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

***Notice to Hong Kong investors:** The Issuer and the Guarantor (as defined below) confirm that the Bonds (as defined below) are intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and have been listed on The Stock Exchange of Hong Kong Limited on that basis. Accordingly, the Issuer and the Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

PUBLICATION OF THE OFFERING CIRCULAR

广西金融投资集团
GFIG Guangxi Financial Investment Group

Guangxi Financial Investment Group Co., Ltd.
(廣西金融投資集團有限公司)

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

(the "**Issuer**")

U.S.$150,000,000 7.50 per cent. Guaranteed Green Bonds due 2025 (the "Bonds")
(Stock Code: 5949)

unconditionally and irrevocably guaranteed by

广西投资集团有限公司
GUANGXI INVESTMENT GROUP CO., LTD.

Guangxi Investment Group Co., Ltd.
(廣西投資集團有限公司)

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

(the "**Guarantor**")

Lead Global Coordinator, Manager and Bookrunner

Guotai Junan International

Joint Green Structuring Advisors

China CITIC Bank International	**Guotai Junan International**

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Guotai Junan International	**Bank of Communications**	**China CITIC Bank International**	**China Galaxy International**
ABC International	**Bank of China**	**CCB International**	**BG Securities**

Joint Lead Managers and Joint Bookrunners

SPDB International	**Zhongtai International**	**China Industrial Securities International**

CNCB Capital	**CITIC Securities**	**Huatai International**	**Flow Capital**

This announcement is issued pursuant to Rule 37.39A of the Listing Rules. Reference is made to the notice of listing of the Bonds on The Stock Exchange of Hong Kong Limited dated 14 November 2023 published by the Issuer.

The offering circular dated 6 November 2023 in relation to the Bonds is appended to this announcement.

Hong Kong, 15 November 2023

As at the date of this announcement, the board of directors of the Issuer comprises Mr. Li Dunman, Mr. Liang Xiaodong, Mr. Zhao Jianhai, Mr. Mo Shaomou, Ms. Luo Xuan, Mr. Zhao Baishun and Mr. Jiang Yadong; and the board of directors of the Guarantor comprises Mr. Zhou Lian, Mr. Liu Minghong, Mr. Xu Youhua, Mr. Bu Fansen, Mr. Xu Yuyun, Mr. Xie Chaobin, Ms. Xian Ning and Ms. Zhang Peiyun.

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the attached offering circular (the "**Offering Circular**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them, from time to time, each time you receive from the Issuer, the Guarantor or the Joint Lead Managers (each as defined in the Offering Circular) as a result of such access.

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

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

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

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

Confirmation of Your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities described herein, investors must comply with the following provisions. By accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to have represented to the Issuer, the Guarantor and the Joint Lead Managers that: (1) you and any customers you represent are not, and that the electronic mail address that you gave and to which this e-mail has been delivered is not, located in the United States, its territories or possessions, (2) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission, and (3) to the extent you purchase the securities described herein, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

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

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents (each as defined in the Offering Circular) nor any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Issuer, the Guarantor or the Joint Lead Managers.

The materials relating to any offering of the securities described herein do not constitute, and may not be used in connection with, an offer or solicitation by or on behalf of any of the Issuer, the Guarantor or the Joint Lead Managers to subscribe or purchase any of the securities described herein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of any Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Manager or such affiliate on behalf of the Issuer and the Guarantor in such jurisdiction.

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STRICTLY CONFIDENTIAL

Guangxi Financial Investment Group Co., Ltd.
(廣西金融投資集團有限公司)

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

U.S.$150,000,000 7.50 per cent. Guaranteed Green Bonds due 2025
unconditionally and irrevocably guaranteed by

Guangxi Investment Group Co., Ltd.
(廣西投資集團有限公司)

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

Issue Price: 100.00 per cent.

The U.S.$150,000,000 7.50 per cent. guaranteed green bonds due 2025 (the "**Bonds**") will be issued by Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司) (the "**Issuer**" or the "**Company**"), a company incorporated in the People's Republic of China (the "**PRC**") with limited liability, and will be unconditionally and irrevocably guaranteed (the "**Guarantee**") by Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司) (the "**Guarantor**"), a company incorporated in the PRC with limited liability. The Issuer is directly and majority-controlled by the Guarantor.

The Bonds will bear interest on their outstanding principal amount from and including 14 November 2023 (the "**Issue Date**") at the rate of 7.50 per cent. per annum, payable semi-annually in arrear in equal instalments on 14 May and 14 November in each year, commencing on 14 May 2024.

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

The Guarantee will be contained in the trust deed (the "**Trust Deed**", and any supplement thereto), which will be entered into between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (in that capacity, the "**Trustee**") on or around the Issue Date. The Issuer will undertake to and the Guarantor will undertake to procure the Issuer to (i) within the prescribed time period, register or cause to be registered with the State Administration of Foreign Exchange of the PRC or its local competent branch ("**SAFE**") the requisite information and documents in respect of the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as at 13 May 2013 and any implementation rules, reports, certificates or guidelines as issued by SAFE from time to time ("**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE (or any other document evidencing the completion of the Foreign Debt Registration issued by SAFE) on or before the Registration Deadline (being 120 Registration Business Days after the Issue Date), (iii) as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Notice of the People's Bank of China on Matters concerning the Macro-Prudential Management of Full-Covered Cross-Border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**PBOC Circular**"), and (iv) comply with all applicable PRC laws and regulations in relation to the Bonds, including but not limited to the PBOC Circular and any implementing measures promulgated thereunder from time to time.

Pursuant to the Administrative Measures for the Review and Registration of Medium- and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) ("**NDRC Administrative Measures**") issued by the National Development and Reform Commission of the PRC or its local counterparts ("**NDRC**") and effective from 10 February 2023, and any applicable implementation rules as issued by the NDRC from time to time, the Issuer has registered the issuance of the Bonds with the NDRC and obtained a certificate from NDRC on 9 October 2023, evidencing such registration (the "**NDRC Certificate**") which, as at the date of this Offering Circular, remains valid and in full force and effect. The Issuer undertakes to, and the Guarantor undertakes to procure the Issuer within the relevant prescribed timeframes after the Issue Date file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds in accordance with the NDRC Administrative Measures and any applicable implementation rules as issued by the NDRC from time to time, including but not limited to, the NDRC Post-issue Filing (as defined in the Terms and Conditions).

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

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 14 November 2025 (the "**Maturity Date**"). The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (as defined in the Terms and Conditions) (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued up to, but excluding, the date fixed for redemption) if the Issuer (or, if the Guarantee was called, the Guarantor) satisfies the Trustee immediately prior to the giving of such notice (i) that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of, such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 6 November 2023, and (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, subject to certain conditions as set out in the Terms and Conditions. See "*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for Taxation Reasons*". At any time following the occurrence of a Relevant Event (as defined in the Terms and Conditions), the Holder (as defined in the Terms and Conditions) of any Bond will have the right, at such Holder's option, to require the Issuer to redeem all but not some only of such Holder's Bonds on the Put Settlement Date (as defined in the Terms and Conditions) at 101 per cent. (in the case of a redemption for a Change of Control Event) or 100 per cent. (in the case of a redemption for a Non-Registration Event) of their principal amount, together with accrued interest up to (but excluding) the relevant Put Settlement Date. See "*Terms and Conditions of the Bonds — Redemption and Purchase*".

For a more detailed description of the Bonds, see "*Terms and Conditions of the Bonds*" beginning on page 91 of this Offering Circular.

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

Investing in the Bonds involves risks. See "*Risk Factors*" beginning on page 21 of this Offering Circular for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds will be issued under the green finance framework of the Issuer (the "**Green Finance Framework**"). See "*Green Finance Framework Overview*".

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

Application will be made to The Stock Exchange of Hong Kong Limited (the "**SEHK**") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only. This document is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and the Guarantor confirm that the Bonds are intended for purchase by Professional Investors only and will be listed on the SEHK on that basis. Accordingly, the Issuer and the Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The SEHK has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Bonds on the SEHK is not to be taken as an indication of the commercial merits or credit quality of the Bonds, the Issuer, the Guarantor, the Issuer Group, the Guarantor Group (each as defined herein) or the quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the SEHK take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

The Issuer was rated "BBB-" with a stable outlook by Fitch Rating Ltd. ("**Fitch**") and "Ba1" with a stable outlook by Moody's Investors Service, Inc. ("**Moody's**"). The Guarantor was rated "Baa2" with a stable outlook by Moody's and "BBB" with a stable outlook by Fitch . These ratings are only correct as at the date of this Offering Circular. The Bonds are expected to be assigned a rating of "BBB" by Fitch. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Issuer, the Guarantor or the Bonds may adversely affect the market price of the Bonds.

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

Lead Global Coordinator, Manager and Bookrunner

Guotai Junan International

Joint Green Structuring Advisors

China CITIC Bank International **Guotai Junan International**

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Guotai Junan International **Bank of Communications** **China CITIC Bank International** **China Galaxy International**

ABC International **Bank of China** **CCB International** **BG Securities**

Joint Lead Managers and Joint Bookrunners

SPDB International **Zhongtai International** **China Industrial Securities International**

CNCB Capital **CITIC Securities** **Huatai International** **Flow Capital**

The date of this Offering Circular is 6 November 2023

NOTICE TO INVESTORS

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

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer, the Guarantor, the Issuer Group and the Guarantor Group. Each of the Issuer and the Guarantor accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Each of the Issuer and the Guarantor, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuer and its subsidiaries (together, the "**Issuer Group**"), the Guarantor and its other subsidiaries (together with the Guarantor and the Issuer Group, the "**Guarantor Group**"), the Bonds and the Guarantee, which is material in the context of the issue and offering of the Bonds (including the information which is required by applicable laws and which, according to the particular nature of the Issuer, the Guarantor, the Issuer Group, the Guarantor Group, the Bonds and the Guarantee, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer, the Guarantor, the Issuer Group and the Guarantor Group and the rights attaching to the Bonds and the Guarantee); (ii) the statements contained in this Offering Circular are in every material particular true and accurate and not misleading; (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuer, the Guarantor, the Issuer Group and the Guarantor Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to the Issuer, the Guarantor, the Issuer Group, the Guarantor Group, the Bonds or the Guarantee, the omission of which would, in the context of the issue and offering of the Bonds and the giving of the Guarantee, make any statement in this Offering Circular misleading in any material respect; (v) all reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements in this Offering Circular; (vi) this Offering Circular does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in this Offering Circular, in the light of the circumstances under which they were made, not misleading; and (vii) the statistical, industry and market-related data and forward looking statements, each of which are included in this Offering Circular (if any) are based on or derived or extracted from sources which the Issuer and the Guarantor believe to be accurate and reliable in all material respects.

This Offering Circular has been prepared by the Issuer and the Guarantor solely for use in connection with the proposed offering of the Bonds and the giving of the Guarantee described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of Guotai Junan Securities (Hong Kong) Limited, Bank of Communications Co., Ltd. Hong Kong Branch, China CITIC Bank International Limited, China Galaxy International Securities (Hong Kong) Co., Limited, ABCI Capital Limited, Bank of China Limited, Singapore Branch, BOCI Asia Limited, CCB International Capital Limited, BG Securities (HK) Co., Limited, SPDB International Capital Limited, Zhongtai International Securities Limited, China Industrial Securities International Brokerage Limited, CNCB (Hong Kong) Capital Limited, CLSA Limited, Huatai Financial Holdings (Hong Kong) Limited and Flow Capital (HK) Limited (each, a "**Joint Lead Manager**" and together, the "**Joint Lead**

Managers"), the Issuer or the Guarantor to subscribe for or purchase any of the Bonds. The distribution of this Offering Circular, the offering of the Bonds and the giving of the Guarantee in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor and the Joint Lead Managers to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the possession or distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the giving of the Guarantee, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see "*Subscription and Sale*". By purchasing the Bonds, investors represent and agree to all of those provisions contained in that section of this Offering Circular. This Offering Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for, or otherwise acquire, Bonds. Distribution of this Offering Circular to any other person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorised. Each prospective investor, by accepting delivery of this Offering Circular, agrees to the foregoing and to make no photocopies of this Offering Circular or any documents referred to in this Offering Circular.

No person has been or is authorised in connection with the issue, offer or sale of the Bonds to give any information or to make any representation concerning the Issuer, the Guarantor, the Issuer Group, the Guarantor Group, the Bonds or the Guarantee other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents (as defined in the Terms and Conditions) or their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to, the date hereof or, as the case may be, the date upon which this Offering Circular has been most recently amended or supplemented. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them to subscribe for or purchase the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Offering Circular is being furnished by the Issuer and the Guarantor in connection with the offering of the Bonds and is exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Bonds. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer and the Guarantor and other sources identified in this Offering Circular. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than the consideration of an investment in the Bonds offered by this Offering Circular is prohibited. By accepting delivery of this Offering Circular each investor is deemed to have agreed to these restrictions.

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them has independently verified the information contained in this Offering Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made or given and no responsibility or liability is accepted, by the Joint Lead Managers, the Trustee or the Agents or any of their respective

affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them, as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular or any other information supplied in connection with the Bonds or the Guarantee. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Bonds. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer, the Guarantor, the Issuer Group and the Guarantor Group and the merits and risks involved in investing in the Bonds. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular and assumes no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement, made or purported to be made by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them in connection with the Issuer, the Guarantor, the Issuer Group, the Guarantor Group, the issue and offering of the Bonds or the giving of the Guarantee. Each of the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement.

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them undertakes to review the results of operations, financial condition or affairs of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers employees, agents, representatives or advisers or any person who controls any of them.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (an "**Association**") with the Issuer, the Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Lead Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the offering. Failure to provide such information may result in that order being rejected.

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

Any of the Joint Lead Managers or their respective affiliates may purchase the Bonds for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). Furthermore, investors in the Bonds may include entities affiliated with the Guarantor Group.

Prospective investors should not construe anything in this Offering Circular as legal, business or tax advice. Each prospective investor should determine for itself the relevance of the information contained in this Offering Circular and consult its own legal, business and tax advisers as needed to make its investment decision and determine whether it is legally able to purchase the Bonds under applicable laws or regulations.

WARNING

The contents of this Offering Circular have not been reviewed by any regulatory authority of any jurisdiction. You are advised to exercise caution in relation to the offering of the Bonds. If you are in any doubt about any of the contents of this Offering Circular, you should obtain independent professional advice.

INDUSTRY AND MARKET DATA

Market data and certain industry forecasts and statistics used throughout this Offering Circular have been obtained from both public and private sources, including market research, internal surveys, publicly available information and industry publications. Although the Issuer and the Guarantor believe this information to be reliable, this information has not been independently verified by the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them and none of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them makes any representation as to the correctness, accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains the audited consolidated financial information of each of the Issuer and the Guarantor as at and for the years ended 31 December 2020, 2021 and 2022.

The consolidated financial information of the Issuer as at and for the year ended 31 December 2020 has been derived from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2021 (the "**Issuer's 2021 Audited Financial Statements**") and the consolidated financial information of the Issuer as at and for the years ended 31 December 2021 and 2022 has been derived from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2022 (the "**Issuer's 2022 Audited Financial Statements**", together with the Issuer's 2021 Audited Financial Statements, the "**Issuer's Audited Financial Statements**"). The Issuer's Audited Financial Statements have been audited by ShineWing Certified Public Accountants LLP ("**ShineWing**"), the independent auditors of the Issuer. The Issuer's Audited Financial Statements, included elsewhere in this Offering Circular, were prepared and presented in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**").

The consolidated financial information of the Guarantor as at and for the year ended 31 December 2020 has been derived from the audited consolidated financial statements of the Guarantor as at and for the year ended 31 December 2021 (the "**Guarantor's 2021 Audited Financial Statements**") and the consolidated financial information of the Guarantor as at and for the years ended 31 December 2021 and 2022 has been derived from the audited consolidated financial statements of the Guarantor as at and for the year ended 31 December 2022 (the "**Guarantor's 2022 Audited Financial Statements**", together with the Guarantor's 2021 Audited Financial Statements, the "**Guarantor's Audited Financial Statements**"). The Guarantor's Audited Financial Statements have been audited by ShineWing, the independent auditors of the Guarantor. The Guarantor's Audited Financial Statements, included elsewhere in this Offering Circular, were prepared and presented in accordance with PRC GAAP.

PRC GAAP differs in certain material respects from International Financial Reporting Standards ("**IFRS**"). The Issuer and the Guarantor have not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "*Summary of Certain Differences between PRC GAAP and IFRS*".

In preparing the Issuer's 2021 Audited Financial Statements, the Issuer adopted a number of new accounting standards issued by the MOF, namely Accounting Standards for Business Enterprises No. 14 — Revenue, No. 22 — Recognition and Measurement of Financial Instruments, No. 23 — Transfer of Financial Assets, No. 24 — Hedging Accounting, No. 37 — Presentation of Financial Instruments and No. 21 — Leases with effect from 1 January 2021. With the adoption of the new accounting standards and tax authorities' re-determination of the applicable scope of tax preferential policies, certain consolidated financial information of the Issuer as at and for the year ended 31 December 2020 was adjusted in the Issuer's 2021 Audited Financial Statements. For details, please refer to "*Notes to the Financial Statements — V. Description of Changes in Accounting Policies and Accounting Estimates and Correction of Errors*" in the Issuer's 2021 Audited Financial Statements.

In preparing the Issuer's 2022 Audited Financial Statements, the Issuer changed its measurement model for investment properties from the cost model to the fair value model pursuant to No. 3 of the Accounting Standards for Business Enterprise — Investment Properties. The Issuer retrospectively adjusted certain financial information as at and for the year ended 31 December 2021 in the Issuer's 2022 Audited Financial Statements. In accordance with such new accounting standards, the Issuer was not required to and did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in the Issuer's 2021 Audited Financial Statements. As a result, certain consolidated financial information of the Issuer as at and for the year ended 31 December 2020 is not directly comparable to that as at and for the year ended 31 December 2021 or 2022. For details, please refer to "*Notes to the Financial Statements — V. Description of Changes in Accounting Policies and Accounting Estimates and Correction of Errors*" in the Issuer's 2022 Audited Financial Statements.

In preparing the Guarantor's 2021 Audited Financial Statements, the Guarantor adopted a number of new accounting standards issued by the MOF, namely Accounting Standard for Business Enterprises No. 14 — Revenue, No. 22 — Recognition and Measurement of Financial Instruments, No. 23 — Transfer of Financial Assets, No. 24 — Hedging Accounting, No. 37 — Presentation of Financial Instruments and No. 21 — Leases with effect from 1 January 2021, and Interpretation No. 14 of the Accounting Standards for Business Enterprises by the MOF with effect from 1 January 2021. With the adoption of the new accounting standards, certain consolidated financial information of the Guarantor as at and for the year ended 31 December 2020 was adjusted in the Guarantor's 2021 Audited Financial Statements. In addition, certain financial information as at and for the year ended 31 December 2020 has been restated in the Guarantor's 2021 Audited Financial Statements due to accounting errors. For details, please refer to "*Notes to the Financial Statements — V. Description of Changes in Accounting Policies and Accounting Estimates and Correction of Errors*" in the Guarantor's 2021 Audited Financial Statements.

In preparing the Guarantor's 2022 Audited Financial Statements, the Guarantor adopted a number of new accounting standards issued by the MOF, namely and Interpretation No. 15 of the Accounting Standards for Business Enterprises and No. 16 of the Accounting Standards for Business Enterprises (together, the "**2022 New Financial Instrument Standards**"). The Guarantor adjusted certain financial information as at and for the year ended 31 December 2021 in the Guarantor's 2022 Audited Financial Statements. In accordance with such new accounting standards, the Guarantor was not required to and did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in the Guarantor's 2021 Audited Financial Statements. As a result, certain consolidated financial information of the Guarantor as at and for the year ended 31 December 2020 is not directly comparable to that as at and for the year ended 31 December 2021 or 2022. In addition, certain financial information as at and for the year ended 31 December 2021 has been restated in the Guarantor's 2022 Audited Financial Statements due to accounting errors. For details, please refer to "*Notes to the Financial Statements — V. Description of Changes in Accounting Policies and Accounting Estimates and Correction of Errors*" in the Guarantor's 2022 Audited Financial Statements.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to the "**PRC**", "**China**" and "**mainland China**" are to the People's Republic of China (excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan), all references to the "**United States**" and "**U.S.**" are to the United States of America, and all references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China; all references to "**Renminbi**" and "**RMB**" are to the lawful currency of the PRC, and all references to "**USD**", "**U.S.$**" and "**U.S. dollar(s)**" are to the lawful currency of the United States.

This Offering Circular contains translation of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise specified, where financial information in Renminbi has been translated into U.S. dollars, it has been so translated, for convenience only, at the rate of RMB6.8972 to U.S.$1.00 (being the noon buying rate in New York City on 30 December 2022 as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York (the "**Noon Buying Rate**")). All such translations in this Offering Circular are provided solely for investors' convenience and no representation is made that the amounts referred to herein have been, could have been or could be converted into U.S. dollars or Renminbi, or vice versa, at any particular rate or at all. Further information regarding exchange rate is set forth in "*Exchange Rates*" in this Offering Circular. In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

Unless the context otherwise requires, references to "**2020**", "**2021**"and "**2022**" in this Offering Circular are to the years ended 31 December 2020, 2021 and 2022, respectively.

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

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

- "**Beibu Gulf Bank**" refers to Guangxi Beibu Gulf Bank Co., Ltd. (廣西北部灣銀行股份有限公司), together with its subsidiaries, "**Beibu Gulf Bank Group**";
- "**Beibu Gulf Financial Leasing**" refers to Beibu Gulf Financial Leasing Co., Ltd. (北部灣金融租賃有限公司);
- "**Beibu Gulf Insurance**" refers to Beibu Gulf Property & Casualty Insurance Co., Ltd. (北部灣財產保險股份有限公司);
- "**CBIRC**" refers to the former China Banking and Insurance Regulatory Commission (the successor of the China Banking Regulatory Commission and the China Insurance Regulatory Commission), now replaced by National Administration of Financial Regulation;
- "**CSRC**" refers to the China Securities Regulatory Commission;
- "**Digital Guangxi Group**" refers to Digital Guangxi Group Co., Ltd. (數字廣西集團有限公司) and its subsidiaries;
- "**GDP**" refers to gross domestic product;

- "**Guangxi Aluminium Group**" refers to Guangxi Aluminium Group Co., Ltd. (廣西鋁業集團有限公司) and its subsidiaries;

- "**Guangxi Asset Management**" refers to Guangxi Financial Asset Management Co., Ltd. (廣西金控資產管理有限公司);

- "**Guangxi Energy Group**" refers to Guangxi Energy Group Co. Ltd. (廣西能源集團有限公司) and its subsidiaries;

- "**Guangxi Financial Leasing**" refers to Guangxi Financial Leasing Co., Ltd. (廣西融資租賃有限公司);

- "**Guangxi Financing Guarantee**" refers to Guangxi Small & Medium Enterprises Financing Guarantee Co., Ltd. (廣西中小企業融資擔保有限公司) (formerly known as Guangxi Investment and Financing Guarantee Co., Ltd. (廣西投融資擔保有限責任公司) and Guangxi Small & Medium Enterprises Credit Guarantee Co., Ltd. (廣西中小企業信用擔保有限公司));

- "**Guangxi GIG Health**" refers to Guangxi GIG Medical Health Group Co., Ltd. (廣西廣投醫藥健康產業集團有限公司), together with its subsidiaries, "**Guangxi GIG Health Group**";

- "**Guangxi Guangtou Commercial Factoring**" refers to Guangxi Guangtou Commercial Factoring Co., Ltd. (廣西廣投商業保理有限公司);

- "**Guangxi Internet Financial Services**" refers to Guangxi Financial Internet Financial Services Co., Ltd. (廣西金投互聯網金融服務有限公司);

- "**Guangxi Investment Capital Management**" refers to Guangxi Investment Capital Management Group Co., Ltd. (廣投資本管理集團有限公司), together with its subsidiaries, "**GIG Capital Management Group**";

- "**Guangxi Investment Financial Holding Group**" refers to Guangxi Investment Group Financial Holding Co., Ltd. (廣西投資集團金融控股有限公司) and its subsidiaries;

- "**Guangxi Re-Guarantee**" refers to Guangxi Re-Guarantee Co., Ltd. (廣西再擔保有限公司);

- "**Guangxi Tongsheng Financial Leasing**" refers to Guangxi Tongsheng Financial Leasing Co., Ltd. (廣西通盛融資租賃有限公司);

- "**Guangxi Venture Capital**" refers to Guangxi Small and Medium Sized Enterprises Venture Capital Co., Ltd. (廣西中小企業創業投資有限公司);

- "**GZAR**" refers to the Guangxi Zhuang Autonomous Region;

- "**GZAR Government**" refers to the People's Government of the GZAR or local government entities, and instrumentalities thereof, or where the context requires, any of them;

- "**GZAR SASAC**" refers to the State-owned Assets Supervision and Administration Commission of the GZAR;

- "**Jintong Microfinance**" refers to Nanning Jintong Microfinance Co., Ltd. (南寧市金通小額貸款有限公司);

- "**Lanhuoyi**" refers to Guangxi Lanhuoyi Software Technology Co., Ltd. (廣西藍火翼軟體技術有限公司);

- "**Medical Insurance Drugs Catalogues**" refers to the National Medical Insurance Drugs Catalogue and the basic medical insurance and work injury insurance drugs catalogue issued by the local agency of human resources and social security of a province, municipality or autonomous region;

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

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

- "**mu**" refers to a standard unit of area for land in China. One mu equals to approximately 0.06666 hectares, 0.1647 acres or 666.667 square metres;

- "**National Medical Insurance Drugs Catalogue**" refers to the Medicines List for National Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance (國家基本醫療保險、工傷保險和生育保險藥品目錄), issued by the Ministry of Human Resources and Social Security, as amended;

- "**NDRC**" refers to the National Development and Reform Commission of the PRC or its competent local counterparts;

- "**NEEQ**" refers to National Equities Exchange and Quotations;

- "**NHFPC**" refers to the National Health and Family Planning Commission of the PRC;

- "**NPC**" refers to the National People's Congress of the PRC;

- "**PBOC**" refers to the People's Bank of China, the central bank of the PRC;

- "**PRC government**" refers to the central government of the PRC and its political subdivisions, including provincial, municipal and other regional or local government entities, and instrumentalities thereof, or where the context requires, any of them;

- "**SAT**" refers to the State Administration of Taxation of the PRC;

- "**Sealand Securities**" refers to Sealand Securities Co., Ltd. (國海證券股份有限公司), together with its subsidiaries, "**Sealand Securities Group**";

- "**SME**" or "**SMEs**" refers to small and medium enterprise(s);

- "**SCNPC**" refers to the Standing Committee of the NPC;

- "**State Council**" refers to the State Council of the PRC;

- "**VAT**" refers to value-added tax;

- "**Wuzhou Pharmaceutical Group**" refers to Guangxi Wuzhou Pharmaceutical Group Co., Ltd. (廣西梧州製藥(集團)股份有限公司) and its subsidiaries; and

- "**Wuzhou Zhongheng**" refers to Guangxi Wuzhou Zhongheng Group Co., Ltd. (廣西梧州中恒集團股份有限公司), together with its subsidiaries, "**Zhongheng Group**".

FORWARD-LOOKING STATEMENTS

The Issuer and the Guarantor have made certain forward-looking statements in this Offering Circular. All statements other than statements of historical facts contained in this Offering Circular constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms, such as "anticipate", "target", "believe", "can", "could", "estimate", "expect", "aim", "intend", "may", "plan", "will", "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, operating revenue and profitability, planned projects and other matters as they relate to the Issuer, the Guarantor, the Issuer Group and/or the Guarantor Group discussed in this Offering Circular regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Offering Circular (whether made by the Issuer, the Guarantor or by any third party) involve known and unknown risks, including those disclosed under the caption "*Risk Factors*", uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In light of these risks, uncertainties and other factors, the forward-looking events discussed in this Offering Circular might not occur.

These forward-looking statements speak only as at the date of this Offering Circular. Each of the Issuer and the Guarantor expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's or the Guarantor's expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

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

- ability of the Issuer Group and the Guarantor Group to successfully implement their respective business plans and strategies;
- various business opportunities that the Issuer Group or the Guarantor Group may pursue;
- financial condition, performance and business prospects of the Issuer Group and the Guarantor Group;
- acquisition, expansion and capital expenditure plans of the Issuer Group and the Guarantor Group and their respective ability to carry out those plans;
- the continued availability and cost of capital and financing of the Issuer Group and the Guarantor Group;
- dividend policies of the respective subsidiaries and portfolio companies of the Issuer Group and the Guarantor Group;
- future developments, trends and conditions in the industry and markets in which the Issuer Group or the Guarantor Group operates;
- competition in the market or industry in which the Issuer Group or the Guarantor Group operates and the potential impact of such competition on their businesses;

- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant government authorities relating to all aspects of the business of the Issuer Group or the Guarantor Group;

- general political and economic conditions, including those related to the PRC or the GZAR;

- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Issuer Group or the Guarantor Group operates;

- fluctuations in prices of and demand for products and services that the Issuer Group or the Guarantor Group provides;

- macroeconomic measures taken by the PRC government to manage economic growth;

- natural disasters, industrial action, terrorist attacks and other events beyond control of the Issuer Group and the Guarantor Group;

- changes in global economic conditions; and

- other factors, including those discussed in "*Risk Factors*".

Each of the Issuer and the Guarantor cautions investors not to place undue reliance on these forward-looking statements which reflect its managements' view only as at the date of this Offering Circular. Neither the Issuer nor the Guarantor undertakes any obligation to update or revise publicly any of the opinions or forward-looking statements expressed in this Offering Circular as a result of any new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur and the actual results of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group could differ materially from those anticipated in these forward-looking statements.

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SUMMARY

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

Overview of the Issuer Group

The Issuer Group is the largest state-owned integrated financial services provider in the GZAR. The Issuer Group acts as the strategic platform of the GZAR Government to promote the development of the GZAR's finance industry and serves the financing needs of enterprises and individuals in the GZAR, with a particular focus on SMEs, microenterprises and agricultural enterprises. Over the years, the Issuer Group has received various honours and awards in recognition of its business achievements, including being consecutively ranked among Top 500 Services Enterprises of China (中國服務業企業500強), Top 100 Enterprises of Guangxi (廣西企業100強) and Guangxi Outstanding Enterprises (廣西優秀企業) and named as "Outstanding Fixed Income Product Issuer (優秀固定收益產品發行人)" by the Shenzhen Stock Exchange. See "— *Honours and Awards*".

As at 31 December 2022, the Issuer had a registered capital of RMB12.9 billion and total assets of the Issuer Group amounted to RMB118,281.8 million. For the years ended 31 December 2020, 2021 and 2022, the Issuer Group reported total operating revenue of RMB10,654.3 million, RMB8,236.6 million and RMB7,208.2 million, respectively, and net profit of RMB940.5 million, RMB337.5 million and RMB565.1 million, respectively.

The Issuer Group's business operations encompass financial asset investment, operation, management and services as well as industrial investment and services, and are classified into the following segments:

- **Property insurance**: The Issuer Group conducts its property insurance business primarily through Beibu Gulf Insurance. Established in January 2013, Beibu Gulf Insurance was the first insurance company headquartered in the GZAR. Based on the premium data published by CIRC, Beibu Gulf Insurance ranked fourth among 23 property insurance companies in the GZAR and 33rd among 88 property insurance companies nationwide as at 31 December 2022, in terms of gross premiums written. Beibu Gulf Insurance offers a broad range of property insurance products including, among others, motor insurance, casualty insurance and agriculture insurance. Beibu Gulf Insurance also derives income from its own investments, principally investing in currency funds, public funds, insurance asset management portfolio products, agreement deposits, publicly issued bonds, pooled trust plans and insurance asset management debt plans in order to maintain stable and long-term returns to support its insurance liabilities. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB3,611.7 million, RMB3,589.6 million and RMB3,599.9 million, respectively, representing approximately 33.9 per cent., 43.6 per cent. and 49.9 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Leasing**: The Issuer Group conducts its financial leasing business primarily through Beibu Gulf Financial Leasing and conducts financing leasing business primarily through Guangxi Financial Leasing and Guangxi Tongsheng Financial Leasing. Established in September 2012, Beibu Gulf Financial Leasing was the first financial leasing company established by the Issuer Group in the GZAR and aims to focus on offering financial leasing services to state-owned enterprises and enterprises engaged in manufacturing, water supply and production, cultural tourism, electricity, heat and gas supply and production, clean energy and environmental protection, infrastructure construction, healthcare, transportation and transportation warehousing, high-end equipment and

other industries. In addition, Guangxi Financial Leasing provides financing leasing services to both externally and internally and Guangxi Tongsheng Financial Leasing mainly focuses on automobile financing leasing. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB1,014.1 million, RMB1,050.9 million and RMB1,045.9 million, respectively, representing approximately 9.5 per cent., 12.8 per cent. and 14.5 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Asset management**: The Issuer Group conducts its asset management operations primarily through Guangxi Asset Management, which is engaged in non-performing asset management from financial institutions and non-financial enterprises. Actively cooperating with institutions and enterprises in the GZAR, Guangxi Asset Management had assisted entities covering a wide range of industries including real estate, construction, retail and wholesale, primarily through means, such as debt restructuring, litigation recovery, asset repossession and assignment of debt. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB590.3 million, RMB587.4 million and RMB564.0 million, respectively, representing approximately 5.5 per cent., 7.1 per cent. and 7.8 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Commercial factoring**: The Issuer Group conducts its commercial factoring business primarily through Guangxi Guangtou Commercial Factoring. Established in January 2021 with the approval of the GZAR Government, Guangxi Guangtou Commercial Factoring is the first commercial factoring company approved by the financial supervision and administration bureau of the GZAR Government. Guangxi Guangtou Commercial Factoring actively implements policies to facilitate the development of supply chain finance in the GZAR and focuses on key industries for the high-quality development of the local economy. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to nil, RMB13.1 million and RMB52.7 million, respectively, representing approximately nil per cent., 0.2 per cent. and 0.7 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Credit guarantees**: The Issuer Group conducts its credit guarantees business primarily through Guangxi Financing Guarantee. Guangxi Financing Guarantee is principally engaged in the provision of credit guarantees to customers for their bank loans. Established in November 2002 with the approval of the GZAR Government, Guangxi Financing Guarantee is the largest guarantee provider in terms of registered capital in the GZAR. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this business amounted to RMB829.3 million, RMB799.6 million and RMB703.8 million, respectively, representing approximately 7.8 per cent., 9.7 per cent. and 9.8 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Other businesses**: The Issuer Group engages in other businesses, such as consulting, fund management and supply chain services. The Issuer Group conducts its consulting, fund management and supply chain services primarily through GIG Capital Management Group. The Issuer Group also conducts its micro and small lending business through Jintong Microfinance. Established in April 2011, Jintong Microfinance offers direct loans primarily to SMEs, microenterprises, agricultural enterprises and individuals to address their need for quick access to funds. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB4,608.9 million, RMB2,195.9 million and RMB1,241.8 million, respectively, representing approximately 43.3 per cent., 26.7 per cent. and 17.2 per cent. of the Issuer Group's total operating revenue for the same periods.

Competitive Strengths of the Issuer Group

The Issuer Group believes that it has the following competitive strengths:

- The largest state-owned integrated financial services provider in the GZAR benefiting from a strategic relationship with and strong support from the GZAR Government and the Guarantor Group;
- Strategic importance to the finance industry in the GZAR;
- Strong support from the PRC government and the GZAR Government;
- The GZAR's strategic positioning and strong economic growth;
- Diversified business portfolio that shares the Issuer Group's extensive business network, broad client base and strong government relationships across all segments to achieve valuable synergies;
- Diverse earnings base that generates stable income and returns;
- Effective risk management system;
- Comprehensive and strong corporate governance;
- Sound financing capability and close relationships with commercial banks in the PRC; and
- Experienced and motivated management team.

Business Strategies of the Issuer Group

The Issuer Group's goal is to promote the development of the GZAR's finance industry and serve the financing needs of enterprises and individuals in the GZAR, with a particular focus on SMEs, microenterprises and agricultural enterprises. The Issuer Group intends to adopt the following key strategies to achieve such goals:

- Continue to fulfil its role as an integrated financial services provider in the GZAR;
- Continue to leverage the strategic relationship with, and the strong support from, the GZAR Government to consolidate and extend the Issuer Group's leading position in the finance industry;
- Introduce and expand capital-efficient products and services;
- Diversify financing sources and explore new channels to lower funding costs;
- Continue to strengthen financial management, risk management, internal controls and information technology capabilities; and
- Develop and enhance synergies across business segments and create a self-sustaining model to consolidate revenue streams from a diverse set of related businesses.

Overview of the Guarantor Group

The Guarantor Group is a leading state-owned investment conglomerate in the PRC under direct supervision of GZAR SASAC with an extensive business portfolio that primarily comprises (i) aluminium, (ii) energy, (iii) finance, (iv) medical and healthcare, (v) digital economy and (vi) investment. It is widely acknowledged within the relevant industries in the GZAR that the Guarantor Group is the largest of its kind for a homegrown GZAR enterprise in the region in terms of operational scale and the breadth and depth of its businesses, and the Guarantor Group believes it is the first such homegrown enterprise to exceed RMB200 billion in revenue. As one of the most important state-owned investment and financing enterprises in the GZAR, the Guarantor Group has the clear mandate to undertake strategic investments in the region, promote the transformation and upgrading of traditional industries, foster the development of emerging industries and lead overall quality industrial development in the GZAR. The honours and accolades bestowed upon the Guarantor over the years bear testament to its dominant market position and prominence in the GZAR: it ranked first among Top 100 Enterprises in Guangxi (廣西企業100強) for the past seven years; it ranked 141st among Top 500 Enterprises in China (中國企業500強) in 2023 and ranked 495th in Fortune Global 500 in 2023. It has also served as a major strategic partner for the China-ASEAN Expo for the past 20 years.

Tracing its history back to 1988, the Guarantor Group operates its businesses in five core segments:

- **Aluminium**: The Guarantor Group's aluminium operations are integrated and form a relatively complete business chain ranging from bauxite mining, alumina refining, electrolytic aluminium smelting to production of carbon and graphite products, aluminium processing and conversion of primary metal into value-added products for sale and trading. It has stable sources of critical raw materials for its operations, including its in-house bauxite and alumina resources. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its aluminium business of approximately RMB112,626.3 million, RMB118,139.9 million and RMB128,733.4 million, respectively, representing 58.9 per cent., 57.3 per cent. and 61.2 per cent. of its total revenue, respectively. Currently, this business is the largest revenue contributor for the Guarantor Group.

- **Energy**: The Guarantor Group's energy business primarily comprises power generation and provision and sales of natural gas. The Guarantor Group is mainly engaged in thermal power and hydropower generation as well as power generation from renewable energy sources such as nuclear power and photovoltaic power. As at 31 December 2022, the Guarantor Group is the largest power investment group in the GZAR with a total installed capacity of 32.2 GW and total attributable installed capacity of 110 GW. With respect to its natural gas operations, the Guarantor Group has taken on the lead role for the organisation and implementation of the GZAR's major and ambitious "county-to-county (縣縣通)" gas project, which involves the construction of a comprehensive natural gas pipeline network covering the entire region. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its energy business of approximately RMB36,406.0 million, RMB52,205.2 million and RMB45,518.3 million, respectively, representing 19.0 per cent., 25.3 per cent. and 21.6 per cent. of its total revenue, respectively.

- **Finance**: The Guarantor Group's finance business comprises a broad range of financial services and products offered through its member groups, Sealand Securities Group, Beibu Gulf Bank Group, the Issuer Group and Guangxi Investment Financial Holding Group. Services provided can be categorised into securities, banking and other financial services. The Guarantor Group's finance business, after the consolidation of the Issuer Group in 2019, has experienced relatively substantial and rapid expansion, while still managing profitability and is an important revenue contributor. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its finance business of approximately RMB25,019.5 million, RMB27,133.1 million and RMB28,158.6 million, respectively, representing 13.1 per cent., 13.2 per cent. and 13.4 per cent. of its total revenue, respectively.

- **Medical and healthcare**: The Guarantor Group engages in the production and sale of pharmaceuticals through its member group, Zhongheng Group and its main operating member group, Wuzhou Pharmaceutical Group. In addition, the Guarantor Group actively develops its relatively new wellness and healthcare business through another member group, Guangxi GIG Health Group. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its medical and healthcare business of approximately RMB5,916.0 million, RMB3,759.3 million and RMB3,180.2 million, respectively, representing 3.1 per cent., 1.8 per cent. and 1.5 per cent. of its total revenue, respectively.

- **Digital economy**: The Guarantor Group has been tasked by the GZAR Government to lead the charge to bring the GZAR into the new digital era and the Guarantor Group has been making efforts to realise the convergence and integration of public administration and industry big data with the application of advanced technology such as big data, cloud computing and artificial intelligence. Digital Guangxi Group is the main operating entity for the Guarantor Group in this regard. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its digital economy business of approximately RMB8,303.0 million, RMB2,537.2 million and RMB3,099.7 million, respectively, representing 4.3 per cent., 1.2 per cent. and 1.5 per cent. of its total revenue, respectively.

- **Investment**: The Guarantor Group operates its investment business through its member group, GIG Capital Management Group, a fund management platform and investing entity for the Guarantor Group. Its major business can be categorised into equity investment, fixed-income investment, consulting services, supply chain operation and environmental engineering. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its investment business of approximately RMB1,047.1 million, RMB1,500.4 million and RMB1,045.8 million, respectively, representing 0.6 per cent., 0.7 per cent. and 0.5 per cent. of its total revenue, respectively.

In addition to the above, the Guarantor Group also conducts ancillary businesses such as consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services. For the years ended 31 December 2020, 2021 and 2022, total revenue of the Guarantor Group was RMB191,187.0 million, RMB206,293.6 million and RMB210,300.0 million, respectively, and the total gross profit of the Guarantor Group was approximately RMB15,962.6 million, RMB16,478.6 million and RMB14,651.1 million, respectively, for the same periods. As at 31 December 2020, 2021 and 2022, Guarantor Group had total assets of RMB589,006.4 million, RMB669,134.1 million and RMB749,376.1 million, respectively.

Competitive Strengths of the Guarantor Group

The Guarantor Group believes that the following strengths are key to its consistent growth and enable the Guarantor Group to compete successfully within the industries in which it operates:

- Established forerunner in the GZAR as the leading government investment and financing platform to implement strategic blueprint for the overall development of the GZAR;

- Well-positioned to capitalise on and benefit from the GZAR's strong economic growth and continuous urbanisation;

- Diversified business portfolio with a broad and stable earning base;

- Outstanding research and development capabilities driving continuous business and product innovation;

- Diverse financing channels and strong credit profile; and

- Experienced and professional management team with sound corporate governance.

Business Strategies of the Guarantor Group

The Guarantor Group intends to adopt the following key strategies for its continued business expansion and growth:

- Continue to maintain the competitiveness and market shares of the Guarantor Group's core businesses in aluminium and energy;

- Continue to strengthen the Guarantor Group's finance operations to become a market leading comprehensive financial services provider;

- Continue to grow the Guarantor Group's newer emerging businesses and promote the synergistic development of its diversified business portfolio; and

- Continue to diversify financing channels and adhere to prudent internal control, risk management and financial management to ensure sustainable growth and capital sufficiency.

Recent Developments of the Issuer Group and the Guarantor Group

Please refer to "*Description of the Issuer Group — Recent Developments*" and "*Description of the Guarantor Group — Recent Developments*" for more details.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE ISSUER GROUP

The following tables set forth the summary consolidated financial information of the Issuer as at and for the years indicated.

The consolidated financial information of the Issuer as at and for the year ended 31 December 2020 has been derived from the Issuer's 2021 Audited Financial Statements and the consolidated financial information of the Issuer as at and for the years ended 31 December 2021 and 2022 has been derived from the Issuer's 2022 Audited Financial Statements.

Certain financial information as at and for the year ended 31 December 2021 was adjusted in the Issuer's 2022 Audited Financial Statements primarily due to change of measurement model for investment properties. The Issuer was not required to and did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in the Issuer's 2021 Audited Financial Statements. As a result, certain consolidated financial information of the Issuer as at and for the year ended 31 December 2020 is not directly comparable to that as at and for the year ended 31 December 2021 or 2022. In addition, certain financial information as at and for the year ended 31 December 2020 was adjusted in the Issuer's 2021 Audited Financial Statements primarily due to the adoption of new accounting standards and policies. For details, see "Presentation of Financial Information".

The Issuer's Audited Financial Statements have been audited by ShineWing and were prepared and presented in accordance with PRC GAAP. See "Presentation of Financial Information". PRC GAAP differs in certain material respects from IFRS. The Issuer has not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "Summary of Certain Differences between PRC GAAP and IFRS".

Prospective investors should read the summary consolidated financial information below in conjunction with, and is qualified in its entirety by reference to, the Issuer's Audited Financial Statements and the related notes which are included elsewhere in this Offering Circular. Historical results are not necessarily indicative of results that may be achieved in any future period.

Summary Consolidated Income Statement

	For the year ended 31 December		
	2020	2021	2022
	(Audited and adjusted)	(Audited and adjusted)	(Audited)
		(RMB in thousands)	
Total operating revenue	**10,654,269**	**8,236,643**	**7,208,167**
Including: Operating revenue	7,578,868	2,039,362	1,366,053
Interest income	2,252,644	1,809,249	1,523,463
Insurance premium earned	815,945	4,310,403	4,278,064
Handling charge and commission income	6,813	77,629	40,588
Total costs	**11,318,199**	**10,437,277**	**9,030,583**
Including: Operating cost	2,684,924	1,830,941	1,038,748
Interest expenses	3,873,675	3,917,461	3,601,717
Handling charge and commission	545,121	431,244	374,021
Net compensation expenses	1,872,237	2,460,148	2,153,898
Net withdrawal of insurance liability reserve	901,838	429,059	614,154
Reinsurance costs	16,171	5,039	–
Taxes and surcharges	88,304	54,975	58,505
Selling expenses	918,882	889,509	751,782
Administrative expenses	505,199	522,008	539,724
Research & development expenses	40,728	20,911	4,522
Financial expenses	(128,879)	(124,018)	(106,488)
Including: Interest expenses	97,214	9,121	85,703
Interest income	418,396	162,654	199,430
Net exchange loss	–	2,267	2,943
Plus: Other income	138,992	100,845	44,848
Investment income	1,748,976	1,988,436	1,907,355
Exchange earnings	231,712	76,386	(290,155)
Gain/(loss) from changes in fair value	67,996	959,006	223,381
Credit impairment gain/loss	–	(512,321)	811,116
Asset impairment loss	(148,384)	–	(10,611)
Gains on disposal of assets	98	(7,544)	(80,869)
Operating profit	**1,375,461**	**404,173**	**782,649**
Add: Non-operating revenue	21,377	151,238	6,172
Less: Non-operating expenses	15,688	8,997	4,505
Total profit	**1,381,150**	**546,414**	**784,317**
Less: Income tax expenses	440,695	208,909	219,216
Net profit	**940,455**	**337,504**	**565,101**
Net profit attributable to owner of parent company	277,023	123,225	246,468
Non-controlling interests	663,432	214,279	318,633
Total comprehensive income	**1,037,943**	**226,622**	**(2,506)**
Total comprehensive income attributable to owner of parent company	325,029	7,613	(149,990)
Total comprehensive income attributable to non-controlling interests	712,914	219,008	147,484

Summary Consolidated Statement of Financial Position

	As at 31 December		
	2020	2021	2022
	(Audited and adjusted)	(Audited and adjusted) (RMB in thousands)	(Audited)
Current assets			
Cash and cash equivalents	8,897,496	6,573,475	7,304,298
Provision for settlement	4,183	5,151	11,052
Trading financial assets	5,046,094	2,852,543	2,953,992
Notes receivable	–	–	87,570
Accounts receivable	831,109	692,615	1,041,342
Prepayments	641,564	557,951	732,346
Premiums receivable	709,133	792,895	1,196,398
Reinsurance accounts receivable	208,231	273,552	271,679
Reinsurance contracts receivable reserve	275,167	287,989	397,721
Other receivables	1,473,347	2,635,381	9,421,644
Purchase and resale of financial assets	18,900	31,102	101,230
Inventories	4,231	23,686	6,729
Contract assets	–	97,310	9,421
Assets held for sale	590	9,022	72,112
Non-current assets due within one year	2,433,601	2,493,235	7,439,120
Other current assets	2,680,601	2,687,210	2,365,731
Total current assets	**23,224,247**	**20,013,116**	**33,412,383**
Non-current assets:			
Loans and advances	16,482,221	11,101,539	2,423,218
Debt investments	22,619,571	17,597,391	11,335,602
Other debt investments	31,600	–	–
Long-term receivables	12,848,472	10,711,846	11,885,873
Long-term equity investments	5,409,122	5,199,560	5,778,283
Investment in other equity instruments	4,180,462	6,923,833	9,052,137
Other non-current financial assets	6,324,078	7,773,524	7,196,613
Investment properties	17,782,147	18,848,629	32,395,946
Fixed assets	360,938	246,108	96,776
Construction in progress	8,747	147,373	777
Productive biological assets	–	–	17,835
Right-of-use assets	106,008	93,729	79,188
Intangible assets	88,959	78,969	82,284
Development expenditure	3,538	–	518
Goodwill	48,065	48,065	48,065
Long-term prepaid expenses	137,098	47,705	101,319
Deferred tax assets	628,202	762,003	788,313
Other non-current assets	4,738,909	4,048,109	3,586,706
Total non-current assets	**91,798,138**	**83,628,382**	**84,869,454**
Total Assets	**115,022,385**	**103,641,498**	**118,281,837**

	As at 31 December		
	2020	2021	2022
	(Audited and adjusted)	(Audited and adjusted) (RMB in thousands)	(Audited)
Current liabilities:			
Short-term loans	8,943,419	7,095,933	8,694,195
Borrowings from central bank	–	200,000	100,000
Notes payable	116,000	295,800	454,018
Accounts payable	348,055	1,125,085	689,601
Contract liabilities	448,436	285,771	347,978
Sale of repurchased financial assets	89,799	90,130	179,999
Employee benefits payable	18,495	48,967	20,926
Taxes and dues payable	295,957	225,064	199,290
Other payables	15,290,157	13,186,609	15,936,851
Handling charges and commission payable	61,818	48,573	112,882
Reinsurance accounts payable	277,668	315,496	275,648
Non-current liabilities due within one year	22,334,580	13,279,394	20,618,807
Other current liabilities	29,671	37,156	73,492
Total Current Liabilities	**48,254,055**	**36,233,977**	**47,703,687**
Non-current liabilities:			
Insurance contract reserve	5,377,157	5,762,950	6,119,570
Long-term loans	14,789,493	12,568,574	9,933,157
Bonds payable	7,841,602	6,027,857	8,171,891
Lease liabilities	89,499	81,098	73,568
Long-term payables	7,573,517	14,345,531	10,128,760
Long-term employee benefits payable	–	–	20,363
Provisions	7	–	–
Deferred income	50,736	27,159	45,531
Deferred tax liabilities	87,705	177,889	95,640
Other non-current liabilities	40,605	11,946	466
Total non-current liabilities	**35,850,321**	**39,003,004**	**34,588,946**
Total liabilities	**84,104,376**	**75,236,981**	**82,292,633**
Equity:			
Paid-in capital (or share capital)	2,800,000	4,300,000	10,000,000
Capital reserve	12,220,678	18,532,976	18,523,242
Other comprehensive income	74,796	3,002	(393,456)
Surplus reserve	68,789	68,789	68,789
General risk provisions	1,068,581	1,141,643	1,191,231
Undistributed profits	(4,646,712)	(4,807,564)	(4,609,186)
Total owner's equity attributable to the parent company	**11,586,133**	**19,238,846**	**24,780,621**
Minority interests	19,331,876	9,165,672	11,208,583
Total owner's equity	**30,918,008**	**28,404,518**	**35,989,204**
Total liabilities and owner's equity	**115,022,385**	**103,641,498**	**118,281,837**

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE GUARANTOR GROUP

The following tables set forth the summary consolidated financial information of the Guarantor as at and for the years indicated.

The consolidated financial information of the Guarantor as at and for the year ended 31 December 2020 has been derived from the Guarantor's 2021 Audited Financial Statements and the consolidated financial information of the Guarantor as at and for the years ended 31 December 2021 and 2022 has been derived from the Guarantor's 2022 Audited Financial Statements.

Certain financial information as at and for the year ended 31 December 2021 was adjusted or restated in the Guarantor's 2022 Audited Financial Statements primarily due to the adoption of new accounting standards and policies and correction of prior accounting error. The Guarantor was not required to and did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in the Guarantor's 2021 Audited Financial Statements. As a result, certain consolidated financial information of the Guarantor Group as at and for the year ended 31 December 2020 is not directly comparable to that as at and for the year ended 31 December 2021 or 2022. In addition, certain financial information as at and for the year ended 31 December 2020 was adjusted or restated in the Guarantor's 2021 Audited Financial Statements primarily due to the adoption of new accounting standards and policies and correction of prior accounting errors. For details, see "Presentation of Financial Information".

The Guarantor's Audited Financial Statements have been audited by ShineWing and were prepared and presented in accordance with PRC GAAP. See "Presentation of Financial Information". PRC GAAP differs in certain material respects from IFRS. The Guarantor has not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "Summary of Certain Differences between PRC GAAP and IFRS".

Prospective investors should read the summary consolidated financial information below in conjunction with, and is qualified in its entirety by reference to, the Guarantor's Audited Financial Statements and the related notes which are included elsewhere in this Offering Circular. Historical results are not necessarily indicative of results that may be achieved in any future period.

Summary Consolidated Income Statement

	For the year ended 31 December		
	2020	2021	2022
	(Audited and adjusted/restated)	(Audited and adjusted/restated)	(Audited)
		(RMB in thousands)	
Total revenue	**191,187,032**	**206,293,566**	**210,299,952**
Including: Operating income	171,580,495	180,380,992	183,385,700
Interest income	16,263,062	18,516,291	19,984,557
Earned premium	815,945	4,310,130	4,276,673
Income from service charges and commissions	2,527,531	3,086,152	2,653,023
Total costs	**188,644,820**	**205,093,755**	**210,299,814**
Including: Operating costs	159,419,850	172,261,033	176,852,773
Interest expenses	12,173,116	13,828,666	15,322,560
Expenses for service charges and commissions	841,258	831,008	705,485
Net payments for insurance claims	1,872,237	2,460,148	2,153,898
Net provision for insurance contracts	901,838	429,059	614,154
Cession charges	16,171	5,039	–
Taxes and surcharges	719,814	951,832	820,056
Selling expenses	5,781,257	5,711,801	4,655,660
General and administrative expenses	3,929,242	4,691,595	4,799,706
Research and development expenses	424,926	812,911	1,096,339
Financial expenses	2,565,111	3,110,663	3,279,181
– Interest expenses	3,011,222	3,446,902	3,938,254
– Interest income	550,839	485,984	666,015
– Foreign exchange net loss/(income)	7,126	30,446	(109,477)
Other income	488,127	367,162	802,696
Investment income	3,983,421	5,834,254	6,679,825
Gain/(loss) on foreign exchange transactions	244,087	90,611	(246,927)
Gain/(loss) from changes in fair value	57,915	2,285,789	(510,747)
Credit impairment loss	(432,607)	(4,489,294)	(1,541,379)
Asset impairment loss	(2,955,265)	(554,294)	(264,415)
Gains/(losses) from disposal of assets	101,952	130,457	42,533
Operating profits	**4,029,842**	**4,864,497**	**4,961,725**
Add: Non-operating income	149,478	418,561	265,928
Less: Non-operating expenses	138,157	241,993	172,150
Total profits	**4,041,164**	**5,041,065**	**5,055,503**
Less: Income tax expenses	1,216,476	1,305,294	1,262,918
Net profits	**2,824,687**	**3,735,771**	**3,792,585**
Attributable to owners of the Company	285,646	512,384	565,183
Attributable to non-controlling interests	2,539,042	3,223,386	3,227,401
Net post-tax amount of other comprehensive income	**23,717**	**307,328**	**(1,054,158)**
Total comprehensive income	**2,848,404**	**4,043,098**	**2,738,427**

Summary Consolidated Statement of Financial Position

	As at 31 December		
	2020	2021	2022
	(Audited and adjusted/restated)	(Audited and adjusted/restated)	(Audited)
		(RMB in thousands)	
Current assets:			
Cash and cash equivalents	70,386,800	67,956,009	64,511,378
Provision of settlement funds	1,838,062	2,616,223	3,017,279
Lendings to banks and other financial institutions	3,231,516	3,783,818	10,271,345
Held-for-trading financial assets	50,184,421	64,219,099	80,135,522
Derivative financial assets	4,540	55,351	25,629
Notes receivable	97,414	388,882	347,668
Accounts receivable	4,473,195	5,182,579	7,691,802
Receivables financing	228,150	266,224	167,946
Prepayments	1,960,360	4,022,263	2,980,816
Receivable premium	709,133	792,895	1,196,398
Cession premium receivable	208,231	273,552	271,679
Provision of cession receivable	275,167	287,989	397,721
Other receivables	5,232,761	6,213,959	12,357,956
Redemptory monetary capital for sale	10,096,675	17,859,360	22,374,316
Inventories	6,606,995	8,132,282	8,607,284
Contract assets	70,220	258,235	998,040
Held-for-sale assets	590	9,022	72,112
Non-current assets due within one year	60,888,699	100,406,331	115,308,213
Other current assets	12,261,013	13,876,525	15,136,675
Total current assets	**228,753,942**	**296,600,598**	**345,869,779**
Non-current assets:			
Loans and advances	108,525,808	103,355,910	112,780,551
Debt investments	94,604,950	84,542,375	83,333,220
Other debt investments	21,610,113	21,974,060	12,823,447
Long-term receivables	13,525,766	10,965,596	12,486,566
Long-term equity investments	22,844,142	29,198,596	35,442,861
Investment in other equity instruments	15,942,480	35,877,841	38,079,396
Other non-current financial assets	11,836,808	13,565,783	12,744,983
Investment properties	20,235,622	21,871,373	35,536,967
Fixed assets	21,608,230	27,221,658	33,632,624
Construction in progress	9,214,510	4,135,282	6,694,672
Productive biological assets	–	122	18,687
Right-of-use assets	1,848,992	1,638,720	1,382,359
Intangible assets	3,493,948	3,433,377	4,440,634
Development expenditures	140,990	225,914	412,522
Goodwill	4,854,940	5,032,497	4,891,148
Long-term deferred expenses	663,589	753,132	961,976
Deferred tax assets	3,448,358	4,045,365	4,164,751
Other non-current assets	5,853,247	4,695,885	3,678,948
Total non-current assets	**360,252,493**	**372,533,485**	**403,506,313**
Total assets	**589,006,435**	**669,134,083**	**749,376,091**

	As at 31 December		
	2020	2021	2022
	(Audited and adjusted/restated)	(Audited and adjusted/restated)	(Audited)
		(RMB in thousands)	
Current liabilities:			
Short-term loans	20,992,500	22,364,165	23,116,241
Borrowings from Central Bank	7,995,672	14,518,976	18,584,289
Borrowings from banks and other financial institutions	8,317,365	11,042,279	10,560,410
Held-for-trading financial liabilities	3,929,235	1,525,050	2,959,487
Derivative financial liabilities	3,582	165,896	11,209
Notes payable	6,521,076	5,611,644	7,771,173
Accounts payable	3,600,349	7,388,328	6,012,122
Advance from customers	57,660	89,437	76,174
Contract liabilities	2,125,314	2,784,489	2,183,267
Sold and repurchase financial assets	26,740,273	19,530,622	22,132,882
Deposits from customers and interbank	205,458,879	247,742,944	288,005,856
Funds received as agent of stock exchange	13,605,867	17,946,557	17,122,634
Employee benefits payable	1,976,344	2,293,622	2,206,205
Taxes and surcharges payable	1,214,260	1,691,424	1,477,441
Other payables	13,516,570	9,364,942	11,287,187
Handling charges and commissions payable	61,818	48,573	112,882
Reinsurance accounts payable	277,668	315,496	275,648
Non-current liabilities due within one year	33,479,609	27,373,831	38,282,637
Other current liabilities	11,286,037	11,783,946	4,734,308
Total current liabilities	**361,160,079**	**403,582,219**	**456,912,054**
Non-current liabilities:			
Provision for insurance contracts	5,377,157	5,762,950	6,119,570
Long-term loans	34,544,433	37,069,848	42,023,324
Bonds payable	82,808,912	86,795,027	96,161,781
Lease liabilities	1,028,793	1,004,994	1,174,443
Long-term payables	10,172,652	17,154,052	15,004,037
Long-term employee benefits payable	57,950	47,324	72,518
Provisions	37,093	105,546	232,704
Deferred income	329,261	328,304	593,962
Deferred tax liabilities	489,410	697,149	557,406
Other non-current liabilities	632,648	637,950	654,420
Total non-current liabilities	**135,478,309**	**149,603,145**	**162,594,165**
Total liabilities	**496,638,388**	**553,185,364**	**619,506,219**
Owner's equity:			
Paid-in capital	10,000,000	23,000,000	23,000,000
Other equity instruments	3,238,899	4,929,371	4,885,172
Including: Perpetual bond	1,998,899	2,899,371	2,895,172
Capital reserve	21,209,118	7,612,625	6,950,963
Other comprehensive income	(239,639)	(14,265)	(856,716)
Including: Foreign currency translation differences	(2,168)	(2,168)	1,354
Special reserve	45,023	47,334	42,723
Surplus reserve	1,194,069	1,328,188	1,333,800
Undistributed profits	(5,165,413)	(5,099,950)	(4,778,029)
Total owners' equity attributable to the parent company	30,282,057	31,803,303	30,577,913
Non-controlling interests	62,085,990	84,145,416	99,291,959
Total owners' equity	**92,368,047**	**115,948,719**	**129,869,872**
Total liabilities and owners' equity	**589,006,435**	**669,134,083**	**749,376,091**

THE OFFERING

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

Issuer	Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司).
Legal Entity Identifier of the Issuer	3003000K9XJCNT9P2Q59.
Guarantor	Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司).
The Bonds	U.S.$150,000,000 7.50 per cent. Guaranteed Green Bonds due 2025.
The Guarantee	The Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds. Its obligations in that respect will be contained in the Trust Deed.
Issue Price	The Bonds will be issued at 100.00 per cent. of their principal amount.
Form and Denomination	The Bonds will be issued in registered form and in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Interest Rate and Interest Payment Dates	The Bonds will bear interest on their outstanding principal amount from and including 14 November 2023 at the rate of 7.50 per cent. per annum, payable semi-annually in arrear on 14 May and 14 November in each year, commencing on 14 May 2024.
Issue Date	14 November 2023.
Maturity Date	14 November 2025.
Status of the Bonds	The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Status of the Guarantee	The obligations of the Guarantor under the Guarantee will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Guarantor and shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 4(a) (*Negative Pledge*) of the Terms and Conditions.
Use of Proceeds	See "*Use of Proceeds*".
Events of Default	The Bonds will contain certain events of default as further described in Condition 9 (*Events of Default*) of the Terms and Conditions.
Cross-Acceleration	The Bonds are subject to a cross-acceleration provision as further described in Condition 9(c) (*Cross-Acceleration*) of the Terms and Conditions.
Taxation	All payments of principal, premium (if any) and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made free and clear of, and without set-off, counterclaim, withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the PRC or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. Where such withholding or deduction is made by the Issuer or, as the case may be, the Guarantor by or within the PRC at the rate up to and including the aggregate rate applicable on 6 November 2023 (the "**Applicable Rate**"), the Issuer or, as the case may be, the Guarantor will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amount which would otherwise have been received by them had no such withholding or deduction been required. If the Issuer or, as the case may be, the Guarantor is required to make a deduction or withholding by or within the PRC in excess of the Applicable Rate, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (the "**Additional Tax Amounts**") as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in the circumstances set out in Condition 8 (*Taxation*) of the Terms and Conditions.

Final Redemption	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Maturity Date.
Redemption for a Relevant Event	Following the occurrence of a Relevant Event, the Holder of any Bond will have the right, at such Holder's option, to require the Issuer to redeem all, but not some only, of such Holder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control Event) or 100 per cent. (in the case of a redemption for a Non-Registration Event) of their principal amount, together with accrued interest up to (but excluding) the relevant Put Settlement Date, as further described in Condition 6(c) (*Redemption for a Relevant Event*) of the Terms and Conditions. A "**Change of Control Event**" occurs when: (i) the GZAR SASAC and Guangxi Government Persons together cease to hold or own (directly or indirectly) at least 90 per cent. of the issued share capital of the Issuer; or (ii) the GZAR SASAC and Guangxi Government Persons together cease to hold or own (directly or indirectly) 100 per cent. of the issued share capital of the Guarantor; or (iii) the Guarantor ceases to hold or own (directly or indirectly) at least 51 per cent. of the issued share capital of the Issuer; or (iv) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of the Guarantor's assets to any other Person or Persons, except where such Person(s) (in the case of asset sale or transfer) or the surviving entity (in the case of consolidation or merger) is/are directly or indirectly 100 per cent. held or owned by the Guangxi People's Government and/or the GZAR SASAC; or (v) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person or Persons, except where such Person(s) (in the case of asset sale or transfer) or the surviving entity (in the case of consolidation or merger) is/are directly or indirectly at least 51 per cent. held or owned by the Guarantor; See "*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for a Relevant Event*".

Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 16 (*Notices*) (which shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued to, but excluding, the date fixed for redemption) if the Issuer (or, if the Guarantee was called, the Guarantor) satisfies the Trustee immediately prior to the giving of such notice that: (i) the Issuer or, as the case may be, the Guarantor has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 6 November 2023; and (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds (or the Guarantee, as the case may be) then due, as further described in Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions.
Further Issues	The Issuer is at liberty from time to time, without the consent of the Holders to create and issue further securities having the same terms and conditions as the Bonds in all respects (or in all respects save for the issue date, the first payment of interest on them, the timing for completion of the Foreign Debt Registration and the NDRC Post-issue Filing and the filing of the Bonds pursuant to the PBOC Circular) and so that the same shall be consolidated and form a single series with the outstanding Bonds, as further described in Condition 15 (*Further Issues*) of the Terms and Conditions.
Trustee	The Bank of New York Mellon, London Branch.
Principal Paying Agent	The Bank of New York Mellon, London Branch.
Registrar and Transfer Agent . . .	The Bank of New York Mellon SA/NV, Dublin Branch.

Clearing Systems	The Bonds will be represented initially by beneficial interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on or about the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, certificates for the Bonds will not be issued in exchange for interests in the Global Certificate.
Clearance and Settlement	The Bonds have been accepted for clearance through Euroclear and Clearstream under the Common Code of 271365853 and the ISIN of XS2713658537.
Notices and Payment	So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear, Clearstream or an Alternative Clearing System, notices to the holders shall be validly given by the delivery of the relevant notice to Euroclear, Clearstream or such Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Terms and Conditions and shall be deemed to have been given on the date of delivery to such clearing system.
Governing Law	English law.
Jurisdiction	Hong Kong courts.
Green Finance Framework	The Bonds will be issued under the Green Finance Framework. See "*Green Finance Framework Overview*".
Listing	Application will be made to the SEHK for the listing of, and permission to deal in, the Bonds on the SEHK by way of debt issues to Professional Investors only and it is expected that dealing in, and listing of, the Bonds on the SEHK will commence on 15 November 2023.
Selling Restrictions	The Bonds will not be registered under the Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale. See "*Subscription and Sale*".

Rating	The Issuer was rated "BBB-" with a stable outlook by Fitch and "Ba1" with a stable outlook by Moody's. The Guarantor was rated "Baa2" with a stable outlook by Moody's and "BBB" with a stable outlook by Fitch. These ratings are only correct as at the date of this Offering Circular. The Bonds are expected to be assigned a rating of "BBB" by Fitch. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Issuer, the Guarantor or the Bonds may adversely affect the market price of the Bonds.

RISK FACTORS

An investment in the Bonds is subject to a number of risks. Investors should carefully consider all of the information in this Offering Circular and, in particular, the risks described below, before deciding to invest in the Bonds. The following describes some of the significant risks relating to the Issuer Group and/or the Guarantor Group, their business, the markets in which the Issuer Group or the Guarantor Group operates, the Bonds and the Guarantee. Some risks may be unknown to the Issuer and the Guarantor and other risks, currently believed to be immaterial, could in fact be material. Any of these could materially and adversely affect the business, financial condition, results of operations or prospects of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group or the value of the Bonds. Each of the Issuer and the Guarantor believes that the risk factors described below represent the principal risks inherent in investing in the Bonds or, as the case may be, the Guarantee, but the ability of the Issuer and/or the Guarantor to pay interest, principal or other amounts on or in connection with any Bonds may be affected by some factors that may not be considered as significant risks by the Issuer and/or the Guarantor on information currently available to them or which they are currently unable to anticipate. All of these factors are contingencies which may or may not occur and none of the Issuer and the Guarantor is in a position to express a view on the likelihood of any such contingency occurring. This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Issuer Group and the Guarantor Group could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Offering Circular.

Neither of the Issuer nor the Guarantor represents that the statements below regarding the risk factors are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

RISKS RELATING TO THE ISSUER GROUP'S AND GUARANTOR GROUP'S GENERAL OPERATIONS

The Issuer Group's and Guarantor Group's businesses, financial condition, results of operations and prospects are heavily dependent on the level of economic development in the GZAR and the PRC.

Both the Issuer Group's and the Guarantor Group's businesses and assets are highly concentrated in the GZAR. Therefore, their respective business performance, financial condition, results of operations and prospects have been and will continue to be dependent on the social conditions, local governmental policies and the level of economic activity in the GZAR. The GZAR has experienced a prolonged period of rapid economic growth. According to the Guangxi Zhuang Autonomous Region Bureau of Statistics, GDP of the GZAR increased from approximately RMB2,039.3 billion in 2017 to approximately RMB2,630.1 billion in 2022.

In recent years, however, there has been a slowdown in the growth of the PRC's and the GZAR's economic development as evidenced by the decrease in their respective GDP annual growth rates. For additional information, please see "*— Risks relating to Conducting Business in the PRC — The business, financial condition, results of operations and prospects of the Issuer Group and the Guarantor Group could be adversely affected by a slowdown in the PRC economy*" below. It is difficult to predict how economic development in the GZAR will be affected by such slowdown in the growth of the PRC economy, and there can be no assurance that the policies and measures adopted by the PRC government will be effective in stimulating the recovery of the economy. There can be no assurance that the level of economic development in the GZAR will continue to grow at a rate higher than or equal to the past rate of growth, if at all. The Issuer Group and the Guarantor Group may not be able to establish or invest in any new businesses outside the GZAR in the future and each of the Issuer Group and the Guarantor Group expects that its future business and operations will continue to be concentrated in the GZAR. If the

economic growth slows down, adverse changes in the social conditions or local governmental policies arise or any severe natural disasters or catastrophic events occur in the GZAR, the business, financial condition, results of operations and prospects of the Issuer Group and the Guarantor Group could be materially and adversely affected.

GZAR SASAC and the GZAR Government can exert significant influence on the Issuer Group and the Guarantor Group, and as a result, each of the Issuer Group and the Guarantor Group may not be able to always make decisions, take actions or invest or operate in businesses or projects that are in their best interests.

As at the date of this Offering Circular, the Guarantor is directly and wholly-owned by the GZAR Government. GZAR SASAC was authorised by the GZAR Government to perform its duties and exercise its rights as the shareholder of the Guarantor in accordance with applicable PRC laws and regulations and the articles of association of the Guarantor. The GZAR Government and GZAR SASAC have significant influence on the Guarantor Group as they do with respect to many other local state-owned enterprises under their control, including business scope, major investment decisions, development strategies, appointment of majority of directors and certain supervisors and senior management positions. Furthermore, the Issuer is a state-owned enterprise indirectly owned by the GZAR Government through the Guarantor. The Issuer Group acts as the strategic platform of the GZAR Government for promoting the development of the finance industry in the GZAR and serving the financing needs of enterprises in the GZAR. Accordingly, the GZAR Government can exert significant influence on the Issuer Group's major business decisions and strategies, including the scope of its business, investment decisions and dividend policy.

When each of GZAR SASAC and the GZAR Government carries out its administrative functions and implements the PRC government's policies, there can be no assurance that GZAR SASAC and the GZAR Government would always take actions that are in the best commercial interests of the Issuer Group and/or the Guarantor Group or that aim to maximise their profit. Each of GZAR SASAC and the GZAR Government may use its ability to influence the business and strategy of the Issuer Group and/or the Guarantor Group in a manner which is beneficial to the GZAR as a whole but which may not necessarily be in the best interests of the Issuer Group and/or the Guarantor Group. Each of GZAR SASAC and the GZAR Government may also change its policies, intention, preferences, views, expectations, projections, forecasts and opinions, as a result of changes in the economic, political and social environment as well as its projections of population and employment growth in the GZAR and any such change may have a material effect on the business and prospects the Issuer Group and/or the Guarantor Group. Any amendment, modification or repeal of existing policies of GZAR SASAC and the GZAR Government could result in a modification of the existing regulatory regime which in turn could have a material adverse effect on the financial condition and results of operations of the Issuer Group and/or the Guarantor Group.

The Issuer Group's and the Guarantor Group's business and future prospects benefit, to an extent, from relevant policies of GZAR SASAC and the GZAR Government, but the controlling relationship between them and the Issuer Group and the Guarantor Group does not necessarily correlate to, or provide any assurance as to the Issuer Group's or the Guarantor Group's financial condition.

The Guarantor is directly and wholly-owned by the GZAR Government, while GZAR SASAC was authorised by the GZAR Government to perform its duties and exercise its rights as the shareholder of the Guarantor. The Issuer is indirectly owned by the GZAR Government through the Guarantor. As such, the Issuer Group's and the Guarantor Group's business, results of operations and future prospects have been and may continue to be significantly affected by relevant policies of GZAR SASAC and the GZAR Government, such as those relating to fiscal and business support. However, there is no assurance that the Issuer Group and the Guarantor Group will continue to benefit from such controlling relationship with

GZAR SASAC and the GZAR Government, nor that such relationship is necessarily any guarantee of the Issuer Group's and the Guarantor Group's future prospects and financial condition. For instance, if any favourable incentive or government support which is currently available to the Issuer Group or the Guarantor Group is reduced or discontinued in the future, the Issuer Group's and the Guarantor Group's business, financial condition, results of operations and prospects could be materially and adversely affected. See "*— A reduction or discontinuance of governmental support could materially and adversely affect the financial condition and results of operations of the Issuer Group and the Guarantor Group*".

PRC regulations on the administration of financing platforms and fiscal debts of local governments may have a material impact on the respective financing models, business models and business scopes of the Issuer Group and the Guarantor Group.

The PRC government has in recent years issued multiple regulations intended to restrict the ability of local governments to use state-owned enterprises to incur debt that should be directly incurred by government bodies. These regulations include: the Opinion on Enhancing the Administration of Fiscal Debts of Local Governments (Guo Fa [2014] No. 43) (關於加強地方政府性債務管理的意見(國發[2014]43號)) ("**Circular 43**") in September 2014 released by the State Council, the Circular on Further Regulating the Debt Financing Behaviours of Local Government (Cai Yu [2017] No. 50) (關於進一步規範地方政府舉債融資行為的通知(財預[2017]50號)) ("**Circular 50**") jointly issued by MOF, NDRC, the Ministry of Justice, PBOC, CBIRC and CSRC in April 2017, the Circular on Firmly Curbing Local Governments' Illegal Financing Activities in the Name of Government Procurement of Services (Cai Yu [2017] No. 87) (關於堅決制止地方以政府購買服務名義違法違規融資的通知(財預[2017]87號)) ("**Circular 87**") issued by MOF in May 2017, the Notice of the Ministry of Finance on the Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (Cai Jin [2018] No. 23) (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知(財金[2018]23號)) ("**Circular 23**") in March 2018, the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (Fa Gai Wai Zi [2018] No. 706)(國家發展改革委財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知(發改外資[2018]706號)) ("**Circular 706**") jointly issued by NDRC and MOF in May 2018, the Guiding Opinion on Strengthening the Asset and Liability Constraints of State-Owned Enterprises (中共中央辦公廳、國務院辦公廳《關於加強國有企業資產負債約束的指導意見》) jointly issued by the General Office of the CPC and the State Council in September 2018 (the "**Joint Opinion**") and Notice of the General Office of the National Development and Reform Commission on Relevant Requirements for Record-filing and Registration of Issuance of Foreign Debts by Local State-owned Enterprises(國家發展改革委辦公廳關於對地方國有企業發行外債申請備案登記有關要求的通知) (發改辦外資[2019]666號) ("**Circular 666**") promulgated on 6 June 2019 and took effect on the same day (Circular 43, Circular 50, Circular 87, Circular 23, Circular 706, the Joint Opinion and Circular 666, together, the "**Debt Control Circulars**"). For more details about the Debt Control Circulars, please refer to "*PRC Regulations — Regulation on Fiscal Debts of Local Governments*".

In September 2014, the State Council released Circular 43. According to Circular 43, local governments should finance the development of public interest projects by issuing government bonds, and financing vehicles are prohibited from functioning as the financing arm of the local government, may not incur new government debts and should carry on their operations and financing in accordance with market-oriented principles. Public interest projects that are profit earning, such as construction of non-toll free highways, may be developed either by private investors independently or by a special purpose company jointly set up by the local government and private investors. Private investors and such special purpose companies shall invest in accordance with market-oriented principles and may finance projects with bank loans, corporate bonds and asset-backed securitisation. Further, local governments shall not be liable for any of the debts of private investors or special purpose companies. Circular 50 reaffirms the Circular 43 position that local government debts shall only be incurred through the issuance of local government bonds within the quota approved by the State Council, and the local governments and their departments are not

permitted to use any other means for debt financing. The local governments and their departments are prohibited from requesting or ordering enterprises to issue debts for or on behalf of the local governments.

Further, Circular 87 requires local governments and their departments not to take advantage of or make up a contract for the government procurement of services in such a manner that conceals an underlying objective of raising funds for any construction project, or finance from financial institutions or non-financial institutions through government procurement of services, and shall not make up a contract for accounts payable (receivable) by any means or enter into such a contract beyond their respective authority in an attempt to help financing platforms and other types of enterprises raise funds.

Circular 23 and Circular 706 establish further regulations for foreign debt issuance including the prohibition from including public assets as the enterprise's assets and restrictions on disclosing information in the offering circulars of bonds issuances that could give rise to the government's endorsement of such issuance or an association with the government's credit. According to Circular 706, any enterprise that intends to incur medium and long-term foreign debt is prohibited from including in its assets public schools, public hospitals, public cultural facilities, parks, public squares, office buildings of governmental departments and public institutions, municipal roads, non-toll roads, non-operating water conservancy facilities, pipe network facilities, other public assets and the land use rights of reserve land.

Circular 706 also reaffirms that the offering circulars of bonds issuances shall not disclose information that can implicitly or explicitly indicate the government's endorsement of capital raising or conduct misleading publicity that implies an association with the government's credit. In addition, the liability of the local government as the shareholder shall be limited to its agreed obligation to contribute to the registered capital of such enterprises, and the relevant foreign debts should be solely repaid by such enterprises as independent legal persons. The Joint Opinion, consistent with Circular 43 and Circular 50, bans local governments from engaging in "disguised" borrowing by using state-owned enterprises to issue corporate debt on their behalf. Circular 666 further reaffirms the disclosure requirements under Circular 706 that offering circulars of bonds issuances are prohibited from including such misleading marketing information which may imply an association with the government's credit.

Each of the Issuer and the Guarantor believes that the PRC government will continue to implement the Debt Control Circulars and other relevant regulations and opinions to control local government debts. Accordingly, the Guarantor Group should rely on the cash flow generated from its operations and external borrowings to satisfy its cash needs for servicing its outstanding indebtedness and for financing its operating activities. For the removal of doubt, the PRC government (including but not limited to GZAR SASAC and the GZAR Government) shall under no circumstances have any payment or other obligation arising out of or in connection with the Bonds, the Guarantee or the transaction documents in relation to the Bonds, which are solely to be fulfilled by the Issuer and/or the Guarantor. The Bonds are solely to be repaid by the Issuer and/or the Guarantor, as the case may be, as an obligor and the obligations of the Issuer and/or the Guarantor, as the case may be, under the Bonds or the Guarantee shall solely be fulfilled by the Issuer and/or the Guarantor, as the case may be, as an independent legal person. In the event that the Issuer and/or the Guarantor, as the case may be, does not fulfil their respective obligations under the Bonds and the Guarantee, investors will only have recourse against the Issuer and the Guarantor, and not any other person, including the PRC government, GZAR SASAC and the GZAR Government and any other local or municipal government. An investment in the Bonds is relying solely on the credit risk of the Issuer, the Guarantor, the Issuer Group and the Guarantor Group.

Each of the Issuer Group's and the Guarantor Group's business operations require substantial capital and they may not be able to obtain sufficient funds on commercially acceptable terms to finance their operations or expansion plans, or at all.

Due to the capital-intensive nature of the Issuer Group's and the Guarantor Group's business operations, a substantial amount of capital as well as ongoing funding is required to support their business growth. Their working capital requirements have historically been and are primarily supported by internal

funding sources, bank loans and other borrowings and equity. The GZAR Government has also provided financial support to the Issuer Group and Guarantor Group in the form of grants and subsidies, capital injections and tax incentives. The Issuer Group's and the Guarantor Group's ability to arrange financing and the cost of such financing are dependent on numerous factors, including global economic and market conditions, interest rates, credit availability from banks or other lenders, success of their businesses, changes in the monetary policy of the PRC government with respect to bank interest rates and lending policies and the political and economic conditions in the PRC generally. There is no assurance that the Issuer Group and/or the Guarantor Group will be able to continue to obtain adequate funding through financing in the future, whether on a short-term or a long-term basis, or that such financing will be obtained on terms favourable to them, or at all. If sufficient financing is not available to meet their business needs, or cannot be obtained on commercially acceptable terms, or at all, the Issuer Group and the Guarantor Group may not be able to refinance their existing loans, fund the operation and/or expansion of their business, introduce new products and services or compete effectively. As a result, their business, financial condition and results of operations would be materially and adversely affected.

Each of the Issuer Group and the Guarantor Group has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect its future strategy and operations and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations.

Both the Issuer Group and the Guarantor Group currently have a large amount of indebtedness. As at 31 December 2022, the Guarantor Group's total indebtedness (comprising short-term loans, borrowings from the central bank, borrowings from banks and other financial institutions, held-for-trading financial liabilities, sold and repurchase financial assets, deposits from customers and interbank, non-current liabilities due within one year (excluding other long-term liabilities due within one year and lease liabilities due within one year), short-term bonds payable under other current liabilities, long-term loans, bonds payable, long-term payables (excluding special payables) and convertible agreement deposit under other non-current liabilities) was approximately RMB560,419.4 million, of which approximately RMB407,898.3 million would become due within one year. Similarly, as at 31 December 2022, the Issuer Group's total indebtedness (comprising short-term loans, borrowing from central bank, notes payable (interest-bearing portion), sale of repurchased financial assets, other payables (interest-bearing portion), non-current liabilities due within one year (interest-bearing portion), long-term loans, bonds payable and long-term payables (interest-bearing portion)) was approximately RMB65,419.6 million, of which approximately RMB39,214.9 million would become due within one year. As at 31 December 2020, 2021 and 2022, the debt asset ratio of the Guarantor Group (representing the ratio of total liabilities over total assets) was approximately 84.32 per cent., 82.67 per cent. and 82.67 per cent., respectively, and that of the Issuer Group was approximately 73.12 per cent., 72.59 per cent. and 69.57 per cent. as at the same dates.

The Issuer Group and the Guarantor Group may incur additional indebtedness and continuing liabilities in the future, including the issuance of debt securities or entering into financing or other loan arrangements. The level of existing indebtedness and incurrence of further indebtedness could have important consequences to their business, including:

- increasing the Issuer Group's and the Guarantor Group's vulnerability to adverse general economic and industry conditions;

- requiring the Issuer Group or the Guarantor Group to dedicate a substantial portion of its cash flows from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures and other general corporate purposes;

- limiting the Issuer Group's and the Guarantor Group's ability to capture investment and/or acquisition opportunities and inhibiting their ability to grow and expand their business;

- adding to the Issuer Group's and the Guarantor Group's interest exposure as a proportion of their costs of doing business;

- limiting the Issuer Group's and the Guarantor Group's flexibility in planning for or reacting to changes in their businesses and the industries in which they operate;

- reducing the Issuer Group's and the Guarantor Group's competitiveness compared to their competitors that have less debt; and

- increasing the costs of additional financing.

In addition, each of the Issuer Group and the Guarantor Group continually reviews its current and expected future funding requirements and evaluates and engages in discussions with financial institutions and other market participants, from time to time, on proposals regarding different sources of funding. In incurring indebtedness and liabilities from time to time, members of the Issuer Group and the Guarantor Group may create security over their assets, receivables or equity interests in companies or entities held by them (which may include their respective subsidiaries) in favour of the relevant creditors.

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

Restrictive covenants contained in financing contracts may limit the Issuer Group's or the Guarantor Group's ability to incur additional indebtedness and restrict its future operations, and failure to comply with these restrictive covenants may adversely affect its liquidity, financial condition and results of operations.

Certain financing contracts entered into by members of the Issuer Group and the Guarantor Group contain operational and financial restrictions that prohibit the borrower, without the lender's prior consent, from incurring additional indebtedness unless it is able to satisfy certain financial ratios, restrict the borrower from creating security or granting guarantees or prohibit the borrower from changing its business and corporate structure. Such restrictions may negatively affect the relevant companies' ability to respond to changes in market conditions, pursue business opportunities, obtain future financing, fund capital expenditures, or withstand a continuing or future downturn in its business. Any of these factors could materially and adversely affect the ability of the Issuer Group or the Guarantor Group, as the case may be, to satisfy its obligations under outstanding financial obligations, such as the Bonds after issuance. See also "*— Risks relating to the Bonds and the Guarantee — If any member of the Guarantor Group, including the Issuer, is unable to comply with the restrictions and covenants in its debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the relevant debt to be accelerated*".

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

that the Issuer, the Guarantor or its subsidiaries would be able to find alternative financing. Even if the Issuer, the Guarantor or its subsidiaries could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to them.

Some of the Issuer Group's and the Guarantor Group's assets have been mortgaged or pledged to secure the borrowings of the Issuer, the Guarantor or their respective subsidiaries. Third-party security rights may also limit their use of the underlying collateral assets and adversely affect their operation efficiency. As at 31 December 2022, the Guarantor Group's restricted assets amounted to RMB61,652.1 million, representing 8.2 per cent. of the Guarantor Group's total assets; the Issuer Group's restricted assets amounted to RMB9,233.4 million, representing 7.8 per cent. of the Issuer Group's total assets. If the Issuer, the Guarantor and their relevant subsidiaries are unable to service and repay their debts under such loan facilities on a timely basis, the assets provided as security for such bank loans may be subject to foreclosure, which may adversely affect the Issuer Group's and the Guarantor Group's business, prospects and financial condition.

The Issuer and the Guarantor have pledged some of their equity interests in certain subsidiaries and affiliates.

The Issuer and the Guarantor have pledged some of their equity interests in certain subsidiaries and affiliates as credit support for their borrowings, including equity interests in key subsidiaries such as Guangxi Asset Management, Jintong Microfinance, Guangxi Financing Guarantee, Guangxi Jintou Real Estate Management Co., Ltd. (廣西金投不動產管理有限公司) and Guangxi Energy Group Co. Ltd. (廣西能源集團有限公司).

Should there be a default under the terms of the loans for which the Issuer Group or the Guarantor Group has pledged such equity interests as credit support, the relevant creditors may be entitled to enforce such pledges and such member of the Issuer Group or the Guarantor Group could lose such equity interests. In such an event, there could be a material adverse impact on the business, assets, revenue and financial condition of the Issuer Group or the Guarantor Group.

The Issuer Group reported negative net cash flow from operating activities for the year ended 31 December 2022. If the Issuer Group continues to have net cash flow from operating activities in the future, the Issuer Group's liquidity and financial condition may be materially and adversely affected.

For the year ended 31 December 2022, the Issuer Group reported negative net cash flow from operating activities of approximately RMB3,315.0 million.

Negative net cash flow from operating activities may reduce the Issuer Group's financial flexibility and its ability to obtain additional borrowings from banks. There can be no assurance that the Issuer Group will be able to record positive net cash flow from operating activities in the future. The Issuer Group's liquidity and financial condition may be materially and adversely affected should the Issuer Group's future net cash flow from operating activities remain negative, and there can be no assurance that it will have sufficient cash from other sources to fund its operations. If the Issuer Group resorts to other financing activities to generate additional cash, the Issuer Group will incur additional financing costs and there can be no assurance that the Issuer Group will be able to obtain the financing on terms acceptable to the Issuer Group or at all.

A reduction or discontinuance of governmental support could materially and adversely affect the financial condition and results of operations of the Issuer Group and the Guarantor Group.

Both the Issuer Group and the Guarantor Group had received, in the past, certain support from the PRC government in various forms, including among others, capital injection, preferential tax treatments, equity transfers and government grants and subsidies for their business operations and development. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group received government grants and subsidies (including tax refund) in the amount of approximately RMB916.6 million, RMB579.9 million and RMB2,521.2 million, respectively, and the Issuer Group received government grants and subsidies (including tax refund) in the amount of approximately RMB422.7 million, RMB199.3 million and

RMB200.5 million for the same periods. For more information, please refer to "*Description of the Issuer Group — Competitive Strengths*" and "*Description of the Guarantor Group — Competitive Strengths*" for further details. However, there is no assurance that the Issuer Group or the Guarantor Group will continue to receive such support or in the forms in which it had received past support, since relevant governmental policies may change from time to time. Any loss or reduction in government subsidies or other form of governmental support could have a material and adverse effect on the Issuer Group's and the Guarantor Group's business, financial condition, results of operations and prospects.

Any loss of or significant reduction in the preferential tax treatment the Issuer Group and the Guarantor Group currently enjoy may negatively affect their respective business, financial condition and results of operations.

The Issuer Group and the Guarantor Group are subject to various PRC taxes, including the current statutory PRC enterprise income tax of 25 per cent. as determined in accordance with the relevant PRC tax rules and regulations. However, PRC national and local tax laws provide certain preferential tax treatments applicable to different enterprises, industries and locations. Certain of the Issuer's and the Guarantor's subsidiaries are currently taxed at preferential rates or exempted from value-added tax due to the location or nature of their business activities. To the extent that there are any changes in, or withdrawals of, such preferential tax treatment, or increases in the effective tax rate, the Issuer Group's and the Guarantor Group's tax liabilities would increase correspondingly. In addition, the PRC government may from time to time adjust or change its policies on value-added tax, business tax, resources tax, fuel and oil tax, property development tax and other taxes. Such adjustments or changes, together with any uncertainty resulting therefrom, could have an adverse effect on the Issuer Group's and the Guarantor Group's business, financial condition and results of operation.

The Guarantor Group's businesses, which consist of a number of companies in multiple business lines, is subject to challenges not found in companies with a single business line.

The Guarantor Group has a large number of subsidiaries operating in a wide range of industries. Through these subsidiaries, the Guarantor Group engages in various business activities, which primarily consist of aluminium, energy, finance, medical and healthcare, digital economy, investment and other businesses. There is no assurance that the Guarantor Group can effectively manage its multiple businesses and integrate its internal resources across different business divisions. Failure to do so may result in operational inefficiency, higher management costs and other problems including but not limited to the following:

- The Guarantor Group needs to devote significant resources to monitor the operations of each business and changes in the respective operating environment to accurately assess risks. If the Guarantor Group does not effectively monitor these changes in the operating environment, its business, financial condition, results of operations and prospects would be adversely affected;

- The Guarantor Group operates and invests in several listed subsidiaries which are subject to different regulatory regimes. These regulations impose restrictions related to the transfer of funds in or out of such companies, and impose compliance obligations including issuing announcements, obtaining independent shareholders' approval at general meetings and disclosing events in the annual reports. The market prices and trading volumes of the listed subsidiaries' shares may fluctuate significantly, which could in turn affect the return on the Guarantor Group's investment. See "*— Some members of the Guarantor Group are, or may become, listed and therefore they are and may be subject to regulatory restrictions and listing requirements and the Guarantor's shareholding or voting interests in such members may be diluted*"; and

- The Guarantor Group may face risks relating to ineffective management of its subsidiaries, senior management and employees. The success of the Guarantor Group's operations requires effective management and performance incentives for management personnel. If there is any significant deficiency in the management and control systems of the Guarantor Group, its business would be adversely affected.

As the Guarantor Group continues to grow in business scale, its operations will become more widespread and complex, which creates increasing challenges and difficulty in the implementation and maintenance

of effective control across the board. In particular, it will become increasingly difficult for the Guarantor Group to direct and monitor the day-to-day operations of its businesses and to prevent and detect fraud and protect assets.

Further, portfolio companies of the Guarantor Group in different operating segments may determine to pursue new business ventures. There is no assurance that such business ventures will be successful or generate the synergies expected, if any. The successful completion of this type of transaction will depend on several factors, including, among other things, satisfactory due diligence findings and the receipt of necessary regulatory approval. If the Guarantor Group fails to complete such business ventures or such ventures prove to be unsuccessful, the relevant operating segments may be adversely affected.

The performance of the Guarantor Group depends on the performance of its aluminium and energy businesses.

The Guarantor Group's aluminium and energy businesses are, and are expected to continue to be, the major sources of the Guarantor Group's revenue. For the years ended 31 December 2020, 2021 and 2022, the revenue generated from the Guarantor Group's aluminium and energy businesses represented approximately 77.9 per cent. 82.6 per cent. and 82.9 per cent. of the Guarantor Group's total revenue, respectively. However, the profit margin for the Guarantor Group's aluminium and energy businesses is relatively small compared to other businesses such as finance or medical and healthcare. As such, the Guarantor Group is exposed to risks associated with these major businesses and their operating entities. Any downturn or other negative conditions affecting these operating entities and the markets of the respective industries, in particular such markets in GZAR, could have a material adverse effect on the Issuer Group's and/or the Guarantor Group's business, financial condition and results of operations.

Some members of the Guarantor Group are, or may become, listed and therefore they are and may be subject to regulatory restrictions and listing requirements and the Guarantor's shareholding or voting interests in such members may be diluted.

The shares of one or more members of the Guarantor Group are, or may become, listed on one or more stock exchanges. For example, Sealand Securities (stock code: 000750.SH) and Wuzhou Zhongheng (stock code: 600252.SH), subsidiaries of the Guarantor, are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange. As a result, the entering into of certain transactions by these entities may be subject to various regulatory restrictions. Intra-group transactions may also be subject to applicable listing requirements, such as the issuance of press notices, the obtaining of independent shareholders' approval at general meetings and disclosure in annual reports and accounts. Sealand Securities and Wuzhou Zhongheng may therefore not be able to obtain financial support from the Guarantor Group, or otherwise secure other financing sources, in a timely manner, or at all. In addition, in the event that the shares of one or more subsidiaries of the Guarantor become listed on a stock exchange, the Guarantor's shareholding or voting interests in such subsidiaries may be diluted. There can be no assurance that any such dilution in shareholding or voting interests will not have a material adverse effect on the Guarantor Group's business, financial condition, results of operations and prospects.

The Issuer Group's and the Guarantor Group's various business segments are subject to extensive regulation and supervision by national, provincial and local government authorities, which may impact the way they conduct their business and their results of operations and prospects.

The Issuer Group's and the Guarantor Group's various business segments are subject to extensive and complex national, provincial and local laws, rules, regulations, policies and measures in relation to, among other things, capital structure, pricing and provisioning policy. These laws, rules, regulations, policies and measures are issued by different PRC central government ministries and departments as well as provincial and local government authorities, and may be enforced by different local authorities in each province in which the Issuer Group and the Guarantor Group operate. In addition, the local authorities have broad discretion in implementing and enforcing the applicable rules and regulations. As a result,

there may be uncertainties in the interpretation and implementation of such laws, rules, regulations, policies and measures, which increase the Issuer Group's and the Guarantor Group's compliance burden and may potentially affect the Issuer Group and the Guarantor Group in conducting their businesses, including product innovation.

