8)	0	Total number of preferred shareholders whose voting right have been restored at the end of the previous month before the disclosure date of the annual report (if any) (see Note 8)	0	
Shareholdings of shareholders holding more than 5% or the top 10 shareholders (excluding shares lent through refinancing)								
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Changes during the reporting period	Number of shares held under restricted conditions	Number of shares held without restrictions on sales	Pledge, marking or freezing	
							Share status	Number
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	54.79%	554,247,280	-10,106,558	0	554,247,280	Not applicable	0
Shenzhen State-owned Equity Operation Management Co., Ltd.	Domestic non-state-owned legal person	6.35%	64,288,426	0	0	64,288,426	Not applicable	0
Yang Jianmin	Domestic natural person	1.02%	10,287,700	-3,210,317	0	10,287,700	Pledged	3,890,000
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Overseas legal person	0.70%	7,038,483	2,837,180	0	7,038,483	Not applicable	0
Wang Yulan	Domestic natural person	0.62%	6,228,591	0	0	6,228,591	Not applicable	0
Zhang Xiujian	Domestic natural person	0.46%	4,696,600	-133,100	0	4,696,600	Not applicable	0
He Qiao	Domestic natural person	0.39%	3,968,100	176,200	0	3,968,100	Not applicable	0

Wang Jinghua	Domestic natural person	0.31%	3,100,000	1,750,000	0	3,100,000	Not applicable	0
Wang Zhengying	Domestic natural person	0.29%	2,961,900	0	0	2,961,900	Not applicable	0
Zhang Tianxue	Domestic natural person	0.28%	2,830,283	701,384	0	2,830,283	Not applicable	0
Strategic investors or general legal person becoming the top 10 shareholders due to placement of new shares (if any) (see Note 3)		Not applicable						
Notes to shareholders' related relationship or persons acting in concert		Among the top 10 shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the <i>Administrative Measures for the Acquisition of Listed Companies</i> .						
Explanation of the above shareholders' involvement in entrusting/being entrusted voting rights and waiver of voting rights		Not applicable						
Special explanation for the existence of repurchase accounts among the top 10 shareholders (if any) (see Note 10)		Not applicable						
Shareholdings of the top 10 shareholders without restrictions on sales (excluding shares lent through refinancing and shares locked by senior management)								
Name of shareholder	Number of shares held without restrictions on sales at the end of the reporting period	Type of shares						
		Type of shares	Number					
Shenzhen Investment Holdings Co., Ltd.	554,247,280	RMB shares	ordinary	554,247,280				
Shenzhen State-owned Equity Operation Management Co., Ltd.	64,288,426	RMB shares	ordinary	64,288,426				
Yang Jianmin	10,287,700	RMB shares	ordinary	10,287,700				
Hong Kong Securities Clearing Company Ltd. (HKSCC)	7,038,483	RMB shares	ordinary	7,038,483				
Wang Yulan	6,228,591	RMB shares	ordinary	6,228,591				
Zhang Xiujuan	4,696,600	RMB shares	ordinary	4,696,600				
He Qiao	3,968,100	RMB shares	ordinary	3,805,700				
He Qiao	3,968,100	Domestically listed shares	foreign	162,400				
Wang Jinghua	3,100,000	Domestically listed shares	foreign	3,100,000				
Wang Zhengying	2,961,900	RMB shares	ordinary	2,961,900				
Zhang Tianxue	2,830,283	Domestically		2,830,283				

	listed shares	foreign shares
Explanation of related relationship or concerted actions among the top 10 shareholders with unrestricted tradable shares, and between the top 10 shareholders with unrestricted tradable shares and the top 10 shareholders	Among the top 10 unrestricted public shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the Administrative Measures for the Acquisition of Listed Companies.	
Explanation of the top 10 ordinary shareholders' participation in margin financing and securities lending business (if any) (see Note 4)	Among the top 10 shareholders, the shareholder ranked 3rd holds 6,180,200 shares in a credit securities account, the 6th ranked shareholder holds 4,600,000 shares in a credit securities account, the 7th ranked shareholder holds 3,112,986 shares in a credit securities account, and the 9th ranked shareholder holds 2,961,900 shares in a credit securities account.	

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares in refinancing business and lending shares

Applicable Not applicable

Changes of the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares compared with the previous period due to refinancing lending/repayment

Applicable Not applicable

Whether the Company's top 10 ordinary shareholders and the top 10 ordinary shareholders without restrictive condition for sales conduct any agreed repurchase transactions during the reporting period

Yes No

The Company's top 10 ordinary shareholders, and top 10 ordinary shareholders without restrictive condition for sales did not conduct any agreed repurchase transaction during the reporting period.

2. Controlling shareholders of the Company

Nature of controlling shareholders: local state-owned holding

Type of controlling shareholders: legal person

Name of controlling shareholder	Legal representative/person in charge	Date of establishment	Organization code	Main business
Shenzhen Investment Holdings Co., Ltd.	He Jianfeng	October 13, 2004	914403007675664218	Investment in equities on behalf of the government and management of those investments; development and operation of government-allocated land; and investment in and provision of services for strategic emerging industries
Equities of other domestic and overseas listed companies controlled and invested by the controlling shareholder during the reporting period	SZPRD A (000011) holds 303.14 million shares, with a shareholding ratio of 50.87%; STHC (000045) holds 234.07 million shares, with a shareholding ratio of 46.21%; Ping An Insurance (601318) holds 962.72 million shares, with a shareholding ratio of 5.32%; Guosen Securities (002736) holds 3,223.11 million shares, with a shareholding ratio of 31.47%; Guotai Haitong Securities (601211) holds 609.43 million A-shares and 103.37 million H-shares, with a shareholding ratio of 4.04%; Telling Telecommunication Holding (000829) holds 195.03 million shares, with a shareholding			

	<p>ratio of 19.03%;</p> <p>Shenzhen International (00152) holds 1,059.08 million shares, with a shareholding ratio of 43.95%;</p> <p>Leaguer (002243) holds 606.66 million shares, with a shareholding ratio of 50.11%;</p> <p>Infinova (002528) holds 315.83 million shares, with a shareholding ratio of 26.35%;</p> <p>Eternal Asia (002183) holds 601.67 million shares, with a shareholding ratio of 23.17%;</p> <p>Shenzhen Water Planning and Design Institute (301038) holds 83.66 million shares, with a shareholding ratio of 37.50%;</p> <p>Shenzhen Energy (000027) holds 6.77 million shares, with a shareholding ratio of 0.14%;</p> <p>Bank of Communications (601328) holds 9.52 million shares, with a shareholding ratio of 0.01%;</p> <p>CECEP Tech and Ecology & Environment (300197) holds 113.98 million share, with a shareholding ratio of 3.66%;</p> <p>China Vanke (02202) holds 77.27 million shares, with a shareholding ratio of 0.66%;</p> <p>Shenzhen SEG (000058) holds 696.16mn shares, with a shareholding ratio of 56.54%;</p> <p>Shenzhen SDG Information (000070) holds 325.72 million shares, with a shareholding ratio of 36.18%;</p> <p>Shenzhen Tellus Holding (000025) holds 211.59 million shares, with a shareholding ratio of 49.09%;</p> <p>Shenzhen SDG Service (300917) holds 80.74mn shares, with a shareholding ratio of 47.78%;</p> <p>Microgate Technology (300319) holds 72 million shares, with a shareholding ratio of 8.11%;</p> <p>China Merchants Shekou Industrial Zone Holdings (001979) holds 456.12 million shares, with a shareholding ratio of 5.03%.</p>
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Changes in controlling shareholders during the reporting period

Applicable Not applicable

There was no change in the controlling shareholder of the Company during the reporting period.

3. The Company's actual owner and its persons acting in concert

Nature of actual owner: local state-owned assets management agency

Type of actual owner: legal person

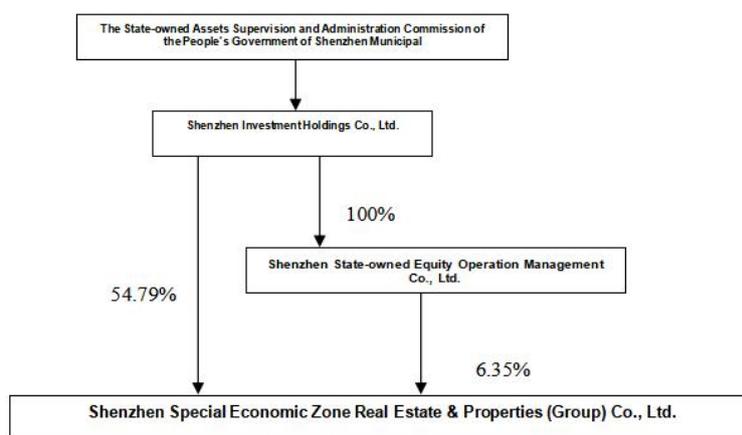
Name of actual owner	Legal representative/person in charge	Date of establishment	Organization code	Main business
State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government	Yang Jun	April 02, 2004	11440300K317280672	Perform the duties of the contributor on behalf of the state, and supervise and manage state-owned assets authorized for supervision in accordance with the law.
Equity of other domestic and overseas listed companies controlled by the actual owner during the reporting period	In addition to the Company controlling shareholder - Shenzhen Investment Holding Co., Ltd., other domestic and overseas listed companies whose equity directly held by the actual controllers did not rank among the top ten shareholders of the Company.			

Changes in actual owner during the reporting period

Applicable Not applicable

There was no change in the actual owner of the Company during the reporting period.

Chart for the property and controlling relationships between the Company and the actual owner



The actual owner controls the Company by way of trust or other asset management methods

Applicable Not applicable

4. The cumulative number of shares pledged by the controlling shareholder or the largest shareholder of the Company and their persons acting in concert accounted for 80% of the number of shares held by them

Applicable Not applicable

5. Other institutional shareholders holding more than 10% of the shares

Applicable Not applicable

6. Restricted share reduction of controlling shareholder, actual owner, reorganization parties and other committed entities

Applicable Not applicable

IV. Specific implementation of share repurchase during the reporting period

Implementation progress of share repurchase

Applicable Not applicable

Implementation progress of reducing repurchase shares by means of centralized bidding transaction

Applicable Not applicable

V. Preferred Shares

Applicable Not applicable

During the reporting period, the Company had no preferred shares.

Section VII Bonds

Applicable Not applicable

Section VIII Financial Statements

I. Audit report

Type of audit opinion	Standard and unqualified opinion
Signing date of the audit report	March 18, 2026
Name of audit institution	Pan-China Certified Public Accountants (Special General Partnership)
Audit report No.	PCCPAAR [2026] No. 7-34
Name of certified public accountant	Wang Huansen, Lin Zhenhua

Main Body of the Audit Report

Auditor's Report

PCCPAAR [2026] No. 7-34

To the Shareholders of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.:

I. Audit Opinion

We have audited the financial statements of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (the “Company”), which comprise the consolidated and parent company balance sheets as at December 31, 2025, the consolidated and parent company income statements, consolidated and parent company cash flow statements, and consolidated and parent company statements of changes in equity for the year then ended, as well as notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

II. Basis for Audit Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Certified Public Accountant's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the “Chinese Certified

Public Accountant Independence Standard No. 1 – Independence Requirements for Financial Statement Audit and Review Engagements” and the China Code of Ethics

for Certified Public Accountants, and we have fulfilled other ethical responsibilities. In conducting our audit, we have complied with the independence requirements applicable to audits of public interest entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

(I) Revenue recognition

1. Key audit matters

Please refer to section III (XXV) and V (II) 1 of notes to the financial statements for details.

The Company is mainly engaged in real estate sales, engineering construction, and property leasing and other businesses. In 2025, the operating revenue amounted to 1,482,872,299.36 yuan, of which, 1,324,656,290.59 yuan was from the real estate sales, accounting for 89.33%, and 81,299,490.77 yuan was from engineering construction, accounting for 5.48%.

As operating revenue is one of the key performance indicators of the Company, there might be inherent risks that the Company's management (the "Management") adopts inappropriate revenue recognition to achieve specific goals or expectations, and revenue recognition involves significant judgment of the Management, we have identified revenue recognition as a key audit matter.

2. Responsive audit procedures

Our main audit procedures for revenue recognition are as follows:

- (1) We obtained understandings of key internal controls related to revenue recognition, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We checked main housing sales contracts and lease contracts, and assessed whether the revenue recognition method was appropriate;

(3) We performed analysis procedure on operating revenue and gross margin by month, business type, etc., so as to identify whether there are significant or abnormal fluctuations and find out the reason;

(4) We checked supporting documents related to selected items, including housing sales contracts, housing delivery notices, lease contracts, sales invoices, etc.

(5) We selected items to check the documents including cost budget, purchase contracts, subcontract agreements, etc. which were taken as the basis for estimating total cost, so as to test whether the performance progress and the revenue recognized based on performance progress were accurately measured by the Management, and evaluated the reasonableness of the performance progress determined by the Management in combination with documents including supervision reports, progress confirmation sheets, customer statements, as well as the on-site observation on inventory counting;

(6) We performed confirmation procedures on sales amount of selected items in combination with confirmation procedure of accounts receivable and contract assets;

(7) We performed cut-off tests to check whether the revenue was recognized in the appropriate period; and

(8) We checked whether information related to operating revenue had been presented appropriately in the financial statements.

(II) Net realizable value of inventories

1. Key audit matters

Please refer to section III (XIII) and V (I) 7 of notes to the financial statements for details.

As of December 31, 2025, the book balance of inventories amounted to 1,153,978,849.41 yuan, with provision for inventory write-down of 54,619,230.16 yuan, and the carrying amount amounted to 1,099,359,619.25 yuan.

Inventories are measured at the lower of cost and net realizable value. The net realizable value is determined by the Management based on the amount of the estimated selling price less the cost to be incurred upon completion, estimated selling expenses and relevant taxes and surcharges. As the amount of inventories is significant and determination of net realizable value involves significant judgment of

the Management, we have identified net realizable value of inventories as a key audit matter.

2. Responsive audit procedures

Our main audit procedures for net realizable value of inventories are as follows:

- (1) We obtained understandings of key internal controls related to net realizable value of inventories, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We reviewed the outcome of the Management's previous estimates on the net realizable value or their subsequent re-estimations;
- (3) We selected items to assess the reasonableness of the estimated selling price, and reviewed whether the estimated selling price was consistent with sales contract price, market selling price, etc.;
- (4) We assessed the reasonableness of estimation on cost to be incurred upon completion, selling expenses and relevant taxes and surcharges made by the Management;
- (5) We tested whether the calculation of net realizable value of inventories made by the Management was accurate;
- (6) We identified whether there existed situations such as projects with slow development or sales progress, in combination with observation on inventory counting, and assessed the reasonableness of estimations on net realizable value of inventories made by the Management; and
- (7) We checked whether information related to net realizable value of inventories had been presented appropriately in the financial statements.

IV. Other Information

The Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read

the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company'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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing 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.

We exercise professional judgment and maintain professional skepticism throughout the audit performed in accordance with China Standards on Auditing. 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 the Management.

(IV) Conclude on the appropriateness of the 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 the Company'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 the 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 the Company 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 and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain sole responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned audit scope, time schedule and significant audit findings, including any deficiencies in internal control of concern that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Pan-China Certified Public Accountants LLP

Hangzhou · China

Chinese Certified Public Accountant: Wang Huansen
(Engagement Partner)

Chinese Certified Public Accountant: Lin Zhenhua

Date of Report: March 18, 2026

The auditor's report and the accompanying financial statements are English translations of the Chinese auditor's report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and financial performance and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
Consolidated balance sheet as at December 31, 2025
(Expressed in Renminbi Yuan)

Assets	Note No.	Closing balance	Beginning balance
Current assets:			
Cash and bank balances	1	284,686,525.04	529,242,725.36
Settlement funds			
Loans to other banks			
Held-for-trading financial assets	2	1,050,256,058.41	987,801,938.51
Derivative financial assets			
Notes receivable	3		100,000.00
Accounts receivable	4	44,898,083.74	56,672,795.52
Receivables financing			
Advances paid	5	31,588.45	1,201,106.21
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance reserve receivable			
Other receivables	6	747,900,491.52	7,438,040.83
Financial assets under reverse repo			
Inventories	7	1,099,359,619.25	3,636,840,229.34
Contract assets	8	29,035,256.28	30,888,723.09
Assets held for sale			
Non-current assets due within one year			
Other current assets	9	66,133,465.24	154,192,023.86
Total current assets		3,322,301,087.93	5,404,377,582.72
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	10		
Other equity instrument investments	11	14,571,511.81	14,697,341.18
Other non-current financial assets			
Investment property	12	522,634,659.17	515,925,116.54
Fixed assets	13	14,949,900.45	17,489,207.57
Construction in progress	14	571,822.67	
Productive biological assets			
Oil & gas assets			
Right-of-use assets			
Intangible assets	15		
Development expenditures			
Goodwill			
Long-term prepayments	16	1,615,683.92	1,719,911.72
Deferred tax assets	17	6,138,319.62	33,571,496.94
Other non-current assets			
Total non-current assets		560,481,897.64	583,403,073.95
Total assets		3,882,782,985.57	5,987,780,656.67

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Consolidated balance sheet as at December 31, 2025 (continued)
 (Expressed in Renminbi Yuan)

Liabilities & Equity	Note No.	Closing balance	Beginning balance
Current liabilities:			
Short-term borrowings	19	50,000.00	1,563,000.00
Central bank loans			
Loans from other banks			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable	20	171,738,333.04	464,488,982.30
Advances received	21	722,042.14	1,398,988.78
Contract liabilities	22	28,400,659.20	1,298,146,232.35
Financial liabilities under repo			
Absorbing deposit and interbank deposit			
Deposits for agency security transaction			
Deposits for agency security underwriting			
Employee benefits payable	23	32,757,342.88	22,499,368.29
Taxes and rates payable	24	26,922,082.58	27,554,810.01
Other payables	25	144,280,409.16	561,016,653.17
Handling fees and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	26		33,888,347.83
Other current liabilities	27	7,565,002.87	118,304,068.47
Total current liabilities		412,435,871.87	2,528,860,451.20
Non-current liabilities:			
Insurance policy reserve			
Long-term borrowings	28		62,273,677.82
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	29		
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities	17	867,914.50	1,259,459.98
Other non-current liabilities			
Total non-current liabilities		867,914.50	63,533,137.80
Total liabilities		413,303,786.37	2,592,393,589.00
Equity:			
Share capital	29	1,011,660,000.00	1,011,660,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	30	978,244,910.11	978,244,910.11
Less: Treasury shares			
Other comprehensive income	31	23,315,115.52	23,060,416.31
Special reserve			
Surplus reserve	32	275,253,729.26	275,253,729.26
General risk reserve			
Undistributed profit	33	1,323,849,441.49	1,223,893,437.74
Total equity attributable to the parent company		3,612,323,196.38	3,512,112,493.42
Non-controlling interest		-142,843,997.18	-116,725,425.75
Total equity		3,469,479,199.20	3,395,387,067.67
Total liabilities & equity		3,882,782,985.57	5,987,780,656.67

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company balance sheet as at December 31, 2025
 (Expressed in Renminbi Yuan)

Assets	Note No.	Closing balance	Beginning balance
Current assets:			
Cash and bank balances		69,884,281.83	83,656,432.61
Held-for-trading financial assets			987,801,938.51
Derivative financial assets			
Notes receivable			
Accounts receivable	1	4,843,552.76	7,200,138.91
Receivables financing			
Advances paid			
Other receivables	2	1,880,427,908.13	1,751,551,390.53
Inventories		312,474.69	315,900.69
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		1,294,922.05	1,037,878.95
Total current assets		1,956,763,139.46	2,831,563,680.20
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	3	1,132,181,561.85	1,160,766,664.14
Other equity instrument investments		14,571,511.81	14,697,341.18
Other non-current financial assets			
Investment property		387,434,080.02	409,742,121.37
Fixed assets		9,186,628.06	10,736,433.64
Construction in progress		571,822.67	
Productive biological assets			
Oil & gas assets			
Right-of-use assets			
Intangible assets			
Development expenditures			
Goodwill			
Long-term prepayments		1,209,606.83	770,175.82
Deferred tax assets			469,690.21
Other non-current assets			
Total non-current assets		1,545,155,211.24	1,597,182,426.36
Total assets		3,501,918,350.70	4,428,746,106.56

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company balance sheet as at December 31, 2025 (continued)
 (Expressed in Renminbi Yuan)

Liabilities & Equity	Note No.	Closing balance	Beginning balance
Current liabilities:			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable		6,692,455.48	13,684,223.19
Advances received			
Contract liabilities		94,227.61	95,842.85
Employee benefits payable		21,771,697.06	15,935,363.87
Taxes and rates payable		1,161,124.78	12,314,051.54
Other payables		142,790,324.11	854,613,311.67
Liabilities held for sale			
Non-current liabilities due within one year			374,768.60
Other current liabilities		4,711.39	4,792.15
Total current liabilities		172,514,540.43	897,022,353.87
Non-current liabilities:			
Long-term borrowings			62,273,677.82
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities		867,914.50	1,259,459.98
Other non-current liabilities			
Total non-current liabilities		867,914.50	63,533,137.80
Total liabilities		173,382,454.93	960,555,491.67
Equity:			
Share capital		1,011,660,000.00	1,011,660,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		964,711,931.13	964,711,931.13
Less: Treasury shares			
Other comprehensive income		1,928,633.86	2,023,005.89
Special reserve			
Surplus reserve		252,124,115.85	252,124,115.85
Undistributed profit		1,098,111,214.93	1,237,671,562.02
Total equity		3,328,535,895.77	3,468,190,614.89
Total liabilities & equity		3,501,918,350.70	4,428,746,106.56

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
Consolidated income statement for the year ended December 31, 2025
(Expressed in Renminbi Yuan)

Items	Note No.	Current period cumulative	Preceding period comparative
I. Total operating revenue		1,482,872,299.36	407,022,191.44
Including: Operating revenue	1	1,482,872,299.36	407,022,191.44
Interest income			
Premiums earned			
Revenue from handling fees and commissions			
II. Total operating cost		1,183,752,194.32	426,847,390.83
Including: Operating cost	1	1,069,812,444.74	332,325,650.30
Interest expenses			
Handling fees and commissions			
Surrender value			
Net payment of insurance claims			
Net provision of insurance policy reserve			
Premium bonus expenditures			
Reinsurance expenses			
Taxes and surcharges	2	21,879,412.16	16,741,282.71
Selling expenses	3	20,775,223.41	13,164,672.93
Administrative expenses	4	72,505,249.03	70,118,532.01
R&D expenses			
Financial expenses	5	-1,220,135.02	-5,502,747.12
Including: Interest expenses		3,760,510.21	2,586,822.94
Interest income		3,829,111.01	7,998,718.28
Add: Other income	6	31,652.46	842,206.39
Investment income (or less: losses)	7	-150,943,612.67	1,346,463.59
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets at amortized cost			
Gains on foreign exchange (or less: losses)			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)	8	16,621,332.22	18,461,736.59
Credit impairment loss	9	-2,086,760.74	-8,953,080.52
Assets impairment loss	10	-2,407,322.73	-375,188,159.83
Gains on asset disposal (or less: losses)	11	-5,767.73	195,840.20
III. Operating profit (or less: losses)		160,329,625.85	-383,120,192.97
Add: Non-operating revenue	12	943,633.72	2,414,677.03
Less: Non-operating expenditures	13	37,332.37	267,987.97
IV. Profit before tax (or less: total loss)		161,235,927.20	-380,973,503.91
Less: Income tax expenses	14	61,682,858.60	-3,377,545.61
V. Net profit (or less: net loss)		99,553,068.60	-377,595,958.30
(I) Categorized by the continuity of operations			
1. Net profit from continuing operations (or less: net loss)		99,553,068.60	-377,595,958.30
2. Net profit from discontinued operations (or less: net loss)			
(II) Categorized by the portion of equity ownership			
1. Net profit attributable to owners of parent company (or less: net loss)		99,956,003.75	-176,710,947.65
2. Net profit attributable to non-controlling shareholders (or less: net loss)		-402,935.15	-200,885,010.65
VI. Other comprehensive income after tax		1,442,384.71	-3,159,868.45
Items attributable to the owners of the parent company		254,699.21	-2,259,043.13
(I) Not to be reclassified subsequently to profit or loss		-94,372.03	279,697.38
1. Remeasurements of the net defined benefit plan			
2. Items under equity method that will not be reclassified to profit or loss			
3. Changes in fair value of other equity instrument investments		-94,372.03	279,697.38
4. Changes in fair value of own credit risk			
5. Others			
(II) To be reclassified subsequently to profit or loss		349,071.24	-2,538,740.51
1. Items under equity method that may be reclassified to profit or loss			
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve		349,071.24	-2,538,740.51
7. Others			
Items attributable to non-controlling shareholders		1,187,685.50	-900,825.32
VII. Total comprehensive income		100,995,453.31	-380,755,826.75
Items attributable to the owners of the parent company		100,210,702.96	-178,969,990.78
Items attributable to non-controlling shareholders		784,750.35	-201,785,835.97
VIII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)		0.0988	-0.17
(II) Diluted EPS (yuan per share)		0.0988	-0.17

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company income statement for the year ended December 31, 2025
 (Expressed in Renminbi Yuan)