Given the complexity and uncertainties in the applicable laws, rules, regulations, policies and measures, including changes in their interpretation and implementation, the Issuer Group's or the Guarantor Group's business activities and growth may be adversely affected if it does not respond to the changes in a timely manner or fails to fully comply with such laws, rules, regulations, policies and measures. Non-compliance may subject the Issuer Group or the Guarantor Group to sanctions by regulatory authorities, monetary penalties, or restrictions on its activities or revocation of its licenses, which could have an impact on its business, financial condition and results of operations.

As some of the laws, rules, regulations, policies and measures that the Issuer Group and the Guarantor Group are subject to are relatively new, there is uncertainty regarding their interpretation and application. In addition, such laws, rules, regulations, policies and measures may change from time to time. For example, their PRC operations are affected by the PRC tax laws and regulations. The PRC tax authorities may undertake reforms of the tax system from time to time, which may result in changes to the tax laws and regulations that the Issuer Group and the Guarantor Group are currently subject to. In addition, there can be no assurance that new or amended laws, rules, regulations, policies or measures will not be implemented or the competent authorities will not change their interpretations of existing laws, rules, regulations, policies or measures in the future to impose more stringent or different requirements on the Issuer Group and the Guarantor Group. To the extent the Issuer Group and/or the Guarantor Group will not be in compliance with such laws, rules, regulations, policies or measures, they may be subject to rectification measures such as being ordered to change directors, supervisors and senior management or other penalty which could have an impact on their business, financial condition and results of operations.

The Issuer Group and the Guarantor Group require various approvals, permits and licences to operate their businesses and are required to satisfy applicable regulatory requirements for certain transactions.

Pursuant to the applicable laws and regulations in the PRC, both the Issuer Group and the Guarantor Group are required to obtain or renew approvals, certificates, permits and licences with respect to their respective business and operations and satisfy applicable regulatory requirements under PRC laws and regulations for certain transactions such as completion of filing, registration or procedure or provision of certain reports.

For example, all pharmaceutical manufacturing companies in the PRC are required to obtain certain permits and licences from various PRC governmental authorities, including GMP certifications and certain other permits and licences which enable them to conduct business. As at the date of this Offering Circular, the Issuer Group and the Guarantor Group have not obtained certain approvals, licences, permits or certificates necessary for conducting their business. There can be no assurance that the Issuer Group and/or the Guarantor Group will be able to obtain or renew all necessary approvals, permits and licences or satisfy applicable regulatory requirements on a timely basis or at all. Non-compliance with the relevant laws and regulations or the failure to obtain the relevant approvals, permits and licences could expose them to sanctions, fines, penalties, revocation of licence or transaction or other punitive actions, including suspension of their business operations or restriction or prohibition on certain business activities, which could have a material adverse effect on the Issuer Group's and/or Guarantor Group's business, financial condition, results of operations and prospects.

In addition, the relevant government authorities may adopt new laws and regulations, or amend the interpretation of or enforcement of existing laws and regulations, or promulgate stricter laws and regulations. The Issuer Group and the Guarantor Group may be unable to comply with new laws,

regulations or policies or fail to respond to any changes in the regulatory environment in a timely manner. Government authorities in the PRC have broad discretion in implementing and enforcing applicable laws and regulations and in determining the grant of approvals, licences, permits and certificates necessary for conducting the business. For this reason, there are uncertainties in the interpretation and implementation of PRC laws, rules, regulations, policies and measures, increasing the Issuer Group's and the Guarantor Group's compliance risk.

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

The Guarantor Group is subject to various environmental protection laws and regulations. The particular environmental laws and regulations that are applicable to each of the Guarantor Group's business segments vary according to their respective location and the environmental factors associated with their specific business operations. In particular, aluminium production is a high-pollution generating business.

As the PRC government increases its attention on environmental protection, the Guarantor Group's facilities may be more strictly reviewed and inspected by the local authorities, and approval processes for future facilities or any alteration to existing facilities may be prolonged. Compliance with environmental laws and regulations may result in delays which could cause the Guarantor Group to incur additional compliance costs and affect its business activities in environmentally-sensitive regions or areas. Failure to comply with those regulations may result in fines or suspension or revocation of the Guarantor Group's licences or permits to conduct its business.

Given the volume and complexity of these regulations, compliance may be difficult or involve significant financial and other resources to establish efficient compliance and monitoring systems. There is no assurance that the Guarantor Group will be able to comply with all applicable requirements or obtain these approvals and permits on a timely basis, if at all. As at the date of this Offering Circular, the Guarantor Group has not received any notice regarding non-compliance with the applicable safety regulations or requirements from any government authority. In addition, PRC laws and regulations are constantly evolving. There can be no assurance that the PRC Government will not change existing laws and regulations or impose additional or stricter laws or regulations, which may increase compliance costs of the Guarantor Group.

The Guarantor Group's operations are exposed to risks in relation to health and safety laws and regulations.

The Guarantor Group is subject to various health and production safety standards in relation to its production processes used in some of its businesses, such as manufacturing and processing of pharmaceutical products and its power generation operations. The Guarantor Group's production facilities are subject to regular inspections by the regulatory authorities for compliance with the Safe Production Law of the PRC (《中華人民共和國安全生產法》). Furthermore, under the PRC Labour Law (《中華人民共和國勞動法》) and the PRC Law on the Prevention and Treatment of Occupational Diseases (《中華人民共和國職業病防治法》), the Guarantor Group must ensure that its facilities comply with PRC standards and requirements on occupational safety and health conditions for employees. The Guarantor Group also provides its employees with labour safety education, necessary protective tools and facilities, and regular health examinations for those who are engaged in work involving risks of occupational hazards. Failure to meet the relevant legal requirements on production safety and labour safety could subject the Guarantor Group to warnings from the relevant government authorities, governmental orders to rectify such noncompliance within a specified time frame and fines according to the Safe Production Law of the PRC, the PRC Labour Law and the PRC Law on the Prevention and Treatment of Occupational Diseases. The Guarantor Group may also be required to suspend its production temporarily or cease its operation permanently for significant non-compliance, which would have a material adverse effect on its business, results of operations and financial condition.

Some of the Issuer Group's and the Guarantor Group's members do not possess valid land use right or building ownership certificates.

According to applicable PRC laws, the grant of land use rights is customarily conducted through a public tender and bidding process. A number of factors pertaining to the bidding entity are taken into consideration by the government in the determination of whether land use rights should be granted, such as reputation, track record, financial position and project budget. The same applies to the grant of property ownership certificates. The government's decision to grant land use rights or property ownership certificates is beyond the control of the Issuer Group and the Guarantor Group. As at the date of this Offering Circular, some of the Issuer Group's and the Guarantor Group's members do not possess valid land use right certificates, building ownership certificates or leasehold rights to certain properties. Some of these members are in the process of applying for or will apply for the relevant certificates and permits. In addition, owners of some members' lease properties do not possess valid land use right certificates or building ownership certificates for such properties or have not obtained internal authorisation to lease such properties. Although the Issuer Group and the Guarantor Group are of the view that such defects do not have a material and adverse effect on its business or financial position as a whole, there can be no assurance that the Issuer Group or the Guarantor Group will be able to remedy the current situation or obtain such certificates and permits in a timely manner or at all. If the Issuer Group and the Guarantor Group fail to obtain such certificates and permits or experiences any significant delay in doing so, it may result in punishment and/or a disruption to their respective business operations and their financial condition and results of operations may be materially and adversely affected.

The Issuer Group and the Guarantor Group may face increasing competition from existing and new market participants.

Each of the Issuer Group and the Guarantor Group faces competition in the markets in which it operates. For example, the Issuer Group competes with other state-owned or foreign-invested companies in the PRC with regard to its financial services related businesses, whereas the Guarantor Group also faces increasing competition from other aluminium producers with regard to its aluminium business on the basis of mining resources, product quality, pipeline construction and storage and production capabilities. Both the Issuer Group and the Guarantor Group also compete with local and international companies in capturing new business opportunities in the PRC. Some of their competitors may benefit from lower pricing, a larger customer base, a more established business reputation, more solid business relationships with banks and government authorities, a more mature risk control mechanism or more extensive experience than theirs. As the Issuer Group and the Guarantor Group expand their market presence in the PRC, they expect to compete with competitors from other regions, some of which have better knowledge of the target customers and the local business environment and may enjoy stronger relationships with local banks than they do. If the Issuer Group or the Guarantor Group is unable to maintain its current level of profitability and market share as a result of increased competition, their business, financial condition and results of operations may be materially and adversely affected.

The Issuer Group and the Guarantor Group may not be able to execute successfully or fully their business strategies with respect to assets, projects or subsidiaries in which the Issuer or the Guarantor has minority interests.

The Issuer Group or the Guarantor Group may not be able to execute successfully or fully its business strategies with respect to assets, projects or subsidiaries in which it has minority interests. The Issuer Group or the Guarantor Group, as the case may be, may also fail to manage such assets, projects or subsidiaries successfully. Their involvement with such assets, projects and subsidiaries is generally subject to the terms of applicable agreements and arrangements. The Issuer Group and the Guarantor Group may not have any board representation, veto power or power to exercise control over the management, policies, business and affairs of certain of their subsidiaries in which they do not hold majority interests.

In addition, each of the Issuer Group and the Guarantor Group conducts some of its business activities through one or more joint venture companies. The Issuer Group or the Guarantor Group generally enters into such joint ventures where it believes it is able to benefit from the strong industry insight and experience of its partners. Typically under such contractual arrangements, if any of the other equity owners or partners fail to perform their respective obligations or otherwise breach the terms and conditions of the relevant shareholding arrangements or joint venture agreements, or if the Issuer Group or the Guarantor Group, as the case may be, has different views or strategies with its partners, it could have a material adverse effect on the Issuer Group's or the Guarantor Group's, as the case may be, business, financial condition or results of operations.

There can be no assurance that the Issuer Group can match the maturity profile of its assets and liabilities as it grows. Inability to do so will impact the Issuer Group's liquidity and its ability to repay its borrowings and settle its outstanding liabilities.

Interest rate fluctuations may have significant influence on the financial performance of the Issuer Group. The Issuer Group depends on its ability to match its asset growth with its fundraising on an ongoing basis. The Issuer Group manages its liquidity risk by regularly monitoring the relative maturities between its assets and liabilities and by taking steps to maintain a balance of long-term and short-term funding sources. If the Issuer Group fails to match the relative maturities of its assets and liabilities or manage its interest rate exposures between its borrowings and its receivables, net liquidity shortfalls may result, and the Issuer Group may not be able to meet its financial liabilities as they fall due. In addition, such liquidity shortfalls may also impair the Issuer Group's ability to obtain sufficient additional financing, if at all. As a result, the Issuer Group's liquidity may be impaired, which would have a material adverse effect on the Issuer Group's business, prospects, financial condition and results of operations.

The Issuer Group is exposed to interest rate risk.

Interest rate fluctuations may have a significant influence on the financial performance of the Issuer Group. The Issuer Group's income and financial condition depend to a large extent on interest income, which is the difference between interest earned from loans the Issuer Group provides and interest paid for its bank borrowings. The interest rates the Issuer Group charges the borrowers are linked to the benchmark interest rates set by PBOC, which may fluctuate significantly due to changes in the PRC government's monetary policy. The Issuer Group is also subject to the restriction that its interest rates cannot exceed four times the annual loan prime rate issued monthly by the National Interbank Funding Center as authorised by PBOC, pursuant to the Guiding Opinions on the Pilot Operation of Microfinance Companies (關於小額貸款公司試點的指導意見) promulgated by CBIRC and PBOC and with reference to Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Private Lending Cases (關於審理民間借貸案件適用法律若干問題的規定) issued by the Supreme People's Court of the PRC. If the Issuer Group has to reduce the interest rates it charges the borrowers to reflect the decrease of the PBOC benchmark rate, the interest earned from its loans will decline. In addition, the Issuer Group may face fierce competition and price wars and as a result, it may lower its interest rates, which would adversely affect the Issuer Group's profitability and financial position. In addition, if the Issuer Group is not able to control its funding costs or adjust its lending interest rates in a timely manner, the Issuer Group will experience a narrowing interest rate spread, which could adversely affect the Issuer Group's profitability and financial position.

In relation to the Issuer Group's property insurance business, the Issuer Group seeks to manage interest rate risk through matching, to the extent possible, the average duration of the Issuer Group's investment assets and the corresponding insurance policy liabilities they support. Matching the duration of the Issuer Group's assets to their related liabilities reduces the Issuer Group's exposure to changes in interest rates because the effect of the changes will largely be offset against each other. However, due to the restrictions under the PRC Insurance Law and related regulations on the asset classes in which the Issuer Group may invest, as well as the limited availability in the PRC capital markets of long duration investment assets

capable of matching the duration of the Issuer Group's liabilities, the Issuer Group may not be able to match the duration of the Issuer Group's investment assets and the corresponding insurance policy liabilities.

The profitability of the Issuer Group's investment returns is highly sensitive to interest rate levels and fluctuations, and changes in interest rates could adversely affect the Issuer Group's investment returns and results of operations. In periods of rising interest rates, increased investment yields will increase the returns on newly added assets in the Issuer Group's investment portfolios. Conversely, as interest rates decrease or remain at low levels, the Issuer Group may be forced to reinvest proceeds from investments that have matured or have been prepaid or sold at lower yields, reducing the Issuer Group's investment margin and adversely affecting the Issuer Group's profitability. Moreover, borrowers may prepay or redeem fixed income securities and commercial or other loans in the Issuer Group's investment portfolio with greater frequency in order to borrow at lower market rates, which exacerbates this risk. Accordingly, low or declining interest rates may materially affect the Issuer Group's results of operations, financial position and cash flows and significantly reduce the Issuer Group's profitability.

The Issuer Group's leasing business is also affected by interest rates, including both the interest rates charged to its leasing customers and the interest rates it pays on its loans and financing obligations. In order to remain responsive to changing interest rates and to manage the Issuer Group's interest rate exposure, the Issuer Group has implemented measures to adjust the structure of its assets and liabilities based on an assessment of the sensitivity of projected net interest income under various interest rate scenarios. However, an increase in interest rates, or the perception that such an increase may occur, could adversely affect the Issuer Group's ability to obtain bank loans at favourable interest rates, its ability to maximise its interest income, its ability to originate new leases and its ability to grow. In addition, changes in interest rates or in the relationships between short-term and long-term interest rates or between different interest rate indices (i.e., basis risk) could affect the interest rates received on interest-earning assets differently from the interest rates paid on interest-bearing liabilities, which could, in turn, result in an increase in interest expense or a decrease in net interest income (which is the Issuer Group's interest income minus the Issuer Group's interest expense). In addition, the Issuer Group's net interest income is also impacted by whether it can adjust the interest rates it charges customers in response to fluctuations in interest rates for the Issuer Group's interest-bearing bank borrowings to maintain its net interest spread and its net interest margin. If the Issuer Group fails to appropriately adjust the interest rates of its lease contracts in a timely manner, its net interest spread and its net interest margins may decrease, and as a result, its profitability and results of operations would be adversely impacted. Any increase in the Issuer Group's interest expense or decrease in its net interest income could have a material adverse effect on its business, results of operations and financial condition.

The Issuer Group and the Guarantor Group may not be successful in offering new products and services.

As each of the Issuer Group and the Guarantor Group continuously adjusts its business strategies in response to the changing market and evolving customer needs, any new business initiatives may lead them to offer new products and services. However, the Issuer Group and the Guarantor Group may not be able to successfully introduce new products or services to address customers' needs, whether due to lack of adequate capital resources or requisite experience and expertise or otherwise. In addition, the Issuer Group and the Guarantor Group may be unable to obtain regulatory approvals for their new products and services. Furthermore, their new products and services may involve increased and unperceived risks and may not be accepted by the market and they may not be as profitable as anticipated, or at all. If the intended results for the Issuer Group's or the Guarantor Group's new products and services are not achieved, their business, financial condition, results of operations and prospects may be adversely affected. The Issuer Group's and the Guarantor Group's existing risk management procedures, internal controls, information technology system and management expertise may also not be adequate to address the business needs of, and reduce the reputational and legal risks inherent in, these new products and services.

There are risks associated with any material acquisitions, investments or joint ventures by the Issuer Group and the Guarantor Group.

The Issuer Group and the Guarantor Group may consider expanding their business operations by acquiring certain interests in other companies, entering into new strategic alliances and joint ventures and investing in or entering into new business opportunities. The ability of the Issuer Group and the Guarantor Group to grow by investments and/or acquisitions is dependent upon, and may be limited by, the strategic blueprint for the overall development of the GZAR of the GZAR Government, the availability of attractive projects, the Issuer Group's and/or the Guarantor Group's ability to secure favourable commercial, technical and financing terms and obtain requisite regulatory approvals. There can be no assurance that the Issuer Group and/or the Guarantor Group will be able to identify suitable investments and acquisition targets, complete the investments and acquisitions on satisfactory terms, if at all, or that the due diligence with respect to any acquisition will reveal all relevant facts that are necessary or useful in evaluating such opportunity and the failure of which could subject them to unknown financial and legal risks and liabilities.

Such investments and/or acquisitions may expose the Issuer Group and/or the Guarantor Group to potential difficulties that could prevent it from achieving the strategic objectives for the investments and/or acquisitions or the anticipated levels of profitability from the investments and/or acquisitions. These difficulties include:

- diversion of management's attention from the Issuer Group's and/or the Guarantor Group's existing businesses;

- increases in the Issuer Group's and/or the Guarantor Group's expenses and working capital requirements, which may reduce its return on invested capital;

- difficulties in expanding into markets in different geographic locations and challenges of operating in markets and industries that the Issuer Group and/or the Guarantor Group does not have substantial experience in;

- increases in debt, which may increase the Issuer Group's and/or the Guarantor Group's finance costs as a result of higher interest payments;

- exposure to unanticipated contingent liabilities to acquired businesses; and

- difficulties in integrating acquired businesses or investments into the Issuer Group's and/or the Guarantor Group's existing operations, which may prevent it from achieving, or may reduce, the anticipated synergies.

When determining the price for these transactions, various factors need to be considered, including the quality of the target business, estimated costs associated with the acquisitions, investments or joint ventures and the management of the target business, prevailing market conditions and intensity of competition. The Issuer Group or the Guarantor Group needs to address different issues arising from these transactions after the relevant transaction is completed, such as business, operation and management integration but there is no assurance that they will be able to address these issues effectively at all times, and any unfavourable outcomes could in turn adversely affect their business, financial condition, results of operations.

The Issuer Group and the Guarantor Group face risks related to force majeure events, natural disasters, health epidemics and other outbreaks, which could significantly disrupt their business operations.

The Issuer Group's and the Guarantor Group's businesses could be adversely affected by the effects of force majeure events, natural disasters, catastrophe, epidemics and other outbreaks, such as the

coronavirus (COVID-19), avian influenza, severe acute respiratory syndrome (SARS), influenza A (H1N1), Ebola and other acts of God which are beyond their control. Any such occurrences could adversely affect the Issuer Group's and the Guarantor Group's business operations, cause delays in the estimated completion dates for their business projects, increase the costs associated with their operations and could in turn, materially and adversely affect their revenue, profit and cash flows and, accordingly, negatively impact their ability to repay any debt.

In early 2020, COVID-19 spread globally throughout Asia, Europe, North America and other regions and has resulted in deaths around the world, following which the World Health Organization announced in March 2020 that COVID-19 had developed into a pandemic. Outbreaks of COVID-19 resulted in countries worldwide imposing containment measures as well as restrictions on travel and public movement and prolonged closures of workplaces, all of which had a material adverse effect on the global economy. The COVID-19 pandemic brought unprecedented challenges and added uncertainties to the global economies, including the PRC economy. Since December 2022, the PRC government had gradually lifted strict COVID-19 restrictions for travel in and out of the country. However, COVID-19 is constantly mutating and such mutation may result in new variants of the virus which are more infectious or harmful. It is uncertain whether there will be any further waves of COVID-19 outbreaks in China or any other part of the world and when the COVID-19 pandemic will be deemed to have been successfully contained globally. Any future outbreak of an epidemic or contagious disease, such as the COVID-19 pandemic, could result in a widespread health crisis and restrict the level of business activities in affected areas, which may, in turn, adversely affect the Issuer Group's and/or Guarantor Group's business, financial condition and results of operations.

Moreover, the PRC has experienced natural disasters like earthquakes, floods and droughts in the past few years. Any future occurrence of severe natural disasters in the PRC may materially and adversely affect its economy and therefore the Issuer Group's and the Guarantor Group's business. There is no assurance that any future occurrence of natural disasters or outbreaks of epidemics and contagious diseases, or the measures taken by the PRC government or other countries in response to such contagious diseases, will not seriously disrupt the Issuer Group's and the Guarantor Group's operations or those of their customers, which may have a material and adverse effect on the Issuer Group's and the Guarantor Group's business and results of operations. Any material change in the markets where the Issuer Group or the Guarantor Group has operations or in the PRC economy or regional economies as a result of these events or developments may materially and adversely affect the Issuer Group's and/or Guarantor Group's business, financial condition and results of operations.

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

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

Global economic and market conditions have experienced significant negative trends in recent years due to factors such as political tensions, ongoing international trade disputes and the elevated uncertainty stemming from long-term effects of expansionary monetary and fiscal policies adopted by central banks and other leading financial authorities globally. The current rise of economic nationalist sentiments and

trade protectionism has led to increasing political uncertainty and unpredictability throughout the world. On 31 January 2020, the United Kingdom officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019 ("**Brexit**"). With Brexit taking full effect, it remains unclear how it will ultimately affect the fiscal, monetary and regulatory landscape within the United Kingdom, the European Union and other countries in the long run. Given the lack of precedent, Brexit has created and may continue to create negative economic impact and increase volatility in the global market. Furthermore, the Russo-Ukrainian conflict that began in February 2022 and the geopolitical uncertainty originated by, among others, the increased tensions between Russia and members of the North Atlantic Treaty Organisation, has led to significant volatility in the global markets. The extent and duration of such conflict, resulting sanctions and future market disruptions are impossible to predict, but could be significant and may have a severe adverse effect on the region, including a significant negative impact on the economy and the markets for certain securities and commodities, such as oil and natural gas, and on global economies. In addition, the aggravation of U.S.-China trade friction, trade protectionism and the slowdown in global economic growth have also caused volatility in the global financial market. Since the second half of 2018, there has been trade tensions between China and the United States with both countries imposing tariffs on certain products imported from each other. The two countries entered into the phase one U.S.-China trade agreement on 15 January 2020. The resulting trade policies or the terms of any renegotiated trade agreements and their impact is uncertain. The escalating U.S.-China trade war and the U.S. global trade policy against the PRC, including tightening regulatory restrictions, industry-specific quotas, tariffs, non-tariff barriers and taxes may have an adverse effect on the PRC economy. The adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs or trade agreements or policies has the potential to adversely impact the economy of the PRC, which in turn could adversely impact the economy of GZAR, as well as the Issuer Group's and/or Guarantor Group's business, financial condition and results of operations.

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

The operations of the Guarantor Group are subject to inherent operational risks.

The operations of the Guarantor Group, which include the use of highly combustible, hazardous and toxic chemicals and materials for manufacturing and operation of manufacturing facilities, include many risks and hazards, including fires, explosions, toxic gas and liquid leakages and other environmental hazards and industrial accidents. Although the Guarantor Group has adopted stringent risk control procedures for the operation of its facilities, it may not be possible to eliminate such risks through the implementation of preventive measures and such facilities, as currently operated, could be the source of industrial accidents. In addition to the foregoing hazards, the Guarantor Group is also subject to additional risks of mechanical failure and power outages, prolonged equipment breakdown, labour difficulties and transportation interruptions. These instances may similarly result in disruptions to the Guarantor Group's operations, or disruptions or damage to the Guarantor Group's production facilities. There is no guarantee that such risks will not have a material adverse effect on the Guarantor Group in the future. The occurrence of any such or other problems could result in personal injuries or death, environmental damage or damage to properties and production facilities leading to reduced output, which may adversely affect the financial conditions and results of operation of the Guarantor Group. Any of these consequences, to the extent they are significant, could result in business interruption, legal liability and damage to the Guarantor Group's business reputation and corporate image.

The Issuer Group's and the Guarantor Group's risk management framework systems, policies and procedures and internal controls may not fully protect them against various risks inherent in their business operations.

Each of the Issuer Group and the Guarantor Group has established an internal risk management framework system, policies and procedures to manage its risk exposures, primarily credit risk, operational risk, compliance risk and legal risk as well as liquidity risk. These risk management policies and procedures are based upon historical behaviours and the Issuer Group's and the Guarantor Group's experience in the relevant industries. They may not be adequate or effective in managing the Issuer Group's or the Guarantor Group's future risk exposures or protecting any of them against unidentified or unanticipated risks, which could be significantly greater than those indicated by past experience. Although both the Issuer Group and the Guarantor Group continuously update these policies and procedures, they may fail to predict future risks due to rapid changes in the market and regulatory conditions and new markets entered.

Although each of the Issuer Group and the Guarantor Group has established internal controls to ensure its risk management policies and procedures are adhered to by its employees as it conducts its business, its internal controls may not effectively prevent or detect any non-compliance of its policies and procedures, which may have a material adverse effect on their respective businesses, financial condition and results of operations. While each of the Issuer Group and the Guarantor Group has not identified any deficiency in the implementation of its internal control procedures, there can be no assurance that no internal control deficiencies will be identified in the future. Failure by the Issuer Group and/or the Guarantor Group to address their internal control and other deficiencies in a timely and effective manner may undermine the effectiveness of their risk management systems, may result in inaccuracies in their financial reporting, and may also increase the potential for financial losses and non-compliance with regulations. As a result, their asset quality, business, financial condition and results of operations may be materially and adversely affected.

Effective implementation of the Issuer Group's and the Guarantor Group's risk management and internal controls also depends on their employees. There can be no assurance that such implementation will not involve human error or other mistakes, which may significantly undermine the effectiveness and performance of the Issuer Group's and the Guarantor Group's risk management and internal controls, resulting in a material adverse effect on their business, results of operations and financial position.

The insurance coverage of the Issuer Group and the Guarantor Group may not adequately protect them against all operational risks.

Each of the Issuer Group and the Guarantor Group faces various operational risks in connection with its business, including but not limited to:

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

- environmental or industrial accidents; and

- catastrophic events, such as fires, earthquakes, explosions, floods or other natural disasters.

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

The Issuer Group and the Guarantor Group may not be able to detect and prevent fraud or other misconduct committed by their employees, representatives, agents, customers or other third parties.

Each of the Issuer Group and the Guarantor Group may be exposed to fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties that could subject it to financial losses and sanctions imposed by government authorities, which in turn affects its reputation. Such misconduct could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;

- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Issuer Group or the Guarantor Group in deciding whether to make investments or dispose of assets;

- improperly using or disclosing confidential information;

- recommending products, services or transactions that are not suitable for the Issuer Group's or the Guarantor Group's customers;

- misappropriation of funds;

- conducting transactions that exceed authorised limits;

- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;

- engaging in unauthorised or excessive transactions to the detriment of the Issuer Group's or the Guarantor Group's customers;

- making or accepting the bribery activities;

- conducting any inside dealing; or

- otherwise not complying with applicable laws or internal policies and procedures of the Issuer Group or the Guarantor Group.

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

The Issuer Group and the Guarantor Group may not be able to fully detect money laundering and other illegal or improper activities in their business operations on a timely basis.

Each of the Issuer Group and the Guarantor Group is required to comply with applicable anti-money laundering, anti-terrorism laws and other regulations in the PRC and other relevant jurisdictions. The PRC's anti-money laundering law requires financial institutions to establish sound internal control policies and procedures with respect to anti-money laundering monitoring and reporting activities. Such policies and procedures require the Issuer Group and the Guarantor Group to, among other things, establish a customer identification system in accordance with the relevant rules, record the details of customer activities and report suspicious transactions to the relevant authorities. As at the date of this Offering Circular, each of the Issuer Group and the Guarantor Group has adopted policies and procedures aimed at detecting and preventing the use of its business vehicles to facilitate money laundering activities and terrorist acts. In the event that the Issuer Group or the Guarantor Group fails to detect money laundering or other illegal or improper activities or fails to fully comply with applicable laws and regulations, the relevant governmental agencies may freeze its assets or impose fines or other penalties on it. Any of these may materially and adversely affect their business reputation, financial condition and results of operations.

The Issuer Group and the Guarantor Group rely on information technology systems for their business and any information technology system limitations or failures could adversely affect their business, financial condition and results of operations.

Each of the Issuer Group's and the Guarantor Group's business depends on the integrity and performance of its business, accounting and other data processing systems. If their systems cannot cope with increased demand or otherwise fail to perform, the Issuer Group and the Guarantor Group could experience unanticipated disruptions in business, slower response time and limitation on their ability to monitor and manage data and risk exposures, control financial and operation conditions, and keep accurate records. These consequences could result in operating outages, poor operating performance, financial losses, and intervention of regulatory authorities.

There can be no assurance that the Issuer Group's or the Guarantor Group's systems would not experience system failures and delays, or the measures taken by Issuer Group or the Guarantor Group to reduce the risk of system disruptions are effective or adequate. If internet traffic and communication volume increase unexpectedly or other unanticipated events occur, the Issuer Group and the Guarantor Group may need to expand and upgrade their technology, systems and network infrastructure. There can be no assurance that they will be able to accurately project the rate, timing or cost of any increases, or expand and upgrade their systems and infrastructure to accommodate any increases in a timely manner.

The Issuer Group and the Guarantor Group may be subject to litigation risks.

Each of the Issuer Group and the Guarantor Group is involved, from time to time, in disputes and legal or administrative proceedings arising in the ordinary course of its operations. For further information, please refer to "*Description of the Issuer Group — Legal Proceedings*" and "*Description of the Guarantor Group — Legal Proceedings*". Litigation arising from any failure, injury or damage from the Issuer Group's or the Guarantor Group's operations may result in the relevant group member being named

as defendant in lawsuits asserting large claims against such group member or subject such group member to significant regulatory penalties. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. Actions brought against the Issuer Group or the Guarantor Group may result in settlements, injunctions, fines, penalties or other results adverse to its reputation, financial condition and results of operations. Even if the Issuer Group or the Guarantor Group is successful in defending against these actions, the costs of such defence may be significant. In market downturns, the number of legal claims and amount of damages sought in litigations and regulatory proceedings may increase. A significant judgment, arbitration award or regulatory action against the Issuer Group or the Guarantor Group, or a disruption in their business arising from adverse adjudications in proceedings against their directors, senior management or key employees, would materially and adversely affect their liquidity, business, financial condition, results of operations and prospects.

In addition, the Issuer Group or the Guarantor Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable decrees that result in liabilities. Also, in the event that the Issuer Group or the Guarantor Group makes any other investments or acquisitions in the future, there can be no assurance that it would not have any exposure to any litigation or arbitration proceedings or other liabilities relating to the acquired businesses or entities.

There can be no assurance that the Issuer Group and the Guarantor Group can be successful in recruiting or retaining their key managerial personnel and employees.

The success of the each of the Issuer Group's and the Guarantor Group's business depends, to a large extent, on the strategic vision of its board of directors, the continued service of key managerial personnel including directors and key senior executives and the ability to attract and retain highly skilled personnel. While the Issuer Group and the Guarantor Group believe that they offer their employees competitive compensation and are able to attract and retain qualified personnel, there can be no assurance that they can continue to be successful in recruiting or retaining key managerial personnel and employees, in which case their operations may be adversely affected. In addition, if any of their key managerial personnel or employees fails to observe and perform their obligations under their service agreements, or any labour unrest may cause disruption to their operations which, coupled with any increase in labour costs resulting from such dispute, may have a material adverse effect on the Issuer Group's or the Guarantor Group's results of operations and profits. There can be no assurance that the Issuer Group or the Guarantor Group will not experience such disputes in the future.

The Issuer Group and the Guarantor Group may not be able to adequately protect their intellectual property, which could adversely affect their business operations.

Each of the Issuer Group and the Guarantor Group relies on a combination of patents, trademarks and contractual rights to protect its intellectual property. For example, the Guarantor Group owns trademarks such as "Zhonghua (中華)", "Chenzhong (晨鐘)" and "Zhongheng (中恒)" and several parents in its pharmaceuticals business. There can be no assurance that these measures will be sufficient to prevent any misappropriation of their intellectual property. The legal regime governing intellectual property in the PRC is still evolving and the level of protection of intellectual property rights in the PRC differs from those in other jurisdictions. In the event that the steps that the Issuer Group or the Guarantor Group has taken and the protection afforded by law do not adequately safeguard its proprietary technology, the Issuer Group or the Guarantor Group, as the case may be, could suffer losses due to the sales of competing products that exploit its intellectual property.

The Issuer may be directly or indirectly affected by the Guarantor's business, financial position and reputation.

The Issuer is a majority-owned subsidiary of the Guarantor. The Issuer may be negatively affected by the Guarantor's own business operations and business competitiveness. In the event that there is any negative

effect on the Guarantor's business, financial position or reputation, the Issuer may be left in a disadvantageous position. See risk factors relating to the Guarantor Group's major business segments as set out herein.

Changes in the organisational structure of the Guarantor Group (including the Issuer Group) may affect the Guarantor Group's financial condition and results of operations.

The Guarantor Group may undergo certain organisational restructuring from time to time which may involve disposal by the Guarantor of certain subsidiaries or affect whether certain subsidiaries of the Guarantor will be consolidated in the Guarantor's consolidated financial statements. For example, the Issuer Group was consolidated into the financials of the Guarantor Group since 2019. There can be no assurance that any such organisational restructuring will not have a material adverse effect on the Guarantor Group's business, financial condition, results of operations and prospects.

RISKS RELATING TO THE ISSUER GROUP'S PROPERTY INSURANCE BUSINESS SEGMENT

Differences between actual claims experience and the assumptions used in pricing and setting reserves for the Issuer Group's insurance products may materially and adversely affect the Issuer Group's results of operations and financial condition.

The Issuer Group's earnings depend significantly on the extent to which the Issuer Group's actual benefits, claims results are consistent with the assumptions and estimates the Issuer Group uses, such as expected investment return, loss ratio, expense ratio, mortality, morbidity and lapse and surrender rates, among other assumptions, in setting the prices of and establishing the reserves for the Issuer Group's products. If the Issuer Group's actual experience differs unfavourably from the estimates and assumptions used in the Issuer Group's pricing and reserving, the profitability of the Issuer Group's insurance products may be materially and adversely affected.

The Issuer Group prices its products based on a number of assumptions and estimates that the Issuer Group derives from the Issuer Group's historical experience data, industry data, past and then current market conditions and relevant regulations, among others. If the actual market conditions following the launch of the Issuer Group's products are significantly less favourable than the Issuer Group's assumptions and estimates used in pricing, the distribution and the profitability of the Issuer Group's products may be materially and adversely affected, which may, in turn, materially and adversely affect the Issuer Group's results of operations and financial condition.

The Issuer Group establishes reserves for its products based on relevant regulatory requirements and experience data of the insurance industry and the Issuer Group itself. However, estimation of reserves is a complex process, involving many variables and subjective judgments, due to the nature of the underlying risks and the high degree of uncertainty associated with the determination of the liabilities for unpaid policy benefits and claims. The estimated amounts may deviate significantly from the actual amounts. If the reserves originally established prove to be inadequate, the Issuer Group must incur additional expenses in the form of claims and payments, to the extent the actual amounts exceed the estimated amounts, or the Issuer Group may be required to increase its reserves for future policy benefits, resulting in additional expenses in the period during which the reserves are established or re-estimated, which may have a material adverse effect on the Issuer Group's results of operations and financial condition.

Concentration of the Issuer Group's investment portfolio in any particular asset class, market or segment of the economy may increase the Issuer Group's risk of suffering investment losses.

The Issuer Group's investment portfolio primarily consists of currency funds, structured deposits, insurance asset management products, negotiated deposits, bonds and wealth management products of

commercial banks. As a result, the Issuer Group has significant credit exposure to banking and other financial institutions and corporate issuers. Events or developments that have a negative effect on any particular industry, asset class, related industries, country or geographic region may have a greater negative effect on the Issuer Group's investment portfolio to the extent that the Issuer Group's portfolio is overly concentrated in the particularly affected industry or industries, asset class or geographic region. With the world's economies and financial markets increasingly interconnected and interdependent, crises in one geography or one area could now easily negatively impact other geographies or areas, in which the Issuer Group may have investment exposure. These types of concentrations in the Issuer Group's investment portfolio increase the risk that, in the event the Issuer Group experiences a significant loss in any of these investments, the Issuer Group's financial condition and results of operations would be materially and adversely affected.

In addition, there may not be a liquid trading market for certain of the Issuer Group's investments, which is in turn affected by numerous factors, including the existence of suitable buyers and market makers, market sentiment and volatility, the availability and cost of credit and general economic, political and social conditions. If the Issuer Group were required to dispose of these or other potentially illiquid assets on short notice, the Issuer Group could be forced to sell such assets at prices significantly lower than the prices the Issuer Group has recorded in its consolidated financial information.

Reinsurance may not be available, affordable or adequate to protect the Issuer Group against losses.

As part of the Issuer Group's overall risk management strategy, the Issuer Group purchases reinsurance for certain risks underwritten by the Issuer Group's property insurance business. While reinsurance agreements generally bind the reinsurer for the life of the business reinsured at generally fixed pricing, market conditions beyond the Issuer Group's control determine the availability and cost of the reinsurance protection for new business. In certain circumstances, the price of reinsurance for business already reinsured may also increase. Any decrease in the amount of reinsurance will increase the Issuer Group's risk of loss and any increase in the cost of reinsurance will, absent a decrease in the amount of reinsurance, reduce the Issuer Group's earnings. Accordingly, the Issuer Group may be forced to incur additional expenses for reinsurance or may not be able to obtain sufficient reinsurance on acceptable terms, which could adversely affect the Issuer Group's ability to write future business or result in the assumption of more risk with respect to those policies the Issuer Group issues. In addition, although the Issuer Group endeavours to choose reinsurers with good credit ratings, there can be no guarantee that such reinsurers will not suffer significant losses rendering them unable to fully meet their obligations to the Issuer Group.

An actual or perceived reduction in the Issuer Group's financial strength could increase policy surrenders and withdrawals, damage the Issuer Group's business relationships and negatively impact new sales of the Issuer Group's products, and concentrated surrenders may materially and adversely affect the Issuer Group's cash flows, results of operations and financial condition.

Policyholders' confidence in the financial strength of an insurance company, as well as in the financial services industry generally, is an important factor affecting the Issuer Group's business. Any actual or perceived reduction in the Issuer Group's financial strength could materially and adversely affect the Issuer Group's business because any such development may, among other things:

- increase the number of policy surrenders and withdrawals;
- damage the Issuer Group's relationship with its creditors, customers and the distributors of the Issuer Group's products;
- negatively impact sales of the Issuer Group's products;

- require the Issuer Group to reduce prices for many of the Issuer Group's products and services to remain competitive;

- adversely impact the Issuer Group's ability to obtain reinsurance on acceptable terms; and

- increase the Issuer Group's borrowing costs as well as affect the Issuer Group's ability to obtain financing on a timely basis.

There can be no assurance that the Issuer Group will not experience any reductions in its financial strength, actual or perceived, in the future.

Under normal circumstances, it is possible, to a certain extent, for insurance companies to estimate the overall amount of surrenders in a given period. However, the occurrence of emergency or macroeconomic events that have significant impact, such as sharp declines in customer income due to a severe deterioration in economic conditions, radical changes in relevant governmental policies, loss of customer confidence in the insurance industry due to the weakening of the financial strength of one or more insurance companies, or the severe weakening of the Issuer Group's financial strength, may trigger massive surrenders of insurance policies. If this were to occur, the Issuer Group would have to dispose of the Issuer Group's investment assets, possibly at unfavourable prices, in order to make the significant amount of surrender payments. This could materially and adversely affect the Issuer Group's cash flows, results of operations and financial condition.

The Issuer Group's ability to comply with minimum solvency requirements is affected by a number of factors, and the Issuer Group's compliance may force the Issuer Group to raise additional capital, which could increase the Issuer Group's financing costs or be dilutive to the Issuer Group's existing investors, or reduce the Issuer Group's growth.

Insurance companies are generally required by applicable law to maintain their solvency at a level in excess of statutory minimum standards. The solvency of Beibu Gulf Insurance is affected primarily by the solvency margin it is required to maintain, which is in turn affected by the volume and type of new insurance policies Beibu Gulf Insurance sells, the composition of its in-force insurance policies and by regulations on the determination of statutory reserves.

Beibu Gulf Insurance is required to maintain solvency to cover its estimated ultimate liability and related settlement expenses with respect to reported and unreported claims by CIRC. The solvency ratio of Beibu Gulf Insurance is also affected by a number of other factors, including the profit margin of its products, returns on its investments, underwriting and acquisition costs and policyholder and shareholder dividends.

If the solvency margin of Beibu Gulf Insurance does not satisfy the relevant requirements, the relevant authorities may impose a range of regulatory sanctions depending on the degree of deficiency in its solvency margin. In addition, the solvency ratio of Beibu Gulf Insurance may impact the Issuer Group's operating investment activities in the PRC. For example, under PRC regulations, insurance companies are required to have sufficient capital commensurate with their risk exposures and scale of business to ensure a solvency margin ratio of no less than 100 per cent.

Should the solvency margin of Beibu Gulf Insurance falls below 100 per cent., or otherwise proves to be insufficient to cover actual losses, loss adjustment expenses or future policy benefits after taking into account available reinsurance or retrocessional coverage, Beibu Gulf Insurance may have to make provision for additional reserves and incur charges to earnings, which could have a material adverse effect on the Issuer Group's financial condition and results of operations, and could adversely affect the growth rate of the Issuer Group's business.

The rate of growth of the PRC insurance market may not be as high or as sustainable as the Issuer Group anticipates.

The Issuer Group expects the insurance market in the PRC to expand and the insurance penetration rate to rise with the continued growth of the PRC economy and household wealth, the reform of the social welfare system, demographic changes and the opening up of the PRC insurance market to foreign participants. The Issuer Group's judgments regarding the anticipated drivers of such growth and their impact on the PRC insurance industry are prospective. There can be no assurance that such prospective judgments will be consistent with actual developments. Moreover, the PRC insurance industry may not be free from systemic risks, including risks related to macroeconomic conditions and financial system stability. Thus, the growth and development of the PRC insurance industry may not be sustainable.

RISKS RELATING TO THE ISSUER GROUP'S LEASING BUSINESS SEGMENT

The Issuer Group's business, financial condition and results of operations may be materially and adversely affected by any inability to effectively mitigate credit risk and maintain the quality of its assets and lease receivables portfolio.

The sustainability of the Issuer Group's business and future growth depends largely on its ability to effectively manage its credit risk and maintain the quality of its assets and lease receivables portfolio. As such, any deterioration in the quality of its assets or impairment in the collectability of its lease receivables could materially and adversely affect its business and results of operations. As at 31 December 2020, 2021 and 2022, the impaired financial lease receivables of Beibu Gulf Financial Leasing amounted to approximately RMB24.0 million, RMB30.0 million and RMB42.0 million, respectively, and its impaired financial lease receivable ratio was approximately 0.6 per cent., 0.8 per cent. and 1.3 per cent., respectively. The Issuer Group may not be able to effectively control the level of its non-performing assets in its current lease receivables portfolio or effectively control the level of new non-performing assets in the future. The amount of the Issuer Group's non-performing assets may increase in the future due to a substantial increase in its lease contract values, a deterioration in the quality of its lease receivables portfolio, or a decline in the quality of future lease receivables.

The quality of the Issuer Group's lease receivables portfolio may deteriorate for a variety of reasons, including factors beyond the Issuer Group's control, such as a slowdown in the economic growth of the PRC or global economies, a recurrence of a global credit crisis or other adverse macroeconomic conditions which may result in operational, financial and liquidity problems for the Issuer Group's customers thereby affecting their ability to make timely lease payments. If the level of the Issuer Group's non-performing assets and/or impaired lease receivables increases, the Issuer Group's business, financial condition and results of operations may be materially and adversely affected.

Fluctuations in equipment prices may adversely affect the Issuer Group's operations and business.

The Issuer Group currently operates its business by targeting industries which it believes to have sustainable growth potential, such as the medical, education, infrastructure construction and new energy industries. However, there can be no assurance that the demand for leasing services in such target industries will remain sustainable. In particular, rapid increases in equipment prices may reduce overall demand and, accordingly, reduce the Issuer Group's ability to generate new contracts. Moreover, reductions in equipment prices may also affect the Issuer Group's ability to recover the related lease receivables due to the increasing likelihood of default by customers. In particular, the price at which the Issuer Group is able to sell any asset underlying its leases may be lower than the price at which it acquired such asset which could result in a material adverse effect on the Issuer Group's business, results of operations and financial condition.

The Issuer Group has mortgaged certain lease receivables to secure its borrowings.

The Issuer Group has mortgaged certain of its lease receivables to secure some of its bank loans. If the Issuer Group defaults on such bank loans, the lenders may foreclose such lease receivables the Issuer

Group mortgages and claims of such lenders may have priority over the claims of other unsecured creditors. Any such defaults may therefore have an adverse effect on the Issuer Group's assets, financial condition, reputation and customer relationships. Although the terms of the Issuer Group's indebtedness limit the Issuer Group's ability to incur certain liens, there can be no assurance that the Issuer Group will not mortgage its lease receivables to secure its borrowings in the future. There can also be no assurance that the Issuer Group will not default on any of its borrowings in the future.

The value of guarantees securing the Issuer Group's leases and the assets underlying its leases which are disposed of upon repossession may be inadequate to cover related lease receivables.

A significant portion of the Issuer Group's leases to customers is secured by guarantees. To mitigate the risk of default on lease payments, the Issuer Group usually requests the lessees to provide guarantees for the leases. However, such guarantees are negotiated on a case-by-case basis, depending on the nature of the business of the particular lessee. In the event of any material default on the lease payment terms, the Issuer Group is contractually entitled to enforce its security rights over any guarantee, and/or repossess and dispose of the assets underlying its leases to realise their value. However, the value of such assets underlying such leases to be disposed of may decline and may be materially and adversely affected by a number of factors, such as any damage, loss, oversupply, devaluation or reduced market demand. Similarly, a significant deterioration in the financial condition of guarantors under the Issuer Group's guaranteed leases could significantly decrease any amounts which the Issuer Group may recover under such guarantees.

The Issuer Group's policies require periodic internal re-evaluation of assets underlying its leases for impairment testing purposes. If the value of such assets underlying the Issuer Group's leases proves to be inadequate to cover the related lease receivables, the Issuer Group may need to obtain additional security from customers or other sources, and there can be no assurance that it will be able to do so.

Any decline in the value of such guarantees or assets underlying the Issuer Group's leases or the Issuer Group's inability to obtain additional security may result in impairment losses and require the Issuer Group to make additional impairment provisions against its lease receivables, which may in turn materially and adversely affect its business, financial condition and results of operations.

The Issuer Group may not be able to successfully enforce its rights to the underlying guarantees to its leases, or enforce its rights to repossess leased assets.

In the PRC, the procedures for enforcing the Issuer Group's rights to a guarantee or to repossess and dispose of the asset underlying its leases could be time-consuming (the whole process may take several months) and in practice it may be difficult to enforce the guarantee or repossess and dispose of assets underlying the Issuer Group's leases. Although the Issuer Group could apply to a PRC court in accordance with the PRC Civil Procedure Law for the enforcement of a guarantee or the repossession of the assets underlying the Issuer Group's leases upon default, it is uncertain whether any judgment made by local courts would be enforceable due to uncertainties of the PRC legal system governing such enforcement. Therefore, upon any default of any lessee or any guarantor under the Issuer Group's lease, if the Issuer Group is unable to successfully enforce its right in respect of any guarantee related to any assets underlying its leases or repossess and dispose of on a timely basis, it may have a material adverse effect on its asset quality, financial condition or results of operations.

The Issuer Group's provisions for impairment losses on lease receivables may not be adequate to cover future credit losses, and may have a material adverse impact on the Issuer Group's business, financial condition and results of operations.

The amount of provisions for impairment losses on the Issuer Group's lease receivables is determined on the basis of its internal provisioning procedures and guidelines taking into account a number of factors,

such as the nature and industry-specific characteristics of the Issuer Group's customers and their creditworthiness, economic conditions and trends, write-off experience, delinquencies and the value of underlying guarantees. As the Issuer Group's provisions require significant judgment and estimation, its allowance for impairment losses may not always be adequate to cover actual credit losses in its business operations. The Issuer Group's allowance may prove to be inadequate if unforeseen or adverse changes occur in the PRC economy or other economies in which the Issuer Group operates or if other events adversely affect specific customers, industries or markets. Under such circumstances, the Issuer Group may need to make additional provisions for its lease receivables, which could significantly reduce its profit and may materially and adversely affect its business, financial condition, results of operations and prospects.

RISKS RELATING TO THE ISSUER GROUP'S CREDIT GUARANTEES AND MICRO AND SMALL LENDING BUSINESS SEGMENTS

The Issuer Group relies on the creditworthiness of counter-guarantors.

As one of its risk control measures, the Issuer Group usually requires counter-guarantees from the business owners and controlling persons of the borrower for the credit guarantees and microloans it provides. However, the Issuer Group may not be able to locate the relevant counter-guarantors after a customer defaults and there can also be no assurance that such persons will have sufficient financial resources to make full payment on the defaulting customer's behalf, or at all.

Upon a customer default, if the Issuer Group is unable to locate the corresponding counter-guarantors or if the counter-guarantors have limited or no ability to repay or if the loan is not backed by any counter-guarantor, the Issuer Group may have to apply for a court order to attach the assets, such as land, property and machinery, of the default customer and its counter-guarantors, if any, and resort to legal proceedings to enforce its unsecured interests against these assets. In the PRC, the procedures for applying for court orders to attach assets of another person and liquidating or otherwise realising the value of attached assets may be protracted or ultimately unsuccessful, and the enforcement process in the PRC may be difficult for legal and practical reasons. In general, the entire recovery process may take the Issuer Group 18 months or more to fully or partially realise the value of the attached assets. Furthermore, the defaulting customer and its counter-guarantors may have concealed, transferred or disposed of their assets beforehand, making it difficult or impossible for the Issuer Group to apply for attachment. Where the assets attached are mortgaged and registered in favour of third parties, such as a bank or another secured creditor, the Issuer Group's interests will be ranked behind these third parties and the Issuer Group's unsecured rights may not be enforced until secured creditors are paid in full, thereby limiting the amount recovered or even preventing the Issuer Group from benefiting from such assets.

As the Issuer Group's customers are primarily SMEs and microenterprises, the Issuer Group's business is subject to greater credit risks and the Issuer Group's credit risk management may not be adequate to protect against customer defaults.

The business of providing guarantees or loans involves a variety of risks, including the risk that the loans the Issuer Group guaranteed or made will not be repaid on time or at all, and the Issuer Group's risk management procedures may not fully eliminate these risks.

The Issuer Group primarily focuses on the SME and microenterprise sector in the PRC. SMEs and microenterprises may be subject to significant variations in operating results because they often engage in rapidly evolving and volatile businesses and industries, require additional capital to support their operations and expansion or to strengthen their competitive position, and otherwise may have a weaker financial position or be adversely affected by changes in the business cycle. The Issuer Group's SME and microenterprise customers may have weak accounting controls and lack the expertise and resources to prepare accurate audited financial statements, which are part of the data and information required by the

Issuer Group in its evaluation of customer creditworthiness. As a result, they may be unable to meet collateral requirements typically imposed by banks in the PRC when such banks extend loans to corporate borrowers. Various factors may affect an SME's or a microenterprise's ability to meet its interest payments to the Issuer Group. Such factors include the failure to meet its business plan, a downturn in its industry and negative economic conditions. Accordingly, SMEs and microenterprises may pose increased risks relating to default relative to large enterprises.

The Issuer Group may be unable to effectively mitigate its credit risk and maintain its asset quality.

The sustainability of the Issuer Group's business and future growth depends largely on its ability to effectively manage its credit risk and maintain the quality of its receivables portfolio. As such, any deterioration in the Issuer Group's asset quality or impairment in the collectability of the Issuer Group's receivables could materially and adversely affect the Issuer Group's business, prospects, financial condition and results of operations.

In light of the continuation of downturn economic pressure in the PRC, the Issuer Group may experience certain level of decline in the quality of its receivables portfolio due to the short term liquidity problems of customers, which in turn were caused by both internal and external factors commonly happening in the general economy and faced by some of the Issuer Group's existing and potential customers, including: (1) the tightened availability of bank financing which were otherwise available to some of the Issuer Group's customers; (2) some of the Issuer Group's customers' upstream customers, many of which are state-owned enterprises, deferred settlement with them amidst a very stringent internal control requirements; and (3) some of the Issuer Group's customers voluntarily reduced their operation scales during the prolonged economic downturn.

The Issuer Group seeks to manage its credit risk exposure through customer due diligence, credit approvals, establishing credit limits, requiring security measures and portfolio monitoring. While these procedures are designed to provide the Issuer Group with the information needed to implement adjustments where necessary, and to take proactive corrective actions, there can be no assurance that such measures will be effective in avoiding all undue credit risk. In addition, the business results in the SME and microenterprise sector may be adversely affected by turmoil in regional financial markets which is generally tied to global economic and market conditions as well as changes in global credit policies. This may result in a reduction in the amount of, or tightened approval requirements for, funding from banks or other financial institutions to SMEs and microenterprises in the PRC and thus may subject them to heightened liquidity risks. There can be no assurance that the Issuer Group's credit risk management system will be effective under all circumstances in reducing such unexpected credit risk exposure of the Issuer Group.

The Issuer Group's business model could be negatively affected by changes and fluctuations in the banking industry.

The Issuer Group's business model is premised on the fact that SMEs and microenterprises are generally underserved by the banking industry because commercial banks in the PRC have been reluctant to lend to SMEs and microenterprises without credit support, such as third-party guarantees, or adequate collateral of tangible assets, or if loans would be granted, SMEs would receive a relative tight credit limit. This has created opportunities for the Issuer Group to develop and expand its business. However, new trends in the banking industry or the applicable regulatory requirements may alleviate the significant transaction costs or the lack of collateral and public information generally associated with bank financing to SMEs and microenterprises in the PRC or otherwise make this business more attractive to banks. In the event that commercial banks begin to compete with the Issuer Group by making loans to SMEs and microenterprises on an unsecured basis or require a lower level of credit guarantee in return for higher risk-based interest rates, the Issuer Group may experience less demand for its guarantee services and greater competition with respect to its business segment of provision of micro and small loans. In addition, direct competition

with the Issuer Group's cooperating banks will also undermine the Issuer Group's relationship with them and adversely affect the Issuer Group's business, results of operations and prospects.

In addition, the Issuer Group's business may also be subject to the factors affecting the banking industry, such as national fiscal policies, the impact of non-performing loan and relevant financial or banking reforms. Such factors adversely affecting the banking industry may result in a liquidity crunch and the subsequent reductions in the amount of, or tightened approval requirements for loans available to the Issuer Group's customers or the Issuer Group. As a result, the Issuer Group may experience reduced demand for its guarantees and less available funding. Furthermore, if the Issuer Group's customers' business is negatively affected due to the cash crunch or tightened liquidity, the Issuer Group's customer default risk may increase, which may materially and adversely affect the Issuer Group's financial condition or results of operations.

The Issuer Group's provisions for losses may not be adequate to cover actual losses.

The Issuer Group makes provision for impairment losses in respect of its credit guarantees and micro and small lending businesses. The amounts of allowance are generally based on the Issuer Group's management's assessment of, and expectations concerning, various factors affecting the quality of the Issuer Group's guarantee and loan portfolio, such as the customers' financial condition, repayment ability, historical default rates, the anticipated realisable value of any collateral, regional economic conditions, governmental policies, interest rates and other factors, and the applicable PRC rules and regulations governing provisions for losses. Many of these factors are beyond the Issuer Group's control. If the Issuer Group's assessment and expectations differ from actual events, or if the quality of the Issuer Group's guarantee and loan portfolios deteriorates, the Issuer Group's provisions or allowance may not be adequate to cover its actual losses and it may need to set aside additional provisions or allowance, which could materially and adversely affect the Issuer Group's profitability.

The Issuer Group has limited information regarding the SMEs and microenterprises and individuals to which it provides its financial services, and its ability to perform customer due diligence or detect customer fraud may be compromised as a result.

The Issuer Group's credit evaluation depends primarily on customer due diligence. There is limited information publicly available about SMEs and microenterprises. For example, the accounting records or other financial information of the Issuer Group's customers might not have been well maintained, their business model and procedures might not have been documented and they may not have effective internal controls as larger corporate entities. The Issuer Group relies on its business department to conduct due diligence in respect of customers and to obtain and verify the information necessary to enable the Issuer Group to make credit evaluations. Lack or inadequacy of information may not only result in additional efforts and related costs, but may also undermine the effectiveness of the Issuer Group's customer due diligence. There can be no assurance that the Issuer Group's customer due diligence will uncover all material information necessary to make a fully-informed decision, nor can there be any assurance that the Issuer Group's due diligence efforts will be sufficient to detect fraud committed by the Issuer Group's customers. If the Issuer Group fails to perform thorough due diligence or discover customer fraud or intentional deceit, the quality of the Issuer Group's credit evaluation may be compromised. A failure to effectively measure and limit the credit risk associated with the Issuer Group's guarantee and loan portfolio could have a material adverse effect on the Issuer Group's business, financial condition, results of operations and prospects.

In addition, the Issuer Group may be unable to monitor customers' actual use of the financing the Issuer Group guaranteed or provided, or verify if the Issuer Group's customers have other undisclosed private money or borrowings. The Issuer Group may not be able to detect customers' suspicious or illegal transactions, such as money laundering activities, in the Issuer Group's business and the Issuer Group may suffer financial and/or reputational damage as a result.

The development and implementation of anti-money laundering laws in the PRC may increase some of the Issuer Group's members' obligations to supervise and report transactions with their customers, expose some of the Issuer Group's members to potential administrative sanctions for non-compliance or potential criminal measures for violation of criminal law and increase some of the Issuer Group's members' compliance efforts and costs.

PRC laws and regulations relating to anti-money laundering have evolved significantly in recent years and may continue to develop. Some members of the Issuer Group are required to supervise and report transactions with their customers for anti-money laundering or other purposes and have implemented procedures required by the relevant laws and regulations. The development and implementation of anti-money laundering laws in the PRC may further increase the Issuer Group's compliance efforts and costs and may expose some members of the Issuer Group to potential administrative sanctions if they fail to comply with their internal anti-money laundering procedures, fail to establish and/or implement the required procedures or otherwise fail to comply with the relevant laws and regulations, as amended and updated from time to time, or potential criminal measures if they violate the relevant provisions of the PRC criminal law. These may, in turn, materially and adversely affect the Issuer Group's reputation, business, results of operations and financial condition. Please also see "*— Risks relating to the Issuer Group's and the Guarantor Group's general operations — The Issuer Group and the Guarantor Group may not be able to fully detect money laundering and other illegal or improper activities in their business operations on a timely basis*".

RISKS RELATING TO THE GUARANTOR GROUP'S ALUMINIUM BUSINESS SEGMENT

The Guarantor Group's business and results of operations are dependent on the market price of aluminium products, which is driven by factors beyond its control. The Guarantor Group's profitability may be adversely affected by declines in market price of aluminium products.

The Guarantor Group's aluminium business is sensitive to fluctuations in the prices of aluminium products. Like most aluminium producers in China, the Guarantor Group prices its aluminium products primarily by reference to spot market prices. Any fall in such aluminium prices may have an adverse impact on the Guarantor Group's gross profit margin, and consequently its gross profit and net profit. The prices the Guarantor Group receives are dependent upon spot market prices and upon numerous factors beyond its control. It may attempt to pass pricing changes to customers but may be unable to do so or be delayed in doing so. Any inability to pass through price changes or any limitation or delay in passing through price changes could adversely affect its profit margins. Fluctuations in the market prices of aluminium products may affect the Guarantor Group's results of operations.

The prices of aluminium products have historically fluctuated in response to market forces, such as global production, refining and smelting production, global and PRC economic conditions and industrial supply and demand. In recent years, there have been significant fluctuations in the prices of aluminium products. These fluctuations have been driven by changes in the end-use of aluminium products, as a result of fluctuations in investment in the construction, electrical, transport and consumer durables sectors. For example, for 2020, 2021 and 2022, the average selling prices of the Guarantor Group's primary aluminium products per tonne was approximately RMB13,827.5, RMB18,992.0 and RMB21,540.2 (in respect of aluminium ingots) and RMB13,968.2, RMB18,483.9 and RMB19,371.6 (in respect of molten aluminium), respectively. Due to the impact of the Russo-Ukrainian conflict, the energy crisis in Europe and the U.S. economic contraction, aluminium prices experienced fluctuations in 2022 and are expected to remain uncertain in the near future.

There can be no assurance that the domestic demand for aluminium will continue to grow, that domestic aluminium will not experience excess supply, or that there will not be significant drops in aluminium prices in China. Any overcapacity in the PRC aluminium industry, whether caused by a decrease in demand or an increase in supply, would likely affect the average selling price of the Guarantor Group's products and consequently have a material adverse effect on its business, results of operations and financial condition.

In addition, the prices of raw materials required for aluminium production fluctuate from time to time. Even if there is an increase in the market price of the Guarantor Group's aluminium products, it may not be sufficient to offset an increase in the prices of raw materials, and as a result, the Guarantor Group's business, financial condition, results of operations and prospects may be materially and adversely affected. If prices of our raw materials increase while the market prices of our products decrease or do not increase correspondingly for any reason, our business, financial condition, results of operations and prospects will be materially and adversely affected.

If the end-user markets of aluminium products contract or do not grow at the pace the Guarantor Group expects, the Guarantor Group's business, financial condition and results of operations may be materially and adversely affected.

The development of the Guarantor Group's aluminium business has depended, and will continue to depend, substantially on the growth of end-user markets for aluminium products. Growth in sales of the Guarantor Group's aluminium products has been primarily driven by growth in the end-user markets in which its aluminium products are used, particularly in the construction, electrical, transport and consumer durables sectors in the PRC. Any decline in the demand for the Guarantor Group's aluminium products from end-users could have a material adverse effect on its business, financial condition and results of operations.

Imposition of relevant tariffs on aluminium products by overseas countries may adversely affect the Guarantor Group's results of operations.

In March 2018, the government of the United States imposed a tariff of ten per cent. on aluminium products exported to the U.S., with exemptions for Canada and Mexico, to protect its national security, subject to certain exemptions. While most of the Guarantor Group's aluminium products are sold to downstream customers in the PRC, certain of its customers are located outside of the PRC. In addition, certain of the Guarantor Group's customers or their customers may export aluminium products to the United States and other foreign countries. The Guarantor Group may be subject to international import tariffs, and any tariffs or other disruptions to the demand for Chinese aluminium products overseas could have a material adverse effect on demand for its products, financial condition and results of operations.

Any disruption in the Guarantor Group's aluminium product manufacturing facilities could materially and adversely affect its business, financial condition and results of operations.

The Guarantor Group's existing PRC aluminium manufacturing facilities are located within or in close proximity to Baise area, Laibin area and Nanning in the GZAR as well as other provinces such as Anhui Province, Gansu Province and Ningxia Province. Any disruption or significant damage to its aluminium production facilities from natural or other causes, such as flood, fire and earthquake, could be costly and time-consuming to repair and could disrupt its operations. In such an event, the Guarantor Group would be forced to seek alternative manufacturing sites, alumina supply and facilities or electricity supplies, which may be difficult to locate and secure given the specialized and large-scale nature of its aluminium business and its significant requirements for alumina. Even if the Guarantor Group is able to identify an alternative manufacturing site or alumina supply following the occurrence of such an event, it would likely incur significant additional costs and experience disruptions in the production of its aluminium products.

The Guarantor Group's operations may be disrupted for other reasons as well. For example, in recent years, the government has been engaged in revising policies to reform the supply side of the aluminium industry. In April 2017, NDRC, the Ministry of Industry and Information Technology, the Ministry of Land and Resources and the Ministry of Environmental Protection jointly issued the Notice of Specific Action Working Plans Regarding Regulating Unlawful Electrolytic Aluminium Projects (清理整頓電解鋁行業違法違規項目專項行動工作方案的通知), which aimed at regulating unlawful electrolytic

aluminium projects. In August 2021, NDRC issued the Notice on Improving the Multi-step Electricity Price Policy for the Electrolytic Aluminium Industry (關於完善電解鋁行業階梯電價政策的通知), which aimed at regulating the electricity price policy for the electrolytic aluminium industry. Any non-compliance with such policies may entail the shutting down of relevant aluminium production facilities and ancillary facilities, thereby resulting in a material, adverse effect on the scale of production and output.

Moreover, the Guarantor Group's smelting pots contain molten electrolytic aluminium. Should its production facilities suspend operations for any reason, such molten electrolytic aluminium would be solidified by the low temperature, and as a result, it would take a significant time and extra electricity to recommence operations. Any disruption in the Guarantor Group's operations could have a material adverse impact on its ability to produce sufficient quantities of products or may require the Guarantor Group to incur significant expenses in order to produce sufficient quantities to meet its contractual obligations, and could impair its ability to meet the demand of customers and result in customers cancelling their purchase orders, any of which could materially and adversely affect the Guarantor Group's business, financial condition and results of operations.

The Guarantor Group's aluminium operations consume substantial amounts of electricity and any interruption, shortage of utilities or fluctuation in utility prices may adversely affect the Guarantor Group's operations.

The Guarantor Group's aluminium operations consume substantial amounts of electricity. Although the Guarantor Group generally expects to meet the power requirements from a combination of internal and external sources, its results of operations may be materially and adversely affected by the following:

- significant increases in electricity costs; or

- curtailment of the operation of one or more refineries or smelters due to the Guarantor Group's inability to extend energy supply contracts upon their expiration.

Cost of electricity is the principal cost in the Guarantor Group's aluminium production activities. The Guarantor Group expects that China's economy will continue to grow and, as a result, the Guarantor Group expects the demand for and prices of electricity to increase accordingly. Thus, the results of operations of the Guarantor Group could be materially and adversely affected. In addition, China's regulatory authorities have in recent years announced increasing number of measures to reduce carbon emissions in China, including introducing pilot city carbon emissions trading schemes and other programmes aimed at carbon emissions reduction. As coal-fired power remains the principal power source in China, more stringent emission standards often lead to higher production cost of electricity which directly translates into higher electricity prices. There is no assurance that existing and new emission standards will not further drive up the electricity prices in China which could adversely affect the Guarantor Group's aluminium operations.

In addition, interruptions in power supply may result in costly production shutdowns, increased costs associated with restarting production and the suspension of production in progress. A sudden loss of power, if prolonged, can cause damage to or the destruction of production equipment and facilities. In such an event, the Guarantor Group may need to expend significant capital and resources to repair or replace the affected production equipment to restore its production capacity. Various regions across China have experienced shortages and disruptions in electricity, especially during peak demand in the summer or during severe weather conditions. There is no assurance that its operations will not suffer from shortages or disruptions in electrical power, any occurrence of which could have a material and adverse impact on the Guarantor Group's business, financial condition and results of operations.

The production of alumina consumes substantial amounts of coal, and the Guarantor Group's aluminium operations may be adversely affected if the Guarantor Group is unable to procure sufficient coal or if coal prices rise significantly.

The Guarantor Group relies heavily on coal as its energy and fuel source for its production of alumina. As the Guarantor Group increases its alumina refining capacity, its consumption of coal will increase accordingly. If there are shortages of coal, constraints on coal transportation or for any other reasons, the Guarantor Group may be forced to reduce its production output or suspend its alumina refining operations, which could materially and adversely affect the Guarantor Group's financial condition and results of operations. The Guarantor Group expects to continue relying substantially on third-party coal suppliers for the supply of coal. If the Guarantor Group is unable to pass on increases in coal prices to customers or offset price increases through productivity improvements, its operating margin, financial condition and results of operations could be adversely affected.

Failure to maintain optimal utilisation of the Guarantor Group's alumina and primary aluminium production facilities will adversely affect the Guarantor Group's gross and operating margins.

In the past, the Guarantor Group had expanded its production capacity for alumina in response to market demand growth of its aluminium business. This had corresponding drove higher operating costs, in particular, depreciation and amortisation costs. However, the Guarantor Group's primary aluminium production may be adversely affected by the administrative policies and orders implemented by the local governments to fulfil China's Energy-Saving and Emission Reduction Goals. Please also see "*— The Guarantor Group is subject to administrative policies and orders relating to China's Energy-Saving and Emission Reduction Goals that could adversely affect the Guarantor Group's aluminium production*".

If the Guarantor Group is able to maintain a satisfactory facility utilisation level and increase its output, the Guarantor Group's production capacity expansion will lead to reduced unit costs through economies of scale, with fixed costs spreading over a higher volume of output units. Conversely, under-utilisation of the Guarantor Group's existing and newly acquired or constructed production facilities may increase the Guarantor Group's marginal production costs and prevent the Guarantor Group from realising the intended economic benefits of such expansion. In addition, the Guarantor Group occasionally increased its external purchases of alumina and primary aluminium for trading purposes to capitalise on fluctuating market prices and to enhance resource planning to achieve cost savings in production. The increase in the Guarantor Group's external purchases had reduced its utilisation of certain production facilities but had not resulted in a proportionate decrease in fixed costs such as leases and depreciation of plant, property and equipment. Given the Guarantor Group's high proportion of fixed costs, failure to maintain historical utilisation rates may adversely affect the Guarantor Group's gross margin and operating margin.

The Guarantor Group's profitability and operations could be adversely affected if it is unable to obtain a steady supply of bauxite at competitive prices.

Bauxite is the principal raw material in alumina production, and alumina is the main raw materials in the production of primary aluminium. Historically, the Guarantor Group has procured its bauxite supply principally from its own bauxite mining operations as well as third-party suppliers. For details, see "*Description of the Guarantor Group — Business Segments — Aluminium Business — Products — Raw Materials*". As at 31 December 2022, the Guarantor Group owned and operated two mines in the GZAR, namely the Debao Mine and the Jingxi Mine, that had approximately 610 million tonnes of aggregate bauxite reserves.

While the Guarantor Group will continue to explore new bauxite reserves to replenish its reserves, it may not be able to successfully acquire new mines or expand its existing ones in accordance with its development plans, or at all. In order to retain the title to the Guarantor Group's mines, or obtain the title to new mines in China, the Guarantor Group is required to comply with mining qualifications approved

by the relevant PRC authorities and pay an annual fee for the Guarantor Group's mines. Delays or failures in securing requisite PRC government approvals, licenses or permits, as well as any adverse change in governmental policies, may hinder the Guarantor Group's expansion plans to replenish its reserves, which could have an adverse effect on the profitability, competitiveness and growth prospects of its aluminium business.

The Guarantor Group is subject to the uncertainties surrounding its resources and reserves estimates of minerals and metals, and the volume and grade of ore it produces may not conform to current estimates.

The Guarantor Group's production of alumina is dependent upon the continuing availability of bauxite supply. Currently, the Guarantor Group primarily relies on its own supply of bauxite through the relevant mining rights it owns. As at 31 December 2022, the Guarantor Group owned and operated two bauxite mines in the GZAR, namely the Debao Mine and the Jingxi Mine.

While the Guarantor Group's present sources of bauxite are expected to meet its forecasted requirements for alumina operations in the foreseeable future, there can be no assurance that such resources and reserves of minerals will be recovered in the quantities, qualities or yields it estimated. The estimates of the Guarantor Group's resources and reserves of minerals are based on a number of assumptions in accordance with relevant industry standards. Resources and reserves estimates of minerals are inherently prone to variability. They involve expressions of judgement with regard to the presence and grade of the mineral bodies and the ability to extract and process them economically. These judgements are based on a variety of factors, such as knowledge, experience and industry practice. The accuracy of these estimates may be affected by many factors, including the quality of the drilling, sampling results of the mineral bodies, analysis of the drilling samples, the procedures adopted and the experience of the persons making the estimates. As such, there is no assurance that such conversion is accurate because different resource reporting standards may not be comparable.

If the Guarantor Group encounters mineralisation or geological or mining conditions different from those estimated based on historical drillings, samplings and similar examinations, the Guarantor Group may have to adjust its mining plans in a way that could materially and adversely affect its businesses, financial condition and results of operations and reduce the estimated resources and reserves available for production and expansion plans. In addition, the development period estimated by the Guarantor Group may differ from the actual development cycle due to various reasons such as unexpected difficulty in mineral resources development and development procrastination. The aforesaid differences in the resources development projects invested in by the Guarantor Group will affect the operational results and future development of the Guarantor Group's relevant operations.

Safety and environmental accidents may occur at the Guarantor Group's mines or neighbouring mines.

As with all mining operations, the Guarantor Group's mining operations are affected by certain inherent risks, such as deterioration in the quality or variations in the thickness of faults, pressure in mine openings, concentration of harmful minerals within the mine, mine water discharge, weather, flooding and other natural disasters. There can be no assurance that the occurrence of any adverse mining conditions would not increase the Guarantor Group's costs in relation to its mining operations.

Although the Guarantor Group believes that it has implemented safety measures in accordance with the relevant industry standards for the operations of its mines, there can be no assurance that mining accidents which are beyond the Guarantor Group's control would not occur. An accident at any of the Guarantor Group's underground mines may result in a suspension of certain of its operations, which could have a material adverse effect on its business, results of operations and financial condition. Mining accidents occurring at neighbouring mines could similarly have a severe impact on the Guarantor Group's

mining operations. Government authorities may order the suspension of production at the Guarantor Group's mines where the nearby mining accidents at the neighbouring coal mines occurred so as to conduct safety and environmental inspections, and may promulgate new safety and environmental regulations, which may lead to increases in the Guarantor Group's compliance costs and costs of its primary raw material for alumina production, namely bauxite.

The Guarantor Group may experience a shortage of reliable and adequate transport capacity for its products.

Any disruption in transportation of its aluminium products or any material increase in transportation costs could have a material adverse effect on the Guarantor Group's businesses, financial condition and results of operations. The Guarantor Group's operations require the reliable transportation of raw materials and supplies to its refining and smelting sites and also finished products to customers. The Guarantor Group's aluminium products are delivered to customers primarily by rail or road transportation. There is no assurance that the Guarantor Group will always enjoy sufficient transportation capacity or the transportation of the Guarantor Group's products will not experience interruption in the future. Further, natural disasters may cause interruption to the transportation system, which could in turn affect the transportation of its products. In addition, any changes in fuel prices or fuel supply may be unpredictable and beyond the Guarantor Group's control. There is no assurance that a shortage of fuel will not occur in the future. Any surge in fuel prices or shortage of fuel supply may lead to increases in the Guarantor Group's operating and transportation costs. If the Guarantor Group is unable to make timely deliveries due to logistical and transportation disruptions, or transfer the increased costs to customers, the Guarantor Group's production, reputation and results of operations may be adversely affected.

The Guarantor Group is subject to administrative policies and orders relating to China's Energy Saving and Emission Reduction Goals that could adversely affect the Guarantor Group's aluminium production.

The Guarantor Group is subject to administrative energy-saving and emission reduction policies and orders carried out by the PRC central and provincial governments in accordance with China's Energy Saving and Emission Reduction Goals. On 18 July 2013, the Ministry of Industry and Information Technology of the PRC issued the Standard Conditions for Aluminium Industry, which sets forth various standards for existing and new projects, including standards for environment protection, energy consumption, and utilisation of resources. Further, on 20 December 2016, the State Council issued the Notice on Printing and Distributing the Comprehensive Work Plan for Energy Conservation and Emission Reduction During the 13th Five-Year Plan (Guofa [2016] 74) (《關於印發《「十三五」節能減排綜合工作方案》的通知》), which sets forth various conditions regarding maintaining national policies for energy-saving and emission reduction, attaining relevant goals and targets as well as optimising the industrial structure of the energy sector. To meet these standards, the Guarantor Group may be required to update its equipment and improve its technology, which could delay its production or result in additional costs and expenses. The occurrence of any of the foregoing could have an adverse effect on the Guarantor Group's business, results of operations and financial condition.

The Guarantor Group's aluminium products may be susceptible to product liability claims.

In line with industry practice, the Guarantor Group does not currently maintain any third-party liabilities or product liabilities insurance to cover any claims in respect of personal injury or defects in, or deterioration of, its products. There is no assurance that the Guarantor Group will not be subject to product liability claims in the future. Any product liability claims and any legal proceedings, arbitration or administrative sanctions or penalties arising therefrom could have an adverse effect on its financial condition, results of operations and reputation. Even if the Guarantor Group can successfully defend against any such claims, there is no assurance that customers will not lose confidence in the Guarantor Group's products as a result of the claims, which may adversely affect its future business and reputation.

Furthermore, any product liability claim, even one without merit, could result in the Guarantor Group's management expending significant time and resources and incurring significant expenses to defend such claim.

RISKS RELATING TO THE GUARANTOR GROUP'S ENERGY BUSINESS SEGMENT

Increases in the supply of or decreases in demand for power may have a material adverse effect on the Guarantor Group's power sales.

The Guarantor Group's power sales, which account for a substantial part of its revenue, depend on the net generation volume sold to the grid companies by its power plants and projects, which in turn is subject to the local demand for power and the amount of generation capacity available in the grids. The Guarantor Group also relies on local grid companies for electricity transmission and dispatch, which is subject to the control of local grid companies' dispatch centres in accordance with applicable laws, regulations, and dispatch agreements between the local grid companies and the Guarantor Group. The dispatch centre under the jurisdiction of each applicable power grid company, subject to regulations, oversees such dispatch of power and determines the planned output of power to be dispatched by each power plant. As the Guarantor Group competes with other power plants and projects in the regions in which it operates, there can be no assurance that the dispatch centres will not give dispatch priority to other power plants and projects operating in the same jurisdictions. As a result, the Guarantor Group's power generation revenue is heavily influenced by the PRC government's policies and regulations and the demand for and supply of power in each area in which it operates. Any reductions in the Guarantor Group's net generation volume may reduce its revenue and have a material adverse effect on its business, financial condition and results of operations.

In recent years, a significant number of new power plants and projects, and in particular, coal-fired power plants have been built throughout the PRC, including in the regions in which the Guarantor Group operates. Local governments consider demand forecasts, among other things, when determining the number and type of new power plant projects allowed within the cities, regions and/or grid. However, there can be no assurance that the local governments will accurately predict the demand for power in their respective jurisdictions, which may lead to discrepancies between the growth in supply and demand for power, and in turn, may affect the Guarantor Group's planned output and utilisation rate. Decreases in the utilisation rate will have an adverse effect on the Guarantor Group's power sales, planned output and sales revenue. There can be no assurance that the supply of power by other power plants and projects will not increase further in the future, and any such increases in the supply of power in the cities and regions in which the Guarantor Group operates may have a material adverse effect on its business, financial condition and results of operations.

In recent years, the power generation sector in the PRC has been growing because of rapid industrialisation and rising residential power demand. However, there can be no assurance that the current demand for power in the PRC will continue to increase or be sustained. A slowdown in certain industries, or in the PRC economy generally, could result in a lower demand for power and have a material adverse effect on the Guarantor Group's business, financial condition and results of operations.

The Guarantor Group's income and profit of its energy business segment are greatly affected by tariffs and net electricity generated. Any reduction in tariffs or net electricity generated may result in a decrease in the Guarantor Group's income and could have a material adverse effect on its business, financial condition and results of operations.

The Guarantor Group's pricing for sale of its electricity is primarily determined by tariffs and net electricity generated. Therefore, any adverse change in any of these two factors could decrease the Guarantor Group's electricity sales and in turn have a material adverse impact on its business, financial condition and results of operations. For example, to cushion the negative economic impact derived from

the COVID-19 outbreak, the PRC government has rolled out several policies early 2020, including the Announcement of Measures to Help Reducing Electricity Costs of Companies (CN) (Fa Gai Ban Jia Ge [2020] No.110) (國家發展改革委辦公廳關於疫情防控期間採取支持性兩部制電價政策降低企業用電成本的通知) (發改辦價格[2020]110號) by the NDRC, to reduce electricity tariffs and support the resumption of business activities. Such reduction in tariffs may result in decreases in the income and profit generated by the Guarantor Group from its energy business.

For many of the Guarantor Group's power projects, the relevant power project companies sell generated electricity directly to the relevant local grid companies at pre-determined tariffs, because the power generation industry, regardless of jurisdiction, tends to be highly regulated. For example, on-grid tariffs in the PRC are set by relevant government authorities and may be adjusted from time to time. While the tariffs for most of the Guarantor Group's power projects are intended to be regularly adjusted to reflect changing market conditions and production costs, they may not accurately take into account such factors in a timely manner. Any tariff adjustment with respect to any of the Guarantor Group's power projects that does not accurately reflect production costs or changing market conditions may have an adverse effect on the Guarantor Group's business and sales, thereby in turn affect its income and profit.

The Guarantor Group's hydropower plants are dependent upon natural conditions.

The Guarantor Group's hydropower plants rely on natural conditions, such as climate and rainfall conditions, for the production of electricity. Hydropower plants depend upon a year-round flow of water to produce electricity. The water flow of the Hongshui River (紅水河), along which the Guarantor Group's hydropower plants are situated, may fluctuate considerably according to seasonal rainfall. Reductions in or excessive rainfall and droughts could affect the output of the Guarantor Group's hydropower plants. The availability of sufficient water flow affects the output of the Guarantor Group's hydropower projects, which, in turn, affects the Guarantor Group's results of operations. Moreover, annual climatic fluctuations due to severe or abnormal weather conditions in a particular year may result in uneven results from year to year. The absence of optimal climate conditions for the operations of the Guarantor Group's hydropower plants could have a material adverse effect on the output of such plants and, in turn, the Guarantor Group's business, financial condition and results of operations.

In selecting sites for the development of its hydropower plants, the Guarantor Group makes its decisions after a comprehensive evaluation process based on the hydrological, engineering geological data of the proposed area as well as the on-site exploration conducted by experts. There can be no assurance that the actual natural conditions will conform to the historical measured data or that the assumptions the Guarantor Group makes during its assessment are correct. Moreover, even if actual natural conditions are consistent with the Guarantor Group's assessment, such conditions may be affected by variations in weather patterns which may change over time to the detriment of the Guarantor Group's projects. As a result, the electricity generated by the Guarantor Group's hydropower projects may fall below its expectations, which could in turn have a material adverse effect on the Guarantor Group's business, financial condition and results of operations.

Shortages of raw materials or volatility of raw material prices may adversely affect the Guarantor Group's thermal power generation operations.

Thermal power generation is a main component of the Guarantor Group's power generation business. As at 31 March 2023, attributable installed capacity of the Guarantor Group's thermal power generation operations accounted for 46.6 per cent. of its total attributable installed capacity, whereas attributable installed capacity of its hydropower operations, nuclear power operations and new energy power operations accounted for 38.0 per cent., 12.8 per cent. and 2.6 per cent., respectively.

For thermal power generation, the Guarantor Group relies solely on its third-party suppliers for the provision of major raw material, namely coal, for its operations in thermal power generation. Such

operations require the Guarantor Group to obtain sufficient quantities of raw materials (which primarily consist of coal) in a timely manner and at acceptable prices so as to ensure constant and smooth operations. As a result, the Guarantor Group's thermal power operations is vulnerable to changes in the supply and price of coal. Any inability to obtain sufficient raw materials in a timely and cost-effective manner may cause delays in its planned production and delivery schedules, which may result in loss of customers and revenues. Although the Guarantor Group has not experienced any significant difficulties in obtaining the relevant raw materials to satisfy its production requirements in the past, it cannot assure you that it will be able to continue to meet such raw materials requirements in the future.

Any significant increase in the prices of coal could also materially affect the Guarantor Group's businesses, results of operations and financial condition if such price increases cannot be passed on to customers by way of higher selling prices. Prices of coal, depend on a variety of factors beyond the Guarantor Group's control, including, among others, the global and PRC economy, related governmental policies and commodity prices. There can be no assurance that the prices of such major raw material will not rise from its current level and that the Guarantor Group's cost of sales will not thereby increase. The Guarantor Group's ability to pass on cost increases to customers is ultimately dependent on market conditions and the bargaining power of those customers.

The Guarantor Group depends on a limited number of third-party suppliers for its coal supply.

Coal is the primary raw material for the Guarantor Group's thermal power generation activities. For the years ended 31 December 2020, 2021 and 2022, purchase of coal from the Guarantor Group's five largest suppliers accounted for approximately 77.5 per cent., 70.3 per cent. and 72.9 per cent., respectively, of its total purchases for the same periods. The Guarantor Group generally enters into long-term purchase agreement with its upstream suppliers with an average term of one year so as to ensure the constant supply of major raw materials (namely coal) for its operations of thermal power generation. However, there is no assurance that such suppliers will not seek to terminate or modify such purchasing arrangements due to unforeseeable reasons or the volumes supplied will be sufficient to meet any increased demand from the Guarantor Group's customers. There is no assurance that the Guarantor Group will be able to continue to purchase coal from its upstream suppliers on similar terms or on terms otherwise acceptable to the Guarantor Group or at all, once such supply agreement terminates, in which case its business and results of operations may be materially and adversely affected. In addition, there is no assurance that the Guarantor Group's suppliers will always deliver raw materials on a timely basis, with consistent quality acceptable to the Guarantor Group or at all. In the event of any disruption to the supply of coal from the Guarantor Group's existing coal suppliers, whether due to accidents, commercial reasons, technical difficulties, natural disasters, war or terrorism, the Guarantor Group may be unable to obtain an immediately available supply of coal from other coal suppliers on similar terms or on terms otherwise acceptable to the Guarantor Group or at all, which may adversely affect the Guarantor Group's business, financial condition and results of operations.

The construction and operation of power plants is subject to risks which could give rise to delays, interruption of operations or cost overruns.

The construction and operation of a power plant, including its ancillary facilities, may be adversely affected by many factors commonly associated with the construction of infrastructure projects that are beyond the Guarantor Group's control, including but not limited to:

- shortages of equipment, materials or labour;
- work stoppages and labour disputes;
- weather conditions;
- natural disasters;

- accidents;
- unforeseen engineering, design, environmental or geological problems;
- delays in receiving requisite approvals, licences or permits;
- unanticipated cost increases;
- change of localisation ratio;
- the implementation of additional PRC regulatory and safety requirements for nuclear safety; and
- lack of sufficient experience in adopting new technology,

any of which could give rise to delays, interruption of operations or cost overruns and any construction or business interruption insurance coverage or liquidated damages claims that the Guarantor Group have may not be adequate to compensate it for these costs. In addition, the construction of the Guarantor Group's power plants is generally undertaken by third party contractors and there can be no assurance that such contractors will be able to complete construction in a timely or cost-effective manner. Construction delays or suspension of operations at any of the Guarantor Group's power plants can result in loss or delayed receipt of revenues, increase in financing costs or failure to meet profit and earnings projections. The failure to complete construction according to specifications can result in financial penalties, reduced plant efficiency, higher operating costs and reduced or delayed earnings.

Production, processing and transporting of natural gas involve numerous risks that may result in accidents and other operating risks and costs.

Natural gas is highly flammable and explosive. There is a significant risk of either accidents or leakage causing damage and/or injury. There can be no assurance that these accidents will not occur during the Guarantor Group's operation, processing and transportation of natural gas and any significant accidents that arise could have a material adverse effect on its corresponding business operation. These risks could result in loss of human life, significant damage to property, environmental pollution, impairment of its business operations and substantial financial and reputational losses. Although the Guarantor Group maintains insurance coverage for certain real properties, machinery and equipment, automobiles and other assets owned, operated or deemed important to itself, the occurrence of any of these events not fully covered by insurance could have a material adverse effect on the Guarantor Group's financial position and results of operations. Please also see "*— Risk relating to the Issuer Group's and the Guarantor Group's General Operations — The insurance coverage of the Issuer Group and the Guarantor Group may not adequately protect them against all operational risks*".

The Guarantor Group is facing increasing competition from other clean energy companies and conventional energy companies.

The Guarantor Group is engaged in both the conventional and new energy sectors. The energy industries in the PRC are highly dependent upon public policies and governmental support. In recent years, renewable and clean energy projects in the PRC, including wind, solar, hydro, biomass, geothermal and ocean power, have benefited from various governmental incentives such as on-grid tariff premiums and dispatch priorities. If the PRC government strengthens its support for other renewable energy projects, competition with other renewable and clean energy companies may intensify and the results of operations of the Guarantor Group may be adversely affected if the Guarantor Group fails to compete successfully. The Guarantor Group also competes with oil, coal and other conventional energy companies. Any technological progress in the exploitation of other energy sources or discovery of large deposits of oil or coal, resulting in a decline in the price of those fuels, could increase the competitiveness of power

generated from conventional sources. A reduction in demand for renewable energy could have a material adverse effect on the Guarantor Group's business, financial condition and results of operations.

The Guarantor Group's business, results of operations and financial condition may be materially and adversely affected by the PRC government's efforts to reduce greenhouse gas emissions and the development of alternative energy sources.

Coal combustion generates significant greenhouse gases, such as carbon dioxide and methane. Any effects of climate change resulting from global warming and increased levels of greenhouse gases may provide incentives for governments to promote or invest in "green" energy technologies such as hydroelectric, wind, solar, nuclear and biomass power plants, or to reduce or regulate the use of conventional energy sources such as coal through the use of restrictions, caps, emissions trading mechanisms, taxes and other controls, in order to reduce greenhouse gas emissions and limit the impact of climate change. Such efforts may result in a decrease in market demand or policy support for the Guarantor Group's thermal power generation business, which primarily requires the consumption of coal.

Moreover, while most of the global energy consumption is from conventional energy sources, alternative energy industries are rapidly developing and are gradually gaining widespread acceptance. In particular, the PRC government plans to continue to encourage the development of non-fossil fuel energy sources, such as wind power, solar power, biomass and geothermal energy. As such, alternative energy industries may continue to develop and gain mainstream acceptance in the PRC. If the PRC government increases its efforts to reduce greenhouse gas emissions, or if alternative energy technologies prove suitable for widespread commercial application in the PRC, demand for and use of conventional energy sources could decrease, which could have a material adverse effect on the Guarantor Group's thermal power generation business and, consequently, on its business, results of operations and financial condition.

On the other end, the Guarantor Group's renewable energy operations depends on the PRC government's support for the renewable energy industry and a favourable regulatory regime. If these policies change or are otherwise discontinued, the Guarantor Group's business may be adversely affected. The PRC government has in recent years increased its support for renewable energy and introduced a series of laws and regulations including the Renewable Energy Law of the PRC (as amended from time to time), the Medium and Long-term Development Plan for Renewable Energy (可再生能源中長期發展規劃) and Several Opinions of the State Council on Promoting the Healthy Development of Photovoltaic Industry (國務院關於促進光伏產業健康發展的若干意見). These laws and regulations encourage the sustainable development of renewable energy in the PRC. The preferential measures available under these laws and regulations include mandatory grid connections, guaranteed acceptance by grid companies of the entire electricity generated under renewable energy projects, favourable on-grid tariff premiums (which are higher than the benchmark on-grid tariffs for coal-generated electricity) and tax benefits (such as a refund of 50 per cent. of VAT levied on electricity generation from wind power and other tax reduction plans) (collectively the "**Preferential Measures**").

The application of the Preferential Measures may involve uncertainties and vary from region to region. While the PRC government continues to formulate and implement favourable policies to support the development of renewable energy such as wind farms and photovoltaic power plants in the PRC, any reduction, discontinuation or unfavourable alteration of the policies and incentives for such development could have a material adverse effect on the Guarantor Group's renewable energy business which in turn could significantly limit such business's growth.

RISKS RELATING TO THE GUARANTOR GROUP'S FINANCE AND INVESTMENT BUSINESS SEGMENTS

The Guarantor Group may lose its control over its main operating subsidiaries for its finance business segment, namely Sealand Securities and Beibu Gulf Bank.

The Guarantor conducts its finance business primarily through its consolidated subsidiaries, Sealand Securities and Beibu Gulf Bank. As at the date of this Offering Circular, the Guarantor, directly or

indirectly, holds equity interests of 27.6 per cent. and 20.0 per cent. in Sealand Securities and Beibu Gulf Bank, respectively, with the Guarantor being their ultimate controlling shareholder. Accordingly, the Guarantor accounts both entities as subsidiaries under common control. This is because the Guarantor is able to exercise control over each of Sealand Securities and Beibu Gulf Bank from an accounting perspective and its control is derived from it being the largest singular shareholder of Sealand Securities and its indirect majority-owned subsidiary, Guangxi Investment Group Financial Holdings Co., Ltd. (廣西投資集團金融控股有限公司) being the largest singular shareholder of Beibu Gulf Bank, respectively. The ten largest shareholders of Sealand Securities and Beibu Gulf Bank own in aggregate 44.3 per cent. and 65.8 per cent. of their respective issued share capital as at 31 December 2022 according to their annual reports as at and for the year ended 31 December 2022. However, there cannot be any assurance that the Guarantor will continue to be, whether directly or indirectly, the largest shareholder of Sealand Securities and Beibu Gulf Bank and retain control over these entities. Should circumstances change and the Guarantor loses such control, Sealand Securities and Beibu Gulf Bank may have to be deconsolidated from the Guarantor's consolidated financial statements. Considering that revenue generated from its finance segment accounted for 13.1 per cent., 13.2 per cent. and 13.4 per cent. of the Guarantor Group's total revenue for the years ended 31 December 2020, 2021, and 2022, respectively, the Guarantor Group's business, financial condition or results of operations will be materially and adversely affected.

The Guarantor Group's finance business is subject to extensive regulation and supervision of relevant government authorities at various levels and failure to comply with applicable regulations may have a material adverse impact on the related business and results of operations.

The Guarantor Group's finance segment primarily focuses on provision of securities and banking services. These businesses are subject to extensive national, provincial and municipal laws, rules, regulations, policies and measures issued and enforced by the government authorities at different levels. Failure to comply with these laws, rules, regulations, policies and measures may subject the Guarantor Group to monetary penalties as well as other adverse consequences. In addition, local authorities have broad discretion in implementing and enforcing applicable rules and regulations. As such, there are significant uncertainties in the interpretation and implementation of relevant laws, rules, regulations, policies and measures. In certain instances, verbal clarifications by government authorities may be inconsistent with the regulations concerned, which in turn increases the Guarantor Group's compliance risk. For example, in July 2017, the CSRC determined that Sealand Securities and its personnel were in violation of various regulations and guidelines governing securities companies and consequently imposed certain restrictions on Sealand Securities' business activities as well as ordered disciplinary action to be taken against responsible individuals and for the frequency of internal compliance audit to be increased. In the first quarter of 2020, enforcement proceedings were brought against Beibu Gulf Bank for non-compliance with certain legal obligations and several of its branches were added to an "enterprises with abnormal business operations" regulatory list to monitor their remediation efforts and future compliance.

If the Guarantor Group fails to fully comply with applicable laws, rules, regulations, policies and measures in the future or fails to respond to any changes in the regulatory environment in a timely manner, any non-compliance may result in sanctions, monetary penalties, or restrictions on its activities or revocation of licenses by regulatory authorities, which could have a material adverse impact on its business and results of operations in the financial industry. Please also refer to "*— Risks relating to the Issuer Group's and the Guarantor Group's general operations — The Issuer Group's and the Guarantor Group's risk management framework systems, policies and procedures and internal controls may not fully protect them against various risks inherent in their business operations*", "*— Risks relating to the Issuer Group's and the Guarantor Group's general operations — The Issuer Group and the Guarantor Group may not be able to fully detect money laundering and other illegal or improper activities in their business operations on a timely basis*" and "*— Risks relating to the Issuer Group's and the Guarantor Group's general operations — The Issuer Group and the Guarantor Group may not be able to detect and prevent fraud or other misconduct committed by their employees, representatives, agents, customers or other third parties*".

Adverse changes in the PRC's general economic or financial conditions as well as securities market volatility could materially and adversely affect the Guarantor Group's business.