Items	Note No.	Current period cumulative	Preceding period comparative
I. Operating revenue	1	55,418,737.49	66,748,188.58
Less: Operating cost	1	32,383,899.84	35,527,944.94
Taxes and surcharges		11,787,996.18	10,897,850.09
Selling expenses		3,537,883.41	2,662,206.55
Administrative expenses		40,675,125.54	46,350,929.47
R&D expenses			
Financial expenses		3,293,463.09	-38,414.46
Including: Interest expenses		3,386,158.31	2,026,547.84
Interest income		940,122.04	1,621,311.93
Add: Other income		28,158.18	810,791.58
Investment income (or less: losses)	2	915,013.90	1,346,463.59
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets at amortized cost			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)		16,365,273.81	18,461,736.59
Credit impairment loss		-102,913,935.37	-208,718.92
Assets impairment loss		-28,585,102.29	-162,599,084.25
Gains on asset disposal (or less: losses)		-5,767.73	224,495.95
II. Operating profit (or less: losses)		-150,455,990.07	-170,616,643.47
Add: Non-operating revenue		97,134.22	4.56
Less: Non-operating expenditures		1,646.83	31,796.55
III. Profit before tax (or less: total loss)		-150,360,502.68	-170,648,435.46
Less: Income tax expenses		-10,800,155.59	-6,709,691.79
IV. Net profit (or less: net loss)		-139,560,347.09	-163,938,743.67
(I) Net profit from continuing operations (or less: net loss)		-139,560,347.09	-163,938,743.67
(II) Net profit from discontinued operations (or less: net loss)			
V. Other comprehensive income after tax		-94,372.03	279,697.38
(I) Not to be reclassified subsequently to profit or loss		-94,372.03	279,697.38
1. Remeasurements of the net defined benefit plan			
2. Items under equity method that will not be reclassified to profit or loss			
3. Changes in fair value of other equity instrument investments		-94,372.03	279,697.38
4. Changes in fair value of own credit risk			
5. Others			
(II) To be reclassified subsequently to profit or loss			
1. Items under equity method that may be reclassified to profit or loss			
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve			
7. Others			
VI. Total comprehensive income		-139,654,719.12	-163,659,046.29
VII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)			
(II) Diluted EPS (yuan per share)			

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
Consolidated cash flow statement for the year ended December 31, 2025
(Expressed in Renminbi Yuan)

Items	Note No.	Current period cumulative	Preceding period comparative
I. Cash flows from operating activities:			
Cash receipts from sale of goods or rendering of services		249,184,246.74	448,831,107.10
Net increase of client deposit and interbank deposit			
Net increase of central bank loans			
Net increase of loans from other financial institutions			
Cash receipts from original insurance contract premium			
Net cash receipts from reinsurance			
Net increase of policy-holder deposit and investment			
Cash receipts from interest, handling fees and commissions			
Net increase of loans from others			
Net increase of repurchase			
Net cash receipts from agency security transaction			
Receipts of tax refund		14,477,207.75	20,414,313.02
Other cash receipts related to operating activities	2 (1)	4,802,922.19	15,889,802.02
Subtotal of cash inflows from operating activities		268,464,376.68	485,135,222.14
Cash payments for goods purchased and services received		159,265,542.61	350,375,195.02
Net increase of loans and advances to clients			
Net increase of central bank deposit and interbank deposit			
Cash payments for insurance indemnities of original insurance contracts			
Net increase of loans to others			
Cash payments for interest, handling fees and commissions			
Cash payments for policy bonus			
Cash paid to and on behalf of employees		66,521,536.12	76,680,764.14
Cash payments for taxes and rates		85,194,960.04	133,539,738.45
Other cash payments related to operating activities	2 (2)	52,801,771.84	51,943,474.32
Subtotal of cash outflows from operating activities		363,783,810.61	612,539,171.93
Net cash flows from operating activities		-95,319,433.93	-127,403,949.79
II. Cash flows from investing activities:			
Cash receipts from withdrawal of investments			
Cash receipts from investment income	1 (1)	778,495.00	777,600.00
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	1 (2)	162,736.20	519,930.21
Net cash receipts from the disposal of subsidiaries & other business units	1 (3)	78,085.65	568,863.59
Other cash receipts related to investing activities	2 (3)	1,114,167,212.32	
Subtotal of cash inflows from investing activities		1,115,186,529.17	1,866,393.80
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	1 (4)	1,905,620.00	1,547,315.83
Cash payments for investments			
Net increase of pledged borrowings			
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities	2 (4)	1,160,000,000.00	90,000,000.00
Subtotal of cash outflows from investing activities		1,161,905,620.00	91,547,315.83
Net cash flows from investing activities		-46,719,090.83	-89,680,922.03
III. Cash flows from financing activities:			
Cash receipts from absorbing investments			
Including: Cash received by subsidiaries from non-controlling shareholders as investments			
Cash receipts from borrowings		50,000.00	1,563,000.00
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities		50,000.00	1,563,000.00
Cash payments for the repayment of borrowings		96,162,025.65	117,562,497.60
Cash payments for distribution of dividends or profits and for interest expenses		3,760,510.21	5,251,186.81
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit			
Other cash payments related to financing activities			
Subtotal of cash outflows from financing activities		99,922,535.86	122,813,684.41
Net cash flows from financing activities		-99,872,535.86	-121,250,684.41
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-107,272.95	99,397.32
V. Net increase in cash and cash equivalents		-242,018,333.57	-338,236,158.91
Add: Opening balance of cash and cash equivalents		520,910,254.44	859,146,413.35
VI. Closing balance of cash and cash equivalents		278,891,920.87	520,910,254.44

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company cash flow statement for the year ended December 31, 2025
 (Expressed in Renminbi Yuan)

Items	Current period cumulative	Preceding period comparative
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	60,541,112.28	73,948,934.37
Receipts of tax refund		78,381.82
Other cash receipts related to operating activities	1,063,939.44	92,592,202.32
Subtotal of cash inflows from operating activities	61,605,051.72	166,619,518.51
Cash payments for goods purchased and services received	14,700,881.22	878,298.06
Cash paid to and on behalf of employees	32,496,371.88	40,882,224.68
Cash payments for taxes and rates	13,179,103.88	24,077,901.52
Other cash payments related to operating activities	952,087,247.22	42,931,087.13
Subtotal of cash outflows from operating activities	1,012,463,604.20	108,769,511.39
Net cash flows from operating activities	-950,858,552.48	57,850,007.12
II. Cash flows from investing activities:		
Cash receipts from withdrawal of investments		
Cash receipts from investment income	915,013.90	1,346,463.59
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	1,507.50	
Net cash receipts from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	1,114,167,212.32	
Subtotal of cash inflows from investing activities	1,115,083,733.72	1,346,463.59
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	1,962,727.29	365,798.00
Cash payments for investments		
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities	110,000,000.00	90,000,000.00
Subtotal of cash outflows from investing activities	111,962,727.29	90,365,798.00
Net cash flows from investing activities	1,003,121,006.43	-89,019,334.41
III. Cash flows from financing activities:		
Cash receipts from absorbing investments		
Cash receipts from borrowings		
Other cash receipts related to financing activities		
Subtotal of cash inflows from financing activities		
Cash payments for the repayment of borrowings	62,648,446.42	125,173.20
Cash payments for distribution of dividends or profits and for interest expenses	3,386,158.31	2,026,547.84
Other cash payments related to financing activities		
Subtotal of cash outflows from financing activities	66,034,604.73	2,151,721.04
Net cash flows from financing activities	-66,034,604.73	-2,151,721.04
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-13,772,150.78	-33,321,048.33
Add: Opening balance of cash and cash equivalents	83,656,432.61	116,977,480.94
VI. Closing balance of cash and cash equivalents	69,884,281.83	83,656,432.61

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Consolidated statement of changes in equity for the year ended December 31, 2025
 (Expressed in Renminbi Yuan)

Items	Current period cumulative												Total equity
	Equity attributable to parent company										Non-controlling interest		
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve		Undistributed profit	
	Preferred shares	Perpetual bonds	Others										
I. Balance at the end of prior year	1,011,660,000.00				978,244,910.11		23,060,416.31		275,253,729.26		1,223,893,437.74	-116,725,425.75	3,395,387,067.67
Add: Cumulative changes of accounting policies													
Error correction of prior period													
Business combination under common control													
Others													
II. Balance at the beginning of current year	1,011,660,000.00				978,244,910.11		23,060,416.31		275,253,729.26		1,223,893,437.74	-116,725,425.75	3,395,387,067.67
III. Current period increase (or less: decrease)							254,699.21				99,956,003.75	-26,118,571.43	74,092,131.53
(I) Total comprehensive income							254,699.21				99,956,003.75	784,750.35	100,995,453.31
(II) Capital contributed or withdrawn by owners												-26,903,321.78	-26,903,321.78
1. Ordinary shares contributed by owners													
2. Capital contributed by holders of other equity instruments													
3. Amount of share-based payment included in equity													
4. Others												-26,903,321.78	-26,903,321.78
(III) Profit distribution													
1. Appropriation of surplus reserve													
2. Appropriation of general risk reserve													
3. Appropriation of profit to shareholders													
4. Others													
(IV) Internal carry-over within equity													
1. Transfer of capital reserve to capital													
2. Transfer of surplus reserve to capital													
3. Surplus reserve to cover losses													
4. Changes in defined benefit plan carried over to retained earnings													
5. Other comprehensive income carried over to retained earnings													
6. Others													
(V) Special reserve													
1. Current period appropriation													
2. Current period use													
(VI) Others													
IV. Balance at the end of current period	1,011,660,000.00				978,244,910.11		23,315,115.52		275,253,729.26		1,323,849,441.49	-142,843,997.18	3,469,479,199.20

Legal representative:Chen Ming

Officer in charge of accounting:Wang Jianfei

Head of accounting department:Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Consolidated statement of changes in equity for the year ended December 31, 2025 (continued)
 (Expressed in Renminbi Yuan)

Items	Preceding period comparative												
	Equity attributable to parent company										Non-controlling interest	Total equity	
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve			Undistributed profit
	Preferred shares	Perpetual bonds	Others										
I. Balance at the end of prior year	1,011,660,000.00				978,244,910.11		25,319,459.44		275,253,729.26		1,400,604,385.39	85,060,410.22	3,776,142,894.42
Add: Cumulative changes of accounting policies													
Error correction of prior period													
Business combination under common control													
Others													
II. Balance at the beginning of current year	1,011,660,000.00				978,244,910.11		25,319,459.44		275,253,729.26		1,400,604,385.39	85,060,410.22	3,776,142,894.42
III. Current period increase (or less: decrease)							-2,259,043.13				-176,710,947.65	-201,785,835.97	-380,755,826.75
(I) Total comprehensive income							-2,259,043.13				-176,710,947.65	-201,785,835.97	-380,755,826.75
(II) Capital contributed or withdrawn by owners													
1. Ordinary shares contributed by owners													
2. Capital contributed by holders of other equity instruments													
3. Amount of share-based payment included in equity													
4. Others													
(III) Profit distribution													
1. Appropriation of surplus reserve													
2. Appropriation of general risk reserve													
3. Appropriation of profit to shareholders													
4. Others													
(IV) Internal carry-over within equity													
1. Transfer of capital reserve to capital													
2. Transfer of surplus reserve to capital													
3. Surplus reserve to cover losses													
4. Changes in defined benefit plan carried over to retained earnings													
5. Other comprehensive income carried over to retained earnings													
6. Others													
(V) Special reserve													
1. Current period appropriation													
2. Current period use													
(VI) Others													
IV. Balance at the end of current period	1,011,660,000.00				978,244,910.11		23,060,416.31		275,253,729.26		1,223,893,437.74	-116,725,425.75	3,395,387,067.67

Legal representative:Chen Ming

Officer in charge of accounting:Wang Jianfei

Head of accounting department:Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company statement of changes in equity for the year ended December 31, 2025
 (Expressed in Renminbi Yuan)

Items	Current period cumulative										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	1,011,660,000.00				964,711,931.13		2,023,005.89		252,124,115.85	1,237,671,562.02	3,468,190,614.89
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	1,011,660,000.00				964,711,931.13		2,023,005.89		252,124,115.85	1,237,671,562.02	3,468,190,614.89
III. Current period increase (or less: decrease)							-94,372.03			-139,560,347.09	-139,654,719.12
(I) Total comprehensive income							-94,372.03			-139,560,347.09	-139,654,719.12
(II) Capital contributed or withdrawn by owners											
1. Ordinary shares contributed by owners											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity											
4. Others											
(III) Profit distribution											
1. Appropriation of surplus reserve											
2. Appropriation of profit to shareholders											
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation											
2. Current period use											
(VI) Others											
IV. Balance at the end of current period	1,011,660,000.00				964,711,931.13		1,928,633.86		252,124,115.85	1,098,111,214.93	3,328,535,895.77

Legal representative: Chen Ming

Officer in charge of accounting: Wang Jianfei

Head of accounting department: Zhou Hongpu

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
 Parent company statement of changes in equity for the year ended December 31, 2025(continued)
 (Expressed in Renminbi Yuan)

Items	Preceding period comparative										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	1,011,660,000.00				964,711,931.13		1,743,308.51		252,124,115.85	1,401,610,305.69	3,631,849,661.18
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	1,011,660,000.00				964,711,931.13		1,743,308.51		252,124,115.85	1,401,610,305.69	3,631,849,661.18
III. Current period increase (or less: decrease)							279,697.38			-163,938,743.67	-163,659,046.29
(I) Total comprehensive income							279,697.38			-163,938,743.67	-163,659,046.29
(II) Capital contributed or withdrawn by owners											
1. Ordinary shares contributed by owners											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity											
4. Others											
(III) Profit distribution											
1. Appropriation of surplus reserve											
2. Appropriation of profit to shareholders											
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation											
2. Current period use											
(VI) Others											
IV. Balance at the end of current period	1,011,660,000.00				964,711,931.13		2,023,005.89		252,124,115.85	1,237,671,562.02	3,468,190,614.89

Legal representative:Chen Ming

Officer in charge of accounting:Wang Jianfei

Head of accounting department:Zhou Hongpu

Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd

Notes to the Financial Statements

2025

Amount in RMB

1、 Basic information of the company

Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd. (hereinafter referred to as the company or the company) was reorganized and established as a joint stock limited company on the basis of the former Shenzhen Special Economic Zone Real Estate Corporation with the approval of the general office of the Shenzhen Municipal People's government. It was registered with the Shenzhen Administration for Industry and Commerce of Guangdong Province in July 1993 and is headquartered in Shenzhen, Guangdong Province. The unified social credit code of the company is 91440300192179585N, the registered capital is 1,011,660,000.00 yuan, and the total number of shares is 1,011,660,000 shares (par value 1 yuan per share). Among them, 891,660,000 A-shares and 120,000,000 B-shares were outstanding without restrictions. The company's shares were listed and traded on the Shenzhen Stock Exchange on September 15, 1993 and January 10, 1994, respectively.

The company belongs to the real estate industry. The main business activities are real estate development and commercial housing sales, property leasing and management, commodity retail and trade, hotel business, equipment installation and maintenance, construction, interior decoration and other businesses.

The financial statements have been approved by the 28th meeting of the eighth board of directors of the company on March 18, 2026.

2、 Basis of preparation of financial statements

(1) Basis of compilation

The financial statements of the company are prepared on a going concern basis.

(2) Sustainability assessment

The company has no events or circumstances that cause material doubts about its ability to continue as a going concern within 12 months from the end of the reporting period.

3、 Significant accounting policies and accounting estimates

Important note: according to the actual production and operation characteristics, the company has formulated specific accounting policies and accounting estimates for transactions or events such as impairment of financial instruments, inventory, depreciation of fixed assets, construction in progress, intangible assets and revenue recognition.

(1) Statement of compliance with accounting standards for business enterprises

The financial statements prepared by the company comply with the requirements of the accounting standards for business enterprises and truly and completely reflect the financial position, operating results and cash flow of the company.

(2) Fiscal period

The fiscal year starts on January 1 and ends on December 31 of the Gregorian calendar.

(3) Business cycle

The business cycle of the company's business is relatively short, and 12 months is used as the liquidity classification standard of assets and liabilities. The business cycle of the real estate industry from real estate development to sales realization is generally more than 12 months, and the specific cycle is determined according to the development project, and its business cycle is used as the liquidity classification standard of assets and liabilities.

(4) Bookkeeping base currency

RMB is used as the bookkeeping base currency. The company and its overseas Hong Kong subsidiaries adopt RMB as the bookkeeping base currency, and the overseas subsidiaries of great wall real estate Co., Ltd. are engaged in overseas operations, and the US dollar, the currency in the main economic environment in which they operate, is selected as the bookkeeping base currency. The currency used by the company for the preparation of these financial statements is RMB.

(5) Determination method and selection basis of importance standard

The company's preparation and disclosure of the financial statements comply with the principle of materiality. The matters disclosed in the notes to the financial statements that involve the judgment of the materiality standard and the determination method and selection basis of the materiality standard are as follows:

Judgment involving importance criteria disclosures	Determination method and selection basis of importance standard
Recovery or reversal of bad debt reserves for important notes receivable	The single amount exceeds 0.5% of the total assets
Important write off notes receivable	The single amount exceeds 0.5% of the total assets
Important accounts receivable with single provision for bad debts	The single amount exceeds 0.5% of the total assets
Recovery or reversal of bad debt reserves for important accounts receivable	The single amount exceeds 0.5% of the total assets
Important write off accounts receivable	The single amount exceeds 0.5% of the total assets
Other receivables with important single provision for bad debts	The single amount exceeds 0.5% of the total assets
Recovery or reversal of bad debt reserves for important other receivables	The single amount exceeds 0.5% of the total assets
Important write off of other receivables	The single amount exceeds 0.5% of the total assets
Important contract assets with individual provision for impairment	The single amount exceeds 0.5% of the total assets
Recovery or reversal of provision for impairment of important contract assets	The single amount exceeds 0.5% of the total assets

Important write off contract assets	The single amount exceeds 0.5% of the total assets
Significant change in book value of contract assets	The change amount exceeds 0.5% of the total assets
Important prepayments older than 1 year	The single amount exceeds 0.5% of the total assets
Important projects under construction	The total investment in a single project exceeds 0.5% of the total assets
Significant overdue borrowings	The single amount exceeds 0.5% of the total assets
Significant overdue interest payable	The single amount exceeds 0.5% of the total assets
Important accounts payable older than 1 year	The single amount exceeds 0.5% of the total assets
Other accounts payable with important account age exceeding 1 year	The single amount exceeds 0.5% of the total assets
Important advance receipts older than 1 year or overdue	The single amount exceeds 0.5% of the total assets
Important contract liabilities with an account age of more than one year	The single amount exceeds 0.5% of the total assets
Significant change in book value of contract liabilities	The change amount exceeds 0.5% of the total assets
Cash flow from important investment activities	The single amount exceeds 5% of the total assets
Important subsidiaries and non wholly-owned subsidiaries	Total assets/total revenue/total profit exceeds 15% of total assets/total revenue/total profit of the group
Important joint ventures and associates	The book value of a single long-term equity investment exceeds 15% of the group's net assets/the investment income calculated by a single equity method exceeds 15% of the group's total profit

(6) Accounting treatment methods for business combinations under the common control and not under the common control

1. Accounting treatment of business combination under the common control

The assets and liabilities obtained by the company in the merger of enterprises shall be measured according to the book value of the combined party in the consolidated financial statements of the final controller on the merger date. The company adjusts the capital reserve according to the difference between the book value share of the owner's equity of the merged party in the consolidated financial statements of the final controller and the book value of the merger consideration paid or the total face value of the shares issued; If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

2. Accounting treatment of business combinations not under the common control

On the acquisition date, the difference between the merger cost and the fair value share of the identifiable net assets of the acquiree obtained in the merger is recognized as goodwill; If the merger cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the merger, the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree obtained and the measurement of the merger cost shall be reviewed first. If the merger cost is still less than the fair value share of the identifiable net assets of the acquiree obtained in the merger after review, the difference shall be included in the current profit and loss.

(7) Judgment criteria for control and preparation method of consolidated financial statements

1. Judgment of control

It is recognized as control if it has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use its power over the investee to affect its variable return amount.

2. Preparation method of consolidated financial statements

The parent company includes all subsidiaries under its control in the scope of consolidation of the consolidated financial statements. The consolidated financial statements are based on the financial statements of the parent company and its subsidiaries and are prepared by the parent company in accordance with the accounting standards for enterprises No.33-consolidated financial statements in accordance with other relevant information.

(8) Classification of joint venture arrangements and accounting treatment of joint operations

1. Joint venture arrangements are divided into joint ventures and joint ventures.

2. When the company is a joint venture party to a joint operation, the following items related to the share of interests in the joint operation shall be recognized:

(1) Confirm the assets held separately and the assets held jointly according to the holding share;

(2) Recognize the liabilities assumed separately and the liabilities assumed jointly according to the holding share;

(3) Recognize the income generated by the sale of the company's share of joint operating output;

(4) Recognize the income generated from the sale of assets in the joint operation according to the company's holding share;

(5) Confirm the expenses incurred separately and the expenses incurred in joint operation according to the share held by the company.

(9) Criteria for determining cash and cash equivalents

Cash listed in the cash flow statement refers to cash on hand and deposits that can be used for payment at any time. Cash equivalents refer to investments held by enterprises with short term, strong liquidity, easy conversion to known amounts of cash and little risk of value changes.

(10) Foreign currency business and translation of foreign currency statements

1. Translation of foreign currency business

When foreign currency transactions are initially recognized, they are converted into RMB at the spot exchange rate on the date of the transaction. On the balance sheet date, foreign currency monetary items are converted at the spot exchange rate on the balance sheet date. The exchange difference arising from different exchange rates is included in the current profit and loss, except for the exchange difference between the principal and interest of foreign currency special loans related to the purchase and construction of assets eligible for capitalization; Non monetary items in foreign currencies measured at historical cost shall still be converted at the spot exchange rate on the date of transaction without changing their RMB amount; Non monetary items in foreign currencies measured at fair value are translated at the spot exchange rate on the date of determination of fair value, and the difference is included in current profits and losses or other comprehensive income.

2. Translation of foreign currency financial statements

The assets and liabilities in the balance sheet shall be converted at the spot exchange rate on

the balance sheet date; Except for the "undistributed profit" item, other items of owner's equity are converted at the spot exchange rate on the transaction date; The income and expense items in the income statement shall be converted at the approximate exchange rate of the spot exchange rate on the date of transaction. The translation difference of foreign currency financial statements arising from the above conversion is included in other comprehensive income.

(11) Financial instruments

1. Classification of financial assets and liabilities

Financial assets are divided into the following three categories at initial recognition: (1) financial assets measured at amortized cost; (2) Financial assets measured at fair value with changes included in other comprehensive income; (3) Financial assets measured at fair value and whose changes are included in the current profit and loss.

Financial liabilities are divided into the following four categories at initial recognition: (1) financial liabilities measured at fair value and whose changes are included in the current profit and loss; (2) The transfer of financial assets does not meet the conditions for termination of recognition or continues to be involved in the financial liabilities formed by the transferred financial assets; (3) Financial guarantee contracts that do not belong to (1) or (2) above, and loan commitments that do not belong to (1) above and lend at a lower market interest rate; (4) Financial liabilities measured at amortized cost.

2. Recognition basis, measurement method and conditions for termination of recognition of financial assets and financial liabilities

(1) Recognition basis and initial measurement method of financial assets and financial liabilities

A financial asset or financial liability is recognized when the company becomes a party to a financial instrument contract. When financial assets or financial liabilities are initially recognized, they are measured at fair value; For financial assets and financial liabilities measured at fair value and whose changes are included in the current profit and loss, the relevant transaction costs are directly included in the current profit and loss; For other types of financial assets or financial liabilities, the relevant transaction costs are included in the initial recognition amount. However, if the accounts receivable initially recognized by the company does not contain major financing components or the company does not consider the financing components in contracts not exceeding one year, the initial measurement shall be made in accordance with the transaction price defined in the accounting standards for enterprises No.14 - revenue.

(2) Subsequent measurement methods of financial assets

1) Financial assets measured at amortized cost

The effective interest rate method is adopted for subsequent measurement according to the amortized cost. Gains or losses arising from financial assets measured at amortized cost and not part of any hedging relationship are included in the current profit and loss when they are derecognized, reclassified, amortized or recognized as impaired under the effective interest rate method.

2) Investment in debt instruments at fair value through other comprehensive income

Fair value is used for subsequent measurement. Interest, impairment losses or gains and exchange gains and losses calculated using the effective interest rate method are included in the current profit and loss, while other gains or losses are included in other comprehensive income. At the time of termination of recognition, the cumulative gains or losses previously included in other

comprehensive income shall be transferred out of other comprehensive income and included in the current profit and loss.

3) Equity instrument investments measured at fair value with changes included in other comprehensive income

Fair value is used for subsequent measurement. Dividends obtained (except for the part of investment cost recovery) are included in the current profit and loss, and other gains or losses are included in other comprehensive income. At the time of termination of recognition, the cumulative gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

4) Financial assets measured at fair value with changes included in current profit and loss

Subsequent measurement is carried out at fair value, and the resulting gains or losses (including interest and dividend income) are included in the current profit and loss, unless the financial asset is part of the hedging relationship.

(3) Subsequent measurement methods of financial liabilities

1) Financial liabilities measured at fair value with changes included in current profit and loss

Such financial liabilities include trading financial liabilities (including derivatives belonging to financial liabilities) and financial liabilities designated as measured at fair value and whose changes are included in the current profit and loss. Such financial liabilities are subsequently measured at fair value. The amount of change in fair value of financial liabilities designated as measured at fair value through profit or loss due to changes in the company's own credit risk is included in other comprehensive income, unless the treatment will cause or expand the accounting mismatch in profit or loss. Other gains or losses arising from such financial liabilities (including interest expenses, except changes in fair value caused by changes in the company's own credit risk) are included in the current profit and loss, unless the financial liabilities are part of the hedging relationship. At the time of termination of recognition, the cumulative gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

2) Financial liabilities formed by the transfer of financial assets that do not meet the conditions for termination of recognition or continue to be involved in the transferred financial assets

It is measured in accordance with the relevant provisions of the accounting standards for enterprises No.23 - transfer of financial assets.

3) Financial guarantee contracts that do not belong to 1) or 2) above, and loan commitments that do not belong to 1) above and lend at a lower market interest rate

After initial recognition, subsequent measurement shall be made according to the higher of the following two amounts: ① The amount of loss reserves determined in accordance with the impairment provisions of financial instruments; ② The balance of the initially recognized amount after deducting the cumulative amortization determined in accordance with the relevant provisions of the accounting standards for enterprises No.14 - revenue.

4) Financial liabilities measured at amortized cost

The effective interest rate method is used to measure at amortized cost. Gains or losses arising from financial liabilities measured at amortized cost and not part of any hedging relationship are included in the current profit and loss when they are derecognized and amortized according to the effective interest rate method.

(4) Derecognition of financial assets and financial liabilities

1) When one of the following conditions is met, the recognition of financial assets is terminated:

① The contractual right to collect cash flows from financial assets has been terminated;

② Financial assets have been transferred, and the transfer meets the provisions of the accounting standards for enterprises No.23 - transfer of financial assets on the termination of recognition of financial assets.

2) When the current obligation of a financial liability (or part of it) has been discharged, the recognition of the financial liability (or part of the financial liability) shall be terminated accordingly.

3. Recognition basis and measurement method of transfer of financial assets

If the company transfers almost all the risks and rewards of the ownership of a financial asset, it shall terminate the recognition of the financial asset, and the rights and obligations arising or retained in the transfer shall be separately recognized as assets or liabilities; If almost all the risks and rewards of the ownership of financial assets are retained, the transferred financial assets shall continue to be recognized. If the company neither transfers nor retains almost all the risks and remuneration of the ownership of financial assets, it shall be dealt with as follows: (1) if it does not retain control over the financial assets, the recognition of the financial assets shall be terminated, and the rights and obligations arising or retained in the transfer shall be separately recognized as assets or liabilities; (2) If the control over the financial assets is retained, the relevant financial assets shall be recognized according to the degree of continued involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly.

If the overall transfer of financial assets meets the conditions for termination of recognition, the difference between the following two amounts shall be included in the current profit and loss: (1) the book value of the transferred financial assets on the date of termination of recognition; (2) The sum of the consideration received from the transfer of financial assets and the amount of the corresponding derecognized part of the cumulative changes in fair value originally directly included in other comprehensive income (the financial assets involved in the transfer are debt instrument investments measured at fair value and whose changes are included in other comprehensive income). If a part of a financial asset is transferred and the transferred part as a whole meets the conditions for termination of recognition, the overall book value of the financial asset before transfer shall be apportioned between the part that is terminated and the part that continues to be recognized according to their respective relative fair values on the transfer date, and the difference between the following two amounts shall be included in the current profit and loss: (1) the book value of the part that is terminated; (2) The sum of the consideration of the part whose recognition is terminated and the amount of the part whose recognition is terminated corresponding to the cumulative amount of fair value changes originally directly included in other comprehensive income (the financial assets involved in transfer are debt instrument investments measured at fair value and whose changes are included in other comprehensive income).

4. Determination method of fair value of financial assets and financial liabilities

The company adopts valuation techniques that are applicable in the current situation and supported by sufficient available data and other information to determine the fair value of relevant financial assets and financial liabilities. The company divides the input values used in the valuation technology into the following levels and uses them in turn:

(1) The input value of the first level is the unadjusted quotation of the same assets or liabilities that can be obtained on the measurement date in the active market;

(2) The second level input value is the directly or indirectly observable input value of related assets or liabilities in addition to the first level input value, including: the quotation of similar assets or liabilities in the active market; Quotations for identical or similar assets or liabilities in inactive markets; Other observable inputs other than quotation, such as interest rate and yield curve observable during normal quotation interval; Input value of market verification, etc;

(3) The third level of input value is the unobservable input value of related assets or liabilities, including interest rates that cannot be directly observed or verified by observable market data, stock volatility, future cash flow of disposal obligations undertaken in business mergers, financial forecasts made using their own data, etc.

5. Impairment of financial instruments

On the basis of expected credit losses, the company carries out impairment treatment on financial assets measured at amortized cost, debt instrument investments measured at fair value with changes included in other comprehensive income, contract assets, lease receivables, loan commitments other than financial liabilities classified as financial liabilities measured at fair value with changes included in current profit and loss, financial liabilities not measured at fair value with changes included in current profit and loss, or financial guarantee contracts not belonging to financial assets whose transfer does not meet the conditions for termination of recognition or continues to be involved in the transferred financial assets, and recognizes loss reserves.

Expected credit losses refer to the weighted average value of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contract cash flows receivable under the contract and all cash flows expected to be received by the company discounted at the original effective interest rate, that is, the present value of all cash shortages. Among them, the financial assets purchased or generated by the company that have suffered credit impairment are discounted at the effective interest rate adjusted by the credit of the financial assets.

For financial assets purchased or generated with credit impairment, the company only recognizes the cumulative changes in expected credit losses during the whole duration after initial recognition as loss reserves on the balance sheet date.

For lease receivables, receivables and contract assets formed by transactions regulated by the accounting standards for enterprises No.14 - income, the company uses a simplified measurement method to measure the loss reserve according to the expected credit loss amount equivalent to the whole duration.

For financial assets other than the above measurement methods, the company assesses whether its credit risk has increased significantly since initial recognition on each balance sheet date. If the credit risk has increased significantly since initial recognition, the company measures the loss reserve according to the amount of expected credit loss during the whole duration; If the credit risk has not increased significantly since initial recognition, the company measures the loss reserve according to the amount of expected credit loss of the financial instrument in the next 12 months.

The company uses available reasonable and evidentiary information, including forward-looking information, to determine whether the credit risk of financial instruments has increased significantly since initial recognition by comparing the risk of default of financial instruments on

the balance sheet date with the risk of default on the initial recognition date.

On the balance sheet date, if the company judges that a financial instrument has only a low credit risk, it is assumed that the credit risk of the financial instrument has not increased significantly since initial recognition.

The company assesses the expected credit risk and measures the expected credit loss on the basis of a single financial instrument or a combination of financial instruments. When based on the portfolio of financial instruments, the company divides financial instruments into different portfolios based on common risk characteristics.

The company remeasures the expected credit loss on each balance sheet date, and the increase or reversal of the loss provision thus formed is included in the current profit and loss as an impairment loss or gain. For financial assets measured at amortized cost, the loss provision shall be offset against the book value of the financial assets listed in the balance sheet; For creditor's rights investments measured at fair value and whose changes are included in other comprehensive income, the company recognizes its loss reserves in other comprehensive income and does not offset the book value of the financial asset.

6. Set off of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and do not offset each other. However, if the following conditions are met at the same time, the company shall list them in the balance sheet at the net amount after mutual offset: (1) the company has the legal right to offset the recognized amount, and such legal right is currently enforceable; (2) The company plans to settle at a net amount, or realize the financial assets and settle the financial liabilities at the same time.

For the transfer of financial assets that do not meet the conditions for termination of recognition, the company will not offset the transferred financial assets and related liabilities.

(12) Recognition criteria and provision methods for expected credit losses of receivables and contract assets

1. Receivables and contract assets with expected credit losses withdrawn according to the combination of credit risk characteristics

Portfolio category	Basis for determining portfolio	Methods of measuring expected credit losses
Bank acceptance bills receivable	Note type	Referring to the experience of historical credit loss, combined with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate for the whole duration
Commercial acceptance bills receivable		
Accounts receivable portfolio of related parties within the scope of consolidation	Nature of payment	Referring to the experience of historical credit loss, combined with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate for
Accounts receivable - portfolio of real estate sales receivables	Nature of payment	
Accounts receivable construction portfolio	Nature of payment	
Accounts receivable - accounts receivable from other customer	Nature of payment	

Portfolio category	Basis for determining portfolio	Methods of measuring expected credit losses
portfolios		the whole duration
Other receivables - portfolio of receivables from government departments	Nature of payment	Referring to historical credit loss experience, combined with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the next 12 months or the whole duration
Other receivables - employee reserve portfolio receivable	Nature of payment	
Other receivables - combination of receivables and payments	Nature of payment	
Other receivables portfolio of receivables from related parties	Nature of payment	
Other receivables - portfolio of other current accounts receivable	Nature of payment	
Contract asset real estate sales portfolio	Nature of payment	Referring to the experience of historical credit loss, combined with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate for the whole duration
Contract asset construction portfolio	Nature of payment	

2. Recognition criteria for receivables and contract assets with individual provision for expected credit losses

For receivables and contract assets with significantly different credit risk and portfolio credit risk, the company withdraws expected credit losses on a single basis.

(13) Inventory

1. Classification of inventory

Inventory includes development land, development products, development products temporarily leased for sale in the process of development and operation, as well as development costs in the process of development.

2. Valuation method of issued inventory

(1) Materials and equipment issued shall be priced individually.

(2) During the development of the project, the land for development shall be allocated according to the floor area of the development products and the grade coefficient of the occupied land and included in the development cost of the project.

(3) The issued development products are accounted for according to the cost coefficient sharing method.

(4) The development products and turnover houses temporarily leased for sale are amortized averagely by stages according to the estimated service life of the company's similar fixed assets.

(5) If the public supporting facilities are completed earlier than the relevant development products, they shall be included in the development costs of the relevant development projects according to the construction area distribution of the relevant development projects after the final settlement of the completion of the public supporting facilities; If the public supporting facilities are completed later than the relevant development products, the public supporting facilities fee shall be accrued for the relevant development products first, and the cost of the relevant

development products shall be adjusted according to the difference between the actual amount and the accrued amount after the completion of the public supporting facilities.

3. Inventory system of inventory

The inventory system of inventory is a perpetual inventory system.

4. Amortization method of low-value consumables and packaging materials

(1) Low value consumables

Amortization is carried out in batches according to the number of times of use.

(2) Packaging

Amortization is carried out in batches according to the number of times of use.

5. Provision for inventory depreciation

On the balance sheet date, inventory is measured at the lower of cost and net realisable value, and provision for inventory depreciation is made according to the difference between cost and net realisable value. For inventory directly used for sale, its net realized value shall be determined by the estimated selling price of the inventory minus the estimated selling expenses and related taxes in the normal process of production and operation; For the inventory that needs to be processed, in the normal process of production and operation, its net realized value shall be determined by the estimated selling price of the finished products produced minus the estimated cost to be incurred at the time of completion, the estimated selling expenses and relevant taxes and fees; On the balance sheet date, if there is a contract price agreement for some parts of the same inventory and no contract price for other parts, the net realisable value shall be determined respectively, and compared with its corresponding cost, the amount of provision for inventory depreciation or reversal shall be determined respectively.

(14) Long-term equity investments

1. Judgment of joint control and significant impact

According to the relevant agreements, there is common control over an arrangement, and the relevant activities of the arrangement must be unanimously agreed by the participants sharing control rights before making decisions, which is recognized as joint control. It has the power to participate in the decision-making of the financial and operating policies of the invested entity, but it is not able to control or jointly control the formulation of these policies with other parties, which is recognized as a significant impact.

2. Determination of investment cost

(1) If the merger of enterprises under the same control is formed, and the merger party takes the payment of cash, the transfer of non cash assets, the assumption of debts or the issuance of equity securities as the merger consideration, the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the final controller shall be regarded as its initial investment cost on the merger date. The capital reserve is adjusted for the difference between the initial investment cost of long-term equity investment and the book value of the merger consideration paid or the total face value of the shares issued; If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

The company realizes the long-term equity investment formed by the merger of enterprises under the same control step by step through multiple transactions, and judges whether it belongs to a "package deal". If it belongs to a "package deal", each transaction shall be accounted for as a transaction to obtain control. If it does not belong to the "package deal", on the merger date, the initial investment cost shall be determined according to the share of the book value of the net

assets of the merged party in the consolidated financial statements of the final controller after the merger. The capital reserve shall be adjusted for the difference between the initial investment cost of the long-term equity investment on the merger date and the sum of the book value of the long-term equity investment before the merger plus the book value of the new payment consideration for the shares further obtained on the merger date; If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

(2) If the merger of enterprises not under the same control is formed, the fair value of the merger consideration paid on the acquisition date shall be regarded as its initial investment cost.

The company realizes the long-term equity investment formed by the merger of enterprises not under the same control step by step through multiple transactions, and distinguishes between individual financial statements and consolidated financial statements for relevant accounting treatment:

1) In individual financial statements, the sum of the book value of the equity investment originally held and the new investment cost is regarded as the initial investment cost calculated according to the cost method.

2) In the consolidated financial statements, judge whether it belongs to a "package deal". If it belongs to a "package deal", each transaction shall be accounted for as a transaction to obtain control. If it is not a "package deal", the equity of the acquiree held before the acquisition date shall be re-measured according to the fair value of the equity on the acquisition date, and the difference between the fair value and its book value shall be included in the current investment income; If the equity of the acquiree held before the acquisition date involves other comprehensive income under the equity method, the other comprehensive income related to it shall be transferred to the current income on the acquisition date. However, other comprehensive income arising from the re-measurement of net liabilities or changes in net assets of the defined benefit plan by the investee is excluded.

(3) Except for the merger of enterprises: if it is obtained by paying cash, the actual purchase price paid shall be regarded as its initial investment cost; If it is obtained by issuing equity securities, the fair value of issuing equity securities shall be regarded as its initial investment cost; If it is obtained by debt restructuring, its initial investment cost shall be determined in accordance with the accounting standards for enterprises NO.12 - debt restructuring; If it is obtained through the exchange of nonmonetary assets, its initial investment cost shall be determined in accordance with the accounting standards for enterprises No.7 - exchange of nonmonetary assets.

3. Subsequent measurement and profit and loss recognition method

The long-term equity investment controlled by the invested unit is accounted for by the cost method; The long-term equity investment in joint ventures and joint ventures shall be accounted for by the equity method.

4. Disposal of investment in subsidiaries through multiple transactions step by step until loss of control

(1) Whether it belongs to the judgment principle of "package deal"

If the equity investment in a subsidiary is disposed of step by step through multiple transactions until the control right is lost, the company judges whether the step by step transaction belongs to a "package transaction" by combining the terms of the transaction agreement of each step of the step by step transaction, the disposal consideration obtained respectively, the object of

selling equity, the disposal method, the disposal time and other information. The terms, conditions and economic impact of each transaction meet one or more of the following circumstances, which usually indicate that the multiple transactions belong to a "package deal":

- 1) These transactions were entered into simultaneously or with mutual influence in mind;
- 2) These deals as a whole can achieve a complete business outcome;
- 3) The occurrence of one transaction depends on the occurrence of at least one other transaction;
- 4) A transaction is uneconomical on its own, but it is economical when considered with other transactions.

(2) Accounting treatment not belonging to "package deal"

1) Individual financial statements

The difference between the book value of the equity disposed of and the actual price obtained shall be included in the current profit and loss. For the remaining equity, if it still has a significant impact on the invested entity or implements joint control with other parties, it shall be accounted for by the equity method; If the invested entity can no longer be controlled, jointly controlled or significantly affected, it shall be accounted for in accordance with the relevant provisions of the accounting standards for enterprises No.22 - recognition and measurement of financial instruments.

2) Consolidated financial statements

Before the loss of control, the difference between the disposal price and the share of net assets continuously calculated by the subsidiary from the acquisition date or the merger date corresponding to the disposal of long-term equity investment shall be adjusted to the capital reserve (capital premium). If the capital premium is insufficient to offset, the retained earnings shall be offset.

When the control over the atomic company is lost, the remaining equity shall be re measured at its fair value on the date of loss of control. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity minus the share of the net assets of the original subsidiary continuously calculated from the acquisition date or the merger date calculated according to the original shareholding ratio shall be included in the investment income of the current period when the control right is lost, and the goodwill shall be offset. Other comprehensive income related to the equity investment of the original subsidiary shall be converted to the current investment income when the control right is lost.

(3) Accounting treatment of "package deal"

1) Individual financial statements

Each transaction is accounted for as a transaction that disposes of subsidiaries and loses control. However, the difference between each disposal price and the book value of the long-term equity investment corresponding to the disposal of the investment before the loss of control is recognized as other comprehensive income in individual financial statements and transferred to the profits and losses of the current period when the control is lost.

2) Consolidated financial statements

Each transaction is accounted for as a transaction that disposes of subsidiaries and loses control. However, before the loss of control, the difference between each disposal price and the share of net assets of the subsidiary corresponding to the disposal of investment shall be recognized as other comprehensive income in the consolidated financial statements, and shall be transferred to the profits and losses of the current period when the control is lost.

(15) Investment properties

1. Investment real estate includes leased land use rights, land use rights held and prepared for transfer after appreciation, and leased buildings.

2. Investment real estate is initially measured at cost, followed by cost mode, and depreciated or amortized in the same way as fixed assets and intangible assets.

(16) Fixed assets

1. Recognition conditions of fixed assets

Fixed assets refer to tangible assets held for the production of commodities, the provision of labor services, leasing or operation and management with a service life of more than one fiscal year. Fixed assets are recognized when economic benefits are likely to flow in and costs can be reliably measured.

2. Depreciation method of various fixed assets

Category	Depreciation method	Depreciation life (years)	Residual value rate (%)	Annual depreciation rate (%)
Houses and buildings	straight-line method	30	5.00	3.17
Transport equipment	straight-line method	6	5.00	15.83
Electronics and others	straight-line method	5	5.00	19.00

(17) Construction in progress

1. The construction in progress shall be recognized when the economic benefits are likely to flow in and the cost can be reliably measured. Construction in progress is measured at the actual cost incurred before the asset reaches the expected usable state.

2. When the construction in progress reaches the expected usable state, it shall be transferred to fixed assets according to the actual cost of the project. If it has reached the expected usable state but has not yet handled the final settlement of completion, it shall be transferred to fixed assets according to the estimated value first, and then the original estimated value shall be adjusted according to the actual cost after the final settlement of completion, but the original depreciation shall not be adjusted.

(18) Borrowing costs

1. Recognition principle of capitalization of borrowing costs

Borrowing costs incurred by the company that can be directly attributable to the purchase, construction or production of assets eligible for capitalization shall be capitalized and included in the cost of related assets; Other borrowing costs are recognized as expenses when incurred and included in the current profit and loss.

2. Capitalization period of borrowing costs

(1) When the borrowing costs meet the following conditions at the same time, capitalization begins: 1) asset expenditure has occurred; 2) Borrowing costs have been incurred; 3) The acquisition and construction or production activities necessary to make the assets reach the intended usable or saleable state have begun.

(2) If the assets eligible for capitalization are abnormally interrupted in the process of acquisition, construction or production, and the interruption time exceeds three consecutive months, the capitalization of borrowing costs shall be suspended; Borrowing costs incurred during the interruption period are recognized as current expenses until the acquisition and construction of

assets or the resumption of production activities.

(3) When the assets purchased, constructed or produced that meet the capitalization conditions reach the predetermined usable or saleable state, the capitalization of borrowing costs shall stop.

3. Capitalization rate and capitalization amount of borrowing costs

Where a special loan is borrowed for the purchase and construction or production of assets eligible for capitalization, the amount of interest that should be capitalized shall be determined based on the interest expenses actually incurred in the current period of the special loan (including the amortization of discounts or premiums determined according to the effective interest rate method), less the interest income obtained by depositing the unused loan funds in the bank or the investment income obtained by temporary investment; If a general loan is occupied for the acquisition and construction or production of assets that meet the capitalization conditions, the amount of interest that should be capitalized on the general loan shall be calculated and determined according to the weighted average of the asset expenditure of the cumulative asset expenditure exceeding the special loan multiplied by the capitalization rate of the general loan.

(19) Intangible assets

1. Intangible assets include software, land use rights, etc., which are initially measured at cost.

2. Intangible assets with limited service life shall be amortized systematically and reasonably within the service life according to the expected realization mode of economic benefits related to the intangible assets, and if the expected realization mode cannot be reliably determined, the straight line method shall be used for amortization. The details are as follows:

Projects	Service life and its determination basis	Amortization method
software	The expected realization mode of economic benefits related to intangible assets, 3-5 years	Straight line method

3. Intangible assets with uncertain service life are not amortized, and the company reviews the service life of the intangible assets in each accounting period.

(20) Impairment of some long-term assets

For long-term equity investment, investment real estate measured by cost model, fixed assets, construction in progress, right to use assets, intangible assets with limited service life and other long-term assets, if there are signs of impairment on the balance sheet date, the recoverable amount is estimated. Intangible assets with uncertain goodwill and service life formed by business combination, regardless of whether there are signs of impairment, are tested for impairment every year. Goodwill is tested for impairment in combination with its related asset group or asset group portfolio.

If the recoverable amount of the above-mentioned long-term assets is lower than its book value, the provision for asset impairment shall be recognized according to the difference and included in the current profit and loss.

(21) Long term deferred expenses

The accounting of long-term deferred expenses has been paid, and the amortization period is more than one year (excluding one year). Long-term deferred expenses are recorded according to the actual amount incurred and amortized evenly by stages during the benefit period or within the prescribed period. If the long-term deferred expense item can not benefit the subsequent accounting period, the amortized value of the item that has not yet been amortized will be

transferred to the current profit and loss.

(22) Employee compensation

1. Employee remuneration includes short-term remuneration, post employment benefits, termination benefits and other long-term employee benefits.

2. Accounting treatment of short-term remuneration

During the accounting period when employees provide services to the company, the short-term remuneration actually incurred shall be recognized as liabilities and included in the current profit and loss or related asset costs.

3. Accounting treatment of post employment benefits

Post employment benefits are divided into defined contribution plans and defined benefit plans.

(1) During the accounting period when employees provide services to the company, the amount payable calculated according to the defined contribution plan is recognized as a liability and included in the current profit and loss or related asset costs.

(2) The accounting treatment of the defined benefit plan usually includes the following steps:

1) According to the expected cumulative welfare unit method, unbiased and consistent actuarial assumptions are used to estimate the relevant demographic variables and financial variables, measure the obligations arising from the establishment of the benefit plan, and determine the period of the relevant obligations. At the same time, the obligations arising from the establishment of the benefit plan are discounted to determine the present value of the obligations of the establishment of the benefit plan and the current service cost;

2) If there are assets in the defined benefit plan, the deficit or surplus formed by the present value of the obligations of the defined benefit plan minus the fair value of the assets of the defined benefit plan shall be recognized as the net liabilities or net assets of a defined benefit plan. If there is a surplus in the defined benefit plan, the net assets of the defined benefit plan shall be measured at the lower of the surplus of the defined benefit plan and the upper limit of assets;

3) At the end of the period, the cost of employee remuneration arising from the defined benefit plan is recognized as service cost, net interest on net liabilities or net assets of the defined benefit plan, and changes arising from remeasurement of net liabilities or net assets of the defined benefit plan. Among them, service cost and net interest on net liabilities or net assets of the defined benefit plan are included in current profit and loss or related asset costs. Changes arising from remeasurement of net liabilities or net assets of the defined benefit plan are included in other comprehensive income, and are not allowed to be reversed to profit and loss in subsequent accounting periods, but these amounts recognized in other comprehensive income can be transferred within the scope of equity.

4. Accounting treatment of termination benefits

The termination benefits provided to employees shall be recognized as the employee compensation liabilities arising from the termination benefits as soon as possible, whichever is earlier, and shall be included in the current profit and loss: (1) when the company cannot unilaterally withdraw the termination benefits provided due to the termination of labor relations plans or layoffs; (2) When the company confirms the costs or expenses related to the reorganization involving the payment of termination benefits.

5. Accounting treatment of other long-term employee benefits

Other long-term benefits provided to employees that meet the conditions of the defined

contribution plan shall be accounted for in accordance with the relevant provisions of the defined contribution plan; In addition, other long-term benefits shall be accounted for in accordance with the relevant provisions of the defined benefit plan. In order to simplify the relevant accounting treatment, the total net amount of employee compensation costs arising from them shall be recognized as service costs, net interest on net liabilities or net assets of other long-term employee welfare, and changes in net liabilities or net assets of other long-term employee welfare shall be included in the current profit and loss or related asset costs.

(23) Accounting method of maintenance fund

According to the relevant provisions of the place where the development project is located, the maintenance fund shall be collected from the buyer or withdrawn by the company into the development cost of the relevant development products when the development products are sold (pre-sale), and shall be uniformly handed over to the management department of the maintenance fund.

(24) Quality margin accounting method

The quality deposit shall be reserved from the project payment of the construction unit according to the provisions of the construction contract. The maintenance fee incurred during the warranty period of the development product shall be offset against the quality margin; Upon the expiration of the agreed warranty period for the developed products, the balance of the quality deposit shall be returned to the construction unit.

(25) Revenue

1. Revenue recognition principles

On the commencement date of the contract, the company evaluates the contract, identifies each individual performance obligation contained in the contract, and determines whether each individual performance obligation is performed within a certain period of time or at a certain point in time.

If one of the following conditions is met, it belongs to the performance obligation within a certain period of time, otherwise it belongs to the performance obligation at a certain point of time: (1) the customer obtains and consumes the economic benefits brought about by the company's performance at the same time as the company's performance; (2) Customers can control the goods under construction in the process of performance of the company; (3) The goods produced in the process of performance by the company have irreplaceable uses, and the company has the right to collect payment for the performance part that has been completed so far during the whole contract period.

For the performance obligations performed within a certain period of time, the company shall recognize the revenue according to the performance progress during that period. When the performance progress cannot be reasonably determined, if the cost incurred is expected to be compensated, revenue shall be recognized according to the amount of cost incurred until the performance progress can be reasonably determined. For the performance obligations performed at a certain time point, revenue is recognized when the customer obtains control of the relevant goods or services. In judging whether the customer has obtained control of the goods, the company considers the following signs: (1) the company enjoys the current collection right in respect of the goods, that is, the customer has the current payment obligation in respect of the goods; (2) The company has transferred the legal ownership of the commodity to the customer, that is, the customer has owned the legal ownership of the commodity; (3) The company has transferred the

commodity in kind to the customer, that is, the customer has occupied the commodity in kind; (4) The company has transferred the main risks and rewards of the ownership of the commodity to the customer, that is, the customer has obtained the main risks and rewards of the ownership of the commodity; (5) The customer has accepted the product; (6) Other signs that customers have gained control of the goods.