The Guarantor Group's finance business is highly dependent on economic and capital market conditions in China, which may change suddenly and dramatically, and in turn materially and adversely affect the Guarantor Group's business, financial condition and results of operations. Adverse changes in general economic or financial conditions and securities market volatility could discourage investor confidence and reduce securities trading and corporate finance activities, which, in turn, may negatively affect the fee and commission income derived by the Guarantor Group from its securities business. Further, the Guarantor Group's business is also subject to changes in relevant PRC governmental policies, such as monetary policies, fiscal policies, foreign exchange policies, interest rate fluctuation, cost of funding, taxation policies, availability of short-term and long-term market funding sources, and legislation and regulations affecting the financial and securities industries. In response to the market decline and with a view to stabilising the market and restoring investors' confidence, the PRC government has adopted a series of intervention measures since June 2015, including interest rate cuts, relaxing of requirements for margin financing and securities lending, provision of more liquidity to the market, reducing the number and fund-raising scale of initial public offerings and encouraging of substantial shareholders, directors, supervisors and senior management of listed companies to increase shareholding in their companies. If the PRC securities markets continue to experience volatility, the government may promulgate additional laws, rules and regulations or adopt further intervention measures to stabilise the market, which may compel the Guarantor Group to adjust its business plans or otherwise have a material and adverse impact on its business, financial condition and results of operations.

If the Guarantor Group is unable to compete effectively against competitors for its financial products, its business, financial condition, results of operations and prospects may be materially and adversely affected.

In the PRC securities industry, the Guarantor Group faces intense competition against a large and diverse group of competitors across business lines. It primarily competes with PRC securities firms and other financial institutions, such as commercial banks, insurance companies and trust companies in the PRC, which are expanding their services into the traditional businesses of securities firms. Commercial banks, in particular, present a greater challenge to securities firms in terms of debt financing, financial advisory and sales of financial products, by leveraging their branch network, client base and capital base. Intense competition has also caused brokerage commission rate to decrease in recent years. The Guarantor Group's underwriting fees, financial advisory fees and asset management fees have also experienced pricing pressure due to intense industry competition. The Guarantor Group believes that it will continue to face pricing pressure if competitors further lower their prices to increase market shares. The recent overall PRC government policy trends towards deregulation of the securities industry may create opportunities for new competitors to enter into this industry or for current competitors to expand their business scope into new business lines. The deregulation of the PRC securities industry could also lead large and experienced foreign financial institutions to enter into the PRC market, which are currently subject to PRC regulatory limitations and restrictions on their business activities. The Guarantor Group's competitors may have wider geographic coverage, broader range of product and service offerings, greater financial resources, stronger brand recognition and more advanced IT systems. If the Guarantor Group fails to compete effectively against existing and future competitors, its business, financial condition, results of operations and prospects may be materially and adversely affected.

The competitive environment in the banking industry is continually evolving in line with advancements in information technology, and as a result, traditional banking institutions face intensified challenges with respect to internet finance.

In recent years, internet-based financial service companies are developing rapidly in China. At present, the major financial services provided by China's internet-based financial service companies include

online personal loans, third-party online and mobile payment, as well as online and mobile wealth management. China's commercial banks are facing the challenges with respect to products, technologies and customer experience. Personal loan products provided by internet-based financial service companies may result in decreased demand of retail banking customers for commercial banks' loans. Various funds and internet wealth management products have developed rapidly, which may result in outflows of a large amount of saving deposits from retail and commercial banks and then return to commercial banks in the form of interbank deposits. As a result, commercial banks may experience increased funding costs and narrowed interest margins, and therefore, reduced profitability. With the further development of the internet, many non-banking financial institutions have started to distribute financial products on internet platforms, which has affected commercial banks' fee income for agency services. Competition from the internet-based financial service industry may materially and adversely affect the Guarantor Group's business, financial condition, results of operations and prospects.

The rapid growth of the banking industry in China may not be sustainable.

The PRC banking industry has experienced rapid growth along with PRC economic development. Banks have historically been, and are likely to remain, the principal domestic financing channel for corporates and the primary choice for savings. Notwithstanding the significant growth in the banking industry in China, it is uncertain whether the banking industry in China can sustain its current rate of growth. A slowdown in the growth of the PRC economy, other unfavourable macroeconomic developments and trends in China and other parts of the world could materially adversely affect the banking industry in China. For example, the recent slowdown in China's economic growth has led to a rise in nonperforming loans among PRC banks. There is no assurance that the banking industry in China is free from systemic risks, given the slowing economy, increasing local government debts, and overcapacity in certain sectors as well as unbalanced development in many regions in China. If the Guarantor Group cannot timely adapt to such changes and trends, our business, financial condition and results of operations could be materially and adversely affected.

The performance of the Guarantor Group's investment business is subject to the Guarantor Group's investment decisions, the Guarantor Group's limited shareholding in the portfolio enterprises and market conditions.

The Guarantor Group holds equity interests in certain portfolio enterprises to earn capital investment returns from dividends paid out by such enterprises and from exits through initial public offerings or disposal of equity in such enterprises. Making a well-informed investment decision requires the Guarantor Group to carefully identify and select a target enterprise based on its business operations, financial condition and the industry in which it operates. However, the Guarantor Group may make unsound investment decisions due to its own error of judgement, or inaccurate, misleading, fraudulent or concealed statements from a target enterprise in the course of the Guarantor Group's due diligence. This could lead the Guarantor Group to overestimate the value of a target enterprise and affect the Guarantor Group's ability to make profit on such investments. In addition, the Guarantor Group's understanding of and judgement on the industry in which the target enterprise operates its business may be inaccurate and result in inappropriate investment decisions.

RISKS RELATING TO THE GUARANTOR GROUP'S MEDICAL AND HEALTHCARE BUSINESS SEGMENT

The Guarantor Group's business may be materially and adversely affected by policy changes in the pharmaceutical industry.

In recent years, as the PRC government continues to reform the healthcare system, a number of policies and regulations for the pharmaceutical industry have been enacted and implemented, including, among others, the Medical Insurance Drugs Catalogues and the Drug Administration Law of the People's

Republic of China (中華人民共和國藥品管理法) as amended in 2019, which has had a profound impact on the pharmaceutical industry in China. The adjustment in the Medical Insurance Drugs Catalogues and the implementation and expansion of centralised drug procurement have significantly reduced the cost of drugs. Policies expanding the scope of the consistency evaluation between generic drugs and original drugs have promoted the improvement of generic drugs' overall quality and accelerated the replacement of original drugs with generic drugs. There can be no assurance that the Guarantor Group would be able to adapt its operations to these new policies, regulations and measures that may come into effect from time to time with respect to the pharmaceutical industry in a timely manner. If such policy changes disrupt the Guarantor Group's business, the Guarantor Group's financial condition, results of operations and prospects may be materially and adversely affected.

Any changes to the products that are included in the Medical Insurance Drugs Catalogues could have a material adverse effect on the Guarantor Group's business, financial condition, results of operations and prospects.

In China, patients purchasing pharmaceutical products listed in the Medical Insurance Drugs Catalogues are entitled to reimbursement of all or a portion of their purchase costs from the PRC social medical fund. Consequently, pharmaceutical products that are included in the Medical Insurance Drugs Catalogues are generally more competitive in terms of pricing than competing products in the market.

The Medical Insurance Drugs Catalogues are subject to review by the relevant government authorities from time to time based on various factors, including treatment requirements, frequency of use, efficacy and price. The Guarantor Group cannot assure that its existing products that are currently admitted in the Medical Insurance Drugs Catalogues will continue to be included in the catalogues. The removal of any products from the catalogues may significantly reduce the sales of such products. In addition, there is significant uncertainty regarding the insurance coverage and reimbursement of newly approved pharmaceutical products. The commercial success of the Guarantor Group's new products is substantially dependent on whether reimbursement is available to hospitals ordering these products for use by their patients. Any non-inclusion of the Guarantor Group's new products in the Medical Insurance Drugs Catalogues may have a material adverse effect on the Guarantor Group's business, financial condition, results of operations and prospects.

The majority of pharmaceutical products offered by the Guarantor Group is subject to price control and will continue to be subject to price competition in China.

Certain pharmaceutical products manufactured by the Guarantor Group, such as Xueshuantong for Injection (注射用血栓通(凍乾)), are subject to government price controls. Prior to June 2015, pharmaceutical products, primarily those included in the Medical Insurance Drugs Catalogues, were subject to government price controls in the form of fixed retail prices or retail price ceilings and periodic downward adjustments imposed by NDRC and other authorities. Pursuant to the Notice Regarding the Opinion on Facilitating the Pharmaceutical Pricing Reform (關於印發推進藥品價格改革意見的通知) jointly issued by NDRC, NHFPC and five other PRC governmental agencies in May 2015, the price ceilings imposed by the PRC government on pharmaceutical products other than narcotic and Class I psychotropic drugs were lifted on 1 June 2015, and these products would be subject to a more market-based pricing system adopted by medical insurance bureaus and relevant authorities.

Even prior to the lifting of government price controls on pharmaceutical products, the prices of prescription drugs in China had been determined by the centralised tender process and the prices of over-the-counter drugs in China had been determined by arm's-length, commercial negotiation and market factors such as brand recognition, market competition and consumer demand.

The Guarantor Group currently has 83 medicines it manufactured listed in the National Medical Insurance Drugs Catalogue. Its major pharmaceutical products, primarily including Zhonghua Dieda Pills (中華跌打丸), Shedan Chuanbeiye (蛇膽川貝液), Fuyanjing Capsules (婦炎淨膠囊) and Jieshitong Tablets (結石通片) used to be subject to price ceilings established by NDRC or provincial price control authorities. Although the price ceilings for the Guarantor Group's major pharmaceutical products have been abolished, the prices of these products are still subject to de facto price controls due to changes in the tendering process imposed primarily by provincial governments, which in turn materially impact the pricing of the Guarantor Group's major pharmaceutical products. In addition, uncertainty in relation to the market and the pricing practices of the Guarantor Group's competitors may materially affect the competitiveness and sales of the Guarantor Group's pharmaceutical products. The Guarantor Group may not be able to adjust its sale prices to minimise the impact of any future price control scheme or market pricing uncertainty, which could correspondingly lower its revenue and profitability.

The Guarantor Group's business may be adversely affected if it is unable to compete effectively in the PRC pharmaceutical industry, and it may fail to respond to rapid changes sufficiently and promptly in governmental regulations, treatment of diseases and customer preferences.

The PRC pharmaceutical industry is highly competitive. The Guarantor Group's key competitors are national and regional manufacturers, PRC distributors of pharmaceutical and healthcare products, and retail pharmacy chains. These companies may have substantially greater financial, technical, research and development, marketing, distribution, retail and other resources than the Guarantor Group does. They may also have longer operating histories, a larger customer base or broader and deeper market coverage. Furthermore, when the Guarantor Group expands into other markets, it will face competition from new competitors, domestic or foreign, who may also enter markets where the Guarantor Group currently operates.

The technologies that the Guarantor Group and its competitors employ are evolving rapidly, and new developments frequently result in price competition, product obsolescence and altered market landscape. In addition, the Guarantor Group may face competition from substitute products. Any significant increase in competition may have a material adverse effect on the Guarantor Group's income and profitability as well as on its business and prospects. There is no assurance that the Guarantor Group will be able to continually distinguish its products from its competitors, preserve and improve its supplier and customer relationships, or increase or even maintain its existing market share. Accordingly, its financial condition and results of operations may deteriorate if the Guarantor Group fails to compete effectively.

The Guarantor Group relies on its agents and distributors for sales of certain of its pharmaceutical products.

The Guarantor Group generally carries out sales of its general medicine products through the direct sales model and agency sales model. The Guarantor Group may rely on agents and distributors to re-sell its products to hospitals, other medical institutions or other distributors. In line with industry practice, the Guarantor Group generally does not enter into long-term agreements with distributors. There is no assurance that all of the Guarantor Group's agents and distributors will renew their agreements with the Guarantor Group, or otherwise continue their business relationships with the Guarantor Group. There is also no assurance that the Guarantor Group's agents and distributors will continue to purchase its products at current volumes or prices in the future. In the event that a significant number of its agents and distributors cease or reduce their purchase of the Guarantor Group's pharmaceutical products or other terms in the relevant agent or distributor agreements, the Guarantor Group's business, financial condition and results of operations may be adversely affected.

The Guarantor Group relies on its manufacturing and storage facilities and any disruption to the operation of its current facilities, or to the development of its new facilities, could reduce or negatively impact sales of its pharmaceutical products.

The Guarantor Group relies on its manufacturing and storage facilities for its pharmaceutical production operations. Natural disasters or other unanticipated catastrophic events, including power interruptions,

water shortage, storms, fires, earthquakes, terrorist attacks and wars, as well as changes in governmental planning for the land underlying these facilities, could significantly impair its ability to manufacture products and operate its business and destroy any inventory located in these facilities. The Guarantor Group may not be able to replace these facilities and equipment in a timely manner, should any of the foregoing occur.

In addition, the Guarantor Group's pharmaceutical manufacturing facilities are required to be designed, equipped and certified in accordance with applicable GMP standards for producing particular pharmaceutical products. Consequently, manufacturing facilities for one pharmaceutical product generally may not be converted to produce another product without being retooled, re-equipped and re-certified in accordance with the relevant GMP standards, which could be time-consuming, costly and impractical. Therefore, if the Guarantor Group is required to change the output of pharmaceutical products manufactured at its production facilities, the operations of such facilities may be substantially disrupted, which may adversely affect its business, financial condition and results of operations.

If the Guarantor Group's pharmaceutical products are not manufactured in accordance with applicable quality standards, it may harm its business and reputation, and its operating revenue and profitability could be materially and adversely affected.

Pharmaceutical products are specific and distinct, unlike regular products. In addition to strict requirements on raw materials, production technology and internal storage environment, the external conditions during the transportation and storage of pharmaceutical products may also affect their quality and cause them to fall short of the relevant national standards. The Guarantor Group's products and manufacturing processes are required to meet certain quality standards. The Guarantor Group's production and manufacturing facilities for pharmaceutical products have received the national GMP certification and the Guarantor Group has established a quality control management system and standard operating procedures to help prevent quality issues in respect of its pharmaceutical products. Despite its quality control system and procedures, the Guarantor Group cannot assure investors that its products will always be able to meet the relevant standards and the Guarantor Group may not be able to eliminate the risk of errors, defects or failure entirely. The Guarantor Group may fail to detect or rectify quality defects for various reasons, many of which are beyond its control, including:

- manufacturing errors;
- technical or mechanical malfunctions in the manufacturing processes;
- human errors or malfeasances by the Guarantor Group's quality control personnel;
- product tampering by third parties; and
- quality issues of raw materials.

Moreover, the Guarantor Group sources raw materials, supplemental materials and packaging materials mostly from third-party suppliers. Despite the Guarantor Group's compliance with relevant guidelines, accessing procedures and agreements with its suppliers, the Guarantor Group's suppliers may fail to meet the applicable quality standards, which may, in turn, materially and adversely affect the quality of the Guarantor Group's pharmaceutical products produced from these raw materials. Failure to detect quality defects in its products or to prevent such defective products from being delivered to end-users could result in injuries or deaths, product recalls or withdrawals, license revocations or regulatory fines, or lead to other problems that may severely harm the Guarantor Group's reputation and business, expose itself to liability, and reduce its operating revenue and profitability, therefore materially and adversely affecting its business, financial condition and results of operations.

The Guarantor Group has a limited operating history in terms of its wellness and healthcare business line, which may make it difficult to evaluate its current business plans and predict its future performance.

The Guarantor Group stepped off development efforts for its wellness and healthcare business line after the Guarantor, in a bid to align its strategy with the GZAR Government's overall plan to accelerating the development of the healthcare industry, merged and reorganised the operations of Guangxi GIG Cultural Tourism Co., Ltd. (廣西廣投文化旅遊投資有限公司) and Guangxi GIG Health Care Co., Ltd. (廣西廣投康養有限公司), respectively, into Guangxi GIG Health in September 2019. Guangxi GIG Health is the Guarantor's main operating subsidiary with respect to its wellness and healthcare business line. Considering the limited operating history of this business line, particularly in light of the rapidly evolving healthcare industry, it may be difficult to evaluate the Guarantor Group's current business plans and reliably predict its future performance. The Guarantor Group may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. If it does not address these risks and difficulties successfully, its business will suffer.

The Guarantor Group is subject to risks in relation to research and development in the pharmaceutical industry.

Research and development in the pharmaceutical industry is characterised by high investment cost, high risk, long cycle, and low success rate. There are many unpredictable factors during preclinical research, clinical trial, registration and approval application and marketing, any of which could lead to a failure of product development. Therefore, the Guarantor Group's investment in research and development for its pharmaceutical business may not be commensurate with the benefits it could bring. Facing increasing competition in the pharmaceutical and biotechnology industries, the Guarantor Group continues to invest in more complex and sophisticated capabilities and capacities in discovering, testing, developing and manufacturing new pharmaceutical products. If the Guarantor Group's investment in research and development fails to gain timely and sufficient rewards, its business, results of operations and prospects may be materially and adversely affected.

In conducting discovery, testing, development and manufacturing of pharmaceuticals, the Guarantor Group faces potential liabilities, in particular, product liability risks.

The Guarantor Group faces a range of potential liabilities, including but not limited to those arising out of or relating to the Guarantor Group's negligence, wilful misconduct or other unlawful activities in testing, development and manufacturing of pharmaceuticals. In particular, the Guarantor Group may face significant product liability risks in relation to pharmaceutical products the Guarantor Group develops or manufactures. The Guarantor Group's liability is not always capped under its long-term agreements with customers, and in certain cases, the product liability cap is not applicable for claims relating to personal injuries or death.

The Guarantor Group creates, tests, develops and manufactures drugs that are intended ultimately to be used on or consumed by humans, either in clinical trials or as marketed products. If any of these pharmaceutical products results in harmful effects due to the Guarantor Group's material negligence, wilful misconduct or unlawful activities, the Guarantor Group may be subject to litigation and may be required to pay damages. Damages awarded in a product liability action could be substantial and could have a material and adverse impact on the Guarantor Group's reputation, business, financial condition, results of operations and prospects. The Guarantor Group currently does not maintain product liability and professional liability insurance, any claim against the Guarantor Group for products not covered by any insurance may be material and adverse to the Guarantor Group's financial conditions, results of operations and business.

Other jurisdictions in which the Guarantor Group's products may in the future be sold may have similar or more onerous product liability and pharmaceutical product regulatory regimes, as well as a more litigious environment that may further expose the Guarantor Group to the risk of product liability claims. Even if the Guarantor Group is able to successfully defend itself against any such product liability claims, doing so may require significant financial resources and the time and attention of the Guarantor Group's management.

RISKS RELATING TO THE ISSUER'S AUDITED FINANCIAL STATEMENTS, THE GUARANTOR'S AUDITED FINANCIAL STATEMENTS AND THIS OFFERING CIRCULAR

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

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

Historical consolidated financial information of each of the Issuer Group and the Guarantor Group may not be indicative of their respective current or future results of operations.

The historical financial information of the Issuer Group and the Guarantor Group included in this Offering Circular is not indicative of their respective future financial results. This financial information is not intended to represent or predict the results of operations of any future periods. The future results of operations of each of the Issuer Group and the Guarantor Group may change materially if its future growth does not follow the historical trends for various reasons, including factors beyond its control, such as changes in economic environment, PRC environmental rules and regulations and the domestic and international competitive landscape of the industries in which the Issuer Group and the Guarantor Group operate their respective business.

Changes in accounting standards may affect the comparability of the Issuer Group's and the Guarantor Group's financial statements.

The historical financial information of each of the Issuer Group and the Guarantor Group is sometimes adjusted or restated to address subsequent changes in accounting standards, their respective accounting policies and/or applicable laws and regulations with retrospective impact on the financial reporting of the Issuer Group or the Guarantor Group, correction of an error recorded in the previous period or to reflect the comments provided by their respective independent auditors during the course of their audit or review in subsequent financial periods.

For example, the Guarantor adjusted or restated certain financial information as at and for the year ended 31 December 2021 in the Guarantor's 2022 Audited Financial Statements for adoption of the 2022 New Financial Instrument Standards issued by the MOF and correction of prior accounting errors. The Guarantor did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in the Guarantor's 2021 Audited Financial Statements. The Issuer changed its measurement model for investment properties from the cost model to the fair value model pursuant to No. 3 of the Accounting Standards for Business Enterprise Investment Properties in preparing its 2022 Audited Financial Statements. The Issuer did not retrospectively adjust the consolidated financial information as at and for the year ended 31 December 2020 in its 2021 Audited Financial Statements. As a result, certain

consolidated financial information of the Issuer and the Guarantor as at and for the year ended 31 December 2020 is not directly comparable to that as at and for the year ended 31 December 2021 or 2022. In addition, certain financial information as at and for the year ended 31 December 2021 has been corrected in the Guarantor's 2022 Audited Financial Statements due to accounting errors. For more information, please see "*Presentation of Financial Information*".

Such adjustment or restatement may cause discrepancies between the financial information with respect to a particular period or date contained in the historical financial statements of the Issuer Group and the Guarantor Group and that contained in their respective future financial statements. The Issuer's 2021 Audited Financial Statements and the Guarantor's 2021 Audited Financial Statements, which include their respective financial information as at and for the year ended 31 December 2021, including the notes thereto, which are included elsewhere in this Offering Circular, have not reflected the above adjustments or restatements and are for reference purpose only. Consequently, potential investors should exercise caution when using such financial information to evaluate the Issuer's and the Guarantor's financial condition and results of operations.

Each of the Issuer and the Guarantor has published, and may continue to publish, periodical financial information in the PRC pursuant to applicable PRC regulations and the rules of relevant stock exchanges. Investors should be cautious and should not place any reliance on the financial information other than that disclosed in this Offering Circular.

Each of the Issuer and the Guarantor publishes its annual, semi-annual and quarterly financial information to comply with applicable PRC regulations and rules of the stock exchanges on which its debt securities are listed. Semi-annual and quarterly financial information of the Issuer Group and the Guarantor Group published in the past was derived from the Issuer Group or the Guarantor Group's management accounts which may not been audited or reviewed by independent auditors. Such financial information published in the PRC should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any information that has been audited or reviewed. In addition, each of the Issuer and the Guarantor from time to time issues corporate bonds, private placement bonds and medium-term notes in the domestic capital markets in the PRC. According to applicable PRC securities regulations on debt capital markets, each of the Issuer and the Guarantor needs to publish its interim and annual financial information to satisfy its continuing disclosure obligations relating to such securities issuance. After the Bonds are issued, each of the Issuer and the Guarantor is obliged by the terms of the Bonds, among others, to provide holders of the Bonds with its audited consolidated financial statements and certain unaudited but reviewed periodical consolidated financial statements.

Certain historical financial information of the Issuer Group and the Guarantor Group published in their respective prior annual reports in the PRC had been adjusted or restated to correct certain errors due to miscalculations and address subsequent changes in accounting standards and their respective accounting policies. Such adjustments and restatements may cause discrepancies between the historical financial information of the Issuer Group and the Guarantor Group as published in their respective semi-annual and annual reports in the PRC and the audited consolidated financial information disclosed elsewhere in this Offering Circular.

As such, unless specifically incorporated by reference herein, financial information published by the Issuer Group and the Guarantor Group in the PRC should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any audited information included elsewhere in this Offering Circular. Neither of the Issuer nor the Guarantor is responsible to holders of the Bonds for the financial information (whether audited, unaudited but reviewed or unaudited and unreviewed) from time to time published in the PRC if not disclosed in this Offering Circular and therefore, prospective investors should not place any reliance on any such financial information.

The auditor of the Issuer and the Guarantor has received adverse regulatory investigations and/or warnings issued by relevant PRC authorities in recent years.

ShineWing acted as the independent auditor of the Issuer and the Guarantor for the years ended 31 December 2020, 2021 and 2022 and is a registered accounting firm in the PRC supervised by relevant PRC regulatory agencies. In the past, ShineWing had been the subject of examinations conducted by the CSRC and regulatory agencies. Since 2020, MOF and various branches of the CSRC had issued various warning notices and/or regulatory decisions to ShineWing and its relevant accounting personnel, relating to the performance of its audit services for corporate clients, including but not limited to, implementation of certain professional ethical standards and auditing guidelines, reasonableness of judgment and inefficiency of its due diligence efforts due diligence with respect to work conducted.

As confirmed by ShineWing, the CSRC warning notices and letters and regulatory decisions previously issued to ShineWing are not related to the ShineWing team serving as the auditor of the Issuer and the Guarantor for the years ended 31 December 2020, 2021 and 2022. Such CSRC warning notices and regulatory decisions and subsequent administrative investigations imposed do not (i) disqualify the ShineWing team from participating in this offering as the auditor of the Issuer and the Guarantor and its ability in providing the corresponding comfort letters, (ii) have any impact on ShineWing's audit opinions for the Issuer's Audited Financial Statements and the Guarantor's Audited Financial Statements, (iii) have any impact on ShineWing in continuing to provide audit services to the Issuer and the Guarantor, or (iv) have any impact on ShineWing's ability to provide services to the Issuer or the Guarantor in relation to any future bond issuance by the Issuer or the Guarantor. However, there can be no assurance that there will be no additional negative news or investigations about ShineWing, which might adversely affect the Issuer or the Guarantor due to its present or past engagement with ShineWing.

There can be no assurance of the accuracy or comparability of facts and statistics contained in this Offering Circular with respect to the PRC, its economy, the GZAR or the relevant industry.

Facts and other statistics in this Offering Circular relating to the PRC, its economy, the GZAR or the relevant industry in which the Guarantor Group operates have been directly or indirectly derived from official government publications and certain other public industry sources. Although each of the Issuer and the Guarantor believes such facts and statistics are accurate and reliable, it cannot guarantee the quality or the reliability of such source materials. They have not been prepared or independently verified by the Issuer, the Guarantor, the Trustee, the Agents or any of its or their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them, and, therefore, the Issuer, the Guarantor, the Trustee, the Agents or any of its or their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them makes no representation as to the completeness, accuracy or fairness of such facts or other statistics, which may not be consistent with other information compiled within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be incomplete, inaccurate or unfair or may not be comparable to statistics produced for other economies or the same or similar industries in other countries and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, prospective investors should give consideration as to how much weight or importance they should attach to or place on such facts or other statistics.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

The business, financial condition, results of operations and prospects of the Issuer Group and the Guarantor Group could be adversely affected by a slowdown in the PRC economy.

Substantially all of the assets of the Issuer Group and the Guarantor Group are located in the PRC and substantially all of their revenue is derived from its operating activities in the PRC. Therefore, the performance of the PRC economy affects, to a significant degree, the Guarantor Group's business, prospects, financial condition and results of operations.

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's GDP since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Statistics Bureau of the PRC, the annual growth rate of China's gross domestic product was 6.0 per cent., 2.2 per cent., 8.4 per cent. and 3.0 per cent. in 2019, 2020, 2021 and 2022, respectively, registering its slowest growth rate in 2020 since 1976 due to the impact of COVID-19 pandemic in 2019 was 6.0 per cent. In May 2017, Moody's changed China's long-term sovereign credit rating and foreign currency issuer ratings to A1 from Aa3. In September 2017, S&P Global Ratings also downgraded China's long-term sovereign credit rating to A+ from AA-, citing increasing economic and financial risks from a prolonged period of strong credit growth. In addition, in April 2020, Fitch downgraded Hong Kong's credit rating to "AA- (stable)" from "AA (stable)", citing that the city is facing a "second major shock" from the coronavirus after prolonged social unrest in 2019.

The future performance of China's economy is not only affected by the economic and monetary policies of the PRC government, but it is also exposed to material changes in global economic and political environments as well as the performance of certain major developed economies in the world.

More recently, rising government deficits and debt levels across the globe together with a wave of downgrading of sovereign debt in major western economies have caused turmoil in the global financial markets. On 23 June 2016, the United Kingdom voted in a national referendum to withdraw from the European Union ("**Brexit**"). The one-year transition period for Brexit officially ended on 31 December 2020 and the continuing impact of Brexit on the economic conditions in the United Kingdom, the European Union and global markets remains unclear. Brexit has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate upon withdrawal. In addition, there is also significant uncertainty about the future relationship of Scotland and Northern Ireland with the European Union. Brexit has also given rise to calls for the governments of other European Union member states to consider withdrawal.

Recently, the rise in tension between the PRC and the United States, Australia, and certain European countries may also increase market volatility, in particular as a result of the U.S.-China trade dispute. In January 2020, China and the United States signed the first stage of trade deal, which, among other things, included a rollback by the United States of some existing tariffs. The effect of such an agreement remains elusive, as there are still unresolved issues, including the recent re-escalation of trade tension between the United States and China because of the outbreak of the novel coronavirus disease ("**COVID-19**") pandemic. Also, significant tariffs remain, and it is unclear how much economic relief the first stage of trade deal will offer. In July 2020, the United States imposed sanctions on certain Chinese companies from purchasing U.S. technology and products without a special license. In August 2020, the United States further determined that certain Chinese companies are allegedly owned or controlled by the Chinese military. In 2022, the tension between the United States and the PRC continues to rise. It remains unclear whether the United States will impose further sanctions on more Chinese companies in the future. These prospective protective measures may hamper the economic stability of the PRC. In early 2020, there was also a disagreement between Saudi Arabia and Russia on their daily production outputs of crude

oil. Saudi Arabia has significantly increased its daily output which has led to a significant decline in global crude oil prices. The oil price remains volatile, in spite of reports that a deal has been reached between the OPEC+ group, an alliance between OPEC and other oil producers including Russia to cut oil production. The military conflict between the Russian Federation and Ukraine ("**Russia-Ukraine Conflict**") has led to further increases in the prices of oil, energy, and other commodities as well as increased volatility in the global financial markets, giving rise to regional instability. The United States, United Kingdom and other jurisdictions have imposed severe economic sanctions and export controls against Russia and Russian interests, removed Russia from the SWIFT system and have warned there may be additional sanctions and controls in response to the Russian-Ukraine Conflict. The impact of these measures and potential responses to them from Russia, as well as their impacts on the global financial markets and in turn the PRC financial market are yet to be known.

Increasing trade tensions between the United States and certain major nations, the unclear outcomes of the Brexit, the future policies of the United States government, the fluctuation of the U.S. dollar against major currencies around the world and the continuing geopolitical tensions create uncertainties in the world economy and global financial market.

Economic, political and social conditions in the PRC and governmental policies could affect the Issuer Group's and the Guarantor Group's business and prospects.

The PRC economy differs from the economies of developed countries in many respects, including, among other things, level of government involvement, level of economic development, growth rate, foreign exchange controls and resource allocation.

The PRC economy is in the process of transitioning from a centrally-planned economy to a more market-oriented economy. For more than three decades, the PRC government has implemented various economic reform measures to utilise market forces in the development of the PRC economy. In addition, the PRC government continues to play a significant role in regulating certain industries and the economy through numerous policy measures. The Issuer Group and the Guarantor Group cannot predict whether changes in the nation's economic, political or social conditions or in any laws, regulations and policies will adversely affect its business, financial condition or results of operations.

In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental and are expected to be refined and improved over time. Other political, economic and social factors may also lead to further adjustments of the reform measures. This refining and adjustment process may not necessarily have a positive effect on the Issuer Group's or the Guarantor Group's operations and business development.

The Issuer Group's and/or the Guarantor Group's business, financial condition and results of operations may be adversely affected by:

- changes in PRC political, economic and social conditions;
- changes in policies of the PRC government, including changes in policies in relation to the Issuer Group's and/or the Guarantor Group's business segments;
- changes in laws and regulations or the interpretation of laws and regulations;
- measures that may be introduced to control inflation or deflation;
- changes in the rate or method of taxation;

- the imposition of additional restrictions on currency conversion and remittances abroad; and
- a reduction in tariff protection and other import restrictions.

If the PRC's economic growth slows down or if the PRC economy experiences a recession, the Issuer Group's and the Guarantor Group's business, results of operations and financial condition could be materially and adversely affected.

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

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

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

Renminbi is currently not freely convertible to other foreign currencies, and conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. Under current PRC laws and regulations, payments of current account items, including profit distributions, interest payments and operation-related expenditures, may be made in foreign currencies without prior approval from SAFE, but are subject to procedural requirements including presenting relevant documentary evidence of such transactions and conducting such transactions at designated foreign exchange banks within China that have the licences to carry out foreign exchange business. Strict foreign exchange control continues to apply to capital account transactions. These transactions must be approved by or registered with SAFE, and repayment of loan principal, distribution of return on direct capital investment and investment in negotiable instruments are also subject to restrictions.

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

The Issuer Group's and the Guarantor Group's results of operations may be materially and adversely affected by tax reforms in the PRC.

On 23 March 2016, MOF and SAT issued the Circular of Full Implementation of Business Tax to VAT Reform (財政部、國家税務總局關於全面推開營業税改徵增值税試點的通知 (Caishui [2016] No. 36)), which was revised on 1 July 2017, 1 January 2018 and 1 April 2019, as supplemented by the Notice on Clarification of VAT Policies for Finance, Real Estate Development, Education Support Services etc. (《財政部、國家税務總局關於明確金融房地產開發教育輔助服務等增值税政策的通知》) jointly issued by MOF and SAT on 21 December 2016 and effective retroactively (excluding Article 17 thereof) as at 1 May 2016 (together, "**Circular 36**"), confirmed that business tax will be completely replaced by VAT from 1 May 2016. Since then, the income derived from the provision of financial services which attracted business tax was entirely replaced by, and subject to, VAT. For more details regarding Circular 36, see "*Taxation — PRC — Value-added Tax*".

On 19 November 2017, the Interim Regulations of the PRC on Business Tax was abolished, and the Interim Regulations of the PRC on Value added Tax (中華人民共和國增值税暫行條例) was revised by the State Council. According to the revised Interim Regulations of the PRC on VAT, selling goods, providing labour services of processing, repairs or maintenance, or selling services, intangible assets or real property in the PRC, or importing goods to the PRC, shall be subject to VAT.

As the pilot programme as well as its implementation procedures may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority, there is uncertainty as to the its application. As such, the Issuer Group and the Guarantor Group cannot assure that its tax liabilities will not increase as a result of the pilot programme referred to hereinabove or any other tax reform imposed by the PRC government, which may adversely affect its financial conditions and results of operations. There is also no assurance that the PRC government authorities will not impose a higher tax rate on the construction industry, property development and other related business of the Issuer Group and the Guarantor Group in the PRC in the future.

The Issuer and the Guarantor are subject to audits and inspections by PRC government authorities from time to time. Each of the Issuer and the Guarantor cannot predict the effect of the outcome of these audits and inspections on its businesses and financial conditions or its reputation.

PRC government authorities from time to time carry out audits, inspections, inquiries or similar actions on state-owned enterprises such as the Issuer and the Guarantor. The Issuer and the Guarantor cannot predict the outcome of such governmental audits and inspections. If the Issuer or the Guarantor is found to have material misstatements or omissions in its financial reports or material noncompliance with laws or other irregularities in its operations, it may be subject to fines and other disciplinary actions imposed by such government authorities, and its reputation, business and financial condition may be materially and adversely affected.

It may be difficult to effect service of process upon, or to enforce against, the Issuer, the Guarantor or their directors or members of senior management who reside in the PRC in connection with judgments obtained in non-PRC courts.

Substantially all of the Issuer Group's and the Guarantor Group's assets and the Issuer Group's and the Guarantor Group's members are located in the PRC. In addition, substantially all of the assets of the Issuer's and the Guarantor's directors and the members of senior management may be located within the PRC. The PRC has not entered into treaties or arrangements providing for the recognition of judgment made by courts of most other jurisdictions. Therefore, it may not be possible for investors to effect service of process upon the Issuer, the Guarantor or their directors or members of senior management inside the PRC.

On 14 July 2006, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgment in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the "**Arrangement**"), pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a "choice of court" agreement in writing may apply for recognition and enforcement of the judgment in the PRC. Similarly, a party with a final court judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a "choice of court" agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A "choice of court" agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong court or a PRC court is expressly designated as the court having sole jurisdiction for the dispute. Therefore, it is not possible to enforce a judgment rendered by a Hong Kong court in the PRC if the parties in dispute do not enter into a "choice of court" agreement in writing. As a result, it may be difficult or impossible for investors to effect service of process against the Issuer's and the Guarantor's assets or directors in the PRC in order to seek recognition and enforcement for foreign judgments in the PRC.

Furthermore, the PRC does not have treaties or agreements providing for the reciprocal recognition and enforcement of judgments awarded by courts of the United States, the United Kingdom, or most other European countries or Japan. Hence, the recognition and enforcement in the PRC of judgment of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or even impossible.

The enforcement of the PRC Labour Contract Law and other labour-related regulations in the PRC may adversely affect the Guarantor Group's business and results of operations.

As at 31 December 2022, the Guarantor Group had more than 33,820 employees. Some of the Guarantor Group's employees are currently represented by labour unions. In addition, employees of some of the Guarantor Group's suppliers, contractors or companies in which the Guarantor Group has investments are or may become unionised in the future or experience labour instability. Although the Guarantor Group enjoys good labour relations with its employees, the Guarantor Group is unable to predict the outcome of any future labour negotiations. Any conflicts with the Guarantor Group's employees or contractors and/or their respective unions could have a material adverse effect on its financial condition and results of operations.

On 28 December 2012, the PRC government enacted the PRC Labour Contract Law, which became effective on 1 July 2013. The PRC Labour Contract Law establishes additional restrictions and increases the cost to employers upon termination of employees, including specific provisions related to fixed-term employment contracts, temporary employment, probation, consultation with the labour union and employee general assembly, employment without a contract, dismissal of employees, compensation upon

termination and overtime work, and collective bargaining. According to the PRC Labour Contract Law, an employer is obligated to sign an unlimited term labour contract with an employee if the employer continues to employ the employee after two consecutive fixed term labour contracts. The employer must also pay compensation to employees if the employer terminates an unlimited term labour contract unless an employee refuses to extend the labour contract with the employee under the same terms or better terms than those in the original contract. Further, under the Regulations on Paid Annual Leave of Employees (職工帶薪年休假條例) which became effective on 1 January 2008, employees who have served more than one year with an employer are entitled to a paid vacation ranging from five to 15 days, depending on their length of service. Employees who waive such vacation time at the request of employers shall be compensated at three times their normal salaries for each waived vacation day. As a result of these protective labour measures or any additional future measures, the Guarantor Group's labour costs may increase. There can be no assurance that any disputes, work stoppages or strikes will not arise in the future.

RISKS RELATING TO THE BONDS AND THE GUARANTEE

Any failure to complete the relevant filings under the NDRC Administrative Measures and the relevant registration with SAFE within the prescribed time frame following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the investors of the Bonds.

On 5 January 2023, the NDRC published the NDRC Administrative Measures which came into effect on 10 February 2023. The NDRC Administrative Measures applies to medium and long-term foreign debts with a maturity of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas enterprises or branches controlled by aforementioned PRC enterprises, denominated in local or foreign currency, and of which principal is repaid with payment of interest as agreed. For the purpose of the NDRC Administrative Measures, the forms of foreign debts include but are not limited to senior bonds, perpetual bonds, capital bonds, medium-term notes, convertible bonds, exchangeable bonds, financial leasing, and commercial loans. Before borrowing any foreign debt, the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明) ("**Examination and Registration Certificate**") shall be obtained from the NDRC, and such certificate shall be valid for one year from the date of issuance and be automatically invalidated upon expiry. Apart from the foregoing pre-issuance requirement, the NDRC Administrative Measures stipulates post-issuance filing requirements as following: (1) filing the information of foreign debts within 10 business days after borrowing each foreign debt; (2) filing the information on the borrowing of foreign debts within 10 business days upon the expiration of the Examination and Registration Certificate; (3) filing the information on the use of proceeds raised from foreign debts, the repayment of principal with the payment of interest, plans and arrangements, and major business indicators, etc., within five business days prior to the end of January and the end of July each year. In addition, in case of any major event that may affect the normal performance of debt obligations, enterprises shall promptly report relevant information and take risk control measures to prevent the spill-over of onshore default risks and cross default risks. With respect to conducts in violation of the NDRC Administrative Measures, legal liabilities and consequences to enterprises borrowing foreign debts have been stipulated in the NDRC Administrative Measures. If any enterprise borrows foreign debts in violation of the NDRC Administrative Measures, the NDRC will take disciplinary actions such as holding an interview and giving a public warning against the relevant enterprise and its principal liable person. If any application documents to apply for foreign debt approval submitted by enterprises contain concealing, false record, misleading statement, or material omission, the NDRC will give a warning to relevant enterprise and its principal liable person. If the approval is obtained by concealment, deception, bribery, or any other improper means, such approval will be revoked. For any enterprise failing to comply with filing and reporting requirements under the NDRC Administrative Measures, the NDRC will order such enterprise to take rectification actions within a prescribed time limit; and if the circumstances are severe or the enterprise fails to take rectification action within the prescribed time limit, give a warning to the relevant enterprise and its principal liable person. Furthermore, conducts in violation of the NDRC Administrative

Measures committed by enterprises will be publicised on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統).

As the NDRC Administrative Measures is a relatively new regulation, the implementation and interpretation of the NDRC Administrative Measures may involve significant uncertainty, which may adversely affect the enforceability and/or effective performance of the Bonds. In addition, the administration of the NDRC Administrative Measures may be subject to a certain degree of executive and policy discretion by the NDRC. There is no assurance that the NDRC will not, for instance, revoke or amend the NDRC Administrative Measures. Furthermore, there is no assurance that any future change in PRC laws and regulations relating to the interpretation of the NDRC Administrative Measures and its related rules would not have a negative impact on the performance, validity and/or enforceability of the Bonds in the PRC. Potential investors in the Bonds are advised to exercise due caution when making their investment decision.

In accordance with the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) (the "**Foreign Debt Registration Measures**") issued by SAFE on 28 April 2013, which came into effect on 13 May 2013, the Issuer shall complete foreign debt registration in respect of the issue of the Bonds with SAFE in accordance with relevant laws and regulations. According to the Operation Guidelines for Administration of Foreign Debt Registration (外債登記管理操作指引) promulgated together with the Foreign Debt Registration Measures, the Issuer is required to register the Bonds within fifteen Registration Business Days after execution of the Issue Date and complete such registration in accordance with the Foreign Debt Registration Measures. Before such registration of the Bonds is completed, it is uncertain whether the Bonds are enforceable under the PRC laws and it may be difficult for Bondholders to recover amounts due from the Issuer or the Guarantor, and the Issuer or the Guarantor may not be able to remit the proceeds of the offering into the PRC or remit money out of the PRC in order to meet its payment obligations under the Bonds or the Guarantee (as the case may be). Pursuant to article 27(5) of the Foreign Debt Registration Measures, a failure to comply with registration requirements may result in a warning and fine as set forth under article 48 of the Foreign Exchange Administrative Regulations (外匯管理條例) promulgated by the State Council in 2008. However, pursuant to article 40 of the Foreign Debt Administration Provisional Rules (外債管理暫行辦法) promulgated by MOF, NDRC and SAFE, a failure by a domestic entity to register a foreign debt contract will render the contract not legally binding and unenforceable. Under the Terms and Conditions, the Issuer will undertake (and the Guarantor will undertake to procure the Issuer) to use its best endeavours to complete the registration with SAFE the requisite information and documents in respect of the Bonds pursuant to the Foreign Debt Registration Measures within 120 Registration Business Days after the Issue Date. In the unlikely event that having exercised its best endeavours, the Issuer is unable to complete such registration within the abovementioned period, a Non-Registration Event is triggered. Following the occurrence of a Non-Registration Event, the Holder of any Bond will have the right to require the Issuer to redeem all, but not some only, of such Holder's Bonds on the Put Settlement Date at 100 per cent. of their principal amount, together with accrued interest up to (but excluding) the Put Settlement Date.

In addition, on 11 January 2017, PBOC issued the PBOC Circular. According to the PBOC Circular, the Issuer is also required to file the issue of the Bonds with SAFE in accordance with the stipulations therein. The Issuer will undertake (and the Guarantor will undertake to procure the Issuer) pursuant to the Terms and Conditions that it will as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the PBOC Circular. The consequences of any failure to file the Bonds pursuant to the PBOC Circular or to otherwise comply with any other requirements thereunder can be critical. The Issuer may be subject to warnings, ordered a rectification or imposed sanctions.

The PRC government (including but not limited to GZAR Government and GZAR SASAC) shall under no circumstances have any obligation arising out of or in connection with the Bonds, the Guarantee or the transaction documents in relation to the Bonds, which are solely to be fulfilled by the Issuer and/or the Guarantor.

The PRC government (including but not limited to GZAR Government and GZAR SASAC) is not an obligor and shall under no circumstances have any obligation arising out of or in connection with the Bonds. This position has been reinforced by Circular 23, Circular 706 and Circular 666.

Neither the PRC government, the GZAR Government nor GZAR SASAC have any payment or other obligation under the Bonds, the Guarantee or the transaction documents relating to the Bonds. Investments in the Bonds are on the credit risk of the Issuer and the Guarantor rather than that of the PRC government (including but not limited to the GZAR Government and GZAR SASAC). The Bonds are solely to be repaid by the Issuer and/or, as the case may be, the Guarantor as an obligor and the obligations of the Issuer and/or, as the case may be, the Guarantor under the Bonds or the Guarantee shall solely be fulfilled by the Issuer and/or, as the case may be, the Guarantor as an independent legal person. In the event that the Issuer and/or, as the case may be, the Guarantor does not fulfil its obligations under the Bonds, investors will only be able to claim as an unsecured creditor against the Issuer and the Guarantor and their respective assets, and not any other person, including the PRC government, the GZAR Government, GZAR SASAC and any other local or municipal government. The Bondholders shall have no recourse to the PRC government (including but not limited to GZAR Government and GZAR SASAC) in respect of any obligation arising out of or in connection with the Bonds, the Guarantee and the transaction documents relating to the Bonds. As Circular 23, Circular 706 and Circular 666 are relatively new and given the limited volume of published decisions related to these circulars, the interpretation and enforcement of these laws and regulations involve uncertainties.

The Bonds and the Guarantee are unsecured obligations.

As the Bonds and the Guarantee are unsecured obligations of each of the Issuer and the Guarantor, the repayment of the Bonds and the Guarantee may be compromised if:

- the Issuer or the Guarantor enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;

- there is a default in payment under the Issuer's or the Guarantor's secured indebtedness or other unsecured indebtedness; or

- there is an acceleration of any of the Issuer's or the Guarantor's indebtedness.

If any of these events were to occur, the Issuer's or the Guarantor's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Bonds.

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

The Bonds are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with a measured and appropriate addition of risk to the investor's overall portfolios. A potential investor should not invest in the Bonds unless they have the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of such Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) the Bonds are legal investments for it, (b) the Bonds can be used as collateral for various types of borrowing, and (c) other restrictions apply to its purchase of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

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

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;

- understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible economic scenarios, such as interest rate and other factors which may affect its investment and the ability to bear the applicable risks.

The Bonds may not be a suitable investment for all investors seeking exposure to green projects.

The Issuer has developed its Green Finance Framework and intends to use the proceeds from the Bonds to refinance certain medium-term or long-term offshore indebtedness in accordance with the Green Finance Framework and the NDRC Certificate. The Issuer has engaged Sustainable Fitch, an independent firm that specialises in rating environmental and corporate governance performance, to provide a second party opinion (the "**Second Party Opinion**") on its Green Finance Framework and to confirm the alignment with the various principles described in the "*Green Finance Framework Overview*". The criteria for Sustainable Fitch's procedures aligns with Green Bond Principles 2021 by the International Capital Markets Association and the Green Loan Principles 2023 by the Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications and Trading Association or as they may be subsequently updated.

The Second Party Opinion is not incorporated into, and does not form part of, this Offering Circular. Any second-party opinion provider and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. The Second Party Opinion is not a recommendation to buy, sell or hold securities and are only current as of its date of issue and are subject to certain disclaimers set out therein. The Bondholders have no recourse against the Issuer, the Guarantor or any of the Joint Lead Managers in relation to the Bonds or the provider of any such opinion, certification or validation for the contents of any such opinion, certification or validation. Furthermore, the Second Party Opinion is for information purposes only and none of the Issuer, the Guarantor, the Joint Lead Managers, the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them accepts any form of liability for the substance of the Second Party Opinion and/or any liability for loss arising from the use of the Second Party Opinion and/or the information provided therein. Prospective investors must determine for

themselves the relevance of any such opinion, certification or validation and/or the information contained therein and/or the provider of such opinion, certification or validation for the purpose of any investment in the Bonds. Any withdrawal of any such opinion, certification or validation or any such opinion, certification or validation attesting that the Issuer or the Guarantor is not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of the Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

There is currently no market consensus on what precise attributes are required for a particular project to be defined as "green". The Issuer has in its Green Finance Framework created a definition for "eligible green projects", but no assurance can be provided to potential investors that the eligible green projects will meet or continue to meet the relevant eligibility criteria. Although eligible green projects are expected to be selected in accordance with the categories described in the Green Finance Framework and are expected to be developed in accordance with applicable legislation and standards, there can be no guarantee that adverse environmental impacts will not occur during the design, construction, commissioning and/or operation of any such projects. Where any negative impacts are insufficiently mitigated, projects may become controversial, and/or may be criticised by activist groups or other stakeholders.

The Issuer has developed its Green Finance Framework and intends to adopt certain obligations with respect to the issue of the Bonds as described in the section entitled "*Green Finance Framework Overview*". While the Issuer has stated an intention to use the proceeds from the issuance of the Bonds to refinance certain medium-term or long-term offshore indebtedness in accordance with the NDRC Certificate and the Green Finance Framework, it would not be an Event of Default under the Terms and Conditions if (i) the Issuer were to fail to do so and/or (ii) the Second Party Opinion and/or any other certification issued in connection with such Bonds were to be withdrawn. Any failure to use the net proceeds from the issuance of the Bonds in connection with eligible green projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain investors with environmental and/or social concerns with respect to the Bonds, may affect the value and/or trading price of the Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green projects meeting the criteria set out in "*Green Finance Framework Overview*". Therefore, the Bonds may not be a suitable investment for all investors seeking exposure to green projects.

In the event that the Bonds are included in any dedicated "green", "environmental", "social", "sustainable" or other equivalently-labelled index, no representation or assurance is given by the Issuer, the Guarantor or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates.

None of the Issuer, the Guarantor, the Joint Lead Managers or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them makes any representation as to (i) the suitability or reliability for any purpose of the Second Party Opinion or any other certification, (ii) whether the Bonds fulfil, in whole or in part, the relevant environmental criteria or any present or future investor expectations or requirements, (iii) whether the net proceeds will be used in the manner as described under the sections entitled "*Use of Proceeds*" and "*Green Finance Framework Overview*", (iv) the consistency of the Green Finance Framework with the NDRC Certificate or (v) the characteristics of eligible green projects, including their relevant environmental and sustainability criteria. Each potential purchaser of the Bonds should have regard to the relevant projects and eligibility criteria described under the section entitled ''*Green Finance Framework Overview*'' and determine for itself the relevance of the information contained in this Offering Circular regarding the use of proceeds, and its purchase of any Bonds should be based upon such investigation as it deems necessary.

The Issuer's or the Guarantor's subsidiaries, jointly controlled entities and associated companies are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to the Issuer or the Guarantor, their respective jointly controlled entities and associated companies.

As a holding company, each of the Issuer and the Guarantor will depend on the receipt of dividends and the interest and principal payments on intercompany loans or advances from their respective subsidiaries, jointly controlled entities and associated companies to satisfy their obligations under the Bonds and the Guarantee. The ability of the Issuer's or the Guarantor's subsidiaries, jointly controlled entities and associated companies to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of these companies, applicable laws and restrictions contained in the debt instruments of such companies. There can be no assurance that the Issuer's or the Guarantor's subsidiaries, jointly controlled entities and associated companies will have distributable earnings or will be permitted to distribute their distributable earnings to it as it anticipates, or at all. In addition, dividends payable to it by these companies are limited by the percentage of its equity ownership in these companies. In particular, the Issuer and the Guarantor each does not maintain complete control over its jointly controlled entities or associates in which it might hold a minority interest. Further, if any of these companies raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to the Issuer or the Guarantor to make payments under the Bonds or the Guarantee. These factors could reduce the payments that the Issuer or the Guarantor receives from its subsidiaries, jointly controlled entities and associated companies, which would restrict its ability to meet its payment obligations under the Bonds or, as the case may be, the Guarantee.

The Bonds and the Guarantee will be structurally subordinated to the existing and future indebtedness and other liabilities and commitments of the Issuer's and the Guarantor's existing and future subsidiaries and other affiliates in which the Issuer or the Guarantor owns equity interests and effectively subordinated to the Issuer's and the Guarantor's secured debt to the extent of the value of the collateral securing such indebtedness.

The Bonds and the Guarantee will be structurally subordinated to any debt and other liabilities and commitments, including trade payables and lease obligations, of the Issuer's and the Guarantor's existing or future subsidiaries or other affiliates in which the Issuer owns or the Guarantor equity interests, whether or not secured (other than in the case of the Guarantor, the Issuer). The Bonds will not be guaranteed by any of the Issuer's and the Guarantor's subsidiaries or affiliates, and the Issuer and the Guarantor may not have direct access to the assets of such subsidiaries or affiliates unless these assets are transferred by dividend or otherwise to the Issuer or the Guarantor. The ability of such subsidiaries or affiliates to pay dividends or otherwise transfer assets to the Issuer or the Guarantor is subject to various restrictions under applicable laws. The Issuer's and the Guarantor's subsidiaries and affiliates (other than the Issuer) will be separate legal entities that have no obligation to pay any amounts due under the Bonds or make any funds available therefore, whether by dividends, loans or other payments. The Issuer's and the Guarantor's rights to receive assets of any of the Issuer's and the Guarantor's subsidiaries or affiliates, respectively, upon that subsidiary's or affiliate's liquidation or reorganisation will be effectively subordinated to the claim of that subsidiary's or affiliate's creditors (except to the extent that the Issuer or the Guarantor is creditor of that subsidiary). Consequently, the Bonds and the Guarantee will be effectively subordinated to all liabilities, including trade payables and lease obligations, of any subsidiaries or other affiliates in which the Issuer or the Guarantor owns equity interests that the Issuer or the Guarantor may in the future acquire or establish.

The Bonds and the Guarantee are the Issuer's and the Guarantor's unsecured obligations and will (i) rank at least equally in right of payment with all the Issuer's and the Guarantor's other present and future unsecured and unsubordinated obligations; (ii) be effectively subordinated to all of the Issuer's and the Guarantor's present and future secured indebtedness to the extent of the value of the collateral securing such obligations; and (iii) be senior to all of the Issuer's and the Guarantor's present and future subordinated obligations, subject in all cases to exceptions as may be provided by applicable legislation.

As a result, claims of secured lenders, whether senior or junior, with respect to assets securing their loans will be prior with respect to those assets. In the event of the Issuer's or the Guarantor's bankruptcy, insolvency, liquidation, reorganisation, dissolution or other winding up, or upon any acceleration of the Bonds, these assets will be available to pay obligations on the Bonds only after all other debt secured by these assets has been repaid in full. Any remaining assets will be available to the Bondholders rateably with all of the Issuer's or the Guarantor's other unsecured and unsubordinated creditors, including trade creditors. If there are insufficient assets remaining to pay all these creditors, then all or a portion of the Bonds then outstanding would remain unpaid.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts and the Bondholders would need to be subject to the exclusive jurisdiction of the Hong Kong courts. There can also be no assurance that the PRC courts will recognise and enforce judgments of the Hong Kong courts in respect of English law governed matters or disputes.

The Terms and Conditions, the Trust Deed and the Agency Agreement are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, the Hong Kong courts may require certain additional procedures to be taken. Under the Arrangement, judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgment could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC or meets other circumstances specified by the Arrangement. In addition, on 18 January 2019, the Supreme People's Court of the PRC and the government of Hong Kong signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "**New Arrangement**"). The New Arrangement extends the scope of judicial assistance and shall take effect after the necessary procedures to enable its implementation are completed in both the PRC and Hong Kong. The New Arrangement will, upon its commencement, supersede the Arrangement. However, the Arrangement will continue to apply to a "choice of court agreement" in writing (if any) made between the relevant parties before the commencement of the New Arrangement. While it is expected that the PRC courts may recognise and enforce a judgment given by the Hong Kong courts in respect of a dispute governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the holders of the Bonds will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the holders' ability to initiate a claim outside of Hong Kong will be limited.

An active trading market for the Bonds may not develop.

The Bonds are a new issue of securities for which there is currently no trading market. Although application will be made to the SEHK for the Bonds to be admitted for trading on the SEHK, no assurance can be given as to the ability of holders to sell their Bonds or the price at which holders will be able to sell their Bonds or that a liquid market will develop. The liquidity of the Bonds will be adversely affected if the Bonds are held by or allocated to limited investors. Bondholders should note that they may need to hold their Bonds until maturity as there may not be an active secondary market for the Bonds. None of the Joint Lead Managers is obliged to make a market in the Bonds, and if the Joint Lead Managers do so, they may discontinue such market making activity at any time at their sole discretion. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, holders will only be able to resell their Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

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

The Bonds are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than U.S. dollars would be subject to foreign exchange risks by virtue of an investment in the Bonds, due to, among other things, economic, political and other factors over which the Issuer and the Guarantor have no control. Depreciation of U.S. dollar against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Bonds.

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

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the Issuer's, the Guarantor's, the Issuer Group's or the Guarantor Group's turnover, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in price for comparable companies, changes in governmental regulations and changes in general economic conditions nationally or internationally could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the trading volume and price of the Bonds. There can be no assurance that these developments will not occur in the future.

Changes in market interest rates may adversely affect the value of the Bonds and international financial markets and global economic conditions may adversely affect the market price of the Bonds.

The Bonds will carry fixed interest rates. Consequently, investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. Generally, a rise in interest rates may cause a fall in the prices of the Bonds, resulting in a capital loss for the Bondholders. However, the Bondholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Bonds may rise. The Bondholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates. As the Bonds will carry a fixed interest rate, the trading price of the Bonds will consequently vary with the fluctuations in interest rates. If Bondholders sell the Bonds they hold before the maturity of such Bonds, they may receive an offer less than their investment.

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. Since the global financial crisis in 2008 and 2009, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

If any member of the Guarantor Group, including the Issuer, is unable to comply with the restrictions and covenants in its debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the relevant debt to be accelerated.

If any member of the Guarantor Group (including the Issuer) is unable to comply with its current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the relevant member of the Guarantor Group, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, some of the debt agreements and the Bonds, contain (or may in the future contain) cross-acceleration or

cross-default provisions. As a result, the default by the relevant member of the Guarantor Group under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt of the Guarantor Group, including the Bonds, or result in a default under its other debt agreements, including the Bonds. If any of these events occur, there can be no assurance that the assets and cash flows of the relevant member of the Guarantor Group or the Guarantor Group would be sufficient to repay all of its indebtedness in full, or that it would be able to find alternative financing. Even if the alternative financing could be obtained, there can be no assurance that it would be on terms that are favourable or acceptable to the Guarantor Group.

The Issuer or the Guarantor, as the case may be, may be unable to redeem the Bonds upon the due date for redemption thereof.

On the Maturity Date (as defined in the Terms and Conditions), the Bonds will be redeemed at their principal amount, or following the occurrence of a Change of Control Event or a Non-Registration Event, the Issuer may, at the option of any Bondholder, be required to redeem all, but not some only, of such Bondholder's Bonds at 101 per cent. (in the case of a redemption for a Change of Control Event) or 100 per cent. (in the case of a redemption for a Non-Registration Event) of their principal amount, together with accrued interest up to (but excluding) the Put Settlement Date. On the Maturity Date or if such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all (or if the Guarantee was called, the Guarantor may not have sufficient cash in hand and may not be able to arrange financing to pay the Guarantee in time, or on acceptable terms, or at all). The ability to redeem the Bonds on the Maturity Date or in such event may also be limited by the terms of other debt instruments. The Issuer's or the Guarantor's failure to repay, repurchase or redeem the Bonds could constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's or the Guarantor's other indebtedness.

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

The Issuer may redeem the Bonds at its option, in whole but not in part, at a redemption price equal to their principal amount, together with any interest accrued up to, but excluding, the date fixed for redemption if, subject to certain conditions, as a result of a change in tax law, the Issuer and/or the Guarantor has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions), as further described in Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions.

If the Issuer redeems the Bonds prior to their Maturity Date, investors may not receive the same economic benefits they would have received had they held the Bonds to maturity, and they may not be able to reinvest the proceeds they receive in a redemption in similar securities. In addition, the Issuer's ability to redeem the Bonds may reduce the market price of the Bonds.

The insolvency laws of the PRC may differ from those of another jurisdiction with which the Bondholders are familiar.

Each of the Issuer and the Guarantor is incorporated under the laws of the PRC. Any bankruptcy proceeding relating to the Issuer or the Guarantor would likely involve PRC bankruptcy laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Bondholders are familiar.

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

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

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

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

The Terms and Conditions also provide that the Trustee may (but shall not be obliged to), without the consent of the Bondholders, agree (i) to any modification (other than any modification relating to a Reserved Matter) of the Trust Deed, the Agency Agreement or the Terms and Conditions which in the opinion of the Trustee will not be materially prejudicial to the interests of the Bondholders and (ii) to any modification of the Trust Deed, the Agency Agreement or the Terms and Conditions which in the opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error or to comply with any mandatory provision of applicable law.

In addition, the Trustee may (but shall not be obliged to), without the consent of the Bondholders, authorise or waive any proposed breach or breach of, or failure to comply with any of the Terms and Conditions, the Trust Deed, the Agency Agreement if, in the opinion of the Trustee, the interests of the holders of the Bonds will not be materially prejudiced thereby.

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

In certain circumstances (including without limitation the giving of notice pursuant to Condition 9 (*Events of Default*) of the Terms and Conditions and the taking of enforcement steps pursuant to Condition 13 (*Enforcement*) of the Terms and Conditions), the Trustee may (at its sole discretion) request the Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps and/or actions and/or institutes proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute any such proceedings if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or when such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Trust Deed or the Terms and Conditions and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Bondholders to take such steps and/or actions and/or institute such proceedings directly.

Gains on the transfer of the Bonds and interest payable by the Issuer to overseas Bondholders may be subject to income tax and VAT under PRC tax laws.

Under the Enterprise Income Tax Law of the PRC (the "**EIT Law**") effective on 1 January 2008 and as amended on 24 February 2017 and 29 December 2018, respectively, and its implementing rules, enterprises established outside the PRC whose "de facto management bodies" are located in the PRC are considered "resident enterprises" for PRC tax purposes. See "*Taxation — PRC*".

Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the

PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by enterprise holders would be treated as incomes derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, there is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total revenue obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income.

According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**Taxation Arrangement**") which was promulgated on 21 August 2006, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

On 23 March 2016, MOF and SAT issued Circular 36, which introduced a new VAT from 1 May 2016. VAT is applicable where entities or individuals provide services within the PRC. The Issuer will be obligated to withhold VAT of 6 per cent. on payments of interest and certain other amounts on the Bonds paid by the Issuer to the Bondholders that are non-resident enterprises or individuals. VAT is unlikely to be applicable to any transfer of the Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of the Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyer of the Bonds is located inside the PRC. Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

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

Pursuant to the Terms and Conditions, where the Issuer, or as the case may be, the Guarantor is required under applicable laws to withhold PRC tax from interest payments made to the Bondholders in respect of the Bonds or under the Guarantee, the Issuer, or as the case may be, the Guarantor will be required to pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding been required. The requirement to pay such additional amounts will increase the cost of servicing interest payments on the Bonds, and could have a material adverse effect on the Issuer's, or as the case may be, the Guarantor's ability to pay interest on, and repay the principal amount of, the Bonds, as well as its profitability and cash flows.

The Bonds will be initially represented by a Global Certificate and holders of a beneficial interest in a Global Certificate must rely on the procedures of the Clearing Systems.

The Bonds will be initially represented by beneficial interests in a Global Certificate. Such Global Certificate will be registered in the name of a nominee for, and deposited with, a common depositary for Euroclear and Clearstream (each a "**Clearing System**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates. The Clearing System will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Bonds are represented by the Global Certificate, the Issuer will discharge their payment obligations under the Bonds by making payments to the relevant Clearing System for distribution to their account Bondholders. A holder of a beneficial interest in a Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the Bonds. The Issuer and the Guarantor have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate. Bondholders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such Bondholders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies.

Bondholders should be aware that a Definitive Certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

In relation to any Bond which has a principal amount consisting of a minimum specified denomination plus a higher integral multiple of another smaller amount, it is possible that the Bonds may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum specified denomination will not receive a Definitive Certificate in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more specified denominations. If definitive Bonds are issued, holders should be aware that a Definitive Certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

Third parties, including holders of the Bonds, may be hindered or prevented from enforcing their rights with respect to the assets of the Guarantor because of the doctrine of sovereign immunity or state secret privilege.

As at the date of this Offering Circular, the Guarantor is controlled by the PRC government through the GZAR Government. All of the assets relating to the operation of the Guarantor's business are either owned or controlled by the Guarantor itself or by companies wholly or majority owned by the Guarantor. Where a third party brings a legal action against the Guarantor, its subsidiaries or their assets based on a contract dispute with them, the legal proceeding, particularly the enforcement of judgments or any arbitral awards with respect to the assets of the Guarantor and its subsidiaries in China, may be subject to the law and legal systems and the jurisdiction of PRC courts or tribunal. While the Guarantor can be sued in its own capacity in a civil proceeding in a court or tribunal, there is no assurance that the assets of the Guarantor will not be immune from enforcement proceedings on the grounds of sovereign immunity or state secret privilege. If such immunity or privilege is invoked to dismiss judgments from the court or tribunal, it may be difficult for the third-party plaintiffs (such as holders of the Bonds) to enforce their contractual rights against the Guarantor, its subsidiaries or their assets in China.

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

The Bonds are expected to be assigned a rating of "BBB" by Fitch. A rating represents only the opinions of the rating agencies and their assessment of the ability of the Issuer and the Guarantor to perform their respective obligations under the Bonds, the Guarantee and the Trust Deed and credit risks in determining the likelihood that payments will be made when due under the Bonds. Such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Bonds. A rating is not recommendation to buy, sell or hold the Bonds and may be subject to revision, qualification, suspension, reduction or withdrawn at any time. There can be no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. Neither the Issuer nor the Guarantor is obligated to inform Bondholders of any such revision, downgrade or withdrawal. Each rating should be evaluated independently of any other rating of

the Bonds or other securities of the Issuer or the Guarantor (if any). A revision, qualification, suspension or withdrawal at any time of any rating assigned to the Bonds may adversely affect the market price of the Bonds and the Issuer's and/or the Guarantor's ability to access the debt capital markets.

The Issuer may issue additional Bonds in the future.

The Issuer may, from time to time, and without prior consultation of the Bondholders, create and issue further securities having the same terms and conditions as the Bonds in all respects (or in all respects save for the issue date, the first payment of interest on them, the timing for completion of the Foreign Debt Regulation and the NDRC Post-issue Filing and the filing of the Bonds pursuant to the PBOC Circular (see "*Terms and Conditions of the Bonds — Further Issues*")) or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

EXCHANGE RATES

PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to 20 July 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollar and U.S. dollar, was based on rates set daily by PBOC on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollar remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of SAFE and other relevant authorities.

On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by 2 per cent. against U.S. dollar. The PRC government has since made and in the future may make further adjustments to the exchange rate system. PBOC authorized the China Foreign Exchange Trading Centre, effective since 4 January 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi at 9:15 a.m. on each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and the over the counter exchange rate for that business day. On 18 May 2007, PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allowed the Renminbi to fluctuate against U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in Renminbi appreciating against U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 17 March 2014, PBOC further widened the floating band against U.S. dollar to 2.0 per cent. On 11 August 2015, PBOC made an announcement to set the mid-point exchange rate for the floating range of Renminbi against U.S. dollar based on how the Renminbi closes in the previous trading session, supply and demand dynamics and the movements of major currencies, in a move to a more market-determined exchange rate. Following the announcement by PBOC on 11 August 2015, Renminbi depreciated significantly against U.S. dollar. On 11 December 2015, the China Foreign Exchange Trade System ("**CFETS**"), a sub-institutional organisation of the PBOC, published the CFETS Renminbi exchange rate index for the first time, which announces the central parity rate for Renminbi against U.S. dollar through a weighted averaging of the quotes from the market makers after removing the highest quote and the lowest quote. In January and February 2016, Renminbi experienced further fluctuations in value against U.S. dollar.

The International Monetary Fund announced on 30 September 2016 that Renminbi joins the currency basket of the Special Drawing Rights. Since October 2016, Renminbi experienced significant fluctuation in value against U.S. dollar but rebounded and appreciated significantly against U.S. dollar during 2017 and 2018. On 5 August 2019, PBOC sets the daily reference of Renminbi rate below RMB7.0 per U.S. dollar for the first time since May 2008 amidst an uncertain trade and global economic climate. The PRC government may from time to time adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

The following table sets forth information concerning exchange rates between Renminbi and U.S. dollar for the periods indicated. These rates are provided solely for the convenience of the reader and are not necessarily the exchange rates (if any) used elsewhere in this Offering Circular or will be used in the preparation of periodic reports or any other information of the Issuer Group or the Guarantor Group to be provided to you. Exchange rates of Renminbi into U.S. dollar are based on the noon buying rate in The

City of New York for cable transfers of Renminbi as certified for customs purposes by the Federal Reserve Bank of New York.

Period	Noon Buying Rate[1]			
	Period End	Average[2]	High	Low
	(RMB per U.S.$1.00)			
2018	6.8755	6.6090	6.9737	6.2649
2019	6.9618	6.9014	7.1786	6.6822
2020	6.5250	6.8878	7.1681	6.5208
2021	6.3726	6.4508	6.5716	6.3435
2022	6.8972	6.7290	7.3048	6.3084
2023				
April	6.9110	6.8876	6.9320	6.8677
May	7.1100	6.9854	7.1100	6.9094
June	7.2513	7.1614	7.2515	7.0827
July	7.1426	7.1863	7.2500	7.1340
August	7.2582	7.2486	7.2985	7.1651
September	7.2960	7.2979	7.3430	7.2606
October (through 27 October)	7.3171	7.3063	7.3171	7.2948

Notes:

(1) Exchange rates between Renminbi and U.S. dollar represent the noon buying rates as set forth in the H.10 statistical release of the Federal Reserve Board.

(2) Annual averages have been calculated from month-end rates. Monthly averages have been calculated using the average of the daily rates during the relevant month.

TERMS AND CONDITIONS OF THE BONDS

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

The U.S.$150,000,000 7.50 per cent. guaranteed green bonds due 2025 (the "**Bonds**", which expression, unless the context requires otherwise, includes any further securities issued pursuant to Condition 15 and to be consolidated and forming a single series therewith) of Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司) (the "**Issuer**") are constituted by a trust deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated on or about 14 November 2023 (the "**Issue Date**") made between the Issuer, Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司) ("the **Guarantor**") and The Bank of New York Mellon, London Branch (the "**Trustee**", which expression shall include its successor(s)) as trustee for the Holders (as defined below). These Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. An agency agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated on or about 14 November 2023 relating to the Bonds has been made between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include any successor principal paying agent appointed from time to time in connection with the Bonds), The Bank of New York Mellon SA/NV, Dublin Branch as registrar (in such capacity, the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and as transfer agent (in such capacity, the "**Transfer Agent**", which expression shall include any successor or additional transfer agent appointed from time to time in connection with the Bonds) and any other agents appointed thereunder.

The issue of the Bonds was authorised by a resolution of the board of directors of the Issuer passed on 28 April 2023 and the shareholders' resolutions of the Issuer dated 19 July 2023. The giving of the Guarantee (as defined in Condition 2(b)) was authorised by a resolution of the board of directors of the Guarantor passed on 30 June 2023.

Copies of the Trust Deed and the Agency Agreement (i) are available for inspection during normal business hours by the Holders at the principal office for the time being of the Trustee, being at the Issue Date at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom and at the specified office of the Principal Paying Agent, following prior written request and proof of holding to the satisfaction of the Trustee or, as the case may be, the Principal Paying Agent or (ii) may be provided by email to Holders requesting a copy, upon prior written request and subject to satisfactory proof of holding and identity by such Holders. "**Paying Agents**" means any paying agents appointed from time to time under the Agency Agreement with respect to the Bonds and includes the Principal Paying Agent, and "**Agents**" means the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time under the Agency Agreement with respect to the Bonds, including their respective successors. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these terms and conditions (these "**Conditions**") will have the meanings given to them in the Trust Deed.

1 FORM, SPECIFIED DENOMINATION AND TITLE

The Bonds are issued in registered form and in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (each, a "**Specified Denomination**"). The Bonds are represented by registered certificates (the "**Certificates**") and, save as provided in Condition 3(b), each Certificate shall represent the entire holding of Bonds by the same Holder.

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

In these Conditions, "**Bondholder**" or, in respect of any Bond, "**Holder**" means the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof).

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

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

2 STATUS AND GUARANTEE

(a) Status of the Bonds

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

(b) Status of the Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds. Its obligations in that respect (the "**Guarantee**") are contained in the Trust Deed. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to Condition 4(a)) unsecured obligations of the Guarantor and shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

3 TRANSFERS OF BONDS AND ISSUE OF CERTIFICATES

(a) Register

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

(b) Transfer

Subject to the Agency Agreement and Conditions 3(e) and 3(f) herein, a Bond may be transferred in whole or in part (but in any case in a Specified Denomination) by depositing the Certificate issued in respect of that Bond, with the form of transfer on the back of the Certificate duly completed and signed, at the specified office of the Registrar or any Transfer Agent.

In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred (which shall be in the Specified Denomination) and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor (which shall be in the Specified Denomination). In the case of a transfer of Bonds to a person who is already a Holder, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer of title to a Bond will be valid unless and until entered on the Register.

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

(c) Delivery of New Certificates

Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 3(b) shall be made available for delivery within five business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of any Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 3(c), "**business day**" means a day, other than a Saturday, Sunday or public holiday, on which banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

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

(d) Formalities Free of Charge

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

(e) Closed Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the due date for any payment of principal (or premium) in respect of that Bond; or (ii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)); or (iii) after the Tax Redemption Notice or the Put Exercise Notice has been given pursuant to Condition 6(b) or Condition 6(c).

(f) Regulations

All transfers of Bonds and entries on the Register will be made in accordance with the detailed regulations concerning transfer and registration of Bonds, the initial form of which is scheduled to the Agency Agreement. The regulations may be changed from time to time by the Issuer, with the prior written approval of the Registrar and the Trustee or by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be made available for inspection by the Registrar to any Holder upon prior written request and satisfactory proof of holding.

4 COVENANTS

(a) Negative Pledge

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

(b) Undertakings relating to Foreign Debt Registration

The Issuer undertakes to, and the Guarantor undertakes to procure the Issuer to: (i) within the prescribed time period, register or cause to be registered with SAFE the requisite information and documents in respect of the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as of 13 May 2013 and any implementation rules, reports, certificates or guidelines as issued by SAFE from time to time (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE (or any other document evidencing the completion of the Foreign Debt Registration issued by SAFE) on or before the Registration Deadline, (iii) as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Notice of the People's Bank of China on Matters concerning the Macro-Prudential Management of Full-Covered Cross-Border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**PBOC Circular**") and (iv) comply with all applicable PRC laws and regulations in relation to the Bonds, including but not limited to the PBOC Circular and any implementing measures promulgated thereunder from time to time.

(c) Notification to NDRC

The Issuer undertakes to, and the Guarantor undertakes to procure the Issuer to within the relevant prescribed timeframes after the Issue Date file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds in accordance with the Administrative Measures for the Review and Registration of Medium-and Long-term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) issued by the NDRC effective from 10 February 2023 (the "**NDRC Administrative Measures**") and any applicable implementation rules as issued by the NDRC from time to time, including but not limited to, the NDRC Post-issue Filing.

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

The Issuer shall, and the Guarantor shall procure the Issuer to, before the Registration Deadline and within seven Registration Business Days after the later of submission of the NDRC Post-issue Filing and receipt of the registration record from SAFE (or any other document evidencing the completion of the Foreign Debt Registration issued by SAFE), provide the Trustee with (i) a certificate in English signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer and substantially in the form scheduled to the Trust Deed confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration; and (ii) copies of the relevant documents evidencing the completion of the NDRC Post-issue Filing (if any) and the registration record(s) from SAFE relating to the Foreign Debt Registration, each certified in English as a true and complete copy of the originals by an Authorised Signatory of the Issuer (the items specified in (i) and (ii) together, the "**Registration Documents**"). In addition, the Issuer shall, and the Guarantor shall procure the Issuer to, within five Registration Business Days after the documents comprising the Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16) confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration.

The Trustee may rely conclusively without investigation or verification on the Registration Documents and any other certificate, document, confirmation, evidence, notice and/or other document in relation to or in connection with the NDRC Post-issue Filing and/or the Foreign Debt Registration. The Trustee shall have no obligation to monitor or ensure the completion of the Foreign Debt Registration as required by Condition 4(b) or the NDRC Post-issue Filing as required by Condition 4(c) or to assist with either the NDRC Post-issue Filing or the Foreign Debt Registration or to verify the accuracy, content, completeness, validity and/or genuineness of any Registration Documents or to translate or procure the translation into English of any Registration Document or other certificate, confirmation, evidence, notice or other documents which is not in the English language or to verify the accuracy or completeness of any English translation or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration, and shall not be liable to Bondholders or any other person for not doing so.

(e) Financial Information

So long as any Bond remains outstanding (as defined in the Trust Deed), each of the Issuer and the Guarantor shall furnish the Trustee with:

(i) a Compliance Certificate of the Issuer and the Guarantor (on which the Trustee may rely conclusively as to such compliance), and a copy of the Issuer Audited Financial Reports and a copy of the Guarantor Audited Financial Reports within 150 days of the end of each Relevant Period prepared in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**") (audited by a nationally or internationally recognised firm of independent accountants) and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) a nationally or internationally recognised firm of independent accountants (which may be the auditor of the Issuer or the Guarantor, as the case may be, as at the Issue Date) or (B) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants (which may be the auditor of the Issuer or the Guarantor, as the case may be, as at the Issue Date), together with a certificate in English signed by an Authorised Signatory of the Issuer or the Guarantor, as the case may be, certifying that such translation is complete and accurate; and

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

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

(f) Ratings

For so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders, the Issuer and the Guarantor will maintain a rating on the Bonds by at least one Rating Agency.

(g) In these Conditions:

"**Audited Financial Reports**" means the Issuer Audited Financial Reports and/or the Guarantor Audited Financial Reports, as the case may be;

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

(i) no Change of Control Event, Event of Default (as defined in Condition 9) or Potential Event of Default had occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and

(ii) the Issuer or the Guarantor, as the case may be, has complied with all its obligations under the Trust Deed and the Bonds or, if non-compliance had occurred, giving details of it;

"**Guarantor Audited Financial Reports**" means, for a Relevant Period, the annual audited consolidated statement of financial position, income statement, statement of cash flows and statement of changes in equity of the Guarantor together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**Guarantor Unaudited Financial Reports**" means, for a Relevant Period, the semi-annual unaudited consolidated statement of financial position, income statement, statement of cash flows and statement of changes in equity of the Guarantor together with any statements, reports (including any directors' and auditors' review reports, if any) and notes, if any, attached to or intended to be read with any of them;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

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

"**Issuer Unaudited Financial Reports**" means, for a Relevant Period, the semi-annual unaudited consolidated balance sheet, income statement, cash flow statement and statement of changes in shareholders' equity of the Issuer together with any statements, reports (including any directors' and auditors' review reports, if any) and notes, if any, attached to or intended to be read with any of them;

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

"**NDRC Post-issue Filing**" means the filing with the NDRC of the requisite information and documents in respect of the issue of the Bonds within ten Registration Business Days after the Issue Date in accordance with the NDRC Administrative Measures;

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

"**Potential Event of Default**" means an event or circumstance which could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9 become an Event of Default;

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

"**Rating Agency**" means (i) any of Fitch Ratings Inc. and its successors ("**Fitch**"), S&P Global Ratings and its successors ("**S&P**"), or Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors ("**Moody's**") or (ii) if none of S&P, Fitch or Moody's shall make a rating of the Bonds publicly available, the Issuer shall select and substitute them with any other reputable credit rating agency of international standing;

"**Registration Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in Beijing, the PRC;

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

"**Relevant Indebtedness**" means any indebtedness issued outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market (which, for the avoidance of doubt, does not include bilateral loans, syndicated loans or club deal loans);

"**Relevant Period**" means (i) in relation to the Audited Financial Reports, each period of twelve months ending on the last day of the Issuer's or the Guarantor's financial year (being 31 December of that financial year); (ii) in relation to the Unaudited Financial Reports, each period of six months ending on the last day of the Issuer's or the Guarantor's first half financial year (being 30 June of that financial year);

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

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

"**Unaudited Financial Reports**" means the Issuer Unaudited Financial Reports and/or the Guarantor Unaudited Financial Reports, as the case may be; and

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

5 INTEREST

(a) Interest Rate and Interest Payment Dates

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 7.50 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.$37.5 per Calculation Amount (as defined below) on 14 May and 14 November in each year (each an "**Interest Payment Date**") commencing on 14 May 2024.

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

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

Interest in respect of any Bond shall be calculated per U.S.$1,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall, save as provided above in relation to equal instalments, be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 REDEMPTION AND PURCHASE

(a) Final Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 14 November 2025 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (which shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued to, but excluding, the date fixed for redemption) if the Issuer (or, if the Guarantee was called, the Guarantor) satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer or, as the case may be, the Guarantor has or will become obliged to pay Additional Tax Amounts (as defined in Condition 8) as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 6 November 2023, and (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds (or the Guarantee, as the case may be) then due.

Prior to the giving of any Tax Redemption Notice pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate signed by an Authorised Signatory of the Issuer or the Guarantor, as the case may be, stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer or the Guarantor, as the case may be, taking reasonable measures available to it, and (B) an opinion, in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer or the Guarantor, as the case may be, has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment. The Trustee shall be entitled (but shall not be obliged) to accept and rely conclusively upon such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event they shall be conclusive and binding on the Bondholders.

(c) Redemption for a Relevant Event

Following the occurrence of a Relevant Event, the Holder of any Bond will have the right (the "**Relevant Event Put Right**"), at such Holder's option, to require the Issuer to redeem all, but not some only, of such Holder's Bonds on the Put Settlement Date (as defined below in this Condition 6(c)) at 101 per cent. (in the case of a redemption for a Change of Control Event) or 100 per cent. (in the case of a redemption for a Non-Registration Event) of their principal amount, together with accrued interest up to (but excluding) the relevant Put Settlement Date. To exercise such right, the Holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (a "**Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed, by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the fourteenth day (in the case of a redemption for a Change of Control Event) or the fifth day (in the case of a redemption for a Non-Registration Event) after the expiry of such period of 30 days as referred to above.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of the Put Exercise Notices delivered as aforesaid on the Put Settlement Date.

Not later than 14 days (in the case of a redemption for a Change of Control Event) or five days (in the case of a redemption for a Non-Registration Event) following the first day on which the Issuer or the Guarantor, as the case may be, becomes aware of a Relevant Event, the Issuer or the Guarantor, as the case may be, shall procure that notice regarding such Relevant Event shall be delivered to the Trustee and the Principal Paying Agent in writing and to the Holders (in accordance with Condition 16) stating:

(i) the applicable Put Settlement Date;

(ii) the date of the Relevant Event and, briefly, the events causing the Relevant Event;

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

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

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

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

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

Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and none of them shall be liable to Holders, the Issuer, the Guarantor or any other person for not doing so.

For the purpose of these Conditions:

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

(i) the GZAR SASAC (as defined below) and Guangxi Government Persons (as defined below) together cease to hold or own (directly or indirectly) at least 90 per cent. of the issued share capital of the Issuer; or

(ii) the GZAR SASAC and Guangxi Government Persons together cease to hold or own (directly or indirectly) 100 per cent. of the issued share capital of the Guarantor; or

(iii) the Guarantor ceases to hold or own (directly or indirectly) at least 51 per cent. of the issued share capital of the Issuer; or

(iv) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of the Guarantor's assets to any other Person or Persons (as defined below), except where such Person(s) (in the case of asset sale or transfer) or the surviving entity (in the case of consolidation or merger) is/are directly or indirectly 100 per cent. held or owned by the Guangxi People's Government and/or the GZAR SASAC; or

(v) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person or Persons, except where such Person(s) (in the case of asset sale or transfer) or the surviving entity (in the case of consolidation or merger) is/are directly or indirectly at least 51 per cent. held or owned by the Guarantor;

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

(C) "**Guangxi Government Persons**" means the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府) and all political subdivision (including Department of Finance of Guangxi Zhuang Autonomous Region (廣西壯族自治區財政廳) and other provincial, municipal and other regional or local governmental entities and instrumentalities) and their respective successors and any other Person Controlled by any of the foregoing or their successors;

(D) "**GZAR SASAC**" means the State-owned Assets Supervision and Administration Commission of the Guangxi Zhuang Autonomous Region;

(E) a "**Non-Registration Event**" occurs when the Registration Condition has not been satisfied on or before the Registration Deadline;

(F) a "**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer's or the Guarantor's board of directors or any other governing board, as the case may be, and does not include the Issuer's or the Guarantor's wholly-owned direct or indirect subsidiaries, as the case may be;

(G) "**Registration Condition**" means the receipt by the Trustee of the Registration Documents as set forth in Condition 4(d); and

(H) a "**Relevant Event**" means a Change of Control Event or a Non-Registration Event.

(d) Purchase

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

(e) Notice of Redemption

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

(f) Cancellation

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

7 PAYMENTS

(a) **Method of Payment:**

(i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in paragraph (ii) of this Condition 7(a) below.

(ii) Interest on each Bond shall be paid to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Bond shall be made in U.S. dollars by wire transfer to the registered account of the relevant Holder. In these Conditions, the "**registered account**" of a Holder means the U.S. dollar account maintained by or on behalf of such Holder with a bank, details of which appear in the Register at the close of business on the Record Date.

*Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or an Alternative Clearing System (as defined in the Trust Deed), each payment in respect of the Global Certificate will be made to the person shown as the Bondholder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if

any) or interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.

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

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

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

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

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

(f) **Non-Payment Business Days:** If any date for payment in respect of any Bond is not a Payment Business Day, the Holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, "**Payment Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are generally open for business in the place in which the specified office of the Principal Paying Agent is located and settlement of U.S. dollar payments in New York City, Hong Kong and (if surrender of the relevant Certificate is required) the relevant place of presentation.

8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made free and clear of, and without set-off, counterclaim, withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the PRC or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer or, as the case may be, the Guarantor, by or within the PRC at the rate up to and including the aggregate rate applicable on 6 November 2023 (the "**Applicable Rate**"), the Issuer or, as the case may be, the Guarantor will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amount which would otherwise have been received by them had no such withholding or deduction been required.

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

(i) **Other connection:** to a Holder (or to a third party on behalf of a Holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the PRC other than the mere holding of the Bond; or

(ii) **Surrender more than 30 days after the Relevant Date:** in respect of which the Certificate representing it is presented (where presentation is required) for payment more than 30 days after the Relevant Date except to the extent that the Holder of it would have been entitled to such Additional Tax Amounts on surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days.

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

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

Neither the Trustee nor any Agent shall in any event be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 8 or for determining whether such amounts are payable or the amount thereof, and shall not be responsible or liable for any failure by the Issuer, the Guarantor or the Bondholders or any other person to pay such tax, duty, charges, withholding or other payment in any jurisdiction or be responsible to provide any notice or information in relation to the Bonds in connection with payment of such tax, duty, charges, withholding or other payment imposed by or in any jurisdiction.

9 EVENTS OF DEFAULT

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

An "**Event of Default**" occurs if:

(a) **Non-Payment:** there has been a failure to pay the principal of or any premium (if any) or interest on any of the Bonds when due and in the case of interest such failure continues for a period of seven days; or

(b) **Breach of Other Obligations:** the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations under the Bonds or the Trust Deed (other than those referred to in Condition 9(a) or where it gives rise to a right of redemption pursuant to Condition 6(c)) and (i) such default is, in the opinion of the Trustee, incapable of remedy or, (ii) if such default is, in the opinion of the Trustee, capable of remedy, it is not remedied within 30 days after the Trustee has given written notice thereof to the Issuer or the Guarantor (as the case may be); or

(c) **Cross-Acceleration:** (i) any other present or future indebtedness of the Issuer, the Guarantor or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer, the Guarantor or any of their respective Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds in the aggregate CNY450,000,000 or its equivalent in any other currency (on the basis of the middle spot rate for the relevant currency against the CNY as quoted by any leading bank on the day on which this Condition 9(c) operates); or

(d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer, the Guarantor or any of the Principal Subsidiaries and is not discharged or stayed within 45 days; or

(e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, the Guarantor or any of the Principal Subsidiaries on the whole or any material part of its assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 45 days; or

(f) **Insolvency:** the Issuer, the Guarantor or any of the Principal Subsidiaries is (or is, or could be, deemed by law or a court with competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as and when such debts fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts (or of any material part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any material part of the debts of the Issuer, the Guarantor or any of the Principal Subsidiaries; or

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

(h) **Nationalisation:** any step is taken by any person acting under the authority of any national, regional or local government with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries; or

(i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

(j) **Illegality:** it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their respective obligations under any of the Bonds or the Trust Deed; or

(k) **Guarantee:** the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect; or

(l) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9(d) to 9(j) (both inclusive).

In this Condition 9:

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

(a) whose total revenue/total operating revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total revenue/total operating revenue, as shown by its latest audited income statement, is at least 10 per cent. of the consolidated total revenue/total operating revenue as shown by the latest published audited consolidated income statement of the Issuer or the Guarantor (as the case may be) and its Subsidiaries including, for the avoidance of doubt, the Issuer or the Guarantor (as the case may be) and its consolidated Subsidiaries' share of total revenue/total operating revenue of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(b) whose operating profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated operating profit, as shown by its latest audited income statement, is at least 10 per cent. of the consolidated operating profit as shown by the latest published audited consolidated income statement of the Issuer or the Guarantor (as the case may be) and its Subsidiaries including, for the avoidance of doubt, the Issuer or the Guarantor (as the case may be) and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet/statement of financial position, are at least 10 per cent. of the amount which equals the amount included in the consolidated total assets of the Issuer or the Guarantor (as the case may be) and its Subsidiaries as shown by the latest published audited consolidated balance sheet/statement of financial position of the Issuer or the Guarantor (as the case may be) and its Subsidiaries including, for the avoidance of doubt, the investment of the Issuer or the Guarantor (as the case may be) in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer or the Guarantor (as the case may be) and after adjustment for minority interests; or

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

(i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer or the Guarantor (as the case may be) relate, the reference to the then latest consolidated audited accounts of the Issuer or the Guarantor (as the case may be) for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer or the Guarantor (as the case may be) for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer or the Guarantor (as the case may be) adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(ii) if at any relevant time in relation to the Issuer or the Guarantor (as the case may be) or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total revenue/total operating revenue, operating profit or total assets of the Issuer or the Guarantor (as the case may be), and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by or on behalf of the Issuer or the Guarantor (as the case may be);

(iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total revenue/total operating revenue, operating profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by or on behalf of the Issuer or the Guarantor (as the case may be);

(iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above of this definition) are not consolidated with those of the Issuer or the Guarantor (as the case may be), then the determination of whether or not such subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer or the Guarantor (as the case may be) prepared for this purpose by the Issuer or the Guarantor (as the case may be); and

(v) to which is transferred the whole or substantially the whole of the assets of a Subsidiary of the Issuer or the Guarantor (as the case may be) which immediately prior to such transfer was a Principal Subsidiary, provided that (xx) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary of the Issuer or the Guarantor (as the case may be) to which the assets are so transferred shall forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer or the Guarantor (as the case may be) prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition.

10 PRESCRIPTION

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

11 REPLACEMENT OF CERTIFICATES

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

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

(a) Meetings of Holders

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement. Such a meeting may be convened by the Trustee, the Issuer or the Guarantor and shall be convened by the Trustee upon request in writing from Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented unless the business of such meeting includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed (each, a "**Reserved Matter**"), including consideration of proposals, inter alia, (i) to modify the Maturity Date or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel any term of the Guarantee (subject to Condition 12(b)) or (v) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders, whether or not they were present at the meeting at which such resolution was passed.

The Trust Deed provides that a resolution in writing signed by or on behalf of the Bondholders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

So long as the Bonds are evidenced by the Global Certificate, Extraordinary Resolution includes a consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of all the Bondholders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding.

(b) Modification, Waiver and Authorisation

The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to any modification (other than any modification relating to a Reserved Matter) of, or to the waiver or authorisation of any breach or proposed breach of, or any failure to comply with any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement which in its opinion is not materially prejudicial to the interest of the Bondholders, or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any

mandatory provision of applicable law. Any such modification, waiver or authorisation shall be binding on the Bondholders and, unless the Trustee agrees otherwise, such modification, waiver or authorisation shall be notified to the Bondholders by the Issuer, failing which the Guarantor, as soon as practicable thereafter in accordance with Condition 16.

(c) Entitlement of the Trustee

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

13 ENFORCEMENT

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

14 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and/or any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely conclusively without liability to Bondholders on any report, information, confirmation or certificate from or any opinion or advice of any accountants, auditors, lawyers, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely conclusively on any such report, information, confirmation, certificate, opinion or advice, in which case such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Guarantor and the Bondholders (provided, in the case of the Issuer and the Guarantor, that the report, information, confirmation, certificate, opinion or advice is procured or issued by the Issuer or the Guarantor, or the Issuer or the Guarantor has expressly agreed to be bound by it).

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions or clarification of directions from the Bondholders by way of Extraordinary Resolution, and the Trustee shall not be responsible for any loss or liability incurred by the Issuer, the Guarantor, the Bondholders or any other person as a result of any delay in it exercising such discretion or power,

taking such action, making such decision or giving such direction as a result of seeking such direction or clarification from the Bondholders or in the event that no direction or clarification is given to the Trustee by the Bondholders.

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

The Trustee and the Agents shall have no obligation to monitor whether an Event of Default or a Potential Event of Default or a Relevant Event has occurred, and shall not be liable to the Bondholders or any other person for not doing so.

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

15 FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Holders to create and issue further securities having the same terms and conditions as the Bonds in all respects (or in all respects save for the issue date, the first payment of interest on them, the timing for completion of the Foreign Debt Registration and the NDRC Post-issue Filing and the filing of the Bonds pursuant to the PBOC Circular) and so that the same shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any further bonds issued pursuant to this Condition 15 and consolidated and forming a single series with the Bonds. Any further securities shall be constituted by a deed supplemental to the Trust Deed.

16 NOTICES

All notices required to be given to the Holders under these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given, on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear, Clearstream or an Alternative Clearing System, notices to the Holders shall be validly given by the delivery of the relevant notice to Euroclear, Clearstream or such Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18 GOVERNING LAW AND JURISDICTION

(a) Governing Law

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

(b) Jurisdiction

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

(c) Agent for Service of Process

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

(d) Waiver of Immunity

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

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Terms and Conditions set out in this Offering Circular. The following is a summary of certain of those provisions.

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

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

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

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

The Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

In addition, the Global Certificate will contain provisions which modify the Terms and Conditions as they apply to the Bonds evidenced by the Global Certificate. The following is a summary of certain of those provisions:

PAYMENT

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

CALCULATION OF INTEREST

So long as the Bonds are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, the Issuer has promised, inter alia, to pay interest in respect of such Bonds from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Terms and Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by such Global Certificate.

NOTICES

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

MEETINGS

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

BONDHOLDER'S REDEMPTION

The Bondholder's redemption option in Condition 6(c) (*Redemption for a Relevant Event*) of the Terms and Conditions may be exercised by the holder of the Global Certificate giving notice to the Principal Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the Terms and Conditions.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the Terms and Conditions.

TRANSFERS

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

CANCELLATION

Cancellation of any Bond represented by the Global Certificate following any redemption or purchase by the Issuer, the Guarantor or any of their respective Subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders and the Global Certificates on its presentation to or to the order of the Registrar for annotation (for information only) in the Schedule of the Global Certificate.

TRUSTEE'S POWERS

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

The Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

USE OF PROCEEDS

The gross proceeds from the offering of the Bonds, before deducting commissions to be charged by the Joint Lead Managers and other estimated expenses payable in connection with the offering of the Bonds, will be U.S.$150 million. The net proceeds are intended to be used for refinancing certain medium-term or long-term offshore indebtedness in accordance with the NDRC Certificate and the Green Finance Framework.

GREEN FINANCE FRAMEWORK OVERVIEW

The Company has developed the Green Finance Framework ("**Framework**") to demonstrate the Company's intention to issue bonds, loans, or any other similar forms of debt instruments ("**Green Financing Transactions**" or "**GFTs**") and how could fund projects that would deliver positive environmental impacts and foster sustainable practices.

- With respect to bonds, bonds issued under this Framework will be aligned with the Green Bond Principles ("**GBP**") 2021 (with June 2022 Appendix 1), by the International Capital Markets Association ("**ICMA**"), or as they may subsequently be updated.

- With respect to loans, loans issued under this Framework will be aligned with the Green Loan Principles ("**GLP**") 2023, by the Loan Market Association ("**LMA**"), the Asia Pacific Loan Market Association ("**APLMA**"), and the Loan Syndications and Trading Association ("**LSTA**") or as they may subsequently be updated.

- Other GFT(s) may conform to other green finance principles as may have been established at the time of such a financing transaction being undertaken.

For each GFT issued under this Framework, the Company is committed to aligning with the following elements (1) Use of Proceeds, (2) Project Evaluation and Selection, (3) Management of Proceeds and (4) Reporting, as set out in this Framework.

GFTs do not place restriction on the tenor and currency, and can include other terms and conditions including covenants, to reflect the financing strategy and plans of the Company as well as the outcome of the commercial discussions between the issuer/borrower and manager/arranger/lender.

GFTs may be done in any jurisdiction and market reflecting the Issuer Group's current and future business needs.

1 USE OF PROCEEDS

The Issuer Group will allocate an amount at least equivalent to the net proceeds of the GFT issued under this Framework to finance or refinance, in whole or in part, new or existing projects which meet the eligibility criteria of the following Eligible Green Project Categories, as defined below.

The Issuer Group expects each issuance under this Framework to be fully allocated within 36 months from the date of issuance, and on a best-efforts basis. A maximum of 36 months look-back period would apply for refinanced projects and the proportion of the finance and refinance to the eligible green projects will be disclosed.

1.1 Eligible Green Project Categories

Eligible Categories, Environmental Objectives & UNSDG mapping	Eligibility Criteria and Description	Technical Screening Criteria and/or Actions prior the Investment	Reference to Green Taxonomy/ Catalogue
Renewable Energy Key Objectives: • Climate Change Mitigation   	Investment, acquisition, leasing and expenditures related to design, manufacture, construction, installation, and operation of 1) renewable energy systems, including photovoltaic solar and wind power (onshore/offshore), 2) renewable energy storage system (i.e. batteries, capacitor), 3) hydropower, 4) geothermal energy, 5) solar system for rooftops of the property sites.	• The minimum of 85% of power generation from the facility is derived from solar energy sources; • The energy storage system dedicated connection to a power production plant eligible under the low carbon power threshold of 100g CO_2/kWh; • The only run of river hydropower electricity generation facility with life-cycle GHG emissions from the generation of electricity from hydropower is lower than 100g CO_2/kWh, and the power density of the electricity generation facility is above 5W/m^2; • The geothermal with direct emissions lower than 100g CO_2/kWh;	• China Green Bond Endorsed Projects Catalogue 3.2.1.1, 3.2.1.2, 3.2.2.1, 3.2.2.2, 3.2.2.6, 3.2.3.2
Clean Transportation Key Objectives: • Climate Change Mitigation • Pollution Prevention and Control    	Investment, acquisition, leasing and expenditures related to purchase, manufacture, construction, installation and maintenance of 1) public transportation system (i.e. subways, light railways, tram, public transportation vehicles and other urban rail transportation facilities) in urban and rural areas, 2) new energy vehicles (i.e. electric taxies, electric buses, electric trucks, etc), hybrid vehicles, and 3) its infrastructure such as electric vehicle charging stations.	• The transportation assets will have zero direct tailpipe CO_2 emission; or • The low emission transportation assets (i.e. hybrid vehicles) will have a direct GHG emission under 50g CO_{2eq}/p-km until 31 December 2025, and zero emission 2026 onward;	• China Green Bond Endorsed Projects Catalogue 5.5.1.5 and 5.5.2.1.

Eligible Categories, Environmental Objectives & UNSDG mapping	Eligibility Criteria and Description	Technical Screening Criteria and/or Actions prior the Investment	Reference to Green Taxonomy/ Catalogue
Pollution Prevention and Control and Waste Management Key Objective: • Pollution Prevention and Control • Climate Change Mitigation   	Investment, acquisition, leasing and expenditures related to construction, upgrades, installation, and maintenance of the facility and equipment for pollution prevention and control, such as 1) municipal sewage and sludge treatment facilities, 2) municipal waste sorting, prevention, collection, reduction and recycling.	• The municipal waste management facilities will meet the wastewater and municipal waste management standard such as the "The implementation plan for the construction of urban domestic sewage and garbage treatment facilities in Guangxi (2022-2025) Zhuang Autonomous Region"[1]; • The biogas generated from sewage sludge anaerobic digestion will be collected and utilized for electricity or heat generation, or injected in the natural gas grid depending on the surrounding environment of the sewage sludge treatment plant.	• China Green Bond Endorsed Projects Catalogue 1.5.3.1, 1.5.3.3, 5.3.1.1, 5.3.1.2

1.2 Exclusion Criteria

Based on the latest International Finance Corporation Exclusion List, the Issuer Group has added the following activities to the Exclusion List. In any case, eligible green projects under this Framework will exclude the following activities from consideration for eligibility:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone-depleting substances, polychlorinated biphenyls (PCBs), wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos, and equivalent enterprises.
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where any international financial company considers the radioactive source to be trivial and/or adequately shielded.

[1] http://zjt.gxzf.gov.cn/zfxxgk/fdzdgknr/fgwj/xzgfxwj/t12832241.shtml

- Production or trade in unbonded asbestos fibers. This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20 per cent.

- Drift net fishing in the marine environment using nets over 2.5 kilometers in length.

- Production or activities involving harmful or exploitative forms of forced labor/harmful child labor.

- Commercial logging operations for use in primary tropical forest.

- Production or trade in wood or other forestry products other than from sustainably managed forests.

- Projects related to nuclear production.

- Projects related to fossil fuel production.

- Projects related to coal mining.

2 PROCESS FOR PROJECT EVALUATION AND SELECTION

The project evaluation and selection process will ensure that the proceeds of any Company's green financing instrument are allocated to finance or refinance eligible green projects that meet the criteria and objectives set out above in section 1.1, use of proceeds of eligible green project categories.

The Company's Green Finance Working Group (the "**GFWG**") will be responsible for governing and implementing the initiatives set out in the Framework. The GFWG consists of senior management members from various departments of the Issuer Group, including the Financing Business Department, Financial Management Department and Risk Management and Control Department. The GFWG will also be responsible for managing any future updates of the Framework, including any expansion of requirements of the use of proceeds. For the potential eligible green projects, the GFWG will not only perform preliminary assessments and evaluation on its environmental and social impacts, through the form of internal GFWG meetings together with external experts' panel discussion on their feasibility study reports and environmental impact assessments. The GFWG may be supplemented from time to time, or expanded, by the inclusion of representatives from other relevant teams.

The GFWG will meet at least every 12 months or whenever necessary to discuss, assess and select eligible green projects according to the eligibility and exclusion criteria under this Framework. The GFWG will ratify eligible green projects, which are initially proposed by the constituent team members and ensure that projects comply with the Company's internal environmental risk management policies as well as applicable local governmental regulations.

The GFWG will undertake regular monitoring of the asset pool to ensure the eligibility of green projects with the criteria set out in section 1.1, whilst replacing any ineligible green projects with eligible new green projects and facilitating regular reporting on any GFTs issuance in alignment with the reporting commitments.

The GFWG will ensure that the approval of eligible green projects will follow the Issuer Group's existing investment approval processes.

The GFWG will select the projects that comply with the *Environmental Protection Law of the People's Republic of China, Environmental Impact Assessment Law of the People's Republic of China, Energy Saving Regulations of the People's Republic of China, Water Pollution Prevention and Control Action Plan, Green Bond Endorsed Projects Catalogue (2021 Edition)*, and other related regulations and policies in the PRC related to sustainable development. The GFWG will ensure that each eligible green project complies not only with this Framework but also the environmental guidelines which are applicable to the Issuer Group, as well as all applicable national environmental standards and local laws and regulations. The eligible green projects will also be selected with reference to the United Nations Sustainable Development Goals.

3 MANAGEMENT OF PROCEEDS

The Issuer Group intends to allocate an amount at least equivalent to the net proceeds of the GFT(s) over time to finance or refinance the eligible green projects, which are selected according to the eligibility criteria using the evaluation and selection process outlined above.

The net proceeds of each GFT will be deposited in the general funding accounts and earmarked for allocation towards eligible green projects. The Issuer Group will maintain a GFT Register to track the use of proceeds for the GFT. A green finance allocation register will be established to record the allocation of proceeds.

The register will contain information including the following:

1. Type of funding transaction: ISIN (if applicable), pricing date, maturity date etc.; and

2. Eligible green projects allocation list, information including:

    - The eligible projects list, including for each eligible project, the eligible green project category, project description, project location, ownership percentage, total investment amount, amount allocated, settled currency, etc.;

    - The balance of unallocated proceeds; and

    - The information of temporary investment for unallocated proceeds.

Any balance of issuance proceeds which are not yet allocated to eligible green projects will be temporarily held in accordance with the Issuer Group's liquidity guidelines on cash, cash equivalents or short-term deposits, and the Issuer Group commits not to invest such unallocated net proceeds to the projects which are subject to exclusions criteria under this Framework. For each issuance under this Framework, the Issuer Group will review the register on an annual basis. During the life of the GFT(s) issued, if the designated projects cease to fulfil the eligibility criteria, the net proceeds will be re-allocated to replacement projects that comply with the eligibility criteria as soon as reasonably practicable.

4 REPORTING

On an annual basis, the Company will produce an allocation report and an impact report on its eligible green projects, as detailed below. This reporting will be updated annually until full allocation of the net proceeds of any GFT(s) issued, or until the GFT is no longer outstanding. Furthermore, additional reports are intended to be produced on a timely basis in case of material developments.

Allocation Report

The allocation report will include the following information at GFT and Eligible Category levels where applicable:

- The net proceeds of each GFT outstanding;
- List of eligible green projects with descriptions and the amount that has been allocated and earmarked;
- The proportion of the proceeds allocated to refinancing of existing eligible green projects, with the clarification on which investment or project portfolios refinanced;
- The balance of unallocated proceeds held in cash, cash equivalents or short-term deposits and its temporary treatment (if any);
- The types of temporary unallocated funds placements and uses.

Impact Report

The Issuer Group will report on both expected and achieved impacts arising from the eligible green projects and provide the methodology and assumptions used for calculation of the impact indicators.

The Issuer Group will commit to aligning the reporting with the project approach described in ICMA's "Handbook — Harmonised Framework for Impact Reporting (June 2023)" subject to the availability of suitable information and data.

Examples of impact reporting indicators:

Eligible Categories	Impact Indicators
Clean Transportation	– Number of clean vehicles deployed (e.g. electric) – Number and type of clean transportation infrastructure built – Annual GHG emission reduced/avoided (tonnes of CO_2 equivalent/a)
Renewable Energy	– Annual renewable energy generation (GWh for electricity and GJ for other energy) – Annual GHG emission or standard coal equivalent reduced/avoided
Pollution Prevention and Control and Waste Management	– Annual absolute (gross) amount of sewage and sludge treated – Annual absolute (gross) amount of municipal waste treated

External review

Pre-issuance:

The Issuer Group has engaged Sustainable Fitch to provide a Second-Party Opinion on this Framework to review and confirm its alignment with the GBP and GLP. The Second-Party Opinion together with the Framework will be published on the Issuer Group's website.

Post-issuance:

An independent third party may be engaged to review and verify the internal tracking and allocation of funds from the GFTs to eligible green projects, as well as the eligible projects expected and actual impact that is disclosed in the annual reporting.

CAPITALISATION AND INDEBTEDNESS OF THE ISSUER GROUP

The following table sets forth the consolidated total indebtedness (both short-term and long-term portions), total owners' equity and total capitalisation of the Issuer as at 31 December 2022 (i) on an actual basis, and (ii) on an adjusted basis to give effect to the issue of the Bonds before deducting the commissions and other estimated expenses payable by the Issuer in connection with the offering of the Bonds.

The following table should be read in conjunction with the Issuer's Audited Financial Statements and the notes included thereto which are included elsewhere in this Offering Circular:

	As at 31 December 2022			
	Actual		As adjusted	
	(RMB'000)	(U.S.'000)[1]	(RMB'000)	(U.S.'000)[1]
Short-term indebtedness				
Short-term loans	8,694,195	1,260,540	8,694,195	1,260,540
Borrowing from central bank	100,000	14,499	100,000	14,499
Notes payable[2]	50,000	7,249	50,000	7,249
Sale of repurchased financial assets	179,999	26,097	179,999	26,097
Other payables[3]	9,633,158	1,396,677	9,633,158	1,396,677
Non-current liabilities due within one year[4]	20,557,500	2,980,557	20,557,500	2,980,557
Total short-term indebtedness	**39,214,852**	**5,685,619**	**39,214,852**	**5,685,619**
Long-term indebtedness				
Long-term loans	9,933,157	1,440,172	9,933,157	1,440,172
Bonds payable	8,171,891	1,184,813	8,171,891	1,184,813
Long-term payables[5]	8,099,712	1,174,348	8,099,712	1,174,348
Bonds to be issued[6]	–	–	1,034,580	150,000
Total long-term indebtedness	**26,204,760**	**3,799,333**	**27,239,340**	**3,949,333**
Total indebtedness	**65,419,612**	**9,484,952**	**66,454,192**	**9,634,952**
Total owner's equity	**35,989,204**	**5,217,944**	**35,989,204**	**5,217,944**
Total capitalisation[7]	**101,408,816**	**14,702,896**	**102,443,396**	**14,852,896**

Notes:

(1) For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB6.8972 to U.S.$1.00, based on the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 December 2022.

(2) The notes payable presented in this table represents its interest-bearing portion only.

(3) The other payables presented in this table represents its interest-bearing portion only.

(4) The non-current liabilities due within one year in this table represents its interest-bearing portion only.

(5) The long-term payables presented in this table represents its interest-bearing portion only.

(6) This figure reflects the aggregate principal amount of the Bonds to be issued and has not taken into account the effect of transaction costs and expenses.

(7) Total capitalisation represents the sum of total short-term indebtedness, total long-term indebtedness and total owner's equity.

Since 31 December 2022, the Issuer Group continues to incur bank borrowings and issue debt securities in the ordinary course of business to finance its operations. In particular, the Issuer and certain subsidiaries issued (i) a series of corporate bonds and debt financing plan in the aggregate principal amount of approximately RMB4.0 billion with a term of one year and annual rates ranging from 4.69 per cent. to 5.7 per cent., (ii) a series of medium-term corporate bonds in the aggregate principal amount of approximately RMB2.11 billion with a term of three years and annual rates ranging from 4.75 per cent. to 5.5 per cent., and (iii) a series of asset-backed securities in an aggregate principal amount of approximately RMB0.9 billion, with a term ranging from approximately four months to approximately four years and bearing a fixed annual rate ranging from nil to 6.00 per cent.

Except as otherwise disclosed above, there has been no material adverse change in the consolidated capitalisation and indebtedness of the Issuer since 31 December 2022.

CAPITALISATION AND INDEBTEDNESS OF THE GUARANTOR GROUP

The following table sets forth the consolidated total indebtedness (both short-term and long-term portions), total owner's equity and total capitalisation of the Guarantor as at 31 December 2022 (i) on an actual basis, and (ii) on an adjusted basis to give effect to the issue of the Bonds before deducting the commissions and other estimated expenses payable by the Issuer in connection with the offering of the Bonds.

The following table should be read in conjunction with the Guarantor's Audited Financial Statements and the notes to those financial statements included elsewhere in this Offering Circular:

	As at 31 December 2022			
	Actual		As adjusted	
	(RMB'000)	(U.S.'000)[1]	(RMB'000)	(U.S.'000)[1]
Short-term indebtedness				
Short-term loans	23,116,241	3,351,540	23,116,241	3,351,540
Borrowings from the central bank	18,584,289	2,694,469	18,584,289	2,694,469
Borrowings from banks and other financial institutions	10,560,410	1,531,116	10,560,410	1,531,116
Held-for-trading financial liabilities	2,959,487	429,085	2,959,487	429,085
Sold and repurchase financial assets	22,132,882	3,208,966	22,132,882	3,208,966
Deposits from customers and interbank	288,005,856	41,756,924	288,005,856	41,756,924
Non-current liabilities due within one year[2]	38,225,931	5,542,239	38,225,931	5,542,239
Other current liabilities (short-term bonds payable)	4,313,248	625,362	4,313,248	625,362
Total short-term indebtedness	**407,898,344**	**59,139,701**	**407,898,344**	**59,139,701**
Long-term indebtedness				
Long-term loans	42,023,324	6,092,809	42,023,324	6,092,809
Bonds payable	96,161,781	13,942,148	96,161,781	13,942,148
Long-term payables[3]	13,832,355	2,005,503	13,832,355	2,005,503
Other non-current liabilities (convertible agreement deposit)	503,553	73,008	503,553	73,008
Bonds to be issued[4]	–	–	1,034,580	150,000
Total long-term indebtedness	**152,521,013**	**22,113,468**	**153,555,593**	**22,263,468**
Total indebtedness	**560,419,357**	**81,253,169**	**561,453,937**	**81,403,169**
Total owner's equity	**129,869,872**	**18,829,361**	**129,869,872**	**18,829,361**
Total capitalisation[5]	**690,289,229**	**100,082,530**	**691,323,809**	**100,232,530**

Notes:

(1) For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB6.8972 to U.S.$1.00, based on the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 December 2022.

(2) The non-current liabilities due within one year presented in this table does not include other long-term liabilities due within one year and lease liabilities due within one year.

(3) The long-term payables presented in this table does not include special payables.

(4) This figure reflects the aggregate principal amount of the Bonds to be issued and has not taken into account the effect of transaction costs or expenses.

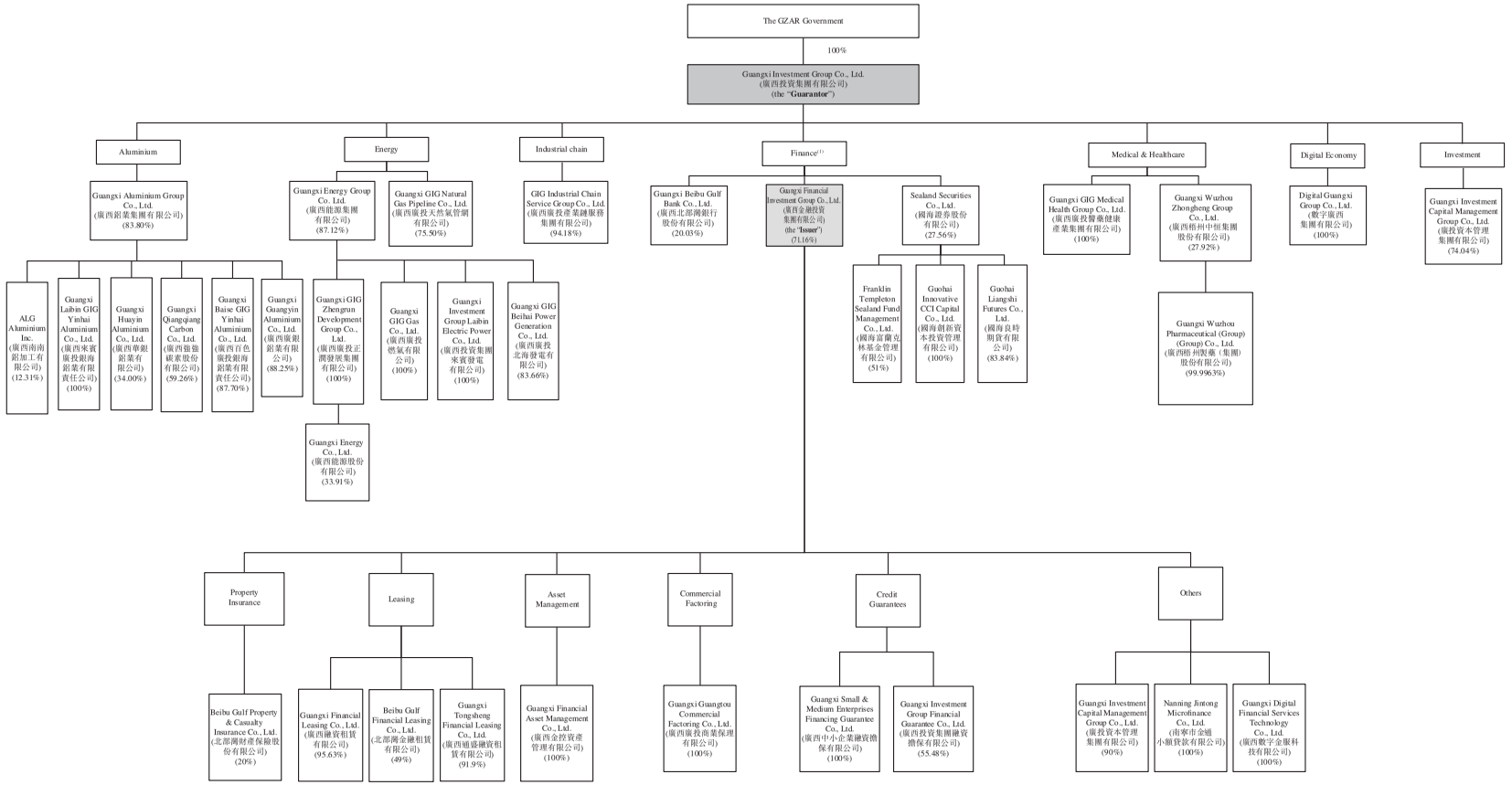
(5) Total capitalisation represents the sum of total short-term indebtedness, total long-term indebtedness and total equity.

Since 31 December 2022, the Guarantor Group continues to incur bank borrowings and issue debt securities in the ordinary course of business to finance its operations. In particular, the Guarantor and certain subsidiaries (including the Issuer) issued (i) a series of short-term commercial papers in an aggregate principal amount of RMB7.0 billion, each with a term of approximately one year and bearing a fixed annual rate ranging from 2.76 per cent. to 5.40 per cent., (ii) two series of mid-term notes, each in an aggregate principal amount of RMB1.5 billion, with a term of two years and bearing an annual rate of 3.45 per cent. and 3.55 per cent respectively, (iii) a series of private placement notes in an aggregate principal amount of approximately RMB3.4 billion, with a term ranging from one year to three years and bearing a fixed annual rate ranging from 4.75 per cent. to 5.70 per cent, (iv) a series of corporate bonds in an aggregate principal amount of approximately RMB4.5 billion, with a term ranging from one year to five years and bearing a fixed annual rate ranging from 3.50 per cent. to 5.50 per cent, (v) two series of super short-term commercial papers, each in an aggregate principal amount of RMB0.5 billion bearing an interest rate of 3.00 per cent. and 3.68 per cent respectively due within one year, (vi) a series of asset-backed securities in an aggregate principal amount of approximately RMB0.9 billion, with a term ranging from approximately four months to approximately four years and bearing a fixed annual rate ranging from nil to 6.00 per cent and (vii) two series of debt financing plans in an aggregate principal amount of RMB1.0 billion, with a term of one year and bearing a fixed annual rate ranging from 4.69 per cent. to 5.40 per cent. For details of capitalisation and indebtedness of the Issuer Group, please see "*Capitalisation and Indebtedness of the Issuer Group*".

Except as otherwise disclosed above, there has been no material adverse change in the consolidated capitalisation and indebtedness of the Guarantor since 31 December 2022.

CORPORATE STRUCTURE

The following chart sets forth the simplified corporate structure of the Guarantor Group, which shows the Issuer, the Guarantor and its sole shareholder, and the Issuer's and the Guarantor's major subsidiaries operating in their respective key business segments, as well as the Issuer's and the Guarantor's respective equity interest holdings in each such major subsidiaries as at the date of this Offering Circular:



Note:

(1) The Guarantor and the Issuer, directly holds approximately 4.37 per cent. and approximately 95.63 per cent., respectively, of the equity interests in Guangxi Investment Group Financial Holding Co., Ltd. (廣西投資集團金融控股有限公司).

DESCRIPTION OF THE ISSUER GROUP

OVERVIEW

The Issuer Group is the largest state-owned integrated financial services provider in the GZAR. The Issuer Group acts as the strategic platform of the GZAR Government to promote the development of the GZAR's finance industry and serves the financing needs of enterprises and individuals in the GZAR, with a particular focus on SMEs, microenterprises and agricultural enterprises. Over the years, the Issuer Group has received various honours and awards in recognition of its business achievements, including being consecutively ranked among Top 500 Services Enterprises of China (中國服務業企業500強), Top 100 Enterprises of Guangxi (廣西企業100強) and Guangxi Outstanding Enterprises (廣西優秀企業) and named as "Outstanding Fixed Income Product Issuer (優秀固定收益產品發行人)" by the Shenzhen Stock Exchange. See "— *Honours and Awards*".

As at 31 December 2022, the Issuer had a registered capital of RMB12.9 billion and total assets of the Issuer Group amounted to RMB118,281.8 million. For the years ended 31 December 2020, 2021 and 2022, the Issuer Group reported total operating revenue of RMB10,654.3 million, RMB8,236.6 million and RMB7,208.2 million, respectively, and net profit of RMB940.5 million, RMB337.5 million and RMB565.1 million, respectively.

The Issuer Group's business operations encompass financial asset investment, operation, management and services as well as industrial investment and services, and are classified into the following segments:

- **Property insurance:** The Issuer Group conducts its property insurance business primarily through Beibu Gulf Insurance. Established in January 2013, Beibu Gulf Insurance was the first insurance company headquartered in the GZAR. Based on the premium data published by CIRC, Beibu Gulf Insurance ranked fourth among 23 property insurance companies in the GZAR and 33rd among 88 property insurance companies nationwide as at 31 December 2022, in terms of gross premiums written. Beibu Gulf Insurance offers a broad range of property insurance products including, among others, motor insurance, casualty insurance and agriculture insurance. Beibu Gulf Insurance also derives income from its own investments, principally investing in currency funds, public funds, insurance asset management portfolio products, agreement deposits, publicly issued bonds, pooled trust plans and insurance asset management debt plans in order to maintain stable and long-term returns to support its insurance liabilities. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB3,611.7 million, RMB3,589.6 million and RMB3,599.9 million, respectively, representing approximately 33.9 per cent., 43.6 per cent. and 49.9 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Leasing:** The Issuer Group conducts its financial leasing business primarily through Beibu Gulf Financial Leasing and conducts financing leasing business primarily through Guangxi Financial Leasing and Guangxi Tongsheng Financial Leasing. Established in September 2012, Beibu Gulf Financial Leasing was the first financial leasing company established by the Issuer Group in the GZAR and aims to focus on offering financial leasing services to state-owned enterprises and enterprises engaged in manufacturing, water supply and production, cultural tourism, electricity, heat and gas supply and production, clean energy and environmental protection, infrastructure construction, healthcare, transportation and transportation warehousing, high-end equipment and other industries. In addition, Guangxi Financial Leasing provides financing leasing services to both externally and internally and Guangxi Tongsheng Financial Leasing mainly focuses on automobile financing leasing. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB1,014.1 million, RMB1,050.9 million and RMB1,045.9 million, respectively, representing approximately 9.5 per cent., 12.8 per cent. and 14.5 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Asset management:** The Issuer Group conducts its asset management operations primarily through Guangxi Asset Management, which is engaged in non-performing asset management from financial institutions and non-financial enterprises. Actively cooperating with institutions and enterprises in the GZAR, Guangxi Asset Management had assisted entities covering a wide range of industries including real estate, construction, retail and wholesale, primarily through means, such as debt restructuring, litigation recovery, asset repossession and assignment of debt. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB590.3 million, RMB587.4 million and RMB564.0 million, respectively, representing approximately 5.5 per cent., 7.1 per cent. and 7.8 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Commercial factoring:** The Issuer Group conducts its commercial factoring business primarily through Guangxi Guangtou Commercial Factoring. Established in January 2021 with the approval of the GZAR Government, Guangxi Guangtou Commercial Factoring is the first commercial factoring company approved by the financial supervision and administration bureau of the GZAR Government. Guangxi Guangtou Commercial Factoring actively implements policies to facilitate the development of supply chain finance in the GZAR and focuses on key industries for the high-quality development of the local economy. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to nil, RMB13.1 million and RMB52.7 million, respectively, representing approximately nil per cent., 0.2 per cent. and 0.7 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Credit guarantees:** The Issuer Group conducts its credit guarantees business primarily through Guangxi Financing Guarantee. Guangxi Financing Guarantee is principally engaged in the provision of credit guarantees to customers for their bank loans. Established in November 2002 with the approval in terms of registered capital of the GZAR Government, Guangxi Financing Guarantee is the largest guarantee provider in the GZAR. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this business amounted to RMB829.3 million, RMB799.6 million and RMB703.8 million, respectively, representing approximately 7.8 per cent., 9.7 per cent. and 9.8 per cent. of the Issuer Group's total operating revenue for the same periods.

- **Other businesses:** The Issuer Group engages in other businesses, such as consulting, fund management and supply chain services. The Issuer Group conducts its consulting, fund management and supply chain services primarily through GIG Capital Management Group. The Issuer Group also conducts its micro and small lending business through Jintong Microfinance. Established in April 2011, Jintong Microfinance offers direct loans primarily to SMEs, microenterprises, agricultural enterprises and individuals to address their need for quick access to funds. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB4,608.9 million, RMB2,195.9 million and RMB1,241.8 million, respectively, representing approximately 43.3 per cent., 26.7 per cent. and 17.2 per cent. of the Issuer Group's total operating revenue for the same periods.

HISTORY AND DEVELOPMENT

The Issuer's predecessor, Guangxi Xinrong Investment Group Co., Ltd. (廣西鑫融投資集團有限公司), was incorporated on 4 December 2007 pursuant to the approval of the GZAR Government. Subsequently in July 2008, Guangxi Xinrong Investment Group Co., Ltd. (廣西鑫融投資集團有限公司) changed its name to Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司). As at the date of this Offering Circular, the Issuer has a registered capital of RMB12.9 billion and is a direct and majority-owned subsidiary of the Guarantor. For details of the corporate structure of the Issuer Group, see the section entitled "*Corporate Structure*".

The following table sets forth selected key milestones in the Issuer Group's development history:

Year	Milestone
2002	• In November 2002, Guangxi Financing Guarantee was established.
2007	• In December 2007, Guangxi Xinrong Investment Group Co., Ltd. (廣西鑫融投資集團有限公司) was incorporated with an initial registered capital of RMB1.50 billion.
2008	• In July 2008, Guangxi Xinrong Investment Group Co., Ltd. (廣西鑫融投資集團有限公司) changed its name to Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司).
2009	• In March 2009, Guangxi Financial Investment Group Urban Construction Development Co., Ltd. (廣西金融投資集團城建發展有限公司) was established.
	• In August 2009, the entire equity interest in Guangxi Financing Guarantee was transferred to the Issuer. In the same month, Guangxi Venture Capital was established.
2011	• In February 2011, Guangxi Financial Auction Co., Ltd. (廣西金融拍賣有限公司) was established.
	• In April 2011, Jintong Microfinance was established.
	• In May 2011, Guangxi Financial Pawn Co., Ltd. (廣西金控典當有限公司) was established.
2012	• In July 2012, Guangxi Beibu Gulf Equity Investment Fund Management Co., Ltd. (廣西北部灣股權投資基金管理有限公司) was established.
	• In September 2012, Beibu Gulf Financial Leasing was established.
2013	• In January 2013, Beibu Gulf Insurance was established.
	• In June 2013, Guangxi Asset Management was established.
	• The Issuer Group was awarded by the GZAR Government for its special contribution to the economic development of the GZAR.
2015	• In October 2015, Guangxi Internet Financial Services was established.
	• In December 2015, Guangxi Re-Guarantee was established.
2017	• In December 2017, Guangxi Venture Capital acquired a 35 per cent. equity interest in Lanhuoyi for total consideration of RMB500 million, as part of its business expansion into sale of e-commerce products.

Year	Milestone
2018	• In January 2018, the Issuer successfully completed its debut issuance of offshore bonds with the aggregate principal amount of U.S.$500 million and coupon rate of 5.75 per cent.
	• In March 2018, the Issuer Group, as the main coordinator, jointly established Guangxi State-owned Enterprises Emergency Mutual Fund Management Company (廣西國有企業應急互助資金管理公司) ("**SOE Mutual Fund**") with 12 state-owned enterprises in the GZAR with an initial registered capital of RMB3.5 billion. The SOE Mutual Fund was established to address debt risks and liquidity issues of state-owned enterprises in the GZAR. It aims to provide a source of emergency funds to the participating state-owned enterprises in order to enhance their capital turnover, reduce their financing costs and reduce their debt risks. In the same month, the GZAR Government transferred its 100 per cent. equity interest in Guangxi Salt Industry Group Co., Ltd. (廣西鹽業集團有限公司) to the Issuer for nil consideration.
	• In November 2018, the Issuer Group decided to exit from its investment in Lanhuoyi and subsequently in January 2019, Guangxi Venture Capital completed the transfer of its entire equity interest in Lanhuoyi to Xiangyi Microchain Technology Development Co., Ltd. (象翌微鏈科技發展有限公司) ("**Xiangyi Microchain**") for total consideration of RMB500 million paid by Xiangyi Microchain. According to the listing rules of the Shanghai Stock Exchange, such equity sale and transfer constituted a material asset reorganisation of the Issuer Group. Since then, the Issuer Group has ceased operation of its sale of e-commerce products business.
2019	• In December 2019, the GZAR Government transferred its 100 per cent. equity interest in Guangxi Water Conservancy and Electric Power Survey, Design and Research Institute Co., Ltd. (廣西壯族自治區水利電力勘測設計研究院有限責任公司) ("**Guangxi Water Conservancy and Electric Power Institute**") to the Issuer at nil consideration.
	• In December 2019, pursuant to the approval of the party committee of the GZAR and the GZAR Government, the Issuer became a direct and wholly-owned subsidiary of the Guarantor, with its entire equity interest directly held by GZAR SASAC transferred to the Guarantor. Since such equity transfer, GZAR SASAC remains an indirect shareholder of the Issuer. This strategic reorganisation in ownership was made pursuant to reform policies relating to the centralised supervision, optimisation and integration of state-owned assets in the GZAR. Under such strategic reorganisation scheme, the Department of Finance of the GZAR was designated to provide capital injections in the total amount of RMB1.50 billion to the Issuer within a two-year period, thereby increasing the Issuer's registered capital to RMB3 billion.
2020	• In February 2020, the Department of Finance of the GZAR allocated RMB0.8 billion of cash capital to the Issuer in accordance with the capital injection program under the strategic reorganisation scheme pertaining to the Issuer and the Guarantor, increasing the Issuer's paid-in capital to RMB2.10 billion after the recognition of such cash capital payment.

Year	Milestone
	• In March 2020, a special study conference in relation to the strategic reorganisation of the Issuer and the Guarantor was called by Qin Rupei, then vice chairman of the standing committee of the GZAR. Several matters were determined at the conference, such as financial and taxation policy support as well as asset injection plans to support and accelerate the process of such strategic reorganisation.
	• During the first quarter of 2020, the Issuer Group made a gratuitous transfer of its entire equity interest in Guangxi Re-Guarantee to the Department of Finance of the GZAR (which was subsequently transferred to Guangxi Financial Guarantee Group Co., Ltd. (廣西融資擔保集團有限公司)) as directed by the GZAR Government in furtherance of the strategic reorganisation of the GZAR's policy financing guarantee system. After the completion of such equity transfers, the Issuer Group retained control of the business operations of Guangxi Re-Guarantee on behalf of the sole shareholder.
	• In June 2020, the Guarantor transferred its 51 per cent. equity interest in Guangxi Investment Group Financial Holdings Co., Ltd. (廣西投資集團金融控股有限公司) to the Issuer at nil consideration.
	• In December 2020, the Issuer transferred 51 per cent. equity interest in Guangxi Salt Industry Group Co., Ltd. to the Guarantor.
2021	• In August 2021, the Guarantor agreed that the Issuer to transfer RMB1.5 billion of the capital reserve to paid-in capital. After the transfer, the Issuer's registered capital and paid-in capital amounted to RMB4.3 billion.
2022	• In March 2022, pursuant to the notice "State-owned Assets Supervision and Administration Commission of the Guangxi Zhuang Autonomous Region on Approving Guangxi Financial Investment Group Co., Ltd. to Increase Capital and Share by Non-Public Agreement" (Gui Guo Zi Fu [2022] No. 37) issued by GZAR SASAC, the Issuer increased its registered capital by RMB5.7 billion, among which RMB2.841 billion was paid by the Guarantor. After the increase, the Issuer's registered capital amounted to RMB10.0 billion.
	• In September 2022, the Issuer transferred its 100 per cent. equity interest in Guangxi Water Conservancy and Electric Power Institute to Water Resources Department of Guangxi Zhuang Autonomous Region (廣西壯族自治區水利廳) at nil consideration.
2023	• In March 2023, the Guarantor provided capital injection in the total amount of RMB2.0 billion to the Issuer and an additional capital injection, through the funding of the Department of Finance of the GZAR, in the total amount of RMB9.0 million to the Issuer. After the injections, the Issuer's registered capital and paid-in capital amounted to RMB12.9 billion.

HONOURS AND AWARDS

The Issuer Group has received various honours and awards in recognition of, among others, the Issuer Group's overall strengths and reputation in the industries in which it operates.

The table below sets forth the Issuer Group's major honours and awards in recent years:

Honour or Award	Year(s)	Awarding Body
Outstanding Fixed Income Product Issuer (優秀固定收益產品發行人)	2023	Shenzhen Stock Exchange
"Comprehensive Financial Service Development and Application Based on Government Data" selected into the "2022 Big Data Industry Development Pilot Demonstration Project List" ("基於政務資料的綜合金融服務開發與應用"《2022年大資料產業發展試點示範專案名單》)	2022	Ministry of Industry and Information Technology
Guangxi Advanced Unit Poverty Alleviation (全區脫貧攻堅總結表彰先進集體)	2021	Guangxi Poverty Alleviation Conference
Subsidiaries were selected into Nanning's local financial regulatory credit "red list"enterprise (子公司入選南寧市地方金融監理信用"紅名單"企業)	2020	Nanning Financial Affairs Office
Outstanding Fixed Income Product Issuer (優秀固定收益產品發行人)	2020	Shenzhen Stock Exchange
Ranked 23rd among Top 100 Enterprises of Guangxi and ninth among Top 50 Service Enterprises of Guangxi (廣西服務業企業50強)	2019	Guangxi Enterprises and Entrepreneurs Confederation
Top 100 Enterprises of Guangxi (廣西企業100強)	2013 to 2019	Guangxi Enterprises and Entrepreneurs Confederation
Top 500 Service Enterprises of China (中國服務業企業500強)	2014 to 2018	China Enterprise Confederation and China Entrepreneur Association
Contribution Award for Financial Institutions' Support to the Economic Development of Guangxi (金融支持廣西經濟發展特別貢獻獎)	2013	GZAR Government
Guangxi's Outstanding Enterprises (廣西優秀企業)	2012 to 2017	GZAR Industry and Information Committee and Guangxi Enterprises and Entrepreneurs Confederation
Top 10 Excellent Enterprises of Guangxi (廣西十佳企業)	2013 to 2015	Guangxi Enterprises and Entrepreneurs Confederation
Most Credible SME Credit Guarantee Institution in China (全國最具公信力中小企業信用擔保機構)	2012	The Joint Conference of the Persons in Charge of the National SME Credit Guarantee Institutions

RECENT DEVELOPMENTS

Unaudited Financial Results of the Issuer Group as at and for the Nine Months Ended 30 September 2023

The Issuer has prepared its consolidated financial statements as at and for the nine months ended 30 September 2023 (the "**Issuer September 2023 Financial Statements**"), and such Issuer September 2023 Financial Statements are not published and were not subject to an audit or review by an independent auditor and may be subject to further adjustments if subject to an audit or a review.

As at 30 September 2023, the Issuer Group's total assets slightly decreased as compared to the balance as at 31 December 2022, primarily due to decreases in cash and cash equivalent, non-current assets due within one year, loans and advances, debt investments and long-term receivables. Total liabilities of the Issuer Group as at 30 September 2023 also decreased as compared to the balance as at 31 December 2022, primarily due to decreases in notes payable, accounts payable, taxes and dues payable, non-current liabilities due within one year and bonds payable. For the nine months ended 30 September 2023, the Issuer Group's operating revenue and operating cost decreased, primarily due to reduced scale of operations of Jintong Microfinance and the change of revenue recognition method for Guangxi Investment Capital Management.

The Issuer September 2023 Financial Statements are not audited or reviewed by any independent auditor. Therefore, they do not provide the same quality of information as the information that has been subject to an audit or review. Potential investors should be cautious if they use or rely upon the information in the Issuer September 2023 Financial Statements. The Issuer September 2023 Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Issuer Group for the full financial year ending 31 December 2023. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, regarding the accuracy, completeness and sufficiency of the Issuer September 2023 Financial Statements. The Issuer September 2023 Financial Statements have not been included in, and do not constitute part of, this Offering Circular. See "*Risk Factors — Risks Relating to the Issuer's Audited Financial Statements, the Guarantor's Audited Financial Statements and this Offering Circular — Each of the Issuer and the Guarantor has published, and may continue to publish, periodical financial information in the PRC pursuant to applicable PRC regulations and the rules of relevant stock exchanges. Investors should be cautious and should not place any reliance on the financial information other than that disclosed in this Offering Circular*".

Additional Onshore Debt Securities Issuances since 31 December 2022

Since 31 December 2022, the Issuer Group has incurred bank borrowings and issued debt securities in the ordinary course of business to finance its operations. In particular, the Issuer and certain subsidiaries issued (i) a series of corporate bonds and debt financing plan in the aggregate principal amount of approximately RMB4.0 billion with a term of one year and annual rates ranging from 4.69 per cent. to 5.7 per cent., (ii) a series of medium-term corporate bonds in the aggregate principal amount of approximately RMB2.11 billion with a term of three years and annual rates ranging from 4.75 per cent. to 5.5 per cent., and (iii) a series of asset-backed securities in an aggregate principal amount of approximately RMB0.9 billion, with a term ranging from approximately four months to approximately four years and bearing a fixed annual rate ranging from nil to 6.00 per cent. For details, please see "*Capitalisation and Indebtedness of the Issuer Group*".

COMPETITIVE STRENGTHS

The Issuer Group believes that it has the following competitive strengths:

The largest state-owned integrated financial services provider in the GZAR benefiting from a strategic relationship with and strong support from the GZAR Government and the Guarantor Group

The Issuer is a leading state-owned conglomerate that focuses on the provision of comprehensive range of financial services in the GZAR. As at the date of this Offering Circular, the Issuer Group is the largest state-owned integrated financial services provider in the GZAR and thus benefits from support from the GZAR Government. See "*— Strong support from the PRC government and the GZAR Government*".

As a flagship integrated financial services platform of the Guarantor Group, the Issuer also benefits from the support from the Guarantor Group and the close tight relationship with the Guarantor Group. Since the strategic reorganisation from 2019, the support received by the Issuer primarily includes asset and capital injection. See "*History and Development*". In addition to the preferential financial support, the Guarantor closely provides synergies to the operation of the Issuer's business lines through inter-group collaboration. The Guarantor also participates in the management of the Issuer, including appointing directors and senior management of the Issuer, overseeing general planning of the Issuer and providing guarantee to Issuer's indebtedness.

Strategic importance to the finance industry in the GZAR

The Issuer Group acts as the strategic platform of the GZAR Government for promoting the development of the finance industry in the GZAR and serving the financing needs of enterprises and individuals in the

GZAR, with a particular focus on SMEs, microenterprises and agricultural enterprises. The Issuer Group's strategic importance to the finance industry in the GZAR can be illustrated by the following examples:

- according to the articles of association of the Issuer, the Issuer was established for, among other things, the purposes of investing in and managing local financial enterprises in the GZAR and developing the finance industry in the GZAR;

- the Issuer Group provides micro and small loans and credit guarantees for SMEs and microenterprises which financing needs were underserved by the banking industry in the PRC;

- the Issuer Group provides financing for the development of tourism, transport and urban construction in the GZAR;

- the Issuer Group establishes and invests in a number of county banks and rural credit cooperatives in the county and rural areas in the GZAR to extend and promote financial services to agricultural enterprises and farmers; and

- the Issuer Group promotes the development of the finance industry in the GZAR by the provision of ancillary financial services such as financial consulting and advisory and auction.

Strong support from the PRC government and the GZAR Government

In light of the Issuer Group's state-owned background and the strategic importance of the Issuer Group's businesses to the finance industry in the GZAR as well as the PRC government's favourable policies such as the China Western Development policy, the Issuer Group had, in the past, received strong support from the PRC government and the GZAR Government for its business operations, as illustrated by the following examples:

- *The SJGJ Arrangements:* The Issuer Group, through Guangxi Financing Guarantee, has signed strategic cooperation agreements (together, the "**SJGJ Arrangements**") with various local governments in the GZAR to support the credit guarantees business of the Issuer Group as well as to assist the SMEs and microenterprises in the GZAR to obtain financing. Under the SJGJ Arrangements, the relevant local government is responsible for injecting a certain amount of capital into a fund controlled by the Issuer Group (the "**SJGJ Fund**") and referring potential SME and microenterprise customers to the Issuer Group, while the Issuer Group can provide credit guarantees for such customers in an aggregate guaranteed amount up to ten times of the size of the SJGJ Fund. If a customer defaults on its loan and the lending bank elects to call upon the guarantee provided by the Issuer Group, the Issuer Group is allowed to satisfy part of its payment obligations under the guarantee by drawing down the SJGJ Fund. In addition, under the SJGJ Arrangements, the relevant local government will provide subsidies to the Issuer Group at the end of each year equal to an agreed percentage of the balance of outstanding credit guarantees provided by the Issuer Group to the SMEs and microenterprises in the relevant region in the GZAR.

  As at 31 December 2022, the Issuer Group had entered into SJGJ Arrangements with 11 cities, 91 counties and eight districts (including the economic development zone, the high-tech zone and the industrial park zone) within the GZAR with a total contract value of approximately RMB1.9 billion. As at the same date, the paid-up amount of the SJGJ Fund was approximately RMB1.3 billion.

- *Preferential Tax Treatments:* A number of the Issuer Group's members, such as Jintong Microfinance, Guangxi Financing Guarantee, Beibu Gulf Insurance and Guangxi Internet Financial Services, benefit from certain preferential tax treatments and other tax incentives provided by the GZAR Government. For example, Jintong Microfinance enjoys a preferential corporate tax rate of 15 per cent. and Guangxi Internet Financial Services enjoys a preferential corporate tax rate of nine per cent. Also, Guangxi Financing Guarantee enjoys value-added tax exemption for some parts of its revenue and a preferential corporate tax rate of 15 per cent.

- *Development Funds:* The Issuer Group cooperates with various city and county governments and the governing bodies of numerous economic development zones and industrial parks to develop and establish development funds to assist SMEs in undertaking infrastructure construction or other investment projects in the GZAR.

- *Establishment of Financial Institutions:* The GZAR Government has authorised the Issuer Group to lead the establishment of various financial institutions, such as Beibu Gulf Insurance, Beibu Gulf Financial Leasing, Guangxi Asset Management and Guangxi Guangtou Commercial Factoring.

- *The 4222 Arrangement:* In accordance with relevant opinions and regulations issued by the GZAR Government, the Issuer Group had signed strategic cooperation agreements (each a "**4222 Arrangement**") with Guangxi Financing Guarantee, Guangxi Re-Guarantee, National Financial Guarantee and commercial banks to alleviate the credit risks faced by the Issuer Group in respect of its credit guarantee customers. Under a 4222 Arrangement, if a customer of the Issuer Group defaults on its loan and the lending bank elects to call upon the guarantee provided by the Issuer Group, Guangxi Financing Guarantee, Guangxi Re-Guarantee, National Financial Guarantee and the relevant commercial banks would be responsible for the guarantee liability in the proportion of 40 per cent., 20 per cent., 20 per cent. and 20 per cent., respectively.

- *Establishment of Guangxi Industrial Emerging Industry Financing and Guarantee Fund:* The Issuer Group cooperated with the Industry and Information Committee of GZAR and established the Guangxi Industrial Emerging Industry Financing and Guarantee Fund (the "**Guarantee Fund**"). The Guarantee Fund has a planned size of RMB1 billion. The Guarantee Fund was established for the purposes of supporting industrial enterprises in emerging industries and alleviating the credit risks faced by the Issuer Group in respect of its credit guarantee customers.

In addition, the GZAR Government had, in the past, provided financial support to the Issuer Group in the form of grants and subsidies as well as capital injections. For the years ended 31 December 2020, 2021 and 2022, the Issuer Group received government grants and subsidies of approximately RMB422.7 million, RMB199.3 million and RMB200.5 million, respectively, and capital injection of approximately nil, RMB600.0 million and RMB2,000.0 million, respectively.

With continued strong financial and policy support from the PRC government and the GZAR Government, the Issuer Group believes that it is able to further expand its business operations to consolidate its leading position in the GZAR's finance industry.

The GZAR's strategic positioning and strong economic growth

The GZAR possesses distinct geographical advantages with direct access to sea, river and an international border. It is strategically located in Southern China, bordered by Yunnan Province to the west, Guizhou Province to the north, Hunan Province to the northeast, and Guangdong Province to the southeast. The GZAR is also bordered by Vietnam in the southwest and the Gulf of Tonkin in the south. Located at the convergence point of East China, Central China and Western China and at the conjunction part of South China Economic Circle, Southwest China Economic Circle and ASEAN (Association of Southeast Asian Nations) Economic Circle, the GZAR serves as a convenient gateway to the sea and an important passage linking Guangdong Province, Hong Kong and Macau with Western China.

Further, the Issuer Group benefits from certain policies and plans specific to the GZAR, particularly the establishment of an open financial gateway to the ASEAN region, the China (Guangxi) Free Trade Zone and the new land-sea trade corridor in Western China. With the growth of the China-ASEAN Free Trade Area, the GZAR is expected to play an increasingly important strategic role as a communication hub connecting Southwest China, South China, Central China and the ASEAN markets. In addition, the GZAR also benefits from the China Western Development policy, a national policy adopted for the development of the western regions of the PRC, which contributed to the development of the GZAR in recent years. According to the Guangxi Zhuang Autonomous Region Bureau of Statistics, GDP of the GZAR increased from approximately RMB2,123.7 billion in 2019 to approximately RMB2,630.1 billion in 2022. The GZAR's GDP demonstrated a rapid and persistent pace of growth since 2001 despite the turmoil created by recent global health crisis and international trade disputes.

The Issuer Group believes that its businesses have benefited, and will continue to benefit, from the development and growth of the GZAR and the strategic location of the GZAR.

Diversified business portfolio that shares the Issuer Group's extensive business network, broad client base and strong government relationships across all segments to achieve valuable synergies

As the largest state-owned integrated financial services provider in the GZAR, the Issuer Group has developed a diversified business portfolio that encompasses a broad spectrum of sub-industries and markets, such as property insurance, leasing, asset management, commercial factoring, credit guarantees, fund management and micro and small lending. The Issuer Group is committed to providing clients with varying financing solutions through the integrated design and development of multiple products, while simultaneously enhancing the value of its asset portfolios. The Issuer Group aims to develop itself into a "finance department store" in the GZAR. The synergies of the Issuer Group's operations are clearly illustrated by the effective sharing and leverage of its business and organisational networks, client resources and business development initiatives, government relationships, and cross-selling and cross-marketing opportunities across all of its business segments. The Issuer Group promotes brand awareness and provides tailored financing solutions to SMEs, microenterprises, agricultural enterprises and individuals in the region. In addition, the Issuer Group believes that its ability to cross-sell and cross-market a diversified range of products and services enhances its overall competitiveness and places the Issuer Group in a strong position to further enhance its market share in the industries in which it operates.

Diverse earnings base that generates stable income and returns

The Issuer Group's successful efforts in diversifying its businesses translated into risk resilience, which is critical to maintaining profitability, and the end result is a diverse earnings base that provides a steady stream of income and cash flows to the Issuer Group from its businesses. For the years ended 31 December 2020, 2021 and 2022, the Issuer Group reported total operating revenue of RMB10,654.3 million, RMB8,236.6 million and RMB7,208.2 million, respectively, and net profit of RMB940.5 million, RMB337.5 million and RMB565.1 million, respectively.

The major income contributors for the Issuer Group are property insurance and leasing businesses. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from the property insurance segment amounted to RMB3,611.7 million, RMB3,589.6 million and RMB3,599.9 million, respectively, representing approximately 33.9 per cent., 43.6 per cent. and 49.9 per cent. of the Issuer Group's total operating revenue for the same periods and operating revenue generated by the Issuer Group from the leasing segment amounted to RMB1,014.1 million, RMB1,050.9 million and RMB1,045.9 million, respectively, representing approximately 9.5 per cent., 12.8 per cent. and 14.5 per cent. of the Issuer Group's total operating revenue for the same periods. Further, the Issuer Group is engaged in other ancillary businesses, including consulting, fund management, supply chain services and micro and small lending.

Through mitigating business concentration risks, the Issuer Group becomes less susceptible to volatility in its overall earnings and financial position as a result of changes in market or industry conditions within any one sector. Diversity in its business portfolio and earnings base is therefore a key component of its success and, going forward, will continue to be a primary priority of its expansion strategies.

Effective risk management system

The Issuer Group adopts an effective credit evaluation and risk management system which was developed based on its extensive experience in serving the financial needs of SMEs, microenterprises, agricultural enterprises and individuals in the GZAR. Through the use of such credit evaluation and risk management system, the Issuer Group is able to better carry out its operations based on specific key criteria including, among other things, customers' credit and business models, results of operations and cash flows, availability and quality of collateral assets and availability of personal guarantees. In addition, the Issuer Group has established a risk management system with separate processes for sales, credit evaluation and credit approval, with clear outlined risk management responsibilities in respect of different departments. The combination of such systems together with the Issuer Group's ability to maintain a loan and guarantee portfolio with manageable transaction sizes and a relatively short maturity period (primarily ranging from one to three years), its credit risks had been notably minimised.

Comprehensive and strong corporate governance

The Issuer Group has developed a strong corporate governance structure with comprehensive procedures and processes to address various potential operational, financial and legal risks in relation to its operations. For example:

- *Decision-making mechanism for major matters*: The Issuer Group has established the "Implementation Measures of the "Three Major Ones" Decision-making System" which set out provisions relating to, among other things, the determination of major decisions, the appointment and removal of key personnel, and the arrangements for major projects and large-amount capital operations.

- *Accounting management system*: The Issuer Group has developed the Accounting Measures, which clarifies, among other things, basic requirements for accounting vouchers and accounting books, preparation and submission requirements for accounting topics and financial reports, as well as accounting methods for all account details.

- *Financing management system*: The Issuer Group has established the Financing Management Measures to ensure that any financing undertaken is aligned with its medium and long-term strategic development plan, and also maximises economic and social benefits.

The Issuer Group believes that its dedication to good corporate governance will ensure efficient operational management and allow it to promptly identify, deal with and mitigate risks associated with its operations.

Sound financing capability and close relationships with commercial banks in the PRC

The Issuer Group has access to domestic equity and debt financing channels, thereby enhancing its ability to secure favourable financing terms and strengthening its funding efficiency. As such, the Issuer Group believes that it has a robust liquidity position with diversified funding sources. As at 31 December 2022, the Issuer Group had cash and bank deposits of approximately RMB4,255.2 million as compared to long-term borrowings and short-term borrowings of approximately RMB18,627.4 million in aggregate. The Issuer Group actively manages its cash flow and capital commitments to ensure that it has sufficient funds to meet existing and future cash flow requirements.

In addition to cash generated from its operations, the Issuer Group has maintained long-term relationships with over 30 financial institutions, such as China Construction Bank, Huaxia Bank, Guilin Bank, Postal Savings Bank, Shanghai Pudong Development Bank, Liuzhou Bank, Industrial and Commercial Bank of China, Beibu Gulf Bank, Agricultural Bank of China, Guangxi Rural Credit Cooperatives and Guangzhou Rural Commercial Bank, with a total approved credit line of approximately RMB50.7 billion and unused credit line of approximately RMB12.3 billion as at 31 December 2022. Furthermore, the Issuer Group's effective cooperation with commercial banks is of paramount importance to its credit guarantees business as referrals from these cooperating banks is a vital source of repeat customers and recurring income.

Experienced and motivated management team

The Issuer Group has an experienced management team with extensive knowledge of the finance sector, including multiple industries such as banking, securities and insurance. A number of the Issuer Group's senior management members have previously served as senior officials with the GZAR Government or major commercial banks. Therefore, they are familiar with applicable governmental policies, regulations and procedures and possess significant industry experience and expertise. The Issuer Group believes that its management team's in-depth know-how and technical proficiency enable the Issuer Group to compete effectively and increase its market share in the finance industry. The Issuer Group follows a performance-based compensation system to motivate management and align compensation with performance.

The Issuer Group's management team is also supported by a strong team of skilled industry professionals. The Issuer Group believes in the benefits of continuously upgrading the skills and knowledge of its management team and employees and provides them with regular opportunities to attend both in-house and external management and professional training.

BUSINESS STRATEGIES

The Issuer Group's goal is to promote the development of the GZAR's finance industry and serve the financing needs of enterprises and individuals in the GZAR, with a particular focus on SMEs, microenterprises and agricultural enterprises. The Issuer Group intends to adopt the following key strategies to achieve such goals:

Continue to fulfil its role as an integrated financial services provider in the GZAR

The Issuer Group intends to continue to fulfil its role as an integrated financial services provider and aims to develop itself into a "finance department store" in the GZAR. With its diversified business portfolio, the Issuer Group is committed to providing its clients with a variety of financing solutions through the integrated design and development of multiple products and continue to serve the financing needs of enterprises and individuals in the GZAR. In particular, it intends to support SMEs and microenterprises in the GZAR to become listed on the domestic stock exchanges. The Issuer Group plans to continue to increase investment in its existing businesses and utilise its extensive industry experience and strong track record to invest in promising new businesses in the GZAR, in particular those that will prove synergistic with the Issuer Group's existing businesses and strengthen its market position as an integrated financial services provider in the GZAR. It will continue to invest in areas that are in line with the Issuer Group's business strategies to maintain and improve its profitability.

Under the 14th Five-Year-Plan (2021-2025), the Issuer Group's foremost priority will be its overall development, particularly the implementation of innovative development concepts bringing about critical new progress. With a core vision based on "risk control paramount, efficiencies prioritised", the Issuer Group aspires to become a "domestic first-class financial services provider with regional characteristics and licence advantages" and also help facilitate and drive the continuous betterment of its subsidiaries' operational indicators. With the leverage provided by the combination of its state-owned background, market share and industry standing in the GZAR, the Issuer Group believes that it is well-positioned to become such a "finance department store" for the region.

Continue to leverage the strategic relationship with, and the strong support from, the GZAR Government to consolidate and extend the Issuer Group's leading position in the finance industry

The Issuer Group has acted, and strives to continue to act, as the strategic platform of the GZAR Government to promote the development of the GZAR's finance industry and serve the financing needs of enterprises and individuals in the GZAR through maintaining its close relationship with the GZAR Government. The Issuer Group believes that its strategic relationship with, and the strong support from, the GZAR Government will continue to give the Issuer Group a competitive edge and enable it to identify opportunities to consolidate its leading position in the finance industry in the GZAR. For example, the Issuer participated in the establishment of a number of rural banks in the GZAR, including Guangxi Tengxian Guiyin Rural Bank Co., Ltd. (廣西藤縣桂銀村鎮銀行股份有限公司), Guilin Guomin Rural Bank Co., Ltd. (桂林國民村鎮銀行有限責任公司), Nanning Jiangnan Guomin Rural Bank Co., Ltd. (南寧江南國民村鎮銀行有限責任公司), Guangxi Rongxian Guiyin Rural Bank Co., Ltd. (廣西容縣桂銀村鎮銀行股份有限公司), Binyang Beibu Gulf Rural Bank Co., Ltd. (賓陽北部灣村鎮銀行股份有限公司), Guangxi Guiping Guiyin Rural Bank Co., Ltd. (廣西桂平桂銀村鎮銀行股份有限公司), Guangxi Pingnan Guiyin Rural Bank Co., Ltd. (廣西平南桂銀村鎮銀行股份有限公司), Hezhou Babu Dongying Rural Bank Co., Ltd. (賀州八步東盈村鎮銀行股份有限公司) and Fangcheng Guomin Rural Bank Co., Ltd. (防城國民村鎮銀行有限責任公司). In addition, the Issuer invested in various rural credit cooperatives, such as Nanning Rural Credit Cooperatives (南寧市區農村信用合作聯社), Liuzhou Rural Credit Cooperatives (柳州市區農村信用合作聯社), Gongcheng Guangxi Rural Commercial Bank (廣西恭城農村商業銀行) and Beibu Gulf Bank Co., Ltd. (北部灣銀行股份有限公司). These rural banks and rural credit cooperatives generally focus their operations on the GZAR's developing regions and areas at the county and township levels and possess certain competitive strengths such as local expertise and knowledge and deep-rooted relationships with the local population. Consequently, the Issuer Group believes that its investments in such rural banks and rural credit cooperatives have and will continue to enable the Issuer Group to develop and grow its market shares, which in turn enhances its overall competitiveness.

Introduce and expand capital-efficient products and services

The Issuer Group believes that SMEs and microenterprises in the PRC have been underserved not only in terms of limited financing support from traditional financial institutions, but also availability of products and services that are tailored to their needs. This presents the Issuer Group with ample opportunities as the PRC's financial market and regulatory environment continue to mature and open up. Leveraging its extensive experience, the Issuer Group has been able to provide wide-ranging financing solutions for enterprises based primarily on the key consideration of customer creditworthiness. This differentiates the Issuer Group's business from many traditional commercial banks in the PRC. The Issuer Group believes that its credit-based financing solutions can bridge the "credit gap" between SMEs and microenterprises seeking funding sources on the one hand and traditional commercial banks on the other hand. For instance, as at 31 December 2022, Guangxi Financing Guarantee has assisted approximately 26,000 SMEs and microenterprises to obtain financing guarantees of over RMB291.4 billion.

The Issuer Group also believes that as it continues to enhance its brand name as a trustworthy and reliable credit partner for financial institutions, SMEs, microenterprises, agricultural enterprises and individuals in the GZAR, the Issuer Group will be able to capitalise further on the intrinsic credit value associated with its brand to further develop and offer a greater variety of credit-based financial solutions for target customer groups. In this regard, the Issuer Group intends to expand its offering of capital-efficient products and services, such as non-financing guarantees and commercial contract bonds which typically require significantly less capital to operate as compared to the Issuer Group's other existing products and services. The Issuer Group believes this will reduce its reliance on capital resources and improve its return on equity.

Diversify financing sources and explore new channels to lower funding costs

In light of the recent slowdown in the PRC economy, the Issuer Group has been actively seeking financing alternatives to satisfy requirements for low-cost funds. Historically, the Issuer Group funded its business operations and working capital with a combination of bank loans, short- to medium-term note issuances in the PRC domestic market, asset securitisation and specialist funds that it established. The Issuer Group

intends to explore and employ new financing channels, such as tapping the international capital markets through issuance of equity and debt instruments as well as different types of debt securities, including perpetual corporate bonds and convertible bonds. It will also maintain and strive for closer cooperation with financial institutions to secure funding on more favourable terms and at lower interest rates.

Continue to strengthen financial management, risk management, internal controls and information technology capabilities

The Issuer Group believes that a disciplined financial management approach with effective and robust risk management and internal controls is essential to long-term and sustainable business development and growth. The Issuer Group strives to further strengthen its financial management, risk management, internal control and regulatory compliance by implementing the following:

- strengthening the Issuer Group's financial management through exercise of financial prudence and stringent due diligence as well as careful management of key financial metrics such as capital expenditures and cash flow;

- developing a customised and multi-phased risk management system to capture more comprehensive coverage of the Issuer Group's business processes and achieve more specific business delineation;

- enhancing the Issuer Group's risk management tools through the incorporation of additional quantifiable metrics, such as VaR (value at risk), to perform risk analysis and determine the risk exposure in the Issuer Group's asset portfolio; and

- developing a real-time risk monitoring and alert system.

The Issuer Group also recognises the importance of a well-integrated information technology system to construct a standardised, centralised and secured service platform that can support the Issuer Group's expansion. As such, it will continue to devote more resources to the continuous upgrading of its information technology system and to achieve seamless integration with the Issuer Group's business operations. The Issuer Group believes that an integrated information technology system will further enhance its ability to monitor its loan portfolio and credit exposure on a real-time and group-wide basis, thereby improve its risk management and credit evaluation capabilities and reduce its transaction costs through more expedient data collection and analysis.

Develop and enhance synergies across business segments and create a self-sustaining model to consolidate revenue streams from a diverse set of related businesses

The Issuer Group strives to better align its existing business segments to create greater synergies and to build a more holistic platform from which to provide better client services. In particular, the Issuer Group intends to enhance the scale of its product offerings, one example of which will be to coordinate and line up its provision of micro and small loans with its credit guarantees business. In addition, the Issuer Group's various business segments could engage in client cross-referrals. The Issuer Group believes that by increasing effective synergies among its business segments, it can enhance its overall suite of products and services offered to customers and be better equipped to pursue further expansion and growth, as well as consolidate revenue streams for a stronger financial position.

BUSINESS SEGMENTS

The Issuer Group is primarily engaged in the following business segments: (a) property insurance, (b) leasing, (c) asset management, (d) commercial factoring (e) credit guarantees, and (f) other businesses, which primarily include consulting, fund management, supply chain services and micro and small lending.

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

	For the year ended 31 December					
	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
	(RMB in millions, except for percentages)					
Property insurance	3,611.7	33.9	3,589.6	43.6	3,599.9	49.9
Leasing	1,014.1	9.5	1,050.9	12.8	1,045.9	14.5
Asset management	590.3	5.5	587.4	7.1	564.0	7.8
Commercial factoring[(1)]	–	–	13.1	0.2	52.7	0.7
Credit guarantees	829.3	7.8	799.6	9.7	703.8	9.8
Others businesses[(2)]	4,608.9	43.3	2,195.9	26.7	1,241.8	17.2
Total	**10,654.3**	**100.0**	**8,236.6**	**100.0**	**7,208.2**	**100.0**

Notes:

(1) The Issuer Group commenced its commercial factoring business since 2021. See "*Description of the Issuer Group — Commercial Factoring*" for more information.

(2) "Others businesses" segment primarily comprises the Issuer Group's operations in consulting, fund management, supply chain services and micro and small lending.

The following table sets forth a breakdown of the Issuer Group's gross profit by business segment for the periods indicated:

	For the year ended 31 December					
	2020		2021		2022	
	Gross profit	Gross margin (%)[(1)]	Gross profit	Gross margin (%)[(1)]	Gross profit	Gross margin (%)[(1)]
	(RMB in millions, except for percentages)					
Property insurance	595.5	16.5	382.3	10.6	481.6	13.4
Leasing	488.0	48.1	443.7	42.2	459.9	44.0
Asset management	139.8	23.7	135.3	23.0	105.4	18.7
Commercial factoring[(2)]	–	–	11.8	89.6	39.1	74.3
Credit guarantees	270.5	32.6	398.7	49.9	383.7	54.5
Others businesses[(3)]	(733.5)	(15.9)	(2,209.1)	(100.6)	(2,044.1)	(164.6)
Total	**760.3**	**7.1**	**(837.2)**	**(10.2)**	**(574.4)**	**(8.0)**

Notes:

(1) Gross margin is calculated by dividing gross profit by operating revenue.

(2) The Issuer Group commenced its commercial factoring business since 2021. See "*Description of the Issuer Group — Commercial Factoring*" for more information.

(3) "Others businesses" segment primarily comprises the Issuer Group's operations in consulting, fund management, supply chain services and micro and small lending.

Property Insurance

Overview

The Issuer Group conducts its property insurance business primarily through Beibu Gulf Insurance. As at the date of this Offering Circular, the Issuer holds a 20.0 per cent. equity interest in Beibu Gulf Insurance

with the other principal shareholders of Beibu Gulf Insurance being, among others, Guangdong Hongfa Investment Group Co., Ltd., Guangxi Changjiang Tiancheng Investment Group Co., Ltd., Guangxi Traffic Investment Group Co., Ltd. and Guangxi Beibu Gulf International Port Group Co., Ltd. According to the articles of association of Beibu Gulf Insurance, the Issuer is responsible for the business operations and has control of Beibu Gulf Insurance.

Established in January 2013, Beibu Gulf Insurance was the first insurance company headquartered in the GZAR. Beibu Gulf Insurance has experienced rapid growth since its establishment. Based on the premium data published by CIRC, Beibu Gulf Insurance ranked fourth among 23 property insurance companies in the GZAR and 33rd among 88 property insurance companies nationwide as at 31 December 2022, in terms of gross premiums written.

For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB3,611.7 million, RMB3,589.6 million and RMB3,599.9 million, respectively, representing approximately 33.9 per cent., 43.6 per cent. and 49.9 per cent. of the Issuer Group's total operating revenue for the same periods.

Insurance Products

Beibu Gulf Insurance offers a broad range of property insurance products including, among others, motor insurance, non-motor insurance and agriculture insurance. For the years ended 31 December 2020, 2021 and 2022, Beibu Gulf Insurance had gross premiums written of approximately RMB3,608.1 million, RMB3,587.3 million and RMB3,599.9 million, respectively.

The following table sets forth a breakdown of gross premiums written by Beibu Gulf Insurance by product type for the periods indicated:

	For the year ended 31 December					
	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
	(RMB in millions, except for percentages)					
Motor insurance	1,856.4	51.5	1,875.8	52.3	1,462.0	40.6
Non-motor insurance	1,022.8	28.3	796.0	22.2	927.5	25.8
Agriculture insurance	728.9	20.2	915.5	25.5	1,210.4	33.6
Total	**3,608.1**	**100.00**	**3,587.3**	**100.00**	**3,599.9**	**100.00**

Reinsurance

In addition, Beibu Gulf Insurance also engages in the reinsurance business with onshore and offshore insurance companies. Through formulating reasonable reinsurance policies, Beibu Gulf Insurance is able to diversify and mitigate operational risks associated with its underwriting activities.

Investments

Beibu Gulf Insurance also derives income from its own investments. Beibu Gulf Insurance's investment policy is inherently conservative because its investment objectives are dictated to a significant extent by PRC regulations. Beibu Gulf Insurance's primary investment objectives are to achieve stable mid- to long-term returns on investments to support its insurance liabilities, while at the same time minimising investment risks by matching the maturities of assets and the duration of liabilities. Beibu Gulf Insurance principally invests in currency funds, public funds, insurance asset management portfolio products, agreement deposits, publicly issued bonds, pooled trust plans and insurance asset management debt plans. For the year ended 31 December 2022, Beibu Gulf Insurance's investment profit and return on investment was approximately RMB177.6 million and 4.3 per cent., respectively.

Distribution and Marketing

As at 31 December 2022, with 133 branches in the GZAR in total, the distribution network for Beibu Gulf Insurance's property insurance products covered the vast majority of the GZAR. Through the development of its business, Beibu Gulf Insurance has a distribution network reaches other provinces as well, including Guangdong Province, Guizhou Province and Sichuan Province.

Risk Management

Beibu Gulf Insurance has devoted substantial resources to enhancing its risk management and seeks to further strengthen its capabilities by establishing a comprehensive and integrated risk management framework that is designed to identify, assess and control risks in its operations, support its business decisions and help ensure prudent management.

Insurance Risk Management

The principal risk that Beibu Gulf Insurance faces under its insurance contracts is that the actual claims and benefit payments can exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits may be greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques. Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. Beibu Gulf Insurance has developed an insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. It uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analyses and scenario analyses.

Financial Risk Management

Transactions in financial instruments and insurance assets/liabilities may result in Beibu Gulf Insurance assuming financial risks:

- *Market risk:* Beibu Gulf Insurance manages this risk by investing in a diverse portfolio of high quality and liquid securities.

- *Credit risk:* Beibu Gulf Insurance has established a detailed credit control policy to reduce this risk.

- *Liquidity risk:* Beibu Gulf Insurance manages this risk by formulating policies and general strategies of liquidity management to ensure that it can meet its financial obligations in normal circumstances and that an adequate stock of high-quality liquid assets is maintained in order to contain the possibility of a liquidity crisis.

Solvency Risk Management

Beibu Gulf Insurance manages its capital to ensure that it will be able to meet statutory solvency requirements and that it will be able to pay back maturing debts and future obligations. Beibu Gulf Insurance's capital management initiatives also strive to maintain a surplus for future business expansion opportunities.

Reserve Adequacy Risk Management

Beibu Gulf Insurance exercises great care and effort in setting up the reserves for its business and regularly reviews the adequacy of its reserves.

Leasing

Overview

The Issuer Group conducts its financial leasing business primarily through Beibu Gulf Financial Leasing and conducts financing leasing primarily through Guangxi Financial Leasing and Guangxi Tongsheng Financial Leasing. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB1,014.1 million, RMB1,050.9 million and RMB1,045.9 million, respectively, representing approximately 9.5 per cent., 12.8 per cent. and 14.5 per cent. of the Issuer Group's total operating revenue for the same periods.

Financial Leasing

Established in September 2012, Beibu Gulf Financial Leasing was the first financial leasing company established by the Issuer Group in the GZAR. As at the date of this Offering Circular, 49 per cent. and 51 per cent. of the equity interests of Beibu Gulf Financial Leasing are held by the Issuer and Guangxi Liugong Group Co., Ltd. (廣西柳工集團有限公司), respectively. According to the investment agreement between the Issuer and Guangxi Liugong Group Co., Ltd., the Issuer has over 50 per cent. of the voting power of the board of directors of Beibu Gulf Financial Leasing.

As at 31 December 2020, 2021 and 2022, Beibu Gulf Financial Leasing's balance of outstanding financial lease receivables amounted to approximately RMB4,087.6 million, RMB3,817.6 million and RMB3,326.8 million, respectively. As at the same dates, its impaired financial lease receivables amounted to RMB24.0 million, RMB30.0 million and RMB42.0 million, respectively, with an impaired financial lease receivable ratio of approximately 0.6 per cent., 0.8 per cent. and 1.3 per cent.

Maturity Profile

The following table sets forth the maturity profile of Beibu Gulf Financial Leasing's balance of outstanding financial lease receivables as at 31 December 2022:

Type of risk	Amount	Percentage of Total
	(RMB in millions)	(%)
Due in not more than (and including) one year	277.6	8.3
Due in over one year up to (and including) two years	848.1	25.5
Due in over two years up to (and including) three years	1,683.0	50.6
Due in over three years up to (and including) five years	518.2	15.6
Due in over five years	0.0	0.0
Total	**3,326.8**	**100.00**

Financing

Beibu Gulf Financial Leasing relies on bank borrowings as its main source of funding and the term of its bank borrowings ranges from one to three years. As at 31 December 2022, Beibu Gulf Financial Leasing had obtained loan facilities from a number of financial institutions in the PRC with a total credit line of RMB2,560.0 million.

Interest Rate

Beibu Gulf Financial Leasing's lease contracts are generally priced at a floating interest rate, which floats at a pre-set margin above a base interest rate, thereby allowing it to transfer the impact of interest rate fluctuations to customers to a significant extent. The base interest rate references the PBOC benchmark

interest rates, and the pre-set margin is a commercial term in the lease contract which Beibu Gulf Financial Leasing negotiates on a case-by-case basis with each individual customer based on its industry. Based on this floating interest rate mechanism, the interest rates it charges customers for most of its lease contracts are readjusted periodically at every payment date, depending on market conditions. As a significant portion of all of Beibu Gulf Financial Leasing's lease contracts has monthly payment dates, the interest rates Beibu Gulf Financial Leasing charges customers can be adjusted at each subsequent month should the PBOC benchmark interest rates fluctuate. The remaining lease contracts have quarterly or semi-annual payment dates. Therefore, the interest rates that are charged on Beibu Gulf Financial Leasing's lease contracts vary depending on its commercial arrangements with the individual customers based on, among other factors, the particular industry and the market conditions, and Beibu Gulf Financial Leasing does not set a defined range for interest rates charged to its leasing customers.

There are no regulatory restrictions relating to the maximum or minimum interest rates charged by Beibu Gulf Financial Leasing to customers under relevant PRC laws and regulations. Beibu Gulf Financial Leasing understands that its practice of adjusting the interest rates which it charges customers with reference to the PBOC benchmark interest rates is in compliance with the relevant PRC laws and regulations.

Customers

The following table sets forth a breakdown of Beibu Gulf Financial Leasing's balance of outstanding financial lease receivables by industry type as at 31 December 2022:

Industry	**Percentage of total**
Leasing and business services	27.8
Water conservancy, environment and public facilities management	18.5
Manufacturing	28.8
Others	24.9
Total	**100.00**

In line with the industries and projects identified in the Guidance on Promoting the Development of the Financial Leasing Industry (《關於加快融資租賃業發展的指導意見》) issued by the State Council on 31 August 2015, Beibu Gulf Financial Leasing aims to primarily focus on offering financial leasing services to state-owned enterprises and enterprises in water supply and production, cultural tourism, electricity, heat and gas supply and production, clean energy and environmental protection, infrastructure construction, healthcare, transportation and transportation warehousing, high-end equipment and other industries. Other additional focuses include, among others, advanced manufacturing, sustainability and environmental protection, strategic emerging industries and special industries in the GZAR.

Risk Management

Beibu Gulf Financial Leasing has established a comprehensive corporate governance structure with shareholder approval at the top, followed by the board of directors with oversight by the board of supervisors and then the senior management. The board of directors and its risk management committee are responsible for determining the overall risk tolerance and risk management objectives, and approving major matters related to risk management in general. The senior management establishes the risk identification system and measurement standards.

Financing Leasing

The Issuer Group also conducts financing leasing primarily through Guangxi Financial Leasing and Guangxi Tongsheng Financial Leasing. Established in 2015, Guangxi Financial Leasing has provided financing leasing services both externally to the markets, including state-owned enterprises, listed

companies and private enterprises, and internally to members of the Guarantor Group. The business types comprise financial leasing business, leasing business and businesses related to leasing, including purchase of leased property, residual value processing and maintenance, leasing transaction consultation, acceptance of lease deposits, transfer of financial leases or leased assets, etc. The business model of Guangxi Financial Leasing is mainly based on sale and leaseback.

Established in 2013, Guangxi Tongsheng Financial Leasing mainly focuses on automobile financing leasing. It carries out financing leasing business covering new passenger cars, new commercial vehicles, and second-hand cars, as well as upstream and downstream industrial chain financing business with automobile manufacturers. Guangxi Tongsheng Financial Leasing mainly obtains funds through leasing business repayments, external borrowings and shareholder borrowings.

Asset Management

Overview

The Issuer Group conducts its asset management business primarily through its subsidiary, Guangxi Asset Management. Established in June 2013, Guangxi Asset Management primarily engages in non-performing asset management pertaining to financial institutions and non-financial enterprises. Actively cooperating with institutions and enterprises in the GZAR, Guangxi Asset Management had assisted entities from a wide range of industries including real estate, construction, retail and wholesale, primarily through means, such as debt restructuring, litigation recovery, asset repossession and assignment of debt.

For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to RMB590.3 million, RMB587.4 million and RMB564.0 million, respectively, representing approximately 5.5 per cent., 7.1 per cent. and 7.8 per cent. of the Issuer Group's total operating revenue for the same periods.

Types of Assets

Guangxi Asset Management classifies distressed assets into two categories by source of acquisition: (i) financial institution distressed assets and (ii) non-financial institution enterprise distressed assets.

Financial Institution Distressed Assets: The financial institution distressed assets that Guangxi Asset Management acquires primarily include distressed assets from commercial banks, which mostly are mortgages located in major cities in the GZAR.

Non-financial Institution Enterprise Distressed Assets: Guangxi Asset Management also acquires and disposes distressed assets from non-financial institution enterprises, including corporations, social groups and other non-financial institution organisations. The non-financial institution enterprise distressed assets acquired primarily include debts assets, overdue receivables and receivables expected to be overdue.

Business Model

Guangxi Asset Management conducts its distressed asset management business mainly through self-disposal model and entrusted disposal model. The entire business process generally involves several stages, including pre-survey analysis, valuation and pricing, disposal program development, disposal program review, disposal program implementation and post-disposal evaluation and management.

Financial Institution Distressed Assets

Self-disposal Model: Under the self-disposal model, Guangxi Asset Management evaluates the risks and acquires packages of distressed debt assets from financial institutions through public bidding and

disposes assets itself through approaches such as negotiation, litigation, enforcement, liquidation and asset restructuring. Guangxi Asset Management acquires distressed debt assets at a discount to their original value and subsequently disposes of the acquired assets to realise profit.

Entrusted Disposal Model: Under the entrusted disposal model, Guangxi Asset Management acquires packages of distressed debt assets from financial institutions through negotiated transfers. Guangxi Asset Management either acquires the distressed debt assets itself and entrusts third parties to manage and dispose assets, or enters into agreements with third parties and jointly acquires the distressed debt assets and manages and disposes the assets together with relevant parties. Under the lateral arrangement, the division of responsibilities and risks among parties and income to be earned by each party will generally be pre-determined in the agreement.

Non-financial Institution Distressed Assets

For non-financial institution distressed assets, Guangxi Asset Management engages with both state-owned enterprises and private enterprises that have controllable risks. Guangxi Asset Management focuses on the legal compliance of non-performing assets and conducts diligent review of various components relating to such assets, such as the overdue period and underlying reasons as well as relevant debt restructuring and acquisition plans.

Based on the characteristics of the distressed debt assets, the repayment abilities of the debtors, the conditions of the collateral securing the distressed debts assets and the levels of risks involved, Guangxi Asset Management realises value preservation and appreciation of these assets through flexible disposal or restructuring and obtaining cash proceeds or assets with operational value.

Commercial Factoring

Overview

The Issuer Group conducts its commercial factoring business primarily through Guangxi Guangtou Commercial Factoring. Established in January 2021 with the approval of the GZAR Government, Guangxi Guangtou Commercial Factoring is the first commercial factoring company approved by the financial supervision and administration bureau of the GZAR Government. Guangxi Guangtou Commercial Factoring actively implements policies to facilitate the development of supply chain finance in the GZAR and focuses on key industries for the high-quality development of the local economy.

For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this segment amounted to nil, RMB13.1 million and RMB52.7 million, respectively, representing approximately nil per cent., 0.2 per cent. and 0.7 per cent. of the Issuer Group's total operating revenue for the same periods.

Business Model

Guangxi Guangtou Commercial Factoring generates revenue from factoring fees and service fees.

Factoring Fee: Guangxi Guangtou Commercial Factoring collects factoring fees by distributing factoring financing funds to factoring business applicants. Factoring fees are generally charged on a quarterly basis according to the interest rate agreed in the factoring contracts. The last period of interest will be settled with the principal amount under the commercial factoring arrangement. The factoring fee rate generally ranges from five per cent. to seven per cent. per annum.

Service Fee: Service fee comprises of professional analysis services on the asset information provided by the factoring business applicant. In addition, service fee also includes general transaction incurred fees, such as calculation and sorting as well as invoices and other account receivable vouchers. Guangxi Guangtou Commercial Factoring usually collects service fees starting from the day when the factoring financing is issued. The factoring service fee ranges from one and a half per cent. to three per cent. of the principal amount of the factoring financings.

Customers

The following table sets forth a breakdown of Guangxi Guangtou Commercial Factoring's distribution of commercial factoring assets by industry type as at 31 December 2022:

Industry	Outstanding amounts	Percentage of total
	(RMB in millions)	(%)
Transportation, warehousing and postal services	32.6	4.1
Accommodation and catering	3.2	0.4
Manufacturing	127.0	15.8
Residential services, repairs and other services	37.8	4.7
Construction	142.8	17.8
Real estate industry	10.0	1.3
Wholesale and retail	266.8	33.2
Water conservancy, environment and public facilities management	6.9	0.9
Electricity, heat, gas and water production and supply	0.0	0.0
Leasing and business services	78.5	9.8
Financial services	97.0	12.1
Total	**802.6**	**100.0**

Credit Guarantees

Overview

The Issuer Group conducts its credit guarantees business primarily through Guangxi Financing Guarantee. Established in November 2002 with the approval of the GZAR Government, the entire equity interest of Guangxi Financing Guarantee was transferred to the Issuer in 2009. Guangxi Financing Guarantee mainly engages in the provision of credit guarantees to customers for their bank loans. Guangxi Financing Guarantee is the largest guarantee provider in terms of registered capital in the GZAR and has a registered capital of RMB4,500.0 million as at the date of this Offering Circular.

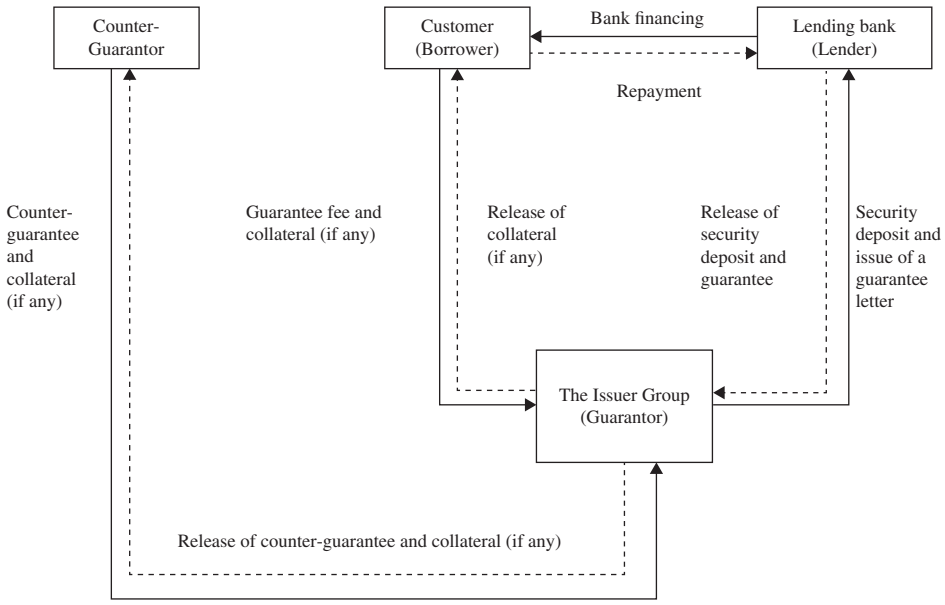
The Issuer Group generates guarantee fees from the guarantee services it offers to customers, and such fees are generally payable upon the execution of a guarantee contract. The amount of guarantee fees charged for each transaction depends on a number of factors, such as the type of guarantee, the creditworthiness of the customer, the industry in which the customer operates in, prevailing market conditions, the quality of the counter-guarantee, the type and quality of the collateral, and the amount and term of the financing. For the years ended 31 December 2020, 2021 and 2022, operating revenue generated by the Issuer Group from this business segment amounted to RMB829.3 million, RMB799.6 million and RMB703.8 million, respectively, representing approximately 7.8 per cent., 9.7 per cent. and 9.8 per cent. of the Issuer Group's total operating revenue for the same periods.

Financing Guarantees

To assist SMEs, microenterprises and agricultural enterprises which are not able to obtain financing independently from traditional commercial banks, the Issuer Group provides guarantees to lenders in respect of the underlying debt of such customers which it will repay in the event of a default by said customers. A financing guarantee refers to a guarantee which the Issuer Group provides to banks for the customer to obtain bank financing, mainly bank loan facilities. The amount of the financing guarantee provided by the Issuer Group primarily depends on its risk assessment of the relevant customer and its own return requirements. Most of the bank loans which the Issuer Group guarantees have a term ranging from one to three years.

Work Flow

The work flow process of a typical financing guarantee transaction is summarised below:



The Issuer Group has in place stringent procedures for reviewing, processing and approving a guarantee application, which involve application acceptance based on initial assessment of the applicant and its credentials, due diligence conducted to evaluate applicant's creditworthiness, risk management review, assessment and approval, determination of commercial terms and continuing portfolio management.

Under a financing guarantee, the Issuer Group will be released from its obligations as a guarantor after the customer has fully repaid the principal, interest and other fees on the underlying loan. However, if the customer defaults on the loan and the lending bank elects to call upon the guarantee provided by the Issuer Group, the Issuer Group is obliged to repay the outstanding amount due under the loan on the defaulting customer's behalf and become subrogated to the lender's claims against the customer.

As part of its credit risk management, the Issuer Group typically requires each customer for which it provides a financing guarantee to provide one or more personal guarantors to act as "counter-guarantors," such that the counter-guarantors will be jointly and severally liable for the repayment of the underlying loan guaranteed by the Issuer Group in the event of a default situation. The Issuer Group generally requires the following categories of persons to act as counter-guarantors:

- business owners and controlling persons of the borrower;
- persons having substantial influence over the borrower's business, usually its management team, such as the chief executive officer and chief financial officer; and
- other third parties closely related to the foregoing persons, such as their spouses, children or relatives and other affiliates.

In addition, depending on the results of the Issuer Group's evaluation of the borrower's creditworthiness, the Issuer Group may require the borrower and/or counter-guarantor to provide collateral in favour of the Issuer Group under the financing guarantee, which primarily includes land use rights and properties and to a lesser extent, accounts receivable and equity interest.

Different from asset-based collateral, a counter-guarantee is a form of a credit-based security measure which the Issuer Group considers to be an effective risk management measure as it imposes additional costs of default on a personal level of the counter-guarantors and creates a positive pressure on the borrower to honour its repayment obligations.

When the Issuer Group acts as a guarantor for a bank financing, the lending bank generally requires the Issuer Group to deposit a certain amount of cash in a segregated account as a form of security. Such security deposits will be returned to the Issuer Group with interest upon the release of its guarantee obligation. However, if the borrower defaults on the underlying loan, the lending bank will forfeit such security deposits to set off a portion of the default amount.

Cooperation with Commercial Banks

Cooperation with commercial banks in the PRC is vital to the Issuer Group's financing guarantee business. The Issuer Group believes that the Issuer Group maintains good relationships with the major commercial banks in the PRC.

Before the Issuer and/or its subsidiaries establishes a cooperation arrangement with a bank, it is generally required to provide its key business, financial and legal documents to the bank for review and assessment, including, among others: (i) basic corporate information; (ii) latest financial statements; (iii) credit rating reports; (iv) details of bank accounts; (v) internal operation and risk management guidelines; (vi) operating data of the Issuer Group's existing financing guarantee business; and (vii) information about the Issuer and/or the relevant subsidiary's cooperation with other banks. If the bank is satisfied with the Issuer and/or the relevant subsidiary's business condition and its financial and risk management performance, the bank will consider entering into a cooperation arrangement with the Issuer and/or the relevant subsidiary. A cooperation arrangement generally constitutes a framework agreement under which the Issuer and/or the relevant subsidiary is permitted to guarantee up to a specified maximum amount of credit lines provided by the bank. The cooperating bank will also approve each guarantee which the Issuer Group provides to customers on an individual basis, subject to the terms and conditions of the framework agreements.

The SJGJ Arrangement and the 4222 Arrangement

Please see "*— Competitive Strengths — The largest state-owned integrated financial services provider in the GZAR with a strategic relationship with and strong support from the GZAR Government*" for further information about the SJGJ Arrangement and the 4222 Arrangement.

Customers

The following table sets forth a breakdown of Guangxi Financing Guarantee's customers by industry type in terms of outstanding guarantee amount as at 31 December 2022:

Industry	**Percentage of total**
Wholesale and retail	10.5
Manufacturing	10.5
Agriculture, forestry, animal husbandry and fishery	3.55
Construction	15.3
Others	60.2
Total	**100.0**

Provisions for Guarantee Loss

The Issuer Group adopts a classification approach to manage its guarantee portfolio risk. The Issuer Group categorises its guarantees by reference to the "Five-Tier Principle" and makes provision for the anticipated level of loss accordingly. According to the "Five-Tier Principle", the Issuer Group's guarantees are categorised as "normal", "precaution", "secondary", "suspicion" or "loss" according to risk level. The Issuer Group considers loans classified as "secondary", "suspicion" and "loss" as impaired loans.

The following table sets forth the risk portfolio of Guangxi Financing Guarantee's outstanding guarantees balance as at 31 December 2022:

Type of risk	Amount	Percentage of Total
	(RMB in billions)	(%)
Normal	25.7	82.7
Precaution	5.2	16.7
Secondary	0.0	0.2
Suspicion	0.1	0.4
Loss	–	–
Total	**31.0**	**100.00**

For the years ended 31 December 2020, 2021 and 2022, the balance of outstanding guarantees of Guangxi Financing Guarantee amounted to approximately RMB512.9 million, RMB558.3 million and RMB542.7 million, respectively, with a default rate (i.e. balance of outstanding guarantees divided by guarantees released) of approximately 2.9 per cent., 2.8 per cent., and 2.8 per cent.

Other Businesses

The Issuer Group is also engaged in other ancillary businesses, including consulting services, fund management and supply chain services. The Issuer Group conducts its consulting, fund management and supply chain services primarily through GIG Capital Management Group. Established in October 2017, Guangxi Investment Capital Management is an investment platform that focuses on strategic emerging industries and mainly engages in fund, equity and fixed income investments. The Issuer Group also conducts its micro and small lending business through Jintong Microfinance. Established in April 2011, Jintong Microfinance offers direct loans primarily to SMEs, microenterprises, agricultural enterprises and individuals to address their need for quick access to funds.

For the years ended 31 December 2020, 2021 and 2022, operating revenue the Issuer Group generated from this segment amounted to RMB4,608.9 million, RMB2,195.9 million and RMB1,241.8 million, respectively, representing approximately 43.3 per cent., 26.7 per cent. and 17.2 per cent. of the Issuer Group's total operating revenue for the same periods.

SALES AND MARKETING

The Issuer Group sources customers principally through sales and marketing teams set up at its headquarters, branch offices and financial services centres, and through referrals from banks and other financial institutions, as well as referrals from existing customers.

The Issuer Group's sales and marketing teams consist primarily of project managers who work on an incentive basis. The Issuer Group's sales teams conduct client development activities mainly through direct on-site marketing, phone calls and sales campaigns. In addition, the Issuer Group's product advertisements and website are also important sales and marketing channels.

To ensure high-quality and professional customer service, the Issuer Group instils regular training and assessment in respect of its sales and marketing employees, which focus on topics and areas such as product awareness, risk management and professional ethics. The Issuer Group also organises internal examinations to evaluate skills and knowledge of new employees.

Referrals from cooperating banks and cooperating non-bank financial institutions are a key customer source for the Issuer Group's credit guarantees business. Industry associations in the PRC and other financial institutions, such as trust companies, financial leasing companies, insurance companies and rating agencies, also provide customer referrals to the Issuer Group.

The Issuer Group values its customers and strives to build long-term and enduring relationships with them. Customer referrals and repeat customers constitute an important source of the Issuer Group's business.

COMPETITION

Competition across the Issuer Group's principal business segments is intense as the number of credit guarantee companies, insurance companies and financial leasing companies are increasing and there is intensifying pressure to remain competitive. Furthermore, as the Issuer Group expands into new regions and product areas, it will face competition from additional competitors. With respect to its existing business operations, the Issuer Group competes primarily on the basis of:

- relationships with cooperating banks;
- customer service;
- pricing and terms; and
- brand name.