2. Revenue measurement principles

(1) The company shall measure the income according to the transaction price apportioned to each individual performance obligation. The transaction price is the amount of consideration the company is expected to be entitled to receive as a result of the transfer of goods or services to customers, excluding payments received on behalf of third parties and payments expected to be returned to customers.

(2) If there is a variable consideration in the contract, the company shall determine the best estimate of the variable consideration according to the expected value or the most likely amount, but the transaction price including the variable consideration shall not exceed the amount that will most likely not be significantly reversed when the relevant uncertainties are eliminated.

(3) If there is a significant financing component in the contract, the company shall determine the transaction price according to the amount payable assuming that the customer will pay in cash when obtaining control of the goods or services. The difference between the transaction price and the contract consideration is amortized by the effective interest rate method during the contract period.

(4) If the contract contains two or more performance obligations, the company shall apportion the transaction price to each individual performance obligation on the commencement date of the contract in accordance with the relative proportion of the individual selling price of the goods promised by each individual performance obligation.

3. Specific method of revenue recognition

(1) Specific methods for recognizing real estate development and sales revenue

The company's real estate sales business belongs to the performance obligation to be fulfilled at a certain point in time. The realization of sales revenue shall be recognized when the development products have been completed and accepted, the sales contract has been signed and the obligations stipulated in the contract have been fulfilled, the entry notice or announcement has been issued to the owner, the real estate has been actually delivered to the owner or the delivery date stipulated in the contract has expired, the full house price has been charged, and the relevant costs incurred or to be incurred can be reliably measured.

(2) Provide specific methods for recognizing property service income

The company's provision of property management services belongs to the performance obligation to be performed within a certain period of time, and revenue is recognized according to the performance progress. The company shall determine the performance progress of the services according to the time schedule.

(3) Recognition method of engineering construction income

The company provides construction engineering services. As the customer obtains and consumes the economic benefits brought about by the company's performance at the same time as the company performs the contract, and the company has the right to collect funds for the performance part that has been completed so far during the whole contract period, the company regards it as the performance obligation to perform within a certain period of time, and recognizes

revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The company determines the performance progress of providing services in accordance with the investment method. If the performance progress cannot be reasonably determined, and the cost incurred by the company is expected to be compensated, the revenue shall be recognized according to the amount of cost incurred until the performance progress can be reasonably determined.

(4) Other revenue recognition methods

Other income includes hotel operating income, etc. for hotel room income, as customers obtain and consume the economic benefits brought about by the company's performance at the same time as the company's performance, the company regards it as a performance obligation to be performed within a certain period of time, and recognizes the income according to the performance progress during the accounting period of providing services. For other income, according to the provisions of relevant contracts and agreements, the realization of income is recognized when the customer has obtained the control right of relevant commodities and the relevant funds have been received or the right to collect.

(26) Contract acquisition cost and contract performance cost

If the incremental cost incurred by the company to obtain the contract is expected to be recovered, it shall be recognized as an asset as the cost of obtaining the contract.

If the cost incurred by the company for the performance of the contract is not applicable to the scope of relevant standards such as inventory, fixed assets or intangible assets, and the following conditions are met at the same time, it shall be recognized as an asset as the cost of contract performance:

1. The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs clearly borne by the customer and other costs incurred solely as a result of the contract;

2. The cost increases the company's resources for fulfilling its performance obligations in the future;

3. The cost is expected to be recovered.

The company amortizes the assets related to the contract cost on the same basis as the recognition of the revenue from goods or services related to the assets, which is included in the current profit and loss.

If the book value of an asset related to the contract cost is higher than the remaining consideration expected to be obtained due to the transfer of goods or services related to the asset minus the estimated cost to be incurred, the company shall make an impairment provision for the excess and recognize it as an asset impairment loss. If the factors of impairment in the previous period change after that, so that the remaining consideration expected to be obtained for the transfer of goods or services related to the asset minus the estimated cost to be incurred is higher than the book value of the asset, the original provision for asset impairment shall be reversed and included in the current profit and loss, but the book value of the asset after the reversal shall not exceed the book value of the asset on the reversal date assuming that no provision for impairment is made.

(27) Contract assets and liabilities

The company lists contract assets or contract liabilities in the balance sheet according to the relationship between the performance of performance obligations and customer payments. The

company shall present the contract assets and contract liabilities under the same contract at a net amount after offsetting each other.

The right of the company to receive consideration from customers unconditionally (that is, only depending on the passage of time) is listed as a receivable, and the right to receive consideration for goods that have been transferred to customers (depending on factors other than the passage of time) is listed as a contract asset.

The company lists the obligation to transfer goods to customers for consideration received or receivable from customers as contract liabilities.

(28) Government subsidies

1. Government subsidies shall be recognized when the following conditions are met at the same time: (1) the company can meet the conditions attached to government subsidies; (2) Companies receive government subsidies. If the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a nonmonetary asset, it shall be measured at fair value; If the fair value cannot be obtained reliably, it shall be measured at the nominal amount.

2. Judgment basis and accounting treatment method of government subsidies related to assets

Government documents stipulate that government subsidies used for the purchase and construction or the formation of long-term assets in other ways are classified as government subsidies related to assets. If the government documents are not clear, the judgment shall be based on the basic conditions that must be met to obtain the subsidy, and the government subsidy related to assets shall be based on the formation of long-term assets by purchase and construction or other means. Government subsidies related to assets shall offset the book value of related assets or be recognized as deferred income. If the government subsidies related to assets are recognized as deferred income, they shall be included in profits and losses by stages in a reasonable and systematic manner within the service life of the relevant assets. Government subsidies measured in nominal amounts are directly included in the current profits and losses. If the relevant assets are sold, transferred, scrapped or damaged before the end of their service life, the balance of relevant deferred income that has not yet been allocated shall be transferred to the profits and losses of the current period of asset disposal.

3. Judgment basis and accounting treatment method of government subsidies related to income

Government subsidies other than asset related government subsidies are classified as income related government subsidies. For government subsidies that include both asset related and income related parts, it is difficult to distinguish between asset related or income related government subsidies, which are classified as income related government subsidies as a whole. Government subsidies related to income, if used to compensate for related costs or losses in subsequent periods, shall be recognized as deferred income, and shall be included in current profits and losses or offset related costs during the period when related costs or losses are recognized; If it is used to compensate the relevant costs or losses incurred, it shall be directly included in the current profit and loss or offset the relevant costs.

4. Government subsidies related to the daily business activities of the company shall be included in other income or offset against related costs and expenses according to the essence of economic business. Government subsidies unrelated to the daily activities of the company shall be included in non operating income and expenditure.

5. Accounting treatment of discount interest on policy based preferential loans

(1) If the finance allocates the discount funds to the lending bank, and the lending bank provides loans to the company at the preferential policy interest rate, the actual amount of loans received shall be taken as the entry value of the loans, and the relevant borrowing costs shall be calculated according to the principal of the loans and the preferential policy interest rate.

(2) If the finance allocates the discount funds directly to the company, the corresponding discount will be offset against the relevant borrowing costs.

(29) Deferred income tax assets and deferred income tax liabilities

1. According to the difference between the book value of assets and liabilities and their tax basis (if the tax basis of items not recognized as assets and liabilities can be determined in accordance with the tax law, the difference between the tax basis and its book value), the deferred income tax assets or deferred income tax liabilities are calculated and recognized according to the applicable tax rate during the period when the assets are expected to be recovered or the liabilities are settled.

2. The recognition of deferred income tax assets is limited to the taxable income that is likely to be obtained to offset the deductible temporary differences. On the balance sheet date, if there is conclusive evidence that sufficient taxable income is likely to be obtained in the future to offset the deductible temporary differences, the deferred income tax assets not recognized in the previous accounting periods shall be recognized.

3. On the balance sheet date, the book value of deferred income tax assets shall be reviewed. If it is likely that sufficient taxable income will not be available to offset the benefits of deferred income tax assets in the future, the book value of deferred income tax assets shall be written down. When it is likely to obtain sufficient taxable income, the amount written down will be reversed.

4. The current income tax and deferred income tax of the company are included in the current profit and loss as income tax expenses or income, but do not include the income tax arising from the following circumstances: (1) business merger; (2) Transactions or events directly recognized in owner's equity.

5. When the following conditions are met at the same time, the company will list the deferred income tax assets and deferred income tax liabilities at the net amount after offset: (1) it has the legal right to settle the current income tax assets and current income tax liabilities at the net amount; (2) Deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax collection and management department on the same taxpayer or on different taxpayers, but in the future, during the period when each important deferred income tax asset and deferred income tax liability are reversed, the taxpayers involved intend to settle the current income tax assets and current income tax liabilities at a net amount, or obtain assets and settle debts at the same time.

(30) Leasing

1. The company as tenant

On the beginning date of the lease term, the company recognizes the lease with a lease term of no more than 12 months and no purchase option as a short-term lease; Leases with lower value when a single leased asset is a new asset are recognized as low value asset leases. If the company sublets or expects to sublet the leased assets, the original lease is not recognized as a low value asset lease.

For all short-term leases and low-value asset leases, the company includes the amount of

lease payments in the cost of related assets or current profit and loss on a straight line basis during each period of the lease term.

In addition to the above-mentioned short-term leases and low-value asset leases with simplified treatment, the company recognizes the right to use assets and lease liabilities for the lease on the beginning date of the lease term.

(1) Right of use assets

The right to use assets are initially measured at cost, which includes: 1) the initial measurement amount of lease liabilities; 2) For the lease payment paid on or before the beginning date of the lease term, if there is a lease incentive, the relevant amount of the lease incentive that has been enjoyed shall be deducted; 3) Initial direct costs incurred by the tenant; 4) The cost expected to be incurred by the lessee for the demolition and removal of the leased assets, the restoration of the premises where the leased assets are located, or the restoration of the leased assets to the agreed state of the lease terms.

The company depreciates the right to use assets according to the straight line method. If it can be reasonably determined that the ownership of the leased assets will be obtained at the expiration of the lease term, the company shall make depreciation within the remaining service life of the leased assets. If it is impossible to reasonably determine that the ownership of the leased assets can be obtained at the expiration of the lease term, the company shall make depreciation within the shorter of the lease term and the remaining service life of the leased assets.

(2) Lease liabilities

On the beginning date of the lease term, the company recognizes the present value of the unpaid lease payment as a lease liability. When calculating the present value of the lease payment, the embedded interest rate of the lease shall be used as the discount rate. If the embedded interest rate of the lease cannot be determined, the incremental borrowing rate of the company shall be used as the discount rate. The difference between the lease payment and its present value shall be regarded as unrecognized financing expenses, and the interest expenses shall be recognized at the discount rate of the present value of the lease payment during each period of the lease term and included in the current profit and loss. The amount of variable lease payments not included in the measurement of lease liabilities is included in the current profit and loss when actually incurred.

After the beginning date of the lease term, when the substantial fixed payment changes, the estimated amount payable of the guarantee residual value changes, the index or ratio used to determine the lease payment changes, the evaluation results or actual exercise of the purchase option, renewal option or termination option changes, the company remeasures the lease liabilities according to the present value of the changed lease payment, and adjusts the book value of the right of use assets accordingly. If the book value of the right of use assets has been reduced to zero, but the lease liabilities still need to be further reduced, the remaining amount shall be included in the current profit and loss.

2. The company as lessor

On the lease beginning date, the company classifies leases that substantially transfer almost all the risks and rewards related to the ownership of the leased assets as financial leases, except for operating leases.

(1) Operating leases

During each period of the lease term, the company recognizes the lease receipts as rental income according to the straight line method, and the initial direct expenses incurred are

capitalized and apportioned on the same basis as the recognition of rental income, which are included in the current profit and loss by stages. The variable lease payments obtained by the company related to operating leases that are not included in the lease receipts are included in the current profit and loss when actually incurred.

(2) Finance lease

On the beginning date of the lease term, the company recognizes the financing lease receivables according to the net amount of the lease investment (the sum of the unsecured residual value and the present value of the lease receipts not yet received on the beginning date of the lease term discounted at the embedded interest rate of the lease), and terminates the recognition of the financing lease assets. During each period of the lease term, the company calculates and recognizes interest income according to the interest rate embedded in the lease.

The amount of variable lease payments obtained by the company that are not included in the measurement of net lease investment shall be included in the current profit and loss when actually incurred.

(31) Changes in significant accounting policies and accounting estimates

1. Changes in significant accounting policies

During the reporting period, the company did not change any important accounting policies.

2 changes in important accounting estimates

During the reporting period, the company did not change important accounting estimates.

4、 Taxes

(1) Main taxes and tax rates

Taxes	Tax basis	Tax rate
value added tax	The output tax shall be calculated on the basis of the income from the sale of goods and taxable services calculated in accordance with the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference shall be the value-added tax payable	9%, 6%, 5%, 3%
Land value-added tax	Value-added amount arising from the transfer of state-owned land use rights and property rights of aboveground buildings and other attached objects with compensation	Calculated and paid according to the excessive progressive tax rate of value-added amount
Property taxes	In case of ad valorem collection, 1.2% of the residual value of the original value of the property after deducting 30% at a time; If it is levied from rent, it shall be paid at 12% of the rental income	1.2%, 12%
Urban maintenance and construction tax	Turnover tax actually paid	7%
Education surcharge	Turnover tax actually paid	3%
Local education surcharge	Turnover tax actually paid	2%
Corporate income tax	Taxable income	25%, 20%, 16.5%

Explanation of enterprise income tax rate of taxpayers with different tax rates

Name of taxpayer	Income tax rate
Shenzhen huazhan Construction Supervision Co., Ltd. and Shantou Special Economic Zone Songshan Real Estate Development Co., Ltd	20%
Subsidiaries incorporated in Hong Kong	16.5%
Other taxpayers other than the above	25%

(2) Tax breaks

According to the announcement of the General Administration of Taxation of the Ministry of Finance on preferential income tax policies for small and micro enterprises and individual businesses (announcement No.12 of the General Administration of Taxation of the Ministry of Finance in 2023), the part of the annual taxable income of small and micro profit enterprises that does not exceed 1 million yuan shall be included in the taxable income at a reduced rate of 25%, and the enterprise income tax shall be paid at a tax rate of 20%.The implementation period is from January 1, 2023 to December 31, 2027. The enterprise income tax rate of Shenzhen huazhan Construction Supervision Co., Ltd. (hereinafter referred to as huazhan supervision) and Shantou Special Economic Zone Songshan Real Estate Development Co., Ltd. (hereinafter referred to as Shantou Songshan), subsidiaries of the company, shall be subject to the preferential tax rate of 20% for small and low profit enterprises.

5、Notes to consolidated financial statement items

(1) Notes to consolidated balance sheet items

1. Monetary funds

(1) Details

Projects	Closing balance	Beginning balance
Cash on hand	19,892.83	38,975.98
bank deposit	284,666,632.21	526,814,068.83
Other monetary funds		2,389,680.55
Total	284,686,525.04	529,242,725.36
Including: total amount deposited abroad	4,242,440.12	4,660,706.04

(2) Other instructions

As of December 31, 2025, the restricted funds in bank deposits were 5,794,604.17 yuan, of which 5,674,439.78 yuan was the deposit for the construction of public facilities projects in and around the urban renewal project in Longgang District, Shenzhen, 70,010.20 yuan was the suspension of accounts and payments, and 50,154.19 yuan was the deposit for projects.

2. Trading financial assets

Projects	Closing balance	Beginning balance
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Projects	Closing balance	Beginning balance
Financial assets classified as at fair value through profit or loss	1,050,256,058.41	987,801,938.51
Among them: Fund	1,050,256,058.41	987,801,938.51
Total	1,050,256,058.41	987,801,938.51

3. Notes receivable

(1) Details

Projects	Closing balance	Beginning balance
Bank acceptance bill		
Commercial acceptance bill		100,000.00
Total		100,000.00

(2) Provision for bad debts

Types	Closing balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision Proportion (%)	
Provision for bad debts by portfolio					
Including: bank acceptance bill					
Commercial acceptance bill					
Total					

4. Accounts receivable

(1) Aging

Aging	Closing balance	Beginning balance
Within 1 year	35,522,470.19	46,635,449.13
1-2 years	11,264,782.88	17,841,452.58
2-3 years	5,972,759.94	8,345,221.16
3-4 years	8,220,946.54	5,644,029.79
4-5 years	5,252,795.41	46,903.69
More than 5 years	21,125,636.89	21,078,733.20
Total	87,359,391.85	99,591,789.55
Less: bad debt provision	42,461,308.11	42,918,994.03

Aging	Closing balance	Beginning balance
Total book value	44,898,083.74	56,672,795.52

(2) Provision for bad debts

1) Category breakdown

Types	Closing balance				book value
	Book balance		Bad debt provision		
	Amount	Proportion (%)	money	Provision Proportion (%)	
Single provision for bad debts	24,613,872.70	28.18	24,613,872.70	100.00	
Provision for bad debts by portfolio	62,745,519.15	71.82	17,847,435.41	28.44	44,898,083.74
Total	87,359,391.85	100.00	42,461,308.11	48.61	44,898,083.74

(Continued)

Types	Beginning balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision Proportion (%)	
Single provision for bad debts	24,983,383.25	25.09	24,983,383.25	100.00	
Provision for bad debts by portfolio	74,608,406.30	74.91	17,935,610.78	24.04	56,672,795.52
Total	99,591,789.55	100.00	42,918,994.03	43.09	56,672,795.52

2) Important accounts receivable with single provision for bad debts

Company name	Beginning balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Provision ratio (%)	Basis of provision
Agent import and export business payment	11,574,556.00	11,574,556.00	11,574,556.00	11,574,556.00	100.00	Not expected to be recovered
Long term uncollected house sales	10,084,109.60	10,084,109.60	10,084,109.60	10,084,109.60	100.00	Not expected to be recovered
Accounts receivable of subsidiaries suspended	2,314,755.46	2,314,755.46	2,314,755.46	2,314,755.46	100.00	Not expected to be recovered
Other customer payments	1,009,962.19	1,009,962.19	640,451.64	640,451.64	100.00	Not expected to be recovered
Sub total	24,983,383.25	24,983,383.25	24,613,872.70	24,613,872.70	100.00	

3) Accounts receivable with portfolio provision for bad debts

Projects	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Receivables from other customer	62,745,519.15	17,847,435.41	28.44

Projects	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
portfolios			
Sub total	62,745,519.15	17,847,435.41	28.44

4) Changes in bad debt reserves

Projects	Beginning balance	Current change amount				Closing balance
		Provision	Withdrawal or reversal	Write off	other	
Single provision for bad debts	24,983,383.25		369,510.55			24,613,872.70
Provision for bad debts by portfolio	17,935,610.78		88,175.37			17,847,435.41
Total	42,918,994.03		457,685.92			42,461,308.11

(4) Top 5 accounts receivable and contract assets

Company name	Closing balance			Proportion in the total balance of accounts receivable and contract assets at the end of the period (%)	Provision for bad debts of accounts receivable and provision for impairment of contract assets
	Accounts receivable	Contract assets	Sub total		
Shenzhen Hongteng Investment Management Co., Ltd	11,789,376.23	837,624.28	12,627,000.51	10.52	12,627,000.51
Shenzhen Guangming construction engineering No. 1 Construction Engineering Co., Ltd	1,544,468.13	7,733,431.57	9,277,899.70	7.73	662,029.13
Shenzhen Construction Engineering Group Co., Ltd	5,974,806.41	2,980,784.42	8,955,590.83	7.46	1,409,486.39
Jiangsu Huajian Construction Co., Ltd. Shenzhen Branch	4,308,688.79	3,624,467.86	7,933,156.65	6.61	354,132.67
Shenzhen Zhaoyang Real Estate Co., Ltd	7,650,272.25		7,650,272.25	6.38	229,508.17
Total	31,267,611.81	15,176,308.13	46,443,919.94	38.71	15,282,156.86

(5) Other instructions

As of December 31, 2025, the factoring balance of accounts receivable transferred but not derecognized was 7,379,890.15 yuan.

5. Advance payment

(1) Aging

Aging	Closing balance				Beginning balance			
	Book balance	Proportion (%)	Provision for impairment	book value	Book balance	Proportion (%)	Provision for impairment	book value
Within 1 year	30,809.83	97.54		30,809.83	1,100,322.58	91.61		1,100,322.58
1-2 years					1,159.00	0.10		1,159.00
2-3 years								
More than 3 years	778.62	2.46		778.62	99,624.63	8.29		99,624.63
Total	31,588.45	100.00		31,588.45	1,201,106.21	100.00		1,201,106.21

(2) Top 5 prepayments

Company name	Book balance	Prepayment Proportion of balance (%)
China Telecom Corporation Limited Shenzhen Branch	19,679.83	62.30
Guangdong Jianye Testing and Identification Co., Ltd	11,130.00	35.23
Shenzhen Shenlv International Tourism Development Co., Ltd	228.62	0.72
Other	550.00	1.74
Sub total	31,588.45	100.00

6. Other receivables

(1) Nature and classification of payments

Nature of payment	Closing balance	Beginning balance
Portfolio of receivables from related parties	850,579,354.54	161,393,309.25
Portfolio of receivables from government departments	165,460.00	3,019,837.72
Employee reserve portfolio receivable	112,443.24	533,912.40
Collection and payment portfolio receivable	596,591.68	787,071.98
Other receivables portfolio	193,464,111.43	37,783,095.18
Total	1,044,917,960.89	203,517,226.53
Less: bad debt provision	297,017,469.37	196,079,185.70
Total book value	747,900,491.52	7,438,040.83

(2) Aging

Aging	Closing balance	Beginning balance
Within 1 year	6,291,824.79	4,132,917.44

Aging	Closing balance	Beginning balance
1-2 years	21,982,715.53	1,542,936.54
2-3 years	5,885,948.43	12,060,828.62
3-4 years	3,267.40	
4-5 years		
More than 5 years	1,010,754,204.74	185,780,543.93
Total	1,044,917,960.89	203,517,226.53
Less: bad debt provision	297,017,469.37	196,079,185.70
Total book value	747,900,491.52	7,438,040.83

(3) Provision for bad debts

1) Category breakdown

Types	Closing balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision Proportion (%)	
Single provision for bad debts	1,037,381,783.48	99.28	296,662,485.14	28.60	740,719,298.34
Provision for bad debts by portfolio	7,536,177.41	0.72	354,984.23	4.71	7,181,193.18
Sub total	1,044,917,960.89	100.00	297,017,469.37	28.42	747,900,491.52

(Continued)

Types	Beginning balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision Proportion (%)	
Single provision for bad debts	190,176,205.84	93.44	189,807,225.64	99.81	368,980.20
Provision for bad debts by portfolio	13,341,020.69	6.56	6,271,960.06	47.01	7,069,060.63
Sub total	203,517,226.53	100	196,079,185.70	96.35	7,438,040.83

2) Other receivables with important single provision for bad debts

Company name	Beginning balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Provision ratio (%)	Basis of provision
Guangdong Jianbang group (Huiyang) Industrial Co., Ltd. (hereinafter referred to as Jianbang company)			843,296,961.67	102,965,447.05	12.21	Not expected to be recovered

Company name	Beginning balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Provision ratio (%)	Basis of provision
Great Wall (Vancouver) Inc	89,035,748.07	89,035,748.07	89,035,748.07	89,035,748.07	100.00	Not expected to be recovered
Baili Co., Ltd	19,393,335.84	19,393,335.84	19,363,348.69	19,363,348.69	100.00	Not expected to be recovered
Burkton Australia Limited	12,559,290.58	12,559,290.58	12,559,290.58	12,559,290.58	100.00	Not expected to be recovered
Guangdong Huizhou Luofushan mineral water beverage Co., Ltd	10,465,168.81	10,465,168.81	10,465,168.81	10,465,168.81	100.00	Not expected to be recovered
Xi'an Xinfeng Property Trading Co., Ltd	8,419,205.19	8,419,205.19	8,391,333.18	8,391,333.18	100.00	Not expected to be recovered
Shenzhen Shenxi building decoration company	7,660,529.37	7,660,529.37	7,660,529.37	7,660,529.37	100.00	Not expected to be recovered
Beijing Shenfang Property Management Co., Ltd	6,905,673.69	6,533,817.09	6,905,673.69	6,533,817.09	94.62	Not expected to be recovered
Baoan mall	6,343,030.65	6,343,030.65	6,343,030.65	6,343,030.65	100.00	Not expected to be recovered
Shenzhen Nanyang Hotel Co., Ltd	3,168,721.00	3,168,721.00	3,168,721.00	3,168,721.00	100.00	Not expected to be recovered
Shenzhen Runhua Auto Trading Company	3,072,764.42	3,072,764.42	3,072,764.42	3,072,764.42	100.00	Not expected to be recovered
Shenzhen local building materials company	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	100.00	Not expected to be recovered
Junxinhe	2,800,000.00	2,800,000.00	2,800,000.00	2,800,000.00	100.00	Not expected to be recovered
Harbin Power District Xinle feed processing factory	1,970,000.00	1,970,000.00	1,970,000.00	1,970,000.00	100.00	Not expected to be recovered
Simo	1,868,735.45	1,868,735.45	1,868,735.45	1,868,735.45	100.00	Not expected to be recovered

Company name	Beginning balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Provision ratio (%)	Basis of provision
Sub total	176,662,203.07	176,290,346.47	1,019,901,305.58	279,197,934.36	27.37	

3) Other receivables with portfolio provision for bad debts

Portfolio name	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Portfolio of receivables from related parties	854,095.27		
Portfolio of receivables from government departments	165,460.00		
Employee reserve portfolio receivable	615,652.06		
Collection and payment portfolio receivable	1,487,672.34	72,605.97	4.88
Other receivables portfolio	4,413,297.74	282,378.26	6.40
Sub total	7,536,177.41	354,984.23	4.71

(4) Changes in bad debt reserves

Projects	Stage 1.	Stage 2.	Stage 3.	Total
	Next 12 months Expected credit loss	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Beginning balance	209,559.52	857,709.31	195,011,916.87	196,079,185.70
Beginning balance in current period	—	—	—	
--Move to phase 2				
--Move to phase 3				
--Back to phase 2				
--Back to phase 1				
Current provision			101,818,165.64	101,818,165.64
Recovered or reversed in the current period	55,149.32	489,460.51		544,609.83
Current write off				
Other changes		-335,272.14		-335,272.14
Closing balance	154,410.20	32,976.66	296,830,082.51	297,017,469.37
Provision ratio for bad debt reserves at the end of the period (%)	2.45	2.65	28.61	28.42

(5) Top 5 other receivables

Company name	Nature of payment	Book balance at the end of the period	Aging	Proportion in balance of other receivables (%)	Bad debt provision at the end of the period
Jianbang	Related party current account	843,296,961.67	Within 1 year, 1-2 years, 2-3 years and more than 5 years	80.70	102,965,447.05
Great Wall (Vancouver) Inc	Related party current account	89,035,748.07	More than 5 years	8.52	89,035,748.07
Baili Co., Ltd	Related party current account	19,363,348.69	More than 5 years	1.85	19,363,348.69
Burkton Australia Limited	Related party current account	12,559,290.58	More than 5 years	1.20	12,559,290.58
Guangdong Huizhou Luofushan mineral water beverage Co., Ltd	Related party current account	10,465,168.81	More than 5 years	1.00	10,465,168.81
Sub total		974,720,517.82		93.28	234,389,003.20

7. Inventory

(1) Details

Projects	Closing balance			Beginning balance		
	Book balance	Depreciation reserve	book value	Book balance	Depreciation reserve	book value
development cost	28,291,908.11		28,291,908.11	2,276,063,206.65	711,787,110.18	1,564,276,096.47
Develop products	1,125,583,917.83	54,580,338.25	1,071,003,579.58	2,127,137,511.58	54,807,711.11	2,072,329,800.47
Inventory	103,023.47	38,891.91	64,131.56	273,224.31	38,891.91	234,332.40
Total	1,153,978,849.41	54,619,230.16	1,099,359,619.25	4,403,473,942.54	766,633,713.20	3,636,840,229.34

(2) Inventory depreciation reserve

1) Details

Projects	Beginning balance	Increase in current period		Decrease in current period		Closing balance
		Provision	other	Reversal or write off	Others [note]	
development cost	711,787,110.18				711,787,110.18	

Projects	Beginning balance	Increase in current period		Decrease in current period		Closing balance
		Provision	other	Reversal or write off	Others [note]	
Develop products	54,807,711.11			227,372.86		54,580,338.25
Inventory	38,891.91					38,891.91
Total	766,633,713.20			227,372.86	711,787,110.18	54,619,230.16

[note] Jianbang company was taken over by the bankruptcy administrator for bankruptcy liquidation on November 30, 2025, and will no longer be included in the scope of consolidation from November 30, 2025. The provision for inventory depreciation will decrease with the release of Jianbang company.