Also see "*Risk Factors — Risks relating to the Issuer Group's and the Guarantor Group's General Operations — The Issuer Group and the Guarantor Group may face increasing competition from existing and new market participants*".

INSURANCE

The Issuer Group is covered by insurance policies which primarily cover fire, flood, other material damage to property and public liability. The Issuer Group believes that its properties are covered with adequate insurance provided by reputable independent insurance companies in the PRC and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the properties to which they relate.

Notwithstanding such insurance coverage, damage to the buildings, facilities, equipment or other properties as a result of occurrences such as fire, flood, water damage, explosion, power loss, typhoons and other natural disasters or terrorism, or any decline in the Issuer Group's business as a result of any threat of war, outbreak of disease or epidemic, may potentially have a material adverse effect on the Issuer Group's financial condition and results of operations.

EMPLOYEES

As at 31 December 2022, the Issuer Group had approximately 3,420 employees in total. The Issuer Group's ability to attract, retain and motivate qualified personnel is critical to its success. The Issuer Group believes that it offers employees competitive compensation and is able to attract and retain qualified personnel. Remuneration to employees is based on their respective performance, working experience, duties and the prevailing market rates. As required by applicable laws and regulations, the Issuer Group participates in various retirement plans administered by municipal and provincial governments for its employees, including contributions to social insurance and housing fund in the PRC.

Training is provided to new employees and existing employees in order to develop their technical and industry knowledge, an awareness of workplace safety standards and knowledge of the Issuer Group's corporate standards and culture.

The Issuer Group maintains a good working relationship with its employees and as at the date of this Offering Circular, the Issuer Group has not experienced any labour disputes that could cause a material adverse effect on the operation and performance of the Issuer Group.

LEGAL PROCEEDINGS

The Issuer Group is involved, from time to time, in disputes and legal or administrative proceedings arising in the ordinary course of its operations. See "*Risk Factors — Risks Relating to the Issuer Group's and the Guarantor Group's General Operations — The Issuer Group and the Guarantor Group may be subject to Litigation Risks*".

As at the date of this Offering Circular, to the best of the knowledge of the Issuer, there are no litigation or arbitration proceedings against the Issuer Group or any of the Issuer's directors that could have a material adverse effect on the Issuer Group's business, financial condition and results of operations.

DESCRIPTION OF THE GUARANTOR GROUP

OVERVIEW

The Guarantor Group is a leading state-owned investment conglomerate in the PRC under direct supervision of GZAR SASAC with an extensive business portfolio that primarily comprises (i) aluminium, (ii) energy, (iii) finance, (iv) medical and healthcare, (v) digital economy and (vi) investment. It is widely acknowledged within the relevant industries in the GZAR that the Guarantor Group is the largest of its kind for a homegrown GZAR enterprise in the region in terms of operational scale and the breadth and depth of its businesses, and the Guarantor Group believes it is the first such homegrown enterprise to exceed RMB200 billion in revenue. As one of the most important state-owned investment and financing enterprises in the GZAR, the Guarantor Group has the clear mandate to undertake strategic investments in the region, promote the transformation and upgrading of traditional industries, foster the development of emerging industries and lead overall quality industrial development in the GZAR. The honours and accolades bestowed upon the Guarantor over the years bear testament to its dominant market position and prominence in the GZAR: it ranked first among Top 100 Enterprises in Guangxi (廣西企業100強) for the past seven years; it ranked 141st among Top 500 Enterprises in China (中國企業500強) in 2023 and ranked 495th in Fortune Global 500 in 2023. It has also served as a major strategic partner for the China-ASEAN Expo for the past 20 years.

Tracing its history back to 1988, the Guarantor Group operates its businesses in five core segments:

- **Aluminium:** The Guarantor Group's aluminium operations are integrated and form a relatively complete business chain ranging from bauxite mining, alumina refining, electrolytic aluminium smelting to production of carbon and graphite products, aluminium processing and conversion of primary metal into value-added products for sale and trading. It has stable sources of critical raw materials for its operations, including its in-house bauxite and alumina resources. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its aluminium business of approximately RMB112,626.3 million, RMB118,139.9 million and RMB128,733.4 million, respectively, representing 58.9 per cent., 57.3 per cent. and 61.2 per cent. of its total revenue, respectively. Currently, this business is the largest revenue contributor for the Guarantor Group.

- **Energy:** The Guarantor Group's energy business comprises power generation and provision and sales of natural gas. The Guarantor Group is mainly engaged in thermal power and hydropower generation as well as power generation from renewable energy sources such as nuclear power and photovoltaic power. As at 31 December 2022, the Guarantor Group is the largest power investment group in the GZAR with a total installed capacity of 32.2 GW and total attributable installed capacity of 110 GW. With respect to its natural gas operations, the Guarantor Group has taken on the lead role for the organisation and implementation of the GZAR's major and ambitious "county-to-county (縣縣通)" gas project, which involves the construction of a comprehensive natural gas pipeline network covering the entire region. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its energy business of approximately RMB36,406.0 million, RMB52,205.2 million and RMB45,518.3 million, respectively, representing 19.0 per cent., 25.3 per cent. and 21.6 per cent. of its total revenue, respectively.

- **Finance:** The Guarantor Group's finance business comprises a broad range of financial services and products offered through its member groups, Sealand Securities Group, Beibu Gulf Bank Group, the Issuer Group and Guangxi Investment Financial Holding Group. Services provided can be categorised into securities, banking and other financial services. The Guarantor Group's finance business, after the consolidation of the Issuer Group in 2019, has experienced relatively substantial and rapid expansion, while still managing profitability and is an important revenue contributor. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from

its finance business of approximately RMB25,019.5 million, RMB27,133.1 million and RMB28,158.6 million, respectively, representing 13.1 per cent., 13.2 per cent. and 13.4 per cent. of its total revenue, respectively.

- **Medical and healthcare:** The Guarantor Group engages in the production and sale of pharmaceuticals through its member group, Zhongheng Group and its main operating member group, Wuzhou Pharmaceutical Group. In addition, the Guarantor Group actively develops its relatively new wellness and healthcare business through another member group, Guangxi GIG Health Group. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its medical and healthcare business of approximately RMB5,916.0 million, RMB3,759.3 million and RMB3,180.2 million, respectively, representing 3.1 per cent., 1.8 per cent. and 1.5 per cent. of its total revenue, respectively.

- **Digital economy:** The Guarantor Group has been tasked by the GZAR Government to lead the charge to bring the GZAR into the new digital era and the Guarantor Group has been making efforts to realise the convergence and integration of public administration and industry big data with the application of advanced technology such as big data, cloud computing and artificial intelligence. Digital Guangxi Group is the main operating entity for the Guarantor Group in this regard. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its digital economy business of approximately RMB8,303.0 million, RMB2,537.2 million and RMB3,099.7 million, respectively, representing 4.3 per cent., 1.2 per cent. and 1.5 per cent. of its total revenue, respectively.

- **Investment:** The Guarantor Group operates its investment business through its member group, GIG Capital Management Group, a fund management platform and investing entity for the Guarantor Group. Its major business can be categorised into equity investment, fixed-income investment, consulting services, supply chain operation and environmental engineering. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its investment business of approximately RMB1,047.1 million, RMB1,500.4 million and RMB1,045.8 million, respectively, representing 0.6 per cent., 0.7 per cent. and 0.5 per cent. of its total revenue, respectively.

In addition to the above, the Guarantor Group also conducts ancillary businesses such as consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services.

For the years ended 31 December 2020, 2021 and 2022, total revenue of the Guarantor Group was RMB191,187.0 million, RMB206,293.6 million and RMB210,300.0 million, respectively, and the total gross profit of the Guarantor Group was approximately RMB15,962.6 million, RMB16,478.6 million and RMB14,651.1 million, respectively, for the same periods. As at 31 December 2020, 2021 and 2022, the Guarantor Group had total assets of RMB589,006.4 million, RMB669,134.1 million and RMB749,376.1 million, respectively.

COMPETITIVE STRENGTHS

The Guarantor Group believes that the following strengths are key to its consistent growth and enable the Guarantor Group to compete successfully within the industries in which it operates:

Established forerunner in the GZAR as the leading government investment and financing platform to implement strategic blueprint for the overall development of the GZAR

The Guarantor Group enjoys a distinct leadership position in the GZAR as the key investment and financing platform through which the GZAR Government and GZAR SASAC implement their strategic

blueprint for the GZAR's overall development. Its business network and operations cover the entire region, and it is charged with promoting and facilitating the GZAR's economic growth and public welfare. Capitalising on the advantages of favourable government initiatives and dedicated fiscal budget, the Guarantor Group has achieved significant growth in size and operational scale over the years. For example, since its establishment in 1988, the Guarantor Group has developed into the largest aluminium and energy home-grown conglomerate in the GZAR based on its overall size and total revenue. In December 2019, pursuant to the approval of the party committee of the GZAR and the GZAR Government, the Issuer Group was strategically integrated into the Guarantor Group, thereby elevating the breadth and depth of the Guarantor Group's finance business to the next level. The Guarantor maintained its first ranking among Top 100 Enterprises in Guangxi (廣西企業100強) consecutively for the seventh year in 2023 and ranked 141st among Top 500 Enterprises in China (中國企業500強) in 2023. It had received a corporate rating of "AAA" for the past nine years by China Chengxin International Credit Rating Co., Ltd.. Continuing such momentum, the Guarantor has ranked among Fortune Global 500 by Fortune Magazine since 2020, marking a momentous first for a local enterprise in the GZAR and Southwestern China, and it ranked 495th in Fortune Global 500 in 2023.

In light of the Guarantor Group's state-owned background and vital role in the GZAR's continuous evolvement into a vibrant and flourishing urban region, it has received strong governmental support in the form of, among others, capital contributions, government grants and subsidies, preferential tax treatments, equity transfers as well as other favourable governmental policies. The Guarantor Group believes that such support also illustrates the importance of its continued success to the GZAR Government and GZAR SASAC:

- ***Financial support:*** For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group received government grants and subsidies (including tax refund) of approximately RMB916.6 million, RMB579.9 million and RMB2,521.2 million, respectively, and capital injection and funds from the GZAR Government of approximately RMB1,739.8 million, RMB1,449.1 million and RMB6,644.5 million, respectively, for the same periods.

- ***Equity transfers:*** In November 2018, the Guarantor received a gratuitous transfer of an 85 per cent. equity interest in Guangxi Zhengrun Development Group Co., Ltd. (廣西正潤發展集團有限公司) (later known as Guangxi GIG Zhengrun Development Group Co., Ltd. (廣西廣投正潤發展集團有限公司)) pursuant to the direction of the Hezhou Municipal People's Government, and upon completion of such equity transfer and receipt of the approval from the CSRC in 2019, the Guarantor became the ultimate controlling shareholder of Sealand Securities. In December 2019, the Issuer Group was merged and integrated into the Guarantor Group pursuant to the approval of the party committee of the GZAR and the GZAR Government. In 2020, the Guarantor received the transfer of ten per cent. equity interest in ten state-owned enterprises pursuant to the direction of GZAR Government (廣西壯族自治區人民政府關於印發廣西壯族自治區劃轉部分國有資本充實社保基金實施方案的通知) and upon completion of such equity transfer, the Guarantor was designated as the sole entity in managing such state-owned capital. In March 2021, the Guarantor received a gratuitous transfer of an 32.9 per cent. interest in Guangxi Construction Group Co., Ltd. (廣西建工集團有限責任公司) from GZAR SASAC.

- ***Preferential tax treatments:*** A number of the Guarantor Group's members, such as Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司), Gansu Guangyin Aluminium Co., Ltd. (甘肅廣銀鋁業有限公司), Beihai Xinyuan Thermal Power Co., Ltd. (北海市鑫源熱電有限公司), Guangxi GIG Natural Gas Pipeline Co., Ltd. (廣西廣投天然氣管網有限公司) and Digital Guangxi Group Co., Ltd. (數字廣西集團有限公司), benefit from certain preferential tax treatments and other tax incentives provided by the GZAR Government. For example, Guangxi Huayin Aluminium Co., Ltd., enjoys a preferential corporate tax rate of 15 per cent. as a "high-tech enterprise", whereas Gansu Guangyin Aluminium Co., Ltd. and Guangxi GIG Natural Gas Pipeline

Co., Ltd. enjoy a preferential corporate tax rate of 15 per cent. due to the location of their businesses in Western China. For more information relating to the preferential tax treatments and other tax incentives that the member companies in the Guarantor Group enjoy, please see "*Notes to the Guarantor's 2022 Financial Statements — VI. Taxation — 2. Tax Benefits and Approvals*" to the Guarantor's 2021 Audited Financial Statements.

- ***Operational and management support:*** The Guarantor is under the supervision of the GZAR Government and GZAR SASAC and expected to implement their decisions. Accordingly, the Guarantor has direct reporting responsibilities to the GZAR Government and GZAR SASAC in relation to its operating plans, investment proposals and annual budgets, and is required to submit material decisions and strategies to the GZAR Government and GZAR SASAC for prior approval. Further, a substantial majority of the Guarantor's directors are appointed by GZAR SASAC. The chairman of its board of supervisors is selected by the GZAR Government and appointed in accordance with the applicable PRC laws and regulations.

The Guarantor Group believes that it is well-positioned to benefit, and believes it will continue to benefit, from its strategic relationship with the GZAR Government and strong governmental support for its future growth and expansion.

Well-positioned to capitalise on and benefit from the GZAR's strong economic growth and continuous urbanisation

With deep roots in the GZAR, the Guarantor Group has grown to its present scale and market position through capitalising on the opportunities made available as the region has gone from strength to strength over the years, and it believes that it is poised to continue to do so. Generally speaking, the GZAR boasts unique geological, ecological and natural resource advantages, which lay a solid foundation for its overall development. It is the only autonomous region linked overland and by sea with ASEAN nations, and it is also a vital point of connectivity for the Belt and Road initiative. According to the GZAR's 14th Five-Year Plan for Economic and Social Development, a blueprint for the region's development during the 2021-2025 period, the GZAR continues to build itself into a significant channel for the PRC in terms of Sino-ASEAN relations, a bastion of opening up and cooperation oriented toward ASEAN, as well as a strategic fulcrum for the opening up of the Southwest and Central-South regions of China. Bearing in mind the Guarantor Group's role as a major strategic partner for the "China-ASEAN Expo", a platform initiated by the PRC government to forge friendly ties with ASEAN nations for increased trade and economic cooperation, for the past 20 years, the Guarantor Group is confident of its position and ability to remain as a market and industry heavyweight in the GZAR. Owing to its strategic location vis-à-vis the ASEAN region and its intrinsic resource advantages, the PRC government places great importance in the economic and social development of the GZAR. The culmination of multiple targeted national policies that are highly critical and meant to be widely beneficial, such as the land-sea corridor in Western China, the open financial gateway toward the ASEAN nations, the China (Guangxi) Free Trade Pilot Zone, the China-ASEAN Information Port, the Nanning National Airport Economic Demonstration Zone, the Baise Key Development Open Pilot Zone and the Fangchenggang International Medical Open Experimental Zone, all of which are focused on the GZAR, is rarely seen. Given such combined strategic and policy advantages, the Guarantor Group believes that the GZAR will usher in a "new golden era of economic development" during the 14th Five-Year Plan period (2021-2035).

Setting aside its relationship with the GZAR government authorities, the Guarantor Group has developed its businesses to take full advantage of the GZAR's resources and prospects. For example, the GZAR possesses rich and high-quality mineral reserves and its natural conditions are extremely suitable for the development of the aluminium industry. According to the statistics report issued by Guiyang Aluminium Magnesium Design & Research Institute Co., Ltd. (貴陽鋁鎂設計研究院有限公司), the average aluminium-silicon ratio of bauxite mines in the GZAR is 9.43, which means, by using the Bayer process, alumina can be produced directly at, what the Guarantor Group believes to be, one of the lowest energy

consumption levels and manufacturing costs within the PRC. In addition, the GZAR is located along the coast with convenient logistics access, yet it is also geographically close to Guangdong Province, a primary consumer market for aluminium products. The end result is lower transportation costs than that of inland provinces, which enables the Guarantor Group to realise greater cost savings. All of the foregoing effectively translates into encouraging potential for the Guarantor Group's aluminium operations.

Further, the GZAR's success has been driven by the development of the Beibu Gulf Economic Zone, which is supported by six cities, including Nanning, Beihai, Qinzhou, Fangchenggang, Yuling and Chongzuo. Beibu Gulf Economic Zone has grown into an important industrial base for Western China and a cluster of prosperous cities have emerged on the shoreline of the Beibu Gulf. In this regard, the Guarantor Group not only has energy projects and investments located in such cities but also operates Beibu Gulf Bank, which key mandate is to provide strong financial support for the economic development of the GZAR and the Beibu Gulf Economic Zone, as well as facilitate the growth of the China-ASEAN Free Trade Area (中國－東盟自由貿易區). Its venture into the digital economy business is another strategic move in view of the increased call for regional digital economic cooperation between the GZAR and ASEAN nations, as seen from actual measures such as the building of the China-ASEAN Digital Trade Area (中國－東盟自由貿易區) and the convening of the 2020 Digital Economy International Cooperation Forum in Nanning. Against such backdrop of the GZAR's continuous progress, the Guarantor Group believes that, with its position as a government designated implementing entity for the GZAR's development plans and its own diversified businesses and operations, it can and will continue to benefit from the region's economic growth and urbanisation.

Diversified business portfolio with a broad and stable earning base

As a leading state-owned investment conglomerate in the PRC under direct supervision of GZAR SASAC, the Guarantor Group has developed a diversified yet synergistic suite of businesses that is able to provide it with a solid earnings base comprising stable revenue from multiple sources. To achieve a shift of its industry chain to the middle and high-end of the value chain, optimise overall efficiencies and enhance the breadth and depth of cooperation across its businesses, the Guarantor Group has focused on creating and leveraging synergies through industrial collaboration efforts in upstream and downstream industries from R&D, procurement, manufacturing to sales. One resulting advantage is that the Guarantor Group's revenues and costs are not overly concentrated on any single sector, thereby mitigating the level of volatility in its overall earnings and financial position as a result of changes in selling prices, raw material costs or other industrial conditions within any one sector. Another is the ability to develop its operations with minimised reliance on a single business segment, thereby avoiding concentration risks and improving its risk resilience.

The Guarantor Group's diversified asset portfolio also allows it to promote synergy among its businesses, which in turn brings about substantial economic benefits and advantages. For example, electricity is one of the principal cost components in aluminium production and the Guarantor Group's investment, construction and operation of its own power stations allows it to generate a stable supply of electricity to satisfy requirements of its aluminium operations. The synergistic coordination between the Guarantor Group's aluminium and power generation businesses, a key objective strived for by the Guarantor Group for nearly a decade, yielded distinct results, such as increased cost savings in respect of its electrolytic aluminium operations and more effective utilisation of production capacities for its energy operations. In December 2022, GIG Industrial Chain Service Group Co., Ltd. (廣西廣投產業鏈服務集團有限公司) was established which aims to set up a local trading platform for aluminium and energy industries and provides a range of services related to storage, logistics, trading and financing for aluminium and energy products.

Outstanding research and development capabilities driving continuous business and product innovation

The Guarantor Group recognises scientific innovation as the driving force for sustainable development and places strong emphasis on research and development, which has proven to be a key contributor to the Guarantor Group's continuous growth into a leading conglomerate with a diverse portfolio of businesses and products and services. The Guarantor has long actively implemented its "Science and Technology Enterprise" strategy, and consistently pushed forward with substantial R&D efforts and also introduced the deployment of both domestic and foreign advanced technologies and equipment in its operations. For example, in 2022, the Guarantor's subsidiary, Wuzhou Zhongheng, was awarded the title of "National Intellectual Property Demonstration Enterprise" (國家智慧財產權示範企業) by China National Intellectual Property Administration; it is also recognised as National High-Tech Enterprise (國家高新技術企業) and lists among Top 100 Enterprises in the PRC Pharmaceutical Industry (中國醫藥工業百強) in 2022 by the Ministry of Industry and Information Technology of the PRC and Top 100 Chinese Medicine Enterprises (中華民族醫藥百強) in 2022 by All-China Federation of Industry and Commerce Pharmaceutical Industry Chamber of Commerce (中華全國工商業聯合會醫藥業商會); Guangxi Baise GIG Yinhai Aluminum Co., Ltd. (廣西百色廣投銀海鋁業有限責任公司) and Northeastern University (東北大學) jointly researched and completed the "New Cathode Structure Aluminium Electrobath High-efficiency Energy-saving Technology Project (新型陰極結構鋁電解槽高效節能技術項目)", which was awarded the 2010 China Non-ferrous Metal Industry Science and Technology First Prize by the China Nonferrous Metals Industry Association; Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司) carried out innovation on the cooling method of roasted alumina to realise full recycling of the waste heat generated, with the end result being a national-level technology that enables substantial economic savings to be achieved; two scientific research projects conducted by the Guarantor's Qiaogong Hydropower Station jointly with certain professional research institutions won the third prize of Guangxi Science and Technology Progress Award and was awarded a national utility model patent, respectively.

Furthermore, the strength of the Guarantor Group's pharmaceutical research and development capabilities is particularly noteworthy. As at 31 December 2022, Wuzhou Pharmaceutical Group had 125 valid patents, including 98 invention patents, 13 utility model patents and 14 design patents. National recognition of its products is clearly demonstrated in the inclusion of 83 medicines it manufactured in the National Medical Insurance Drugs Catalogue, and the listing of 31 proprietary Chinese medicines and 15 chemical drugs and biological products it manufactured in the "National Essential Drug List《國家基本藥物目錄》"). In 2019, its technology centre was jointly recognised by NDRC, the Ministry of Science and Technology, MOF, the General Administration of Customs and SAT as the only national enterprise technology centre in Wuzhou, one of only two national innovation institutions in the GZAR. The Guarantor Group also dedicates substantial resources to pharmaceutical R&D, such as the setting up of Guangxi Zhongheng Innovative Medicine Research Co., Ltd. (廣西中恒創新醫藥研究有限公司) and various autonomous regional level or national level R&D centres to further strengthen existing R&D capabilities, or the close cooperation with numerous educational institutions and scientific research institutions to support current research and better undertake future collaborative initiatives. Zhongheng Group, the main operating entity for the Guarantor Group's medical and healthcare business, has jointly established the Sanqi Research Centre (三七研究中心)and ASEAN Chinese Medicine Research Centre (東盟中醫藥研究中心) with Shanghai University of Traditional Chinese Medicine, the Jinan University — Guangtou Zhongheng Health Industry Research Institute (暨南大學－廣投中恒健康產業研究院) with Jinan University, and Guangxi International Joint Laboratory of Biomedical Sciences (廣西生物醫藥國際聯合實驗室) and Guangxi Key Laboratory of Speciality Biomedicine (廣西特色生物醫藥重點實驗室) with Guangxi University, which demonstrate its commitment to furthering the cooperation among industry, academia and research.

Diverse financing channels and strong credit profile

The Guarantor Group has access to diverse sustainable funding sources, including bank borrowings and debt and equity financing, to satisfy its capital requirements. It has a proven track record of raising finance and repaying debts and its strong credit worthiness has been recognised by domestic rating agencies. As at the date of this Offering Circular, the Guarantor has maintained its "AAA" rating from China Chengxin International Credit Rating Co. Ltd. (中誠信國際信用評級有限責任公司). Over the years, the Guarantor Group has been keen to cultivate relationships with reputable commercial banks and financial institutions in the PRC, including, among others, as a major client of the head office of The Export-Import Bank of China, Industrial and Commercial Bank of China, Agricultural Bank of China, Industrial Bank and branch office of China Development Bank, Bank of China, Shanghai Pudong Development Bank and China Guangfa Bank, and a strategic client of the head office of China Construction Bank, Bank of Communications, China Minsheng Bank, Huaxia Bank, China Everbright Bank, Ping An Bank, Bank of Liuzhou, China Zheshang Bank and branch office of Agricultural Bank of China, Postal Savings Bank, China Zheshang Bank and China CITIC Bank. The Guarantor Group has also entered into strategic agreements with China Development Bank, The Export-Import Bank of China, Industrial and Commercial Bank of China, Bank of Communications, China Zheshang Bank and Rural Credit Cooperative. As at 31 December 2022, the Guarantor Group had total credit facilities of approximately RMB298.5 billion, of which approximately RMB137.9 billion remained unutilised. The Guarantor Group also leverages its excellent business performance and credibility to access direct financing from capital markets through both public and private issuances of debt securities in the PRC. As at 31 December 2022, the Guarantor Group had bonds payable of RMB110,704.3 million, including medium-term notes issued in the PRC of approximately RMB14,192.1 million and U.S. dollar denominated bonds of approximately RMB3,489.0 million.

The Guarantor Group is also able to procure funds from proceeds raised through its listed entities. Leveraging its relationships with banks and having a healthy credit history, the Guarantor Group believes that it would be able to maintain a robust credit profile with a reasonably low interest rate and further reduce its average funding cost.

Experienced and professional management team with sound corporate governance

The Guarantor's board of directors and senior management team have extensive industry experience and in-depth knowledge of the markets in which the Guarantor Group operates. With an average of over 30 years of experience gained from positions with government authorities or state-owned enterprises, the Guarantor Group believes that its experienced and professional management team is an important driver solidifying its success and leadership position. The Guarantor Group has been able to capitalise on the collective expertise of its management team and other professional employees to formulate and implement clear development strategies with high levels of execution capability, and capture opportunities in different business sectors and timely respond to market changes. Further, the Guarantor Group has established a sound and effective corporate governance structure which covers aspects from strategic development, financial planning, safety and environmental risk controls, legal and regulatory compliance, human resources, general administrative and coordination, party committee works, audit, disciplinary inspection and supervision and party committee inspection. The Guarantor Group has adopted a comprehensive three-tier internal management structure comprising its board of directors, the senior management team and 11 departments with the Guarantor's board of supervisors exercising oversight to ensure strict compliance with applicable laws and effective internal risk control. In particular, the Guarantor Group recognises the importance of risk management and its corporate governance and safety and environmental risk control department is primarily responsible for carrying out the relevant works and decisions. The Guarantor Group believes that its dedication to sound corporate governance and the insight displayed by its management team will continue to be instrumental to its sustainable growth.

BUSINESS STRATEGIES

The Guarantor Group intends to adopt the following key strategies for its continued business expansion and growth:

Continue to maintain the competitiveness and market shares of the Guarantor Group's core businesses in aluminium and energy

The Guarantor Group aims to maintain and continue to enhance its position as the leading aluminium and energy conglomerate in the GZAR. During recent years, the Guarantor Group has strengthened cooperation with other major aluminium enterprises in the PRC to broaden its market presence and further enrich the sales channels of its products. The Guarantor Group intends to continue leveraging its industry reputation and leadership position in the GZAR to further expand into the downstream market and enlarge its domestic market share. In addition, in response to the government's strategy of "Industry-Strengthened Guangxi (工業強桂)" and "the Decision of Promotion of High-quality Development of Aluminium Industry (關於促進鋁產業高質量發展的決定)" of the GZAR NPC, the Guarantor Group plans to set up a centralised management platform for the aluminium industry in the GZAR, which will help enhance and solidify its industry and market leadership. The Guarantor Group will also push forward with its projects under construction and further optimise the vertical integration of its various businesses to better share competitive advantages and realise greater operational and cost efficiencies, thereby increasing its overall competitiveness.

The Guarantor Group plans to further develop its renewable energy power generation business operations through pursuing selective investment opportunities in favourable projects likely to yield a positive return. Moreover, renewable energy power projects benefit from certain preferential policies in the PRC, such as dispatch priority, and are not exposed to risks related to coal price fluctuations. As such, the Guarantor Group believes that the renewable energy industry, riding the wave of sustainability and "going green and carbon-free", has great potential and intends to capture market momentum and actively participate in renewable energy power projects, including those relating to non-renewable energy sources but net-neutral or positive in terms of pollution and environmental impact, to drive new revenue and profitability. The Guarantor Group will pursue projects in clean and new energy industries such as sea and land wind power, coastal large and efficient clean coal power, nuclear power and onshore photovoltaic power. The Guarantor Group also intends to promote the construction of gasification infrastructure in the GZAR and improve the utilisation of natural gas in the region.

Continue to strengthen the Guarantor Group's finance operations to become a market leading comprehensive financial services provider

Since the strategic integration of the Issuer Group into the Guarantor Group in December 2019, the Guarantor Group has further enhanced the breadth and depth of its finance business. Going forward, the Guarantor Group will continue with its plans to develop into a comprehensive financial services provider and the sole financial institution in the GZAR licensed to provide a complete range of financial services. Furthermore, it intends to fully exploit the competitive advantage of being fully licensed in terms of financial services to promote its "investment — loan — debt — lease — insurance" cooperation model, break through business barriers and collaboration bottlenecks, engage in joint R&D for product innovation and business entrepreneurship with the ultimate aim of firmly establishing its finance segment as the greatest support to its industry-related businesses. Sealand Securities Group will enhance its business operations in retail wealth management and enterprise financial services, as well as further develop its operating platforms for asset management, sales and trading, internet finance and research and development. Beibu Gulf Bank Group will continue to consolidate its leading position in the GZAR's financial industry through the provision of high-quality financial services to SMEs in the region and much-needed support for the economic and social development of the GZAR. Beibu Gulf Bank Group will also further expand its operating network across the county regions within the GZAR with the ultimate objective of extending its footprint all across the GZAR, following that, going nationwide and increasing global presence through strategic business cooperation initiatives or setting up overseas

agency services. Beibu Gulf Bank Group aims to distinguish itself as a tier-one modern commercial bank in the China-ASEAN Free Trade Area (中國－東盟自由貿易區). The Issuer Group, as a new arm of the Guarantor Group's finance operations, will continue to function as an integrated financial services provider and develop into a "finance department store" with the most influential brand in the GZAR. For more details, see "*Description of the Issuer Group — Business Strategies*". Finally, the Guarantor Group plans to grow its market share in equity trading through increased investment in Guangxi Beibu Gulf Equity Exchange Co., Ltd. (廣西北部灣股權交易所股份有限公司), its majority-owned subsidiary, and pursuing suitable opportunities for mergers and acquisitions or joint ventures to enlarge its finance operations and the size of its industrial funds.

Continue to grow the Guarantor Group's newer emerging businesses and promote the synergistic development of its diversified business portfolio

The Guarantor Group continues to believe that an ever-growing business portfolio that is diversified yet synergistic is key to its future success and in this regard, intends to step up its efforts to develop its newer businesses, including wellness and healthcare and digital economy, into new revenue and profit drivers. It will continue to follow through on its "123" strategy for its wellness and healthcare subsegment, and actively seek opportunities to grow its operations, particularly in the three product focus areas of medical care, healthy living and elderly care. In the near future, the Guarantor Group intends to utilise the technological prowess of Chongqing Lummy Pharmaceutical Co., Ltd. to promote collaborations with local medical institutions and encourage the establishment of stem cell bank projects in the GZAR.

For its digital economy business segment, the Guarantor Group remains committed to its pivotal role in the government's blueprint for ushering the GZAR into the digital era. Besides being the designated entity tasked with leading the establishment of the GZAR digital government integrated platform, it will continue to participate in the construction of the China-ASEAN Digital Economy Industrial Park (中國東盟數字經濟產業園), which is envisioned to be a No. 1 Park for Information Innovation (信創第一園) anchored in the GZAR, covering Southwest China and the ASEAN region. The Guarantor Group will continue to promote the use of its Zhiguitong APP (智桂通) and make digital government services more accessible to the general public. It also aims to fully utilise GIG Digital Economy Demonstration Base (廣投數位元經濟示範基地) it set up to promote and lead the charge for the GZAR's digital transformation, and particularly, given the opening of China-ASEAN International Exchange Center for Digital Economy (中國東盟數字經濟國際交流中心) and taking advantage of the industry agglomeration effect resulting from the Guarantor Group's expansion efforts in its digital economy segment, promote the induction of more than 70 leading companies in the China-ASEAN Digital Economy Industrial Park.

Further, the Guarantor Group will actively identify and pursue quality targets for mergers and acquisitions and leverage synergies generated with its existing businesses to penetrate into new markets, as it had already done so successfully with its expansion into, among others, commercial banking, natural gas, medical and healthcare and equity trading centres. The Guarantor Group will continue to leverage and optimise competitive advantages derived from its undertaking of major projects at the corporate, regional and national levels and its diversified business portfolio, exercise foresight in its planning of collaborative arrangements and mechanisms, and explore thoroughly favourable opportunities for project cooperation and further economic benefits to achieve a "win-win" result.

Continue to diversify financing channels and adhere to prudent internal control, risk management and financial management to ensure sustainable growth and capital sufficiency

The Guarantor Group plans to continue to improve its capital structure by increasing its financial leverage through diverse fundraising channels to lower its cost of capital and risk exposure yet remain poised to capture strategic market opportunities as they arise. In particular, the Guarantor Group shall endeavour to develop and strengthen relationships with domestic and international financial institutions to secure funding on favourable terms to better support its business growth. It will also seek and

contemplate alternative sources of funding, such as issuance of offshore debt securities, to diversify its capital resources and maintain a balanced debt structure consisting of short-term, medium-term and long-term credit facilities. To address interest rate risks, the Guarantor Group may adjust its composition of onshore and offshore debt as well as its direct and indirect financing structure in accordance with credit policies and market changes. The objective is to prudently manage its financials while fulfilling investment and development needs to drive profitability. Therefore, the Guarantor Group will continue its focuses on financial risk control, company growth, value creation, implementation of budget management and establishment of information platforms in order to encourage communications and interactions between business operation and financial management, contribute to the sustainable and healthy development of the Guarantor Group and provide financial stability. At the same time, the Guarantor Group will also ensure that internal control measures and risk management policies are in place to uphold effective corporate governance in support of its business operations and mitigate operational risks. The Guarantor Group is determined to ensure the maintenance of ethical business practices, effective auditing, information management and risk management throughout all levels of its corporate structure and thereby promoting the economic efficiency of its operations.

HISTORY AND DEVELOPMENT

The Guarantor was established in April 1988 by the GZAR Government under the name of its predecessor, "Guangxi Construction Investment and Development Company (廣西建設投資開發公司)" with an initial registered capital of RMB15.0 million and subsequently was converted in March 1996 into a limited liability company under the name of "Guangxi Development and Investment Co., Ltd. (廣西開發投資有限責任公司)". Following the conversion, its registered capital was increased to RMB1.9 billion. In March 2004, the Guarantor was renamed as "Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司)". As at the date of this Offering Circular, the Guarantor's registered capital is RMB23.0 billion with the GZAR Government as its sole shareholder. GZAR SASAC was authorised by the GZAR Government to perform its duties and exercise its rights as the shareholder of the Guarantor in accordance with applicable PRC laws and regulations and the articles of association of the Guarantor.

The table below sets out certain major milestones in the Guarantor Group's corporate history:

Year	Milestone
1988	• Guangxi Construction Investment and Development Company (廣西建設投資開發公司), the predecessor of the Guarantor, was established with the approval of the GZAR Government with an initial registered capital of RMB15.0 million.
1990	• Pursuant to the approval of the GZAR Government, Guangxi Electric Power Investment Company (廣西電力開發投資公司) was merged into Guangxi Construction Investment and Development Company (廣西建設投資開發公司), the predecessor of the Guarantor. Guangxi Construction Investment and Development Company was also in charge of the management of Guangxi Electric Power Construction Fund (廣西電力建設基金) and commenced investment in power projects.
1996	• The Guarantor's predecessor was converted into a limited liability company under the name of "Guangxi Development and Investment Co., Ltd. (廣西開發投資有限責任公司)". Its registered capital was increased to RMB1.9 billion.

Year	Milestone
2001	• The Guarantor, under the name of its predecessor, acquired a 25 per cent. equity interest in Sealand Securities Co., Ltd. (國海證券股份有限公司) with a capital injection of RMB200 million and had since then become the largest shareholder of Sealand Securities. Sealand Securities was listed on the Shenzhen Stock Exchange in August 2011 and was the first securities company in the GZAR to do so.
2003	• Guangxi Energy Group Co. Ltd. (廣西能源集團有限公司) (formerly known as Guangxi GIG Energy Group Co., Ltd. (廣西廣投能源集團有限公司)) was established in July 2003. This is the Guarantor's main operating subsidiary for the Guarantor Group's energy business.
2004	• The Guarantor was renamed as "Guangxi Investment Group Co., Ltd. (廣西投資集團有限公司)".
2007	• Guangxi Aluminium Group Co., Ltd. (廣西鋁業集團有限公司) (formerly known as Guangxi GIG Yinhai Aluminium Group Co., Ltd. (廣西廣投銀海鋁業集團有限公司)) was established in November 2007. This is the Guarantor's main operating subsidiary for the Guarantor Group's aluminium business. • Guangxi Financial Investment Group Co., Ltd. (廣西金融投資集團有限公司), the Issuer, was established in December 2007. This is one of the Guarantor's main operating subsidiaries for the Guarantor Group's finance business.
2008	• Guangxi Beibu Gulf Bank Co., Ltd. (廣西北部灣銀行股份有限公司) was established in October 2008. This is one of the Guarantor's main operating subsidiaries for the Guarantor Group's finance business. The Guarantor acquired an equity interest in Beibu Gulf Bank with a capital injection of RMB250 million in October 2018.
2009	• Guangxi GIG Medical Health Group Co., Ltd. (廣西廣投醫藥健康產業集團有限公司) (formerly known as Guangxi GIG Health Industry Group Co., Ltd. (廣西廣投健康產業集團有限公司)) was established in June 2009. This is one of the Guarantor's main operating subsidiaries for the Guarantor Group's medical and healthcare business.
2014	• The Guarantor further increased its equity interest in Beibu Gulf Bank to 17.1 per cent with a capital injection of RMB150 million and became the largest shareholder of Beibu Gulf Bank. As a result of the consolidation of Beibu Gulf Bank into the Guarantor's financials, total assets of the Guarantor Group exceeded RMB100 million. As at the date of this Offering Circular, the Guarantor held 22.0 per cent. equity interest in Beibu Gulf Bank.
2015	• In March 2015, the Guarantor acquired a 51 per cent. equity interest in Guangxi GIG Natural Gas Pipeline Co., Ltd. (廣西廣投天然氣管網有限公司) from Guangxi China National Petroleum Corporation (廣西中石油天然氣公司) with a cash consideration of RMB334.40 million, marking a major milestone of the Guarantor Group's expansion into the renewable and clean energy sector. As at the date of this Offering Circular, the Guarantor held 89.1 per cent. equity interest in Guangxi GIG Natural Gas Pipeline Co., Ltd.

Year	Milestone
2016	• In January 2016, the Guarantor acquired a 20.52 per cent. equity interest in Guangxi Wuzhou Zhongheng Group Co., Ltd. (廣西梧州中恒集團股份有限公司) with an injected capital of RMB3.879 billion to commence its business operations in medical and healthcare. The Guarantor has since then become a controlling shareholder of Wuzhou Zhongheng. This is one of the Guarantor's main operating subsidiaries for the Guarantor Group's medical and healthcare business.
2018	• Digital Guangxi Group Co., Ltd. (數字廣西集團有限公司) was established in May 2018. This is Guarantor's main operating subsidiary for the Guarantor Group's digital economy business.
	• In April 2018, the Guarantor made a gratuitous transfer of all of its equity interests in Guizhou Qiangui Power Generation Co., Ltd. (貴州黔桂發電有限責任公司) to Guangxi Zhengrun Development Group Co., Ltd. (廣西正潤發展集團有限公司). Consequently, in December 2018, the Guarantor completed the mergers and acquisitions with respect to ALG Aluminium Inc. (廣西南南鋁加工有限公司) and Guangxi Zhengrun Development Group Co., Ltd. to further optimise the value chain of its various businesses.
2019	• On 31 December 2019, pursuant to the approval of the party committee of the GZAR and the GZAR Government, the Issuer became a direct and wholly-owned subsidiary of the Guarantor, with its entire equity interest directly held by GZAR SASAC transferred to the Guarantor. Since such equity transfer, GZAR SASAC remains an indirect shareholder of the Issuer. For more details, see "*Description of the Issuer Group — History and Development*".
2020	• In March 2020, pursuant to the approval of GZAR SASAC, Zhongheng Group acquired a controlling interest in Chongqing Lummy Pharmaceutical Co., Ltd. (重慶萊美藥業股份有限公司), a listed company on the Shenzhen Stock Exchange (stock code: 300006), to further expand its business operations in medical and healthcare, particularly in biopharmaceuticals.
	• In the first half of 2020, Guangxi Energy Group Co. Ltd. (廣西能源集團有限公司) entered into an asset purchase agreement with Guangxi Energy Co., Ltd. (廣西能源股份有限公司) (formerly known as Guangxi Guidong Electric Power Co., Ltd. (廣西桂東電力股份有限公司)), both being controlled subsidiaries of the Guarantor at the time, for the proposed transfer of the entire equity interest it held in Guangxi GIG Qiaogong Energy Development Co., Ltd. (廣西廣投橋巩能源發展有限公司) for consideration that comprised new shares to be issued and cash. Such arrangements were part of the Guarantor Group's internal restructuring plans.
	• In June 2020, the Guarantor transferred its 51 per cent. equity interest in Guangxi Investment Group Financial Holdings Co., Ltd. (廣西投資集團金融控股有限公司) to the Issuer with nil consideration.
	• On 10 August 2020, the Guarantor Group ranked 490th in 2020's Fortune Global 500 by the Fortune Magazine.

Year	Milestone
2021	• In November, the Guarantor's registered capital was increased to RMB23 billion.
	• The Guarantor became the first enterprise in GZAR with annual consolidated total revenue exceeding RMB200 billion.
2022	• In December, GIG Industrial Chain Service Group Co., Ltd. (廣西廣投產業鏈服務集團有限公司) was established.
2023	• In April, Guangxi GIG Yinhai Aluminium Group Co., Ltd. (廣西廣投銀海鋁業集團有限公司) was renamed as Guangxi Aluminium Group Co., Ltd. (廣西鋁業集團有限公司), through which the Guarantor Group aims to set up a centralised management platform for the aluminium industry in the GZAR.

RECENT DEVELOPMENTS

Development of the Industrial Chain Services Business

In 2023, the Guarantor Group re-organised its business segmentation and created a new business segment, its industrial chain services business. The Guarantor consolidated certain supply chain services under its aluminium and energy business segments into this new segment. Following such consolidation, the Guarantor Group's industrial chain services business is conducted by GIG Industrial Chain Service Group Co., Ltd. (廣西廣投產業鏈服務集團有限公司), which was established in December 2022 and engages in bulk commodity trading of energy, petrochemicals, non-ferrous metals.

The Guarantor Group's industrial chain services business comprises service offerings relating to procurement, sale, trading, warehousing, logistics and other services such as industry finance and derivatives services for bulk commodities. Its range of services can be categorised by product type as below:

- ***Non-ferrous metals:*** The Guarantor Group primarily provides industrial chain services for aluminium and related products such as electrolytic aluminium and aluminium carbide, copper and zinc;

- ***Energy:*** The Guarantor Group primarily provides industrial chain services to power generation companies in the GZAR and the South China in relation to coal, coke, metal ores as well as construction materials; and

- ***Petrochemicals:*** The Guarantor Group provides integrated services for petrochemical products including processing and trading, terminal services, warehousing and logistics. Relevant products include crude oil, refined oil, chemical products and other petrochemical products. Its services expands to petrol station development and operation and petrochemical supply chain financial services.

The Guarantor Group has expanded its services to supply chain management, financial derivatives, international business activities and intends to build an industrial chain digital trading platform, thereby promote synergistic collaboration and coordination of the real economy, trading logistics, modern finance and the digital economy. Currently, the Guarantor Group's industrial chain services business has established market presence in East China, Central China, South China, Northwest China and Southwest China, and also has cooperative relationships with large state-owned enterprises and listed companies such as Aluminum Corporation of China, China Petrochemical Corporation and CHN Energy Investment Group.

Unaudited Financial Results of the Guarantor Group as at and for the Nine Months Ended 30 September 2023

On 31 October 2023, the Guarantor published its consolidated financial statements as at and for the nine months ended 30 September 2023 (the "**Guarantor September 2023 Financial Statements**") on the website of the Shanghai Clearing House (http://www.shclearing.com). As at 30 September 2023, the Guarantor Group's total assets slightly increased as compared to the balance as at 1 January 2023, primarily due to increases in lendings to banks and other financial institutions, loans and advances and debt investments, which is in line with the Guarantor Group's business growth. Total liabilities of the Guarantor Group as at 30 September 2023 also increased as compared to the balance as at 1 January 2023, primarily due to increases in deposits from customers and long-term loans. For the nine months ended 30 September 2023, the Guarantor Group's operating income and operating cost slightly increased primarily due to the business consolidation and development of its industrial chain services business, and the Guarantor Group's operating profit and net profit remained relatively stable for the same period as compared to the results for the nine months ended 30 September 2022.

The Guarantor September 2023 Financial Statements were not audited or reviewed by any independent auditors. Therefore, they do not provide the same quality of information as the information that has been subject to an audit or review. Potential investors should be cautious if they use or rely upon the information in the Guarantor September 2023 Financial Statements. The Guarantor September 2023 Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Guarantor Group for the full financial year ending 31 December 2023. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, regarding the accuracy, completeness and sufficiency of the Guarantor September 2023 Financial Statements. The Guarantor September 2023 Financial Statements have not been included in, and do not constitute part of, this Offering Circular. See "*Risk Factors — Risks Relating to the Issuer's Audited Financial Statements, the Guarantor's Audited Financial Statements and this Offering Circular — Each of the Issuer and the Guarantor has published, and may continue to publish, periodical financial information in the PRC pursuant to applicable PRC regulations and the rules of relevant stock exchanges. Investors should be cautious and should not place any reliance on the financial information other than that disclosed in this Offering Circular*".

Additional Onshore Debt Securities Issuances since 31 December 2022

Since 31 December 2022, the Guarantor Group has incurred indebtedness to replenish its working capital, finance and refinance its business development and support other general corporate purposes, which include a series of onshore debt securities issuances through the Guarantor and its subsidiaries. In particular, the Guarantor and certain subsidiaries (including the Issuer) issued (i) a series of short-term commercial papers in an aggregate principal amount of RMB7.0 billion, each with a term of approximately one year and bearing a fixed annual rate ranging from 2.76 per cent. to 5.40 per cent., (ii) two series of mid-term notes, each in an aggregate principal amount of RMB1.5 billion, with a term of two years and bearing an annual rate of 3.45 per cent. and 3.55 per cent respectively, (iii) a series of private placement notes in an aggregate principal amount of approximately RMB3.4 billion, with a term ranging from one year to three years and bearing a fixed annual rate ranging from 4.75 per cent. to 5.70 per cent, (iv) a series of corporate bonds in an aggregate principal amount of approximately RMB4.5 billion, with a term ranging from one year to five years and bearing a fixed annual rate ranging from 3.50 per cent. to 5.50 per cent, (v) two series of super short-term commercial papers, each in an aggregate principal amount of RMB0.5 billion bearing an interest rate of 3.00 per cent. and 3.68 per cent respectively due within one year, (vi) a series of asset-backed securities in an aggregate principal amount of approximately RMB0.9 billion, with a term ranging from approximately four months to approximately four years and bearing a fixed annual rate ranging from nil to 6.00 per cent and (vii) two series of debt financing plans in an aggregate principal amount of RMB1.0 billion, with a term of one year and bearing

a fixed annual rate ranging from 4.69 per cent. to 5.40 per cent. For details, please see "*Capitalisation and Indebtedness of the Guarantor Group*".

HONOURS AND AWARDS

The Guarantor Group has received various honours and awards in recognition of, among others, the Guarantor Group's overall strengths and reputation in the industries in which it operates. The table below sets out the Guarantor Group's major honours and awards in recent years:

Honour or Award	Year(s)	Awarding Body
Ranked 495th in Fortune Global 500 (世界企業500強)	2023	Fortune Magazine
Fortune Global 500 (世界企業500強)	2020 to 2023	
Ranked 141st among Top 500 Enterprises in China (中國企業500強)	2023	China Enterprise Confederation and China Entrepreneur Association
Top 500 Enterprises in China (中國企業500強)	2008 to 2023	
Ranked first among Top 100 Enterprises in Guangxi (廣西企業100強)	2017 to 2023	Guangxi Enterprises and Entrepreneurs Confederation
Top 500 Service Enterprises in China (中國服務業企業500)	2018 to 2023	China Enterprise Confederation and China Entrepreneur Association
Ranked first among the Top 50 Service Enterprises in Guangxi (廣西服務業企業50強)	2018 to 2023	Guangxi Enterprises and Entrepreneurs Confederation
Ranked 23th among the Top 500 Energy Enterprises in China (中國能源集團500強)	2022	China Institute of Energy Economics Research and China Energy News
2022 FORTUNE China ESG Impact List	2022	Fortune Magazine
Corporate Governance Demonstrative Company (公司治理示範企業)	2022	State-owned Assets Supervision and Administration Commission
Chairman Quality Award (自治區主席質量)	2022	GAZR Government
National Advanced Entity in Poverty Alleviation (全國脱貧攻堅先進集體)	2022	
National Award for Outstanding Corporate Culture Achievements (Special Prize) (全國企業文化優秀成果特等獎)	2021	China Enterprise Confederation and China Entrepreneur Association
Strategic Partner of the "China-ASEAN Expo" for 16 consecutive years (第十六屆中國－東盟博覽會戰略合作夥伴)	2004 to 2023	China-ASEAN Expo Secretariat
Corporate Rating of "AAA" (AAA主體信用評級)	2015 to 2023	China Chengxin International Credit Rating Co., Ltd.

BUSINESS SEGMENTS

The Guarantor Group's businesses are operated in five core segments: (a) aluminium, (ii) energy, (iii) finance, (iv) medical and healthcare, (v) digital economy and (vi) investment. In addition, it also conducts ancillary businesses such as consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services.

The tables below set out the Guarantor Group's total revenue and gross profit by business segment, each expressed as a percentage for the periods indicated:

Total revenue

	For the year ended 31 December					
	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
	(RMB in millions, except for percentages)					
Aluminium	112,626.3	58.9	118,139.9	57.3	128,733.4	61.2
Energy	36,406.0	19.0	52,205.2	25.3	45,518.3	21.6
Finance	25,019.5	13.1	27,133.1	13.2	28,158.6	13.4
Medical and healthcare	5,916.0	3.1	3,759.3	1.8	3,180.2	1.5
Digital economy	8,303.0	4.3	2,537.2	1.2	3,099.7	1.5
Investment	1,047.1	0.6	1,500.4	0.7	1,045.8	0.5
Others[(1)]	1,869.2	1.0	1,018.6	0.5	563.9	0.3
Total	**191,187.0**	**100.0**	**206,293.6**	**100.0**	**210,300.0**	**100.0**

Note:

(1) This segment primarily comprises, among other things, consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services.

Gross profit and profit margin

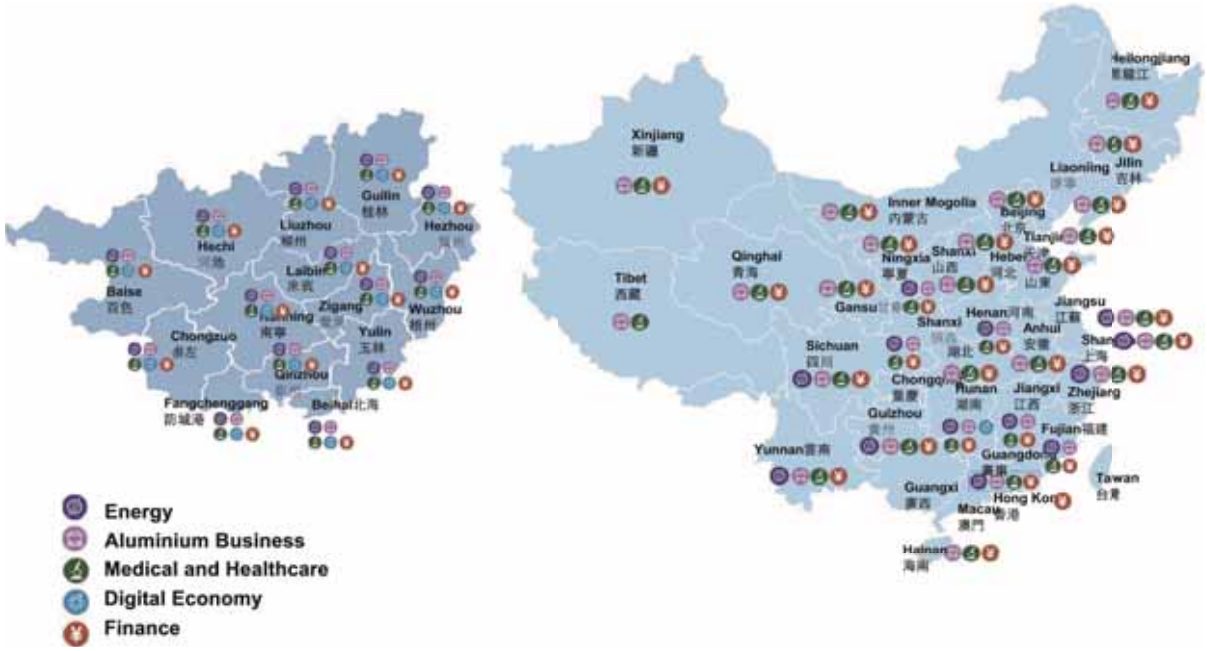
	For the year ended 31 December					
	2020		2021		2022	
	Gross profit	Profit margin[(1)] (%)	Gross profit	Profit margin[(1)] (%)	Gross profit	Profit margin[(1)] (%)
	(RMB in millions, except for percentages)					
Aluminium	2,428.0	2.16	3,414.0	2.89	1,934.1	1.50
Energy	1,317.6	3.62	1,412.8	2.71	1,640.5	3.60
Finance	8,581.6	34.30	7,764.2	28.62	8,500.6	30.19
Medical and healthcare	2,938.5	49.67	2,450.8	65.19	1,695.1	53.30
Digital economy	79.9	0.96	182.7	7.20	166.5	5.37
Investment	307.9	29.40	303.3	20.21	423.3	40.48
Others[(2)]	309.0	16.53	950.7	93.34	291.0	51.61
Total	**15,962.6**	**8.35**	**16,478.6**	**7.99**	**14,651.1**	**6.97**

Note:

(1) Gross margin is calculated by dividing gross profit by total revenue.

(2) This segment primarily comprises among other things, consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services.

The map below illustrates the geographical distribution of the Guarantor Group's certain major business operations in the PRC as at 31 December 2022:



Aluminium

Overview

The Guarantor Group's aluminium operations are integrated and form a relatively complete business chain ranging from bauxite mining, alumina refining, electrolytic aluminium smelting to production of carbon and graphite products, aluminium processing and conversion of primary metal into value-added products for sale and trading. It has stable sources of critical raw materials for its operations, including its in-house bauxite and alumina resources. Additionally, the Guarantor Group's power generation activities provide it with access to electricity, another key component of aluminium production. The Guarantor Group's finished products include alumina produced from its plants that is generally used for its own captive needs, the excess of which is sold to third parties, primary aluminium in the form of ingots and molten aluminium, and value-added processed products such as aluminium rods. The Guarantor Group conducts its aluminium business primarily through its member group, Guangxi Aluminium Group.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its aluminium business of approximately RMB112,626.3 million, RMB118,139.9 million and RMB128,733.4 million, respectively. Currently, this segment is the largest revenue contributor for the Guarantor Group.

Products

Aluminium products are widely used in various industries, such as construction, electrical, transport and consumer durables. Aluminium is a silvery white and ductile member of the boron group of chemical elements, the third most abundant element in the earth's crust, after oxygen and silicon. Aluminium is the most widely used non-ferrous metal for its corrosion resistance due to the phenomenon of passivation and its low density, low tensile strength, and ease in forming alloys with many chemical elements such as copper, zinc, manganese, silicon, and magnesium.

The Guarantor Group's operations are organised and managed according to its principal products: alumina, molten aluminium, aluminium ingots and aluminium rods. Alumina production is conducted through Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司), also the subsidiary that holds the ownership rights of the Guarantor Group's two bauxite mines. The main operating subsidiaries responsible for the production and sales of molten aluminium and aluminium ingots are Guangxi Baise GIG Yinhai Aluminium Co., Ltd. (廣西百色廣投銀海鋁業有限責任公司) and Guangxi Laibin GIG Yinhai Aluminium Co., Ltd. (廣西來賓廣投銀海鋁業有限責任公司), whereas Guangxi Guangyin Aluminium Co., Ltd. (廣西廣銀鋁業有限公司)and ALG Aluminium Inc. (廣西南南鋁加工有限公司) primarily operate the Guarantor Group's aluminium processing business. Guangxi Aluminium Group Co., Ltd. (廣西鋁業集團有限公司) is the main entity through which the Guarantor Group carries out wholesale trading of aluminium and also acts as its centralised platform for investment, financing, capital management, procurement and sales.

The table below sets out the sales volume and average selling price of the Guarantor Group's principal aluminium products for the periods indicated:

	For the year ended 31 December					
	2020		2021		2022	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(million tonnes)	(RMB/ tonne)	(million tonnes)	(RMB/ tonne)	(million tonnes)	(RMB/ tonne)
Alumina	2.22	2,208.35	2.12	2,528.86	2.24	2,806.98
Aluminium ingots	0.28	13,827.47	0.12	18,991.95	0.02	21,540.16
Molten aluminium	0.37	13,968.24	0.48	18,483.93	0.35	19,371.56
Aluminium rods	0.90	14,593.65	0.93	19,110.30	0.74	20,028.92

Production

Production Facilities

As at 31 December 2022, the Guarantor Group had 12 production sites for the manufacturing of aluminium products, including two specialising in electrolytic aluminium production, five in aluminium rods production, one in alumina production and another four in aluminium processing. The Guarantor Group owns all of the facilities, property and equipment at all of its production sites and has its own maintenance crew for each site.

The table below sets out certain key information relating to the Guarantor Group's production capacities and production volumes by principal product for the periods indicated:

	For the year ended 31 December		
	2020	2021	2022
		(million tonnes)	
Alumina			
Annual production capacity	2.00	2.00	2.00
Production volume	2.20	2.10	2.22
Electrolytic aluminium			
Annual production capacity	0.70	0.70	0.70
Production volume	0.65	0.60	0.37
Aluminium rods			
Annual production capacity	1.90	1.90	1.90
Production volume	1.00	1.01	0.84

Note:

The Guarantor Group also has average annual production capacities of 750,000 tons for pre-baked anodes, and 10 million square metres for aluminium foil, respectively.

Production Process

Alumina

Alumina is refined from bauxite, an aluminium bearing ore, through a chemical refining process. The refining process applied is determined by the mineral composition of the bauxite used in production.

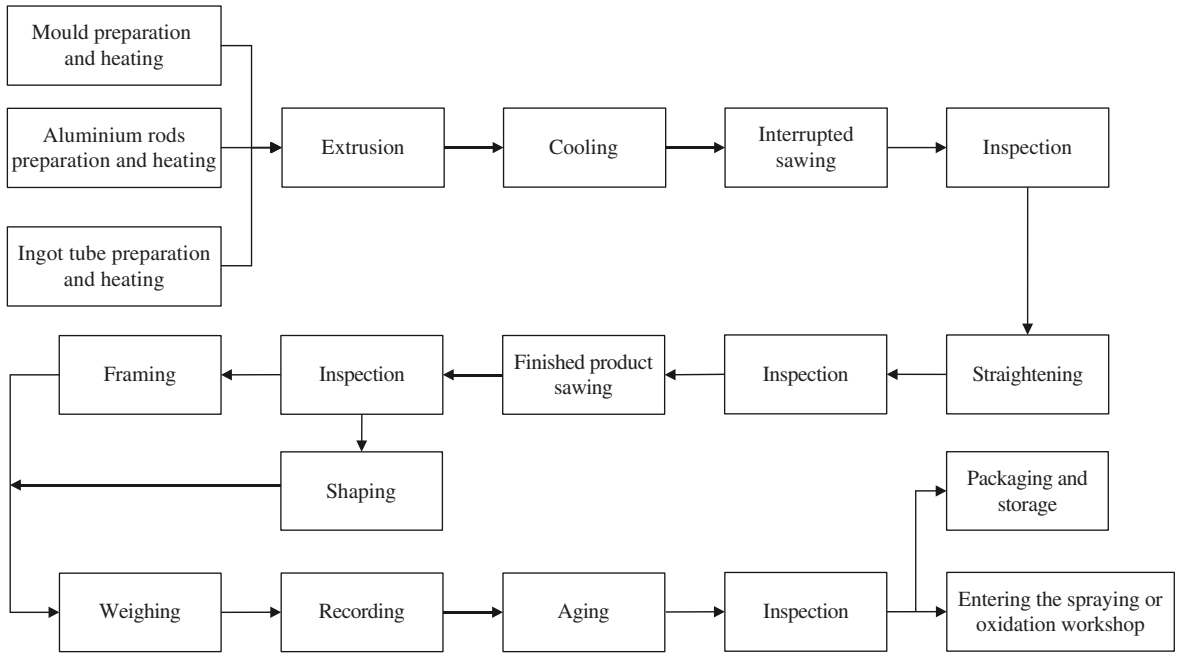
Primary aluminium (aluminium ingots and molten aluminium)

The Guarantor Group smelts alumina into primary aluminium through electrolytic reduction. The electrolytic process takes place in a reduction cell, or pot, a steel shell lined with carbon cathodes and refractory materials. Powerful electric currents are passed through the pot to produce molten aluminium. The molten electrolytic aluminium is poured into moulds to produce aluminium busbars or combined with various chemical elements to form various molten aluminium alloys. Molten aluminium alloys are poured into moulds to produce aluminium ingots. Most of the primary aluminium the Guarantor Group produces is in the form of ingots or molten aluminium.

Aluminium processed products (aluminium rods)

The production process of aluminium rods is relatively simple: molten aluminium is first poured into the casting and holding furnace, then goes through various processes, including precipitation and refining to remove impurities and adjustment of alloy composition ratio, until it meets relevant standards relating to composition and temperature, before finally going into the final casting well to be moulded into aluminium rods of different specifications.

The production process of the Guarantor Group's major aluminium products is illustrated below:



Procurement

The Guarantor Group's procurement requirements are satisfied through internal resources and external suppliers. The Guarantor Group's procurement department is responsible for the assessment and selection of suppliers and procurement of raw materials. The principal raw materials that the Guarantor Group uses in production primarily include bauxite and alumina. From time to time, the Guarantor Group also procures molten aluminium from external suppliers for production of aluminium rods. The production department usually provides the procurement department with a monthly raw materials requirement schedule for its production need for the next month. In accordance with the Guarantor Group's production requirements and inventory policy, the procurement department will arrange the selection of suppliers and procurement of raw materials.

Raw Materials

Bauxite

Bauxite is the principal raw material in alumina production. Bauxite deposits have been discovered across a broad area of central China and are especially abundant in the southern and northern parts of central China. To support the growth of the Guarantor Group's alumina production, it continuously seeks opportunities to streamline and optimise procurement of bauxite. As such, the Guarantor Group's alumina refineries are located within proximity of its two bauxite mines, which allows the Guarantor Group to control transportation costs. Historically, the Guarantor Group has procured its bauxite supply principally from its own bauxite mining operations as well as third-party suppliers.

The Guarantor Group used approximately 7.7 million tonnes, 12.5 million tonnes and 12.3 million tonnes of bauxite in its alumina production in 2020, 2021 and 2022, respectively. The production of the Guarantor Group's own mines was approximately 6.1 million tonnes, 6.7 million tonnes and 7.00 million tonnes for the years ended 31 December 2020, 2021 and 2022, representing 78.4 per cent., 53.9 per cent. and 56.8 per cent., respectively, of its total bauxite requirements for the same periods. In the event that the Guarantor Group's demand for bauxite exceeds the production of its own mines, the Guarantor Group, primarily the investee companies, may purchase bauxite from a number of third-party suppliers.

Own Mines. As at 31 December 2022, the Guarantor Group owned and operated two mines in the GZAR that had approximately 610 million tonnes of aggregate bauxite reserves.

The table below sets out certain key information regarding the Guarantor Group's mines as at 31 December 2022:

Mine	Location	Permit period	Present condition	Annual production volume of bauxite (million tonnes)	Area (Square kilometers)
Debao Mine . .	Debao, Dongling (德保縣東淩－多甲鋁土礦)	September 2012 to September 2032	Fully developed and operational	0.8	78.2
	Debao-Maai, Du'an (德保馬隘礦－都安鋁土礦)	October 2019 to October 2046	Fully developed and operational	1.9	155.3
Jingxi Mine . .	Jingxi-Xinxu, Wuping (靖西新圩－武平鋁土礦)	October 2019 to October 2038	Fully developed and operational	2.1	21.6

The Guarantor Group will continue to explore new bauxite reserves to replenish its reserves. In order to retain the title to the Guarantor Group's mines, or obtain the title to new mines in China, the Guarantor Group is required to comply with mining qualifications approved by the relevant PRC authorities and pay an annual fee for each of the Guarantor Group's mines.

Alumina

Alumina is another main raw material in the production of primary aluminium. The Guarantor Group self-supplies majority of its alumina in demand, primarily through its subsidiaries, Guangxi Baise GIG Yinhai Aluminium Co., Ltd. (廣西百色廣投銀海鋁業有限責任公司), Guangxi Laibin GIG Yinhai Aluminium Co., Ltd. (廣西來賓廣投銀海鋁業有限責任公司) and Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司) and associate companies such as Guangxi Huasheng New Material Co., Ltd. (廣西華昇新材料有限公司).

Supplementary materials

Raw materials other than alumina such as coal, limestone and caustic soda, are generally procured through competitive bidding or inquiry and comparison among the Guarantor Group's suppliers. When the Guarantor Group selects suppliers, it does not only take into account price, but also carefully consider the candidate's credit history, the quality of the raw materials and feedback from its production department.

The Guarantor Group also enters supply agreements with certain of its suppliers on an average term of one year to secure a stable supply of raw materials. Pursuant to these supply agreements, the suppliers provide certain volumes of raw materials to the Guarantor Group on a monthly basis, and they are responsible for the delivery and all relevant expenses. The Guarantor Group has the right to terminate the supply agreement if quality of the raw materials is not satisfactory, and in some instances, it is entitled to require the suppliers to make quality deposits, which will be deducted if the suppliers cancel or fail to perform the supply agreements. For such long-term supply agreements, prices are determined by reference to then prevailing market pricing.

Electricity

Electricity is one of the principal cost components in aluminium production. Smelting aluminium requires a substantial and continuous supply of electricity. As a result, the availability and cost of electricity are key considerations for the Guarantor Group's operations. The Guarantor Group benefits from a stable supply of electricity from its own power stations. The Guarantor Group's aluminium operations, through open bidding over the electricity exchange, normally enter into power purchase agreement with its own power generation company after a successful bidding and settles payment over the China Southern Power Grid.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group's electricity consumption requirements for its aluminium production activities amounted to approximately 9.1 million MWh, 8.2 million MWh and 5.2 million MWh, respectively.

Sales and Customers

The Guarantor Group primarily sells aluminium products to domestic customers, which are located mainly in the GZAR and surrounding regions. Although sales of its aluminium ingots and molten aluminium are conducted on a nationwide basis, its major markets are concentrated in the Southern China area, including provinces such as Guangdong. In recent years, with the GZAR being the main beneficiary of a geographic shift in Guangdong Province's aluminium processing industry and, adding to that, the Guarantor's investments in processing plants gradually yielding results and gaining momentum, sales of the Guarantor Group's aluminium ingots and molten aluminium within the GZAR have increased. For its aluminium processed products, other than the GZAR and Guangdong Province, the Guarantor Group also sells to other regions and provinces such as the Eastern China area, including Anhui Province and Zhejiang Province.

According to the shareholder resolutions of Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司), wholesale sales of its alumina products are to be undertaken by its three shareholders, namely Guangxi Aluminium Group Co., Ltd. (廣西鋁業集團有限公司), a subsidiary of the Guarantor and two other domestic aluminium enterprises, in the distribution proportion of 34 per cent., 33 per cent. and 33 per cent., respectively. Accordingly, the Guarantor Group sells alumina products of Guangxi Huayin Aluminium Co., Ltd. based on such distribution proportion to its own members, whereas Guangxi Huayin Aluminium Co., Ltd's remaining products are sold to other customers in the GZAR or to Southwest China.

Most of the Guarantor Group's customers are (i) downstream manufacturers, who processed the Guarantor Group's aluminium products into secondary aluminium products, such as aluminium plates, aluminium wire and wheel hubs, and (ii) traders, who in turn resold the Guarantor Group's products to downstream aluminium manufacturers or other traders. The Guarantor Group's sales to its five largest customers accounted for approximately 22.7 per cent., 28.0 per cent. and 34.4 per cent. of the total revenue of its aluminium business segment for the years ended 31 December 2020, 2021 and 2022, respectively.

Energy

The Guarantor Group engages in power generation, which primarily includes both thermal power and hydroelectricity, and the provision and sales of natural gas. It is the largest power investment group in the GZAR with a total installed capacity of 32.2 GW and total attributable installed capacity of 110 GW as at 31 December 2022. With respect to its natural gas operations, the Guarantor Group has taken on the lead role for the organisation and implementation of the GZAR's major "county-to-county(縣縣通)" gas project, which involves the construction of a comprehensive natural gas pipeline network covering the entire region.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its energy business of approximately RMB36,406.0 million, RMB52,205.2 million and RMB45,518.3 million, respectively.

Power Generation

The Guarantor Group conducts its power generation business primarily through its member group, Guangxi Energy Group. In addition to its own operations, the Guarantor Group also holds equity interests in power generation entities such as Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司), a large-scale hydropower company listed on the Shanghai Stock Exchange (stock code: 600236), Guangxi Datengxia Water Control Hub Project Development Co., Ltd. (廣西大藤峽水利樞紐開發有限責任公司) and Tianshengqiao I Hydropower Development Co., Ltd. (天生橋一級水電開發有限責任公司). For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group's total power output reached 14,721 GWh, 14,803 GWh and 14,356 GWh, respectively.

The table below sets out certain key information of the Guarantor Group's power generation business for the periods indicated:

	For the year ended 31 December					
	2020		2021		2022	
	Hydropower	Thermal power	Hydropower	Thermal power	Hydropower	Thermal power
Power output *(GWh)*	4,338	10,373	3,420	11,363	3,870	10,466
On-grid volume *(GWh)*	3,757	9,455	3,367	10,346	3,810	9,506
Total Installed Capacity *(MW)*	867	196	867	266	867	266
Average utilisation hours *(hours)*	5,169		4,172		4,033	
Average on-grid tariff *(RMB/KWh)*	0.23	0.31	0.23	0.36	0.26	0.44

Note:

(1) The Guarantor Group also engages in power generation from renewable energy sources such as nuclear power and photovoltaic power. Due to the relatively small volume and contribution, information of the Guarantor Group's nuclear power and photovoltaic power generation activities are not included in the table above.

The Guarantor Group sells the electricity generated from its power plants to Guangxi Power Grid Co., Ltd. (廣西電網有限責任公司) ("**Guangxi Grid**"), a wholly-controlled subsidiary of China Southern Power Grid, and other regional grids. It mainly enters into long-term sales agreements with a major customer, Guangxi Grid, and conducts sales through a monthly price bidding process for other customers. For the year ended 31 December 2022, the Guarantor Group generated on-grid volume of 13,222 GWh, 13,733 GWh and 13,336 GWh, respectively, and generated revenue from power generation through its controlling shareholding entities of approximately RMB5,375 million, RMB6,704 million and RMB5,155 million, respectively, for the same periods.

Thermal power

The Guarantor Group had controlling interests in four thermal power stations in operation with a total installed capacity of 2,660 MW as at 31 December 2022.

The table below sets out certain key information of the Guarantor Group's thermal power stations as at 31 December 2022:

Subsidiary	Power station	Location	Guarantor Group's equity interest (%)	Total installed capacity (MW)	Attributable installed capacity (MW)
Guangxi Investment Group Laibin Electric Power Co., Ltd. (廣西投資集團來賓發電有限公司)	Laibin B Station (來賓A廠)	Laibin, GZAR	84.8	600.0	495.5
	Laibin B Station (來賓B廠)	Laibin, GZAR	84.8	720.0	594.5
Guangxi Guixu Energy Development Investment Co., Ltd. (廣西桂旭能源發展投資有限公司)	Guixu Station (桂旭電廠)	Hezhou, GZAR	43.2	700.0	294.8
Guangxi GIG Beihai Power Generation Co., Ltd. (廣西廣投北海發電有限公司)	Beihai Power Station (北海電廠)	Beihai, GZAR	69.5	640.0	433.4
Total				**2,660.0**	**1,818.4**

Currently, the Guarantor Group has one thermal power project under construction, namely Beihai Power Station Phase II (北海電廠二期) under Guangxi GIG Beihai Power Generation Co., Ltd. (廣西廣投北海發電有限公司), situated at Beihai, GZAR, with an estimated total installed capacity of 1,320 MW. It is expected to commence operation in December 2023.

The Guarantor Group strives to continuously improve the generating efficiency of its power plants. For example, in 2010, it ceased operations of the smaller-sized power generation units of the Laibin Power Station to replace them with larger capacity versions, and also subsequently implemented cogeneration upgrades and transformations for the replaced units. In 2018, the Guarantor Group ceased operations of the smaller-sized power generation units in power stations in Liuzhou. Regular upgrades of the technology and equipment used in its power plants, including inverters, steam turbine shaft seals, air preheater seals and other energy-saving equipment, are carried out to ensure optimal operational efficiency.

Coal is the principal raw material for thermal power generation. The Guarantor Group procures the majority of its coal from state-owned coal producers, such as China Energy Investment Corporation Limited (國家能源投資集團有限責任公司), China Coal Energy Co., Ltd. (中國中煤能源集團有限公司) and Jinneng Holding Coal Industry Group (晉能控股煤業集團). It has established long-term cooperative relationships with a diversified pool of coal suppliers, which helps to stabilise its coal purchase price. The Guarantor Group enters into purchase agreements with its coal suppliers on an annual basis and determines coal purchase price in accordance with the annual purchase plan and coal price trend. It also procures coal from the open market. The procured coal is transported to its power plants by rail, by sea and by road. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group procured coal of 5.2 million tonnes, 5.4 million tonnes and 4.9 million tonnes, respectively, and the Guarantor Group's coal procurement volume from its five largest suppliers together accounted for approximately 77.5 per cent., 70.3 per cent. and 72.9 per cent., respectively, of its total procurement for the same periods.

Hydropower

The Guarantor Group controls and operates a range of hydropower generation projects, which are mainly located along the Hongshui River (紅水河), a major river in the GZAR. As at 31 December 2022, the Guarantor Group had 14 hydropower plants with a total installed capacity of 867.3 MW.

The table below sets out certain key information of the Guarantor Group's hydropower stations as at 31 December 2022:

Subsidiary	Power station	Location	Total installed capacity (MW)	Attributable installed capacity (MW)
Guangxi GIG Qiaogong Energy Development Co., Ltd. (廣西廣投橋鞏能源發展有限公司)	Qiaogong Hydropower Plant (橋鞏水電站)	Laibin, GZAR	480.0	134.0
Guangxi Laibin Cooling Water Power Generation Co., Ltd. (廣西來賓冷卻水發電有限責任公司) . .	Cooling Hydropower Plant (冷卻水發電站)	Laibin, GZAR	9.7	8.0
Guangxi Guineng Electric Power Co., Ltd. (廣西桂能電力有限責任公司)	Zhaoping Hydropower Plant (昭平水電站)	Hezhou, GZAR	63.0	24.7
Pingle Guijiang Electric Power Co., Ltd. (平樂桂江電力有限責任公司))	Bajiangkou Hydropower Plant (巴江口水電站)	Guilin, GZAR	90.0	28.8
Zhaoping Guihai Electric Power Co., Ltd. (昭平桂海電力有限責任公司)	Xiafu Hydropower Plant (下福水電站)	Hezhou, GZAR	49.5	17.7

Subsidiary	Power station	Location	Total installed capacity (MW)	Attributable installed capacity (MW)
Guangxi Energy Co., Ltd. (廣西能源股份有限公司)	Hemianshi Hydropower Plant (合面獅水電站)	Hezhou, GZAR	80.0	33.7
Wuzhou Guijiang Electric Power Co., Ltd. (梧州桂江電力有限公司)	Jingnan Hydropower Plant (京南水電站)	Wuzhou, GZAR	69.0	29.1
Guangxi Energy Co., Ltd. (廣西能源股份有限公司)	Seven small plants[(1)]	Hezhou, GZAR, Yongzhou, Hunan province, etc.	26.1	10.1
Total			**867.3**	**286.1**

Note:

(1) Seven small plants include Sencong Hydropower Plant (森聰水電站), Xiaoguyuan Hydropower Plant (小古源水電站), Yuntengdu Hydropower Plant (雲騰渡水電站) and other plants.

As at 31 December 2022, the Guarantor Group also held non-controlling interests in certain strategic power generation projects, such as the thermal power generation projects of Guizhou Xingyi Electric Power Development (貴州興義電力發展有限公司), the hydropower generation projects of Datang Yantan Hydropower Co., Ltd. (大唐岩灘水力發電有限責任公司), Guangxi Datengxia Water Control Hub Project Development Co., Ltd. (廣西大藤峽水利樞紐開發有限責任公司) and Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司), as part of its expansion plans for this business segment.

Renewable Energy

The Guarantor Group strives to diversify its power project portfolio and explore the potential development opportunities of renewable energy. Major projects that are currently under construction or in the pipeline include Beihai Power Expansion Project (Phase II) (北海發電擴建(二期)項目) together with Beihai Lingang Circular Economy Industrial Park Project (北海臨港迴圈經濟產業園項目), Shenhua Guohua GIG (Beihai) Power Station Continued Project (神華國華廣投(北海)電廠續建項目), Fangchenggang Nuclear Power Plant Project (防城港核電站項目), Fangchenggang Offshore Wind Power Project (Site A) (防城港海上風電A場址工程項目) Huayin Aluminium Direct Gas Supply Project (華銀鋁直供氣項目)and Laibin Hydrogen Energy Pilot Application Project (來賓氫能試點應用項目).

Shenhua Guohua GIG (Beihai) Power Station Extension Project (神華國華廣投(北海)電廠續建項目) envisions the construction of eight ultra-supercritical coal-fired thermal power generation units, four 0.1 million tonne sized docks and a coal storage yard with an annual storage and transportation capacity of 30 million tonnes. The development of Fangchenggang Nuclear Power Project (防城港核電站項目) is progressing steadily according to plan. As at the date of this Offering Circular, the Guarantor holds a 39 per cent. equity interest in the Fangchenggang Nuclear Power Plant Project, of which the first two power generation units under Phase I were completed in construction and commented commercial operation in January and October 2016, respectively. In addition, Phase II of the Fangchenggang Nuclear Power Plant project adopted a third-generation nuclear power technology independently developed in the PRC — Hualong No. 1. Power generation unit no. 3 with an installed capacity of approximately of 1,180 MW under Phase II completed construction and was put into commercial operation in January 2023 and power generation unit no. 4 with the same installed capacity is expected to commence commercial operation in 2024. The Guarantor Group also leads the construction of the first offshore wind power demonstration project in the GZAR. It engages in coordinating preliminary construction of the offshore wind power site in the deep sea of GZAR and establishing renewable energy projects such as onshore wind power and photovoltaic power generation with power reserve of over three million KW.

Natural gas

One of the Guarantor Group's key focuses for its energy segment is its natural gas business, which is a relatively new business line for the Guarantor Group. However, given the increasing public awareness of environmental protection and the government's advocacy for low carbon and green energy, the Guarantor Group believes that this business holds great potential in terms of profitability. In October 2015, the Guarantor Group established Guangxi GIG Gas Co., Ltd. (廣西廣投燃氣有限公司) to invest in and develop its natural gas operations. The other main operating subsidiary is Guangxi GIG Natural Gas Pipeline Co., Ltd. (廣西廣投天然氣管網有限公司).

The Guarantor Group is the lead entity involved in the Guangxi Natural Gas Pipeline Project (廣西天然氣支綫管網項目), which is part of the GZAR Government's initiative to build a "county-to-county (縣縣通)" natural gas network for the purposes of improving public welfare and bettering living conditions of residents. This project entails the construction of 14 prefecture-level city natural gas dedicated pipelines and 51 county-level branch pipeline heads. The total length of dedicated pipelines is expected to be approximately 287 kilometres, the total mileage of county-level branch pipelines approximately 3,032 kilometres, and the cumulative pipeline mileage approximately 3,319 kilometres. The city pipelines will be equipped with 12 receiving process installation areas and 15 sub-transmission stations; branch pipelines will be equipped with eight receiving process installation areas and 65 sub-transmission stations. The project also plans to build 11 compressed natural gas mother stations. The estimated total investment of the project is approximately RMB6 billion. As at the date of this Offering Circular, the Guarantor Group has 38 distribution stations that completed construction or are under construction within the GZAR, among which 23 stations have commenced operation. The total length of pipelines completed in construction or under construction amounts to approximately 600 kilometres with a total investment of approximately RMB2.1 billion as at the date of this Offering Circular, which has achieved natural gas supply with an aggregate amount of 6.3 billion cubic meters to 11 cities and seven counties, reaching more than 21 million residents. For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group supplied natural gas of 626 million cubic metres, 925 million cubic metres and 1,210 million cubic metres, respectively.

The Guarantor Group also focuses on coordinating the upstream natural gas resources, midstream pipeline network and downstream natural gas market. In the upstream, the Guarantor Group led the first shale gas development demonstration project in the GZAR. In the midstream, the Guarantor Group delivers gas of over six billion cubic meters to 12 cities and seven counties in the GZAR. In the downstream, the Guarantor Group acts as a key urban gas operator in the GZAR, possessing 16 gas pipeline franchising rights and operating eight industrial district projects and large user direct supply projects.

Finance

The Guarantor Group has a diverse portfolio of financial services and products through its member groups, Sealand Securities Group and Guangxi Beibu Gulf Bank Group, the Issuer Group and Guangxi Investment Financial Holding Group. As at the date of this Offering Circular, the Guarantor Group holds equity interests of 27.6 per cent. and 20.0 per cent. in Sealand Securities and Beibu Gulf Bank, respectively, with the Guarantor being their ultimate controlling shareholder. The Guarantor Group's finance segment, particularly after the consolidation of the Issuer Group in 2019, has experienced relatively substantial and rapid expansion, while still managing profitability and is an important revenue contributor.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its finance business of approximately RMB25,019.5 million, RMB27,133.1 million and RMB28,158.6 million, respectively.

Securities Business

Tracing its history back to 1988, Sealand Securities is a national comprehensive financial services company and was the first of its kind and scale in the GZAR. Its service offerings include securities brokerage, securities investment consulting, financial advisory, securities underwriting and sponsor, securities asset management, securities investment fund distributors, and other integrated financial services. It became listed on the Shenzhen Stock Exchange in August 2011 (stock code: 000750), the first to do so in the GZAR, and according to the CSRC, was granted a "BBB" rating. As at the date of this Offering Circular, it is the only registered securities company in the GZAR. As at 31 December 2022, it had established 27 branches, 99 securities business departments, and four holding subsidiaries across the country. As at 31 December 2022, Sealand Securities Group had total assets of RMB73.8 billion, and for the year ended 31 December 2022, it generated operating income of RMB3.6 billion.

The table below sets out the operating income derived from Sealand Securities Group by principal service category for the periods indicated:

	For the year ended 31 December					
	2020		2021		2022	
	(Amount)	%(1)	(Amount)	%(1)	(Amount)	%(1)
	(RMB in millions, except for percentages)					
Retail wealth management	1,067.5	23.8	1,234.2	23.9	938.5	29.0
Enterprise financial services	273.1	6.1	230.3	4.5	89.6	2.5
Securities trading and investments	1,211.3	27.0	979.2	18.9	(95.2)	(2.6)
Investment management	1,142.2	25.5	1,479.2	28.6	1,041.5	28.8
Credit services	321.3	7.2	263.0	5.1	296.0	8.2

Note:

(1) The percentage represents the operating income of each segment against the total operating income of Sealand Securities Group for the periods indicated.

Retail Wealth Management

Sealand Securities Group is licensed to act as an agent for customers to buy and sell stocks, bonds, funds, futures options and other tradable securities, and provides customers with personalised investment consulting, financial planning, and asset allocation services to meet their wealth management needs as well as advise institutional investors regarding private equity funds and investment transaction risk control. As at 31 December 2022, its business network covers 21 provincial-level regions with 122 securities business departments and branches engaged in retail wealth management, among which 52 securities business departments are located within the GZAR. Sealand Securities Group also engages in commodity futures brokerage and financial futures brokerage through its holding subsidiary, Guohai Liangshi Futures Co., Ltd. (國海良時期貨有限公司), which has 26 branches across the country and can provide agency services for the trading, settlement and delivery of all domestic listed futures products.

Enterprise Financial Services

This business line focuses on the needs of corporate customers and provides high-quality equity financing, debt financing, mergers and acquisitions, refinancing, financial advisory, new third board listings and financing for enterprises of various types and industries. Customers are able to access corporate financial services that cover their entire life cycle from, among other things, initial public offerings, further issuances, share allotments, corporate and convertible bonds, NEEQ recommended listings, major asset restructurings to financial advisory. In recent years, Sealand Securities Group provided such diversified financial services to more than 590 companies in the PRC, including specialised business services for SMEs.

Securities Trading and Investments

This business line primarily involves treasury bonds, financial bond underwriting, proprietary investments and financial market services. In particular, financial bond underwriting is one of Sealand Securities Group's core strengths. It has maintained a leading industry profile for years and has the capability to provide underwriting and distribution services for government bonds, financial bonds and other bonds to governments and PRC policy banks. It also invests in traditional securities investment products such as bonds, stocks and funds, as well as financial derivatives such as treasury bond futures, stock index futures and stock options. In addition, it has vigorously developed its financial market services business and can provide institutional investors with fixed income securities and derivatives market making services and capital intermediary services.

Sealand Securities Group also conducts alternative investment business through its wholly-owned subsidiary, Guohai Securities Investment Co., Ltd. (國海證券投資有限公司). By focusing on the major sectors such as technology, industrial restructuring, new consumption and services and health and wellness, Sealand Securities Group utilises its own funds to engage in follow-on investment in enterprises listed under the Science and Technology Innovation Board on Shanghai Stock Exchange and also equity investments in non-listed companies.

For the year ended 31 December 2022, Sealand Securities Group incurred losses in its securities trading and investments business primarily due to the unfavourable market conditions.

Investment Management

This business line comprises asset management, public fund management and private equity investment fund management. Sealand Securities Group's asset management portfolio includes, among other things, equity investments, capital markets products, fixed income products, structured finance, inter-bank and nonstandard businesses and fund financial services. It has put together an industry-leading asset management team with capabilities and expertise in investment research, compliance and risk control and operational assurance. With respect to its public fund management business, Sealand Securities Group is able to assist customers with fund raising exercises and investment management both domestically and overseas through its subsidiary, Franklin Templeton Sealand Fund Management Co., Ltd. (國海富蘭克林基金管理有限公司) ("**Franklin Templeton Sealand Fund Management**"). It also provides private equity fund management, asset allocation, investment management and consulting, financial consulting and other related services through its wholly-owned subsidiary, Guohai Innovative CCI Capital Co., Ltd. (國海創新資本投資管理有限公司). Its key sector focuses are information technology, advanced manufacturing, large-scale consumption, healthcare, energy conservation and environmental protection and other national-level encouraged development areas.

As at 31 December 2022, Sealand Securities Group managed 230 collective asset management plans, 54 single asset management plans and 22 specialised asset management plans with total assets under management ("**AUM**") of approximately RMB65.4 billion, and as at the same date, Sealand Securities Group, through Franklin Templeton Sealand Fund Management, managed 41 public fund products and six specialised asset management plans with total AUM of approximately RMB82.4 billion. For the year ended 31 December 2022, Sealand Securities Group generated operating income from its asset management, public fund management and private equity investment fund management business of approximately RMB187.7 million, RMB710.7 million and RMB96.5 million, respectively.

Credit Services

Sealand Securities Group provides customers with one-stop securities credit financing solutions, including but not limited to margin financing and securities lending, refinancing securities lending, agreed repurchase securities transactions and stock pledged repurchase transactions.

Others

Sealand Securities Group's other businesses include provision of research services to institutional clients including public funds, insurance companies, asset management firms, private equity firms and listed companies in the PRC. It has also ventured into financial technology, or "fintech", and actively developed an integrated financial services digital system with multiple user interfaces (desktop, the internet, mobile applications and the "WeChat" application) to better service customers. As at 31 December 2022, Sealand Securities Group has established a research team with more than 180 people, building up over 31 research groups covering 33 industries.

Banking Business

Beibu Gulf Bank is the only regional, international, joint-stock high-quality characteristic bank approved by CBIRC and under the direct leadership of the GZAR Government. Beibu Gulf Bank was established in March 1997 by the shareholders of 11 legal entities and 17 urban credit cooperatives. Its key mandate is to provide strong financial support for the economic development of the GZAR and the Beibu Gulf Economic Zone, as well as facilitate the growth of the China-ASEAN Free Trade Area (中國－東盟自由貿易區). As at 31 December 2022, Beibu Gulf Bank Group had 345 licensed institutions, including 334 business outlets, 11 small enterprise service centres, among which counted 15 first-level branches and 137 first-level business outlets. As at 31 December 2022, Beibu Gulf Bank Group had total assets of approximately RMB416.5 billion, of which total customer loans and advances amounted to approximately RMB228.4 billion. For the year ended 31 December 2022, total operating income and net profit of Beibu Gulf Group was approximately RMB8.5 billion and approximately RMB2.5 billion, respectively. Beibu Gulf Bank ranked 358th among Top 1000 World Banks 2023 by the Banker, 28th among Top 100 Enterprises in Guangxi (廣西企業100強) by Guangxi Enterprises and Entrepreneurs Confederation, and 10th among Top 50 Service Enterprises in Guangxi (廣西服務業企業50強) by Guangxi Enterprises and Entrepreneurs Confederation.

Beibu Gulf Bank Group's business portfolio comprises corporate banking, retail banking, financial markets, interbank business, funds trading, financial technology and overseas business. As at 31 December 2022, Beibu Gulf Bank Group had corporate loans and advances of approximately RMB158.3 billion and corporate deposits of approximately RMB178.2 billion, and as at the same date, Beibu Gulf Bank Group had more than 10.2 million retail customers and managed retail financial assets of approximately RMB124.8 billion, including personal deposits of approximately RMB90.8 billion.

The Guarantor Group's overseas business segment was reclassified and integrated into its banking business, and Beibu Gulf Bank Group's efforts in this regard include taking on an active role in the building of a comprehensive pilot zone for financial reform, which entails the provision of high-quality financial services for enterprises within the region and assisting them to "go global". Currently, it has established correspondent banking relationships with 215 banks worldwide (including 40 banks in eight countries and regions in Southeast Asia). Furthermore, it has preliminarily established a cooperative bank that is focused on the ASEAN Economic Area but also provides global coverage with service offerings ranging from international settlement, trade financing, credit investigation to foreign exchange liquidity loans. It set up the China-ASEAN cross-border currency business centre and is one of the few domestic city commercial banks that operates normal trade, border trade, and small currency businesses. Also, Beibu Gulf Bank Group has particularly distinguished itself in terms of financial services for small and micro enterprises, as one of its main business objectives is to promote the transformation and upgrading of such entities in its coverage regions.

Other Services

The Guarantor Group also provided other financial services through the Issuer Group and its member group, Guangxi Investment Financial Holding Group. The Issuer Group was consolidated into the Guarantor Group in 2019 as a new arm of the Guarantor Group's finance operations. It serves as an integrated financial services provider and aims to develop itself into a "finance department store" in the GZAR. For details of the business of the Issuer Group, see "*Description of the Issuer Group*".

Guangxi Investment Financial Holding Group primarily engages in microloans to SMEs and start-ups to address their short-term financial needs, as well as property insurance, financing guarantees, financial leasing, asset management, capital investment, commercial factoring and digital finance. As at 31 December 2022, Guangxi Investment Financial Holding Group generated operating income from its lending business, guarantee business and financial leasing business of approximately RMB178 million, RMB41 million and RMB771 million, respectively.

Medical and Healthcare

The Guarantor Group believes that there is great potential in the healthcare industry and this business segment will be an important drive for its future growth. In September 2019, to align its strategy with the region's overall plan to accelerating the development of the healthcare industry, the Guarantor merged and reorganised the operations of Guangxi GIG Cultural Tourism Co., Ltd. (廣西廣投文化旅遊投資有限公司) and Guangxi GIG Health Care Co., Ltd. (廣西廣投康養有限公司) (formerly known as Guangxi GIG Big Health Industry Co., Ltd. (廣西廣投大健康產業有限公司)), respectively, into Guangxi GIG Health, one of its main operating subsidiaries for this segment, particularly with respect to the development of its wellness and healthcare business line.

In addition, the Guarantor Group also engages in pharmaceutical business through Zhongheng Group and its main operating member group, Wuzhou Pharmaceutical Group. Wuzhou Zhongheng is a diversified industrial conglomerate, listed on the Shanghai Stock Exchange (stock code: 600252), with R&D, production and sale of pharmaceuticals as its core business but extending its portfolio to health food products and cultivation of raw materials for drugs and health foods. It is a national "high-tech" enterprise and ranks among China's top 100 pharmaceutical manufacturing enterprises. In 2021, it ranked 23rd among China's Top 100 Chinese Pharmaceutical Enterprises Ranking List (中成藥企業TOP100排行榜) and 12th among China Time-honored Brand (中華老字號). In 2022, Wuzhou Pharmaceutical ranked 49th among China's Top 100 Chinese Pharmaceutical Enterprises Ranking List (中成藥企業TOP100排行榜). See "— *Honours and Awards*".

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its medical and healthcare business of approximately RMB5,916.0 million, RMB3,759.3 million and RMB3,180.2 million, respectively.

Pharmaceuticals

The Guarantor Group's pharmaceuticals business is primarily conducted by Zhongheng Group and its main operating member group, Wuzhou Pharmaceutical Group, which has developed into a modern comprehensive high-tech enterprise with integrated operations in research and development, production, sales and services and a track record spanning nearly a century. It is one of the leading pharmaceutical manufacturers in the GZAR and one of the large-scale manufacturers of Chinese medicine injections in Southern China. As at 31 December 2022, Zhongheng Group had total assets of approximately RMB11.8 billion, and for the year ended 31 December 2022, it generated operating income of approximately RMB2.7 billion.

Wuzhou Pharmaceutical Group provides medicine and drugs covering a wide range of therapeutic areas, including cardiovascular, neurology, endocrinology, orthopaedics, ophthalmology, gynaecology, paediatrics, respiratory and urology. Its representative products, such as Xueshuantong for Injection (注射用血栓通(凍乾)), Zhonghua Dieda Pills (中華跌打丸), Shedan Chuanbeiye (蛇膽川貝液), Fuyanjing Capsules (婦炎淨膠囊), Jieshitong Tablets (結石通片) have strong brand recognition and possess leading positions in the proprietary Chinese medicine market in the PRC.

Wuzhou Pharmaceutical Group offers 14 types of dosage forms with 217 varieties (including 135 traditional Chinese medicine preparations, 82 chemical raw materials and preparations), and a total of 308 drug production approved types (including 181 traditional Chinese medicines, 118 chemical medicines preparations and nine raw materials). Among the foregoing, there are 23 exclusive production varieties, seven national patented products and 106 varieties that were included in the "Chinese Pharmacopoeia (中華人民共和國藥典)". In addition, Wuzhou Pharmaceutical Group has 83 medicines it manufactured listed in the National Medical Insurance Drugs Catalogue, and 31 proprietary Chinese medicines and 15 chemical drugs and biological products it manufactured in the National Essential Drug List (國家基本藥物目錄).

Wuzhou Pharmaceutical Group owns trademarks such as "Zhonghua (中華)", "Chenzhong (晨鐘)" and "Zhongheng (中恒)" and the trademark "Zhonghua (中華)" was awarded "China Time-honored Brand (中華老字號)" by the MOFCOM. As at 31 December 2022, Guangxi Wuzhou Pharmaceutical Group had 125 valid patents, including 98 invention patents, 13 utility model patents, and 14 design patents.

The table below sets out the operating income derived by the Zhongheng Group from sales of pharmaceuticals by principal product type for the periods indicated:

	For the year ended 31 December		
	2020	**2021**	**2022**
		(RMB in millions)	
Cardiovascular medicine	2,112.4	1,471.1	915.8
Obstetrics and gynaecology medicine	5.3	6.2	5.3
Skeletal muscle medicine	91.3	84.5	101.7
Other generic drug	38.2	72.6	66.1
Specialty medicine	776.7	874.5	637.3
Infusion medicine	111.5	30.8	–
Anti-infection medicine	83.4	104.9	113.1
Proprietary Chinese medicine and Chinese herbal medicine	89.9	35.9	–
Others	65.8	21.1	18.2

Note:

(1) Zhongheng Group also provides other medical services and sells food and beverage products such as Guiling Gao (龜苓膏), the operating income from which is not included in the table above.

Zhongheng Group deploys different sales models depending on the type of pharmaceuticals, primarily through direct sale or agent distribution. For example, Xueshuantong for Injection (注射用血栓通(凍幹)) is sold through a province-level exclusive agent and in some provinces, supplementary agents, to primarily large pharmaceutical companies such as Sinopharm Group and local pharmaceutical distributors to hospitals. For generic drugs, sales are carried out through a combination of primary distributors, secondary distributors and end-user dealers to mostly pharmacies, health centres, clinics, and village-level pharmacies. It also focuses on building an extensive network of distributors with dedicated sales teams and direct access to end-users which are not only able to provide quality customer service but can self-develop their own strategies, policies and systems relating to marketing and promotion, price management and personnel recruitment and training.

Zhongheng Group dedicates substantial resources and efforts to pharmaceutical R&D, such as the setting up of Guangxi Zhongheng Innovative Medicine Research Co., Ltd. (廣西中恒創新醫藥研究有限公司) and eleven autonomous regional level and three national level R&D centres to further strengthen existing R&D capabilities, or the close cooperation with numerous educational institutions and scientific research institutions to support current research and better undertake future collaborative initiatives. Zhongheng Group has jointly established the Sanqi Research Centre (三七研究中心) and ASEAN Chinese Medicine Research Centre (東盟中醫藥研究中心) with Shanghai University of Traditional Chinese Medicine, the Jinan University — Guangtou Zhongheng Health Industry Research Institute (暨南大學－廣投中恒健康產業研究院) with Jinan University, and Guangxi International Joint Laboratory of Biomedical Sciences (廣西生物醫藥國際聯合實驗室) and Guangxi Key Laboratory of Speciality Biomedicine (廣西特色生物醫藥重點實驗室) with Guangxi University, which demonstrate its commitment to furthering the cooperation among industry, academia and research. For more details, see "— *Competitive Strengths — Outstanding research and development capabilities driving continuous business and product innovation*".

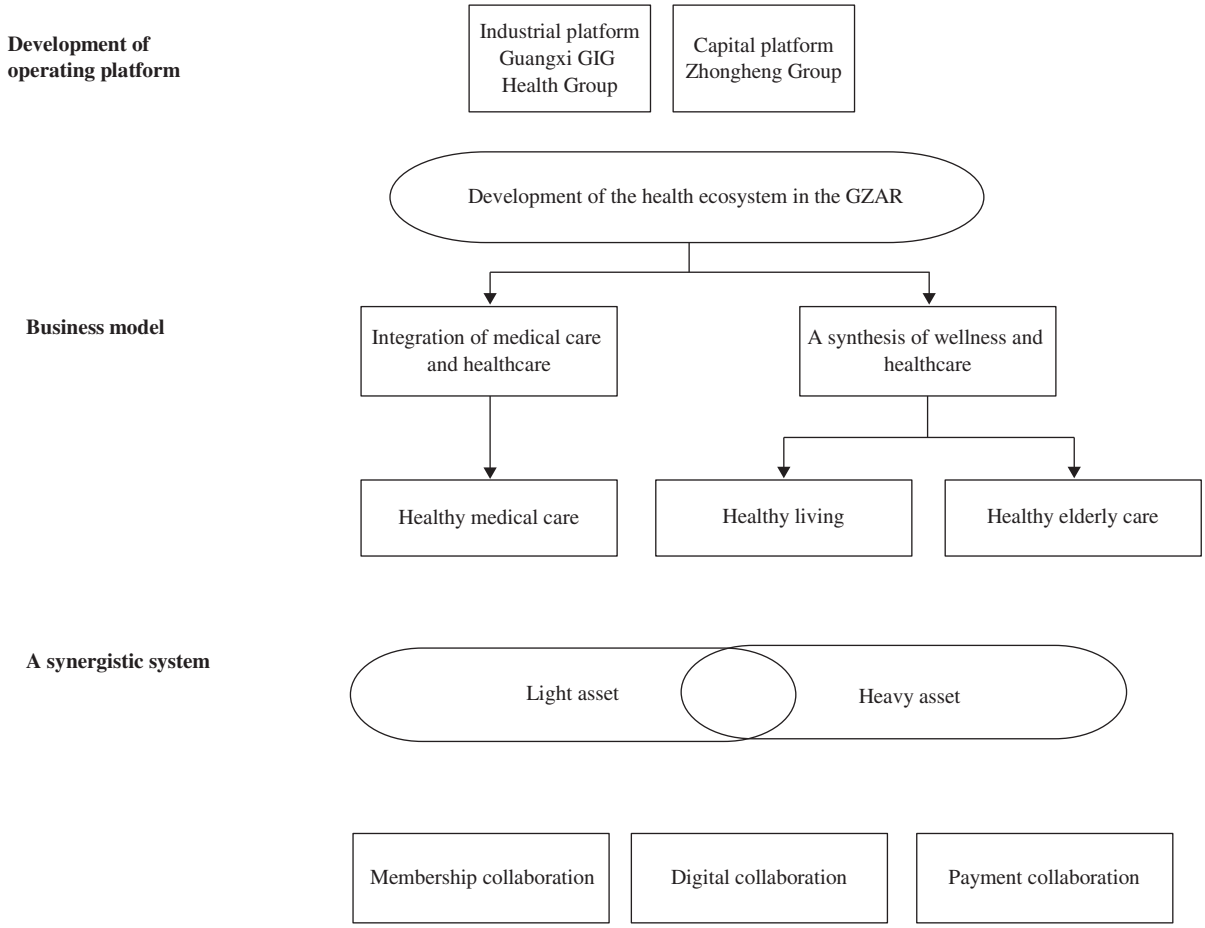
In 2020, Zhongheng Group also commenced construction of the "Guangxi (National-level) Emergency Medical Supplies Guarantee Base (廣西（國家級）應急醫療物資保障基地)" to ensure the stable supply of medical supplies and protective equipment in the GZAR.

Wellness and healthcare

Guangxi GIG Health Group is the primary operating platform through which the Guarantor Group continues to expand and shift toward the development of its wellness and healthcare business. Guangxi GIG Health Group is committed and has exerted tremendous efforts in the promotion of wellness and healthcare in the GZAR, for example, through its consistent business development along the wellness and healthcare value chain and its launch of a "123" healthcare development strategy in alignment with recent government initiatives. As at the date of this Offering Circular, Guangxi GIG Health holds equity interests in various subsidiaries in support of its dynamic development plans. As at 31 December 2022, Guangxi GIG Health Group had two projects that completed construction with total investment amount of approximately RMB334.6 million, and two projects under construction with total expected investment amount of approximately RMB2,190.0 million. Projects currently under construction or in the pipeline primarily include "GIG Shanhaiwan Phase I (廣投•山海灣一期)" and "GIG Longxiangcheng (廣投龍象城)". As at the date of this Offering Circular, Guangxi GIG Health Group has four land plots with total area of 524 mu. As at 31 December 2022, Guangxi GIG Health Group had total assets of approximately RMB4.2 billion.

Given China's seismic shift toward health and wellness, the Guarantor Group will continue its proactive efforts to develop this business line. In particular, the State Council had launched the ambitious "Healthy China 2030" initiative to showcase its commitment to improving public health and fitness. It outlines a range of policies, from public healthcare infrastructure and environment management to medical industry reform and food and drug safety. The initiative has challenging targets, from having 530 million people take part in physical exercise on a regular basis to extending China's average life expectancy to 79 by 2030. These targets are expected to drive an unprecedented surge in the PRC healthcare and wellness economy.

Consequently, the Guarantor Group has launched its "123" healthcare development strategy to fully capitalise on the resulting abundance of opportunities for growth:



Note:

(1) Under the "123" healthcare development strategy of the Guarantor Group, "1" refers to the development of the health ecosystem in the GZAR, "2" refers to the integrated development of (i) medical care and healthcare and (ii) wellness and healthcare and "3" refers to the three specific product focuses, namely healthy medical care, healthy living and healthy elderly care.

Digital Economy

The rise of digital technology businesses is poised to transform the Chinese economy and digital innovation is becoming the country's new driver of growth, raising national competitiveness, income, and living standards. The Guarantor Group has been tasked by the GZAR Government to lead the establishment of the GZAR digital government integrated platform, as well as build a "Digital Guangxi Cloud" system, which is envisioned to realise the convergence and integration of public administration and industry big data.

The Guarantor Group is committed to GZAR's plan for continuous integration and development of big data, cloud computing, artificial intelligence and overall ushering of the region into the new digital era. During recent years, the Guarantor Group has been actively promoting the incorporation of smart technology for the GZAR, including its introduction of the "Love Guangxi APP (愛廣西)" which was later upgraded to Zhiguitong APP (智桂通), an application meant to cover government and public services for the entire region. Other efforts include the RMB2 billion Guangxi Digital Economy Industry Fund set up jointly by Digital Guangxi Group and GIG Capital Management Co., Ltd. to lay the

foundation for industry incubation, as well as the "China-ASEAN Digital Economy Industrial Park (中國東盟數字經濟產業園)" which the Guarantor Group is currently setting up to promote and lead the charge for the GZAR's digital transformation.

Digital Guangxi Group is the main operating member group for the Guarantor Group to conduct its digital economy business. It is also designated by the GZAR Government as a "triple" platform: (i) a platform for the operation, development and application of government big data in the GZAR, (ii) an industrial platform for the China-ASEAN Free Trade Area (中國－東盟自由貿易區) digital economy and (iii) a platform for cooperation with internet giants and industrial incubation for big data application.

Digital Guangxi Group commenced business operations in the fields of digital government, digital economy, digital society, ASEAN-focused business, investment incubation, and has created 23 digital platforms in relation to public administration, new smart cities, Internet of Things (IoT), cloud computing, agriculture big data, digital healthcare and educational services, such as Guipinhui (桂品會), Guinengtong (桂能通), Rural Revitalisation Cloud (鄉村振興雲) and Sugar Industry Cloud (糖業雲). Digital Guangxi Group has also acquired the operation rights for "Zhiguitong (智桂通)" mobile app, an application for public administration and services, and serve as an agent to process government data and improve administrative digital infrastructure.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its digital economy business of approximately RMB8,303.0 million, RMB2,537.2 million and RMB3,099.7 million, respectively.

Investment

The Guarantor Group conducts its investment business through its member group, GIG Capital Management Group. It is the fund management platform and investing entity for the Guarantor Group. It primarily engages in funds management, venture capital investments and provision of investment advisory services. GIG Capital Management Group's major business can be categorised into equity investment, fixed-income investment, consulting service, supply chain operation, and environmental engineering business.

The equity investment business comprises private equity fund investment and government direct equity investment. In addition to earning fund management fee through operation of certain funds, GIG Capital Management Group also enjoys investment returns from the projects that it invests in. GIG Capital Management Group focuses on the key industries with strategic significance such as new energy, new materials, healthcare, digital economy, and advanced manufacturing, as well as historically leading industries in the GZAR, and it has invested in a group of domestic and international quality enterprises in these industries. The fixed-income investments primarily include direct debt investments, entrusted loans, financial exchange products, equity exchange products as well as credit risk mitigation measures for debt investments.

GIG Capital Management Group had maintained sound operation of a variety of funds including the GIG Investment Industrial High-Quality Development Fund (廣投工業高品質發展基金), the Government Guidance Fund (政府引導基金), industry funds such as GIG Health Industry Fund (廣投健康產業基金), GIG Digital Economy Industry Fund (廣投數字經濟產業基金) and GIG New Energy Industry Fund (廣投新能源產業基金) and Science and Technology Innovation Fund (科創基金). GIG Capital Management also invested in funds and made equity investment in strategically significant projects in emerging industries, for example, Glory Ventures New Information and Technology Fund (耀途資本新一代資訊技術基金), Triniti Capital Semi-conductor Fund (三行資本泛半導體基金) and Caster Technology Fund (中科創星硬科技基金). As at 31 December 2022, GIG Capital Management had invested in and managed 77 funds with a total fund size of approximately RMB99.7 billion and completed equity investment projects in emerging industries with a total investment amount of approximately RMB3.7 billion.

GIG Capital Management Group provides advisory services to fund managers and project financing parties to facilitate their investments, such as conducting feasibility studies and financial analysis. Its service offerings also include due diligence, investment proposal negotiation, financing plan design and related services to local investment attraction projects and direct investment projects initiated by governments in the GZAR. GIG Capital Management Group integrates the Guarantor Group's financial and capital resources and advises invested enterprises and companies from other provinces looking to enhance their market penetration in the GZAR.

In order to implement the Guarantor Group's strategy to coordinate the development between production, financing, and investment ("產融投") and to support the construction of the China (Guangxi) Free Trade Pilot Zone, GIG Capital Management Group started providing supply chain services in 2020. It primarily engages in chemical product supply chain services, which includes a range of services related to the management, coordination, and optimisation of the supply chain for chemical products. Relevant services include sourcing raw materials, production planning, transportation, warehousing, distribution, and other activities aimed at ensuring efficient and smooth movement of chemical products from suppliers to end-users.

The environmental engineering business includes comprehensive management of water environment, solid and hazardous waste treatment, soil remediation and operational development, with the aim to provide customers with holistic solutions for sustainable ecological construction and operation. From 2022, the operating entity of the environmental engineering business is no longer consolidated into GIG Capital Management Group.

Others

The Guarantor Group engages in ancillary businesses, mainly consulting and modern services, engineering investigation and design, bidding agency, salt production and processing, drinking water sales, technology development, transfer and promotion as well as property services.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group generated revenue from its other businesses of approximately RMB1,869.2 million, RMB1,018.6 million and RMB563.9 million, respectively.

QUALITY CONTROL

The Guarantor Group has established and implemented strict quality control systems at various stages of the production processes for its respective products in accordance with applicable industry standards. The Guarantor Group requests its quality management department to make regular checks on each batch of its products. In addition, the Guarantor Group engages independent quality control institutions to make inspections on its products at least once a year at its manufacturing sites and customers facilities, respectively, to ensure the quality of its products.

For the years ended 31 December 2020, 2021 and 2022, the Guarantor Group had not experienced any material disputes with its customers or return of goods due to the quality of its products.

INTELLECTUAL PROPERTY

The Guarantor Group relies on a combination of copyright, trademark and patent registrations to protect its intellectual property rights. As at the date of this Offering Circular, the Guarantor Group was not aware of any infringement (i) by the Guarantor Group of any intellectual property rights owned by third parties, or (ii) by any third parties of any intellectual property rights owned by the Guarantor Group.

Further, as at the date of this Offering Circular, the Guarantor Group was not involved in any litigation or legal proceedings in relation to any material claims of infringement, either threatened or pending, of any intellectual property rights initiated by or against the Guarantor Group that had a material and adverse effect on the Guarantor Group's business.

ENVIRONMENTAL MATTERS

The Guarantor Group's operations are subject to a wide variety of PRC national and local environmental laws and regulations as well as international standards, including those governing mineral extraction, waste discharge, generation, treatment and disposal of hazardous materials, land reclamation, and air and water emissions. To enforce these standards, national environmental protection authorities have imposed discharge fees that increase for each incremental amount of discharge beyond the limit set by the regulation. The relevant PRC government authorities are authorised to order any entities with operations that exceed discharge limits to take remediation measures, which are subject to the relevant authorities' approval, or order the closure of any operations that fail to comply with applicable regulations. The pollutants discharged from the Guarantor Group's alumina refining process include red mud, wastewater and gas emissions and particulates. The Guarantor Group's primary aluminium production process generates fluorides, pitch fume and particulates. It is illegal to release these pollutants untreated, or those after treatment but still not complying with discharge limits, the discharge of these pollutants must comply with national and local discharge limits. Each of the Guarantor Group's production plants has its own waste treatment facilities onsite or has developed other methods to dispose of industrial waste in compliance with applicable environmental laws and regulations.

The Guarantor Group incorporates pollution prevention and control into the whole process of its operation and adopts standardised management in reducing emission of the three wastes, namely, waste gas, wastewater and solid waste, so as to minimise impact to the environment. The Guarantor Group has established a strict system for its emission of waste gas, wastewater and industrial residue with a standard higher than relevant standards of the state and industry. The Guarantor Group strives to increase its energy efficiency by implementing new production techniques and technologies, upgrading its production facilities, optimising its production process and enhancing its logistics and operations management. In case of any environmental incident, the Guarantor Group will immediately take response measures or follow its emergency response plan, classify the incident and accordingly report it to the government and notify surrounding residents. If one of the Guarantor Group's listed companies is involved, the Guarantor Group makes appropriate announcements to comply with the relevant regulations.

The Guarantor Group believes that its operations are in compliance with currently applicable national, provincial or international environmental regulations in all material respects and its business activities have not caused any pollution that might have a material effect on the Guarantor Group's operation, financial condition and reputation.

As at the date of this Offering Circular, the Guarantor Group had not been subject to any fines or administrative actions involving material non-compliance with any relevant regulations, and did not experience any environmental pollution accident that had a material adverse impact on its operations and businesses.

HEALTH AND SAFETY

The Guarantor Group has taken measures to ensure compliance with applicable national and local laws and regulations concerning workspace safety. It has full-time safety management personnel responsible for supervising workplace safety and occupational health, hygiene and safety, as well as performing internal safety checks during the production process to minimise accidents, injuries and occupational diseases. In order to further strengthen workplace safety compliance policies, the Guarantor Group has

established operational rules for employees, and dedicate more training resources to prevent implementation of policies and practices in violation of relevant laws and regulations, and to prevent employees from committing violations of the Guarantor Group's workplace safety policies and procedures.

As at the date of this Offering Circular, the Guarantor Group had not experienced any major workplace or industrial accidents.

INSURANCE

The Guarantor Group purchases pension insurance, unemployment insurance, medical insurance, maternity insurance and personal injury insurance for its employees in compliance with the relevant PRC laws and regulations. The Guarantor Group maintains insurance coverage in amounts that it believes are commensurate with its risk of loss and industry practice. Consistent with what the Guarantor Group believes to be customary practice in the PRC, it does not carry any business interruption insurance, key-man insurance, insurance covering potential environmental damage claims and contractor all-risk and third-party liability insurance. There is a risk that the Guarantor Group does not have sufficient insurance coverage for losses, damages and liabilities should any of such arise from its business operation. See "*Risk Factors — Risk relating to the Issuer Group's and the Guarantor Group's General Operations — The insurance coverage of the Issuer Group and the Guarantor Group may not adequately protect them against all operational risks*".

EMPLOYEES

As at 31 December 2022, the Guarantor Group had more than 33,820 employees, of which approximately 53.1 per cent. had at least a bachelor's diploma.

The remuneration package for the Guarantor Group's employees includes salaries, bonuses and allowances. The Guarantor Group's employees are entitled to a variety of benefits, including medical care, housing subsidies, retirement and other benefits. In accordance with applicable laws and regulations, the Guarantor Group has made contributions to social insurance schemes for its employees, which include pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund.

The Guarantor Group has taken various measures to enhance its employees' skill and expertise. The Guarantor Group provides training specific to all of its employees at different levels and functions on a regular basis.

LEGAL PROCEEDINGS

The Guarantor Group is from time to time involved in disputes and legal or administrative proceedings arising in the ordinary course of its business. See "*Risk Factors — Risks Relating to the Issuer Group's and the Guarantor Group's General Operations — The Issuer Group and the Guarantor Group may be subject to Litigation Risks*".

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

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE ISSUER

BOARD OF DIRECTORS

The following table sets out the members of the board of directors of the Issuer as at the date of this Offering Circular:

Name	Age	Position
Li Dunman (黎敦滿)	51	Chairman
Liang Xiaodong (梁小東)	48	External Director
Zhao Jianhai (趙劍海)	48	External Director
Mo Shaomou (莫少謀)	50	External Director
Luo Xuan (羅璿)	38	External Director
Zhao Baishun (趙佰順)	39	External Director
Jiang Yadong (江亞東)	38	Employee Director

Li Dunman (黎敦滿)

Mr. Li has been the chairman of the board of directors, secretary of the party committee and general manager of the Issuer since April 2023. He concurrently serves as the deputy general manager of the Guarantor. He previously held various positions at Bank of China Limited, including president of Liuzhou branch Liunan sub-branch and Laibin branch, party secretary and president of Yulin branch and party secretary and president of Guilin branch. Mr. Li also served as president, secretary of the party committee and chairman of Guangxi Liuzhou Financial Investment Development Group Co., Ltd. (廣西柳州市金融投資發展集團有限公司), secretary of the party committee, chairman and president of Bank of Liuzhou Co., Ltd., and deputy secretary of the party committee, deputy chairman and general manager of the Guarantor. Mr. Li holds a college degree and is a member of the CPC.

Liang Xiaodong (梁小東)

Mr. Liang has been the external director of the Issuer since November 2022. He concurrently serves as secretary of the party, chairman and general manager of Guangxi Guihui Financing Guarantee Co., Ltd. (廣西桂惠融資擔保有限公司). He previously served as a member of the industrial and financial section and deputy section chief of the comprehensive section of Nanning Finance Bureau (南寧市財政局工財科), deputy secretary and director of the party of Shanglin County Finance Bureau (上林縣財政局), deputy director of Nanning Financial Work Office (南寧市金融工作辦公室), deputy director of finance bureau for the planning and construction management committee of Wuxiang New District of Nanning Guangxi (廣西南寧五象新區規劃建設管理委員會), which is also China (Guangxi) Pilot Free Trade Zone Nanning Management Committee (中國(廣西)自由貿易試驗區南寧片區管理委員會) and deputy general manager and general manager of business development department of Guangxi Financing Guarantee Group Co., Ltd. (廣西融資擔保集團有限公司). Mr. Liang holds a master's degree in business administration and is a member of the CPC.

Zhao Jianhai (趙劍海)

Mr. Zhao has been the external director of the Issuer since January 2022. He previously served as deputy general manager of Jiangsu Changzhou Zhongliu Electronic Technology Co., Ltd. (江蘇常州中流電子科技有限公司), vice president of investment of Beijing Newtron Capital Investment Company (北京紐創資本投資公司), deputy general manager of real estate investment department of Beijing Ruihe Insurance Brokerage Co. Ltd. (北京瑞和保險經紀有限公司), chairman and general manager of Guangxi Wuzhou Industrial New City Investment and Development Co. Ltd. (廣西梧州工業新城投資發展有限公司), deputy general manager of Guangxi Wuzhou Yuegui Cooperation Special Pilot Zone Investment and Development Co., Ltd. (廣西梧州粵桂合作特別試驗區投資開發有限公司), deputy director of Guangxi Wuzhou Yuegui Cooperation Special Pilot Zone (Wuzhou) Management Committee, deputy secretary of

the party committee and director of the management committee of Canghai New District of Wuzhou City and deputy secretary of party committee and general manager of Guangxi GIG Health. Mr. Zhao holds a master's degree in business and is a member of the CPC.

Mo Shaomou (莫少謀)

Mr. Mo has been the external director of the Issuer since July 2023. He previously served as office director, assistant director and deputy director of Fangchenggang Cement Plant (防城港水泥廠), deputy trainee director of casting workshop, deputy trainee director of business department and director of public utility workshop of Guangxi Baise Yinhai Aluminum Co., Ltd. (廣西百色銀海鋁業有限責任公司), director of public workshop of Guangxi Laibin Yinhai Aluminum Co., Ltd. (廣西來賓銀海鋁業有限責任公司), deputy general manager of the operation and management department and employee supervisor of the Guarantor, deputy secretary of the party committee, chairman of labour union and deputy general manager of Guangxi Investment Group Yinhai Aluminum Co., Ltd. (廣西投資集團銀海鋁業有限公司) and executive director and general manager of Guangxi Investment Group Consulting Co., Ltd. (廣西投資集團諮詢有限公司). Mr. Mo holds a bachelor's degree and is a member of the CPC.

Luo Xuan (羅璿)

Ms. Luo has been the external director of the Issuer since December 2021. She concurrently serves as deputy general manager of the legal governance department of the Guarantor. She previously served as general manager of risk control and legal affairs department, general counsel and general manager of the strategic investment department of the Guarantor and general manager of the risk control department of risk management centre of the Issuer. Ms. Luo holds a master's degree in law and is a member of the CPC.

Zhao Baishun (趙佰順)

Mr. Zhao has the external director of the Issuer since December 2021. He concurrently serves as deputy general manager of the planning and finance department of the Guarantor. He previously served as deputy general manager of Qiaogong Hydropower Station branch of Guangxi Fangyuan Electric Power Co., Ltd. (廣西方元電力股份有限公司), assistant to chairman of Guangxi Zhengrun Development Group Co., Ltd. (廣西正潤發展集團有限公司) and assistant general manager and manager of operation and management department of Guangxi Guangtou Energy Co., Ltd. (廣西廣投能源有限公司). Mr. Zhao holds a bachelor's degree and is a member of the CPC.

Jiang Yadong (江亞東)

Mr. Jiang has been the employee director of the Issuer since July 2023. He concurrently serves as deputy secretary of the party committee of the Issuer. He previously served as supervisor of the general manager department, deputy director of the immigration engineering department and secretary of Qiaogong Hydropower Station branch of Guangxi Fangyuan Electric Power Co., Ltd. (廣西方元電力股份有限公司) and director of general manager's work department of Guangxi Baise Yinhai Power Generation Co., Ltd. (廣西百色銀海發電有限公司). Mr. Jiang also held various positions at Guangxi Investment Group Financial Holding Co., Ltd. (廣西投資集團金融控股有限公司), including director of party committee office and vice chairman of labour union and various positions at the Guarantor, including deputy general manager of human resources department. Mr. Jiang holds a master's degree and is a member of the CPC.

SUPERVISORS

The following table sets out the members of the board of supervisors of the Issuer as at the date of this Offering Circular:

Name	Age	Position
Shi Zhongbo (施仲波)	49	Chairman
Yu Zhenling (俞振淩)	45	Supervisor
Mo Liying (莫立穎)	49	Employee supervisor

Shi Zhongbo (施仲波)

Mr. Shi has been the chairman of the board of supervisors of the Issuer since December 2021. He concurrently serves as audit director of the Guarantor. He previously served as accounting supervisor of Guangxi Electric Power Engineering Construction Company Limited (廣西電力工程建設公司), financial manager of Guangxi Guineng Engineering Consulting Group Co., Ltd. (廣西桂能工程諮詢集團有限公司), financial manager of Guangxi Shenzhou Environmental Protection Industry Holding Group Co., Ltd. (廣西神州環保產業控股集團有限公司), deputy general manager of Guizhou Qiangui Power Generation Co., Ltd. (貴州黔桂發電有限責任公司) and financial director of Guangxi Huasheng New Material Co. Ltd. (廣西華昇新材料有限公司). Mr. Shi holds a master's degree and is a member of the CPC.

Yu Zhenling (俞振淩)

Mr. Yu has been the supervisor of the Issuer since November 2022. He concurrently serves as deputy director of the finance department of Guangxi Publishing and Media Group Co., Ltd. (廣西出版傳媒集團有限公司). He previously served as an accountant of the procurement department of Guilin Wufeng Cold Food Co., Ltd. (桂林五豐冷食有限公司), audit assistant of Guilin branch to Guangxi Jianye Accounting Firm (廣西健業會計師事務所), senior project manager of Zhongzhongyi (Guangxi) Accounting Firm (中眾益(廣西)會計師事務所有限公司) and deputy director of the finance department of Guangxi Publishing and Media Group Co., Ltd. Mr. Yu holds a college degree and is a certified public accountant.

Mo Liying (莫立穎)

Ms. Mo has been the employee supervisor of the Issuer since March 2022. She concurrently serves as general manager of the supervisory and audit department of the Issuer and the chairman of the board of supervisors of Beibu Gulf Property Rights Exchange Group Co., Ltd. (北部灣產權交易所集團股份有限公司). She previously served as deputy head and head of audit section of audit and supervision department of Guangxi Liuzhou Iron and Steel (Group) Company Limited (廣西柳州鋼鐵(集團)有限公司), head of the comprehensive business section of audit and supervision department of the Issuer. Ms. Mo holds a college degree and is a member of the CPC.

SENIOR MANAGEMENT

The following table sets out members of the senior management of the Issuer as at the date of this Offering Circular:

Name	Age	Position
Li Dunman (黎敦滿)	51	General manager
Zhong Wei (鐘偉)	51	Deputy general manager
Ma Lei (馬雷)	51	Deputy general manager
Peng Hu (彭湖)	48	Deputy general manager
Fu Wendi (傅文迪)	38	Deputy general manager
He Xuemei (何雪梅)	50	Finance director
Qin Li (覃莉)	48	General legal counsel

Li Dunman (黎敦滿)

Please refer to the profile of Mr. Li in "— *Board of Directors*" above.

Zhong Wei (鐘偉)

Mr. Zhong has been the deputy general manager of the Issuer since July 2016. He concurrently serves as deputy general manager and director of the risk management centre of the Issuer. He previously held various positions at Agricultural Bank of China Limited, including chief of capital operation section of the business department for Fangchenggang branch and vice president of Chongzuo branch. He also previously served as chairman and chief compliance officer of Guangxi Financing Guarantee and deputy general manager of Guangxi Culture Industry Investment Group Co., Limited. (廣西文化產業投資集團有限公司). Mr. Zhong holds a bachelor's degree and is a senior accountant and economist.

Ma Lei (馬雷)

Mr. Ma has been the deputy general manager of the Issuer since July 2016. He concurrently serves as a member of the party committee of the Issuer and deputy general manager and director of the financial management centre of the Issuer. He previously held various positions at China Construction Bank, including as deputy director of the sales department and deputy manager of the real estate credit department and deputy manager of the second office of the Hechi branch, vice president of the Hechi Bama County branch and Nandan Dachang branch and deputy director of the Xinjian Road East branch office of Hechi. He also previously served as deputy section chief of the review section of the planning and credit department and general manager of the credit management department of the GZAR Rural Credit Cooperatives (廣西自治區農村信用社聯合社) and chairman and secretary of the party committee the Guangxi Nanning Rural Credit Cooperatives (廣西南寧市區農村信用社聯合社). Mr. Ma holds an executive master's degree in business administration. He is a senior economist and a member of the CPC.

Peng Hu (彭湖)

Ms. Peng has been the deputy general manager of the Issuer since July 2021. She concurrently serves as chairman and general manager of Guangxi Investment Group Financial Holding Co., Ltd. (廣西投資集團金融控股有限公司). She previously held various positions at Bank of China Ltd., including deputy manager, office director and party committee office director of the corporate business department of Qinzhou branch and the deputy general manager of the corporate business department of Guangxi area. She previously served as director and deputy general manager of Guangxi Transportation Investment Group Finance Co., Ltd. (廣西交通投資集團財務有限責任公司), deputy general manager of financial business department of the Guarantor, chairman and general manager of Guangxi Investment Group Financial Guarantee Co., Ltd. (廣西投資集團融資擔保有限公司), chairman of Nanning Guangyuan Microfinance Co., Ltd. (南寧市廣源小額貸款有限責任公司) and chairman of Guangxi Tongsheng

Financial Leasing. Ms. Peng holds a bachelor's degree in economics. She is a senior economist and a member of the CPC.

Fu Wendi (傅文迪)

Mr. Fu has been the deputy general manager of the Issuer since December 2021. He concurrently serves as secretary of the party and chairman of the board of directors of Guangxi Asset Management. He previously served as accountant of Guangxi Nanning Municipal Engineering Co., Ltd. (廣西南寧市政工程有限公司), retail teller of China Merchants Bank Co., Ltd., Nanning Branch, Dongge sub-branch, account manager of the Issuer's Nanning office and deputy secretary of the party committee and deputy general manager of the Issuer's Hechi office. Mr. Fu holds a master's degree in business administration and is a member of the CPC.

He Xuemei (何雪梅)

Ms. He has been the finance director of the Issuer since April 2021. She previously served as deputy head of the retail business unit and business supervisor of the personal finance business department of Industrial and Commercial Bank of China Limited, Liuzhou branch railway sub-branch, deputy general manager and deputy general manager of finance of the Guarantor, chief accountant of Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd. (廣西廣投天然氣管網有限公司), director of financial management centre of Guangxi Investment Group Yinhai Aluminum Co., Ltd. (廣西投資集團銀海鋁業有限公司) and chairman of Guangxi Guangtou Investment Property Management Co., Ltd. (廣西廣投資產管理有限公司). Ms. He holds a bachelor's degree in economics and is a member of CPC.

Qin Li (覃莉)

Ms. Qin has been the general legal counsel of the Issuer since November 2015. She concurrently serves as supervisor of Guangxi Investment Group Financial Holding Co., Ltd. (廣西投資集團金融控股有限公司). She previously worked as software engineer of information centre of Shanghai Tire & Rubber (Group) Co., Ltd. (上海輪胎橡膠(集團)股份有限公司), managing engineer of computer department of Shanghai Huarun Sijie Industry Co., Ltd. (上海華潤思捷實業有限公司), attorney of Beijing Dacheng Law Firm, Shanghai branch, business manager of the investment banking department of Guangxi Guowei Asset Management Co. Ltd. (廣西國威資產經營有限公司) and business manager of financial risk control department, head of legal affairs section of financial risk control department and general manager of legal and compliance department of the Issuer. Ms. Qin holds a master's degree in law.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE GUARANTOR

BOARD OF DIRECTORS

The following table sets out the members of the board of directors of the Guarantor as at the date of this Offering Circular:

Name	Age	Position
Zhou Lian (周煉)	57	Chairman
Liu Minghong (劉明洪)	53	Vice chairman
Xu Youhua (徐幼華)	57	Vice chairman
Bu Fansen (卜繁森)	66	External Director
Xu Yuyun (徐雨雲)	64	External Director
Xie Chaobin (謝朝斌)	60	External Director
Xian Ning (冼寧)	67	External Director
Zhang Peiyun (張佩雲)	57	External Director

Zhou Lian (周煉)

Mr. Zhou has been the chairman of the board of directors and secretary of the party committee of the Guarantor since January 2017. He previously served as the director of Liuzhou Bailian Airport Office of China Construction Bank Corporation (中國建設銀行柳州白蓮機場辦事處), deputy office head and deputy manager of the credit management department of the Nanning Branch of China Investment Bank (中國投資銀行南寧分行), head of the credit department and chief of the first credit division of the Nanning Branch of China Development Bank (國家開發銀行南寧分行), chief of the first customer division, office director, chief of the personnel department, member of the party committee and vice president of the Guangxi Branch of China Development Bank (國家開發銀行廣西分行), deputy director of the credit management bureau of China Development Bank and secretary of the party committee and president of the Shanxi Branch of China Development Bank (國家開發銀行山西分行). Mr. Zhou holds a executive master's degree in business administration.

Liu Minghong (劉明洪)

Mr. Liu has been the vice chairman of the board of directors, general manager and deputy secretary of the party committee of the Guarantor since December 2022. He previously served as a member of party committee, deputy general manager and general manager of Guangxi Automobile Industry Sales Company (廣西汽車工業銷售總公司), party secretary and general manager of Guangxi Zhonglu Transportation Construction Company (廣西中路交通建設總公司), chairman and deputy general manager of Guangxi Xinfazhan Communications Group Co., Ltd. (廣西新發展交通集團有限公司), deputy party secretary, director, chairman of the labour union and general manager of Guangxi Railway Investment Group Co., Ltd (廣西鐵路投資集團有限公司), deputy general manager and party member of Guangxi Communications Investment Group Company Limited (廣西交通投資集團有限公司), deputy party secretary, employee director and chairman of the labour union of the Guarantor, and deputy party secretary, vice-chairman and general manager of Guangxi Honggui Capital Operation Group Co., Ltd (廣西宏桂資本運營集團有限公司). Mr. Liu holds a master's degree in accounting.

Xu Youhua (徐幼華)

Mr. Xu has been the deputy chairman of the board of directors of the Guarantor since January 2020. He previously served as deputy office director of Guangxi Guigang Municipal People's Government (廣西貴港市人民政府辦公室), deputy director of the Management Committee of Qintang Management District of Guangxi Guigang (廣西貴港市覃塘管理區管理委員會), a member of the standing committee of the district Committee and deputy mayor of the Gangbei District of Guangxi Guiggang, deputy secretary-general of Guangxi Guigang Municipal People's Government (廣西貴港市人民政府), director

of the party committee office, director of the publicity department and office director of the Rural Credit Union of GZAR (廣西壯族自治區農村信用社) and deputy chairman and later chairman of the board of directors, general manager, chairman of the labour union, secretary of the commission for discipline inspection and deputy secretary and later secretary of the party committee of the Issuer. Mr. Xu holds a master's degree.

Bu Fansen (卜繁森)

Mr. Bu has been an external director of the Guarantor since April 2020. He has extensive working experience in the power generation industry and previously served as staff member of the planning division of the General Administration Bureau of Hydropower Construction of Ministry of Water and Power (國家水電部水電建設總局), staff member of the planning department of China Three Gorges Project Development Corporation (中國長江三峽工程開發總公司), engineer of the planning department and deputy head of the hydropower planning office of the electric power planning department of CHN Energy Investment Group Co., LTD (國家能源投資公司), business manager and deputy director of the comprehensive planning department and director of the operation department of The State Development & Investment Corp., Ltd. (國家開發投資集團有限公司), general manager of SDIC Power Holdings Co., Ltd. (國投電力控股股份有限公司), chairman of SDIC Huajing Power Holdings Co., Ltd. (國投華靖電力控股股份有限公司) and executive vice president and director of development of China Resources Power Holdings Limited (華潤電力控股有限公司). Mr. Bu holds a bachelor's degree in soil and water construction. Mr. Bu holds a bachelor's degree in engineering.

Xu Yuyun (徐雨雲)

Mr. Xu has been an external director of the Guarantor since April 2020. He previously held various positions at Agricultural Bank of China, including, as staff member of the research department at the main branch, assistant to the head, deputy head and head of the technical reform office of the industrial and credit department at the main branch, head of the fixed assets and loan management office of the first credit management department at the main branch, head of agricultural credit management department, deputy general manager of the asset risk supervision department at the main branch, head of the credit management office and vice president of the district branch of Chaoyang, Beijing. He also previously served as general manager of the asset management department and investment banking department and deputy director of the development and reform office, secretary of the party committee and general manager of the Nanchong office of China Great Wall Asset Management Co., Ltd. (中國長城資產管理股份有限公司), and main head of the credit management bureau, head of the operation management bureau and senior expertise consultant of China Development Bank. Mr. Xu holds a master's degree in business administration.

Xie Chaobin (謝朝斌)

Mr. Xie has been an external director of the Guarantor since April 2020. He concurrently serves as a professor and supervisor for doctorate students at the department of government policy of the Graduate School of Chinese Academy of Social Science (中國社會科學院研究生院) and president of Beijing Genova Biotechnology Co., Ltd. (北京傑華生物技術有限公司). He previously held various positions at China Securities Co., Ltd. (華夏證券有限公司), including as deputy general manager of the issuance department, general manager of the Hunan sales department, general manager of a Guangzhou branch, business director of the Southern China district and vice president. Separately, he also previously served as senior staff at the department of social business management of MOFCOM, deputy mayor of the Beijing Municipal Chaoyang District People's Government and vice president, chairman and head of the China Securities Research Institute. Mr. Xie holds a doctorate degree in both economics and law.

Xian Ning (冼寧)

Ms. Xian has been an external director of the Guarantor since April 2020. She previously served as a lecturer at Guangxi Second Light Cadre School (廣西二輕幹部學校), chief accountant of the finance

department of Guangxi Construction Investment Development Company(廣西建設投資開發公司), chief accountant and deputy manager of the finance department and section chief of the general department of Guangxi Development and Investment Co., Ltd. (廣西開發投資有限責任公司), manager of the financial planning department of the Guarantor, director and deputy general manager of Guangxi Beibu Gulf Investment Group Co., Ltd. (廣西北部灣投資集團有限公司), formerly known as Guangxi Beibu Gulf Development and Investment Co., Ltd. (廣西北部灣開發投資有限責任公司). Ms. Xian holds a college degree in finance and accounting.

Zhang Peiyun (張佩雲)

Ms. Zhang has been the external director of the Guarantor since December 2020 and the chief accountant of the Guarantor since August 2016. She concurrently serves as a director of Beibu Gulf Bank. She previously held various positions at PRC governmental entities in the GZAR, including as deputy head of the economic construction division and senior staff of the Finance Department of the GZAR (廣西壯族自治區財政廳), deputy head and head of the statistics evaluation division and head of the financial supervision and evaluation division of GZAR SASAC, and chairman of the State-owned Enterprise Supervisory Board of the GZAR (廣西壯族自治區國有企業監事會) (and director of its office). Ms. Zhang holds a master's in business administration.

SUPERVISOR

As at the date of this Offering Circular, the Guarantor has no supervisor.

SENIOR MANAGEMENT

The following table sets out members of the senior management of the Guarantor as at the date of this Offering Circular:

Name	Age	Position
Liu Minghong (劉明洪)	53	General manager
Jiao Ming (焦明)	52	Deputy general manager
Tang Shaoying (唐少瀛)	49	Deputy general manager
Li Dunman (黎敦滿)	52	Deputy general manager
Zhang Peiyun (張佩雲)	57	Chief accountant
Bian Zuoxin (邊作新)	55	Deputy general manager and chief legal counsel

Liu Minghong (劉明洪)

Please refer to the profile of Mr. Liu in "— *Board of Directors*" above.

Jiao Ming (焦明)

Mr. Jiao has been the deputy general manager of the Guarantor since April 2019. He previously served as manager of the safety and environment department of Guangxi Huayin Aluminium Co., Ltd. (廣西華銀鋁業有限公司), general manager (and director of the energy savings and emission reduction office) of the safety and environmental management department, secretary of the board of directors, office director and assistant to the general manager of the Guarantor, chairman of Guangxi Guangtou Clean Energy Co., Ltd. (廣西廣投清潔能源有限公司) and secretary of the party committee and chairman of Wuzhou Zhongheng, Guangxi GIG Yinhai Aluminium Industry Group Co., Ltd. (廣西廣投銀海鋁業集團有限公司), Guangxi Investment Group Fangyuan Electric Power Co., Ltd. (廣西投資集團方元電力股份有限公司) and Guangxi Energy Group Co. Ltd. (廣西能源集團有限公司). Mr. Jiao holds a bachelor's degree in industrial analysis.

Tang Shaoying (唐少瀛)

Mr. Tang has been the deputy general manager of the Guarantor since August 2020. He concurrently serves as the chairman of Digital Guangxi Group (數字廣西集團有限公司). He previously served as a second level business manager of power branch of the Guarantor (廣投集團電力分公司), a second level business manager of the investment department of Guangxi Fangyuan Electric Power Co., Ltd. (廣西方元電力股份有限公司), deputy general manager of the strategic development department of the Guarantor, deputy factory director and later director and deputy party secretary Laibin Power Station of Guangxi Fangyuan Electric Power Co., Ltd., executive director and general manager of Guangxi Investment Group Laibin Electric Power Co., Ltd., (廣西投資集團來賓發電有限公司) and secretary of the party committee, chairman and legal representative of Guangxi GIG Energy Group Co., Ltd. (廣西廣投能源集團有限公司). Mr. Tang previously also serve as the general manager of the strategic development department of the Guarantor, designated deputy director of the leading group office for comprehensive deepen reform and party secretary of the Guarantor. Mr. Tang holds a bachelor's degree with a specialisation in ports and waterways and river regulation projects.

Li Dunman (黎敦滿)

Mr. Li has been the deputy general manager of the Guarantor since July 2021. He concurrently serves as the chairman of the board of directors, secretary of the party committee and general manager of the Issuer. For further details of Mr. Li's profile, please refer to "*Directors, Supervisors and Senior Management of the Issuer — Board of Directors*".

Zhang Peiyun (張佩雲)

Please refer to the profile of Ms. Zhang in "*— Board of Directors*" above.

Bian Zuoxin (邊作新)

Mr. Bian has been the deputy general manager and chief legal counsel of the Guarantor since June 2022. He previously served as the deputy director and a party member of Guangxi Nanning Finance Bureau (廣西南寧市財政局), standing committee member of the district committee and deputy district chief of Nanning Xixiangtang District, deputy chief, deputy secretary of the party group, bureau chief and secretary of the party group of Nanning Audit Bureau (南寧市審計局), party committee secretary and director of the Nanning Municipal Finance Bureau (南寧市財政局), head of the Treasury Payment Bureau of Nanning, level one researcher, level two inspector and head of Centre of Treasury Payments of Nanning, deputy head of Nanning Red Cross (南寧市紅十字會) and vice-chairman of Nanning People's Political Consultative Conference (南寧政治協商會議).

PRC LAWS AND REGULATIONS

This section is a high-level overview of the PRC legal system and a summary of the principal PRC laws and regulations relevant to the issue of the Bonds by the Issuer. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution and is made up of written laws, regulations, directives and local laws, laws of Special Administrative Regions and laws resulting from international treaties entered into by the PRC government. In general, PRC court judgments do not constitute binding precedents. However, they are used for the purposes of judicial reference and guidance.

The NPC and the SCNPC are empowered by the PRC Constitution to exercise the legislative power of the state. The NPC has the power to amend the PRC Constitution and enact and amend basic laws governing state agencies and civil, criminal and other matters. The SCNPC is empowered to enact and amend all laws except for the laws that are required to be enacted and amended by the NPC.

The State Council is the highest organ of the state administration and has the power to enact administrative rules and regulations. The ministries and commissions under the State Council are also vested with the power to issue orders, directives and regulations within the jurisdiction of their respective departments. All administrative rules, regulations, directives and orders promulgated by the State Council and its ministries and commissions must be consistent with the PRC Constitution and the national laws enacted by the NPC. In the event that a conflict arises, the SCNPC has the power to annul such administrative rules, regulations, directives and orders.

At the regional level, the provincial and municipal congresses and their respective standing committees may enact local rules and regulations and the PRC government may promulgate administrative rules and directives applicable to their own administrative areas. These local rules and regulations must be consistent with the PRC Constitution, the national laws and the administrative rules and regulations promulgated by the State Council.

The State Council, provincial and municipal governments may also enact or issue rules, regulations or directives in new areas of the law for experimental purposes or in order to enforce the law. After gaining sufficient experience with experimental measures, the State Council may submit legislative proposals to be considered by the NPC or the SCNPC for enactment at the national level.

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

THE PRC JUDICIAL SYSTEM

Under the PRC Constitution and the Law of Organization of the People's Courts, the judicial system is made up of the Supreme People's Court, the local courts, military courts and other special courts.

The local courts are comprised of the basic courts, the intermediate courts and the higher courts. The basic courts are organised into civil, criminal, economic, administrative and other divisions. The intermediate courts are organised into divisions similar to those of the basic courts, and are further organised into other special divisions, such as the intellectual property division. The higher-level courts

supervise the basic and intermediate courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the administration of justice by all other courts.

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

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

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

A party seeking to enforce a judgment or order of a court against a party who is not located within the PRC and does not own any asset in the PRC may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or order. A foreign judgment or ruling may also be recognised and enforced by a PRC court in accordance with the PRC enforcement procedures if the PRC has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination in accordance with the principle of reciprocity, unless the court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security, or for reasons of social and public interests.

FOREIGN EXCHANGE CONTROLS

Current Account Items

Under PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. In July 2009, the PRC commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, 27 July 2011 and 3 February 2012, respectively, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (關於擴大跨境貿易人民幣結算試點有關問題的通知), the Circular on Expanding the Regions of Cross-border Trade Renminbi Settlement (關於擴大跨境貿易人民幣結算地區的通知) and the Notice on Matters Relevant to the Administration of Enterprises Engaged in Renminbi Settlement of Export Trade in Goods (關於出口貨物貿易人民幣結算企業管理有關問題的通知) (collectively, the "Circulars"). Pursuant to these Circulars, (i) Renminbi settlement of imports and exports of goods and of services and other current account items were made permissible, (ii) the list of designated pilot districts were expanded to cover all provinces and cities in the PRC, (iii) the restriction on designated offshore districts had been lifted and (iv) any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for exports of goods without obtaining the approval as previously required, provided that the relevant provincial government has submitted to PBOC and five other PRC authorities (the "**Six Authorities**") a list of key enterprises subject to supervision and the Six Authorities have verified and signed off such list (the "**Supervision List**").

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the "**2013 PBOC Circular**"), which, in particular, simplifies the procedures for cross border Renminbi trade settlement under current account items. For example, PRC banks may conduct settlement for PRC enterprises (excluding those on the Supervision List) upon the PRC enterprises presenting the payment instruction. PRC banks may also allow PRC enterprises to make or receive payments under current account items prior to the relevant PRC bank's verification of underlying transactions (noting that verification of underlying transactions is usually a precondition for cross border remittance).

The Circulars and the 2013 PBOC Circular will continuously be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices when applying the Circulars and the 2013 PBOC Circular and impose conditions for settlement of current account items.

On 5 January 2018, the PBOC promulgated the Notice on Further Improving Policies of Cross-Border RMB Business to Promote Trade and Investment Facilitation (中國人民銀行關於進一步完善人民幣跨境業務政策促進貿易投資便利化的通知), which supports enterprises to use Renminbi in cross-border settlement under the principle of facilitating cross-border trade and investment and optimising.

On 31 December 2020, the PBOC, together with the NDRC, the Ministry of Commerce, the State-owned Assets Supervision and Administration Commission, the CBIRC and the SAFE, released the Notice on Further Optimizing the Cross-border RMB Policy to Support the Stabilization of Foreign Trade and Foreign Investment (關於進一步優化跨境人民幣政策支持穩外貿穩外資的通知) (the "**Notice**"), which will become effective on 4 February 2021. The Notice emphasises the promotion of a higher level of facilitation for RMB settlement of trade and investment, further simplification of cross-border RMB settlement process, optimisation of the management of cross-border RMB investment and financing, facilitation of cross-border RMB receipt and payment under personal current accounts, facilitation of use of RMB bank settlement accounts by overseas institutions and etc.

Recent reforms introduced were aimed at controlling the remittance of Renminbi for payment of transactions categorised as capital account items. There is no assurance that the PRC government will continue to liberalise the control over Renminbi payments of capital account item transactions in the future. Such regulations in relation to currency control in the PRC are relatively new and will continuously be subject to interpretation and application by the relevant PRC authorities. Further, if any

new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Until recently, settlement for capital account items were generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or relevant PRC parties were also generally required to make capital account payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency.

On 10 May 2013, SAFE promulgated the Provisions on the Foreign Exchange Administration of Domestic Direct Investment by Foreign Investors (外國投資者境內直接投資外匯管理規定) (the "**SAFE Provisions**"), which became effective on 13 May 2013. According to the SAFE Provisions, foreign investors can use cross-border Renminbi (including Renminbi inside and outside the PRC held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make a payment for the transfer of an equity interest of an onshore enterprise by a PRC resident within the total investment amount approved by the competent authorities (for example, MOFCOM and/or its local counterparts as well as financial regulators). Capital account transactions in Renminbi must generally follow the current foreign exchange control regime applicable to foreign currencies.

Under current rules promulgated by SAFE, foreign debts borrowed and the foreign security provided by an onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and foreign security regime. Furthermore, according to the 2013 PBOC Circular, upon enforcement of foreign security in Renminbi provided by onshore non-financial enterprises, PRC banks may provide Renminbi settlement services (i.e. remittance of enforcement proceeds) directly, which seems to indicate that SAFE approval for enforcement (which would be required in the case of the external guarantees in foreign currencies) is no longer required. However, SAFE has not amended its positions under the current applicable rules, nor has it issued any regulations to confirm the positions in the 2013 PBOC Circular. Therefore, there remain potential inconsistencies between the provisions of the SAFE rules and the provisions of the 2013 PBOC Circular and it is unclear how SAFE will deal with such inconsistencies in practice.

On 3 December 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (商務部關於跨境人民幣直接投資有關問題的公告) (the "**MOFCOM Circular**"), which became effective on 1 January 2014, to further facilitate foreign direct investments by simplifying and streamlining the applicable regulatory framework. Unlike previous MOFCOM regulations on foreign direct investments, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of its existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits the foreign direct investment funds from being used for any investment in securities and financial derivatives (except for investment in the PRC listed companies as strategic investors) or for entrustment loans in the PRC.

Pursuant to the Administrative Measures on Renminbi Settlement of Foreign Direct Investment (外商直接投資人民幣結算業務管理辦法) (the "**PBOC FDI Measures**"), which was promulgated by PBOC on

13 October 2011 as part of the implementation of the detailed Renminbi foreign direct investments accounts administration system and which was later amended on 5 June 2015, the system covers almost all aspects in relation to foreign direct investments, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. Under the PBOC FDI Measures, special approval for foreign direct investments and shareholder loans from the PBOC, which was previously required, is no longer necessary.

On 30 March 2015, SAFE promulgated the Notices of Reformation on Administration of Settlement of Capital Foreign Exchange of Foreign-invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知(匯發[2015]19號)), which became effective on 1 June 2015. In order to further deepen the reform of the foreign exchange administration system, better satisfy and facilitate the needs of foreign-invested enterprises for business and capital operation, SAFE has decided to reform the management approach regarding the settlement of the foreign exchange capital of foreign-invested enterprises nationwide on the basis of summarising the pilot experience of certain regions in the early days. The key points of this notice set out as the following:

- the foreign exchange capital of foreign-invested enterprises shall be subject to discretional foreign exchange settlement;

- the capital in Renminbi obtained by foreign-invested enterprises from discretionary settlement of foreign exchange capital shall be managed under the account for foreign exchange settlement payment;

- the use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use within the business scope of such enterprises;

- facilitation of domestic equity investment by foreign-invested enterprises with the capital obtained from foreign exchange settlement;

- standard administration of payments made using settled foreign exchange funds;

- administration of the settlement and utilisation of foreign exchange account funds under other direct investment items; and

- further strengthening of follow-up supervision and investigations and administrative measures to deal with regulatory infringements by SAFE.

Previously, Renminbi may only be converted for capital account expenses once the prior approval of SAFE had been obtained. However, according to the Circular of the SAFE on Further Simplifying and Improving the Foreign Exchange Administration Policies of Foreign Direct Investment (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知(匯發[2015]13號)) issued on 13 February 2015, SAFE authorised qualified local banks in the PRC to carry out foreign exchange procedures in relation to inbound and outbound investment commencing from 1 June 2015.

On 26 January 2017, SAFE issued the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知(匯發[2017]3號)) to further advance the reform of foreign exchange administration, such as:

- funds under overseas loans secured by domestic guarantees shall be allowed to be repatriated to the PRC for use. A debtor may directly or indirectly repatriate the funds under guarantee to the PRC for use by way of, among others, granting loans and making domestic equity investment. Where a

bank fulfils its liabilities as the guarantor for an overseas loan secured by domestic guarantees, relevant foreign exchange settlement and sale shall be included in the bank's own foreign exchange settlement and sale for management;

- settlement of domestic foreign exchange loans are allowed for export trade in goods. A domestic institution shall repay loans with the foreign exchange funds received from export trade in goods, rather than, in principle, purchased foreign exchange;

- authenticity and compliance review shall be strengthened for outbound direct investment. When going through the procedures for registration of outbound direct investment and outbound remittance of funds, a domestic institution shall, in addition to submitting relevant materials for review as required, explain to the relevant bank the sources of the funds for investment and the purposes (use plan) of such funds, and provide the relevant resolution of the board of directors (or the relevant resolution of partners), the relevant contract or other materials as proof of transaction authenticity;

- the deposits absorbed by a domestic bank through its principal international foreign exchange account and allowed to be used domestically are no more than 100 per cent. of the average daily deposit balance in the previous six months as opposed to the former 50 per cent.; and the funds used domestically are not included in the bank's outstanding short-term external debt quota; and

- where a domestic institution engages in overseas lending, the sum of its outstanding overseas lending in Renminbi and outstanding overseas lending in foreign currencies shall not exceed 30 per cent. of its owner's equity in the audited financial statements of the preceding year.

Since September 2015, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

The securities markets, specifically the Renminbi Qualified Foreign Institutional Investor ("**RQFII**") regime and the China Interbank Bond Market ("**CIBM**"), have been further liberalised for foreign investors. PBOC has relaxed the quota control for RQFII, initiated a bond market mutual access scheme between mainland and Hong Kong to allow eligible investors to invest in CIBM and has also expanded the list of foreign investors eligible to directly invest in CIBM, removed quota restriction, and granted more flexibility for the settlement agents to provide the relevant institutions with more trading facilities (for example, in relation to derivatives for hedging foreign exchange risk).

Interbank foreign exchange market is also opening-up. In 2018, CFETS further relaxed qualifications, application materials and the procedures for foreign participating banks (which needs to have a relatively large scale of Renminbi purchase and sale business and international influence) to access the inter-bank foreign exchange market.

On 23 October 2019, SAFE promulgated Notice by the State Administration of Foreign Exchange of Simplifying Foreign Exchange Accounts (國家外匯管理局關於精簡外匯帳戶的通知(匯發[2019]29號)) which became effective on 1 February 2020, according to which, several measures were taken to intensify, for example, "*Capital accounts — special account for domestic reinvestment*" is included in "*capital accounts — foreign exchange capital account*".

On the same day, SAFE issued Notice by the State Administration of Foreign Exchange of Further Facilitating Cross-border Trade and Investment (國家外匯管理局關於進一步促進跨境貿易投資便利化的通知(匯發[2019]28號)) to further promote the reform of "simplification of administrative procedures

and decentralization of powers, combination of decentralisation and appropriate control, and optimisation of services". Such regulation cancelled the restrictions on the use of funds in domestic asset realisation accounts for foreign exchange settlement and the restrictions on the number of opened foreign exchange accounts under capital accounts.

On 11 November 2022, PBOC, SAFE and six other PRC authorities jointly issued the Notice on the General Plan for the Construction of Science and Technology Innovation and Financial Reform Pilot Zones in Shanghai, Nanjing, Hangzhou, Hefei and Jiaxing (上海市、南京市、杭州市、合肥市、嘉興市建設科創金融改革試驗區總體方案的通知), which further promotes the innovation on cross-border investment and financing activities in those cities and stresses the macro-prudential management on the monitoring of cross-border capital flows.

The SAFE Provisions, the MOFCOM Circular and the PBOC FDI Measures have been promulgated to control the remittance of Renminbi for payment of transactions categorised as capital account items and such regulations will continuously be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

REGULATION ON FISCAL DEBTS OF LOCAL GOVERNMENTS

In accordance with the Budget Law which took effect in 1995 (the "**Old Budget Law**"), local governments shall not issue bonds directly. On 31 August 2014, the SCNPC amended Budget Law of the PRC and on 29 December 2018, the SCNPC adopted the newly amended Budget Law of the PRC, which became effective on the same day (the "**New Budget Law**"). The New Budget Law grants local governments the right to issue government bonds.

On 21 September 2014, the State Council released Circular 43. Circular 43 aims at regulating the financing system of local governments and three channels are presented. In accordance with Circular 43, financing platforms shall no longer function as financing vehicles of the local governments nor incur new government debts. Public interest projects may be funded by the government through issuing government bonds and public interest projects with income generated may be operated independently by private investors or jointly by the government and private investors through the establishment of special purpose companies. Private investors or such special purpose companies shall invest in accordance with market-oriented principles and may be funded by, among other market-oriented approaches, bank loans, enterprise bonds, project revenue bonds and asset-backed securitisation. Private investors or the special purpose companies shall bear the obligation to pay off such debts and the government shall not be liable for any of the private investors' or special purpose companies' debts. Circular 43 also sets forth the general principles of dealing with existing debts of financing platforms. Based on the auditing results of such debts run by the local governments, the existing debts that should be repaid by the local governments shall be identified, reported to the State Council for approval, and then included in the budget plan of local governments.

In addition to Circular 43, MOF, NDRC, the Ministry of Justice, PBOC, CBIRC and CSRC jointly Circular 50 on 26 April 2017, which reaffirmed that local government debts shall only be incurred through the issuance of local government bonds within the quota approved by the State Council, and the local governments and their departments are not permitted to use any other means for debt financing. The local governments and their departments are prohibited from requesting or ordering enterprises to issue debts for or on behalf of the local governments. According to Circular 50, (i) local governments should not inject public assets and land reserves into their financing vehicles, and should not undertake to use the expected income from transfer of land reserves as sources of debt servicing for their financing vehicles; (ii) when providing financing to enterprises such as financing vehicles, the financial institutions shall not

request or accept any form of guarantee of such financing from the local governments and their departments by way of letter of guarantee, letter of undertaking, letter of comfort or otherwise; (iii) a financing vehicle shall make a written representation to the relevant creditor that it does not perform any financing function on behalf of local governments, and any debts incurred by it after 1 January 2015 shall not be regarded as local government debts pursuant to applicable laws.

On 23 October 2014, MOF promulgated the Methods to Clear up and Clarify the Existing Fiscal Debt of Local Governments and Integrate it into Budgetary Management (地方政府存量債務納入預算管理清理甄別辦法) ("**Circular 351**") based on Circular 43. Circular 351 further requires the local governments to clear up the existing debts of their respective financing platforms of the local governments and classify such existing fiscal debts of the local governments into government debts and non-government debts. Pursuant to the Circular of the General Office of the State Council on Forwarding the Opinions of MOF, PBOC and CBIRC on Properly Solving the Problem of Follow-up Financing for Projects under Construction of Local Government Financing Platform Companies (國務院辦公廳轉發財政部、人民銀行、銀監會關於妥善解決地方政府融資平台公司在建項目後續融資問題意見的通知) ("**Circular 40**") which was promulgated by General Office of the State Council and became effective on 11 May 2015, local governments at all levels and banking financial institutions shall properly deal with follow-up financing issues for projects under construction of financing platform companies. Projects under construction refer to projects that have started construction upon the completion of examination, approval or filing procedures in accordance with relevant regulations by competent investment authorities before the date when the Circular 43 was promulgated. The key tasks of local governments and banking financial institutions are as follows: (i) supporting stock financing needs for projects under construction; (ii) regulating increment financing for projects under construction; (iii) administering in an effective and proper manner follow-up financing for projects under construction; and (iv) improving supporting measures.

On 13 September 2018, the General Office of the CPC and the State Council jointly issued the Joint Opinion, which establishes targets for the reduction of the average debt-to-asset ratio of state-owned enterprises by 2020 and (consistent with Circular 43 and Circular 50) bans local governments from engaging in "disguised" borrowing by using state-owned enterprises to issue corporate debt on their behalf.

REGULATIONS REGARDING OVERSEAS INVESTMENT AND ACQUISITION ACTIVITIES

The NDRC Administrative Measures

On 5 January 2023, the NDRC published the NDRC Administrative Measures which came into effect on 10 February 2023. The NDRC Administrative Measures applies to medium and long-term foreign debts with a maturity of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas enterprises or branches controlled by aforementioned PRC enterprises, denominated in local or foreign currency, and of which principal is repaid with payment of interest as agreed. For the purpose of the NDRC Administrative Measures, the forms of foreign debts include but are not limited to senior bonds, perpetual bonds, capital bonds, medium-term notes, convertible bonds, exchangeable bonds, financial leasing, and commercial loans. Before borrowing any foreign debt, the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明), the Examination and Registration Certificate shall be obtained from the NDRC, and such certificate shall be valid for one year from the date of issuance and be automatically invalidated upon expiry.

Apart from the foregoing pre-issuance requirement, the NDRC Administrative Measures stipulates post-issuance filing requirements as following: (1) filing the information of foreign debts within 10 business days after borrowing each foreign debt; (2) filing the information on the borrowing of foreign debts within 10 business days upon the expiration of the Examination and Registration Certificate; (3)

filing the information on the use of proceeds raised from foreign debts, the repayment of principal with the payment of interest, plans and arrangements, and major business indicators, etc., within five business days prior to the end of January and the end of July each year. In addition, in case of any major event that may affect the normal performance of debt obligations, enterprises shall promptly report relevant information and take risk control measures to prevent the spill-over of onshore default risks and cross default risks.

With respect to conducts in violation of the NDRC Administrative Measures, legal liabilities and consequences to enterprises borrowing foreign debts have been stipulated in the NDRC Administrative Measures. If any enterprise borrows foreign debts in violation of the NDRC Administrative Measures, the NDRC will take disciplinary actions such as holding an interview and giving a public warning against the relevant enterprise and its principal liable person. If any application documents to apply for foreign debt approval submitted by enterprises contain concealing, false record, misleading statement, or material omission, the NDRC will give a warning to relevant enterprise and its principal liable person. If the approval is obtained by concealment, deception, bribery, or any other improper means, such approval will be revoked. For any enterprise failing to comply with filing and reporting requirements under the NDRC Administrative Measures, the NDRC will order such enterprise to take rectification actions within a prescribed time limit; and if the circumstances are severe or the enterprise fails to take rectification action within the prescribed time limit, give a warning to the relevant enterprise and its principal liable person. Furthermore, conducts in violation of the NDRC Administrative Measures committed by enterprises will be publicised on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統).

TAXATION

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

PRC

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

Enterprise Income Tax

Pursuant to the EIT Law and its implementation regulations, an income tax is imposed on payment of interest by way of withholding in respect of debt securities issued by PRC enterprises to non-PRC Bondholders, including non-PRC resident enterprises and non-PRC resident individuals. The current rates of such income tax are 10 per cent. for non-PRC resident enterprises and 20 per cent. for non-PRC resident individuals, respectively, subject to adjustment by applicable treaty.

Accordingly, since the Issuer and the Guarantor are resident enterprises by virtue of their incorporation under the PRC laws, interest paid to non-resident Bondholders may be regarded as PRC-sourced, and therefore be subject to PRC income tax at a rate of 10 per cent. for non-resident enterprise Bondholders and at a rate of 20 per cent. for non-resident individual Bondholders (or a lower treaty rate, if any).

Such income tax shall be withheld by the Issuer or the Guarantor acting as the obligatory withholder and such PRC enterprise shall withhold the tax amount from each payment or payment due. To the extent that the PRC has entered into arrangements relating to the avoidance of double taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified non-PRC resident enterprise Bondholders. The tax so charged on interests paid on the Bonds to non-PRC Bondholders who, or which are residents of Hong Kong (including enterprise holders and individual holders) as defined in the Arrangement will be 7 per cent. of the gross amount of the interest pursuant to the Arrangement and relevant interpretation of the Arrangement formulated by SAT. To enjoy this preferential tax rate of 7 per cent., the Issuer could apply, on behalf of the Bondholders, to SAT for the application of the tax rate of 7 per cent. in accordance with the Arrangement on the interest payable in respect of the Bonds.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT

Law, an enterprise established outside the PRC with a "de facto management body" within the PRC is deemed a "resident enterprise", meaning that it can be treated in a manner similar to a PRC enterprise for enterprise income tax purposes, although dividends paid from one resident enterprise to another may qualify as "tax-exempt income". The implementing rules of the EIT Law define "de facto management" as "substantial and overall management and control over the production and operations, personnel, accounting, and properties" of the enterprise. A circular issued by the State Administration of Taxation on 22 April 2009 provides that a foreign enterprise controlled by a PRC company or a PRC company group will be classified as a "resident enterprise" with a "de facto management body" located within the PRC if all of the following requirements are satisfied at the same time: (i) the senior management and core management departments in charge of daily operations are located mainly within the PRC; (ii) financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC; (iii) major assets, accounting books, company seals and minutes and files of board and shareholders' meetings are located or kept within the PRC; and (iv) more than half of the enterprise's directors with voting rights or senior management habitually reside within the PRC. In addition, under the Individual Income Tax Law, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than 183 days shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains realised on the transfer of the Bonds by such non-resident Bondholders are regarded as derived from sources within the PRC, such gains may also be are subject to PRC income tax. The 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces of exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Value-added Tax

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

Under Circular 36 which introduced a new VAT from 1 May 2016 to replace business tax, VAT is applicable where the entities or individuals provide services within the PRC. The revenues generated from the provision of taxable sale of services by entities and individuals, such as financial services, shall be subject to PRC VAT if the seller or buyer of the services is within PRC. In the event that foreign entities or individuals do not have a business establishment in the PRC, the purchaser of services shall act as the withholding agent. According to the Explanatory Notes to Sale of Services, Intangible Assets and Real Property attached to Circular 36, financial services refer to the business activities of financial and insurance operation, including loan processing services, financial services of direct charges, insurance services and the transfer of financial instruments, and the VAT rate is 6 per cent. Accordingly, the interest and other interest like earnings received by a non-PRC resident Bondholder from the Issuer will be subject to PRC VAT at the rate of 6 per cent. The Issuer will be obligated to withhold VAT of 6 per cent. on payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals.

However, there is uncertainty as to whether gains derived from a sale or exchange of Bonds consummated outside of the PRC between non-PRC resident Bondholders will be subject to VAT in the PRC. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is

uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties. However, despite the withholding of the PRC tax by the Issuer, the Issuer has agreed to pay additional amounts to holders of the Bonds so that holders of the Bonds would receive the full amount of the scheduled payment, as further set out in "Terms and Conditions of the Bonds".

Pursuant to the EIT Law and the VAT reform detailed above, the Issuer (or, as the case may be, the Guarantor if it is required to fulfil its obligations under the Guarantee by making interest payments on behalf of the Issuer) may be required to withhold or deduct EIT (should such tax apply) and VAT (should such tax apply) from the payments of interest in respect of the Bonds for any non-PRC resident Bondholder. However, in the event that the Issuer or, as the case may be, the Guarantor is required to make such a withholding or deduction (whether by way of EIT, VAT or otherwise), the Issuer or, as the case may be, the Guarantor has agreed to pay such additional amounts as will result in receipt by the Bondholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required. For more information, see "*Terms and Conditions of the Bonds — Taxation*".

Stamp Duty

No PRC stamp duty will be imposed on non-PRC Bondholders either upon issuance of the Bonds or upon a subsequent transfer of Bonds to the extent that the register of Bondholders is maintained outside the PRC and the issuance and the sale of the Bonds is made outside of the PRC.

HONG KONG

Withholding Tax

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

Profits Tax

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

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

(a) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(b) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(c) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(d) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

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

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

In addition, the Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Ordinance 2022 of Hong Kong (the "**Amendment Ordinance**") came into effect on 1 January 2023. Under the Amendment Ordinance, certain foreign-sourced interest on the Bonds accrued to an MNE entity (as defined in the Amendment Ordinance) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The Amendment Ordinance also provides for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

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

Stamp Duty

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

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer or the Guarantor may be a foreign financial institution for these purposes. A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional bonds (as described under "*Terms and Conditions of the Bonds — Further Issues*") that are not distinguishable from previously issued Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may

treat all Bonds, including the Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Bonds. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Bonds, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Issuer and the Guarantor have entered into a subscription agreement with the Joint Lead Managers dated 6 November 2023 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer and the Guarantor have jointly and severally agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to, severally but not jointly, subscribe and pay for, or to procure subscribers to subscribe and pay for, the aggregate principal amount of the Bonds indicated in the following table.

Joint Lead Managers	**Principal amount of the Bonds to be subscribed**
	U.S.$
Guotai Junan Securities (Hong Kong) Limited	40,000,000
Bank of Communications Co., Ltd. Hong Kong Branch	12,000,000
China CITIC Bank International Limited	12,000,000
China Galaxy International Securities (Hong Kong) Co., Limited	12,000,000
ABCI Capital Limited	12,000,000
Bank of China Limited, Singapore Branch	12,000,000
BOCI Asia Limited	12,000,000
CCB International Capital Limited	12,000,000
BG Securities (HK) Co., Limited	12,000,000
SPDB International Capital Limited	2,000,000
Zhongtai International Securities Limited	2,000,000
China Industrial Securities International Brokerage Limited	2,000,000
CNCB (Hong Kong) Capital Limited	2,000,000
CLSA Limited	2,000,000
Huatai Financial Holdings (Hong Kong) Limited	2,000,000
Flow Capital (HK) Limited	2,000,000
Total	**150,000,000**

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

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

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

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Guarantor, may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trading of the Bonds may be material. Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer or the Guarantor, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Guarantor as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds may be impacted.

Furthermore, it is possible that a significant proportion of the Bonds may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in the Bonds may be constrained. The Issuer, the Guarantor and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Bonds amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer and/or the Guarantor, including the Bonds and could adversely affect the trading price and liquidity of the Bonds. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or other financial instruments of the Issuer or the Guarantor, and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments of the Issuer or the Guarantor.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the offering and are subject to additional requirements under the SFC Code.

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

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

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

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

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

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

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

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

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

Underlying investor information in relation to omnibus order should be sent to: dcm.gold@gtjas.com.hk, abcic.dcm@abci.com.hk, dcmsg@bankofchina.com, Project.Gold.III@bocigroup.com, dcm@bankcomm.com.hk, DCM@ccbintl.com and Project_Gold_III@cncbinternational.com.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such

information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint Lead Manager with such evidence within the timeline requested.

GENERAL

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

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

UNITED STATES

The Bonds and the Guarantees have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each of the Joint Lead Managers has represented that it has not offered or sold, and has agreed that it will not offer or sell, any Bond and the Guarantee constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds and the Guarantee.

UNITED KINGDOM

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

(i) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

PRC

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

HONG KONG

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

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

SINGAPORE

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase, and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with the conditions specified in Section 275 of the SFA.

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

JAPAN

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Joint Lead Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The Issuer's Audited Financial Statements and the Guarantor's Audited Financial Statements included in this Offering Circular were prepared and presented in accordance with PRC GAAP. PRC GAAP is substantially in line with IFRS, except for certain modifications between PRC GAAP and IFRS. The following is a general summary of certain differences between PRC GAAP and IFRS on recognition and presentation as applicable to the Issuer and the Guarantor. Each of the Issuer and the Guarantor is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the financial information and related footnote disclosure between PRC GAAP and IFRS and no attempt has been made to quantify such differences. Had any such quantification or reconciliation been undertaken by the Issuer or the Guarantor, other potentially significant accounting and disclosure differences may have been required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate PRC GAAP and IFRS have significant ongoing projects that could affect future comparisons or events that may occur in the future.

GOVERNMENT GRANT

Under PRC GAAP, the relocation compensation for public interests is required to be recognised as special payables. The income from compensation attributable to losses of fixed assets and intangible assets, related expenses, losses from production suspension incurred during the relocation and reconstruction period and purchases of assets after the relocation shall be transferred from special payables to deferred income and accounted for in accordance with the government grants standard. The surplus reached after deducting the amount transferred to deferred income shall be recognised in capital reserve.

Under IFRS, if an entity relocates for reasons of public interests, the compensation received shall be recognised in profit or loss.

REVERSAL OF AN IMPAIRMENT LOSS

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including investment property valued under cost model, long-term equity investments, fixed assets, intangible assets and goodwill, among others), it shall not be reversed in any subsequent period.

Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognised.

FIXED ASSETS AND INTANGIBLE ASSETS

Under PRC GAAP, only the cost model is allowed.

Under IFRS, an entity can choose either the cost model or the revaluation model as its accounting policy.

RELATED PARTY DISCLOSURES

Under PRC GAAP, state-controlled companies without other related party relationship are not treated as related parties.

Under IFRS, state-controlled companies are all treated as related parties.

In making an investment decision, each prospective investor must rely upon its own examination of the Issuer, the Guarantor, the terms of the offering and other disclosure contained herein. Each prospective investor should consult its own professional advisors for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

EQUITY IN JOINT VENTURES

Under PRC GAAP, only equity method is allowed.

Under IFRS, an entity can choose either the proportional consolidation method or equity method to calculate the equity of jointly controlled entities for joint venture investments.

GENERAL INFORMATION

1 **Legal Entity Identifier**: The Legal Entity Identifier (LEI) code of the Issuer is 3003000K9XJCNT9P2Q59.

2 **Clearing System**: The Bonds have been accepted for clearance through Euroclear and Clearstream under the Common Code of 271365853 and the ISIN of XS2713658537.

3 **Authorisations**: The Issuer and the Guarantor have obtained all necessary consents, approvals and authorisations in connection with the issue and performance of their respective obligations under the Bonds, the Guarantee, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by a resolution of the board of directors of the Issuer passed on 28 April 2023 and the shareholders' resolutions of the Issuer passed on 19 July 2023. The giving of the Guarantee was authorised by a resolution of the board of directors of the Guarantor passed on 30 June 2023.

4 **No Material and Adverse Change**: There has not occurred any change or any development or event involving a prospective change, in the condition (financial or otherwise), prospects, results of operations or general affairs of the Issuer, the Guarantor, the Issuer Group or the Guarantor Group, which is material and adverse in the context of the issue and offering of the Bonds since 31 December 2022.

5 **Legal Proceedings**: As at the date of this Offering Circular, none of the Issuer, the Guarantor or any other member of the Guarantor Group is involved in any litigation or arbitration proceedings which the Issuer or the Guarantor believes are material in the context of issuance of the Bonds and the giving of the Guarantee, and so far as the Issuer and the Guarantor are aware, no such proceedings are pending. To the best knowledge of the Issuer or the Guarantor, no such litigation or arbitration proceedings are threatened.

6 **Available Documents**: Copies of the Trust Deed and the Agency Agreement relating to the Bonds will be available for inspection from the Issue Date following prior written request and proof of holding and identity to the satisfaction of the Trustee at the principal place of business of the Trustee, being as at the Issue Date at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom, at all reasonable times during normal business hours (being 9:00 a.m. to 3:00 p.m.), so long as any Bond is outstanding.

7 **Financial Statements**: The Issuer's Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by ShineWing. The Guarantor's Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by ShineWing.

8 **Listing of Bonds**: Application will be made to the SEHK for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only and such permission is expected to become effective on or about 15 November 2023.

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Guangxi Financial Investment Group Co., Ltd.

Auditors' Report

XYZH/2023NNAA2B0062

ShineWing Certified Public Accountants LLP

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— Certified Public Accountants Business License and Qualification Certificate

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AUDITORS' REPORT

XYZH/2023NNAA2B0062

Guangxi Financial Investment Group Co., Ltd.:

I. Audit opinion

We have audited the accompanying financial statements of Guangxi Financial Investment Group Co., Ltd. (hereinafter to be referred as the Group) which comprise the consolidated and parent company's balance sheet as at December 31st, 2022, and the consolidated and parent company's income statement, consolidated and parent company's cash flow statement, consolidated and parent company's statement of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements were prepared in accordance with Accounting Standards for Business Enterprises in all material respects, and presented fairly the consolidated and the parent company's financial position of the Group as of December 31st, 2022, and the consolidated and the parent company's results of operations and cash flows for the year 2022.

II. The basis of audit opinion

We conducted our audition in accordance with the Chinese Certified Public Accountants Auditing Standards. The Responsibility for Auditor of Financial Statements in the audit report further elaborates on our responsibilities under these standards. According to the CPA Code of Ethics, we are independent of the Group, and have fulfilled the other ethical responsibilities of the code. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

III. Responsibilities of the Management and those charged with governance for the financial statements

The Management is responsible for the preparation of the financial statements in accordance with the provisions of the Accounting Standards for Business Enterprises to achieve a fair presentation, and designing, implementing and maintaining the necessary internal

controls so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

IV. The responsibility for auditor of the financial statements

Our goal is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue audit reports that contain audit opinions. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit performed in accordance with the auditing standards will always be found when a material misstatement exists. Misstatements can be caused by fraud or error. Misstatement is generally considered to be material if it is reasonably expected that the misstatement, alone or aggregated, may affect the financial decision making by the users of the financial statements based on the financial statements.

In carrying out the audit in accordance with the auditing standards, we exercise professional judgment and maintain professional suspicion. At the same time, we also perform the following tasks:

1. Identify and assess the risk of material misstatement of financial statements due to fraud or error, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as a basis for the publication of audit opinion. As fraud may involve collusion, forgery, willful omission, misrepresentation or override of internal control, the risk of not discovering a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement resulting from a mistake.

2. Understand the internal controls related to auditing in order to design appropriate auditing procedures, but not for the purpose of expressing an opinion on the effectiveness of internal control.

3. Appraise the appropriateness of the accounting policies selected by the Management and the reasonableness of making accounting estimates and related disclosures. 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements in accordance with the auditing standards or, if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

4. The overall presentation, structure and content of the consolidated financial statements are reviewed and the financial statements are assessed as to whether the transactions and events are fairly reflected.

5. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Management about the issues such as the scope of the audit, the timing and major audit findings, including communicating the notable shortcomings of internal control identified by our audit.

ShineWing Certified Public Accountants LLP

Chinese Certified Public Accountant:

Chinese Certified Public Accountant:

Beijing, China

April 17th, 2023

Consolidated Balance Sheet

December 31st, 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current assets:	1		
Cash and cash equivalents	2	7,304,298,021.50	6,573,475,348.84
△Provision for settlement	3	11,051,868.75	5,151,008.21
△Lending funds	4	-	-
Trading financial assets	5	2,953,991,526.97	2,852,542,648.22
Financial assets at fair value through profit or loss	6	-	-
Derivative financial assets	7	-	-
Notes receivable	8	87,570,000.00	-
Accounts receivable	9	1,041,342,156.81	692,615,129.51
Receivables financing	10	-	-
Prepayments	11	732,345,718.45	557,951,167.12
△Premiums receivable	12	1,196,397,651.33	792,895,393.16
△Reinsurance accounts receivable	13	271,678,522.42	273,552,046.94
△Reinsurance contract reserve receivable	14	397,721,427.68	287,988,744.75
Other receivables	15	9,421,643,533.02	2,635,380,599.92
Including: Dividends receivable	16	119,660,899.56	110,363,390.42
△Purchase and resale financial assets	17	101,229,870.00	31,101,891.00
Inventories	18	6,729,129.64	23,685,875.73
Including: Raw materials	19	-	-
Stock products (Finished products)	20	2,456,657.36	20,686,761.03
Contract assets	21	9,420,571.06	97,309,971.89
Assets held for sale	22	72,112,175.29	9,022,026.00
Non-current assets due within one year	23	7,439,119,849.42	2,493,234,657.37
Other current assets	24	2,365,731,046.60	2,687,209,590.34
Total current assets	**25**	**33,412,383,068.94**	**20,013,116,099.00**
Non-current assets:	26	-	-
△Loans and advances	27	2,423,218,381.21	11,101,538,688.31
Debt Investments	28	11,335,602,344.85	17,597,391,485.09
Available-for-sale financial assets	29	-	-
Other debt investments	30	-	-
Held-to-maturity investment	31	-	-
Long-term receivables	32	11,885,873,342.35	10,711,846,303.01
Long-term equity investments	33	5,778,283,388.07	5,199,560,285.87
Investments in other equity instruments	34	9,052,137,054.68	6,923,832,581.27
Other non-current financial assets	35	7,196,613,275.48	7,773,523,504.34
Investment properties	36	32,395,946,036.00	18,848,629,351.00
Fixed assets	37	96,775,662.31	246,107,772.23
Including: Original price of fixed assets	38	270,008,239.75	458,343,766.90
Accumulated depreciation	39	173,232,577.44	212,235,994.67
Provision for impairment of fixed assets	40	-	-
Construction in progress	41	776,906.00	147,372,834.85
Productive biological assets	42	17,834,926.29	-
Oil and gas assets	43	-	-
Right-of-use assets	44	79,188,005.72	93,728,803.13
Intangible assets	45	82,284,194.38	78,969,113.09
Development expenditure	46	518,495.60	-
Goodwill	47	48,064,809.32	48,064,809.32
Long-term prepaid expenses	48	101,318,897.00	47,704,779.71
Deferred tax assets	49	788,312,599.49	762,002,586.99
Other non-current assets	50	3,586,705,743.21	4,048,109,384.26
Including: Specially reserved materials	51	-	-
Total non-current assets	**52**	**84,869,454,061.96**	**83,628,382,282.47**
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Total assets	**74**	**118,281,837,130.90**	**103,641,498,381.47**

Legal Representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department: 毛绘宇

Consolidated Balance Sheet (Continued)

December 31st, 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current liabilities:	75		
Short-term loans	76	8,694,194,672.06	7,095,932,531.98
△Borrowing from the central bank	77	-	-
△Borrowing funds	78	100,000,000.00	200,000,000.00
Trading financial liabilities	79	-	-
Financial liabilities at fair value through profit or loss	80	-	-
Derivative financial liabilities	81	-	-
Notes payable	82	454,018,333.36	295,800,000.00
Accounts payable	83	689,601,050.44	1,125,085,274.53
Advance from customers	84	-	-
Contract liabilities	85	347,978,218.29	285,770,829.37
△Sale of repurchased financial assets	86	179,999,038.50	90,129,591.30
△Deposits from customers and interbank placement	87	-	-
△Acting trading securities	88	-	-
△Acting underwriting securities	89	-	-
Employee benefits payable	90	20,925,979.82	48,967,252.92
Including: Salary payable	91	7,037,066.88	15,379,263.66
Welfare payable	92	866,344.02	-
#Including: Staffs' bonus and welfare fund	93	-	-
Taxes and dues payable	94	199,289,850.66	225,064,215.22
Including: Taxes payable	95	197,817,076.45	223,843,949.75
Other payables	96	15,936,851,016.09	13,186,608,818.67
Including: Dividends payable	97	168,347,185.78	168,347,185.78
△Handing charges and commissions payable	98	112,882,031.61	48,573,494.02
△Reinsurance accounts payable	99	275,648,095.79	315,495,620.86
Liabilities held for sale	100	-	-
Non-current liabilities due within one year	101	20,618,806,740.60	13,279,393,795.63
Other current liabilities	102	73,491,792.75	37,155,651.46
Total current liabilities	**103**	**47,703,686,819.97**	**36,233,977,075.96**
Non-current liabilities:	104	-	-
△Insurance contract reserve	105	6,119,570,068.51	5,762,950,068.27
Long-term loans	106	9,933,156,702.81	12,568,574,374.93
Bonds payable	107	8,171,891,404.72	6,027,857,220.38
Including: Preferred stock	108	-	-
Perpetual debts	109	-	-
Lease liabilities	110	73,567,873.94	81,098,097.35
Long-term payables	111	10,128,759,650.88	14,345,530,612.56
Long-term employee benefits payable	112	20,363,127.55	-
Provisions	113	-	-
Deferred income	114	45,530,887.85	27,158,519.33
Deferred tax liabilities	115	95,640,275.79	177,889,178.79
Other non-current liabilities	116	466,338.02	11,945,500.97
Including: Specially reserved funds	117	-	-
Total non-current liabilities	**118**	**34,588,946,330.07**	**39,003,003,572.58**
Total liabilities	**119**	**82,292,633,150.04**	**75,236,980,648.54**
Owners' equities	120	-	-
Paid-in capital (or share capital)	121	10,000,000,000.00	4,300,000,000.00
State-owned capital	122	-	-
State-owned legal person capital	123	10,000,000,000.00	4,300,000,000.00
Collective capital	124	-	-
Private capital	125	-	-
Foreign capital	126	-	-
#Less: Returned investment	127	-	-
Net amount of paid-in capital (or share capital)	128	10,000,000,000.00	4,300,000,000.00
Other equity instruments	129	-	-
Including: Preferred stock	130	-	-
Perpetual debts	131	-	-
Capital reserve	132	18,523,242,167.13	18,532,975,776.70
Less: Treasury stocks	133	-	-
Other comprehensive income	134	-393,456,174.78	3,001,586.86
Including: Foreign currency translation differences	135	-	-
Special reserve	136	-	-
Surplus reserve	137	68,789,379.09	68,789,379.09
Including: Statutory reserve funds	138	68,789,379.09	68,789,379.09
Arbitrary reserve funds	139	-	-
#Reserve funds	140	-	-
#Enterprise development funds	141	-	-
#Profits return investment	142	-	-
△General risk reserve	143	1,191,231,072.58	1,141,643,001.93
Undistributed profit	144	-4,609,185,827.22	-4,807,564,075.56
Total owners' equities attributable to the parent company	145	24,780,620,616.80	19,238,845,669.02
*Minority interests	146	11,208,583,364.06	9,165,672,063.91
Total owners' equities	**147**	**35,989,203,980.86**	**28,404,517,732.93**
Total liabilities and owner's equity	**148**	**118,281,837,130.90**	**103,641,498,381.47**

Legal Representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Balance Sheet

December 31st, 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current assets:	1		
Cash and cash equivalents	2	1,552,046,807.19	1,737,573,654.36
Trading financial assets	3	-	16,960,408.35
Financial assets at fair value through profit or loss	4	-	-
Derivative financial assets	5	-	-
Notes receivable	6	87,000,000.00	-
Accounts receivable	7	51,057.27	5,992.10
Receivables financing	8	-	-
Prepayments	9	174,912.20	137,743.46
Other receivables	10	28,142,846,447.89	24,182,213,218.67
Including: Dividends receivable	11	-	60,000,000.00
Inventories	12	-	-
Including: Raw materials	13	-	-
Stock products (Finished products)	14	-	-
Contract assets	15	-	-
Assets held for sale	16	-	-
Non-current assets due within one year	17	-	-
Other current assets	18	925,755.00	397,437.66
Total current assets	**19**	**29,783,044,979.55**	**25,937,288,454.60**
Non-current assets:	20	-	-
Debt Investment	21	-	-
Available-for-sale financial assets	22	-	-
Other debt investment	23	-	-
Held-to-maturity investment	24	-	-
Long-term receivables	25	318,376,546.27	268,409,930.74
Long-term equity investments	26	35,451,928,389.56	34,316,279,014.98
Other equity instruments investments	27	937,067,717.52	992,976,357.84
Other non-current financial assets	28	700,640,312.99	503,191,875.16
Investment properties	29	868,707,923.00	16,919,638.00
Fixed assets	30	28,815,394.04	33,972,165.53
Including: Original price of fixed assets	31	54,241,505.56	61,784,742.03
Accumulated depreciation	32	25,426,111.52	27,812,576.50
Provision for impairment of fixed assets	33	-	-
Construction in progress	34	-	-
Productive biological assets	35	-	-
Oil and gas assets	36	-	-
Right-of-use assets	37	-	-
Intangible assets	38	6,024,095.33	1,234,129.86
Development expenditure	39	-	-
Goodwill	40	-	-
Long-term prepaid expenses	41	63,054,709.23	139,106,087.80
Deferred tax assets	42	42,263,880.73	42,263,880.73
Other non-current assets	43	339,654,608.50	522,805,909.61
Including: Specially reserved materials	44	-	-
Total non-current assets	**45**	**38,756,533,577.17**	**36,837,158,990.25**
Total assets	**46**	**68,539,578,556.72**	**62,774,447,444.85**

Legal Representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department: 毛绘宇

Parent Company's Balance Sheet (Continued)

December 31st, 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current liabilities:	47		
Short-term loans	48	3,805,299,399.22	3,240,488,533.58
Trading financial liabilities	49	-	-
Financial liabilities at fair value through profit or loss	50	-	-
Derivative financial liabilities	51	-	-
Notes payable	52	-	-
Accounts payable	53	-	-
Advance from customers	54	-	-
Contract liabilities	55	1,787,415.09	547,985.22
Employee benefits payable	56	410,437.26	219,542.62
Including: Salary payable	57	-	-
Welfare payable	58	-	-
#Including: Staffs' bonus and welfare fund	59	-	-
Taxes and dues payable	60	1,959,236.83	11,994,143.87
Including: Taxes payable	61	1,959,095.10	11,920,879.45
Other payables	62	25,306,665,201.00	24,346,067,677.07
Including: Dividends payable	63	-	-
Liabilities held for sale	64	-	-
Non-current liabilities due within one year	65	12,966,119,354.25	6,665,650,000.00
Other current liabilities	66	3,722,083.91	-
Total current liabilities	**67**	**42,085,963,127.56**	**34,264,967,882.36**
Non-current liabilities:	68	-	-
Long-term loans	69	1,660,456,456.67	4,974,000,000.00
Bonds payable	70	2,435,657,178.08	3,886,506,318.39
Including: Preferred stock	71	-	-
Perpetual debts	72	-	-
Lease liabilities	73	-	-
Long-term payables	74	3,778,061,975.97	5,630,946,165.82
Long-term employee benefits payable	75	426,144.55	-
Provisions	76	-	-
Deferred income	77	-	-
Deferred tax liabilities	78	-	-
Other non-current liabilities	79	-	-
Including: Specially reserved funds	80	-	-
Total non-current liabilities	**81**	**7,874,601,755.27**	**14,491,452,484.21**
Total liabilities	**82**	**49,960,564,882.83**	**48,756,420,366.57**
Owners' equities	83	-	-
Paid-in capital (or share capital)	84	10,000,000,000.00	4,300,000,000.00
State-owned capital	85	-	-
State-owned legal person capital	86	10,000,000,000.00	4,300,000,000.00
Collective capital	87	-	-
Private capital	88	-	-
Foreign capital	89	-	-
#Less: Returned investment	90	-	-
Net amount of paid-in capital (or share capital)	91	10,000,000,000.00	4,300,000,000.00
Other equity instruments	92	-	-
Including: Preferred stock	93	-	-
Perpetual debts	94	-	-
Capital reserve	95	12,909,636,219.54	13,094,055,603.43
Less: Treasury stocks	96	-	-
Other comprehensive income	97	-139,360,200.81	-83,451,560.49
Including: Foreign currency translation differences	98	-	-
Special reserve	99	-	-
Surplus reserve	100	68,789,379.09	68,789,379.09
Including: Statutory reserve funds	101	68,789,379.09	68,789,379.09
Arbitrary reserve funds	102	-	-
#Reserve funds	103	-	-
#Enterprise development funds	104	-	-
#Profits return investment	105	-	-
Undistributed profit	106	-4,260,051,723.93	-3,361,366,343.75
Total owners' equities	**107**	**18,579,013,673.89**	**14,018,027,078.28**
Total liabilities and owner's equity	**108**	**68,539,578,556.72**	**62,774,447,444.85**

Legal Representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department: 毛绘宇