2) The specific basis for determining the net realisable value and the reasons for the reversal or write off of inventory depreciation reserves in the current period

Projects	Determining net realisable value Specific basis	Reversal of inventory depreciation Reasons for preparation	Write off inventory depreciation Reasons for preparation
development cost	The estimated selling price of inventory minus the estimated cost to be incurred at completion, the estimated selling expenses and related taxes	The net realizable value of inventory with provision for inventory depreciation in previous periods increased	Inventory consumption/sale with provision for inventory depreciation in the current period
Develop products	The net realisable value is determined by the amount of the estimated selling price of the relevant developed products minus the product cost, the estimated selling expenses and the relevant taxes and fees	The net realizable value of inventory with provision for inventory depreciation in previous periods increased	Inventory consumption/sale with provision for inventory depreciation in the current period
Inventory	The net realisable value is determined by the amount of the estimated selling price of the relevant inventory goods minus the cost of the products, the estimated selling expenses and the relevant taxes and fees	The net realizable value of inventory with provision for inventory depreciation in previous periods increased	Inventory consumption/sale with provision for inventory depreciation in the current period

(3) Capitalization of borrowing costs

Projects	Included in closing balance Capitalization amount of borrowing costs	Interest capitalization rate (%)	Calculation standard and basis of capitalization amount
Guangming Li	2,206,417.88	4.06	Calculated according to the interest rate stipulated in the loan contract
Sub total	2,206,417.88	4.06	

(4) Other instructions

1) Inventory development costs

entry name	Start time	Estimated time	Estimated total	Beginning balance	Closing balance	Provision for depreciation at the
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		for completion	investment (10000 yuan)			end of the period
Lin Xinyuan	2021		300,000.00	2,247,771,298.55		
Shantou Xinfeng tower				28,291,908.10	28,291,908.11	
Sub total			300,000.00	2,276,063,206.65	28,291,908.11	

2) Inventory - develop products

entry name	Time for completion	Beginning balance	Increase in current period	Decrease in current period	Closing balance	Closing decline Price reserve
Guangming Li	2024	1,432,471,630.58	3,603,133.08	971,685,098.89	464,389,664.77	
Tianyuewan phase II	2021	441,400,625.10	1,979,410.15	29,915,421.77	413,464,613.48	28,917,964.91
Tianyuewan phase I	2017	191,139,379.80		6,426,489.82	184,712,889.98	24,890,553.23
Golden Leaf Island Haitian Pavilion	1997	39,999,534.04	960.31		40,000,494.35	771,820.11
Tsui Lam Yuen	2018	7,696,703.10	816,399.26		8,513,102.36	
Yue King Oriental	2014	6,121,027.07			6,121,027.07	
Golden Leaf Island phase 10	2010	5,641,278.54	57,279.71		5,698,558.25	
Golden Leaf Island phase 11	2008	2,222,776.30	16,234.22		2,239,010.52	
Beijing Xinfeng tower		304,557.05			304,557.05	
Whampoa Estate		140,000.00			140,000.00	
Sub total		2,127,137,511.58	6,473,416.73	1,008,027,010.48	1,125,583,917.83	54,580,338.25

8. Contract assets

(1) Details

Projects	Closing balance			Beginning balance		
	Book balance	Provision for impairment	book value	Book balance	Provision for impairment	book value
Completed and unsettled project funds	32,613,380.97	3,578,124.69	29,035,256.28	32,059,525.05	1,170,801.96	30,888,723.09
Total	32,613,380.97	3,578,124.69	29,035,256.28	32,059,525.05	1,170,801.96	30,888,723.09

(2) Provision for impairment

Types	Closing balance				
	Book balance		Provision for impairment		book value
	money	Proportion (%)	money	Provision Proportion (%)	

Provision for impairment by portfolio	32,613,380.97	100.00	3,578,124.69	10.97	29,035,256.28
Total	32,613,380.97	100.00	3,578,124.69	10.97	29,035,256.28

1) Category breakdown
(Continued)

Types	Beginning balance				
	Book balance		Provision for impairment		book value
	money	Proportion (%)	money	Provision Proportion (%)	
Provision for impairment by portfolio	32,059,525.05	100.00	1,170,801.96	3.65	30,888,723.09
Total	32,059,525.05	100.00	1,170,801.96	3.65	30,888,723.09

2) Contract assets with portfolio provision for impairment

Projects	Closing balance		
	Book balance	Provision for impairment	Provision ratio (%)
Construction mix	32,613,380.97	3,578,124.69	10.97
Sub total	32,613,380.97	3,578,124.69	10.97

(3) Changes in provision for impairment

Projects	Beginning balance	Current change amount				Closing balance
		Provision	Withdrawal or reversal	Write off	other	
Provision for impairment by portfolio	1,170,801.96	2,407,322.73				3,578,124.69
Total	1,170,801.96	2,407,322.73				3,578,124.69

9. Other current assets

(1) Details

Projects	Closing balance			Beginning balance		
	Book balance	Impairment ready	book value	Book balance	Impairment ready	book value
Prepaid income tax	1,310,041.90		1,310,041.90	63,654,695.18		63,654,695.18
VAT prepaid	35,023,855.49		35,023,855.49	41,955,887.75		41,955,887.75
Advance land value-added tax	27,906,656.73		27,906,656.73	28,100,310.83		28,100,310.83
Input tax to be deducted	407,250.18		407,250.18	9,375,930.68		9,375,930.68
Contract acquisition cost				6,508,438.39		6,508,438.39
Advance urban construction tax and surcharges	1,431,668.71		1,431,668.71	4,587,785.46		4,587,785.46

Projects	Closing balance			Beginning balance		
	Book balance	Impairment ready	book value	Book balance	Impairment ready	book value
other	53,992.23		53,992.23	8,975.57		8,975.57
Total	66,133,465.24		66,133,465.24	154,192,023.86		154,192,023.86

(2) Contract acquisition cost

Projects	Beginning balance	Increase in current period	Current write off	Provision for impairment in the current period	Closing balance
Guangming Li	5,110,543.39		5,110,543.39		
Lin Xinyuan	1,397,895.00		1,397,895.00		
Sub total	6,508,438.39		6,508,438.39		

10. Long-term equity investments

(1) Classification

Projects	Closing balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in joint ventures	19,424,671.47	19,424,671.47		19,424,671.47	19,424,671.47	
Investments in associates	32,898,465.09	32,898,465.09		32,898,465.09	32,898,465.09	
Other equity investments	167,761,564.39	167,761,564.39		167,761,564.39	167,761,564.39	
Total	220,084,700.95	220,084,700.95		220,084,700.95	220,084,700.95	

(2) Details

Investee	Beginning balance		Increase and decrease in the current period			
	Book value	Provision for impairment	Additional investments	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive Earnings adjustment
Joint venture						
Guangdong Huizhou Luofushan mineral water beverage Co., Ltd		9,969,206.09				
Fengkai Xinghua Hotel		9,455,465.38				
Sub total		19,424,671.47				
Associates						
Shenzhen ronghua Electromechanical		1,076,954.64				

Investee	Beginning balance		Increase and decrease in the current period			
	Book value	Provision for impairment	Additional investments	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive Earnings adjustment
Engineering Co., Ltd						
Shenzhen Runhua Auto Trading Company		1,445,425.56				
Dongyi Real Estate Co., Ltd		30,376,084.89				
Sub total		32,898,465.09				
Other equity investments						
Baili Co., Ltd		201,100.00				
Burkton Australia		906,630.00				
Shenzhen shenfang Department Store Co., Ltd		10,000,000.00				
Shantou Xinfeng tower		58,547,652.25				
Guangdong Fengkai Lianfeng cement manufacturing Co., Ltd		56,042,236.04				
Jiangmen Xinjiang Real Estate Co., Ltd		9,037,070.89				
Xi'an Xinfeng Property Trading Co., Ltd		32,840,729.61				
Sub total		167,761,564.39				
Total		220,084,700.95				

(Continued)

Investee	Increase and decrease in the current period				Closing balance	
	Other equity changes	Declaration of cash dividends or profits	Provision for impairment	Other	Book value	Provision for impairment
Joint venture						
Guangdong Huizhou Luofushan mineral water beverage Co., Ltd						9,969,206.09
Fengkai Xinghua Hotel						9,455,465.38
Sub total						19,424,671.47
Associates						

Investee	Increase and decrease in the current period				Closing balance	
	Other equity changes	Declaration of cash dividends or profits	Provision for impairment	Other	Book value	Provision for impairment
Shenzhen ronghua Electromechanical Engineering Co., Ltd						1,076,954.64
Shenzhen Runhua Auto Trading Company						1,445,425.56
Dongyi Real Estate Co., Ltd						30,376,084.89
Sub total						32,898,465.09
Other equity investments						
Baili Co., Ltd						201,100.00
Burkton Australia						906,630.00
Shenzhen shenfang Department Store Co., Ltd						10,000,000.00
Shantou Xinfeng tower						58,547,652.25
Guangdong Fengkai Lianfeng cement manufacturing Co., Ltd						56,228,381.64
Jiangmen Xinjiang Real Estate Co., Ltd						9,037,070.89
Xi'an Xinfeng Property Trading Co., Ltd						32,840,729.61
Sub total						167,761,564.39
Total						220,084,700.95

[note] in other equity investments, the equity of subsidiaries not included in the scope of consolidation of the company is accounted for. This subsidiary may have completed the revocation procedures, but the company has not written off its long-term equity investment, or stopped operating many years ago, and the company has no entity, so the company has been unable to effectively control it. See Note 6 for details

11. Investment in other equity instruments

Projects	Beginning balance	Increase and decrease in the current period			
		Additional investments	Reduce investment	Gains and losses included in other comprehensive income in the current period	other
Shantou small and	14,697,341.18			-125,829.37	

Projects	Beginning balance	Increase and decrease in the current period			
		Additional investments	Reduce investment	Gains and losses included in other comprehensive income in the current period	other
medium-sized enterprise financing guarantee Co., Ltd					
Total	14,697,341.18			-125,829.37	

(Continued)

Projects	Closing balance	Dividend income recognized in the current period	Gains and losses included in other comprehensive income at the end of the period
Shantou small and medium-sized enterprise financing guarantee Co., Ltd	14,571,511.81	778,495.00	6,282,876.24
Total	14,571,511.81	778,495.00	6,282,876.24

12. Investment properties

Projects	Houses and buildings	land use right	Total
Book value			
Beginning balance	1,042,937,072.97	110,807,339.45	1,153,744,412.42
Increase in current period	33,326,036.91		33,326,036.91
1) Outsourcing			
2) Inventory transfer in	33,326,036.91		33,326,036.91
Decrease in current period	1,677,368.76	2,467,728.73	4,145,097.49
1) Disposal	99,150.45		99,150.45
2) Other (exchange rate changes)	1,578,218.31	2,467,728.73	4,045,947.04
Closing balance	1,074,585,741.12	108,339,610.72	1,182,925,351.84
Accumulated depreciation and amortization			
Beginning balance	532,826,612.47		532,826,612.47
Increase in current period	25,664,684.19		25,664,684.19

Projects	Houses and buildings	land use right	Total
1) Provision or amortization	25,664,684.19		25,664,684.19
2) Other (exchange rate changes)			
Decrease in current period	1,167,907.29		1,167,907.29
1) Disposal	90,316.76		90,316.76
2) Other (exchange rate changes)	1,077,590.53		1,077,590.53
Closing balance	557,323,389.37		557,323,389.37
Provision for impairment			
Beginning balance	14,047,929.59	90,944,753.82	104,992,683.41
Increase in current period			
1) Provision			
Decrease in current period		2,025,380.11	2,025,380.11
1) Disposal			
2) Other (exchange rate changes)		2,025,380.11	2,025,380.11
Closing balance	14,047,929.59	88,919,373.71	102,967,303.30
book value			
Closing book value	503,214,422.16	19,420,237.01	522,634,659.17
Beginning book value	496,062,530.91	19,862,585.63	515,925,116.54

13. Fixed assets

Projects	Houses and buildings	Transport equipment	Electronics and others	Total
Book value				
Beginning balance	99,967,911.10	7,491,729.61	8,345,607.75	115,805,248.46
Increase in current period	-		572,220.99	572,220.99
1) Purchase			572,220.99	572,220.99
2) Other increases				
Decrease in current period	332,006.34	337,241.00	463,752.98	1,133,000.32
1) Disposal or scrapping	332,006.34	337,241.00	176,879.56	846,126.90
2) Other decrease			286,873.42	286,873.42

Projects	Houses and buildings	Transport equipment	Electronics and others	Total
Closing balance	99,635,904.76	7,154,488.61	8,454,075.76	115,244,469.13
Accumulated depreciation				
Beginning balance	85,851,256.18	6,053,367.82	6,411,416.89	98,316,040.89
Increase in current period	2,141,291.07	236,905.80	478,314.57	2,856,511.44
1) Provision	2,141,291.07	236,905.80	478,314.57	2,856,511.44
2) Other increases				
Decrease in current period	179,611.33	303,516.90	394,855.42	877,983.65
1) Disposal or scrapping	179,611.33	303,516.90	169,117.89	652,246.12
2) Other decrease			225,737.53	225,737.53
Closing balance	87,812,935.92	5,986,756.72	6,494,876.04	100,294,568.68
Provision for impairment				
Beginning balance				
Increase in current period				
1) Provision				
2) Other increases				
Decrease in current period				
1) Disposal or scrapping				
2) Other decrease				
Closing balance				
book value				
Book value at the end of the period	11,822,968.84	1,167,731.89	1,959,199.72	14,949,900.45
Beginning book value	14,116,654.92	1,438,361.79	1,934,190.86	17,489,207.57

14. Construction in progress

(1) Details

Project name	Closing balance		
	Book balance	Provision for impairment	book value
Restoration and renovation of shenfang Plaza Heliport	398,222.67		398,222.67
Renovation project of atrium elevator in shenfang Plaza podium	173,600.00		173,600.00

Project name	Closing balance		
	Book balance	Provision for impairment	book value
Total	571,822.67		571,822.67

(2) Increase and decrease of construction in progress

Project name	Beginning balance	Increase in current period	Current transfer in fixed assets	Other decrease in the current period	Closing balance
Restoration and renovation of shenfang Plaza Heliport		398,222.67			398,222.67
Renovation project of atrium elevator in shenfang Plaza podium		173,600.00			173,600.00
Total		571,822.67			571,822.67

15. Intangible assets

Projects	software	Total
Book value		
Beginning balance	2,192,000.00	2,192,000.00
Increase in current period		
1) Purchase		
Decrease in current period		
1) Disposal		
Closing balance	2,192,000.00	2,192,000.00
Accumulated amortization		
Beginning balance	2,192,000.00	2,192,000.00
Increase in current period		
1) Provision		
Decrease in current period		
1) Disposal		
Closing balance	2,192,000.00	2,192,000.00
Provision for impairment		
Beginning balance		

Projects	software	Total
Increase in current period		
1) Provision		
Decrease in current period		
1) Disposal		
Closing balance		
book value		
Book value at the end of the period		
Beginning book value		

16. Long term deferred expenses

Projects	Beginning balance	Increase in current period	Current amortization	Other decrease	Closing balance
Renovation fee	1,578,307.83	761,576.34	724,200.25		1,615,683.92
Others	141,603.89		59,001.60	82,602.29	
Total	1,719,911.72	761,576.34	783,201.85	82,602.29	1,615,683.92

17. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets not offset

Projects	Closing balance		Beginning balance	
	Deductible Temporary differences	Deferred Income tax assets	Deductible Temporary differences	Deferred Income tax assets
Provision for impairment of assets	17,373,070.56	4,343,267.64	17,887,164.32	4,471,791.08
Deductible loss	9,058,968.76	2,264,742.19	34,153,954.30	8,538,488.58
Unrealized profit from internal transactions			78,405,738.36	19,601,434.58
Estimated contract cost			3,839,130.81	959,782.70
Total	26,432,039.32	6,608,009.83	134,285,987.79	33,571,496.94

(2) Deferred income tax liabilities not offset

Projects	Closing balance		Beginning balance	
	Taxable Temporary differences	Deferred Income tax liabilities	Taxable Temporary differences	Deferred Income tax liabilities

Projects	Closing balance		Beginning balance	
	Taxable Temporary differences	Deferred Income tax liabilities	Taxable Temporary differences	Deferred Income tax liabilities
Interest not due	2,778,907.00	694,726.75	2,340,498.77	585,124.68
Changes in fair value of investments in other equity instruments	2,571,511.84	642,877.96	2,697,341.18	674,335.30
Total	5,350,418.84	1,337,604.71	5,037,839.95	1,259,459.98

(3) Deferred income tax assets or liabilities presented at net amount after offset

Projects	Closing balance		Beginning balance	
	Offset of deferred income tax assets and liabilities	After offset Balance of deferred income tax assets or liabilities	Offset of deferred income tax assets and liabilities	After offset Balance of deferred income tax assets or liabilities
deferred tax assets	469,690.21	6,138,319.62		33,571,496.94
Deferred Tax Liability	469,690.21	867,914.50		1,259,459.98

(4) Details of unrecognized deferred income tax assets

Projects	Closing balance	Beginning balance
deductible temporary differences	1,176,975,484.48	1,313,992,914.93
Deductible loss	142,018,237.92	94,399,508.95
Total	1,318,993,722.40	1,408,392,423.88

(5) The deductible loss of unrecognized deferred income tax assets will expire in the following year

Year	Closing balance	Beginning balance	Note
2025		1,629.25	
2026	346,891.06	346,891.06	
2027	48,904,614.38	48,904,614.38	
2028	18,354,716.24	18,354,716.24	
2029	24,953,841.51	26,791,658.02	
2030	49,458,174.73		
Total	142,018,237.92	94,399,508.95	

18. Assets with restricted ownership or use rights

(1) Asset constraints at the end of the period

Projects	Book balance at the end of the period	Book value at the end of the period	limited type	Reasons for restrictions
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Projects	Book balance at the end of the period	Book value at the end of the period	limited type	Reasons for restrictions
Monetary funds	5,674,439.78	5,674,439.78	Seizure	Public facilities projects in and around the urban renewal project in Longgang District, Shenzhen - construction funds
Monetary funds	50,154.19	50,154.19	Seizure	Construction deposit
Monetary funds	70,010.20	70,010.20	Seizure	Stop payments, stop accounts
Accounts receivable	7,379,890.15	7,158,493.45	pledge	Pledge of short-term loans
Total	13,174,494.32	12,953,097.62		

(2) Restrictions on assets at the beginning of the period

Projects	Beginning book balance	Beginning book value	limited type	Reasons for restrictions
Monetary funds	5,817,217.78	5,817,217.78	Seizure	Construction funds for public facilities projects in and around the urban renewal project in Longgang District, Shenzhen; Land reclamation cost of Guangming Li project
Monetary funds	2,306,548.48	2,306,548.48	freeze	Litigation freeze
Monetary funds	50,155.58	50,155.58	Seizure	Construction deposit
Monetary funds	158,549.08	158,549.08	Seizure	Stop payments, stop accounts
Accounts receivable	4,918,250.30	4,770,702.79	pledge	Pledge of short-term loans
inventory	234,599,800.76	161,509,611.70	Litigation preservation	Supplier litigation preservation
Investment properties	137,329,055.83	38,505,029.10	mortgage	Mortgage on borrowings
Total	385,179,577.81	213,117,814.51		

19. Short-term borrowings

Projects	Closing balance	Beginning balance
Accounts receivable factoring	50,000.00	1,563,000.00
Total	50,000.00	1,563,000.00

20. Accounts payable

(1) Details

Projects	Closing balance	Beginning balance
Procurement of engineering materials and construction	171,738,333.04	450,147,073.38
other		14,341,908.92
Total	171,738,333.04	464,488,982.30

(2) Important accounts payable with an account age of more than 1 year

Projects	Closing balance	Reasons for outstanding or carry over
Shenzhen Guangming construction engineering No. 1 Construction Engineering Co., Ltd	69,727,732.09	Unsettled
Shenzhen Municipal Engineering Corporation	16,073,112.33	Unsettled
Sub total	85,800,844.42	

21. Advance receipts

Projects	Closing balance	Beginning balance
rent	722,042.14	1,398,988.78
Total	722,042.14	1,398,988.78

22. Contractual liabilities

(1) Details

Projects	Closing balance	Beginning balance
Advance receipts	15,710,437.24	1,284,864,387.02
Advance payment	8,115,281.04	8,705,289.17
other	4,574,940.92	4,576,556.16
Total	28,400,659.20	1,298,146,232.35

(2) Important contract liabilities with an account age of more than one year

Projects	Closing balance	Reasons for not carrying forward
Guangming Li	2,525,427.51	The handover of the house with the owner has not been completed
Total	2,525,427.51	

(3) Collection of pre-sale real estate of important projects

entry name	Closing balance	Beginning balance	Time for completion	Residential signing ratio (%)
Guangming Li	2,525,427.51	1,270,976,624.80	End of 2024	99.74

entry name	Closing balance	Beginning balance	Time for completion	Residential signing ratio (%)
Sub total	2,525,427.51	1,270,976,624.80		

(4) Reasons for significant changes in the book value of contract liabilities during the current period

Projects	Change amount	Reasons for change
Guangming Li	1,268,451,197.29	Guangming Li will complete the house handover to the owner in 2025
Sub total	1,268,451,197.29	

23. Payroll payable

(1) Details

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Short-term compensation	22,443,222.88	65,878,356.82	58,653,769.62	29,667,810.08
Post employment benefits - defined contribution plan	56,145.41	7,174,258.36	7,228,564.97	1,838.80
termination benefits		3,837,029.46	749,335.46	3,087,694.00
Total	22,499,368.29	76,889,644.64	66,631,670.05	32,757,342.88

(2) Details of short-term compensation

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Salaries, bonuses, allowances and subsidies	22,165,168.53	56,498,322.84	49,113,053.85	29,550,437.52
Employee benefits		3,124,994.52	3,124,994.52	
Social insurance premiums		2,500,080.97	2,500,080.97	
Including: medical insurance premium		2,098,667.34	2,098,667.34	
Industrial injury insurance		205,554.23	205,554.23	
Maternity insurance		194,891.40	194,891.40	
Employment security for the disabled		968.00	968.00	
housing fund		2,232,140.90	2,232,140.90	
Labor union funds and employee education funds	278,054.35	1,411,985.20	1,572,666.99	117,372.56
Short-term paid absences		92,125.08	92,125.08	
Other short-term compensation		18,707.31	18,707.31	