Consolidated Income Statement

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2022	2021
I. Total operating revenue	1	**7,208,167,456.13**	**8,236,643,029.66**
Including: Operating revenue	2	1,366,053,358.77	2,039,362,493.97
△ Interest income	3	1,523,462,645.49	1,809,248,622.00
△ Insurance premium earned	4	4,278,063,773.83	4,310,402,840.09
△ Handling charge and commission income	5	40,587,678.04	77,629,073.60
II. Total operating cost	6	**9,030,582,697.63**	**10,437,276,909.98**
Including: Operating cost	7	1,038,747,746.56	1,830,940,618.55
△ Interest expenses	8	3,601,716,572.75	3,917,461,384.94
△ Handling charge and commission expenses	9	374,021,055.08	431,244,070.36
△ Insurance termination refund	10	-	-
△ Net compensation expenses	11	2,153,898,030.03	2,460,147,626.54
△ Net withdrawal of insurance liability reserve	12	614,154,124.33	429,058,936.92
△ Policy dividend payments	13	-	-
△ Reinsurance costs	14	-	5,039,054.88
Taxes and surcharges	15	58,505,119.26	54,975,098.99
Selling expenses	16	751,782,027.37	889,508,727.99
Administrative expenses	17	539,723,671.20	522,008,448.74
Research & development expenses	18	4,522,191.42	20,910,771.81
Financial expenses	19	-106,487,840.37	-124,017,829.74
Including: Interest expenses	20	85,703,153.45	9,120,683.62
Interest income	21	199,430,024.70	162,654,276.85
Net exchange loss (Net gain marked with"-")	22	2,942,530.50	2,267,095.53
Others	23	-	-
Add: Other income	24	44,848,000.14	100,844,921.27
Investment income (Loss marked with"-")	25	1,907,354,988.89	1,988,435,809.74
Including: Investment income from associates and joint ventures	26	573,777,491.33	649,704,468.39
Gains on derecognition of financial assets at amortized cost	27	-	-
△ Exchange earnings (Loss marked with "-")	28	-290,154,721.79	76,385,920.04
Net exposure hedging gains (Loss marked with "-")	29	-	-
Gains from changes in fair value (Loss marked with "-")	30	223,380,917.87	959,005,778.13
Credit impairment losses (Loss marked with "-")	31	811,115,854.17	-512,321,454.28
Asset impairment loss (Loss marked with "-")	32	-10,611,204.81	-
Gains on disposal of assets (Loss marked with "-")	33	-80,869,307.26	-7,544,222.19
III. Operating profit (Loss marked with "-")	34	**782,649,285.71**	**404,172,872.39**
Add: Non-operating revenue	35	6,172,448.35	151,238,022.58
Including: Government grants	36	764,442.65	812,985.07
Less: Non-operating expenses	37	4,504,890.72	8,997,119.55
IV. Total profit (Total loss marked with "-")	38	**784,316,843.34**	**546,413,775.42**
Less: Income tax expenses	39	219,215,777.59	208,909,483.18
V. Net profit (Net loss marked with "-")	40	**565,101,065.75**	**337,504,292.24**
(I) Classified by the attribution of ownership	41	-	-
Net profits attributable to the owner of parent company	42	246,468,012.08	123,225,167.92
*Non-controlling interests	43	318,633,053.67	214,279,124.32
(II) Classified by continuity of operations	44	-	-
Net profits from continuing operations	45	565,101,065.75	337,504,292.24
Net profits from discontinuing operations	46	-	-
VI. Net after-tax amount of other comprehensive income	47	**-567,606,662.91**	**-110,882,661.19**
The net after-tax amount of other comprehensive incomes attributable to the owner of parent company	48	-396,457,761.64	-115,611,714.90
(I) Other comprehensive income that cannot be reclassified into profit or loss	49	-361,010,758.56	-102,343,883.67
1.Remeasurement of changes in defined benefit plans	50	-	-
2.Other comprehensive income not converted into profit or loss under the equity method	51	-	-113,604.45
3.Fair value changes of other equity instrument investments	52	-361,010,758.56	-102,230,279.22
4.Fair value changes of the enterprise's own credit risks	53	-	-
5.Others	54	-	-
(II) Other comprehensive income reclassified into profit or loss	55	-35,447,003.08	-13,267,831.23
1.Other comprehensive income converted into profit or loss under the equity method	56	-	-
2.Fair value changes of other debt instruments	57	-	-
3.Profit and loss from fair value changes of available-for-sale financial assets	58	-	-
4.Amount reclassified from financial assets to other comprehensive income	59	-	-
5.Gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets	60	-	-
6.Provision for credit impairment on other debt instruments	61	-	-
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62	-	-
8.Translation difference of foreign currency statements	63	-	-
9.Others	64	-35,447,003.08	-13,267,831.23
* Net other comprehensive income attributable to non-controlling interests after tax	65	-171,148,901.27	4,729,053.71
VII. Total comprehensive income	66	**-2,505,597.16**	**226,621,631.05**
Total comprehensive income attributable to the owner of parent company	67	-149,989,749.56	7,613,453.02
*Total comprehensive income attributable to non-controlling interests	68	147,484,152.40	219,008,178.03
VIII. Earnings per share:	69	-	-
(I) Basic earnings per share	70	-	-
(II) Diluted earnings per share	71	-	-

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Income Statement

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2022	2021
I. Total operating revenue	**1**	**140,929,957.70**	**175,784,567.55**
Including: Operating revenue	2	11,823,858.17	18,374,540.35
△ Interest income	3	129,106,099.53	157,410,027.20
△ Insurance premium earned	4	-	-
△ Handling charge and commission income	5	-	-
II. Total operating cost	**6**	**2,306,145,800.82**	**2,731,497,651.69**
Including: Operating cost	7	4,551,431.40	8,744,679.13
△ Interest expenses	8	2,213,363,697.48	2,623,466,037.51
△ Handling charge and commission expenses	9	-	-
△ Insurance termination refund	10	-	-
△ Net compensation expenses	11	-	-
△ Net withdrawal of insurance liability reserve	12	-	-
△ Policy dividend payments	13	-	-
△ Reinsurance costs	14	-	-
Taxes and surcharges	15	7,624,311.93	9,552,383.57
Selling expenses	16	42,034,932.74	45,357,568.22
Administrative expenses	17	56,098,083.02	55,039,362.36
Research & development expenses	18	-	-
Financial expenses	19	-17,526,655.75	-10,662,379.10
Including: Interest expenses	20	27,299,696.75	-
Interest income	21	44,913,437.76	29,016,388.67
Net exchange loss (Net gain marked with"-")	22	-	-
Others	23	-	-
Add: Other income	24	3,531,411.04	3,255,322.18
Investment income (Loss marked with"-")	25	1,283,076,655.69	455,183,447.97
Including: Investment income from associates and joint ventures	26	64,302,439.86	393,124,112.17
Gains on derecognition of financial assets at amortized cost	27	-	-
△ Exchange earnings (Loss marked with "-")	28	-289,793,854.37	76,119,760.83
Net exposure hedging gains (Loss marked with "-")	29	-	-
Gains from changes in fair value (Loss marked with "-")	30	275,713,249.40	10,623,977.52
Credit impairment losses (Loss marked with "-")	31	-5,730,534.46	-64,858.51
Asset impairment loss (Loss marked with "-")	32	-	-
Gains on disposal of assets (Loss marked with "-")	33	-167,177.57	106,204.05
III. Operating profit (Loss marked with "-")	**34**	**-898,586,093.39**	**-2,010,489,230.10**
Add: Non-operating revenue	35	102,330.21	131,154.00
Including: Government grants	36	-	-
Less: Non-operating expenses	37	201,617.00	57,282.03
IV. Total profit (Total loss marked with "-")	**38**	**-898,685,380.18**	**-2,010,415,358.13**
Less: Income tax expenses	39	-	-
V. Net profit (Net loss marked with "-")	**40**	**-898,685,380.18**	**-2,010,415,358.13**
(I) Classified by the attribution of ownership	**41**	**-**	**-**
Net profits attributable to the owner of parent company	42	-898,685,380.18	-2,010,415,358.13
*Non-controlling interests	43	-	-
(II) Classified by continuity of operations	**44**	**-**	**-**
Net profits from continuing operations	45	-898,685,380.18	-2,010,415,358.13
Net profits from discontinuing operations	46	-	-
VI. Net after-tax amount of other comprehensive income	**47**	**-55,908,640.32**	**-125,436,052.00**
The net after-tax amount of other comprehensive incomes attributable to the owner of parent company	48	-55,908,640.32	-125,436,052.00
(I) Other comprehensive income that cannot be reclassified into profit or loss	49	-55,908,640.32	-125,436,052.00
1.Remeasurement of changes in defined benefit plans	50	-	-
2.Other comprehensive income not converted into profit or loss under the equity method	51	-	-
3.Fair value changes of other equity instrument investments	52	-55,908,640.32	-125,436,052.00
4.Fair value changes of the enterprise's own credit risks	53	-	-
5.Others	54	-	-
(II) Other comprehensive income reclassified into profit or loss	55	-	-
1.Other comprehensive income converted into profit or loss under the equity method	56	-	-
2.Fair value changes of other debt instruments	57	-	-
3.Profit and loss from fair value changes of available-for-sale financial assets	58	-	-
4.Amount reclassified from financial assets to other comprehensive income	59	-	-
5.Gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets	60	-	-
6.Provision for credit impairment on other debt instruments	61	-	-
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62	-	-
8.Translation difference of foreign currency statements	63	-	-
9.Others	64	-	-
* Net other comprehensive income attributable to non-controlling interests after tax	65	-	-
VII. Total comprehensive income	**66**	**-954,594,020.50**	**-2,135,851,410.13**
Total comprehensive income attributable to the owner of parent company	67	-954,594,020.50	-2,135,851,410.13
*Total comprehensive income attributable to non-controlling interests	68	-	-
VIII. Earnings per share:	**69**	**-**	**-**
(I) Basic earnings per share	70	-	-
(II) Diluted earnings per share	71	-	-

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Consolidated Cash Flow Statement

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2022	2021
I. Cash flow from operating activities:	1		
Cash received from sale of goods and provision of services	2	6,880,001,423.30	6,176,610,547.73
△Net increase in customer deposits and interbank deposits	3	-	-
△Net increase in borrowing from the central bank	4	-	-
△Net increase in borrowing from other financial institutions	5	518,460,692.90	-8,404,830,785.37
△Cash received from the original insurance contract premium	6	3,717,000,943.30	4,116,169,515.32
△Cash received from reinsurance	7	-83,281,712.97	-87,651,996.25
△Net increase in the reserves and investments of the insured	8	-	-
△Net increase from disposal of financial assets at fair value through profit or loss	9	-	-
△Cash from receiving interest, handling charge and commission	10	1,151,018,797.28	1,032,992,988.09
△Net increase in borrowed funds	11	-	-
△Net increase of funds for repurchase business	12	-	-
△Net cash received from acting trading securities	13	-	-
Received tax refunds	14	43,721,105.01	16,338,787.26
Cash received related to other operating activities	15	26,750,857,777.61	53,516,690,338.97
Subtotal of cash inflow from operating activities	**16**	**38,977,779,026.43**	**56,366,319,395.75**
Cash paid for purchase of goods and acceptance of services	17	7,884,330,964.29	5,685,878,303.94
△ Net increase in loans and advances to customer	18	-372,572,279.33	-310,663,756.72
△Net increase of deposits in the central bank and interbank	19	-	-
△Cash paid for the original insurance contract compensation	20	2,277,630,629.28	2,683,238,225.43
△Net increase in lending funds	21	-	-
△Cash for payment of interest, handling charge and commission	22	1,521,630,103.34	1,241,574,395.41
△Paid policy dividends in cash	23	-	-
Cash paid to and on behalf of employees	24	763,443,240.43	906,576,322.28
Taxes paid	25	634,421,463.10	760,293,907.63
Cash paid related to other operating activities	26	29,583,926,717.45	44,795,305,706.45
Subtotal of cash outflows from operating activities	**27**	**42,292,810,838.56**	**55,762,203,104.42**
Net cash flow from operating activities	**28**	**-3,315,031,812.13**	**604,116,291.33**
II. Cash flow from investing activities:	**29**	**-**	**-**
Cash received from disinvestment	30	10,198,272,523.87	5,791,117,259.53
Cash received from the return of investment	31	1,158,710,382.05	478,371,584.72
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	32	15,599,583.38	5,902,999.41
Net cash received from disposal of subsidiaries and other business units	33	16,780,675.00	327,794,970.87
Cash received related to other investing activities	34	13,377,048,241.45	7,348,595,674.86
Subtotal of cash inflow from investing activities	**35**	**24,766,411,405.75**	**13,951,782,489.39**
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	36	71,154,375.75	171,806,523.87
Cash paid for investment	37	15,856,030,964.74	7,193,502,311.77
△Net increase in pledged loans	38	-	-
Net cash paid to acquire subsidiaries and other business units	39	-	205,000,000.00
Cash paid related to other investing activities	40	13,017,498,179.98	7,035,955,312.47
Subtotal of cash outflows from investing activities	**41**	**28,944,683,520.47**	**14,606,264,148.11**
Net cash flow from investing activities	**42**	**-4,178,272,114.72**	**-654,481,658.72**
III. Cash flow from financing activities:	**43**	**-**	**-**
Cash received from external investment	44	6,121,048,846.00	1,821,581,531.00
Including: Cash from investments of non-controlling interests of subsidiaries	45	-	-
Cash received from loans granted	46	7,560,868,763.03	7,166,960,400.60
Cash received relating to other financing activities	47	10,727,055,000.00	8,472,152,805.35
Subtotal cash inflow from financing activities	**48**	**24,408,972,609.03**	**17,460,694,736.95**
Payment of debt in cash	49	4,797,100,000.00	11,834,846,200.00
Cash used to pay dividends, profits, or interest payments	50	917,332,958.54	821,251,280.63
Including: Dividends and profits paid to non-controlling interests by subsidiaries	51	-	-
Cash paid related to other financing activities	52	10,127,381,075.69	8,125,054,450.23
Subtotal cash outflow from financing activities	**53**	**15,841,814,034.23**	**20,781,151,930.86**
Net cash flow from financing activities	**54**	**8,567,158,574.80**	**-3,320,457,193.91**
IV. Impact of exchange rate fluctuations on cash and cash equivalents	**55**	**184,778.83**	**-61,450,435.34**
V. Net increase in cash and cash equivalents	**56**	**1,074,039,426.78**	**-3,432,272,996.64**
Add: Opening balance of cash and cash equivalents	57	3,842,760,466.24	7,275,033,462.88
VI. Closing balance of cash and cash equivalents at the end of the period	**58**	**4,916,799,893.02**	**3,842,760,466.24**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Cash Flow Statement

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	2022	2021
I. Cash flow from operating activities:	1		
Cash received from sale of goods and provision of services	2	13,763,944.24	14,698,004.70
△Net increase in customer deposits and interbank deposits	3	-	-
△Net increase in borrowing from the central bank	4	-	-
△Net increase in borrowing from other financial institutions	5	-674,483,165.01	-6,906,313,756.94
△Cash received from the original insurance contract premium	6	-	-
△Cash received from reinsurance	7	-	-
△Net increase in the reserves and investments of the insured	8	-	-
△Net increase from disposal of financial assets at fair value through profit or loss	9	-	-
△Cash from receiving interest, handling charge and commission	10	38,820,792.51	-
△Net increase in borrowed funds	11	-	-
△Net increase of funds for repurchase business	12	-	-
△Net cash received from acting trading securities	13	-	-
Received tax refunds	14	-	-
Cash received related to other operating activities	15	35,826,001,289.75	46,172,051,399.31
Subtotal of cash inflow from operating activities	**16**	**35,204,102,861.49**	**39,280,435,647.07**
Cash paid for purchase of goods and acceptance of services	17	-	-
△ Net increase in loans and advances to customer	18	-	-
△Net increase of deposits in the central bank and interbank	19	-	-
△Cash paid for the original insurance contract compensation	20	-	-
△Net increase in lending funds	21	-	-
△Cash for payment of interest, handling charge and commission	22	-	-
△Paid policy dividends in cash	23	-	-
Cash paid to and on behalf of employees	24	68,025,718.50	66,584,338.13
Taxes paid	25	25,486,909.84	22,070,070.31
Cash paid related to other operating activities	26	38,171,506,525.43	34,168,818,203.75
Subtotal of cash outflows from operating activities	**27**	**38,265,019,153.77**	**34,257,472,612.19**
Net cash flow from operating activities	**28**	**-3,060,916,292.28**	**5,022,963,034.88**
II. Cash flow from investing activities:	**29**	**-**	**-**
Cash received from disinvestment	30	38,619,871.34	31,701,754.37
Cash received from the return of investment	31	869,513,121.56	1,324,270,854.67
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	32	43,718.88	1,653,121.63
Net cash received from disposal of subsidiaries and other business units	33	16,780,675.00	772,847,577.27
Cash received related to other investing activities	34	-	136,401,587.70
Subtotal of cash inflow from investing activities	**35**	**924,957,386.78**	**2,266,874,895.64**
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	36	43,257,226.40	2,692,945.00
Cash paid for investment	37	2,537,682,471.20	2,214,200,000.00
△Net increase in pledged loans	38	-	-
Net cash paid to acquire subsidiaries and other business units	39	-	205,000,000.00
Cash paid related to other investing activities	40	-	-
Subtotal of cash outflows from investing activities	**41**	**2,580,939,697.60**	**2,421,892,945.00**
Net cash flow from investing activities	**42**	**-1,655,982,310.82**	**-155,018,049.36**
III. Cash flow from financing activities:	**43**	**-**	**-**
Cash received from external investment	44	3,174,700,000.00	1,600,000,000.00
Including: Cash from investments of non-controlling interests of subsidiaries	45	-	-
Cash received from loans granted	46	5,198,918,763.03	2,825,460,400.60
Cash received relating to other financing activities	47	-	-
Subtotal cash inflow from financing activities	**48**	**8,373,618,763.03**	**4,425,460,400.60**
Payment of debt in cash	49	3,255,000,000.00	10,805,802,000.00
Cash used to pay dividends, profits, or interest payments	50	217,659,709.98	593,053,069.90
Including: Dividends and profits paid to non-controlling interests by subsidiaries	51	-	-
Cash paid related to other financing activities	52	1,656,640.00	52,363,221.58
Subtotal cash outflow from financing activities	**53**	**3,474,316,349.98**	**11,451,218,291.48**
Net cash flow from financing activities	**54**	**4,899,302,413.05**	**-7,025,757,890.88**
IV. Impact of exchange rate fluctuations on cash and cash equivalents	**55**	**69,342.88**	**-61,401,517.61**
V. Net increase in cash and cash equivalents	**56**	**182,473,152.83**	**-2,219,214,422.97**
Add: Opening balance of cash and cash equivalents	57	857,573,654.36	3,076,788,077.33
VI. Closing balance of cash and cash equivalents at the end of the period	**58**	**1,040,046,807.19**	**857,573,654.36**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Consolidated Statement of Changes in Shareholders' Equity

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Current year amount														
		Equity attributable to owners of the Company													Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Subtotal			
			Preferred share	Perpetual bond	Other											
Column		1	2	3	4	5	6	7	8	9	10	11	12		13	14
1. Closing balance of last year	1	4,300,000,000.00				18,532,975,776.70		3,001,586.86		68,789,379.09	1,141,643,001.93	-4,807,564,075.56	19,238,845,669.02		9,165,672,063.91	28,404,517,732.93
Add: Impact from changes in accounting policies	2	-				-		-		-	-	-	-		-	-
Impact from corrections of errors in prior period	3	-				-		-		-	-	-	-		-	-
Others	4	-				-		-		-	-	-	-		-	-
2. Opening balance of current year	5	4,300,000,000.00				18,532,975,776.70		3,001,586.86		68,789,379.09	1,141,643,001.93	-4,807,564,075.56	19,238,845,669.02		9,165,672,063.91	28,404,517,732.93
3. Movement for current year ("-" for decrease)	6	5,700,000,000.00				-9,733,609.57		-396,457,761.64		-	49,588,070.65	198,378,248.34	5,541,774,947.78		2,042,911,300.15	7,584,686,247.93
(1) Total comprehensive income	7	-				-		-396,457,761.64		-	-	246,468,012.08	-149,989,749.56		147,484,152.40	-2,505,597.16
(2) Shareholder's contributions and withdrawals of captial	8	5,700,000,000.00				-9,733,609.57		-		-	1,498,306.91	-	5,691,764,697.34		2,207,231,806.34	7,898,996,503.68
1) Common stock contributed by shareholders	9	5,700,000,000.00				-		-		-	-	-	5,700,000,000.00		-	5,700,000,000.00
2) Capital contributed by other equity instruments holders	10	-				-		-		-	-	-	-		-	-
3) Share-based payment recorded in shareholder's equity	11	-				-		-		-	-	-	-		-	-
4) Others	12	-				-9,733,609.57		-		-	1,498,306.91	-	-8,235,302.66		2,207,231,806.34	2,198,996,503.68
(3) Withdrawal and use of special reserve	13	-				-		-		-	-	-	-		-	-
1) Withdrawal of special reserve	14	-				-		-		-	-	-	-		-	-
2) Use of special reserve	15	-				-		-		-	-	-	-		-	-
(4) Profits distribution	16	-				-		-		-	48,089,763.74	-48,089,763.74	-		-311,804,658.59	-311,804,658.59
1) Appropriation of surplus reserve	17	-				-		-		-	-	-	-		-	-
Including:Statutory surplus reserve	18	-				-		-		-	-	-	-		-	-
Discretionary surplus reserve	19	-				-		-		-	-	-	-		-	-
# Reserve funds	20															
# Enterprise expansion funds	21															
# Profit distribution to investor	22															
△2) Withdrawal of general risk reserve	23	-				-		-		-	48,089,763.74	-48,089,763.74	-		-	-
3) Distribution to shareholders	24	-				-		-		-	-	-	-		-311,804,658.59	-311,804,658.59
4) Others	25	-				-		-		-	-	-	-		-	-
(5) Internal transfer within shareholder's equity	26	-				-		-		-	-	-	-		-	-
1) Conversion of capital reserve into share capital	27	-				-		-		-	-	-	-		-	-
2) Conversion of surplus reserve into share capital	28	-				-		-		-	-	-	-		-	-
3) Recover of loss by surplus reserve	29	-				-		-		-	-	-	-		-	-
4) Benefit plans are carried forward to retained earnings	30	-				-		-		-	-	-	-		-	-
5) Other comprehensive income trasnferred to retained earnings	31															
6) Others	32	-				-		-		-	-	-	-		-	-
4. Closing balance of current year	33	10,000,000,000.00				18,523,242,167.13		-393,456,174.78		68,789,379.09	1,191,231,072.58	-4,609,185,827.22	24,780,620,616.80		11,208,583,364.06	35,989,203,980.86

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Consolidated Statement of Changes in Shareholders' Equity (Continued)

FY 2022

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Prior year amount													
		Equity attributable to owners of the Company												Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28
1. Closing balance of last year	1	2,800,000,000.00				12,220,678,454.90		27,720,412.87		68,789,379.09	1,068,580,927.36	1,350,103,258.89	17,535,872,433.11	19,632,418,203.08	37,168,290,636.19
Add: Impact from changes in accounting policies	2	-				-		47,075,612.34		-	-	-6,244,481,092.34	-6,197,405,480.00	-300,638,546.89	-6,498,044,026.89
Impact from corrections of errors in prior period	3	-				-		-		-	-	-	-	-	-
Others	4	-				-		-		-	-	-	-	-	-
2. Opening balance of current year	5	2,800,000,000.00				12,220,678,454.90		74,796,025.21		68,789,379.09	1,068,580,927.36	-4,894,377,833.45	11,338,466,953.11	19,331,779,656.19	30,670,246,609.30
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				6,312,297,321.80		-71,794,438.35		-	73,062,074.57	86,813,757.89	7,900,378,715.91	-10,166,107,592.28	-2,265,728,876.37
(1) Total comprehensive income	7	-				-		-115,611,714.90		-	-	123,225,167.92	7,613,453.02	219,008,178.03	226,621,631.05
(2) Shareholder's contributions and withdrawals of captial	8	-				1,606,808,298.91		43,817,276.55		-	36,650,664.54	-	1,687,276,240.00	-3,981,404,415.20	-2,294,128,175.20
1) Common stock contributed by shareholders	9	-				1,725,500,000.00		-		-	-	-	1,725,500,000.00	-	1,725,500,000.00
2) Capital contributed by other equity instruments holders	10	-				-		-		-	-	-	-	-	-
3) Share-based payment recorded in shareholder's equity	11	-				-		-		-	-	-	-	-	-
4) Others	12	-				-118,691,701.09		43,817,276.55		-	36,650,664.54	-	-38,223,760.00	-3,981,404,415.20	-4,019,628,175.20
(3) Withdrawal and use of special reserve	13	-				-		-		-	-	-	-	-	-
1) Withdrawal of special reserve	14	-				-		-		-	-	-	-	-	-
2) Use of special reserve	15	-				-		-		-	-	-	-	-	-
(4) Profits distribution	16	-				-		-		-	36,411,410.03	-36,411,410.03	-	-198,222,332.22	-198,222,332.22
1) Appropriation of surplus reserve	17	-				-		-		-	-	-	-	-	-
Including:Statutory surplus reserve	18	-				-		-		-	-	-	-	-	-
Discretionary surplus reserve	19	-				-		-		-	-	-	-	-	-
# Reserve funds	20														
# Enterprise expansion funds	21														
# Profit distribution to investor	22														
△2) Withdrawal of general risk reserve	23	-				-		-		-	36,411,410.03	-36,411,410.03	-	-	-
3) Distribution to shareholders	24	-				-		-		-	-	-	-	-198,222,332.22	-198,222,332.22
4) Others	25	-				-		-		-	-	-	-	-	-
(5) Internal transfer within shareholder's equity	26	1,500,000,000.00				4,705,489,022.89		-		-	-	-	6,205,489,022.89	-6,205,489,022.89	-
1) Conversion of capital reserve into share capital	27	1,500,000,000.00				-1,500,000,000.00		-		-	-	-	-	-	-
2) Conversion of surplus reserve into share capital	28	-				-		-		-	-	-	-	-	-
3) Recover of loss by surplus reserve	29	-				-		-		-	-	-	-	-	-
4) Benefit plans are carried forward to retained earnings	30	-				-		-		-	-	-	-	-	-
5) Other comprehensive income trasnferred to retained earnings	31														
6) Others	32	-				6,205,489,022.89		-		-	-	-	6,205,489,022.89	-6,205,489,022.89	-
4. Closing balance of current year	33	4,300,000,000.00				18,532,975,776.70		3,001,586.86		68,789,379.09	1,141,643,001.93	-4,807,564,075.56	19,238,845,669.02	9,165,672,063.91	28,404,517,732.93

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Parent Company's Statement of Changes in Shareholders' Equity

FY2022

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Current year amount										
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
			Preferred share	Perpetual bond	Other							
Column	—	1	2	3	4	5	6	7	8	9	10	11
1. Closing balance of last year	1	4,300,000,000.00				13,094,055,603.43		-83,451,560.49		68,789,379.09	-3,361,366,343.75	14,018,027,078.28
Add: Impact from changes in accounting policies	2	-				-		-		-	-	-
Impact from corrections of errors in prior period	3	-				-		-		-	-	-
Others	4	-				-		-		-	-	-
2. Opening balance of current year	5	4,300,000,000.00				13,094,055,603.43		-83,451,560.49		68,789,379.09	-3,361,366,343.75	14,018,027,078.28
3. Movement for current year ("-" for decrease)	6	5,700,000,000.00				-184,419,383.89		-55,908,640.32		-	-898,685,380.18	4,560,986,595.61
(1) Total comprehensive income	7	-				-		-55,908,640.32		-	-898,685,380.18	-954,594,020.50
(2) Shareholder's contributions and withdrawals of captial	8	1,257,793,135.99				4,257,787,480.12		-		-	-	5,515,580,616.11
1) Common stock contributed by shareholders	9	-				-		-		-	-	-
2) Capital contributed by other equity instruments holders	10	-				-		-		-	-	-
3) Share-based payment recorded in shareholder's equity	11	-				-		-		-	-	-
4) Others	12	1,257,793,135.99				4,257,787,480.12		-		-	-	5,515,580,616.11
(3) Withdrawal and use of special reserve	13	-				-		-		-	-	-
1) Withdrawal of special reserve	14	-				-		-		-	-	-
2) Use of special reserve	15	-				-		-		-	-	-
(4) Profits distribution	16	-				-		-		-	-	-
1) Appropriation of surplus reserve	17	-				-		-		-	-	-
Including:Statutory surplus reserve	18	-				-		-		-	-	-
Discretionary surplus reserve	19	-				-		-		-	-	-
# Reserve funds	20											
# Enterprise expansion funds	21											
# Profit distribution to investor	22											
2) Distribution to shareholders	23	-				-		-		-	-	-
3) Others	24	-				-		-		-	-	-
(5) Internal transfer within shareholder's equity	25	4,442,206,864.01				-4,442,206,864.01		-		-	-	-
1) Conversion of capital reserve into share capital	26	4,442,206,864.01				-4,442,206,864.01		-		-	-	-
2) Conversion of surplus reserve into share capital	27	-				-		-		-	-	-
3) Recover of loss by surplus reserve	28	-				-		-		-	-	-
4) Benefit plans are carried forward to retained earnings	29	-				-		-		-	-	-
5) Other comprehensive income trasnferred to retained earnings	30											
6) Others	31	-				-		-		-	-	-
4. Closing balance of current year	32	10,000,000,000.00				12,909,636,219.54		-139,360,200.81		68,789,379.09	-4,260,051,723.93	18,579,013,673.89

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Parent Company's Statement of Changes in Shareholders' Equity (Continued)

FY2022

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Prior year amount										
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
			Preferred share	Perpetual bond	Other							
Column		12	13	14	15	16	17	18	19	20	21	22
1. Closing balance of last year	1	2,800,000,000.00				6,707,042,154.41		-		68,789,379.09	-1,137,728,762.16	8,438,102,771.34
Add: Impact from changes in accounting policies	2	-				-		41,984,491.51		-	-213,222,223.46	-171,237,731.95
Impact from corrections of errors in prior period	3	-				-		-		-	-	-
Others	4	-				-		-		-	-	-
2. Opening balance of current year	5	2,800,000,000.00				6,707,042,154.41		41,984,491.51		68,789,379.09	-1,350,950,985.62	8,266,865,039.39
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				6,387,013,449.02		-125,436,052.00		-	-2,010,415,358.13	5,751,162,038.89
(1) Total comprehensive income	7	-				-		-125,436,052.00		-	-2,010,415,358.13	-2,135,851,410.13
(2) Shareholder's contributions and withdrawals of captial	8	-				7,887,013,449.02		-		-	-	7,887,013,449.02
1) Common stock contributed by shareholders	9	-				-		-		-	-	-
2) Capital contributed by other equity instruments holders	10	-				-		-		-	-	-
3) Share-based payment recorded in shareholder's equity	11	-				-		-		-	-	-
4) Others	12	-				7,887,013,449.02		-		-	-	7,887,013,449.02
(3) Withdrawal and use of special reserve	13	-				-		-		-	-	-
1) Withdrawal of special reserve	14	-				-		-		-	-	380,917.56
2) Use of special reserve	15	-				-		-		-	-	-380,917.56
(4) Profits distribution	16	-				-		-		-	-	-
1) Appropriation of surplus reserve	17	-				-		-		-	-	-
Including:Statutory surplus reserve	18	-				-		-		-	-	-
Discretionary surplus reserve	19											
# Reserve funds	20											
# Enterprise expansion funds	21											
# Profit distribution to investor	22											
2) Distribution to shareholders	23	-				-		-		-	-	-
3) Others	24	-				-		-		-	-	-
(5) Internal transfer within shareholder's equity	25	1,500,000,000.00				-1,500,000,000.00		-		-	-	-
1) Conversion of capital reserve into share capital	26	1,500,000,000.00				-1,500,000,000.00		-		-	-	-
2) Conversion of surplus reserve into share capital	27	-				-		-		-	-	-
3) Recover of loss by surplus reserve	28	-				-		-		-	-	-
4) Benefit plans are carried forward to retained earnings	29	-				-		-		-	-	-
5) Other comprehensive income trasnferred to retained earnings	30											
6) Others	31	-				-		-		-	-	-
4. Closing balance of current year	32	4,300,000,000.00				13,094,055,603.43		-83,451,560.49		68,789,379.09	-3,361,366,343.75	14,018,027,078.28

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Departme

Guangxi Financial Investment Group Co., Ltd.
Notes to the consolidated financial statements for 2022

I. General Information of the Company

1. Enterprise history, place of registration, organizational form and headquarters address

Guangxi Financial Investment Group Co., Ltd. (hereinafter referred to as the Group), a limited liability company approved by the People's Government of Guangxi Zhuang Autonomous Region, is an enterprise directly under the State-owned Assets Management Committee of Guangxi Zhuang Autonomous Region, which received the *Enterprise Legal Person Business License* from the Administration for Industry and Commerce of Guangxi Zhuang Autonomous Region on July 24th, 2008., unified credit code: 91450000677718276R, registered address: 38th Floor, T1 Tower, GIG International Financial Capital Center, No.6 Feiyun Road, Liangqing District, Nanning, registered capital: RMB 10 billion, legal representative: Li Dunman.

On December 31st, 2019, the General Office of the Party Committee of Guangxi Autonomous Region and the General Office of the People's Government of Guangxi Autonomous Region on the issuance of the *Strategic Reorganization Plan of Guangxi Investment Group Co., Ltd. and Guangxi Financial Investment Group Co., Ltd.* (Ting Fa [2019] No. 149), Guangxi Investment Group Co., Ltd. (hereinafter referred to as "Guangxi Investment Group") and the Group implemented a strategic reorganization, and the Group was reorganized into Guangxi Investment Group as its wholly-owned subsidiary and injected into Guangxi Investment Group with the audited net assets of the Group as of December 31st, 2018, and this restructuring has been registered for industrial and commercial changes.

In March 2020, according to the *Notice of the General Office of Guangxi District People's Government of the General Office of the Party Committee of the Autonomous Region on the Issuance of Guangxi Investment Group Co., Ltd. and Guangxi Financial Investment Group Co., Ltd. Strategic Restructuring Program* (Ting Fa [2019] No. 149) deployment requirements, Guangxi Zhuang Autonomous Region Finance will allocate funds to Guangxi Investment Group Co., Ltd. in batches to increase the registered capital of the Group by RMB 1.5 billion, and on March 31st, 2020, the registered capital of the Company will be changed from RMB 1500 million, to RMB 3000 million, including paid-in capital of RMB 2800 million.

On August 4th, 2021, according to the *Approval on the Transfer to Capital and Amendment of Articles of Association of Guangxi Financial Investment Group Co., Ltd*, GuiTouFa [2021] No.

274, it was agreed that Guangxi Financial Investment Group Co. shall transfer capital reserve of RMB 1500 million to paid-in capital. After the transfer, the registered capital of Guangxi Financial Investment Group Co., Ltd. is RMB 4300 million and the paid-in capital is RMB 4300 million.

On March 29th, 2022, according to the approval of the *Approval of the State-owned Assets Supervision and Administration Commission of Guangxi Zhuang Autonomous Region on the Issues Concerning the Consent of Guangxi Financial Investment Group Co., Ltd. to Adopt Non-public Agreement to Increase Capital and Expand Shares* (GuiGuoZiFu [2022] No. 37), the Financial Investment Group introduced the Department of Finance of Guangxi Zhuang Autonomous Region, Guangxi Liuzhou Iron and Steel Group Company Limited, Guangxi Publishing Media Group Co., Ltd., Guangxi Beibu Gulf Investment Group Co., Ltd., Guangxi Communications Investment Group Corporation Ltd., Guangxi Financing Guarantee Group Co., Ltd., Guangxi Automobile Group Co., Ltd., Guangxi Forestry Group, Guangxi Tourism Development Group Co., Ltd. and other entities as the new shareholders to increase capital and expand shares. After the change, the registered capital was changed from RMB 4.3 billion to RMB 10 billion, and the paid-in capital was RMB 10 billion.

2. The nature of the business and the main business activities of the enterprise

The business scope of the business license of the enterprise legal person: to carry out financial-based, non-financial complementary investment, capital operation and asset management business; municipal infrastructure and road construction, real estate development, land consolidation; financial advisory and social and economic consulting; insurance agency (subject to the scope approved by the license); the sale of precious metals.

The major business segments of the Group and its subsidiaries include property insurance, financial leasing, financial leasing, asset management, capital investment, commercial factoring, guarantee business, microfinance, digital finance, etc.

The Group has 12 secondary subsidiaries, including: Beibu Gulf Property Insurance Co., Ltd., Beibu Gulf Financial Leasing Co., Ltd., Guangxi Investment Group Financial Holding Co., Ltd., Guangxi Financial Assets Management Co., Ltd., Guangxi Financial Investment Real Estate Management Co., Ltd., Guangzhou Investment Management Co., Ltd., Guangxi SME Financing Guarantee Co., Ltd., Nanning Jintong Microfinance Co., Ltd., Guangxi Digital Financial Service Technology Co., Ltd., Guangxi Financial Investment Internet Financial Service Co., Ltd., Guangxi Financial Investment Group Urban Construction Development Co., Ltd., and Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.

Name of parent company and group headquarters

The parent company of the Group is Guangxi Investment Group Co., Ltd. and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region.

According to the *Company Law of the People's Republic of China* and the Articles of Association of the Group, the Board of Directors is the highest decision-making authority of the Group; the Board of Directors consists of 47 directors (including 4 independent, external directors), with a chairman and a vice-chairman; the Company has a general manager and 54 vice-general managers; the members of the Supervisory Board are temporarily 2 by 3 supervisors, with a chairman of the Supervisory Board.

3. Approval of financial report reporting

The approved reporting date for the Group's financial report is April 17th, 2023.

II. Basis of Preparation of the Financial Statements

The Group's financial statements have been prepared on a going concern basis, based on transactions and events that have occurred, in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance and related regulations, and based on the accounting policies and estimates described in Note IV. "Significant Accounting Policies and Accounting Estimates" herein.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises and give a true and complete view of the financial position, results of operations and cash flows of the Group and the Group and other relevant information.

IV. Significant Accounting Policies and Accounting Estimates

An enterprise should disclose the significant accounting policies and accounting estimates adopted, and disclose the determination basis of its significant accounting policies and the measurement basis of financial statement items, as well as the key assumptions and uncertainties used in its accounting estimates, in the context of the enterprise's specific circumstances.

1. Accounting period

The Group's fiscal year is the Gregorian calendar year, that is, from January 1st to December 31st each year.

2. Functional currency

Renminbi (RMB) is the functional currency of the Group.

3. Basis of accounting and valuation principles

The Group's accounting is carried out on the accrual basis of accounting, and historical cost is used as the valuation principle, except for financial assets held for trading that are measured at fair value.

4. Business combination

Assets and liabilities acquired by the Group as a consolidator in a business combination under common control are measured at the carrying amount of the consolidated party in the consolidated statements of ultimate control at the date of consolidation. The difference between the book value of the net assets acquired and the book value of the consideration paid for the merger is adjusted to capital reserve; if capital reserve is not sufficient to offset the difference, retained earnings are adjusted.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under common control are measured at fair value at the acquisition date. The cost of the combination is the sum of the fair value of cash or non-cash assets paid, liabilities issued or assumed and equity securities issued by the Group to obtain control of the acquiree at the date of acquisition, and all directly related costs incurred in the business combination (for a business combination achieved in stages through multiple transactions, the cost of the combination is the sum of the costs of each individual transaction). The difference between the cost of the merger and the fair value of the share of identifiable net assets of the acquiree acquired in the merger is recognized as goodwill; if the cost of the merger is less than the fair value of the share of identifiable net assets of the acquiree acquired in the merger, the fair value of each identifiable asset, liability and contingent liability acquired in the merger, as well as the fair value of non-cash assets or equity securities issued in consideration of the merger, are first reviewed. If, after the review, the cost of consolidation is still less than the share of the fair value of the identifiable net assets of the acquiree acquired in the consolidation, the difference is recognized as non-operating income in the period of consolidation.

5. Preparation of consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries in the scope of the consolidated financial statements.

(2) Principles, procedures and methods of preparing consolidated financial statements

In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Group are not consistent, the necessary adjustments are made to the financial statements of the subsidiary in accordance with the Group 's accounting policies or accounting periods.

All significant internal transactions, transaction balances and unrealized profits within the scope of consolidation are eliminated in the preparation of the consolidated financial statements. The shares of ownership interests of subsidiaries that do not belong to the parent company and the shares of net profit or loss, other comprehensive income and total comprehensive income for the period that belong to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, profit or loss of minority shareholders, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders", respectively. The shares of minority interests in the consolidated financial statements are presented in "minority interests, minority gains and losses, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders".

For subsidiaries acquired in a business combination under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation. When preparing the comparative consolidated financial statements, the relevant items in the prior year's financial statements are adjusted as if the reporting entity formed after the merger had been in existence since the point at which the ultimate controlling party began to exercise control.

For a business combination that is ultimately formed by acquiring an equity interest in an investee under common control by step through multiple transactions, its treatments disclosed in consolidated financial statement shall be added in the reporting period in which control is acquired. For example: when a business combination is ultimately formed by acquiring an equity interest in an investee under common control realized through multiple transactions, if it is a package transaction, the consolidated statements of operations are prepared as if the ultimate controlling party existed in its current state at the time control by

the ultimate controlling party commenced, and the relevant assets and liabilities of the consolidated party are consolidated into the Group's the comparative statement of consolidated financial statements, the relevant assets and liabilities of the consolidated party are consolidated into the Group's consolidated financial statements, and the increase in net assets as a result of the consolidation is adjusted to the relevant items under owners' equity in the comparative statement. In order to avoid double counting the value of the net assets of the consolidated party, long-term equity investments held by the Group before reaching consolidation and for which relevant gains or losses, other comprehensive income and other changes in net assets have been recognized between the later of the date of acquisition of the original equity interest and the date when the Group and the consolidated party are under the ultimate control of the same party and the date of consolidation should be eliminated from opening retained earnings and current profit or loss in the comparative statement period, respectively.

For a subsidiary acquired through a business combination not under common control, the results of operations and cash flows are included in the consolidated financial statements from the date the Group obtains control. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the purchase date.

For a business combination that is ultimately formed by acquiring an equity interest in an investee not under common control by step through multiple transactions, its treatments disclosed in consolidated financial statement shall be added in the reporting period in which control is acquired. For example: When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying amount is recognized as investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates to other comprehensive income is involved in the equity method of accounting under the equity method and changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

When the Group partially disposes of its long-term equity investments in subsidiaries without loss of control, the difference between the disposal price and the share of the net

assets of the subsidiaries corresponding to the disposal of the long-term equity investments calculated on an ongoing basis from the date of purchase or the date of consolidation is adjusted to capital premium or equity premium in the consolidated financial statements, and retained earnings is adjusted if capital surplus is not sufficient to cover the reduction.

If the Group loses control over an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of consolidated financial statements. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest, less the share of the net assets of the original subsidiary calculated on a continuing basis from the date of purchase or the date of consolidation in proportion to the original shareholding, is recognized as investment gain or loss in the period in which control is lost, and goodwill is eliminated. Other comprehensive income related to the equity investment in the original subsidiary, etc., is transferred to current investment gain or loss when control is lost.

If the Group disposes of its equity investment in a subsidiary through multiple transactions, which is a package transaction, until it loses control, each transaction is accounted for as a disposal of the subsidiary and loss of control; however, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment in each disposal prior to the loss of control is recognized in the consolidated financial statements as other comprehensive income and is transferred to investment income or loss in the period in which control is lost.

6. Classification of joint venture arrangements and accounting for joint operations

The Group's joint venture arrangements include joint operations and joint ventures. For joint operations, the Group recognizes assets held and liabilities assumed separately as a joint party in a joint operation, as well as assets held and liabilities assumed on a share basis, and recognizes related revenues and expenses separately or on a share basis in accordance with relevant agreements. If a purchase or sale of assets that do not constitute a business transaction occurs with a joint operation, only the portion of the gain or loss arising from the transaction attributable to the other participants in the joint operation is recognized.

7. Criteria for determining cash and cash equivalents

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment. Cash equivalents in the statement of cash flows represent investments

that are held for less than three months, are highly liquid, easily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

8. Foreign currency operations and translation of foreign currency statements

(1) Foreign currency operations

The Group's foreign currency operations are translated into RMB at the spot exchange rate (or actual situation) at the date of the transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rate at the balance sheet date. The resulting translation differences are recognized directly in profit or loss for the current period, except for exchange differences arising from special borrowings in foreign currencies for the purpose of acquiring or producing assets eligible for capitalization, which are treated on the basis of capitalization.

(2) Translation of foreign currency financial statements

Foreign currency balance sheet items are translated using the spot exchange rate at the balance sheet date for assets and liabilities; shareholders' equity items, except for "Retained earnings", are translated at the spot exchange rate at the time of the transaction; income and expense items in the income statement are translated using the spot exchange rate (or actual situation) at the date of the transaction. The translation differences arising from the above translation are presented in "Other comprehensive income" in shareholders' equity. Cash flows in foreign currencies are translated using the spot exchange rates at the dates when the cash flows occur. The effect of exchange rate changes on cash is shown separately in the statement of cash flows.

9. Financial assets and financial liabilities

(1) Financial assets

1) Classification, recognition basis and measurement method of financial assets

The Group classifies financial assets as financial assets carried at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss based on the business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Group classifies financial assets as financial assets carried at amortized cost if both of the following conditions are met: ① the business model for managing the financial asset is to collect the contractual cash flows.

② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount; they are subsequently measured at amortized cost. For such financial assets that are not part of any hedging relationship, its amortization by effective interest method, impairment, exchange gain or loss, and gain or loss arising on derecognition are recognized in profit or loss.

The Group classifies financial assets as financial assets at fair value through other comprehensive income if both ① the business model for managing the financial asset is to both collect the contractual cash flows and sell the financial asset. ② The contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount. Except for those designated as hedged items, such financial assets, other than credit impairment losses or gains, foreign exchange gains or losses and interest on such financial assets calculated under the effective interest rate method, are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income should be transferred from other comprehensive income and recognized in profit or loss for the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the carrying amount of the financial assets (not net of provision for impairment) by the effective interest rate, except for the following cases: ① for financial assets acquired or originated that are credit impaired, interest income is determined from initial recognition based on the amortized cost of the financial assets (book balance less provision for impairment accrued, i.e. book value) and the effective interest rate adjusted for credit. ② For financial assets acquired or originated without credit impairment but become credit impaired in subsequent periods, interest income is determined in subsequent periods based on the amortized cost of the financial assets and the effective interest rate.

The Group designates its investments in non-trading equity instruments as financial assets at fair value through other comprehensive income. This designation, once made, cannot be revoked. The Group's investments in non-trading equity instruments designated as at fair value through other comprehensive income are initially measured at fair value, with related transaction costs recognized at initial recognition; except for dividends received (other than those attributable to the recovery of investment costs), which are recognized in profit or loss,

other related gains and losses (including exchange gains and losses) are recognized in other comprehensive income and are not subsequently transferred to current profit or loss. When they are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to retained earnings.

For financial assets other than those classified as financial assets measured at amortized cost and those classified as financial assets at fair value through other comprehensive income as described above, the Group classifies them as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value, and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss for the current period.

If the contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

At initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Group designates the following financial assets as financial assets at fair value through profit or loss.

When the Group changed its business model for managing financial assets, all affected related financial assets were reclassified.

2) Basis of recognition and measurement of transfer of financial assets

The Group derecognizes a financial asset when one of the following conditions is met: ① the contractual rights to receive cash flows from the financial asset expires; ② the financial asset is transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

If a transfer of a financial asset as a whole satisfies the derecognition condition, the difference between the book value of the transferred financial asset at derecognition date and the sum of the consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income, corresponding to the derecognized portion (the financial asset involved in the transfer also meet the following conditions: the Group's business model for managing the financial asset is aimed at collecting contractual cash flows; the contractual terms of the financial asset provide that the cash flows

arising on a specific date are only payments of interest based on the principal amount), is recognized in profit or loss.

If a partial transfer of a financial asset satisfies the conditions for derecognition, the whole book value of the financial asset transferred is apportioned between the derecognized portion and the un-derecognized portion according to their respective relative fair values. And the difference between the sum of the consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income corresponding to the derecognized portion that shall be apportioned to the derecognized portion (the financial asset involved in the transfer also meet the following conditions: the Group's business model for managing the financial asset is aimed at collecting contractual cash flows; the contractual terms of the financial asset provide that the cash flows arising on a specific date are only payments of interest based on the principal amount), and the above apportioned book value of financial assets is recognized in profit or loss.

3) Expected credit losses

a Application scope

The Group accounts for impairment and recognizes loss provisions for the following items based on expected credit losses: ①financial assets measured at amortized cost and debt instrument investment measured at fair value through other comprehensive income; ② lease receivables; ③ contract assets; and ④ loan commitments and financial guarantee contracts issued other than those classified as financial liabilities at fair value through profit or loss.

b Method of determining expected credit losses and accounting treatment

Expected credit losses are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable under the contracts and all cash flows expected to be received by the Group, discounted at the original effective interest rate, which is the present value of the total cash shortfall.

The Group always measures its loss allowance for each of the following items at an amount equal to the expected credit loss for the entire duration: ① Provision for losses on receivables or contract assets resulting from transactions regulated by Accounting Standards for Business Enterprises No. 14 - Revenue, regardless of whether the item includes a significant financing component/but only includes items that do not contain significant financing component, excluding items containing significant financing component (management chooses

one or the other, but can make accounting policy elections for receivables and contract assets, respectively); ② Finance operating lease receivables (management's choice); ③ Operating lease receivables (management's choice).

For other items other than those mentioned above, the Group measures the provision for losses according to the following situations: The Group applies the simplified method to recognize the expected credit losses on notes receivable and contract assets, i.e. the provision for losses on the notes receivable and contract assets is measured at the amount equal to the expected credit losses over their entire duration.

For other items within the scope of accruals of expected credit losses, other than accounts receivable, notes receivable and contract assets, the provision for losses are recognized in accordance with the three stages of impairment. The Group assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition at each balance sheet date, and measures its provisions for losses and recognizes expected credit losses and changes in them separately in accordance with the following circumstances: (1) If the credit risk of the financial instrument has increased significantly since initial recognition or a default has occurred, the Company shall measure the provision for loss at an amount equal to the expected credit loss over its entire duration. (2) If the credit risk of the financial instrument has not increased significantly since initial recognition, the Company shall measure the provision for losses at an amount equal to the expected credit losses over the next 12 months of the financial instrument.

At the end of period, the Group calculates the expected credit losses on various financial assets and recognizes the difference as an impairment loss if the expected credit loss is higher than the book value of its current provision for impairment, or as an impairment gain if the expected credit loss is less than the book value of the current provision for impairment. However, such reversed provision amount shall not be less than zero.

For investments in debt instruments that are measured at fair value through other comprehensive income, i.e., other debt assets, the resulting provision for losses is recognized in other comprehensive income and shall not reduce the book value of the financial asset as presented in the balance sheet.

For loan commitments and financial guarantee contracts issued other than financial liabilities at fair value through profit or loss, its resulting allowance for losses is recognized in provision.

For a financial asset that its credit risk has increased significantly or credit loss has occurred, or a financial asset with financially significant customers, the Group measures its provision for impairment individually. For a financial asset without being assessed individually, the Group measures the provision for impairment based on its credit risk characteristics and classifies them into different portfolios.

Basis of determining portfolio		
Item	**Portfolio type**	**Basis of determining portfolio**
Financial investment	Financial investment	Classified by subject
Accounts receivable	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Contract assets	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Other receivables (excluding advances from customers)	Low risk category	Other receivables with very low risk, such as employee loans, social insurance fee, provident funds, etc.in daily operating activities.
	Government debt	Debtors are all levels of government payments
	Non-governmental debt –borrowing- intra-group on-governmental debt –borrowing- related party on-governmental debt –borrowing- extra-group	The money nature is inter-company's borrowing, and is divided into intra-group customers, related party customers and extra-group customers according to the borrower
	Non-governmental debt - ordinary other receivables	Non-governmental debtors, and the money nature is ordinary transactions; litigation costs; deposits and allowance
Long-term receivables	Finance lease payments	Long-term receivables are finance lease items
	Other long-term receivables - intra-group Other long-term receivables - related party Other long-term receivables - extra-group	The nature of money is non-finance lease items, which are divided into intra-group customers, related party customers and extra-group customers according to customers
Other assets - entrusted loans	Entrusted loans - intra-group	The financier is the intra-group customer
	Entrusted loans - related party	The financier is the related party customer
	Entrusted loans - extra-group	The financier is the extra-group customer
Loans and advances	Loans to public	Customer type belongs to public customers, and can also be subdivided according to the industry they belong to
	Personal loans	Customer type belongs to individual customer
Commutations receivable	Commutations receivable	Classified by subject
Notes receivable	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group	Divided by customers into intra-group customers, related party customers and extra-group customers
Receivables financing	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group Accounts receivable - intra-group Accounts receivable - related party Accounts receivable - extra-group	Classified by subjects, divided by customers into intra-group customers, related party customers, and extra-group customers
Off-balance-sheet	Off-balance-sheet guarantee - intra-group	Divided by customers into intra-group

Basis of determining portfolio		
Item	**Portfolio type**	**Basis of determining portfolio**
guarantee	Off-balance-sheet guarantee - related party Off-balance-sheet guarantee - extra-group	customers, related party customers, and extra-group customers
Accrual method with provision for bad debts by portfolio		
Financial investments, accounts receivable, contract assets, other receivables-government debt, other receivables-borrowings, long-term receivables-non-finance leases, other assets-entrusted loans, notes receivable, receivables financing, off-balance-sheet guarantees		Provision for impairment measured based on the rating mapping model
Ordinary other receivables, commutations receivable		Provision for impairment measured based on the rolling rate model
Long-term receivables-finance leases (leasing companies), loans and advances (microfinance companies)		Provision for impairment measured based on the Wilson statistical model
Grouped as intra-group accounts receivable, notes receivable, receivables financing, contract assets, other receivables, long-term receivables, other assets - entrusted loans, off-balance-sheet guarantees, etc., other receivables - low risk category, treasury bonds, policy financial bonds		Combining historical experience on default loss and current economic conditions, and considering forward-looking information, the expected credit loss rate is 0.

(2) Financial liabilities

1) Financial liabilities classification, recognition basis and measurement method

The Group classifies financial liabilities as financial liabilities at amortized cost, except for the following: ① Financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss. ② Financial liabilities resulting from the transfer of financial assets that do not meet the derecognition criteria or from the continued involvement in the transferred financial assets. ③ Financial guarantee contracts that do not fall under the circumstances of ① or ② above, and loan commitments to lend at below-market interest rates that do not fall under the circumstances of ① above.

The Group accounts for contingent consideration recognized as a purchaser in a business combination not under common control that results in a financial liability at fair value through profit or loss.

2) Conditions for derecognition of financial liabilities

When the present obligation of a financial liability is discharged in whole or in part, the financial liability or the part of the obligation that has been discharged is derecognized. When the Group enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability and the contractual terms of the new financial liability are materially different from those of the existing financial liability, the existing financial liability is derecognized and the new financial liability is recognized at the same time. If the Group materially modifies the contractual terms of all or part of an existing financial liability, the

Group derecognizes the existing financial liability or part of it, and recognizes the modified financial liability as a new financial liability at the same time. The difference between the carrying amount of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the principal market, or, if no principal market exists, at prices in the most advantageous market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. There are three levels of inputs used in fair value measurements, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and level 3 inputs are unobservable inputs for the related assets or liabilities. The Group prioritizes the use of level 1 inputs and uses level 3 inputs at last. The level to which the fair value measurement results belong is determined by the lowest level to which the inputs that are significant to the fair value measurement as a whole belong.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances where there is insufficient recent information available to determine fair value, or where the range of possible estimates of fair value is so wide that cost represents the best estimate of fair value within that range, such cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, they are presented in the balance sheet in net amounts after offsetting each other if the following conditions are met: (1) the Group has a legal right to offset the recognized amounts and such legal right is currently enforceable; and (2) the Group plans to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid meeting that obligation by delivering cash or other financial assets. Some financial instruments do not explicitly contain terms and conditions for the obligation to deliver cash or other financial assets, but it is possible that contractual obligations may arise indirectly through other terms and conditions. (2) If a financial instrument is required to be settled by or available for settlement with the Group's own equity instruments, consideration needs to be given to whether the Group's own equity instruments used to settle the instrument are intended as a substitute for cash or other financial assets or to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In certain circumstances, a financial instrument contract requires the Group to settle the financial instrument with or using its own equity instruments, where the amount of the contractual right or contractual obligation is equal to the number of its own equity instruments available for acquisition or delivery multiplied by their fair value at the time of settlement, regardless of whether the amount of the contractual right or obligation is fixed or based in whole or in part on variables other than the market price of the Group's own equity instruments (such as interest rates, the price of a commodity or the price of a financial instrument), the contract is classified as a financial liability.

The Group classifies financial instruments (or their components) in the consolidated statements of income, taking into account all terms and conditions agreed between the members of the Group and the holder of the financial instrument. If the Group as a whole has an obligation to deliver cash, other financial assets or settle in another manner that results in the instrument becoming a financial liability as a result of the instrument, the instrument should be classified as a financial liability.

If a financial instrument or its component parts belong to financial liabilities, the related interest, stock dividends (or dividends), gains or losses, and gains or losses arising from redemption or refinancing are recognized by the Group in profit or loss for the current period.

When financial instruments or their components belong to equity instruments, the Group treats them as changes in equity when they are issued (including refinancing), repurchased, sold or cancelled, and does not recognize changes in the fair value of equity instruments.

10. Hedging instruments

The Group's hedging operations include fair value hedges and cash flow hedges. The offsetting results of changes in the fair value of the hedging instrument and the hedged item are recognized in profit or loss in the same accounting period when the following conditions are met:

(1) The hedging relationship consists only of the eligible hedging instrument and the hedged item.

(2) At the inception of the hedge, the Group formally designates the hedging instrument and the hedged item and prepares a formal designation and written documentation of the hedging relationship and the Group's risk management strategy and risk management objectives for engaging in the hedge. This documentation contains, at a minimum, the hedging instrument, the hedged item, the nature of the hedged risk and the method of assessing the effectiveness of the hedge (including an analysis of the reasons for the cause of the hedge ineffective portion and the method of determining the hedge ratio).

(3) The hedging relationship meets the requirements for hedge effectiveness, i.e. the hedge satisfies both of the following conditions: ① The Group determines that the hedging relationship is such that an economic relationship exists between the hedged item and the hedging instrument. The economic relationship is such that the values of the hedging instrument and the hedged item change in opposite directions due to the same exposure to the hedged risk. ② The effect of credit risk does not dominate the change in value resulting from the economic relationship between the hedged item and the hedging instrument. ③ The hedge ratio of a hedging relationship should be equal to the ratio of the number of hedged items that an enterprise actually hedges to the actual number of hedging instruments that hedge them, but should not reflect an imbalance in the relative weights of hedged items and hedging instruments that would render the hedge ineffective and could produce accounting results that are inconsistent with hedge accounting objectives.

The Group's hedged items are aluminum products and other non-ferrous metals, and the corresponding hedging instruments are futures contracts.

The Group uses the method of comparison of major terms of contracts (agreements) for prospective evaluation of hedge effectiveness and the method of ratio analysis (regression analysis) for retrospective evaluation of hedge effectiveness at the end of the reporting period.

11. Inventory

The Group's inventories mainly consist of raw materials, packaging, low-value consumables, goods-in-progress, and goods in stock, etc.

Inventories are valued at actual cost at the time of acquisition under the perpetual inventory system. The actual cost of inventories received or issued is determined using the weighted average method. Low-value consumables and packaging materials are amortized by the one-time write-off method.

Inventory is recognized at the lower of the cost and net realizable value at the end of period. For the part of the inventory that is expected to be unrecoverable due to damages, obsolete in whole or in part, or the selling price being below cost, the provision for impairment of inventory are measured. The provision for decline in value of inventory for goods in stock and bulk raw materials are made according to the difference between the cost of an individual inventory item and its net realizable value. The provision for decline in value of inventory for other raw and auxiliary materials with large quantity and low unit price are withdrawn according to categories.

The net realizable value of inventory of goods used directly for sale such as inventory, goods in process and materials for sale, is determined at the estimated selling price of the inventory less estimated selling expenses and related taxes. The net realizable value of the inventory of goods used for production is determined based on the estimated selling price of the finished products less the cost, estimated selling expenses and related taxes that will be incurred at the time of completion.

12. Contract assets

Describe the accounting content and recognition method of contract assets, the determination method of expected credit losses and the accounting treatment.

(1) Methods and criteria for recognition of contract assets

A contract asset is a right to receive consideration for merchandise that the Group has transferred to a customer and that is dependent on factors other than the passage of time. If the Group sells two clearly distinguishable commodities to a customer and is entitled to receive payment because one of the commodities has been delivered, but the receipt of such payment is also dependent on the delivery of the other commodity, the Group treats the right to receive payment as a contract asset.

(2) Determination method of expected credit losses on contract assets and accounting treatment

The method of determining expected credit losses on contract assets is referred to above Note IV. 9. "Financial assets".

Accounting treatment: if the expected credit loss is greater than the current carrying amount of the provision for impairment of contract assets, the Group recognizes the difference as an impairment loss and debits "Impairment loss on assets" and credits "Provision for impairment of contract assets". Conversely, the Group recognizes the difference as an impairment gain and makes the opposite accounting entry.

The Group incurs credit losses in practice and identifies the related notes or accounts receivable are irrecoverable, after approval, their value could be written off. Based on the approved write-off amount, the Group debits "provision for contract assets" and credits "contract assets". If the write-off amount is greater than the provision amount made, their difference is debited to "impairment loss of assets".

13. Long-term equity investments

(1) Determination of control, joint control or significant influence over the investee

The Group's long-term equity investments mainly consist of equity investments held by the Group that enable the Group to exercise control or significant influence over the investees, and equity investments in its joint ventures.

Control means that the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

Joint control is control over an arrangement that is shared by the relevant agreement and where the relevant activities of the arrangement are decided only with the unanimous consent of the participants sharing control. A joint venture arrangement is an arrangement in which two or more participants share control. A joint venture is a joint arrangement in which the joint ventures have rights only to the net assets of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is determined mainly on the basis of having representatives on the board of directors or similar authority of the investee and exercising significant influence through the right to speak in the process of making financial and operating decisions of the investee; if the Group owns, directly or indirectly through subsidiaries, more than 20% but less than 50% of the voting shares of the investee, and if there is clear evidence that it cannot participate in the production and operating decisions of the investee under such circumstances, it cannot form

significant influence. In determining whether it can exercise significant influence over an investee, the Group considers, on the one hand, the voting shares of the investee held directly or indirectly by the Group and, on the other hand, the effect of current exercisable potential voting rights held by the Group and other parties after their presumed conversion into equity interests in the investee, such as the effect of current convertible warrants, share options and convertible corporate bonds issued by the investee.

(2) Method of determining the cost, subsequent measurement and profit or loss recognition of long-term equity investments

If cash is paid, non-cash assets transferred or debts assumed as consideration for a merger, the initial investment cost of a long-term equity investment at the date of merger is based on the acquisition of the share of the ownership interest of the consolidated party in the carrying amount of the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments and the carrying amount of cash paid, non-cash assets transferred or debt assumed is adjusted against the equity premium in capital surplus; if the equity premium in capital surplus is not sufficient to offset it, it is adjusted against retained earnings.

If equity securities are issued as consideration for a merger, the initial investment cost of the long-term equity investment at the date of merger is based on the acquisition of the share of the ownership interest of the consolidated party in the book value of the consolidated financial statements of the ultimate controlling party, and the share capital is based on the total nominal value of the shares issued. The difference between the initial investment cost of the long-term equity investment and the total nominal value of the shares issued is adjusted against the share capital premium in capital surplus; the share capital premium in capital surplus is adjusted against the share capital premium in capital surplus. If the equity premium in capital surplus is not sufficient for elimination, the adjustment is made to retained earnings.

Business combinations not under common control: The Group uses the cost of the combination determined at the date of purchase as the initial investment cost of long-term equity investments.

Intermediary fees such as auditing, legal services, appraisal and consulting and other related management fees incurred for business combinations are used to recognize the current profit or loss when incurred; transaction costs for equity securities or debt securities issued as consideration for the combination are included in the initial recognition amount of the equity securities or debt securities.

Except for long-term equity investments acquired through business combination mentioned above, long-term equity investments acquired by paying cash are stated at investment cost based on the actual purchase price paid; long-term equity investments acquired by issuing equity securities are stated at investment cost based on the fair value of the equity securities issued; long-term equity investments invested by investors are stated at investment cost based on the value agreed in the investment contract or agreement; long-term equity investments acquired by debt restructuring, exchange of non-monetary assets, etc., are determined in accordance with the provisions of relevant accounting standards.

The Group uses the cost method of accounting for long-term equity investments in which the Group is able to exercise control over the investee; the equity method of accounting is used for investments in joint ventures and associates.

Under the cost method of accounting, long-term equity investments are carried at initial investment cost, and the cost of long-term equity investments is adjusted when additional investments are made or recovered. Profits or cash dividends declared by the investee are recognized as investment income.

When the equity method is adopted for accounting, if the initial investment cost is greater than the investment cost, the difference of the fair value share of the investee's identifiable net assets enjoyed shall not adjust initial investment cost of long-term equity investment; When the initial investment cost is less than the investment cost, the difference of the fair value share of the investee's identifiable net assets shall be included in the current profit and loss, and the cost of long-term equity investment shall be adjusted. Upon acquisition of long-term equity investments, investment income and other comprehensive income are recognized in accordance with the share of net profit or loss and other comprehensive income realized by the investee in the year, respectively, while the book value of long-term equity investments is adjusted; the portion of the long-term equity investments to which the investor is entitled is calculated based on the profit or cash dividends declared by the investee, and the book value of long-term equity investments is reduced accordingly; the book value of long-term equity investments is adjusted and recognized in owners' equity for other changes in the investee's owner's equity other than net profit or loss, other comprehensive income and profit distribution. Based on the fair value of the investee's identifiable assets at the time of obtaining the investment, the net profit of the investee is adjusted according to the group's accounting policies and accounting period, and the investment income is recognized based on offsetting the unrealized internal transaction loss and profit between the joint venture and the joint venture, and calculating the part attributable to the investment enterprise according to the proportion.

(3) Changes in long-term equity investments

For an equity investment that can exercise joint control or significant influence over the investee but does not constitute control due to additional investment, the sum of the fair value of the equity investment originally held that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) plus the cost of the additional investment is used as the initial cost of the investment to be accounted for under the equity method, and the difference between its fair value and its carrying amount is transferred to the current profit or loss when the investment is accounted for under the equity method. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee at the date of the additional investment determined in accordance with the new percentage of shareholding after the additional investment, if the former is greater than the latter, the book value of the long-term equity investment is not adjusted; if the former is less than the latter, the difference is adjusted to the book value of the long-term equity investment and recognized as non-operating income for the current period.

For long-term equity investments that are able to exercise control over investees not under common control due to additional investments, etc., the sum of the carrying amount of the equity investment originally held plus the cost of the additional investment is used as the initial cost of investment to be accounted for under the cost method when preparing the individual financial statements. Other comprehensive income recognized on equity investments held prior to the date of purchase due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon disposal of the investment. If an equity investment held before the date of purchase is designated as a non-trading equity instrument at fair value through other comprehensive income, the accumulated changes in fair value previously recognized in other comprehensive income are not transferred to current profit or loss.

If the Group no longer has joint control or significant influence over the investee due to the disposal of part of the equity investment, etc., and the remaining equity interest after disposal that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and carrying amount at the date of loss of joint control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized on the former equity investment due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee when the equity method of accounting is discontinued.

If an investor loses control over an investee for reasons such as the disposal of a portion of its equity investment, in preparing individual financial statements, if the remaining equity interest after disposal is capable of exercising joint control or significant influence over the investee, it is accounted for under the equity method instead, and the remaining equity interest is adjusted as if it had been accounted for under the equity method since its acquisition; if the remaining equity interest after disposal is not capable of exercising joint control or significant influence over the investee and its accounting is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and its carrying amount at the date of disposal is recognized in profit or loss.

(4) Disposal of long-term equity investments

The difference between the carrying amount and the actual acquisition price of a long-term equity investment upon disposal is recognized as investment income in the current period. When a long-term equity investment accounted for using the equity method is disposed of, the same basis as that used for the direct disposal of the related assets or liabilities by the investee is used to account for the portion of the investment originally recognized in other comprehensive income at a corresponding percentage.

14. Investment property

The Group's investment properties are land use rights and buildings leased out that are held and intended to be transferred upon appreciation.

Investment properties acquired by the Group are initially measured at cost at the time of acquisition: the cost of acquired investment properties consists of the purchase price, related taxes and other expenses directly attributable to the asset. The cost of self-constructed investment properties consists of the necessary expenditures incurred in constructing the assets before they reach their intended useable state. The cost of investment properties acquired by other means is recognized in accordance with the provisions of the relevant accounting standards.

The Group has an active real estate leasing market in its location and is able to obtain the leasing market prices and other relevant information of similar or comparable real estate from the real estate leasing market, so as to make scientific and reasonable estimates of the fair value of investment properties, and the fair value of investment properties can be obtained reliably on a continuous basis. Therefore, the Company adopts the fair value model for the subsequent measurement of investment properties and does not depreciate or amortize

investment properties, and should adjust the book value of investment properties based on their fair value at the balance sheet date, and the difference between the fair value and the original book value is recognized in profit or loss for the current period.

When the use of an investment property is changed to self-use, the investment property is converted to a fixed asset or intangible asset from the date of the change. When the use of self-use real estate is changed to earn rent or capital appreciation, the fixed assets or intangible assets are converted to investment real estate from the date of change. When conversion occurs, the book value before conversion is used as the recorded value after conversion if the investment property is measured using the cost model; if the investment property is measured using the fair value model, the fair value at the date of conversion is used as the recorded value after conversion.

Investment properties are derecognized when they are disposed of or permanently withdrawn from use and no future economic benefits are expected from their disposal. When the Company sells, transfers, retires or destroys an investment property, the proceeds from disposal, net of the book value and related taxes, are recognized in profit or loss.

15. Fixed assets

The Group's fixed assets are tangible assets that are held for the production of goods, provision of services, rental or operation management, have a useful life of more than one year and a high unit value.

Fixed assets include houses and buildings, machinery and equipment, transportation equipment, office equipment and others, and are recorded at their cost at the time of acquisition, of which, the cost of purchased fixed assets includes the purchase price and related taxes such as import duties, and other expenses directly attributable to the fixed assets incurred before they reach their intended useable state; the cost of self-constructed fixed assets consists of the necessary expenses incurred to construct the assets before they reach their intended useable state; fixed assets invested by investors are recorded at their fair value. The cost of self-built fixed assets consists of the necessary expenditure incurred before the asset reaches its intended useable state; the fixed asset invested by an investor is recorded at the value agreed in the investment contract or agreement, but if the value agreed in the contract or agreement is not fair, it is recorded at fair value.

Subsequent expenditures related to fixed assets, including repair and renovation expenditures, which meet the conditions for recognition as fixed assets, are included in the cost of fixed assets and the carrying amount is derecognized for the replaced portion; those

that do not meet the conditions for recognition as fixed assets are recognized in profit or loss as incurred.

The Group depreciates all fixed assets, except for fully depreciated fixed assets that continue to be used and land that is separately recorded in the accounts. Depreciation is provided using the average life method and is charged to the cost or current expense of the relevant assets, depending on their use. The categorized depreciable lives, estimated net residual value rate and depreciation rates of the Group's fixed assets are as follows:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	House & buildings	20	5	4.75
2	Transportation	4	5	23.75
3	Electronic and office equipment	3-5	5	31.67-19
4	Production equipment	5-10	5	19-9.5
5	Other equipment	3	5	31.67

The Group reviews the estimated useful lives, estimated net residual values and depreciation methods of fixed assets at the end of each year and treats changes, if any, as changes in accounting estimates.

A fixed asset is derecognized when it is disposed of, or when no economic benefits are expected to arise from its use or disposal. Proceeds from the disposal of fixed assets that are sold, transferred, scrapped or destroyed, net of their carrying amounts and related taxes, are recognized in profit or loss for the current period.

16. Construction in progress

Construction in progress is measured according to the actual costs incurred. Self-operated construction projects are measured by direct materials, direct wages and direct construction costs; contracted construction projects are measured by the construction price payable; and equipment installation projects are determined by the value of the equipment installed, installation costs, and expenses incurred in the commissioning of the project, etc. The cost of construction in progress also includes borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction in progress reaches its intended useable state, fixed assets are carried forward at the estimated value based on the project budget, cost or actual cost of the project, etc. Depreciation starts from the following month, and the difference in the original value of fixed assets is adjusted after the completion of the final accounting procedures for completion.

17. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition or production of assets eligible for capitalization begin to be capitalized when expenditure on the assets has been incurred, borrowing costs have been incurred, and the acquisition or production activities necessary to bring the assets to their intended use or saleable condition have commenced; capitalization ceases when the acquisition or production of assets eligible for capitalization reaches their intended use or saleable condition. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Interest expenses incurred in the period on special borrowings are capitalized, net of interest income earned on unused borrowed funds deposited in banks or investment income earned on temporary investments; general borrowings are capitalized based on the weighted-average amount of accumulated asset expenses more than the portion of special borrowings multiplied by the weighted-average interest rate of the general borrowings occupied.

Assets eligible for capitalization are assets such as property, plant and equipment, investment properties and inventories that require a substantial period of time (usually more than one year) for their acquisition or production activities to reach their intended use or saleable condition.

If there is an unusual interruption in the acquisition or production of an asset eligible for capitalization and the interruption lasts for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition or production of the asset resumes.

18. Intangible assets

The Group's intangible assets, including land-use rights, patented technology and non-patented technology, are measured at their actual cost at the time of acquisition, of which, the actual cost is based on the actual price paid and related other expenses for purchased intangible assets; the actual cost is determined at the value agreed in the investment contract or agreement for intangible assets invested by investors, except that if the agreed value in the contract or agreement is not fair, the actual cost is determined at fair value.

For the intangible assets that acquired from an acquiree in a business combination not under common control and not recognized in its financial statements, the Group recognizes

them at fair value as intangible assets upon initial recognition of the acquiree's assets, one of the following conditions is met: 1. they are derived from contractual or other legal rights; 2. they can be separated or segregate from the acquiree and can be used, either separately or together with related contracts, assets and liabilities for sale, transfer, license, lease or exchange.

Land-use rights are amortized evenly over the period from the commencement date of the grant; patented technology, non-patented technology and other intangible assets are amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law. The amortization amount is charged to the cost of the related assets and current profit or loss according to the object of their benefit.

The estimated useful life and amortization method of intangible assets with finite useful lives are reviewed at the end of each year and, if changed, are treated as changes in accounting estimates. The estimated useful lives of intangible assets with indefinite useful lives are reviewed at each accounting period, and if there is evidence that the useful lives of the intangible assets are finite, the useful lives are estimated and amortized over the estimated useful lives.

19. Research and development

The Group's research and development expenditures are classified as research stage expenditures and development stage expenditures based on their nature and whether there is a high degree of uncertainty that the research and development activities will ultimately result in intangible assets. Research stage expenditures are recognized in profit or loss as incurred; development stage expenditures are recognized as intangible assets when all the following conditions are met:

(1) It is technically feasible to complete the intangible asset so that it can be used or sold;

(2) Has the intent to complete the intangible asset and use or sell it;

(3) The existence of a market for the product produced using the intangible asset or the existence of a market for the intangible asset itself;

(4) Have sufficient technical, financial and other resources to support the completion of the development of the intangible asset and the ability to use or sell the intangible asset;

(5) The expenditure attributable to the development phase of the intangible asset can be measured reliably.

Expenditures in the development stage that do not meet the above conditions are recognized in profit or loss in the current period as incurred. Development expenditures charged to profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures in the development stage that have been capitalized are presented as development expenditures on the balance sheet and are presented as intangible assets from the date the project reaches its intended useable state.

20. Long-term prepaid expenses

The Group's long-term prepaid expenses are expenses, such as leasing fees, renovation fees, debt issuance fees that have been expensed but should be borne by the current and future periods with an amortization period over one year (excluding one year), and such expenses are amortized equally over the period of benefit. If an item of long-term prepaid expense does not benefit subsequent accounting periods, the entire unamortized amortized value of the item is transferred to current profit or loss.

21. Goodwill

Goodwill represents the excess of the cost of an equity investment or the cost of a business combination not under common control over the share of the fair value of the identifiable net assets of the investee or the acquiree acquired in a business combination at the acquisition date or the purchase date.

Goodwill related to subsidiaries is presented separately in the consolidated financial statements, and goodwill related to associates and joint ventures is included in the book value of long-term equity investments.

22. Impairment of non-financial long-term assets

The Group examines long-term equity investments, property and equipment, construction in progress, and intangible assets with finite useful lives at each balance sheet date. When the following indications exist that an asset may be impaired, the Group performs an impairment test. Goodwill and intangible assets with indefinite useful lives are tested for impairment at the end of each year, regardless of whether there is an indication of impairment. If it is difficult to test the recoverable amount of an individual asset, the test is performed based on the asset group or combination of asset groups to which the asset belongs.

After the impairment test, if the carrying amount of the asset exceeds its recoverable amount, the difference is recognized as an impairment loss. Once an impairment loss is recognized for the above asset, it will not be reversed in subsequent accounting periods. The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows.

Indications of impairment are as follows:

(1) A significant decline in the market value of the asset in the current period that is significantly greater than the decline that would be expected due to the passage of time or normal use;

(2) Significant changes in the economic, technological or legal environment in which the enterprise operates and in the market in which the assets are located in the current period or will occur in the near future, which adversely affect the enterprise;

(3) Market interest rates or other market rates of return on investments have increased in the current period, thereby affecting the discount rate at which the enterprise calculates the present value of the expected future cash flows from the asset, resulting in a significant reduction in the recoverable amount of the asset;

(4) Evidence shows that the asset is obsolete or that its physical substance has been damaged;

(5) The asset has been or will be idle, discontinued or scheduled for early disposal;

(6) Evidence reported within the enterprise that the economic performance of the asset has been or will be below expectations, such as when the net cash flows generated by the asset or the operating profit (or loss) achieved is significantly lower (or higher) than the projected amount;

(7) Other indications that the asset may have been impaired.

23. Contract liabilities

Contractual liabilities reflect the Group's obligation to transfer goods to customers for which consideration has been received or is receivable from customers. If the Group has paid the contract consideration or the Group has obtained the unconditional right to receive the contract consideration before transferring the goods to the customer, a contract liability is

recognized at the earlier of the actual amount paid by the customer or the amount due and payable, based on the amount received or receivable.

24. Employee benefits

Employee benefits refers to various benefits or compensations paid by the Company for receiving the services from the employees. The employee benefits mainly include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by the Group to employees' spouses, children, dependants, deceased employees' family members and other beneficiaries also belong to employee benefits.

(1) Short-term benefits, which refers to the remuneration of employees that the Group is required to pay in full within twelve months after the end of the annual reporting period in which the employees provide the relevant services, except for compensation for termination of employment relationship with the employees. The Group's short-term remuneration includes salaries, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, work injury insurance premiums and maternity insurance premiums, housing fund, labor union expenses and employee education expenses, short-term paid absences, short-term profit-sharing plans, non-monetary benefits and other short-term remuneration.

The Group recognizes the actual short-term benefits incurred as a liability in the accounting period in which the employee provides the service, and recognizes it in the current profit or loss or the cost of related assets, depending on the beneficiary of the service provided by the employee. Short-term benefits that are non-monetary in nature are measured at fair value.

(2) Post-employment benefits refer to various forms of compensation and benefits provided by the Group to obtain services rendered by employees who retire or terminate the labor relationship with the Group, which exclude short-term remuneration and termination benefits.

The defined contribution plan established by the Group refers to the basic endowment insurance and the unemployment insurance as well as enterprise annuities, etc. paid for employees according to the related regulations stipulated by the local government. During the accounting period when the employees render services to the Group, the amount which should be paid is calculated according to the base of pay and the percentage according to the

local stipulations. Such plan is recognized as the liability and is recognized into the current profit or loss or the cost of the related assets.

The Group classifies the beneficial liabilities generated from defined benefit plans determined by the expected accumulated welfare unit method into the period when employees provide services, and recognizes into current profit or loss or the cost of the related assets. The deficit or surplus formed from deducting the fair value of the defined benefit plan asset from the present value of the defined benefit plan liability is recognized as a net liability or a net asset of a defined benefit plan. If the defined benefit plan has a surplus existed, the Group adopts the lower of the two: namely the surplus of the defined benefit plan and the upper limit of asset of the defined benefit plan, to measure the net asset of defined benefit plan.

All the defined benefit plans, including the liabilities expected to be paid within the twelve months after the end of the reporting period when the employees provide services are discounted according to the market rate of return of the treasury bonds matched to the term and currency of the defined benefit plan liabilities or the high-quality corporate bonds in the active market.

The service cost generated by the defined benefit plan and the net interest of the net liabilities or net assets of the defined benefit plan is recognized into current period profit or loss or the cost of the related asset. The change generated from the re-measurement of the net liabilities or net assets of the defined benefit plans is recognized into other comprehensive income, and shall not to be reversed in the profit or loss of the subsequent accounting period.

When settling the defined benefit plans, the Group recognizes the settlement gain or loss according to the difference between the present value of the defined benefit plan on the settlement day and the settlement price.

(3) Termination benefits refer to compensation given by the Group to employees who terminate their employment relationship with the Group before the expiration of their employment contracts or to encourage them to voluntarily accept redundancy. For employees who do not terminate their employment contracts with the Group but no longer provide services to the Group in the future and cannot bring economic benefits to the Group, the Group undertakes to provide financial compensation termination benefits, and in the case of "internal retirement", they shall be treated as termination benefits before their official retirement date and as post-employment benefits after their official retirement date. After the official retirement date, the benefits shall be treated as post-employment benefits.

Where the Group provides termination benefits to employees, a liability for employee compensation arising from termination benefits is recognized in profit or loss at the earlier of when the Group is unable to unilaterally withdraw the termination benefits provided as a result of a termination plan or proposed redundancy, or when the Group recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

For termination benefits that are not expected to be fully paid within twelve months after the end of the annual reporting period, and for termination plans where the substantive termination is implemented within one year but compensation payments are made over one year, the Group selects the appropriate discount rate and measures the amount of termination benefits accrued in profit or loss at the discounted amount.

(4) Other long-term employee benefits refer to all employee compensation other than short-term compensation, post-employment benefits and termination benefits, including long-term compensated absences, long-term disability benefits and long-term profit-sharing plans, etc.

Other long-term employee benefits provided by the Group to employees that qualify as defined contribution plans are accounted for in accordance with the relevant provisions of the defined contribution plans. If other long-term employee benefits provided by the Group to employees qualify as defined benefit plans, the Group recognizes and measures the net negative amount of other long-term employee benefits-service costs in accordance with the relevant provisions of the defined benefit plans; net interest on net liabilities or net assets for other long-term employee benefits; changes resulting from remeasurement of net liabilities or net assets for other long-term employee benefits. The total net amount is charged to current profit or loss or to the cost of the related assets.

25. Share-based payments

Share-based payments are transactions in which equity instruments are granted or liabilities determined based on equity instruments are assumed in order to obtain services from employees or other parties. Share-based payments are classified into equity-settled share-based payments and cash-settled share-based payments.

Equity-settled share-based payments used in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the date of grant. The amount of this fair value is recorded as the related cost or expense on a straight-line basis with a corresponding increase in capital surplus, based on the best estimate

of the number of exercisable equity instruments during the waiting period, if the services are completed or the required performance conditions are met before the rights are exercised.

Share-based payments settled in cash are measured at the fair value of the liability assumed by the Group that is determined on a share or other equity instrument basis. If the right is exercisable immediately after the grant, the fair value of the liability assumed is recorded at the grant date as the relevant cost or expense, with a corresponding increase in the liability; if the right is exercisable after the completion of the service within the waiting period or after the fulfillment of the required performance conditions, the service acquired during the period is recorded at cost or expense at each balance sheet date of the waiting period, based on the best estimate of the circumstances under which the right is exercisable, in the amount of the fair value of the liability assumed by the Group. the Group 's liability is adjusted accordingly.

The fair value of the liability is remeasured at each balance sheet date prior to the settlement of the related liability and at the settlement date, with changes in fair value recognized in profit or loss.

26. Bonds payable

The Group's bonds payable are measured at fair value on initial recognition, and the related transaction costs are included in the initial recognition amount. Subsequently, they are measured at amortized cost.

The difference between the bond payment price and the total face value of the bonds is accounted for as bond premium or discount and is amortized over the life of the bonds by the effective interest rate method when interest is accrued, and is treated as a borrowing cost.

The Group recognizes a liability when operations related to contingencies such as external guarantees, discounting of commercial acceptances, pending litigation or arbitration, product quality guarantees, etc. meet the following conditions simultaneously: the obligation is a present obligation assumed by the Group; it is probable that the performance of the obligation will result in an outflow of economic benefits to the enterprise; and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks associated with the contingency, uncertainties and the time value of money. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The

carrying amount of the provision is reviewed at each balance sheet date and the carrying amount is adjusted to reflect the current best estimate if there is a change.

27. Revenue

The operating revenues of the Group mainly include revenue from assignment of asset use right, revenue from guarantee fee, premium income, revenue from fees and commissions, revenue from sales of goods.

(1) Revenue from sale of goods

Revenues from sale of goods are recognized when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods; the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the Group; the associated costs incurred or to be incurred can be measured reliably.

(2) Revenue from assignment of asset use right

When it is probable that the associated economic benefits will flow to the Group; the amount of revenue can be measured reliably, revenues from assignment of asset use right are recognized based on the following situation:

1) The amount of interest income is determined based on the timing of the use of monetary funds of the enterprise and the effective interest rate.

2) The amount of royalty revenue is calculated in accordance with the time and method of charging as stipulated in the relevant contract or agreement.

(3) Other revenues

Other revenues are recognized when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be measured reliably.

The specific method of revenue recognition is as follows:

1) Revenue from Guarantee fee

Under business contracts or agreements, revenue is recognized in the current period,

based on the cash basis, when the price has been received or the price voucher has been obtained.

2) Premium income

Premium incomes are recognized by the Group when it is probable that the economic benefits related to an insurance contract will flow to the Group, and the amount of revenue related to an insurance contract can be measured reliably. The Group recognizes premium income for the period based on the total amount of premiums agreed in the insurance contract. For sub-premium income, the Group calculates and determines the amount of sub-premium income based on the agreement of the relevant reinsurance contract.

3) Revenue from fees and commissions

The Group provides services such as feasibility study of projects and financial consultancy to lessees, and usually charges the lessees fees related to the financial leasing contracts when providing the lessees with the financial lease assets. The Group apportions the fee income received over the remaining period of the lease term and recognizes it as procedure fee income in each period.

Revenue is recognized when the Group's performance obligation in the contract is fulfilled, that is, when the customer obtains control of the related goods or services.

If a contract contains two or more performance obligations, the transaction price is apportioned to each individual performance obligation by the Group at the beginning of the contract in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and revenue is measured according to the transaction price apportioned to each individual performance obligation.

The transaction price is the amount of consideration to which the Group is expected to be entitled as a result of the transfer of goods or services to the customer, excluding amounts received on behalf of third parties. The transaction price recognized by the Group does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognized in the aggregate when the relevant uncertainty is removed. Amounts expected to be returned to the customer as a liability are not included in the transaction price. If there is a significant financing component in the contract, the transaction price is determined by the Group on the basis of the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is acquired. The difference between this transaction price and the contract consideration is amortized over the term of

the contract using the effective interest method. If the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price is expected to be less than one year at the contract commencement date, the existence of a significant financing component in the contract is not considered.

The Group's performance obligations in contracts are fulfilled within a certain time period when one of the following conditions is met; otherwise, performance obligations are fulfilled at a point in time:

(1) The customer acquires and consumes the economic benefits of the Group's performance at the same time as the performance.

(2) The customer is able to control the goods under construction in the course of the Group's performance.

(3) The goods produced in the course of the Group's performance are irreplaceable and entitled to receive payment by the Group for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period of time, revenue is recognized by the Group in accordance with the progress of performance over that period of time. When the progress of performance is not reasonably determinable, revenue is recognized in the amount of costs already incurred that are expected to be reimbursed until the progress of performance can be reasonably determined.

For performance obligations performed at a point in time, revenue is recognized by the Group at the point in time when the customer obtains control of the related goods or services. In determining whether the customer has acquired control of the goods or services, the following indications are considered:

(1) The Group has a present right to receive payment for the goods or services.

(2) Legal ownership of the merchandise has been transferred by the Group to the customer.

(3) The physical transfer of the item has been made by the Group to the customer.

(4) The principal risks and rewards of ownership of the commodity have been transferred by the Group to the customer.

(5) The customer has accepted the goods or services, etc.

The Group's rights to receive consideration for goods or services transferred to customers are presented as contract assets, which are impaired based on expected credit losses. The Group's unconditional rights to receive consideration from customers that are owned are presented as receivables. The Group's obligation to transfer goods or services to customers for which consideration is receivable for goods received is presented as a contractual liability.

28. Contract cost

Describe the recognition principles and measurement methods for contract performance costs, contract acquisition costs, amortization of contract costs, and impairment of contract costs.

(1) Method of determining the amount of assets related to contract costs

The Group's assets related to contract costs include contract performance costs and contract acquisition costs.

Contract performance costs, which are costs incurred by the Group to perform a contract that are not regulated by other ASBEs and that also meet the following conditions, are recognized as a contract performance cost as an asset: the cost is directly attributable to a current or expected contract, including direct labor, direct materials, manufacturing costs (or similar costs), costs explicitly borne by the customer and other costs incurred solely in connection with that contract; the cost increases the Group's future resources available to meet its performance obligations; and the cost is expected to be recovered.

Contract acquisition costs, which are incremental costs incurred by the Group to obtain a contract that are expected to be recovered, are recognized as contract acquisition costs as an asset; if the asset is amortized over a period of not more than one year, it is recognized in profit or loss as incurred. Incremental costs are costs that the Group would not have incurred without obtaining the contract (e.g., sales commissions, etc.). Expenses incurred by the Group to obtain a contract other than incremental costs that are expected to be recovered (such as travel expenses that would have been incurred regardless of whether the contract was obtained) are recognized in profit or loss as incurred, except for those explicitly borne by the customer.

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortized to current profit or loss using the same basis as the revenue recognition of the commodity to which the asset relates.

(3) Impairment of assets related to contract costs

In determining impairment losses on assets related to contract costs, the Group first determines impairment losses on other assets related to contracts recognized in accordance with other relevant ASBEs; then, based on the difference between the book value of the asset and the remaining consideration that the Group expects to obtain for the transfer of the commodity related to the asset and the estimated costs to be incurred for the transfer of the related commodity, the excess should be provided for impairment and recognized as an asset impairment loss.

If there is a subsequent change in the factors for impairment in previous periods, such that the aforementioned difference is higher than the carrying amount of the asset, the original provision for impairment is reversed and recognized in profit or loss, but the carrying amount of the reversed asset should not exceed the carrying amount of the asset at the date of reversal assuming no provision for impairment was made.

29. Government grants

Government grants are monetary assets or non-monetary assets that the Group obtains from the government without consideration. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount actually received if they are monetary assets, or at the amount receivable if there is conclusive evidence that the relevant conditions set forth in the financial support policy can be met and the financial support funds are expected to be received at the end of the period. If the government grants are non-monetary assets and their fair value that cannot be reliably obtained, they shall be measured at the nominal amount (RMB 1).

The Group's government grants are distinguished into asset-related government grants and revenue-related government grants. Among them, asset-related government grants refer to government grants obtained by the Group for the acquisition and construction or other formation of long-term assets; revenue-related government grants refer to government grants other than asset-related government grants. If the objects of subsidies are not specified in government documents, the Group makes judgment in accordance with the above distinction principles, and if it is difficult to distinguish them, they are classified as revenue-related government subsidies as a whole.

Government grants related to assets are written down to the carrying amount of the

related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are recognized in profit or loss by straight-line amortization method over the useful life of the related assets

If the related assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the unallocated balance of the related deferred gain is transferred to profit or loss in the period in which the assets are disposed of.

Government grants related to revenue, which are used to compensate for related costs and expenses or losses in subsequent periods, are recognized as deferred income and recognized in profit or loss or reduced by related costs in the period in which the related costs and expenses or losses are recognized; those used to compensate for related costs and expenses or losses already incurred are recognized directly in profit or loss or reduced by related costs. Government subsidies related to ordinary activities are recognized in other income or reduced by related costs and expenses in accordance with the substance of the economic operations. Government subsidies not related to ordinary activities are recognized as non-operating income and expenses.

Where the Group obtains policy-based preferential loan subsidies, a distinction is made between cases in which the finance allocates the subsidies to the lending bank and cases in which the finance allocates the subsidies directly to the Group, which are accounted for in accordance with the following principles:

(1) If the finance allocates the discounted interest funds to the lending bank, and the lending bank provides loans to the Group at a policy preferential interest rate, the Group uses the actual amount received as the recorded value of the borrowings and calculates the related borrowing costs based on the principal amount of the borrowings and such policy preferential interest rate (alternatively, the fair value of the borrowings is used as the recorded value of the borrowings and the borrowing costs are calculated using the effective interest method, with the difference between the actual amount received and the fair value of the borrowings recognized as deferred income. The deferred income is amortized over the life of the borrowings using the effective interest rate method and is reduced by the related borrowing costs).

(2) The finance allocates the discounted interest funds directly to the Group, and the Group reduces the corresponding discounted interest to the relevant borrowing costs.

If the Group has recognized government grants that need to be returned, they are accounted for in the period in which they need to be returned by situation in accordance with the following rules:

(1) If the carrying amount of the relevant asset is reduced on initial recognition, the carrying amount of the asset is adjusted.

(2) If deferred income exists, the carrying amount of the deferred income is reduced and the excess is recognized in profit or loss.

(3) In other cases, it is directly charged to current profit or loss.

30. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax assets are recognized for deductible losses and tax credits that can be offset against taxable income in subsequent years in accordance with the provisions of the tax law as if they were temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is recovered or the liability is settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets recognized is reduced to the extent that it is not expected that sufficient taxable income will be available against which the deferred tax assets can be utilized in future periods. To the extent that it is probable that sufficient taxable income will be available, the written down amount is reversed.

31. Lease

A lease is a contract in which the lessor cedes the right to use an asset to the lessee for a certain period of time in return for consideration. On the commencement date of the contract, the Group shall assess whether the contract is a lease or contains a lease. A contract is leased or contains a lease if a party to the contract assigns the right to control the use of one or more identified assets for a certain period of time in exchange for consideration. In order to determine whether the contract conveyed the right to control the use of the identified assets for a certain period of time, the Group shall assess whether the customer in the contract is entitled to almost all of the economic benefits arising from the use of the identified asset

during the period of use and is entitled to dominate the use of the identified asset during that period of use.

Where a contract contains multiple separate leases at the same time, the contract is split by the Group and each separate lease is accounted for separately. If a contract contains both leased and non-leased components, the leased and non-leased components are separated for accounting treatment.

(1) The Group as a lessee

Right-of-use assets and lease liabilities are recognized against the lease at the commencement date of the lease term.

Right-of-use assets are initially measured at cost, which includes the initial measurement of the lease liability, the lease payments made on or before the commencement date of the lease (net of amounts related to lease incentives received), the initial direct costs incurred and the costs expected to be incurred to disassemble and remove the leased asset, restore the site where the leased asset is located or restore the leased asset to its agreed condition under the terms of the lease. The Group depreciates right-of-use assets using the straight-line method. Where it is reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, the Group depreciates the leased asset over its remaining useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date of the lease term, and the discount rate is interest rate implicit in lease. If the interest rate implicit in lease cannot be determined, the Group uses the incremental borrowing rate as the discount rate.

The Group calculates the interest expense on the lease liability for each period of the lease term based on a fixed periodic interest rate, which is charged to current profit or loss or to the cost of the related asset. Variable lease payments that are not included in the measurement of the lease liability are charged to current profit or loss or the cost of the related assets when they are actually incurred.

After the start date of the lease term, the Group re-determines the lease payment amount and re-measures the lease liability at the present value calculated based on the changed lease payment amount and the revised discount rate if the following circumstances occur: a change in the evaluation of the purchase option, lease renewal option or lease

termination option, a change in the lease term due to the actual exercise of the lease renewal option or lease termination option that is inconsistent with the original evaluation; a change in the amount expected to be payable based on the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount.

When the lease liability is remeasured, the Group adjusts the carrying amount of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero but the lease liability is subject to further reduction, the Group recognizes the remaining amount in profit or loss for the current period.

The Group has determined not to recognize right-of-use assets and lease liabilities for short-term leases (leases with a lease term not exceeding 12 months) and leases of low-value assets, and to recognize the related lease payments in profit or loss or the cost of the related assets on a straight-line basis over the respective periods of the lease term.

(2) The Group as a lessor

At the start date of the lease, the Group classifies leases as finance leases and operating leases. Finance leases are leases that substantially transfer all the risks and rewards associated with ownership of the leased assets, regardless of whether ownership is ultimately transferred. Operating leases are leases other than finance leases.