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Sub total	22,443,222.88	65,878,356.82	58,653,769.62	29,667,810.08

(3) Details of defined contribution plan

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Basic pension		6,505,753.23	6,505,753.23	
Unemployment insurance premiums		354,846.59	354,846.59	
Enterprise annuity payment	56,145.41	313,658.54	367,965.15	1,838.80
Sub total	56,145.41	7,174,258.36	7,228,564.97	1,838.80

24. Taxes payable

Projects	Closing balance	Beginning balance
value added tax	937,306.31	1,926,338.10
Corporate income tax	16,169,391.23	15,240,318.16
Withholding and paying individual income tax	2,139,885.12	2,614,360.35
Urban maintenance and construction tax	1,336,686.83	1,231,330.83
Land value-added tax	4,645,184.15	4,645,184.15
Property taxes	537,531.44	352,632.19
Education surcharge	577,466.85	868,224.47
Local education surcharge	368,675.16	546,470.88
other	209,955.49	129,950.88
Total	26,922,082.58	27,554,810.01

25. Other accounts payable

(1) Details

Projects	Closing balance	Beginning balance
Interest payable	16,535,277.94	16,535,277.94
Other accounts payable	127,745,131.22	544,481,375.23
Total	144,280,409.16	561,016,653.17

(2) Interest payable

1) Details

Projects	Closing balance	Beginning balance
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Projects	Closing balance	Beginning balance
Interest on loans from non-financial institutions (interest payable to parent company)	16,535,277.94	16,535,277.94
Sub total	16,535,277.94	16,535,277.94

2) Important overdue interest payment

Borrower	Overdue amount	Overdue reason
Shenzhen Investment Holding Co., Ltd	16,535,277.94	Unpaid
Sub total	16,535,277.94	

(3) Other accounts payable

Projects	Closing balance	Beginning balance
Non related party current account	26,581,817.09	177,773,291.96
Related party transactions	9,065,673.97	234,015,438.99
deposit	23,487,225.44	25,941,548.11
other	68,610,414.72	106,751,096.17
Sub total	127,745,131.22	544,481,375.23

26. Non current liabilities due within one year

Projects	Closing balance	Beginning balance
Long-term loans due within one year		33,888,347.83
Total		33,888,347.83

27. Other current liabilities

Projects	Closing balance	Beginning balance
Tax on sales to be transferred	235,112.72	114,948,818.17
Accounts receivable factoring	7,329,890.15	3,355,250.30
Total	7,565,002.87	118,304,068.47

28. Long-term borrowings

Projects	Closing balance	Beginning balance
Mortgages		96,162,025.65
Less: long-term loans due within one year		33,888,347.83
Total		62,273,677.82

29. Share capital

Projects	Beginning balance	Increase or decrease in the current period (decrease expressed by "-")					Closing balance
		issue New share s	Divide nd	Provident fund conversion	oth er	Sub total	
Total shares	1,011,660,000.00						1,011,660,000.00

30. Capital reserve

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Capital premium (equity premium)	557,433,036.93			557,433,036.93
Other capital reserve	420,811,873.18			420,811,873.18
Total	978,244,910.11			978,244,910.11

31. Other comprehensive income

Projects	Beginning balance	Current amount						Closing balance
		Net after tax of other comprehensive income					Less: other comprehensive income included in the previous period is transferred to retained income in the current period (attributable to the parent company after tax)	
		Amount before income tax in the current period	Less: included in other comprehensive income in the previous period and transferred to profit and loss in the current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax		
Other comprehensive income that cannot be reclassified into profit or loss	2,439,210.13	-125,829.37		31,457.34	-94,372.03		2,344,838.10	
Among them: re measurement of changes in defined benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of investments in other equity instruments	2,439,210.13	-125,829.37		31,457.34	-94,372.03		2,344,838.10	
Changes in fair value of enterprise's own credit risk								

Projects	Beginning balance	Current amount						Closing balance
		Net after tax of other comprehensive income					Less: other comprehensive income included in the previous period is transferred to retained income in the current period (attributable to the parent company after tax)	
		Amount before income tax in the current period	Less: included in other comprehensive income in the previous period and transferred to profit and loss in the current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax		
Other comprehensive income to be reclassified to profit or loss	20,621,206.18	1,536,756.74			349,071.24	1,187,685.50	20,970,277.42	
Among them: other comprehensive income convertible to profit or loss under equity method								
Changes in fair value of other creditor's rights investments								
Amount of reclassification of financial assets into other comprehensive income								
Provision for credit impairment of other creditor's rights investment								
Cash flow hedging reserve								
Translation difference of foreign currency financial statements	20,621,206.18	1,536,756.74			349,071.24	1,187,685.50	20,970,277.42	
Total other comprehensive income	23,060,416.31	1,410,927.37		-31,457.34	254,699.21	1,187,685.50	23,315,115.52	

32. Surplus reserve

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
Legal reserve	275,253,729.26			275,253,729.26
Total	275,253,729.26			275,253,729.26

33. Undistributed profit

Projects	Current period	Same period last year
Undistributed profit at the end of the previous period before adjustment	1,223,893,437.74	1,400,604,385.39
Adjust the total undistributed profit at the beginning of the period (increase+, decrease -)		
Undistributed profit at the beginning of the later period	1,223,893,437.74	1,400,604,385.39

Projects	Current period	Same period last year
Plus: net profit attributable to owners of the parent company in the current period	99,956,003.75	-176,710,947.65
Less: withdrawal of statutory surplus reserve		
Common Stock dividends payable		
Undistributed profit at the end of the period	1,323,849,441.49	1,223,893,437.74

(2) Notes to consolidated income statement items

1. Operating income/operating cost

(1) Details

Projects	Current period		Same period last year	
	income	cost	income	cost
Main business income	1,475,508,650.42	1,066,407,099.14	399,806,208.89	329,523,182.30
Other business income	7,363,648.94	3,405,345.60	7,215,982.55	2,802,468.00
Total	1,482,872,299.36	1,069,812,444.74	407,022,191.44	332,325,650.30
Among them: revenue from contracts with customers	1,420,214,184.88	1,028,129,256.31	337,868,729.90	290,264,756.49

(2) Revenue breakdown

1) Revenue from contracts with customers is broken down by type of goods or services

Projects	Current period		Same period last year	
	income	cost	income	cost
real estate	1,324,656,290.59	937,154,626.27	162,523,053.49	127,086,267.87
engineering construction	81,299,490.77	82,326,326.57	160,327,744.72	154,348,805.43
other	14,258,403.52	8,648,303.47	15,017,931.69	8,829,683.19
Sub total	1,420,214,184.88	1,028,129,256.31	337,868,729.90	290,264,756.49

2) Revenue from contracts with customers is broken down by region of operation

Projects	Current period		Same period last year	
	income	cost	income	cost
Guangdong Province	1,419,516,215.79	1,028,129,256.31	337,173,047.00	290,264,756.49
United States	697,969.09		695,682.90	
Sub total	1,420,214,184.88	1,028,129,256.31	337,868,729.90	290,264,756.49

3) Revenue from contracts with customers is broken down by the time goods or services are transferred

Projects	Current period	Same period last year
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Projects	Current period	Same period last year
Revenue recognized at a certain point	1,324,656,290.59	162,523,053.49
Revenue is recognized in a certain period of time	95,557,894.29	175,345,676.41
Sub total	1,420,214,184.88	337,868,729.90

(3) Information on performance obligations

Projects	Time for performance	Important payment terms	The nature of the goods the company undertakes to transfer	Is it the main responsible person	Payments assumed by the company that are expected to be refunded to customers	Types of quality assurance provided by the company and related obligations
Selling goods	When goods are delivered	After the contract is signed, the contract price shall be collected in advance	Commercial housing	yes	nothing	Quality assurance
Provision of services	When services are provided	When the general service is completed, it shall be charged according to the contract	Engineering construction, property management and other services	yes	nothing	nothing

(4) The revenue recognized in the current period included in the book value of contract liabilities at the beginning of the period is 1277707691.77 yuan.

2. Taxes and surcharges

Projects	Current period	Same period last year
Land value-added tax	2,493,584.64	2,714,249.05
Property taxes	10,144,167.53	9,956,557.84
Urban maintenance and construction tax	3,728,882.75	1,012,893.50
Education surcharge	1,583,420.73	411,819.81
Local education surcharge	1,073,716.28	274,953.45
Land use tax	1,004,517.36	1,120,370.46
Stamp duty and other taxes	1,851,122.87	1,250,438.60
Total	21,879,412.16	16,741,282.71

3. Selling expenses

Projects	Current period	Same period last year
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Projects	Current period	Same period last year
Sales agent fees and commissions	6,225,248.69	1,863,418.96
Employee compensation	5,112,278.69	3,362,219.19
Property management fee	3,924,137.90	3,906,657.98
cost of operation	192,056.24	136,489.27
Advertising fees	2,815,526.99	2,488,123.19
other	2,505,974.90	1,407,764.34
Total	20,775,223.41	13,164,672.93

4. Overhead

Projects	Current period	Same period last year
Employee compensation	59,783,269.03	48,292,124.93
Intermediary fees	3,169,937.43	6,587,170.53
Legal fees	834,607.10	4,504,258.91
Business hospitality	114,180.32	532,812.45
Depreciation	2,640,488.36	3,020,894.71
Office expenses	739,390.62	1,634,523.51
Repairs	147,807.43	380,818.94
Travel	40,070.56	235,772.33
Utilities	356,140.75	395,856.79
other	4,679,357.43	4,534,298.91
Total	72,505,249.03	70,118,532.01

5. Financial expenses

Projects	Current period	Same period last year
Interest expense	3,760,510.21	2,586,822.94
Less: interest income	3,829,111.01	7,998,718.28
Exchange gains and losses	-1,522,796.04	-465,656.39
Fees	371,261.82	374,804.61
Total	-1,220,135.02	-5,502,747.12

6. Other income

Projects	Current period	Same period last year	Amount included in non recurring gains and losses in the current period
grants related to income		753,298.54	
Refund of handling fee for withholding individual income tax	31,652.46	86,280.28	
VAT plus or minus		2,627.57	
Total	31,652.46	842,206.39	

7. Investment income

Projects	Current period	Same period last year
Long-term equity investment income accounted for by equity method		
Investment income from disposal of long-term equity investment	136,518.90	568,863.59
Gains from loss of control	-151,858,626.57	
Investment income of trading financial assets during the holding period		
Dividend income from investment in other equity instruments during the holding period	778,495.00	777,600.00
Total	-150,943,612.67	1,346,463.59

8. Income from changes in fair value

Projects	Current period	Same period last year
Trading financial assets	16,621,332.22	18,461,736.59
Among them: income from changes in fair value arising from financial assets designated to be measured at fair value and whose changes are included in the current profit and loss	16,621,332.22	18,461,736.59
Total	16,621,332.22	18,461,736.59

9. Credit impairment losses

Projects	Current period	Same period last year
Bad debt loss of accounts receivable	457,485.01	-8,437,909.31
Bad debt losses on other receivables	-2,544,245.75	-515,171.21
Total	-2,086,760.74	-8,953,080.52

10. Loss on impairment of assets

Projects	Current period	Same period last year
Inventory depreciation loss		-374,863,314.48
Impairment loss on contract assets	-2,407,322.73	-324,845.35
Total	-2,407,322.73	-375,188,159.83

11. Income from disposal of assets

Projects	Current period	Same period last year	Included in current non recurring Amount of profit or loss
Income from disposal of fixed assets	-5,767.73	195,840.20	-5,767.73
Total	-5,767.73	195,840.20	-5,767.73

12. Non operating income

Projects	Current period	Same period last year	Included in current non recurring Amount of profit or loss
Gains from damage and scrapping of non current assets	1,475.00		1,475.00
Fines, default income	923,846.06	2,170,800.00	923,846.06
Others	18,312.66	243,877.03	18,312.66
Total	943,633.72	2,414,677.03	943,633.72

13. Non operating expenses

Projects	Current period	Same period last year	Included in current non recurring Amount of profit or loss
External donations	1,614.33	31,795.00	1,614.33
Loss on damage and scrapping of non current assets	35,685.54	23,829.37	35,685.54
Late fees and liquidated damages		212,363.60	
other	32.50		32.50
Total	37,332.37	267,987.97	37,332.37

14. Income tax expense

(1) Details

Projects	Current period	Same period last year
Current income tax expense	61,525,217.02	-4,272,520.91
Deferred Income Tax Expense	157,641.58	894,975.30
Total	61,682,858.60	-3,377,545.61

(2) Accounting profit and income tax expense adjustment process

Projects	Current period	Same period last year
Total profit	161,235,927.20	-380,973,503.91
Income tax expense calculated at the applicable tax rate of the parent company	40,308,981.80	-95,243,375.98
Impact of different tax rates on subsidiaries	132,546.07	465,029.57
Effect of adjusting income tax in previous periods	-10,666,216.42	-6,533,032.37
Impact of non taxable income		-4,809,834.15
Impact of non deductible costs, expenses and losses	3,748,571.21	251,199.32
Impact of using deductible losses of unrecognized deferred income tax assets in the previous period	-99,497.07	-1,349,670.39
Impact of deductible temporary differences or deductible losses of deferred income tax assets not recognized in the current period	28,258,473.01	103,842,138.39
Income tax expense	61,682,858.60	-3,377,545.61

15. Net after tax of other comprehensive income

The net amount of other comprehensive income after tax is detailed in note 5 (1) 31 to the financial statements.

(3) Notes to consolidated cash flow statement items

1. Cash received or paid related to important investment activities

(1) Cash received from investment income

Projects	Current period	Same period last year
Dividend income from investment in other equity instruments	778,495.00	777,600.00
Sub total	778,495.00	777,600.00

(2) Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets

Projects	Current period	Same period last year
Disposal of long-term assets	162,736.20	519,930.21
Sub total	162,736.20	519,930.21

(3) Net cash received from disposal of subsidiaries and other business units

Projects	Current period	Same period last year
Cash or cash equivalents received from subsidiaries in the current period		
Among them: Shenzhen Property Management Co., Ltd		
Less: cash and cash equivalents held by the company on the date of loss of control	58,433.25	
Among them: Shenzhen Property Management Co., Ltd		
Jianbang	58,433.25	
Add: cash or cash equivalents received in the current period from disposal of subsidiaries in previous periods	136,518.90	568,863.59
Among them: Shenzhen Property Management Co., Ltd	136,518.90	568,863.59
Net cash received from disposal of subsidiaries	78,085.65	568,863.59

(4) Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets

Projects	Current period	Same period last year
Purchase of fixed assets	572,220.99	739,401.36
Long term deferred expenses	761,576.34	807,914.47
Expenditure on Construction in progress	571,822.67	
Sub total	1,905,620.00	1,547,315.83

2. Other cash received or paid related to operating activities, investment activities and financing activities

(1) Other cash received related to operating activities

Projects	Current period	Same period last year
Interest income	3,829,111.01	7,559,725.59
Current and other	973,811.18	8,330,076.43
Total	4,802,922.19	15,889,802.02

(2) Other cash payments related to operating activities

Projects	Current period	Same period last year
Financial Fees	371,261.82	374,804.61
Cash paid operating expenses	25,259,295.06	28,607,966.11
Current and other	27,171,214.96	22,960,703.60
Total	52,801,771.84	51,943,474.32

(3) Other cash received related to investment activities

Projects	Current period	Same period last year
Fund wealth management products	1,114,167,212.32	
Total	1,114,167,212.32	

(4) Other cash payments related to investment activities

Projects	Current period	Same period last year
Fund wealth management products	1,160,000,000.00	90,000,000.00
Total	1,160,000,000.00	90,000,000.00

3. Supplementary information to cash flow statement

Supplementary information	Current period	Same period last year
(1) Adjusting net profit to cash flow from operating activities:		
Net profit	99,553,068.60	-377,595,958.30
Plus: provision for impairment of assets	2,407,322.73	375,188,159.83
Provision for credit impairment	2,086,760.74	8,953,080.52
Depreciation of fixed assets, depreciation of right of use assets, depletion of oil and gas assets, depreciation of productive biological assets	28,521,195.63	28,234,946.71
Amortization of intangible assets		
Amortization of long term deferred expenses	783,201.85	686,525.85
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are represented with -)	5,767.73	-195,840.20
Loss on scrapping of fixed assets (income expressed with -)	34,210.54	23,829.37
Loss from changes in fair value (income is represented with -)	-16,621,332.22	-18,461,736.59
Financial expenses (income is represented with -)	3,867,783.17	2,586,822.94
Investment loss (income expressed with -)	150,943,612.67	-1,346,463.59
Decrease in deferred income tax assets (increase expressed with -)	517,729.72	2,741,314.32
Increase in deferred income tax liabilities (decrease expressed with -)	-360,088.14	-1,846,339.02
Decrease in inventory (increase expressed with -)	967,660,785.97	-96,487,621.86
Decrease in operating receivables (increase expressed with -)	-752,415,765.38	-50,483,605.92
Increase in operating payables (decrease expressed with -)	-582,303,687.54	598,936.15
other		
Net cash flow from operating activities	-95,319,433.93	-127,403,949.79
(2) Major investment and financing activities not involving cash receipts and payments:		

Supplementary information	Current period	Same period last year
Debt to capital		
Convertible corporate bonds due within one year		
New right to use assets		
(3) Net change in cash and cash equivalents:		
Closing balance of cash	278,891,920.87	520,910,254.44
Less: Beginning balance of cash	520,910,254.44	859,146,413.35
Add: ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-242,018,333.57	-338,236,158.91

4. Composition of cash and cash equivalents

(1) Details

Projects	Closing balance	Beginning balance
1) Cash	278,891,920.87	520,910,254.44
Including: cash on hand	19,892.83	38,975.98
Bank deposits ready for payment	278,872,028.04	518,481,597.91
Other monetary funds that can be used for payment at any time		2,389,680.55
Central bank deposits available for payment		
Interbank deposits		
Interbank Funding		
2) Cash equivalents		
Among them: bond investment due within three months		
3) Balance of cash and cash equivalents at the end of the period	278,891,920.87	520,910,254.44
Among them: restricted use of cash by the parent company or subsidiaries within the group		
Cash equivalents		

(2) Cash and cash equivalents held by the company with limited scope of use

Projects	Closing balance	Beginning balance	Reasons for limited scope of use and reasons for cash and cash equivalents
Monetary funds	5,794,604.17	8,332,470.92	Litigation freezing, margin and other regulated accounts
Sub total	5,794,604.17	8,332,470.92	

5. Changes in liabilities related to financing activities

Projects	Beginning balance	Increase in current period	Decrease in current period	Closing balance
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		Cash movements	Non cash movements	Cash movements	Non cash movements	
Short-term borrowings	1,563,000.00	50,000.00			1,563,000.00	50,000.00
Long-term loans (including long-term loans due within one year)	96,162,025.65			96,162,025.65		
Sub total	97,725,025.65	50,000.00		96,162,025.65	1,563,000.00	50,000.00

(4) Others

1. Foreign currency monetary items

Projects	Foreign currency balance at the end of the period	Conversion rate	Balance converted into RMB at the end of the period
Monetary funds			4,015,874.15
Of which: US \$	30,040.81	7.0288	211,150.85
HKD	4,212,399.31	0.90322	3,804,723.30
Accounts receivable			327,542.08
Of which: US \$	46,600.00	7.0288	327,542.08
Other receivables			18,689,770.43
Including: Hong Kong dollars	20,692,378.86	0.90322	18,689,770.43
Other accounts payable			21,941,821.60
Of which: US \$	722,044.70	7.0288	5,075,107.79
HKD	18,673,981.77	0.90322	16,866,713.81
Accounts payable			142,421.23
Of which: US \$	100.00	7.0288	702.88
HKD	156,903.47	0.90322	141,718.35

2. Leasing

(1) The company as tenant

1) The company's accounting policies for use rights assets are detailed in note 3 (30) to the financial statements.

2) The company's accounting policies for short-term leases and low value asset leases are detailed in note 3 (30) to the financial statements. The amount of short-term lease expenses and low value asset lease expenses included in the current profit and loss is as follows:

Projects	Current period	Same period last year
Short-term rental	99,475.70	56,045.24

Total	99,475.70	56,045.24
3) Current profit and loss and cash flow related to leasing		
Projects	Current period	Same period last year
Interest expense on lease liabilities		
Total cash outflows related to leases	99,475.70	56,045.24

4) The maturity analysis of lease liabilities and the corresponding liquidity risk management are detailed in note 8 (2) to these financial statements.

(2) The company as lessor

1) Operating leases

1) Rental income

Projects	Current period	Same period last year
Rental income	62,658,114.48	69,153,461.54
Among them: income related to variable lease payments not included in the measurement of lease receipts		

2) Operating lease assets

Projects	Closing balance	End of last year
Investment properties	522,634,659.17	515,925,116.54
Sub total	522,634,659.17	515,925,116.54

3) According to the lease contract signed with the lessee, the undiscounted lease receipts to be received in the future by the irrevocable lease

Remaining term	Closing balance	End of last year
Within 1 year	56,116,305.50	52,670,249.55
1-2 years	41,138,989.98	36,475,042.36
2-3 years	27,878,059.45	22,511,849.37
3-4 years	20,246,078.56	12,694,568.09
4-5 years	13,037,427.03	10,772,038.12
Five years later	1,496,990.34	8,015,870.44
Total	159,913,850.86	143,139,617.93

6、Rights and interests in other entities

(1) Composition of enterprise groups

1. The company includes 12 subsidiaries such as Shenzhen shenfeng group Longgang Development Co., Ltd. and great wall real estate Co., Ltd. in the scope of consolidated financial statements.

2. Basic information of important subsidiaries

Unit: 10000 yuan

Name of subsidiary	registered capital	Principal place of business and place of registration	Nature of business	Shareholding ratio (%)		Acquisition method
				direct	indirect	
Shenzhen shenfang group Longgang Development Co., Ltd	3000.00	Shenzhen	Real estate	95.00	5.00	set up
Great wall properties	\$500000	United States	Real estate	70.00		set up
Shenzhen Haiyan Hotel Co., Ltd	3000.00	Shenzhen	Rent and management services	68.10	31.90	set up
Shenzhen Zhentong Engineering Co., Ltd	1000.00	Shenzhen	Construction	73.00	27.00	set up
Shenzhen huazhan Construction Supervision Co., Ltd	eight hundred	Shenzhen	Construction	75.00	25.00	set up
Shenzhen Lianhua Enterprise Co., Ltd	1000.00	Shenzhen	Construction	95.00	5.00	set up
Xinfeng Enterprise Co., Ltd	1 million Hong Kong dollars	Hong Kong	Investment and management	100.00		set up
Shenzhen shenfang bonded trade Co., Ltd	five hundred	Shenzhen	Import and export trade	95.00	5.00	set up
Shenzhen Shenfang Investment Co., Ltd	1000.00	Shenzhen	Investment	90.00	10.00	set up
Hualin Co., Ltd	10000 Hong Kong dollars	Hong Kong	Investment and management	100.00		set up
Beijing Xinfeng real estate development and Operation Co., Ltd	\$10 million	Beijing	Real estate	75.00	25.00	set up
Shenzhen shenfang Chuanqi Real Estate Development Co., Ltd	3000.00	Shenzhen	Real estate	100.00		set up

(2) Other instructions

1) There are three subsidiaries of the company that have been suspended for a long time and whose industrial and commercial registration has been revoked but not cancelled, namely, Guangzhou Huangpu new estate real estate development Co., Ltd. and Xinfeng real estate development and construction (Wuhan) Co., Ltd., two secondary subsidiaries held by Beijing Xinfeng real estate development and Operation Co., Ltd. and Xinfeng real estate development and

construction (Wuhan) Co., Ltd. these three subsidiaries are reported on the basis of non continuing operations.

2) Jianbang company was liquidated on November 30, 2025 and taken over by the bankruptcy administrator, which will no longer be included in the scope of consolidation from that date.

(2) Changes in the scope of consolidation for other reasons

Decrease in consolidation scope

Company name	Equity disposal	Timing of equity disposal	Net assets at disposal date	From the beginning of the period to the disposal date Net profit
Jianbang	Receivership	November 30, 2025	55,460,144.68	-589,075.49

[note] In November 2025, the company received the decision of Huizhou intermediate people's Court of Guangdong Province ((2025) yue13po no.45-1), and the court ruled that Jianbang company was bankrupt. According to the provisions of the accounting standards for business enterprises, Jianbang company is no longer included in the scope of the company's consolidated financial statements. Based on the property survey and creditor's Rights Verification of Jianbang company counted at the first creditor's meeting, the company estimates the recoverable amount of the remaining assets of Jianbang company with reference to the sales price of real estate and land per unit area assessed by a third party, and calculates the liquidation price of creditor's rights attributable to the company. At the consolidated statement level, the company estimates the fair value of other receivables of Jianbang company as 742.9747 million yuan, which is recognized as receivables. The difference between the original book balance and the recoverable amount of receivables offsets the investment income generated by the disposal of subsidiaries.

(3) Significant non-wholly-owned subsidiaries

1. Details

Name of subsidiary	Minority shareholders Shareholding ratio	Less attributable in the current period Gains and losses of minority shareholders	Minority shareholders in the current period Dividends declared	Minority shareholders at the end of the period Equity balance
Great wall properties	30.00%	-98,694.29		-22,801,466.23
Xinfeng Investment Co., Ltd	45.00%	-15,574.61		-116,172,006.07
Bestway Properties Limited	20.00%	-19.24		-3,870,524.87
Jianbang	49.00%	-288,646.99		

2. Main financial information of important non wholly-owned subsidiaries

(1) Assets and liabilities

Subsidiaries name	Closing balance					
	current assets	Non current assets	Total Assets	current liabilities	Non current liabilities	Total liabilities
Great wall properties	526,052.05	19,420,237.01	19,946,289.06	111,745,358.13		111,745,358.13
Xinfeng Investment	517.26	2,292.80	2,810.06	258,164,218.56		258,164,218.56

Subsidiaries name	Closing balance					
	current assets	Non current assets	Total Assets	current liabilities	Non current liabilities	Total liabilities
Co., Ltd						
Bestway Properties Limited				32,812,021.68		32,812,021.68
Jianbang						

(Continued)

Subsidiaries name	Beginning balance					
	current assets	Non current assets	Total Assets	current liabilities	Non current liabilities	Total liabilities
Great wall properties	334,066.53	19,862,585.63	20,196,652.16	113,755,645.58		113,755,645.58
Xinfeng Investment Co., Ltd	193,038.35	36,016.90	229,055.25	259,168,553.63		259,168,553.63
Bestway Properties Limited	1,084.11		1,084.11	33,634,035.70		33,634,035.70
Jianbang	1,546,413,206.24	6,596,481.14	1,553,009,687.38	1,496,960,467.21		1,496,960,467.21

(2) Profit and loss and cash flow

Subsidiaries name	Current period				Same period last year			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Great wall properties	697,969.09	-328,980.98	1,759,924.36	158,148.77	695,682.90	-351,389.23	-1,731,679.70	-124,152.78
Xinfeng Investment Co., Ltd		-34,610.25				-64,961.29		
Bestway Properties Limited		-96.22	820,929.91				-713,023.86	
Jianbang		-1,918,706.24	-1,918,706.24	-2,412.86		-409,694,614.91	-409,694,614.91	-5,663,416.92

[note] Jianbang company was taken over by the bankruptcy administrator for bankruptcy liquidation on November 30, 2025, and will no longer be included in the scope of consolidation from November 30, 2025.

(4) Equity in joint ventures or associates

1. Summary financial information of unimportant joint ventures and associates

Projects	Closing balance/current balance	Beginning balance/same period last year
Joint venture		
Total book value of investment		

Projects	Closing balance/current balance	Beginning balance/same period last year
The total number of the following items calculated according to the shareholding ratio		
Net profit		
Other comprehensive income		
Total comprehensive income		
Associates		
Total book value of investment		
The total number of the following items calculated according to the shareholding ratio		
Net profit		
Other comprehensive income		
Total comprehensive income		

2. Excess losses incurred by joint ventures or associates

Joint ventures or Name of joint venture	Previous accumulation not Recognised losses	Unrecognized losses in the current period (or net profit shared in the current period)	Cumulative at the end of the period Unrecognized losses
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	2,217,955.89		2,217,955.89

7、 Government subsidies

Amount of government subsidies included in current profit and loss

Projects	Current period	Same period last year
Amount of government subsidies included in other income		753,298.54
Total		753,298.54

8、 Risks related to financial instruments

The goal of the company's risk management is to strike a balance between risk and return, minimize the negative impact of risk on the company's operating results, and maximize the interests of shareholders and other equity investors. Based on this risk management objective, the basic strategy of the company's risk management is to confirm and analyze various risks faced by the company, establish an appropriate bottom line of risk tolerance and risk management, and supervise various risks in a timely and reliable manner to control risks within a limited range.

The company is facing various risks related to financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk. Management has considered and approved policies to manage these risks, summarized below.

(1) Credit risk

Credit risk refers to the risk that one party to a financial instrument fails to perform its obligations and causes financial losses to the other party.

1. Credit risk management practice

(1) Evaluation method of credit risk

The company assesses on each balance sheet date whether the credit risk of the relevant financial instruments has increased significantly since initial recognition. In determining whether credit risk has increased significantly since initial recognition, the company considers obtaining reasonable and evidence-based information without unnecessary additional costs or efforts, including qualitative and quantitative analysis based on historical data, external credit risk ratings and forward-looking information. Based on a single financial instrument or a combination of financial instruments with similar credit risk characteristics, the company determines the change in the risk of default during the expected duration of financial instruments by comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date.

When one or more of the following quantitative and qualitative criteria are triggered, the company believes that the credit risk of financial instruments has increased significantly:

1) The quantitative standard is mainly that the default probability of the remaining duration on the balance sheet date increases by more than a certain proportion compared with the initial recognition;

2) The qualitative criteria are mainly significant adverse changes in the debtor's business or financial situation, existing or expected changes in the technical, market, economic or legal environment, and will have a significant adverse impact on the debtor's ability to repay the company.

(2) Definition of default and credit impaired assets

When a financial instrument meets one or more of the following conditions, the company defines the financial asset as having defaulted, and its standard is consistent with the definition of credit impairment:

1) The debtor has significant financial difficulties;

2) The debtor violates the binding provisions of the contract on the debtor;

3) The debtor is likely to go bankrupt or undergo other financial restructuring;

4) The creditor gives the debtor concessions that it would not otherwise make because of economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit losses

The key parameters of expected credit loss measurement include default probability, default loss rate and default risk exposure. Considering the quantitative analysis and forward-looking information of historical statistics (such as counterparty rating, guarantee method, collateral category, repayment method, etc.), the company establishes a default probability, default loss rate and default risk exposure model.

3. The reconciliation between the Beginning balance of the provision for loss of financial instruments and the closing balance is detailed in notes V (1) 3, V (1) 4, V (1) 6 and V (1) 8 to these financial statements.

4. Credit risk exposure and credit risk concentration

The company's credit risk mainly comes from monetary funds and receivables. In order to

control the above related risks, the company has taken the following measures respectively.

(1) Monetary funds

The company deposits bank deposits and other monetary funds in financial institutions with higher credit ratings, so its credit risk is low.

(2) Receivables and contract assets

The company regularly evaluates the credit of customers who trade by credit. According to the credit assessment results, the company chooses to conduct transactions with recognized customers with good credit and monitors their accounts receivable balances to ensure that the company will not face significant bad debt risks.

As the company's accounts receivable risk points are distributed among multiple partners and multiple customers. Credit risk is centrally managed according to customers. As of December 31, 2025, the company has a certain credit concentration risk, and 38.71% of the company's accounts receivable and contract assets (December 31, 2024: 40.97%) are from the top five customers in the balance. The company does not hold any collateral or other credit enhancement for the balance of accounts receivable and contract assets.

The maximum credit risk exposure to the company is the book value of each financial asset in the balance sheet.

(2) Liquidity risk

Liquidity risk refers to the risk of capital shortage when the company performs its obligation to settle by delivering cash or other financial assets. Liquidity risk may stem from the inability to sell financial assets at fair value as soon as possible; Or because the other party is unable to repay its contract debts; Or from debt maturing early; Or from the inability to generate the expected cash flow.

In order to control this risk, the company comprehensively uses bill settlement, bank borrowing and other financing means, and adopts the appropriate combination of long-term and short-term financing methods to optimize the financing structure, so as to maintain a balance between financing sustainability and flexibility. The company has obtained bank credit lines from a number of commercial banks to meet working capital needs and capital expenditure.

Financial liabilities are classified by remaining maturity

Projects	Closing balance				
	book value	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Short-term borrowings	50,000.00	50,000.00	50,000.00		
Accounts payable	171,738,333.04	171,738,333.04	171,738,333.04		
Other accounts payable	144,280,409.16	144,280,409.16	144,280,409.16		
Other current liabilities	7,329,890.15	7,329,890.15	7,329,890.15		
Sub total	323,398,632.35	323,398,632.35	323,398,632.35		

(Continued)

Projects	Beginning balance				
	book value	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Short-term borrowings	1,563,000.00	1,599,446.39	1,599,446.39		

Projects	Beginning balance				
	book value	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Accounts payable	464,488,982.30	464,488,982.30	464,488,982.30		
Other accounts payable	561,016,653.17	561,016,653.17	561,016,653.17		
Non current liabilities due within one year	33,888,347.83	36,522,809.86	36,522,809.86		
Other current liabilities	118,304,068.47	118,304,068.47	118,304,068.47		
Long-term borrowings	62,273,677.82	67,283,938.91		4,788,462.25	62,495,476.66
Sub total	1,241,534,729.59	1,249,215,899.10	1,181,931,960.19	4,788,462.25	62,495,476.66

(3) Market risk

Market risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices. Market risks mainly include interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market interest rates. Fixed interest rate interest bearing financial instruments expose the company to fair value interest rate risk, and floating interest rate interest bearing financial instruments expose the company to cash flow interest rate risk. The company determines the ratio of fixed interest rate to floating interest rate financial instruments according to the market environment, and maintains an appropriate portfolio of financial instruments through regular review and monitoring. The cash flow interest rate risk faced by the company is mainly related to the company's bank loans with floating interest rates.

As of December 31, 2025, the company's bank loans with no floating interest rate (December 31, 2024: RMB 62273677.82), assuming that other variables remain unchanged, assuming that the interest rate changes by 50 basis points, will not have a significant impact on the company's total profit and shareholders' equity.

2. Foreign exchange risk

Foreign exchange risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in foreign exchange rates. The risk of exchange rate changes faced by the company is mainly related to the company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, if there is a short-term imbalance, the company will buy and sell foreign currencies at market exchange rates when necessary to ensure that the net risk exposure is maintained at an acceptable level.

Exchange rate risk is mainly that the company's financial position and cash flow are affected by fluctuations in foreign exchange rates. In addition to the assets denominated in Hong Kong dollars held by subsidiaries established in Hong Kong, there is only a small amount of Hong Kong market investment business, and the foreign currency assets and liabilities held by the company do not account for a significant proportion of the overall assets and liabilities. Therefore, the company believes that the exchange rate risk is not significant.

The company's foreign currency monetary assets and liabilities at the end of the period are detailed in note 5 (4) 1 to the financial statements.

9、 Disclosure of fair value

(1) Details of fair value of assets and liabilities measured at fair value at the end of the period

Projects	Fair value at the end of the period			
	Level 1 fairness Value measurement	Level 2 fairness Value measurement	Level 3 fairness Value measurement	Total
Continuing fair value measurement				
1. Trading financial assets and other non current financial assets			1,050,256,058.41	1,050,256,058.41
(1) Financial assets classified as at fair value through profit or loss				
Fund finance			1,050,256,058.41	1,050,256,058.41
(2) Financial assets designated as measured at fair value and whose changes are included in the current profit and loss				
Debt instruments investments				
2. Investment in other equity instruments			14,571,511.81	14,571,511.81
Total assets continuously measured at fair value			1,064,827,570.22	1,064,827,570.22

(2) Continuous and non continuous third level fair value measurement projects, valuation technology and qualitative and quantitative information of important parameters

For fund financing that is not traded in an active market, its remaining period is relatively short, and its fair value is determined by the sum of book value and expected income. For other equity instrument investments that are not traded in the active market, the investment amount is small, the net assets of the invested unit change little, and the book value is similar to the fair value, so the book value is used to determine its fair value.

10、 Related parties and related transactions

(1) Related parties

1. Parent company of the company

(1) Parent company of the company

Parent company name	Place of incorporation	Nature of business	Registered capital (10000 yuan)	Shareholding ratio of the parent company to the company (%)	Voting rights of the parent company to the company (%)
Shenzhen Investment Holding Co., Ltd	Shenzhen, Guangdong	Investment, real estate development, guarantee	3,358,600.00	54.79	54.79

(2) The ultimate controller of the company is the state owned assets supervision and

Administration Commission of Shenzhen Municipal People's government.

2. For details of the company's subsidiaries, please refer to note 6 to the financial statements.

3. Joint ventures and associates of the company

For details of the company's important joint ventures or associates, please refer to note 6 to the financial statements.

4. Other related parties of the company

Names of other related parties	Relationship between other related parties and the company
Shenzhen Oriental New World Department Store Co., Ltd	Shareholding company
Shenzhen Shenxi building decoration company	Revoked but not cancelled holding subsidiaries not included in the merger
Shenzhen zhentongxin Electromechanical Industry Development Co., Ltd	Holding subsidiaries not included in the merger
Shenzhen Nanyang Hotel Co., Ltd	Revoked but not cancelled holding subsidiaries not included in the merger
Shenzhen real estate electromechanical management company	Revoked but not cancelled holding subsidiaries not included in the merger
Shenzhen Longgang Henggang Huagang Industrial Co., Ltd	Revoked but not cancelled holding subsidiaries not included in the merger
Guangdong Jianbang group (Huiyang) Industrial Co., Ltd. [note]	Holding subsidiaries not included in the merger that have entered bankruptcy proceedings
Guangzhou bobi Enterprise Management Consulting Co., Ltd. (hereinafter referred to as Guangzhou bobi)	Shareholders of subsidiaries
Shenzhen Property Management Co., Ltd	Holding subsidiary of parent company
Guoren Property Insurance Co., Ltd	Holding subsidiary of parent company
Shenzhen water planning and Design Institute Co., Ltd	Holding subsidiary of parent company
Shenzhen General Institute of Architectural Design and Research	Holding subsidiary of parent company
Shenzhen shenfang property cleaning Co., Ltd	Holding subsidiary of parent company
Shenzhen Property Management Co., Ltd. Shantou branch	Holding subsidiary of parent company
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	Shareholding company
Guangdong Huizhou Luofushan mineral water beverage Co., Ltd	Shareholding company
Shenzhen Runhua Auto Trading Company	Shareholding company
Great Wall (Vancouver) Inc	Shareholding company
Burkton Australia Limited	Shareholding company
Baili Co., Ltd	Shareholding company
Shenzhen shenfang Department Store Co., Ltd	Shareholding company
Shenzhen ronghua Electromechanical Engineering Co., Ltd	Shareholding company
Xi'an Xinfeng Property Trading Co., Ltd	Shareholding company

Names of other related parties	Relationship between other related parties and the company
Fengkai Lianfeng cement manufacturing Co., Ltd	Shareholding company
Beijing Shenfeng Property Management Co., Ltd	Shareholding company

[note] before November 30, 2025, Guangdong Jianbang group (Huiyang) Industrial Co., Ltd. was a holding subsidiary of the company. On and after November 30, 2025, Guangdong Jianbang group (Huiyang) Industrial Co., Ltd. entered bankruptcy liquidation proceedings and was taken over by the administrator. The company loses control of it and will no longer include it in the scope of consolidated statements. At the time of loss of control, the corresponding book balance of long-term equity investment is 450,000,000.00 yuan, and the provision for impairment of long-term equity investment is 450,000,000.00 yuan.

(2) Related party transactions

1. Related party transactions for purchasing and selling commodities, providing and receiving labor services

(1) Related party transactions for purchasing goods and receiving services

Related parties	Content of related party transactions	Current period	Same period last year
Shenzhen water planning and Design Institute Co., Ltd	Testing services		27,169.81
Guoren Property Insurance Co., Ltd	Insurance services	265,372.43	322,255.28
Shenzhen Property Management Co., Ltd	Property services	3,718,815.11	7,472,214.59
Shenzhen shenfeng property cleaning Co., Ltd	Cleaning services	520,444.89	497,453.20
Shenzhen Property Management Co., Ltd. Shantou branch	Property services	2,553,168.28	2,480,734.94
Shenzhen ronghua Electromechanical Engineering Co., Ltd	Engineering services	310,179.94	
Sub total		7,367,980.65	10,799,827.82

(2) Related party transactions for the sale of goods and the provision of services

Related parties	Content of related party transactions	Current period	Same period last year
Guoren Property Insurance Co., Ltd	Leasing services	424,754.28	773,325.68
Shenzhen Property Management Co., Ltd	Leasing services	5,199,896.63	5,476,586.12
Shenzhen shenfeng property cleaning Co., Ltd	Leasing services	41,714.28	39,999.96
Sub total		5,666,365.19	6,289,911.76

2. Related party leases

Company rentals

Name of tenant	Types of leased assets	Confirmed in the current period Rental income	Confirmed in the same period last year Rental income
Shenzhen Property Management Co., Ltd	Houses, buildings	5,199,896.63	5,476,586.12
Shenzhen shenfang property cleaning Co., Ltd	Houses, buildings	41,714.28	39,999.96
Guoren Property Insurance Co., Ltd	Houses, buildings	424,754.28	773,325.68
Sub total		5,666,365.19	6,289,911.76

3. Remuneration of key management

Projects	Current period	Same period last year
Key management compensation	6,981,280.00	8,572,590.00

4. Other related party transactions

In order to advocate that the core employees of the group share the operating results of market-oriented projects with the company, share operational risks, stimulate their endogenous motivation to improve efficiency and increase efficiency, improve asset management efficiency, and realize the preservation and appreciation of state-owned assets, the company formulated the measures for the management of employees in linxijun project of shenfang group in July 2021. According to the provisions of the above management measures, the follow-up will constitute a related party transaction of joint investment with some directors, supervisors and senior executives of the company. The company has cancelled the follow-up investment in the Lin Xinyuan project in June 2025 and returned the follow-up investment amount in full in 2025.

(3) Receivables and payables from related parties

1. Receivables from related parties

project name	Related parties	Closing balance		Beginning balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable					
	Shenzhen Property Management Co., Ltd	500,000.00		1,025,942.86	
	Shenzhen Xinfeng Real Estate Consulting Co., Ltd	1,212,232.73	1,212,232.73	1,237,010.58	1,237,010.58
Sub total		1,712,232.73	1,212,232.73	2,262,953.44	1,237,010.58
Other receivables					
	Guangdong Jianbang group (Huiyang) Industrial Co., Ltd	843,296,961.67	102,965,447.05		
	Shenzhen Property Management Co., Ltd			5,500.00	
	Guangdong Huizhou Luofushan mineral water beverage Co., Ltd	10,465,168.81	10,465,168.81	10,465,168.81	10,465,168.81

project name	Related parties	Closing balance		Beginning balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
	Shenzhen Runhua Auto Trading Company	3,072,764.42	3,072,764.42	3,072,764.42	3,072,764.42
	Great Wall (Vancouver) Inc	89,035,748.07	89,035,748.07	89,035,748.07	89,035,748.07
	Burkton Australia Limited	12,559,290.58	12,559,290.58	12,559,290.58	12,559,290.58
	Baili Co., Ltd	19,363,348.69	19,363,348.69	20,251,959.02	20,251,959.02
	Shenzhen shenfang Department Store Co., Ltd	237,648.82	237,648.82	237,648.82	237,648.82
	Shenzhen ronghua Electromechanical Engineering Co., Ltd	475,223.46	475,223.46	475,223.46	475,223.46
	Xi'an Xinfeng Property Trading Co., Ltd	8,391,333.18	8,391,333.18	8,419,205.19	8,419,205.19
	Shenzhen Shenxi building decoration company	7,660,529.37	7,660,529.37	7,660,529.37	7,660,529.37
	Shenzhen Nanyang Hotel Co., Ltd	3,168,721.00	3,168,721.00	3,168,721.00	3,168,721.00
	Beijing Shenfang Property Management Co., Ltd	6,905,673.69	6,533,817.09	6,905,673.69	6,533,817.09
Sub total		1,004,632,411.76	263,929,040.54	162,257,432.43	161,880,075.83

2. Amounts due to related parties

entry name	Related parties	Closing balance	Beginning balance
Other accounts payable - interest payable			
	Shenzhen Investment Holding Co., Ltd	16,535,277.94	16,535,277.94
Sub total		16,535,277.94	16,535,277.94
Accounts payable			
	Shenzhen Property Management Co., Ltd	8,127,082.22	12,658,092.83
Sub total		8,127,082.22	12,658,092.83
Other accounts payable			
	Shenzhen Property Management Co., Ltd	171,466.20	244,304.26
	Guoren Property Insurance Co., Ltd		74,332.00
	Shenzhen Oriental New World Department Store Co., Ltd	902,974.64	902,974.64
	Fengkai Lianfeng cement manufacturing Co., Ltd	1,867,348.00	1,867,348.00

entry name	Related parties	Closing balance	Beginning balance
	Shenzhen real estate electromechanical management company	14,981,420.99	14,981,420.99
	Shenzhen zhentongxin Electromechanical Industry Development Co., Ltd	8,260,832.50	8,310,832.50
	Shenzhen shenfang Department Store Co., Ltd	639,360.38	639,360.38
	Shenzhen Longgang Henggang Huagang Industrial Co., Ltd	165,481.09	165,481.09
	Guangzhou bobi Enterprise Management Consulting Co., Ltd		206,903,717.13
Sub total		26,988,883.80	234,089,770.99

11、 Commitments and contingencies

(1) Important commitments

As of December 31, 2025, the company does not need to disclose important commitments.

(2) Contingencies

1. Contingent liabilities arising from pending litigation and arbitration and their financial impact

plaintiff	defendant	Cause of action	Court of acceptance	Target amount	Note
Zhongshan Shengtang Advertising Co., Ltd	Guangdong Jianbang group (Huiyang) Industrial Co., Ltd	Filing for bankruptcy liquidation	Huizhou intermediate people's court	Creditor's rights and debts under review	In the bankruptcy liquidation, the administrator has taken over Jianbang company. Case details: [Note 1]
Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa industry and Trade Co., Ltd. and Huizhou jinlongsheng Industrial Co., Ltd	Guangdong Jianbang group (Huiyang) Industrial Co., Ltd	Litigation over bill payment claim	Huiyang District Court	Principal 177.1514 million yuan, interest 2.8482 million yuan	Progress of the case: Jianbang company has entered the bankruptcy liquidation procedure, and creditors can declare their creditor's rights to the manager. Case details: [Note 2]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangzhou bobi Enterprise Management Consulting Co., Ltd., Evergrande real estate group Pearl River Delta real estate development Co., Ltd., Shenzhen Qijin Investment Co., Ltd. (hereinafter referred to as Shenzhen Qijin), and the third	Disputes over joint venture and cooperative development real estate contracts	Huizhou intermediate people's Court of Guangdong Province	743.575 million yuan	Case progress: in the second instance. Hengda Pearl River Delta company has entered the bankruptcy liquidation procedure and has declared its creditor's rights to the manager. Guangzhou bobi and Shenzhen Qijin are handling liquidation cancellation and have declared their creditor's rights to the liquidation group respectively.

	person is Guangdong Jianbang group (Huiyang) Industrial Co., Ltd				Case details: [Note 3]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangdong Jianbang group (Huiyang) Industrial Co., Ltd	Loan contract disputes	Shenzhen Luohu District People's court	Principal and interest 395.6885 million yuan	Case progress: end the enforcement process. Jianbang company has entered the bankruptcy liquidation procedure and has declared its creditor's rights to the manager. Case details: [Note 4]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangdong Jianbang group (Huiyang) Industrial Co., Ltd., Guangzhou bobi Enterprise Management Consulting Co., Ltd., Evergrande real estate group Pearl River Delta real estate development Co., Ltd. and Shenzhen Qijin Investment Co., Ltd	Loan contract disputes	Huizhou Huiyang District People's court	Principal and interest 419.5229 million yuan	Progress of the case: Jianbang company and Hengda Pearl River Delta company have entered the bankruptcy liquidation procedure and have declared their creditor's rights to the manager respectively. Guangzhou bobi and Shenzhen Qijin are handling liquidation cancellation and have declared their creditor's rights to the liquidation group respectively. Case details: [Note 5]

[Note 1] on October 27, 2025, Jianbang company received the civil ruling and decision made by Huizhou intermediate people's court, which ruled to accept the application for bankruptcy liquidation of Jianbang company by Zhongshan Shengtang Advertising Co., Ltd. (hereinafter referred to as Shengtang company) and appoint an administrator. For details, please refer to the announcement on court ruling to accept the application for bankruptcy liquidation of holding subsidiaries and the appointment of managers issued by the company on October 30, 2025 (Announcement No.: 2025-030). On December 8, 2025, the company submitted creditor's rights declaration materials to the manager of Jianbang company in accordance with the amount of creditor's rights confirmed by the effective civil judgment, the confirmation of creditor's rights and debts, and the transfer certificate; The company actively participates in creditors' meetings and exercises creditors' rights according to law.

[Note 2] Jianbang company is a subsidiary of the company holding 51% of the shares. Because Jianbang company was unable to pay the commercial acceptance bill due in January 2022, with a total amount of 177.1514 million yuan, the plaintiff company filed a lawsuit on the dispute of bill payment claim with Huiyang District Court. On March 14, 2023, the court ruled that Jianbang company would pay commercial bills and overdue interest (including litigation fees and preservation fees of about 1.03 million yuan) to three companies within 15 days. The case seized 2 and 4 buildings in the first phase of shenfeng linxinyuan project, totaling 153 units, with an estimated price of 220 million yuan at the filing price. The plaintiff has applied to Huizhou intermediate people's court for execution. As of December 31, 2025, in view of the bankruptcy liquidation proceedings of Jianbang company, the manager took over Jianbang company and handled all litigation and execution cases in a unified manner.

[Note 3] on April 30, 2021, the company signed the cooperative development agreement and the entrusted management agreement with Guangzhou bobi, Hengda Pearl River Delta and Jianbang company. Guangzhou bobi promised that Jianbang company would achieve a cumulative net profit of not less than 1.25 billion yuan in 2021-2025. If Guangzhou bobi fails to fulfill its profit commitment, it will make up the difference. On June 30, 2021, due to the acquisition of 51% equity of Guangzhou bobi by Shenzhen Qijin, the company, Guangzhou bobi, Hengda Pearl River Delta and Shenzhen Qijin jointly signed supplementary agreement I to the cooperative development agreement, stipulating that Shenzhen Qijin shall be jointly and severally liable with Hengda Pearl River Delta for the profit commitment and difference supplement of Guangzhou bobi to the company stipulated in the cooperative development agreement. Now, the company has filed a lawsuit because the acts of Guangzhou bobi and Hengda Pearl River Delta have fundamentally violated the contract and have actually lost the ability to perform the contract, resulting in the failure to achieve the purpose and expected benefits of the company's contract. On January 8, 2025, the company received the civil judgment of the first instance of the case, and the judgment made by Huizhou intermediate people's Court of the first instance supported some of the company's claims. On January 22, 2025, the company appealed the unsubstantiated application. The case was heard in the second instance on May 22, 2025 and is now in the second instance. In view of the fact that Evergrande Pearl River Delta company has entered the bankruptcy liquidation procedure, the company has declared its creditor's rights to the manager, while Guangzhou bobi and Shenzhen Qijin are handling the liquidation cancellation, and the company has declared its creditor's rights to the liquidation group respectively.

[Note 4] in 2021, the company acquired Guangzhou bobi to hold 51% of the shares of Jianbang company. At the time of acquisition, it was agreed that the company would provide interest bearing loans to Jianbang company according to the proportion of shares. Later, Jianbang company borrowed money from the company twice and signed the loan agreement. After the signing of the agreement, the company shall provide loans to Jianbang company in accordance with the contract and fulfill its lending obligations. Now the two loans have expired, but Jianbang company has not repaid them, which constitutes a default. As a state-controlled listed company, the company filed this lawsuit in order to protect state-owned assets from losses. The case was judged in the first instance in December 2023. In January 2024, the company received the civil judgment made by the people's Court of Luohu District, Shenzhen City, Guangdong Province: it was judged that Jianbang company would repay the principal of the loan of 344696200.26 yuan and pay interest to the company within 10 days from the date of entry into force of the judgment; Judgment Jianbang company shall pay liquidated damages to the company within 10 days from the effective date of the judgment. The company has applied for compulsory execution, and received the execution ruling on December 2, 2025, ruling to terminate the execution procedure. In view of the fact that Jianbang company has entered the bankruptcy liquidation proceedings, the company has declared its creditor's rights to the manager.

[Note 5] in 2021, the company acquired Guangzhou bobi to hold 51% of the shares of Jianbang company, and agreed to provide interest bearing loans to Jianbang company according to the proportion of shares. The latter five parties signed an agreement to stipulate that the company will provide loans to Jianbang company, and Jianbang company will provide corresponding collateral. At the same time, Guangzhou bobi, Hengda Pearl River Delta and Shenzhen Qi are jointly and severally liable for 49% of the total amount of loans, interest and liquidated

damages. After the signing of the agreement, the company provided loans to Jianbang company in accordance with the contract and fulfilled its lending obligations, but Jianbang company was unable to repay the loans. As a state-controlled listed company, the company filed a lawsuit in this case in order to protect state-owned assets from losses. On June 7, 2024, the company received the judgment of victory in the first instance. On June 24, 2024, Guangzhou bobi appealed, but failed to pay the case acceptance fee on time. In October 2024, Huizhou intermediate people's Court issued the civil ruling, which was handled as withdrawal of the lawsuit, and the judgment of the first instance took effect. The company applied to the court for enforcement in January 2025. In view of the fact that Jianbang company and Hengda Pearl River Delta company have entered the bankruptcy liquidation procedures, the company has declared creditor's rights to the manager respectively, while Guangzhou bobi and Shenzhen Qijin are handling liquidation cancellation, and the company has declared creditor's rights to the liquidation group respectively.

2. Contingent liabilities formed by providing debt guarantees for other units and their financial impact

As of December 31, 2025, the company provided mortgage loan guarantees and subsidiary loan guarantees for commercial housing offtakers in accordance with real estate business practices, totaling 181.6769 million yuan.

Guaranteed entity	Loan Financial institutions	Guaranteed loan Payment amount (10000 yuan)	guarantee Due date	Note
Buyer	China Construction Bank	38.85	After completing the mortgage registration of the real estate certificate and handing it over to the bank for safekeeping	Shang Linyuan
Buyer	agricultural bank	151.43	After completing the mortgage registration of the real estate certificate and handing it over to the bank for safekeeping	Tsui Lam Yuen
Buyer	agricultural bank	631.55	After completing the mortgage registration of the real estate certificate and handing it over to the bank for safekeeping	Chuanqi Donghu Mingyuan
Buyer	China Construction Bank, Bank of communications, industrial and Commercial Bank of China, Bank of China, Everbright Bank and postal savings bank	1,787.98	After completing the mortgage registration of the real estate certificate and handing it over to the bank for safekeeping	Tian Yue Wan
Buyer	Industrial and Commercial Bank of China, Huaxia Bank, agricultural and Commercial Bank of China, Agricultural Bank of China, postal savings bank, China Merchants Bank and Bank of China	15,557.88	After completing the mortgage registration of the real estate certificate and handing it over to the bank for safekeeping	Guangming Li
Sub total		18,167.69		

12、 Events after balance sheet date

Profit distribution after balance sheet date

Based on the total share capital of 1,011,660,000 shares as of December 31, 2025, the company intends to distribute a cash dividend of 0.35 yuan (including tax) per 10 shares to all shareholders, totaling 35,408,100.00 yuan.

13、 Other important matters

Segment information

The company's main business is to collect rental fees and management fees for the development, construction and sale of real estate products and the rental of properties. The company regards this business as a whole to implement management and evaluate business results. Therefore, the company does not need to disclose segment information. Details of the company's revenue breakdown are set out in note 5 (2) 1 to the financial statements.

14、 Notes to major items in the financial statements of the parent company

(1) Notes to balance sheet items of parent company

1. Accounts receivable

(1) Aging

Aging	Closing balance	Beginning balance
Within 1 year	8,724,709.94	13,309,107.41
1-2 years	1,992,924.09	
More than 5 years	4,450,138.62	4,450,138.62
Total book balance	15,167,772.65	17,759,246.03
Less: bad debt provision	10,324,219.89	10,559,107.12
Total book value	4,843,552.76	7,200,138.91

(2) Provision for bad debts

1) Category breakdown

Types	Closing balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision ratio (%)	
Single provision for bad debts	10,069,296.06	66.39	10,069,296.06	100.00	
Provision for bad debts by portfolio	5,098,476.59	33.61	254,923.83	5.00	4,843,552.76
Total	15,167,772.65	100.00	10,324,219.89	68.07	4,843,552.76

(Continued)

Types	Beginning balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision ratio (%)	
Single provision for bad debts	10,084,109.60	56.78	10,084,109.60	100.00	

Types	Beginning balance				book value
	Book balance		Bad debt provision		
	money	Proportion (%)	money	Provision ratio (%)	
Provision for bad debts by portfolio	7,675,136.43	43.22	474,997.52	6.19	7,200,138.91
Total	17,759,246.03	100.00	10,559,107.12	59.46	7,200,138.91

2) Important accounts receivable with single provision for bad debts

Company name	Beginning balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Provision ratio (%)	Basis of provision
Long term uncollected house sales	10,084,109.60	10,084,109.60	10,069,296.06	10,069,296.06	100.00	Not expected to be recovered
Sub total	10,084,109.60	10,084,109.60	10,069,296.06	10,069,296.06	100.00	

3) Accounts receivable with portfolio provision for bad debts

Projects	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Portfolio of real estate sales receivables	5,098,476.59	254,923.83	5.00
Portfolio of related parties within the scope of receivables consolidation			
Sub total	5,098,476.59	254,923.83	5.00

(3) Changes in bad debt reserves

Projects	Beginning balance	Current change amount				Closing balance
		Provision	Withdrawal or reversal	Write off	other	
Single provision for bad debts	10,084,109.60		110,856.38			9,973,253.22
Provision for bad debts by portfolio	474,997.52		124,030.85			350,966.67
Total	10,559,107.12		234,887.23			10,324,219.89

(4) Top 5 accounts receivable and contract assets

Company name	Book balance at the end of the period			Proportion in the total balance of accounts receivable and contract assets at the end of the period (%)	Provision for bad debts of accounts receivable and provision for impairment of contract assets
	Accounts receivable	Contract assets	Sub total		
Shenzhen Huatang famous wine City Investment Co.,	3,080,162.00		3,080,162.00	20.31	154,008.10

Company name	Book balance at the end of the period			Proportion in the total balance of accounts receivable and contract assets at the end of the period (%)	Provision for bad debts of accounts receivable and provision for impairment of contract assets
	Accounts receivable	Contract assets	Sub total		
Ltd					
Daxing auto parts Co., Ltd	2,052,228.46		2,052,228.46	13.53	2,052,228.46
Shenzhen Luohu hospital group	1,240,986.00		1,240,986.00	8.18	62,049.30
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	1,212,232.73		1,212,232.73	7.99	1,212,232.73
Wang Weidong	1,200,000.00		1,200,000.00	7.91	1,200,000.00
Sub total	8,785,609.19		8,785,609.19	57.92	4,680,518.59

2. Other receivables

(1) Details

Projects	Closing balance	Beginning balance
Dividends receivable	24,222,722.88	29,222,722.88
Other receivables	1,856,205,185.25	1,722,328,667.65
Total	1,880,427,908.13	1,751,551,390.53

(2) Dividends receivable

1) Details

Projects	Closing balance	Beginning balance
Shenzhen shenfang group Longgang Development Co., Ltd	24,222,722.88	29,222,722.88
Sub total	24,222,722.88	29,222,722.88

2) Important dividends receivable with an account age of more than 1 year

Projects	Closing balance	Aging	Reasons for uncollection	Whether there is impairment and its judgment basis
Shenzhen shenfang group Longgang Development Co., Ltd	24,222,722.88	3-4 years	Deferred payment	no
Sub total	24,222,722.88			

(3) Other receivables

1) Nature and classification of payments

Nature of payment	Closing balance	Beginning balance
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Nature of payment	Closing balance	Beginning balance
Portfolio of receivables from related parties	2,633,214,641.39	2,403,869,206.91
Portfolio of receivables from government departments	165,460.00	165,460.00
Employee reserve portfolio receivable		93,900.00
Collection and payment portfolio receivable	500,018.15	1,002,722.31
Other receivables portfolio	144,601,238.67	142,474,366.82
Sub total book balance	2,778,481,358.21	2,547,605,656.04
Less: bad debt provision	922,276,172.96	825,276,988.39
Sub total book value	1,856,205,185.25	1,722,328,667.65

2) Aging

Aging	Closing balance	Beginning balance
Within 1 year	258,963,768.91	452,103,220.23
1-2 years	424,416,517.52	6,102,884.22
2-3 years	6,100,266.94	642,158.28
3-4 years	243,411.53	456,845,625.71
4-5 years	456,845,625.71	104,875,297.41
More than 5 years	1,631,911,767.60	1,527,036,470.19
Sub total book balance	2,778,481,358.21	2,547,605,656.04
Less: bad debt provision	922,276,172.96	825,276,988.39
Sub total book value	1,856,205,185.25	1,722,328,667.65

3) Provision for bad debts

① Category breakdown

Types	Closing balance				
	Book balance		Bad debt provision		book value
	money	Proportion (%)	money	Provision Proportion (%)	
Single provision for bad debts	1,662,432,598.59	59.83	922,101,083.97	55.47	740,331,514.62
Provision for bad debts by portfolio	1,116,048,759.62	40.17	175,088.99	0.02	1,115,873,670.63
Sub total	2,778,481,358.21	100.00	922,276,172.96	33.19	1,856,205,185.25

(Continued)

Types	Beginning balance		
	Book balance	Bad debt provision	book value

	money	Proportion (%)	money	Provision on Proportion (%)	
Single provision for bad debts	825,174,418.56	32.39	825,174,418.56	100.00	
Provision for bad debts by portfolio	1,722,431,237.48	67.61	102,569.83	0.01	1,722,328,667.65
Sub total	2,547,605,656.04	100.00	825,276,988.39	32.39	1,722,328,667.65

② Other receivables with portfolio provision for bad debts

Portfolio name	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Portfolio of receivables from related parties	1,111,796,074.26		
Portfolio of receivables from government departments	165,460.00		
Collection and payment portfolio receivable	500,018.15	25,000.91	5.00
Other receivables portfolio	3,587,207.21	150,088.08	4.18
Sub total	1,116,048,759.62	175,088.99	0.02

4) Changes in bad debt reserves

Projects	Stage 1.	Stage 2.	Stage 3.	Sub total
	Next 12 months Expected credit loss	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Beginning balance	102,289.83		825,174,698.56	825,276,988.39
Beginning balance in current period	—	—	—	
--Move to phase 2				
--Move to phase 3				
--Back to phase 2				
--Back to phase 1				
Current provision	19,877.93	52,921.23		72,799.16
Recovered or reversed in the current period				
Current write off				
Other changes			96,926,385.41	96,926,385.41

Closing balance	122,167.76	52,921.23	922,101,083.97	922,276,172.96
Provision ratio for bad debt reserves at the end of the period (%)	0.05	0.41	55.47	32.48

5) Top 5 other receivables

Company name	Nature of payment	Book balance at the end of the period	Aging	Proportion in balance of other receivables (%)	Bad debt provision at the end of the period
Jianbang	Current account of subsidiary	843,296,961.67	Within 1 year, 1-2 years, 2-3 years and more than 5 years	thirty point three five	102965447.05
Shantou Huafeng Real Estate Development Co., Ltd	Current account of subsidiary	734,160,642.87	1-2 years, more than 5 years	30.35	102,965,447.05
Xinfeng Enterprise Co., Ltd	Current account of subsidiary	535,292,823.86	1-2 years, more than 5 years	26.42	
Shenzhen shenfang Chuanqi Real Estate Development Co., Ltd	Current account of subsidiary	262,695,711.25	Within 1 year, 1-2 years and more than 5 years	19.26	535,292,823.86
Great wall properties	Current account of subsidiary	104,182,848.13	More than 5 years	9.45	
Sub total		2,479,628,987.78		3.75	104,182,848.13

3. Long-term equity investments

(1) Details

Projects	Closing balance			Beginning balance		
	Book balance	Provision for impairment	book value	Book balance	Provision for impairment	book value
Investments in subsidiaries	1,265,520,833.00	133,339,271.15	1,132,181,561.85	1,715,520,833.00	554,754,168.86	1,160,766,664.14

Investment in associates and joint ventures	11,977,845.58	11,977,845.58		11,977,845.58	11,977,845.58	
Total	1,277,498,678.58	145,317,116.73	1,132,181,561.85	1,727,498,678.58	566,732,014.44	1,160,766,664.14

(2) Investments in subsidiaries

Investee	Beginning balance		Increase and decrease in the current period				Closing balance	
	Book value value	Impairment ready	Add Investment	reduce Investment	Provision for impairment	other	Book value value	Impairment ready
Shenzhen Haiyan Hotel Co., Ltd	20,605,047.50						20,605,047.50	
Shenzhen Shenfang Investment Co., Ltd	9,000,000.00						9,000,000.00	
Xinfeng Enterprise Co., Ltd	556,500.00						556,500.00	
Xinfeng Real Estate Co., Ltd	22,717,697.73						22,717,697.73	
Shenzhen Zhentong Engineering Co., Ltd	11,332,321.45						11,332,321.45	
Great wall properties	1,435,802.00						1,435,802.00	
Shenzhen shenfang bonded trade Co., Ltd	4,750,000.00						4,750,000.00	
Shenzhen huazhan Construction Supervision Co., Ltd	6,000,000.00						6,000,000.00	
Shenzhen Lianhua Enterprise Co., Ltd	13,458,217.05						13,458,217.05	
Shenzhen shenfang group Longgang Development Co., Ltd	30,850,000.00						30,850,000.00	
Beijing Xinfeng real estate development and Operation Co., Ltd		64,183,888.90						64,183,888.90
Shantou Huafeng Real Estate Development Co., Ltd	16,467,021.02						16,467,021.02	
Baili Co., Ltd		201,100.00						201,100.00
Burkton Australia		906,630.00						906,630.00

Investee	Beginning balance		Increase and decrease in the current period				Closing balance	
	Book value value	Impairment ready	Add Investment	Reduce Investment	Provision for impairment	other	Book value value	Impairment ready
Shenzhen shenfang Department Store Co., Ltd		9,500,000.00						9,500,000.00
Shantou Xinfeng tower		58,547,652.25						58,547,652.25
Jianbang	28,585,102.29	421,414,897.71			28,585,102.29	450,000,000.00		
Shenzhen shenfang Chuanqi Real Estate Development Co., Ltd	995,000,000.00						995,000,000.00	
Hualin Co., Ltd	8,955.10						8,955.10	
Sub total	1,160,766,664.14	554,754,168.86			28,585,102.29	450,000,000.00	1,132,181,561.85	133,339,271.15

(3) Investment in associates and joint ventures

Investee	Beginning balance		Increase and decrease in the current period			
	book value	Provision for impairment	Addition al investments	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive Earnings adjustment
Joint venture						
Fengkai Xinghua Hotel		9,455,465.38				
Sub total		9,455,465.38				
Associates						
Shenzhen ronghua Electromechanical Engineering Co., Ltd		1,076,954.64				
Shenzhen Runhua Auto Trading Company		1,445,425.56				
Sub total		2,522,380.20				
Total		11,977,845.58				

(Continued)

Investee	Increase and decrease in the current period	Closing balance
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	Other equity changes	Declaration of cash dividends or profits	Provision for impairment	other	book value	Provision for impairment
Joint venture						
Fengkai Xinghua Hotel						9,455,465.38
Sub total						9,455,465.38
Associates						
Shenzhen ronghua Electromechanical Engineering Co., Ltd						1,076,954.64
Shenzhen Runhua Auto Trading Company						1,445,425.56
Sub total						2,522,380.20
Total						11,977,845.58

(4) Impairment test of long-term equity investment

1) The recoverable amount is determined at the net amount of fair value minus disposal expenses

Projects	book value	Recoverable amount	Provision for impairment in the current period
Jianbang	28,585,102.29		28,585,102.29
Sub total	28,585,102.29		28,585,102.29

(Continued)

Projects	Determination of fair value and disposal expenses	Key parameters and their determination basis
Jianbang	The fair value is determined by the asset based method, and the relevant disposal expenses are determined by the estimated disposal expense rate	Estimated selling price, sales volume, production cost and other related expenses of the product
Sub total		

2) Other instructions

At the end of the reporting period, the company made an provision impairment test on its investment to Jianbang company according to its net recoverable amount, as Jianbang company was into bankruptcy in November of 2025.

(2) Notes to items in the profit statement of the parent company

1. Operating income/operating cost

(1) Details

Projects	Current period		Same period last year	
	income	cost	income	cost

Projects	Current period		Same period last year	
	income	cost	income	cost
Main business	55,192,364.38	32,158,574.37	66,692,989.08	35,527,944.94
Other business	226,373.11	225,325.47	55,199.50	
Total	55,418,737.49	32,383,899.84	66,748,188.58	35,527,944.94
Among them: revenue from contracts with customers	5,371,428.57	161,228.70	8,980,139.71	1,396,009.16

(2) Revenue breakdown

1) Revenue from contracts with customers is broken down by type of goods or services

Projects	Current period		Same period last year	
	income	cost	income	cost
real estate	5,371,428.57	161,228.70	8,980,139.71	1,396,009.16
Sub total	5,371,428.57	161,228.70	8,980,139.71	1,396,009.16

2) Revenue from contracts with customers is broken down by region of operation

Projects	Current period		Same period last year	
	income	cost	income	cost
Guangdong Province	5,371,428.57	161,228.70	8,980,139.71	1,396,009.16
Sub total	5,371,428.57	161,228.70	8,980,139.71	1,396,009.16

3) Revenue from contracts with customers is broken down by the time goods or services are transferred

Projects	Current period	Same period last year
Revenue recognized at a certain point	5,371,428.57	8,980,139.71
Sub total	5,371,428.57	8,980,139.71

(3) Information on performance obligations

Projects	Time for performance	Important payment terms	The nature of the goods the company undertakes to transfer	Is it the main responsible person	Payments assumed by the company that are expected to be refunded to customers	Types of quality assurance provided by the company and related obligations
Selling goods	When goods are delivered	After the contract is signed, the contract price shall be collected in advance	Commercial housing	yes	nothing	Quality assurance
Provision of services	When services are provided	When the general service is completed, it shall be charged according to	Leasing services	yes	nothing	nothing

Projects	Time for performance	Important payment terms	The nature of the goods the company undertakes to transfer	Is it the main responsible person	Payments assumed by the company that are expected to be refunded to customers	Types of quality assurance provided by the company and related obligations
		the contract				

(4) The revenue recognized in the current period included in the book value of contract liabilities at the beginning of the period is 6857.14 yuan.

2. Investment income

Projects	Current period	Same period last year
Investment income from disposal of long-term equity investment	136,518.90	568,863.59
Dividend income from investment in other equity instruments during the holding period	778,495.00	777,600.00
Total	915,013.90	1,346,463.59

15. Other supplementary information

(1) Non recurring gains and losses

1. Detailed statement of non recurring gains and losses

Projects	money	explain
Gains and losses on disposal of non current assets, including the write off part of the provision for asset impairment	-151,762,085.94	
Government subsidies included in the current profit and loss, except for government subsidies closely related to the normal business of the company, in line with national policies and regulations, enjoyed in accordance with determined standards, and having a sustained impact on the company's profit and loss		
In addition to the effective hedging business related to the normal business of the company, the gains and losses from changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	16,621,332.22	
Capital occupancy fees charged to non-financial enterprises included in current profits and losses		
Gains and losses from entrusting others to invest or manage assets		
Gains and losses from entrusted loans		
Loss of assets due to force majeure, such as natural disasters		
Reversal of provision for impairment of receivables subject to separate impairment test		
The investment cost of subsidiaries, associates and joint ventures obtained by the enterprise is less than the income from the fair value of the identifiable net assets of the invested entity at the time of obtaining the investment		
Current net profit and loss of subsidiaries arising from business combination under the same control from the beginning of the period to the merger date		

Gains and losses on non monetary asset exchange		
Gains and losses on debt restructuring		
One-time expenses incurred by the enterprise because the relevant business activities are no longer sustainable, such as expenses for resettling employees, etc		
One-time impact on current profit and loss due to the adjustment of tax, accounting and other laws and regulations		
Share based payment expenses confirmed at one time due to cancellation and modification of equity incentive plan		
For cash settled share based payments, gains and losses arising from changes in the fair value of employee salaries payable after the vesting date		
Gains and losses arising from changes in the fair value of investment real estate measured subsequently using the fair value model		
Gains from transactions with significantly unfair transaction prices		
Gains and losses arising from contingencies unrelated to the normal business operation of the company		
Custody fee income from entrusted operation		
Other non operating income and expenses other than the above items	940,511.89	
Other profit and loss items that meet the definition of non recurring profit and loss		
Sub total	-134,200,241.83	
Less: impact of enterprise income tax (the decrease of income tax is expressed by "-")	210,384.02	
Impact on minority shareholders' equity (after tax)	-13,705.11	
Net non recurring gains and losses attributable to owners of the parent company	-134,396,920.74	

2. According to the definitions and principles, the non recurring gains and losses listed in the explanatory announcement on information disclosure of companies offering securities to the public No.1 - non recurring gains and losses (revised in 2023) are defined as recurring gains and losses

Projects	money	reason
Refund of handling fee for withholding individual income tax	31,652.46	Continuous occurrence in each year, not accidental, is recognized as recurring gains and losses

(2) Return on equity and earnings per share

1. Details

Profit during the reporting period	Weighted average net assets Yield (%)	Earnings per share (yuan/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the company	2.81	0.0988	0.0988
Net profit attributable to ordinary shareholders of the company after deducting non recurring gains and losses	6.58	0.2317	0.2317

2. Calculation process of weighted average return on net assets

Projects	Serial number	Current period
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Projects	Serial number	Current period	
Net profit attributable to ordinary shareholders of the company	A	99,956,003.75	
Non recurring gains and losses	B	-134,396,920.74	
Net profit attributable to ordinary shareholders of the company after deducting non recurring gains and losses	C=A-B	234,352,924.49	
Net assets at the beginning of the period attributable to ordinary shareholders of the company	D	3,512,112,493.42	
New net assets attributable to ordinary shareholders of the company such as issuance of new shares or debt to equity swap	E		
Cumulative months from the next month of new net assets to the end of the reporting period	F		
Net assets attributable to ordinary shareholders of the company reduced by repurchase or cash dividend	G		
Cumulative months from the next month of net assets reduction to the end of the reporting period	H		
other	other	I	254,699.21
	Cumulative months from the next month of increase or decrease in net assets to the end of the reporting period	J	6
Months during the reporting period	K	12	
Weighted average net assets	$L=D+A/2+e \times f/K-G \times H/K+I \times J/K$	3,562,217,844.90	
Weighted average return on equity	M=A/L	2.81%	
Weighted average return on net assets after deducting non recurring gains and losses	N=C/L	6.58%	

3. Calculation process of basic earnings per share and diluted earnings per share

(1) Calculation process of basic earnings per share

Projects	Serial number	Current period
Net profit attributable to ordinary shareholders of the company	A	99,956,003.75
Non recurring gains and losses	B	-134,396,920.74
Net profit attributable to ordinary shareholders of the company after deducting non recurring gains and losses	C=A-B	234,352,924.49
Total number of shares at the beginning of the period	D	1,011,660,000.00
Increase in the number of shares due to the conversion of provident fund into share capital or stock dividend distribution	E	
Issuance of new shares or debt to equity swap to increase the number of shares	F	
Cumulative months from the next month after the increase of shares to the end of the reporting period	G	
Decrease in the number of shares due to repurchase	H	
Cumulative months from the next month after the reduction of shares to the end of the reporting period	I	
Number of share withdrawals during the reporting period	J	
Months during the reporting period	K	12

Projects	Serial number	Current period
Weighted average number of ordinary shares outstanding	$L=D+e+F \times G/K-H \times I/K-J$	1,011,660,000.00
Basic earnings per share	$M=A/L$	0.0988
Basic earnings per share after deducting non recurring gains and losses	$N=C/L$	0.2317

(2) Calculation process of diluted earnings per share

The calculation process of diluted earnings per share is the same as that of basic earnings per share.