When the Group acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease, rather than the underlying asset of the original lease. If the original lease is a short-term lease and the Group chooses to apply the simplified treatment of short-term leases described above to the original lease, the Group classifies the sublease as an operating lease.

Under finance leases, the Group recognizes finance lease receivables for finance leases at the start date of the lease term and derecognizes the finance lease assets. When the Group makes initial measurement of finance lease receivables, the net amount of lease investment is used as the entry value of the finance lease receivables. The net amount of lease investment is the sum of the unguaranteed residual value and the present value of the collected amount of lease not yet received at the start date of the lease term discounted at the interest rate implicit in lease.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments not included in the measurement of net amount of lease investments are recognized in profit or loss when they

are incurred.

Under operating leases, the Group recognizes the collected amount of lease from operating leases as rental income using the straight-line method (or other systematic and reasonable method) over the respective periods of the lease term. Initial direct costs related to operating leases are capitalized and amortized to current profit or loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the collected amount of lease are recognized in profit or loss when they are incurred.

32. Held-for-sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they both meet the following conditions: (1) In accordance with the practice for the sale of such assets or disposal groups in similar transactions, they can be sold immediately in their current condition; and (2) the sale is highly probable, that is, a resolution has been made on a sale plan and a firm commitment to purchase has been obtained, and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. Before the Group classifies a non-current asset or disposal group as held for sale for the first time, the carrying amount of each asset and liability in the non-current asset or disposal group is measured in accordance with the provisions of the relevant accounting standards. On initial measurement or remeasurement of non-current assets held for sale or disposal groups at the balance sheet date, if the carrying amount is higher than its fair value less costs to sell, the carrying amount is written down to its fair value less costs to sell, and the amount of the write-down is recognized as an impairment loss on the asset and charged to current profit or loss, together with a provision for impairment of assets held for sale.

(2) Non-current assets or disposal groups acquired by the Group for resale are classified as held for sale at the date of acquisition if they meet the prescribed condition that the sale is expected to be completed within one year and it is probable that other conditions for classification as held for sale will be met in the short term (usually three months). At initial measurement, the initial measurement amount assuming it is not classified as held for sale and the net amount of fair value less costs to sell are compared and the lower is measured. Except for non-current assets or disposal groups acquired in a business combination, the difference arising from the initial measurement of the non-current assets or disposal groups that is measured at fair value less costs to sell is recognized in profit or loss.

(3) If the Group loses control over a subsidiary due to the sale of the investment in the subsidiary, regardless of whether the Group retains part of the equity investment after the

sale, the investment in the subsidiary to be sold will be classified as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary will be classified as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the conditions for classification as held for sale.

(4) If the net increase in the fair value less costs to sell of non-current assets held for sale at a subsequent balance sheet date, the amount previously written down should be restored and reversed within the amount of impairment loss recognized on assets after classified as held for sale, and the amount reversed is recognized in profit or loss for the current period. Impairment losses recognized before classification as held for sale are not reversed.

(5) The amount of impairment loss recognized on assets held for sale disposal group is first set off against the book value of goodwill in the disposal group, and then against the book value of each non-current asset on a pro rata basis according to its proportionate share of the book value.

If the net increase in the fair value less costs to sell of disposal groups held for sale at a subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of impairment loss recognized for non-current assets after classification as held for sale category for which the relevant measurement provisions apply, and the reversal amount is recognized in profit or loss for the current period. The carrying amount of goodwill that has been written down and the impairment loss recognized on non-current assets before classification as held for sale shall not be reversed.

The amount of subsequent reversal of impairment loss on assets recognized in disposal groups held for sale is increased proportionately to the book value of each non-current asset in the disposal group, except for goodwill.

(6) No depreciation or amortization is recognized for non-current assets held for sale or non-current assets in disposal groups, and interest and other expenses continue to be recognized for liabilities in disposal groups held for sale.

(7) When a non-current asset or disposal group held for sale no longer continues to be classified as held for sale or when a non-current asset is removed from the disposal group held for sale because it no longer meets the conditions for classification as held for sale, it is measured at the lower of: (1) Book value before classification as held for sale, adjusted for depreciation, amortization or impairment; (2) Recoverable amount.

(8) Upon derecognition of non-current assets held for sale or disposal groups, the unrecognized gain or loss is recognized in profit or loss for the current period.

33. Fair value measurement

(1) Initial fair value measurement

For assets and liabilities measured at fair value, the Group measures the fair value using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants occurring at the measurement date, taking into account the characteristics of the asset or liability. When measuring a related asset or liability at fair value, the sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; the orderly transaction to sell the asset or transfer the liability takes place in the principal market for the related asset or liability. Where no principal market exists, the transaction is assumed to take place in the most advantageous market for the relevant asset or liability; Assumptions adopted by market participants to maximize their economic benefits when pricing the asset or liability are used. When measuring non-financial assets at fair value, consideration is given to the ability of a market participant to generate economic benefits from the use of the asset for its best use or the ability to generate economic benefits from the sale of the asset to other market participants who are able to use it for its best use.

(2) Valuation techniques

The Group measures the relevant assets or liabilities at fair value using valuation techniques that are applicable in the current circumstances and supported by sufficient available data and other information, and the valuation techniques used mainly include the market approach, the income approach and the cost approach, giving priority to the use of relevant observable inputs when applying valuation techniques, and using unobservable inputs only when relevant observable inputs are not available or practicable.

(3) Fair value hierarchy

The Group determines the level to which the fair value measurement results belong based on the lowest level to which the inputs that are significant to the fair value measurement as a whole belong: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the volume and frequency of transactions for the relevant asset or liability are sufficient to provide pricing information on a continuous basis. Level 2 inputs are inputs other

than Level 1 inputs that are observable for the relevant asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the underlying asset or liability.

V. Description of changes in accounting policies and accounting estimates and correction of errors

1. Changes in accounting policies and their effects

As approved by the resolution of the Group's board of directors, the Group changed its measurement model for investment properties from the cost model to the fair value model in 2022, which is a change in accounting policy in accordance with the provisions of "Accounting Standards for Business Enterprises No. 3 - Investment Properties". The prior-year comparative statements should be adjusted retrospectively in accordance with the provisions of "Accounting Standards for Business Enterprises No. 28 - Changes in Accounting Policies and Accounting Estimates and Correction of Errors". Due to the implementation of the above change in accounting policy, the undistributed profit at the beginning of 2021 were retroactively adjusted by RMB -247,665,770.09, and the net profit increased by RMB 40,049,547.51 and the gain on changes in fair value increased by RMB -4,217,264.45 in 2022 due to the decrease in depreciation and amortization.

The impact on specific accounts is shown below:

Item	Reason for increase	Increase amount
Investment properties	Changes in accounting policies	-247,870,936.09
Deferred tax assets	Changes in accounting policies	109,048.39
Undistributed profit	Changes in accounting policies	-247,665,770.09
Minority interests	Changes in accounting policies	-96,117.61

2. Changes in accounting estimates and their effects

None.

3. Adjustments on profits and losses for the prior year

None.

VI. Taxation

1. Type of taxes and tax rates

Type of taxes	Tax base	Tax rate
VAT	Taxable income	13%, 10%, 9%, 6%, 5%
Urban maintenance and construction tax	Amount of turnover tax payable	7%

Education surcharge	Amount of turnover tax payable	3%
Local education surcharge	Amount of turnover tax payable	2%
Corporate income tax	Taxable income	3%, 5%, 9%, 15%, 25%

2. Tax benefits and approvals

(1) Preferential policies related to the development of the West

According to the announcement No. 23 of 2020 of the Ministry of Finance "Announcement of the Ministry of Finance, the State Taxation Administration, and the National Development and Reform Commission on the Continuation of the Enterprise Income Tax Policy for the Development of the Western Region" , from January 1st, 2021 to December 31st, 2030, enterprise income tax will be levied at a reduced rate of 15% on enterprises in the encouraged industries located in the western region. The enterprises in the encouraged industries referred to in this article are those whose main business falls within the industrial items specified in the *Catalogue of Encouraged Industries in the Western Region* and whose main business income accounts for more than 60% of the total income of them.

(2) Tax incentives for small and micro-profit enterprises

According to the notice No. 13 of 2019 of the Ministry of Finance "Notice of the Ministry of Finance and the State Taxation Administration on the Implementation of the Policy of Universal Tax Relief for Small and Micro Enterprises" , from January 1st, 2021 to December 31st, 2022, the portion not exceeding RMB 1 million of the annual taxable income of small and micro-profit enterprises shall be included in the taxable income at a reduced percentage of 25% and subject to corporate income tax at a rate of 20%; the portion of the annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million shall be included in the taxable income at a reduced percentage of 50% and subject to corporate income tax at a rate of 20%.

According to the regulations of the "Announcement of the State Taxation Administration on Matters Relating to the Implementation of Preferential Income Tax Policies to Support the Development of Small and Micro-profit Enterprises and Individual Entrepreneurs (State Taxation Administration Announcement No. 12 of 2021), from January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small and micro-profit enterprises not exceeding RMB 1 million is included in taxable income at a reduced percentage of 12.5% and subject to corporate income tax at a rate of 20%.

(3) Tax incentives for the guarantee industry

According to Paragraph 6 of the "Notice on Input Tax Credit for Leased-in Fixed Assets and Other VAT Policies" (Caishui [2017] No. 90): from January 1st, 2018 to December 31st, 2019, taxpayers shall be exempt from VAT on guarantee fee income obtained from the provision of

financing guarantees for loans and bond issues by farmers, small enterprises, micro-enterprises and individual entrepreneurs, as well as on re-guarantee fee income obtained from the provision of re-guarantees for the above financing guarantees (hereinafter referred to as "original guarantees"). According to the “Notice on the Extension of the Implementation of Preferential Tax Policies Relating to Financial Inclusion” (Notice No. 22 of 2020 of the State Taxation Administration and the Ministry of Finance), the implementation period of the tax incentives provided for in the “Notice on Input Tax Credit for Leased-in Fixed Assets and Other VAT Policies” (Caishui [2017] No. 90) shall be extended to December 31st, 2023.

(4) Tax incentives for the insurance industry

1) According to Article 1 (10) of Annex 3 of the “Notice of the Ministry of Finance and the State Taxation Administration on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax” (Caishui [2016] No. 36), "Agricultural machine farming, irrigation, pest control, plant protection, agricultural insurance and related technical training business, poultry, livestock, aquatic animal breeding and disease control are exempt from VAT". The *Registration Form for Taxpayer's Tax Reduction and Exemption* of Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on April 29th, 2016, and Beibu Gulf Property & Casualty Insurance Co., Ltd. started to enjoy tax exemption from May 1st, 2016.

2) According to Article 1 (21) of Annex 3 of the “Notice of the Ministry of Finance and the State Taxation Administration on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax” (Caishui [2016] No. 36), "Premium income derived from life insurance products offered by insurance companies with a term of more than one year is exempt from VAT" (more than one year includes one year). The *Registration Form for Taxpayer's Tax Reduction and Exemption* of Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on April 19th, 2016, and Beibu Gulf Property & Casualty Insurance Co., Ltd. started to enjoy tax exemption from May 1st, 2016.

3) According to Article 1 (23) of Annex 3 of the “Notice of the Ministry of Finance and the State Taxation Administration on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax” (Caishui [2016] No. 36) and Article 1 of the “Circular of the Ministry of Finance and the State Taxation Administration on Further Clarification of Policies Relating to the Financial Sector of Fully Implementing the Pilot Reform of Business Tax to Value-added Tax” (Caishui [2016] No. 46), interest income from financial interbank transactions are exempted from VAT. The *Registration Form for Taxpayer's Tax Reduction and Exemption* of Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on

December 30th, 2016, and Beibu Gulf Property & Casualty Insurance Co., Ltd. started to enjoy tax exemption from May 1st, 2016.

(5) Water conservancy construction fund incentives

According to the "Notice of the Department of Finance of Guangxi Zhuang Autonomous Region on the Clarification of Preferential Policies of Local Water Conservancy Construction Fund" (Guicaigui [2022] No. 1), from January 1st, 2022 to December 31st, 2022 (applicable period), the local water conservancy construction fund will be levied at a 50% reduction (which means that it will be levied at 0.5‰ of the operating revenue or sales revenue). From January 1st, 2022 to December 31st, 2022 (applicable period), enterprises registered within the China (Guangxi) Pilot Free Trade Zone (including Nanning, Qinzhou Port and Chongzuo Area) that are engaged in lawful operations are exempt from the local water conservancy construction fund.

VII. Business combinations and consolidated financial statements

1. Basic information of subsidiaries included in the scope of consolidated statements

No.	Company name	Level	Business type	Main business location	Place of registration	Business nature	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Investment amount	Acquisition method
1	Guangxi Jinkong Asset Management Co., Ltd.	2	2	Guangxi	Nanning	Asset management	595,000.00	100.00	100.00	649,367.94	1
2	GFIG Urban Construction Development Co., Ltd.	2	2	Guangxi	Nanning	Investment	217,020.00	100.00	100.00	217,020.00	1
3	Guangxi Jintou Real Estate Management Co., Ltd.	2	1	Guangxi	Nanning	Investment	62,650.66	100.00	100.00	62,650.66	1
4	Guangxi Jintou Internet Financial Services Co., Ltd.	2	2	Guangxi	Nanning	Internet finance	10,304.69	68.00	68.00	7,000.00	1
5	Guangxi SME Financing Guarantee Co., Ltd.	2	2	Guangxi	Nanning	Guarantee	450,000.00	100.00	100.00	426,434.63	1
6	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	2	2	Guangxi	Nanning	Investment	64,600.00	39.42	39.42	10,500.00	1
7	Nanning Jintong Micro-Finance Co., Ltd.	2	2	Guangxi	Nanning	Loans	898,900.00	100.00	100.00	898,900.00	1
8	Guangxi Investment Group Financial Holding Co., Ltd.	2	2	Guangxi	Nanning	Financial services	384,618.56	95.00	95.00	365,387.63	2
9	Guangxi Investment Capital Management Group Co., Ltd.	2	2	Guangxi	Nanning	Investment	140,465.66	90.00	90.00	126,419.10	2
10	Beibu Gulf Financial Leasing Co., Ltd.	2	2	Guangxi	Nanning	Leasing	100,000.00	49.00	57.14	49,000.00	1
11	Beibu Gulf Property & Casualty Insurance Co., Ltd.	2	2	Guangxi	Nanning	Insurance services	150,000.00	20.00	20.00	30,000.00	1
12	Guangxi Digital Financial Services Technology Co., Ltd.	2	1	Guangxi	Nanning	Software development	3,450.00	100.00	100.00	3,798.55	2

Note: Business type: 1 domestic non-financial subsidiaries; 2 domestic financial subsidiaries; 3 foreign subsidiaries; 4 business units; 5 infrastructure units.

Acquisition methods: 1 Investment establishment; 2 Business combinations under common control; 3 Business combinations not under common control; 4 Others.

2. Reasons for holding less than half of the voting rights in an investee but being able to exercise control over the investee

No.	Company name	Shareholding ratio (%)	Voting ratio (%)	Registered capital (RMB 10,000)	Investment amount (RMB 10,000)	Level	Reasons for inclusion in the scope of consolidation
1	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	39.42	100.00	350,000.00	10,500.00	2	Reaching actual control
2	Beibu Gulf Financial Leasing Co., Ltd.	49.00	57.14	100,000.00	49,000.00	2	Reaching actual control
3	Beibu Gulf Property & Casualty Insurance Co., Ltd.	20.00	20.00	150,000.00	30,000.00	2	Reaching actual control
4	Guangxi Guangtou Jianguang One Industrial Investment Partnership (Limited Partnership)	0.03	33.33	375,100.00	100.00	4	Form a party acting in concert with Guangxi Investment Group and substantially achieve control
5	Guangxi Guangtou Jianguang No.2 Industrial Investment Partnership (Limited Partnership)	0.04	33.33	250,100.00	100.00	4	Form a party acting in concert with Guangxi Investment Group and substantially achieve control

Note:

1. Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.: Initiated by the Group, the Group holds 39.42% of the shares and is the largest shareholder. According to the Articles of Association of Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd. the chairman is appointed by the Group, the general manager is nominated by the chairman, and other executives are nominated by the general manager. The Group achieves control.

2. Beibu Gulf Financial Leasing Co., Ltd.: The Board of Directors consists of seven directors, four of whom are nominated by the Group. The Group achieves control.

3. Beibu Gulf Property & Casualty Insurance Co., Ltd.: With the approval of the People's Government of Guangxi Zhuang Autonomous Region, the Group has initiated the formation of Beibu Gulf Property & Casualty Insurance Co., Ltd. and assumes the management responsibility. The Group achieves control.

3. Reasons for owning, directly or indirectly through other subsidiaries, more than half of the voting rights of the investee but failing to form control over it

No.	Company name	Shareholding ratio (%)	Voting ratio (%)	Registered capital (RMB 10,000)	Investment amount (RMB 10,000)	Level	Reasons for not being included in the scope of consolidation
1	Guangxi Guangtou Changke New Material Industry Development Fund Partnership (Limited Partnership)	96.67	96.67	6,000.00	5,800.00	3	Voting rights need to be unanimous; control not achieved in substance
2	Guangxi Guangtou Incubation Investment Fund Partnership (Limited Partnership)	99.90	99.90	10,000.00	4,234.00	3	Voting rights need to be unanimous; control not achieved in substance
3	Guangxi Guangtou Zhanxin Investment Fund Partnership (Limited Partnership)	98.80	98.80	19,500.00	19,000.00	3	Voting rights need to be unanimous; control not achieved in substance
4	Guangxi Guangtou Zhanxin No.2 Investment Partnership (Limited Partnership)	97.56	97.56	20,500.00	19,894.00	3	Voting rights need to be unanimous; control not achieved in substance
5	Guangxi Guangtou Zhanxin No.3 Investment Partnership (Limited Partnership)	97.56	97.56	20,500.00	9,424.00	3	Voting rights need to be unanimous; control not achieved in substance

4. Significant non-wholly owned subsidiaries

(1) Minority shareholders

No.	Name of subsidiaries	Minority shareholding percentage	Profit or loss for the year attributable to minority shareholders	Dividends paid to minority shareholders during the year	Accumulated minority interests at the end of the year
1	Guangxi Jintou Internet Financial Services Co., Ltd.	32.00%	-2,712,924.03		83,180,674.46
2	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	60.58%	1,835.80		544,841,962.59
3	Guangxi Investment Group Financial Holding Co., Ltd. (Consolidated)	5.00%	32,071,395.02	30,000,000.00	336,088,248.04
4	Guangxi Investment Capital Management Group Co., Ltd. (Consolidated)	10.00%	28,312,420.83		967,079,267.02
5	Beibu Gulf Financial Leasing Co., Ltd.	51.00%	53,317,320.23	22,303,222.08	794,408,696.03
6	Beibu Gulf Property & Casualty Insurance Co., Ltd.	80.00%	-79,919,232.52		766,108,364.63
	Total		31,070,815.33	52,303,222.08	3,491,707,212.77

(2) Key financial information

Item	Amount for the year					
	Guangxi Jintou Internet Financial Services Co., Ltd.	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	Guangxi Investment Group Financial Holding Co., Ltd. (Consolidated)	Guangxi Investment Capital Management Group Co., Ltd. (Consolidated)	Beibu Gulf Financial Leasing Co., Ltd.	Beibu Gulf Property & Casualty Insurance Co., Ltd.
Current assets	350,267,303.62	653,596,956.98	8,059,412,701.19	6,589,633,387.79	1,096,385,037.13	5,858,107,451.82
Non-current assets	3,295,907.52	0.00	13,255,968,260.42	12,125,761,526.37	3,328,648,935.60	466,655,631.49
Total assets	353,563,211.14	653,596,956.98	21,315,380,961.61	18,715,394,914.16	4,425,033,972.73	6,324,763,083.31
Current liabilities	93,525,526.37	1,161.59	6,657,648,063.61	965,741,589.15	1,515,879,294.89	973,513,149.75
Non-current liabilities	82,352.50	0.00	7,597,966,251.64	1,317,310,728.40	1,333,181,737.60	4,393,614,477.78
Total liabilities	93,607,878.87	1,161.59	14,255,614,315.25	2,283,052,317.55	2,849,061,032.49	5,367,127,627.53
Operating income	4,940,372.00	0.00	1,066,407,635.28	777,828,780.88	265,562,959.43	3,602,217,426.96
Net profit	-8,477,887.60	3,599.61	663,509,728.03	553,836,122.73	104,543,765.16	-99,899,040.65
Total comprehensive income	-8,477,887.60	3,599.61	565,094,011.53	317,788,832.01	104,543,765.16	-277,134,056.02
Cash flow from operating activities	-298,190.18	1,410.58	-1,294,392,853.46	-11,246,871.36	621,962,597.28	-171,165,827.29

(Continued)

Item	Amount for prior year					
	Guangxi Jintou Internet Financial Services Co., Ltd.	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	Guangxi Investment Group Financial Holding Co., Ltd. (Consolidated)	Guangxi Investment Capital Management Group Co., Ltd. (Consolidated)	Beibu Gulf Financial Leasing Co., Ltd.	Beibu Gulf Property & Casualty Insurance Co., Ltd.
Current assets	433,418,376.15	653,595,248.70	5,087,145,168.70	2,638,906,442.47	553,471,601.36	4,406,526,268.00
Non-current assets	6,264,349.88		11,711,888,942.36	12,390,267,404.96	3,796,235,167.27	978,279,931.98
Total assets	439,682,726.03	653,595,248.70	16,799,034,111.06	15,029,173,847.43	4,349,706,768.63	5,384,806,199.98
Current liabilities	171,204,484.65	3,052.92	5,578,143,411.63	1,143,079,514.95	2,183,448,676.20	731,511,747.60
Non-current liabilities	45,021.51		4,717,995,671.65	922,022,909.89	651,097,109.35	3,418,524,940.58
Total liabilities	171,249,506.16	3,052.92	10,296,139,083.28	2,065,102,424.84	2,834,545,785.55	4,150,036,688.18
Operating income	30,240,541.00	541,460.40	1,011,551,900.19	1,494,447,113.12	364,236,979.14	3,589,600,484.14
Net profit	3,907,597.65	58,366.14	622,619,437.04	433,573,029.26	143,910,286.95	-158,757,432.66
Total comprehensive income	3,907,597.65	58,366.14	411,543,336.28	672,470,352.06	143,910,286.95	-172,025,263.89
Cash flow from operating activities	4,290,591.03	-181,364.22	87,354,872.88	104,984,873.20	-774,586.55	-384,129,413.06

5. Changes in the scope of consolidation during the year

(1) New companies included in the scope of consolidation during the year

Name of company	Shareholding ratio (%)	Net assets attributable to the parent at year-end	Net profit attributable to the parent for the year	Note
Subsidiary				
Guangxi Guangtou Jianguang No.2 Industrial Investment Partnership (Limited Partnership)	0.04	1,015,050.60	40,008.75	Investment set-up
Guangxi Nongken BeiYao Farm Co., Ltd.	100.00	12,519,436,630.03	-1,154,372.54	Purchase

(2) Companies no longer included in the scope of consolidation in the current year

No.	Company name	Place of registration	Business nature	Shareholding ratio (%)	Voting ratio (%)	Reasons for not being included in the scope of consolidation
1	Guangxi Guangtou Zhanxin Investment Fund Partnership (Limited Partnership)	Nanning, Guangxi	Other financial industries	98.8	98.8	There has been a change in the voting mechanism and the Group has not achieved control
2	Guangxi Qinzhou Guanglu Network Technology Co., Ltd.	Qinzhou, Guangxi	Other technology promotion services	51	51	Deregistered
3	Guangxi Jintou Environmental Technology Co., Ltd.	Nanning, Guangxi	Research and development of environmental protection technology, construction, etc.	35	35	There has been a change in the voting mechanism and the Group has not achieved control
4	Guangxi Jintou Qinglong Urban Construction Development Partnership (limited Partnership)	Nanning, Guangxi	Investment	93.31	100	Deregistered
5	Guangxi Jintou Shengxiang Urban Construction Development Partnership (limited Partnership)	Nanning, Guangxi	Investment	90.26	100	Deregistered
6	Guangxi Jintou Lianhong Urban Construction Development Partnership (limited Partnership)	Nanning, Guangxi	Investment	83.59	100	Deregistered
7	Guangxi Wanran Investment Co., Ltd.	Nanning, Guangxi	Investment	100	100	Sold
8	Guangxi Jintou Gongcheng Urban Construction Poverty Alleviation Development Partnership (Limited Partnership)	Nanning, Guangxi	Investment	90.93	90.93	Deregistered

VIII. Notes to significant items in the financial statements

Except for special notes, for the financial statement data disclosed below, "Opening" refers to January 1st, 2022, and "Closing" refers to December 31st, 2022. "Current year" refers to the period from January 1st, 2022 to December 31st, 2022, and "Prior year" refers to the period from January 1st, 2021 to December 31st, 2021. Unless otherwise stated, the currency unit is RMB.

1. Cash and cash equivalents

(1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	409.85	490.00
Bank deposits	4,255,159,338.00	4,004,758,631.49
Other monetary funds	3,049,138,273.65	2,568,716,227.35
Total	**7,304,298,021.50**	**6,573,475,348.84**
Including: Total amount deposited abroad		

(2) Restricted cash and cash equivalents

At the end of 2022, the Group had restricted monetary funds totaling RMB 2,387,498,128.48, including: project cooperation deposits, pledged bank certificates of deposit, risk reserves and customer transaction settlement funds.

2. △Provision for settlement

(1) Presentation by category

Item	Closing balance	Opening balance
Insurance company provisions	11,051,868.75	5,151,008.21
Total	**11,051,868.75**	**5,151,008.21**

3. ☆Trading financial assets

Item	Closing fair value	Opening fair value
Financial assets classified as at fair value through profit or loss	**2,953,991,526.97**	**2,852,542,648.22**
Including: Debt instrument investments	2,016,633,726.41	2,071,325,245.86
Equity instrument investment	925,115,683.87	679,038,329.33
Others	12,242,116.69	102,179,073.03
Total	**2,953,991,526.97**	**2,852,542,648.22**

4. Notes receivable

(1) Classification of notes receivable

Type	Closing balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Commercial acceptance bill	87,570,000.00		87,570,000.00			
Total	**87,570,000.00**		**87,570,000.00**			

(2) Provision for bad debts on notes receivable

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Notes receivable with bad debt provision by portfolio	87,570,000.00	100.00			87,570,000.00
Total	**87,570,000.00**	**100.00**			**87,570,000.00**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Notes receivable with bad debt provision by portfolio					
Total					

1) Notes receivable with bad debt provision by portfolio

Name	Closing balance		
	Book balance	Bad debt provision	Expected credit loss ratio (%)
Subtotal of commercial acceptance bill	87,570,000.00		—
Total	**87,570,000.00**		—

5. Accounts receivable

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	15,511,131.60	1.38	15,511,131.60	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	1,107,987,150.56	98.62	66,644,993.75	6.01	1,041,342,156.81
Total	**1,123,498,282.16**	**100.00**	**82,156,125.35**	**7.31**	**1,041,342,156.81**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	15,527,876.52	1.92	15,527,876.52	100.00	

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable for which bad debt provision is made on a portfolio basis	794,709,180.39	98.08	102,094,050.88	12.85	692,615,129.51
Total	**810,237,056.91**	**100.00**	**117,621,927.40**	**14.52**	**692,615,129.51**

(1) Disclosure of accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	978,318,052.33	560,395,515.42
1-2 years	72,464,382.61	94,839,794.27
2-3 years	50,079,546.44	11,458,929.00
3-4 years	7,437,688.00	126,753,066.20
4-5 years	596,844.61	1,393,799.03
More than 5 years	14,601,768.17	15,395,952.99
Subtotal	**1,123,498,282.16**	**810,237,056.91**
Less: Bad debt provision	82,156,125.35	117,621,927.40
Total	**1,041,342,156.81**	**692,615,129.51**

(2) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	15,511,131.60	1.38	15,511,131.60	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	1,107,987,150.56	98.62	66,644,993.75	6.01	1,041,342,156.81
Including: Normal risk portfolio	1,025,974,863.05	91.32	66,644,993.75	6.50	959,329,869.30
Low risk portfolio	82,012,287.51	7.30			82,012,287.51
Total	**1,123,498,282.16**	**100.00**	**82,156,125.35**	**7.31**	**1,041,342,156.81**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	15,527,876.52	1.92	15,527,876.52	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	794,709,180.39	98.08	102,094,050.88	12.85	692,615,129.51
Including: Normal risk portfolio	639,075,054.35	78.88	101,660,255.74	15.91	537,414,798.61
Low risk portfolio	155,634,126.04	19.21	433,795.14	0.28	155,200,330.90
Total	**810,237,056.91**	**100.00**	**117,621,927.40**	**14.52**	**692,615,129.51**

(3) Accounts receivable for which bad debt provision is made on an individual basis

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Reason for accrual
Sporadic customers with long pending accounts	15,341,998.24	15,341,998.24	100.00	Low probability of recovery
Qinzhou ** Reserve Center	169,133.36	169,133.36	100.00	Low probability of recovery

Total	**15,511,131.60**	**15,511,131.60**	—	—

(4) Accounts receivable of the top five closing balances, grouped by party in arrears

Name of debtor	Book balance	As a percentage of the total accounts receivable (%)	Bad debt provision
Guangxi * * * Leasing Co., Ltd.	72,880,266.47	6.49	1,409,188.77
Guangxi **** Leasing Co., Ltd.	80,122,222.19	7.13	999,648.06
Guangxi ** Pharmaceutical Co., Ltd.	50,091,666.67	4.46	624,970.65
**Construction Investment Group Co., Ltd.	50,111,666.66	4.46	625,220.18
Nanning** Economic and Trade Co., Ltd.	52,655,384.44	4.69	656,956.98
Total	**305,861,206.43**	**27.22**	**4,315,984.64**

6. Prepayments

(1) Prepayments by aging

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	568,143,006.52	77.58		449,251,323.88	80.52	8,136.80
1-2 years	94,057,162.70	12.84		82,687,255.86	14.82	
2-3 years	50,481,162.81	6.89		12,708,474.56	2.28	
More than 3 years	19,664,386.42	2.69		13,312,249.62	2.38	
Total	**732,345,718.45**	**100.00**		**557,959,303.92**	**100.00**	**8,136.80**

(2) Large prepayments aged over 1 year

Creditor	Debtor	Closing balance	Aging	Reason for non-settlement
Guangxi SME Financing Guarantee Co., Ltd.	Guangxi Zhuang Autonomous Region ** People's Court	3,000,657.29	More than 1 years	Not yet due
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guangxi ** Transportation Group Co., Ltd.	6,479,453.00	More than 1 year	Compensation paid in advance, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	** Municipal People's Hospital	5,463,921.87	More than 1 year	Compensation paid in advance, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	** Municipal Medical Security Management Center	4,598,264.53	More than 1 year	Compensation paid in advance, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	**County Human Resources and Social Security Bureau	5,392,992.01	More than 1 year	Compensation paid in advance, case open
Total		**24,935,288.70**	——	——

(3) Prepayments of the top five closing balances, grouped by party in arrears

Name of debtor	Book balance	As a percentage of the total prepayments (%)	Bad debt provision
** Municipal People's Hospital	14,832,644.28	2.03	
Guangxi * * Food Co., Ltd.	13,200,000.00	1.80	
**Property Mutual Insurance Association	22,177,712.04	3.03	
Nanning *** Sugar Manufacturing Co., Ltd.	14,849,583.16	2.03	
** Municipal Medical Security Management Center	12,570,004.36	1.72	
Total	**77,629,943.84**	**10.60**	

7. △Premiums receivable

(1) Aging and the corresponding bad debt provisions are presented as follows:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	425,271,832.88	34.00		425,271,832.88
3 months - 1 year (including 1 year)	701,699,948.53	56.09	6,934,840.96	694,765,107.57
More than 1 year	123,943,428.91	9.91	47,582,718.03	76,360,710.88
Total	**1,250,915,210.32**	**100.00**	**54,517,558.99**	**1,196,397,651.33**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	291,218,898.99	34.95		291,218,898.99
3 months - 1 year (including 1 year)	389,214,945.87	46.71	26,840.00	389,188,105.87
More than 1 year	152,837,755.45	18.34	40,349,367.15	112,488,388.30
Total	**833,271,600.31**	**100.00**	**40,376,207.15**	**792,895,393.16**

(2) Listed by broad category of insurance

Item	Closing balance	Opening balance
Corporate property insurance	19,409,023.17	2,849,852.85
Home property insurance	596,276.21	659,405.67
Engineering insurance	34,244,200.66	36,461,210.05
Liability insurance	37,783,648.28	29,423,501.30
Cargo insurance	19,251,640.04	799,863.12
Ship insurance	1,196,888.08	1,458,836.06
Agricultural insurance	1,017,187,131.46	725,064,698.43
Accident insurance	26,634,301.43	34,395,831.25
Health insurance	90,437,986.36	2,156,547.85
Others	4,174,114.63	1,853.73
Total	**1,250,915,210.32**	**833,271,600.31**

(3) The top five premiums receivable are as follows:

Name of the entity in arrears	Closing balance	
	Amount	Ratio (%)
Guangdong ** Intelligent Technology Co., Ltd.	50,000,012.00	4.00
Guangxi ** Dai Agricultural Development Co., Ltd.	54,307,087.50	4.34
Guangxi ** Agriculture and Animal Husbandry Co., Ltd.	81,247,066.73	6.50
Guangxi ** Gene Technology Co., Ltd.	32,753,966.10	2.62
Hezhou ** Agriculture and Animal Husbandry Co., Ltd.	21,548,879.55	1.72
Total	**239,857,011.88**	**19.17**

8. △Reinsurance accounts receivable

(1) Aging and the corresponding bad debt provisions of reinsurance accounts receivable:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	115,234,929.56	42.42		115,234,929.56
3 months - 1 year (including 1 year)	106,711,159.16	39.28		106,711,159.16
More than 1 year	49,732,433.70	18.30		49,732,433.70
Total	**271,678,522.42**	**100.00**		**271,678,522.42**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	55,188,391.75	20.18		55,188,391.75
3 months - 1 year (including 1 year)	133,833,175.21	48.92		133,833,175.21
More than 1 year	84,530,479.98	30.90		84,530,479.98
Total	**273,552,046.94**	**100.00**		**273,552,046.94**

(2) The top five reinsurance accounts receivable are as follows:

Reinsurance company	Closing balance	
	Amount	Ratio (%)
** Reinsurance Co., Ltd. Beijing Branch	8,235,397.28	3.03
** Reinsurance (China) Co., Ltd.	9,718,351.55	3.58
** Property Insurance Co., Ltd.	43,209,622.68	15.90
China ** Reinsurance Co., Ltd.	7,788,416.62	2.87
China ** Reinsurance Company Limited	142,077,399.64	52.30
Total	**211,029,187.77**	**77.68**

9. Reinsurance contract reserve receivable

Item	Closing balance	Opening balance
Reinsurance outstanding compensation reserve receivable	210,108,155.26	124,125,918.31
Others	187,613,272.42	163,862,826.44
Total	**397,721,427.68**	**287,988,744.75**

10. Other receivables

Item	Closing balance	Opening balance
Interest receivable	216,302,223.38	423,014,000.33
Dividends receivable	119,660,899.56	110,363,390.42
Other receivables	9,085,680,410.08	2,102,003,209.17
Total	**9,421,643,533.02**	**2,635,380,599.92**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Fixed deposit	8,507,487.13	19,588,143.77

Item	Closing balance	Opening balance
Entrusted loans	1,633,538.49	31,121,012.20
Bond investment	11,292,024.74	12,942,550.55
Others	279,653,301.77	501,469,720.04
Subtotal	301,086,352.13	565,121,426.56
Less: Bad debt provision	84,784,128.75	142,107,426.23
Total	**216,302,223.38**	**423,014,000.33**

2) Provision for bad debts on interest receivable

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance	6,387,595.13	62,769,896.10	72,949,935.00	142,107,426.23
The opening balance in the current year				
Accrual for the year		8,115,468.80		8,115,468.80
Reversal for the year	4,837,595.75	37,162,440.53		42,000,036.28
Charge-offs for the year				
Write-offs for the year				
Other changes			-23,438,730.00	-23,438,730.00
Closing balance	**1,549,999.38**	**33,722,924.37**	**49,511,205.00**	**84,784,128.75**

(2) Dividends receivable

Item	Closing balance	Opening balance	Reasons for non-recovery	Whether impairment has occurred and the basis for its determination
Dividends receivable with aging within 1 year	20,986,942.29	10,130,284.13	——	——
Dividends receivable with aging over 1 year	98,673,957.27	100,233,106.29	——	——
Total	**119,660,899.56**	**110,363,390.42**	**——**	**——**

(3) Other receivables

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables for which bad debt provision is made on an individual basis	6,207,161,048.24	65.09	289,055,587.37	4.66	5,918,105,460.87
Other receivables for which bad debt provision is made on a portfolio basis	3,328,578,951.37	34.91	161,004,002.16	4.84	3,167,574,949.21
Total	**9,535,739,999.61**	**100.00**	**450,059,589.53**	**4.72**	**9,085,680,410.08**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables for which bad debt provision is made on an individual basis	506,433,995.42	21.85	125,000,823.28	24.68	381,433,172.14
Other receivables for which bad debt	1,811,541,205.33	78.15	90,971,168.30	5.02	1,720,570,037.03

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
provision is made on a portfolio basis					
Total	**2,317,975,200.75**	**100.00**	**215,971,991.58**	**9.32**	**2,102,003,209.17**

1) Disclosure of other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	8,527,587,207.79	1,357,362,214.95
1-2 years	561,776,233.71	852,007,664.01
2-3 years	345,344,763.67	59,348,255.48
3-4 years	51,774,728.14	18,032,072.37
4-5 years	18,032,072.37	19,827,790.59
More than 5 year	31,224,993.93	11,397,203.35
Subtotal	**9,535,739,999.61**	**2,317,975,200.75**
Less: Bad debt provision	450,059,589.53	215,971,991.58
Total	**9,085,680,410.08**	**2,102,003,209.17**

2) Disclosure of other receivables by method of provision for bad debts

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	6,207,161,048.24	65.09	289,055,587.37	4.66	5,918,105,460.87
Other receivables for which bad debt provision is made on a portfolio basis	3,328,578,951.37	34.91	161,004,002.17	4.84	3,167,574,949.20
Including: Normal risk portfolio	2,823,175,101.58	29.61	160,904,757.30	5.70	2,662,270,344.28
Low risk portfolio	505,403,849.79	5.30	99,244.86	0.02	505,304,604.93
Total	**9,535,739,999.61**	**100.00**	**450,059,589.53**	**4.72**	**9,085,680,410.08**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	506,433,995.42	21.85	125,000,823.28	24.68	381,433,172.14
Other receivables for which bad debt provision is made on a portfolio basis	1,811,541,205.33	78.15	90,971,168.30	5.02	1,720,570,037.03
Including: Normal risk portfolio	1,593,423,950.62	68.74	90,949,293.62	5.71	1,502,474,657.00
Low risk portfolio	218,117,254.71	9.41	21,874.68	0.01	218,095,380.03
Total	**2,317,975,200.75**	**100.00**	**215,971,991.58**	**9.32**	**2,102,003,209.17**

3) Other receivables for which bad debt provision was made on an individual basis at the end of the year

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrued on the basis of expected recovery risk
Guangxi **** Co., Ltd.	341,860,000.00	52,860,000.00	15.46	Provision is made based on the amount expected to be recovered within the period agreed in the asset transfer agreement
Guangxi **** Management Co., Ltd.	4,342,255,655.61	67,370,389.45	1.55	Individual cash flow test
Guangxi **** Investment Co., Ltd.	5,280,800.00	107.06	0.00	Expected to be recovered in the first quarter of 2023
Guangxi **** Consulting Co., Ltd.	1,380,608,335.00	35,696,042.88	2.59	Individual cash flow test
Guangxi **** Management Co., Ltd.	820,387.86	820,387.84	100.00	Not expected to be recovered
Guilin **** Co., Ltd.	13,202,211.76	13,202,211.76	100.00	The company is unable to pay the outstanding amount
Sporadic customers	5,101,919.06	5,101,919.06	100.00	Not expected to be recovered
Liujiang **** Co., Ltd.	16,000,000.00	12,332,790.37	77.08	Accrued on the basis of expected recovery risk
**** Project	100,000,000.00	100,000,000.00	100.00	Not expected to be recovered
Nanning Branch of China **** Co., Ltd.	360,000.00			The money was returned in January 2023
Guangxi ** Construction Group Co., Ltd. Nanning Branch	817,174.48	817,174.48	100.00	Aged over 5 years, low probability of recovery
Guangxi Nanning ** Electronic Technology Co., Ltd.	353,250.00	353,250.00	100.00	Aged over 5 years, low probability of recovery
** Group Co., Ltd.	200,000.00	200,000.00	100.00	Aged over 5 years, low probability of recovery
Shenzhen *** Decoration Design Engineering Co., Ltd.	161,314.47	161,314.47	100.00	Aged over 5 years, low probability of recovery
Guangxi Guilin Petroleum Branch of China ** Co., Ltd.	140,000.00	140,000.00	100.00	Aged over 5 years, low probability of recovery
Total	**6,207,161,048.24**	**289,055,587.37**	—	—

4) Disclosure of other receivables by nature

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Related party transactions	979,450,714.16	52,864,963.10	926,585,751.06
Collection and payment on behalf of others	26,523,983.80	18,550,498.94	7,973,484.86
Quality guarantee, deposit, and security deposit	93,288,088.53	1,725,260.43	91,562,828.10
Third-party transactions	8,396,774,988.05	369,068,592.13	8,027,706,395.92
Withholding and payment on behalf of others			
Handling fees to be refunded on an accrual basis	8,867,326.40		8,867,326.40
VAT on unearned premiums	1,726,458.10		1,726,458.10
Others	29,108,440.57	7,850,274.93	21,258,165.64
Total	**9,535,739,999.61**	**450,059,589.53**	**9,085,680,410.08**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Related party transactions	83,593,503.94		83,593,503.94
Collection and payment on behalf of others	28,575,007.03	7,180.66	28,567,826.37
Quality guarantee, deposit, and security deposit	39,873,776.59	1,265,847.58	38,607,929.01
Third-party transactions	2,149,626,304.75	214,404,279.85	1,935,222,024.90
Withholding and payment on behalf of others	10,495.99		10,495.99
Handling fees to be refunded on an accrual basis	10,884,130.84		10,884,130.84
VAT on unearned premiums	157,469.45		157,469.45
Others	5,254,512.16	294,683.49	4,959,828.67
Total	**2,317,975,200.75**	**215,971,991.58**	**2,102,003,209.17**

5) Provision for bad debts on other receivables accrued, recovered or reversed during the period

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		201,949,391.96	14,022,599.62	215,971,991.58
Accrual for the period		234,358,448.18		234,358,448.18
Reversal for the period		270,850.23		270,850.23
Charge-offs for the period				
Write-offs for the period				
Other changes				
Closing balance		**436,036,989.91**	**14,022,599.62**	**450,059,589.53**

6) The change in the book balance of other receivables is as follows:

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		2,303,952,601.13	14,022,599.62	2,317,975,200.75
Accrual for the period		16,472,602,792.03		16,472,602,792.03
Reversal for the period		9,252,353,058.01		9,252,353,058.01
Charge-offs for the period		-2,484,935.16		-2,484,935.16
Write-offs for the period				

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Other changes				
Closing balance		**9,521,717,399.99**	**14,022,599.62**	9,535,739,999.61

7) Provision for bad debts on other receivables recovered or reversed

Name of debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before recovery or reversal	Reason and method for reversal or recovery
**Bank Co., Ltd. Nanning Branch	6,250,000.00	102,713.16	The amount has been fully recovered
Zheng **	115,996.71	1,906.30	Expiration of housing lease and recovery of rent deposit
Guangxi ** Exchange Co., Ltd.	500,000.00	8,217.05	Recovery of receivables
Guangxi ** Tendering Center Co., Ltd.	30,000.00	493.03	Refund of bid deposit received
Guangxi ** Tendering Co., Ltd.	30,000.00	493.02	Returned deposit received
China *** Development and Investment Group Co., Ltd. Corporate Annuity Plan Entrusted Property	21,874.68	21,874.68	Recovered in full
Guangxi ** High Speed Technology Co., Ltd.	301.02	111.81	Partially recovered
Beijing ** Property Management Services Co., Ltd. Shenzhen Branch	217.83	217.83	All payments have been recovered
Guangxi ** Nanning Petroleum Co., Ltd.	1,746.02	229.71	Partially recovered
Beijing ** Property Management Services Co., Ltd. Shenzhen Branch	566.56	566.56	All payments have been recovered
** International Finance Leasing (Tianjin) Co., Ltd.	10,189.15	10,189.15	All payments have been recovered
Guangxi ** Nanning Petroleum Co., Ltd.	222.17	204.16	Partially recovered
** Leasing Co., Ltd.	123,255.79	123,255.79	All payments have been recovered
Zou **	1,774.88	377.98	Partially recovered
Total	**7,086,144.81**	**270,850.23**	——

8) Other receivables of the top five closing balances, grouped by party in arrears

Name of debtor	Nature of payment	Book balance	Aging	As a percentage of the total closing balance of other receivables (%)	Bad debt provision
Guangxi **** Management Co., Ltd.	Current payments	4,445,255,655.61	Within 1 year	46.62	67,370,389.43
Guangxi Nanning **** Co., Ltd.	Debt payment	3,200,455,163.86	Within 1 year	33.56	65,603,598.29
Guangxi **** Asset Management Co., Ltd.	Current payments	348,000,000.00	Within 1 year	3.65	5,678,513.76
Guangxi *** Management Co., Ltd.	Asset transfer receivables	341,860,000.00	2-3 years	3.59	52,860,000.00
Guangxi **** Group Co., Ltd.	Related party transactions	150,000,000.00	Within 1 year	1.57	
Total	——	**8,485,570,819.47**	——	**88.99**	**191,512,501.49**

9) Receivables involving government grants

Entity name	Subsidy item	Closing balance	Aging	Expected collection		
				Time	Amount	Basis
Guangxi local finance department	"Guihui loan" financial interest subsidies	1,850,972.22	Within 1 year (including 1 year)	2023	1,850,972.22	Policies related to "Guihui loan" financial interest subsidies
Guangxi local taxation department	Handling fees and taxes to be refunded, withholding and payment on behalf of others	8,867,326.40	0-4 years (including 4 years)	2022	8,867,326.40	"Notice on Further Strengthening the Management of Withholding and Collection of Taxes and Handling Fees on Behalf of Others" (CaiHang [2019] No. 11) issued by the Ministry of Finance, the State Taxation Administration, and The People's Bank of China
Nanning Economic and Technological Development Zone Management Committee	Business Development Incentives	11,920,603.77	1-2 years	December 29th, 2022		Letter on the allocation of economic development contribution incentives for 2021
Nanning High-tech Industrial Development Zone Finance Bureau	Business Development Incentives	1,515,200.00	Within 1 year	December 29th, 2022		Reply Letter from the Finance Bureau on the "Letter on the Application for Confirmation of the Amount of 2021 Annual Enterprise Development Incentives for Guangxi SME Venture Capital Co., Ltd. And Affiliated Companies"
Total	**—**	**24,154,102.39**	**—**	**—**	**10,718,298.62**	**—**

11. △Buying back the sale of financial assets

Item	Closing balance	Opening balance
Securities	101,229,870.00	31,101,891.00
Total book value	**101,229,870.00**	**31,101,891.00**

12. Inventories

Item	Closing balance		
	Book balance	Provision for decline in value/Provision for impairment of contract performance costs	Book value
Goods in stock	2,456,657.36		2,456,657.36
Contract performance costs	4,272,472.28		4,272,472.28
Total	**6,729,129.64**		**6,729,129.64**

(Continued)

Item	Opening balance		
	Book balance	Provision for decline in value/Provision for impairment of contract performance costs	Book value
Goods in stock	20,686,761.03		20,686,761.03
Contract performance costs	2,999,114.70		2,999,114.70
Total	**23,685,875.73**		**23,685,875.73**

13. ☆Contract assets

(1) Details of contract assets

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Others	9,420,571.06		9,420,571.06
Payment for work recognized based on project completion progress			
Total	**9,420,571.06**		**9,420,571.06**

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Others			
Payment for work recognized based on project completion progress	97,309,971.89		97,309,971.89
Total	**97,309,971.89**		**97,309,971.89**

14. Assets held for sale

Item	Closing book value	Closing fair value
Assets held for sale - passenger vehicles	1,112,685.53	1,112,685.53
Assets held for sale - commercial vehicles	70,999,489.76	70,999,489.76
Total	**72,112,175.29**	**72,112,175.29**

15. Non-current assets due within one year

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Non-principal-protected wealth management items with maturity within one year	60,000,000.00		60,000,000.00
Long-term receivables due within one year	3,425,459,644.60	145,146,829.16	3,280,312,815.44
Entrusted loans due within one year	69,411,566.67	1,191,694.98	68,219,871.69
Debt investments due within one year	4,039,183,060.00	8,595,897.71	4,030,587,162.29
Total	**7,594,054,271.27**	**154,934,421.85**	**7,439,119,849.42**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Non-principal-protected wealth management items with maturity within one year			
Long-term receivables due within one year	2,535,980,623.39	388,755,636.95	2,147,224,986.44
Entrusted loans due within one year	131,800,000.00	2,261,250.82	129,538,749.18
Debt investments due within one year	220,000,000.00	3,529,078.25	216,470,921.75
Total	**2,887,780,623.39**	**394,545,966.02**	**2,493,234,657.37**

16. Other current assets

Item	Closing balance	Opening balance
Input tax to be deducted	13,678,945.37	48,170,453.84
Prepaid tax	9,734,933.43	13,104,064.85
Refundable deposits	1,559,692,752.54	1,820,276,092.50
Input tax pending certification and securities liquidation payments	14,620,561.35	10,651,090.81
Entrusted loans	98,395,873.51	97,411,914.78
Compensation receivable	669,607,980.40	697,510,169.74
Output tax offset by conversion of business tax to VAT on loan interest		85,803.82
Total	**2,365,731,046.60**	**2,687,209,590.34**

17. Loans and advances granted

(1) Distribution by individuals and corporate

Item	Closing balance	Opening balance
Personal loans and advances	57,131,896.39	23,195,401.16
Housing mortgages	32,194,287.48	
Others	24,937,608.91	23,195,401.16
Corporate loans and advances	2,636,883,090.07	11,484,661,910.34
Loans	2,636,883,090.07	11,484,661,910.34
Total loans and advances	2,694,014,986.46	11,507,857,311.50
Less: Loan loss provision	270,796,605.25	406,318,623.19
Including: Individual provision	179,123,639.52	
Portfolio provision	91,672,965.72	406,318,623.19
Book value of loans and advances	2,423,218,381.21	11,101,538,688.31

(2) Distribution by industry

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
Agriculture, animal husbandry and fishery	57,691,051.59	2.14	873,613,160.00	7.59
Mining industry	92,128,333.33	3.42	599,300,000.00	5.21
Real estate industry	481,079,394.82	17.86	621,438,262.57	5.40
Construction	527,620,083.33	19.58	1,964,462,270.61	17.07
Finance and insurance industry	135,128,333.33	5.02	100,000,000.00	0.87
Services	219,070,000.00	8.13	422,770,000.00	3.67
Transportation	49,000,000.00	1.82	647,924,904.99	5.63
Catering			294,820,000.00	2.56
Manufacturing	179,522,131.94	6.66	641,650,000.00	5.58
Commerce	312,612,498.98	11.60		
Personal consumption	57,131,896.39	2.12	23,195,401.16	0.20
Wholesale and retail	389,657,637.75	14.46	4,464,808,210.81	38.80
Electricity, gas and water production and supply industry	13,053,625.00	0.48	20,000,000.00	0.17
Other industries	180,320,000.00	6.69	833,875,101.36	7.25
Total loans and advances	**2,694,014,986.46**	**100.00**	**11,507,857,311.50**	**100.00**
Less: Loan loss provision	**270,796,605.25**	**——**	**406,318,623.19**	**——**
Including: Individual provision	179,123,639.52	——		——
Portfolio provision	91,672,965.72	——	406,318,623.19	——
Book value of loans and advances	**2,423,218,381.21**	**——**	**11,101,538,688.31**	**——**

(3) Distribution by region

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
South China			1,306,599,498.66	11.35
Guangxi	2,694,014,986.46	100.00	10,201,257,812.84	88.65
Total loans and advances	**2,694,014,986.46**	**100.00**	**11,507,857,311.50**	**100.00**
Less: Loan loss provision	**270,796,605.25**	**——**	**406,318,623.19**	**——**
Including: Individual provision	179,123,639.52	——		——
Portfolio provision	91,672,965.72	——	406,318,623.19	——
Book value of loans and advances	**2,423,218,381.21**	**——**	**11,101,538,688.31**	**——**

(4) Distribution by the way of guarantee

Item	Closing balance	Opening balance
Credit loans	24,437,608.91	57,647,687.20
Guaranteed Loans	760,693,693.02	1,897,370,629.03
Loans with collateral	1,908,883,684.53	9,552,838,995.27
Including: Mortgage loans	1,710,133,684.53	8,798,051,246.98
Pledge Loans	198,750,000.00	754,787,748.29
Total loans and advances	**2,694,014,986.46**	**11,507,857,311.50**
Less: Loan loss provision	270,796,605.25	406,318,623.19
Including: Individual provision	179,123,639.52	
Portfolio provision	91,672,965.72	406,318,623.19
Book value of loans and advances	**2,423,218,381.21**	**11,101,538,688.31**

(5) Loan loss provision

Item	Amount in current year		Amount in prior year	
	Individual	Portfolio	Individual	Portfolio
Opening balance		406,318,623.19		402,424,573.31
Accrual for the period	179,123,639.52	4,944,908.24		3,894,049.88
Transfer-out during the period				
Write-off during the period				
Reversal during the period		319,590,565.71		
Closing balance	**179,123,639.52**	**91,672,965.72**		**406,318,623.19**

18. ☆Debt investments

(1) Details of debt investments

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Debt asset packages	9,787,374,022.02	2,459,279,300.74	7,328,094,721.28
Debt plans	2,500,000,000.00		2,500,000,000.00
Corporate debt	1,099,304,487.83	8,008,835.02	1,091,295,652.81
Others	480,675,099.43	64,463,128.67	416,211,970.76
Total	**13,867,353,609.28**	**2,531,751,264.43**	**11,335,602,344.85**

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Debt asset packages	15,326,122,182.40	4,783,411,884.27	10,542,710,298.13
Debt plans	200,000,000.00		200,000,000.00
Corporate debt	5,236,497,977.90	23,673,701.73	5,212,824,276.17
Others	1,741,624,907.47	99,767,996.68	1,641,856,910.79
Total	**22,504,245,067.77**	**4,906,853,582.68**	**17,597,391,485.09**

(2) Significant debt investments at the end of the period

Bond item	Par value	Maturity date
Western Trust ** Fund Trust	2,500,000,000.00	1/10/2024
Guangxi ** Group ** Debt	300,000,000.00	2/1/2023
Guangxi ** Energy Investment Development Group Co., Ltd.	199,990,000.00	9/1/2024
Qinzhou ** New Town Investment Group Co., Ltd.	170,708,000.00	12/31/2024
Guangxi ** Capital Operation Group Co., Ltd.	166,053,327.91	5/23/2022
Total	**3,336,751,327.91**	**— —**

19. Long-term receivables

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	9,221,180,362.77	219,702,646.87	9,001,477,715.90
Including: Unrealized financing gain	-1,075,040,405.50		-1,075,040,405.50
Debt transfer receivables	951,993,975.24	17,417,731.00	934,576,244.24
Foreign borrowings	2,037,589,264.93	87,769,882.72	1,949,819,382.21
Total	**12,210,763,602.94**	**324,890,260.59**	**11,885,873,342.35**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	8,610,899,770.89	230,493,398.62	8,380,406,372.27
Including: Unrealized financing gain	-956,550,212.27		-956,550,212.27
Debt transfer receivables			
Foreign borrowings	2,406,004,264.93	74,564,334.19	2,331,439,930.74
Total	**11,016,904,035.82**	**305,057,732.81**	**10,711,846,303.01**

20. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Investments in associates	5,208,060,285.87	1,571,064,671.47	992,341,569.27	5,786,783,388.07
Subtotal	**5,208,060,285.87**	**1,571,064,671.47**	**992,341,569.27**	**5,786,783,388.07**
Less: Provision for impairment of long-term equity investments	8,500,000.00			8,500,000.00
Total	**5,199,560,285.87**	**1,571,064,671.47**	**992,341,569.27**	**5,778,283,388.07**

(2) Details of long-term equity investments

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of impairment provision
			Added investment	Reduced investment	Gains or losses on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Total	**4,374,766,496.89**	**5,208,060,285.87**	**997,145,875.19**	**850,560,142.93**	**573,777,491.33**		**141,304.95**	**141,781,426.34**			**5,786,783,388.07**	**8,500,000.00**
I. Associates	**4,374,766,496.89**	**5,208,060,285.87**	**997,145,875.19**	**850,560,142.93**	**573,777,491.33**		**141,304.95**	**141,781,426.34**			**5,786,783,388.07**	**8,500,000.00**
Financial Open Portal (Guangxi) Cross-border Financial Digital Co., Ltd.	1,960,000.00	729,479.37			-729,479.37							
Guangxi Yuanchen Hakka Cultural City Investment Co., Ltd.		24,257,368.70		24,257,368.70								
Guangxi Water & Power Design Institute Co., Ltd.		371,580,203.40	381,392,200.00	812,536,935.17	59,564,531.77							
Guangxi Guoxin Investment Development Co., Ltd.	5,000,000.00	5,000,000.00									5,000,000.00	
Fangchenggang Bianhe District Trade and Investment Co., Ltd.	12,600,000.00	12,600,000.00			-4,531,226.12						8,068,773.88	
Guangxi Liuhe Investment Co., Ltd.	6,667,000.00											
Beibu Gulf Wealth Management Co., Ltd.		10,517,739.06		10,517,739.06								
Guangxi Gold Investment Co., Ltd.	6,000,000.00	7,187,239.07			-497,817.80						6,689,421.27	
Beibu Gulf Equity Exchange Group Co., Ltd.	11,747,459.95	15,309,572.78			4,186,908.62			749,200.00			18,747,281.40	
Guangxi Beibu Gulf Bank Co., Ltd.	3,415,588,613.90	4,429,521,865.55			463,085,199.20			125,770,500.00			4,766,836,564.75	
Guangxi Direct Enterprise Credit Guarantee Co., Ltd.	105,000,000.00		105,000,000.00								105,000,000.00	
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.	1,050,000.00	10,180,242.35			-229,103.37						9,951,138.98	
Guangxi Luhai New Channel Equity Investment Management Center (Limited Partnership)	2,475,000.00	6,059,018.02			-3,516,049.34						2,542,968.68	
Guangxi Guofu Innovation Equity Investment Fund Management Co., Ltd.	1,437,957.00	7,166,177.10			5,945,949.05			2,761,726.34			10,350,399.81	
Guangtou Huili (Shanghai) Investment Management Co., Ltd.	8,570,000.00	6,599,088.28			-3,597,476.97						3,001,611.31	
Guangxi Union Asset Management Co., Ltd.	276,034,227.02	280,716,908.88			13,754,130.61			12,500,000.00			281,971,039.49	
Guangxi Guofu Rongtong Equity Investment Fund Management Co., Ltd.	6,489,367.37	8,887,283.31			4,686,450.19						13,573,733.50	
Guangxi Jintou Environmental Technology Co., Ltd.	20,466,871.65		25,573,675.19		2,382,599.54		141,304.95				28,097,579.68	
Guangxi Guangtou Zhanxin Investment Fund Partnership (Limited Partnership)	190,000,000.00		190,000,000.00		32,898,626.00						222,898,626.00	
Guangxi Guangtou Zhanxin No.2 Investment Partnership (Limited Partnership)	198,940,000.00		198,940,000.00		384,661.82						199,324,661.82	
Guangxi Guangtou Zhanxin No.3 Investment Partnership (Limited Partnership)	94,240,000.00		94,240,000.00		-90,622.92						94,149,377.08	
Guilin Haomiao Tourism Investment Co., Ltd.	8,500,000.00	8,500,000.00									8,500,000.00	8,500,000.00
Guangxi Guangtou Jiefei Technology Co., Ltd.	2,000,000.00		2,000,000.00		80,210.42						2,080,210.42	
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)		1,000,000.00		1,000,000.00								
Chongzuo Jintou Environment Xinzhai Water Co., Ltd.		2,248,100.00		2,248,100.00								

21. ☆Investments in other equity instruments

(1) Details of investments in other equity instruments

Item	Closing balance	Opening balance
Village bank shares		48,983,131.50
Partnership shares	1,230,827,667.20	1,481,954,020.18
Asset acquisition projects	3,169,939,644.00	3,600,000,000.00
Other equity investments	4,651,369,743.48	1,792,895,429.59
Total	**9,052,137,054.68**	**6,923,832,581.27**

(2) Significant other equity instruments at the end of the period

Item	Dividend income recognized during the period	Accumulated gains	Accumulated losses	Amount transferred from other comprehensive income to retained earnings	Reasons for designation as at fair value through other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Sealand Securities	6,830,864.17	154,708,280.80			The business model of the enterprise to manage the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset.	
Shares of Liuzhou Chemical Industry Co., Ltd.			5,146,860.60		The business model to manage the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset.	
Total	**6,830,864.17**	**154,708,280.80**	**5,146,860.60**		—	—

22. ☆Other non-current financial assets

Item	Closing fair value	Opening fair value
ABS Subordinated Income Rights	230,044,051.20	117,000,000.00
Partnership shares	2,905,461,933.07	1,993,214,266.86
Equity investments	3,807,161,083.02	5,429,910,412.20
Others	253,946,208.19	233,398,825.28
Total	**7,196,613,275.48**	**7,773,523,504.34**

23. Investment properties

(1) Measurement at fair value

Item	Opening fair value	Increase in current year			Decrease in current year		Closing fair value
		Acquisition	Transfer from self-use properties or inventories	Gains or losses on changes in fair value	Disposal	Conversion to self-use properties	
I. Total cost	**18,196,224,436.09**	**13,103,280,603.69**	**157,895,094.68**				**31,457,400,134.46**
Including: Houses and buildings	596,500,287.09	558,252,303.69	157,895,094.68				1,312,647,685.46
Land use rights	17,599,724,149.00	12,545,028,300.00					30,144,752,449.00
II. Total changes in fair value	**652,404,914.91**			**286,140,986.63**			**938,545,901.54**
Including: Houses and buildings	-247,870,936.09			286,140,986.63			38,270,050.54
Land use rights	900,275,851.00						900,275,851.00
III. Total book value of investment properties	**18,848,629,351.00**	**13,103,280,603.69**	**157,895,094.68**	**286,140,986.63**			**32,395,946,036.00**
Including: Houses and buildings	348,629,351.00	558,252,303.69	157,895,094.68	286,140,986.63			1,350,917,736.00
Land use rights	18,500,000,000.00	12,545,028,300.00					31,045,028,300.00

24. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	96,775,662.31	246,093,621.29
Liquidation of fixed assets		14,150.94
Total	**96,775,662.31**	**246,107,772.23**

(1) Details of fixed assets

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Total original book value	**458,329,615.96**	**138,609,245.13**	**326,930,621.34**	**270,008,239.75**
Including: Houses and buildings	279,161,668.76	50,117,945.79	282,608,619.23	46,670,995.32
Machinery equipment	4,968,766.22	2,761,743.30	3,862,180.86	3,868,328.66
Transportation equipment	59,653,251.45	1,019,504.28	3,132,321.94	57,540,433.79
Electronic equipment	84,628,443.30	8,993,396.13	14,545,456.53	79,076,382.90
Office equipment	22,091,512.48	1,726,865.88	8,521,851.13	15,296,527.23
Others	7,825,973.75	73,989,789.75	14,260,191.65	67,555,571.85
II. Total accumulated depreciation	**212,235,994.67**	**71,563,868.70**	**110,567,285.93**	**173,232,577.44**
Including: Houses and buildings	66,842,867.96	27,175,949.22	76,411,754.03	17,607,063.15
Machinery equipment	2,036,382.80	2,065,329.91	1,890,417.02	2,211,295.69
Transportation equipment	49,917,179.29	3,070,698.53	2,084,687.00	50,903,190.82
Electronic equipment	69,329,968.82	7,506,926.42	13,607,413.36	63,229,481.88
Office equipment	18,326,007.24	2,304,124.59	7,618,854.66	13,011,277.17
Others	5,783,588.56	29,440,840.03	8,954,159.86	26,270,268.73
III. Total net book value of fixed assets	**246,093,621.29**	**— —**	**——**	**96,775,662.31**
Including: Houses and buildings	212,318,800.80	— —	——	29,063,932.17
Machinery equipment	2,932,383.42	— —	——	1,657,032.97
Transportation equipment	9,736,072.16	— —	——	6,637,242.97
Electronic equipment	15,298,474.48	— —	——	15,846,901.02
Office equipment	3,765,505.24	— —	——	2,285,250.06
Others	2,042,385.19	— —	——	41,285,303.12
IV. Total provision for impairment				
Including: Houses and buildings				
Machinery equipment				
Transportation equipment				
Electronic equipment				
Office equipment				
Others				
V. Total book value of fixed assets	**246,093,621.29**	**— —**	**——**	**96,775,662.31**
Including: Houses and buildings	212,318,800.80	— —	——	29,063,932.17
Machinery equipment	2,932,383.42	— —	——	1,657,032.97
Transportation equipment	9,736,072.16	— —	——	6,637,242.97
Electronic equipment	15,298,474.48	— —	——	15,846,901.02
Office equipment	3,765,505.24	— —	——	2,285,250.06
Others	2,042,385.19	— —	——	41,285,303.12

(2) Liquidation of fixed assets

Item	Closing book value	Opening book value	Reasons for liquidation
Fixed asset disposal appraisal fee		14,150.94	Disposal of fixed assets
Total		**14,150.94**	

25. Construction in progress

(1) Summary of construction in progress

Item	Closing balance	Opening balance
Construction in progress	776,906.00	147,372,834.85
Total	**776,906.00**	**147,372,834.85**

(2) Details of construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Chongzuo PPP project sewage treatment plant				147,372,834.85		147,372,834.85
Others	776,906.00		776,906.00			
Total	**776,906.00**		**776,906.00**	**147,372,834.85**		**147,372,834.85**

(3) Statement of changes in major construction in progress during the period

Item	Budget	Opening balance	Increase in current year	Amount transferred to fixed assets during the year	Other decreases in current year	Closing balance	Percentage of cumulative project inputs among budget (%)	Project progress (%)	Accumulated amount of interest capitalized	Including: Amount of interest capitalized during the year	Capitalization rate of interest for the year (%)	Capital source
Chongzuo PPP project sewage treatment plant	210,496,200.00	147,372,834.85			147,372,834.85			95.00	1,313,950.00	1,313,950.00	1.13	Bank loan of RMB 142 million and own funds for the rest
Total	**210,496,200.00**	**147,372,834.85**			**147,372,834.85**		**——**	**——**	**1,313,950.00**	**1,313,950.00**		

26. ☆Right-of-use assets

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Total original book value	**138,104,497.03**	**39,177,090.24**	**27,118,566.16**	**150,163,021.11**
Including: Houses and buildings	138,104,497.03	39,177,090.24	27,118,566.16	150,163,021.11
II. Total accumulated depreciation	**44,375,693.90**	**40,357,039.94**	**13,757,718.45**	**70,975,015.39**
Including: Houses and buildings	44,375,693.90	40,357,039.94	13,757,718.45	70,975,015.39
III. Total net book value of right-of-use assets	**93,728,803.13**	**— —**	**——**	**79,188,005.72**
Including: Houses and buildings	93,728,803.13	— —	——	79,188,005.72
IV. Total provision for impairment				
Including: Houses and buildings				
V. Total book value of right-of-use assets	**93,728,803.13**	**— —**	**——**	**79,188,005.72**
Including: Houses and buildings	93,728,803.13	— —	——	79,188,005.72

27. Intangible assets

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Total original value	**155,631,108.98**	**20,302,219.31**	**130,517.75**	**175,802,810.54**
Including: Software	155,234,525.29	20,302,219.31	27,993.46	175,508,751.14
Patent rights	102,524.29		102,524.29	
Copyright	294,059.40			294,059.40
II. Total accumulated amortization	**76,661,995.89**	**16,886,497.15**	**29,876.88**	**93,518,616.16**
Including: Software	76,621,715.83	16,857,091.15	6,750.32	93,472,056.66
Patent rights	23,126.56		23,126.56	
Copyright	17,153.50	29,406.00		46,559.50
III. Total provision for impairment of intangible assets				
Including: Software				
Patent rights				
Copyright				
IV. Total book value	**78,969,113.09**	**— —**	**——**	**82,284,194.38**
Including: Software	78,612,809.46	— —	——	82,036,694.48
Patent rights	79,397.73	— —	——	
Copyright	276,905.90	— —	——	247,499.90

28. Development expenditure

Item	Opening book balance	Increase in current year		Decrease in current year			Closing book balance
		Internal development expenditure	Others	Recognized as intangible assets	Included in the current profit or loss	Others	
Investment Management System			518,495.60				518,495.60
Total			**518,495.60**				**518,495.60**

29. Goodwill

(1) Original value of goodwill

Name of investee or events forming goodwill	Opening balance	Increase in current year	Decrease in current year	Closing balance
Guangxi Tong Sheng Financial Leasing Co., Ltd.	47,782,734.89			47,782,734.89

Name of investee or events forming goodwill	Opening balance	Increase in current year	Decrease in current year	Closing balance
Guangxi Guangtou Dingxin Guiding Fund Operation Co., Ltd.	282,074.43			282,074.43
Total	**48,064,809.32**			**48,064,809.32**

30. Long-term prepaid expenses

Item	Opening balance	Increase in current year	Amortization in current year	Other decreases	Closing balance	Reasons for other decreases
Contract service fee	19,100,623.59	15,209,679.88	16,477,393.61		17,832,909.86	
Private equity underwriting fee		4,332,416.22	2,433,176.04		1,899,240.18	
Commission fee	766,531.69	130,092,800.25	75,503,016.23		55,356,315.71	
Decoration costs	2,144,295.58	1,105,506.35	1,606,332.53		1,643,469.40	
Rental expenses	12,299,150.47	1,059,716.62	5,184,715.24		8,174,151.85	
Expenditure for leased fixed asset improvement	12,928,491.85	7,218,244.39	7,326,099.90		12,820,636.34	
Others	465,686.53	3,750,000.00	623,512.87		3,592,173.66	
Total	**47,704,779.71**	**162,768,363.71**	**109,154,246.42**		**101,318,897.00**	— —

31. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented by the net amount after offset

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary difference	Deferred tax assets/liabilities	Deductible/taxable temporary difference
I. Deferred tax assets	**788,312,599.49**	**4,715,936,657.31**	**762,002,586.99**	**4,538,307,789.00**
Provision for impairment of assets	15,339,681.56	61,358,726.25	405,016,418.75	2,642,452,314.71
Deductible losses	28,594.62	1,143,784.80	1,708,984.70	7,072,956.90
Employee benefits payable (accrued but not paid)	10,355,890.59	46,803,813.07	9,594,236.05	42,139,116.71
Valuation of trading financial instruments and derivative financial instruments	6,087,922.41	25,142,053.62	65,494,981.79	277,060,031.33
Change in fair value of available-for-sale financial assets recorded in other comprehensive income	772,029.09	5,146,860.60	446,151.47	2,974,343.06
Deferred income	2,955,748.73	19,704,991.48	4,073,777.90	27,158,519.33
Interest payable	53,221,292.71	212,885,170.83	55,179,240.10	211,917,748.64
Operating revenue			35,146.26	234,308.40
Funds for Party building	129,337.66	862,251.07	119,553.45	797,022.95
Changes in fair value of investments in other equity instruments	80,412,332.39	321,649,329.60	31,071,748.91	124,286,995.64
Provision for credit impairment	238,875,860.61	1,556,406,462.68	151,750,350.68	1,010,433,551.36
Others	380,133,909.12	2,464,833,213.31	37,511,996.93	191,780,879.98
II. Deferred tax liabilities	**95,640,275.79**	**507,482,227.20**	**177,889,178.79**	**860,614,768.68**
Valuation of trading financial instruments and derivative financial instruments	948,816.63	6,275,778.09	12,663,307.88	50,657,337.47
Change in fair value of available-for-sale financial assets recorded in other comprehensive income			1,067,885.71	7,119,238.06
Changes in fair value of financial assets recognized in other comprehensive income	30,655,414.55	122,621,658.17	101,390,206.90	405,560,827.60
Changes in fair value of other non-current financial assets	9,786,017.60	39,152,115.23	7,941,993.65	31,772,134.57

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary difference	Deferred tax assets/liabilities	Deductible/taxable temporary difference
Others	54,250,027.01	339,432,675.71	54,825,784.65	365,505,230.98

(2) Details of unrecognized deferred tax assets

Item	Closing balance	Opening balance
Deductible temporary differences	14,827,241.93	45,203,161.04
Deductible losses	4,468,522,385.60	5,021,694,056.83
Total	**4,483,349,627.53**	**5,066,897,217.87**

(3) Deductible losses for which deferred tax assets are not recognized will expire in the following years

Year	Closing balance	Opening balance	Note
2021		553,171,671.23	
2022	1,020,813,626.70	1,020,813,626.70	
2023	1,627,321,270.21	1,627,321,270.21	
2024	1,200,409,663.09	1,200,409,663.09	
2025	619,977,825.60	619,977,825.60	
Total	**4,468,522,385.60**	**5,021,694,056.83**	

32. Other non-current assets

Item	Closing balance	Opening balance
Assets for offsetting debt	1,754,036,648.69	2,267,470,959.31
Prepayment for construction		2,742,451.25
Prepayment for purchase of office building	43,000,000.00	562,229,935.29
Prepayment for acquisitions	737,096,812.86	453,558,161.76
Refundable deposits	934,503,067.89	640,372,000.00
Long-term assets such as uncompleted intangible assets	3,769,371.44	7,455,703.28
Others	114,299,842.33	114,280,173.37
Total	**3,586,705,743.21**	**4,048,109,384.26**

33. Short-term loans

(1) Classification of short-term loans

Item	Closing balance	Opening balance
Pledged loan	2,672,444,134.87	2,190,960,000.00
Mortgage loan		
Guaranteed loan	3,969,939,509.40	3,566,172,531.98
Credit loan	2,051,811,027.79	1,338,800,000.00
Total	**8,694,194,672.06**	**7,095,932,531.98**

34. △Borrowing funds

Loan Unit	Closing balance	Opening balance
Domestic interbank funds	100,000,000.00	200,000,000.00
Total	**100,000,000.00**	**200,000,000.00**

35. Notes payable

Category	Closing balance	Opening balance
Commercial acceptance bills	89,018,333.36	
Bank acceptance bills	365,000,000.00	225,800,000.00
L/C		70,000,000.00
Total	**454,018,333.36**	**295,800,000.00**

36. Accounts payable

(1) Presentation of accounts payable

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	86,266,006.97	1,122,123,426.16
1-2 years	602,858,083.69	2,635,954.28
2-3 years	166,749.93	85,934.65
More than 3 years	310,209.85	239,959.44
Total	**689,601,050.44**	**1,125,085,274.53**

(2) Significant accounts payable aged over 1 year

Name of creditor	Closing balance	Reasons for non-repayment
Administrator of Liuzhou ** Group Co., Ltd.	600,000,000.00	Payment terms not met
Guangxi ** Safety Technology Co., Ltd.	23,521.90	Pending payment of retainage collected or paid through an agency
Shenzhen ** Construction Engineering Co., Ltd.	122,406.27	Pending payment of retainage collected or paid through an agency
** Property & Casualty Insurance Co., Ltd.	137,690.87	Payment terms not met
China **** Property & Casualty Insurance Co., Ltd.	131,795.79	Payment terms not met
China ** Property & Casualty Insurance Co., Ltd.	53,793.61	Payment terms not met
China ** Property & Casualty Insurance Co., Ltd.	110,707.39	Payment terms not met
Qinzhou Central Branch of China ** Property & Casualty Insurance Co., Ltd.	42,593.64	Payment terms not met
Total	**600,622,509.47**	— —

37. ☆Contract liabilities

Item	Closing balance	Opening balance
Debt received in advance	195,743,869.78	156,708,850.00
Guarantee fee received in advance	107,940,956.22	72,747,712.48
Goods payments received in advance	38,470,603.49	9,503,117.50
Service fees received in advance	4,390,920.23	43,189,647.43
Lease fees charged in advance	973,121.88	1,464,245.32
Receipt in advance for construction work		150,000.00
Others	458,746.69	2,007,256.64
Total	**347,978,218.29**	**285,770,829.37**

38. △Sale of repurchased financial assets

Item	Closing balance	Opening balance
Securities	179,999,038.50	90,129,591.30
Total	**179,999,038.50**	**90,129,591.30**

39. Employee benefits payable

(1) Presentation of employee benefits payable

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Short-term remuneration	17,968,102.28	657,663,729.17	663,754,296.40	11,877,535.05
II. Post-employment benefits - defined contribution plan	150,745.12	66,904,086.71	67,051,751.12	3,080.71
III. Dismissal benefit	30,848,405.52	13,471,736.19	35,274,777.65	9,045,364.06
Total	**48,967,252.92**	**738,039,552.07**	**766,080,825.17**	**20,925,979.82**

(2) Short-term remuneration

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Salaries, bonuses, allowances and subsidies	15,379,263.66	547,307,768.77	555,649,965.55	7,037,066.88
II. Employee welfare expenses		19,866,597.23	19,000,253.21	866,344.02
III. Social insurance premiums	66,083.20	31,290,278.00	31,169,640.71	186,720.49
Including: Medical insurance premium	63,501.04	30,338,354.08	30,218,698.38	183,156.74
Work injury insurance premium	2,582.16	675,039.21	677,584.03	37.34
Maternity insurance premium		276,884.71	273,358.30	3,526.41
Others				
IV. Housing provident fund	809,606.33	42,987,862.98	43,743,146.31	54,323.00
V. Trade union expenses and employee education expenses	1,503,438.75	12,985,110.12	10,755,468.21	3,733,080.66
VI. Other short-term remuneration	209,710.34	3,226,112.07	3,435,822.41	
Total	**17,968,102.28**	**657,663,729.17**	**663,754,296.40**	**11,877,535.05**

(3) Post-employment benefits - defined contribution plan

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
I. Basic pension insurance	107,675.79	61,889,467.12	61,994,155.55	2,987.36
II. Unemployment insurance premium	4,511.51	1,924,235.36	1,928,653.52	93.35
III. Enterprise annuity contribution	38,557.82	1,857,304.02	1,895,861.84	
Total	**150,745.12**	**65,671,006.50**	**65,818,670.91**	**3,080.71**

(4) Dismissal benefit

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Dismissal benefit	30,848,405.52	13,471,736.19	35,274,777.65	9,045,364.06
Total	**30,848,405.52**	**13,471,736.19**	**35,274,777.65**	**9,045,364.06**

40. Taxes and dues payable

Item	Opening balance	Payable in current year	Paid in current year	Closing balance
Value added tax	27,370,839.38	232,573,245.53	232,016,023.95	27,928,060.96
Corporate income tax	181,794,568.51	276,380,405.07	307,485,002.27	150,689,971.31
Urban maintenance and construction tax	1,331,368.69	15,372,148.88	14,918,574.39	1,784,943.18
Property tax		9,283,319.88	9,283,319.88	
Land use tax		374,078.35	374,078.35	
Individual income tax	6,286,840.31	31,196,076.15	21,334,064.59	16,148,851.87
Education surcharge (including local)	941,502.79	11,211,042.83	10,864,169.62	1,288,376.00
Water conservancy construction funds (watercourse management fee and flood prevention expense)	541,960.93	799,848.18	1,332,087.24	9,721.87
Land value added tax		950.00		950.00
Stamp duty	6,797,134.60	23,348,902.72	28,881,738.19	1,264,299.13
Vessel and vehicle use tax		131,740.62	131,740.62	
Other taxes	0.01	9,981,490.58	9,806,814.25	174,676.34

Item	Opening balance	Payable in current year	Paid in current year	Closing balance
Total	**225,064,215.22**	**610,653,248.79**	**636,427,613.35**	**199,289,850.66**

41. Other payables

Item	Closing balance	Opening balance
Interest payable	106,582,770.43	486,011,534.39
Dividends payable	168,347,185.78	168,347,185.78
Other payables	15,661,921,059.88	12,532,250,098.50
Total	**15,936,851,016.09**	**13,186,608,818.67**

(1) Interest payable

Item	Closing balance	Opening balance
Interest on long-term loans with interest installments and principal repayment due	69,057,883.64	223,593,598.12
Interest on enterprise bonds	24,730,902.75	220,966,098.89
Interest payable on short-term loans	11,229,083.32	10,092,044.68
Finance lease interest		361,111.10
Interest on sale of repurchased financial assets	171,132.31	27,246.20
Others	1,393,768.41	30,971,435.40
Total	**106,582,770.43**	**486,011,534.39**

(2) Dividends payable

Item	Closing balance	Opening balance
Common shares dividend	168,347,185.78	168,347,185.78
Total	**168,347,185.78**	**168,347,185.78**

(3) Other payables

1) Other payables presented by nature of payment

Item	Closing balance	Opening balance
Third-party transactions	4,698,935,011.60	4,985,626,650.70
Related party transactions and loans	7,917,002,333.63	6,100,135,103.29
Loans	1,540,667,355.11	
Deposit	262,049,953.30	225,133,053.82
Agency collection and payment	22,620,008.42	15,956,170.18
Warranty	334,318,675.60	12,745,605.45
Guarantee	104,569,413.43	83,266,313.96
Others	781,758,308.79	1,109,387,201.10
Total	**15,661,921,059.88**	**12,532,250,098.50**

2) Top five significant other payables aged over 1 year

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
Customer summary account funds	Guangxi Jintou Internet Financial Services Co., Ltd.	87,280,536.23	Within 2 years	Temporary deposit of customer investment
Guangxi ** Logistics Development Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	39,000,000.00	2-3 years	Not settled
Cenxi ** Ceramics Co., Ltd.	Guangxi SME Financing	29,223,664.05	3-4 years	Not settled

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
	Guarantee Co., Ltd.			
Guangxi Wuzhou ** Investment Management Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	25,590,265.97	1-2 years	Not settled
Guangxi ** Investment Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	25,000,000.00	2-3 years	Not settled
Total		**206,094,466.25**		

42. △Handling charges and commissions payable

Item	Closing balance	Opening balance
Insurance	112,882,031.61	48,573,494.02
Total	**112,882,031.61**	**48,573,494.02**

43. △Reinsurance accounts payable

Item	Closing balance	Opening balance
Within 1 year (inclusive)	239,565,763.79	231,629,208.66
More than 1 year	36,082,332.00	83,866,412.20
Total	**275,648,095.79**	**315,495,620.86**

44. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term loans due within one year	7,950,581,899.31	6,174,019,351.70
Bonds payable due within one year	7,248,629,263.31	4,281,765,382.37
Long-term payables due within one year	5,414,234,275.27	2,813,081,469.65
Lease liabilities due within one year	5,361,302.71	10,527,591.91
Total	**20,618,806,740.60**	**13,279,393,795.63**

45. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Output VAT to be transferred	25,336,630.87	18,661,747.16
Deposits received	16,259,358.00	16,745,414.50
Payable claims	7,869,252.93	1,747,207.66
Others	24,026,550.95	1,282.14
Total	**73,491,792.75**	**37,155,651.46**

46. △Insurance contract reserve

(1) Changes in insurance contract reserve

Item	Opening balance	Increase in current year	Decrease in current year				Closing balance
			Payment of compensation	Early cancellation	Others	Total	
Unearned premium reserve	1,976,344,769.12	1,568,322,317.79			1,437,778,605.78	1,437,778,605.78	2,106,888,481.13
Original insurance contract	1,976,344,769.12	1,568,322,317.79			1,437,778,605.78	1,437,778,605.78	2,106,888,481.13
Outstanding claims reserve	3,786,605,299.15	2,950,698,966.45	2,355,565,736.78		369,056,941.44	2,724,622,678.22	4,012,681,587.38
Original insurance contract	3,786,605,299.15	2,950,698,966.45	2,355,565,736.78		369,056,941.44	2,724,622,678.22	4,012,681,587.38
Total	**5,762,950,068.27**	**4,519,021,284.24**	**2,355,565,736.78**		**1,806,835,547.22**	**4,162,401,284.00**	**6,119,570,068.51**

(2) Unexpired term of insurance contract reserve

Item	Closing balance		Opening balance	
	Less than 1 year (inclusive)	More than 1 year	Less than 1 year (inclusive)	More than 1 year
Unearned premium reserve	1,868,345,947.19	238,542,533.95	1,434,978,955.10	541,365,814.03
Original insurance contract	1,868,345,947.19	238,542,533.95	1,434,978,955.10	541,365,814.03
Outstanding claims reserve	3,535,671,360.06	477,010,227.32	1,178,741,762.72	2,607,863,536.42
Original insurance contract	3,535,671,360.06	477,010,227.32	1,178,741,762.72	2,607,863,536.42
Total	**5,404,017,307.25**	**715,552,761.27**	**2,613,720,717.82**	**3,149,229,350.45**

47. Long-term loans

(1) Classification of long-term loans

Item	Closing balance	Opening balance
Pledged loan	1,886,499,418.74	2,047,333,175.02
Guaranteed loan	13,667,283,921.16	13,537,097,924.59
Credit loan	2,329,955,262.22	3,158,162,627.02
Total	**17,883,738,602.12**	**18,742,593,726.63**
Less: Long-term loans due within one year	7,950,581,899.31	6,174,019,351.70
Including: Pledged loan	793,497,529.16	1,163,883,175.02
Guaranteed loan	6,627,084,370.15	2,394,173,549.66
Credit loan	530,000,000.00	2,615,962,627.02
Long-term loans due after one year	**9,933,156,702.81**	**12,568,574,374.93**

48. Bonds payable

(1) Details of bonds payable

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Non-public issuance of domestic corporate bonds	9,922,973,562.12	3,759,638,493.40	6,163,335,068.72
USD Debt	3,488,990,769.91	3,488,990,769.91	
Medium-term notes	2,008,556,336.00		2,008,556,336.00
Total	**15,420,520,668.03**	**7,248,629,263.31**	**8,171,891,404.72**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Non-public issuance of domestic corporate bonds	6,230,877,729.10	3,371,765,382.37	2,859,112,346.73
USD Debt	3,168,744,873.65		3,168,744,873.65
Medium-term notes	910,000,000.00	910,000,000.00	-
Total	**10,309,622,602.75**	**4,281,765,382.37**	**6,027,857,220.38**

49. ☆Lease liabilities

Item	Closing balance	Opening balance
Lease payments	88,250,325.09	103,843,257.33
Less: Unrecognized financing costs	-9,321,148.43	-12,217,568.07
Total	**78,929,176.65**	**91,625,689.26**
Less: Reclassification to non-current liabilities due within one year	5,361,302.71	10,527,591.91
Including: Lease payments	5,851,414.98	10,747,916.14
Unrecognized financing costs	-490,112.27	-220,324.23
Net lease liabilities	**73,567,873.94**	**81,098,097.35**

50. Long-term payables

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Long-term payables	12,842,965,276.74	7,556,149,608.10	11,366,862,648.54	9,032,252,236.30
Special payable	1,502,565,335.82	3,201,859.20	409,259,780.44	1,096,507,414.58
Total	**14,345,530,612.56**	**7,559,351,467.30**	**11,776,122,428.98**	**10,128,759,650.88**

(1) Top five long-term payables with the largest closing balances

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
China ** Asset Management Co., Ltd.	3,382,098,545.50	2,755,000,000.00	627,098,545.50
Guangxi ** Investment Co., Ltd.	2,205,639,978.00	10,600,000.00	2,195,039,978.00
** Bank Co., Ltd.	1,918,423,561.23		1,918,423,561.23
** Securities Co., Ltd.	1,793,740,122.03	859,164,347.55	934,575,774.48
** Financial Leasing Co., Ltd.	820,478,529.75	451,149,471.58	369,329,058.17
Total	**10,120,380,736.51**	**4,075,913,819.13**	**6,044,466,917.38**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
China ** Asset Management Co., Ltd.	4,015,000,000.00	300,000,000.00	3,715,000,000.00
Guangxi ** Investment Co., Ltd.	2,294,800,000.00	90,200,000.00	2,204,600,000.00
** Bank Co., Ltd.	1,900,000,000.00		1,900,000,000.00
** Securities Co., Ltd.	1,385,338,800.00	316,240,483.78	1,069,098,316.22
** Financial Leasing Co., Ltd.			
Total	**9,595,138,800.00**	**706,440,483.78**	**8,888,698,316.22**

(2) Details of special payable

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Guarantee Fund	1,096,507,414.58		1,096,507,414.58
Total	**1,096,507,414.58**		**1,096,507,414.58**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Guarantee Fund	1,502,565,335.82		1,502,565,335.82
Total	**1,502,565,335.82**		**1,502,565,335.82**

(3) Top one special payable with the largest closing balance

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Guarantee Fund	1,502,565,335.82	3,201,859.20	409,259,780.44	1,096,507,414.58
Total	**1,502,565,335.82**	**3,201,859.20**	**409,259,780.44**	**1,096,507,414.58**

51. Long-term employee benefits payable

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Other long-term benefits		20,363,127.55		20,363,127.55
Total		**20,363,127.55**		**20,363,127.55**

52. Deferred income

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Government grants		25,825,896.37		25,825,896.37
Gain on handling charges to be amortized	27,158,519.33	8,490,566.04	15,944,093.89	19,704,991.48
Total	**27,158,519.33**	**34,316,462.41**	**15,944,093.89**	**45,530,887.85**

Government grants:

Category of government grants	Closing book balance		Amount charged to the current profit or loss	Amount returned in current year	Reasons for return
	Amount included in other current liabilities	Amount included in deferred income			
Others		25,825,896.37			
Total		**25,825,896.37**			**—**

53. Other non-current liabilities

Item	Closing balance	Opening balance
Discount income		1,620,676.48
Dealer discount	466,338.02	9,541,286.46
Handling charges		783,538.03
Total	**466,338.02**	**11,945,500.97**

54. Paid-in capital

Name of investor	Opening book balance		Increase in current year	Decrease in current year	Closing book balance	
	Investment amount	Ratio (%)			Investment amount	Ratio (%)
Guangxi Investment Group Co., Ltd.	4,300,000,000.00	100.00	2,841,326,978.50		7,141,326,978.50	71.41
Guangxi Beibu Gulf Investment Group Co., Ltd.			238,222,751.79		238,222,751.79	2.38
Guangxi Communications Investment Group Corporation Ltd.			238,222,751.79		238,222,751.79	2.38
Guangxi Forestry Group Co., Ltd.			19,851,895.98		19,851,895.98	0.20
Guangxi Publishing & Media Group Co., Ltd.			436,741,711.62		436,741,711.62	4.37
Guangxi Automobile Group Co., Ltd.			79,407,583.93		79,407,583.93	0.79
Guangxi Tourism Development Group Co., Ltd.			19,851,895.98		19,851,895.98	0.20
Guangxi Liuzhou Steel Group Co., Ltd.			277,926,543.76		277,926,543.76	2.78
Department of Finance of Guangxi Zhuang Autonomous Region			1,389,632,718.79		1,389,632,718.79	13.90
Guangxi Financing Guarantee Group Co., Ltd.			158,815,167.86		158,815,167.86	1.59
Total	**4,300,000,000.00**	**100.00**	**5,700,000,000.00**		**10,000,000,000.00**	**100.00**

Note: The changes in paid-in capital during the period were as follows:

(1) On March 29th, 2022, the Group received the *Reply from the State-owned Assets Supervision and Administration Commission of the Autonomous Region on Approving Guangxi Financial Investment Group Co., Ltd. to Increase Capital and Expand Shares through the Non-Public Agreement* (GGZF [2022] No.37) issued by the State-owned Assets Supervision and Administration Commission of Guangxi Zhuang Autonomous Region People's Government, agreeing that Guangxi Financial Investment Group Co., Ltd. (hereinafter referred to as the "Financial Investment Group") to introduce the capital increase and share expansion plans by means of the non-public agreement involving the Department of Finance of Guangxi Zhuang Autonomous Region, Guangxi Liuzhou Steel Group Co., Ltd., Guangxi Beibu Gulf Investment Group Co., Ltd., Guangxi Communications Investment Group Corporation Ltd., Guangxi Forestry Group Co., Ltd., Guangxi Tourism Development Group Co., Ltd., Guangxi Automobile Group Co., Ltd., Guangxi Publishing & Media Group Co., Ltd., and Guangxi Financing Guarantee Group Co., Ltd. After the capital increase, the registered capital of the Financial Investment Group increased from RMB 4.3 billion to RMB 10 billion.

(2) The capital increase had been audited by Guangxi Fangzhong Certified Public Accountants Firm Co., Ltd., and the capital verification report FZNY [2022] No.2 was issued on March 30th, 2022. As of March 29th, 2022, the accumulated registered capital after the change was RMB 10,000,000,000.00 and the paid-in capital was RMB 10,000,000,000.00.

55. Capital reserve

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Capital (or equity) premium				
Other capital reserve	18,532,975,776.70	802,803,325.60	812,536,935.17	18,523,242,167.13
Total	**18,532,975,776.70**	**802,803,325.60**	**812,536,935.17**	**18,523,242,167.13**
Including: State-owned exclusive capital reserve				

Note: The changes in capital reserve during the period were as follows:

(1) According to the *Resolution of the Sixteenth Meeting of the Board of Directors of Guangxi Investment Group Co., Ltd. in 2022*, GTDJ [2022] No.16, and the *Resolution of the Twenty-eighth Off-site Meeting of the Board of Directors of Guangxi Financial Investment Group Co. Ltd. in 2022,* JTDJ [2022] No.36, 100% equity interest held by them in Guangxi Water & Power Design Institute Co., Ltd. was transferred to Guangxi Water Resources Development Group Co., Ltd. without compensation. After the gratuitous transfer, the capital reserve was reduced by RMB 812,536,935.17.

(2) According to the resolution of the first meeting of the first session of the shareholders' meeting of Guangxi Tong Sheng Financial Leasing Co., Ltd. in 2022, it was agreed that Guangxi Investment Group Financial Holding Co., Ltd. increased capital by RMB 500 million, and the difference between its capital contribution and the net assets of Guangxi Tong Sheng Financial Leasing Co., Ltd. it held in proportion to its share increased capital reserve by RMB 437,280.52 at the consolidated level.

(3) The increase of capital reserve by RMB 721,982,782.84 in 2022 was due to the direct financial investment.

(4) The increase of capital reserve by RMB 77,779,796.64 was from associates in proportion to the shareholding.

(5) The increase of capital reserve by RMB 2,603,465.60 was from the guarantee cooperation fund.

56. Other comprehensive income

Item	Opening balance	Amount in current period					Closing balance
		Amount before income tax for the period	Less: Transfer to profit or loss or retained earnings in the period previously charged to other comprehensive income	Less: Income tax expense	Attributable to the parent company after tax	Attributable to non-controlling interests after tax	
Changes in fair value of investments in other equity instruments	3,001,586.86	-450,782,142.40		-54,324,380.75	-393,456,174.78		-393,456,174.78
Total	**3,001,586.86**	**-450,782,142.40**		**-54,324,380.75**	**-393,456,174.78**		**-393,456,174.78**

57. Surplus reserve

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance	Reason and basis for change
Statutory surplus reserve	68,789,379.09			68,789,379.09	Accrued at 10% of net profit
Total	**68,789,379.09**	-	-	**68,789,379.09**	

58. △General risk reserve

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
General risk reserve	1,141,643,001.93	49,588,070.65		1,191,231,072.58
Total	**1,141,643,001.93**	**49,588,070.65**		**1,191,231,072.58**

59. Undistributed profit

Item	Amount in current year	Amount in prior year
Closing balance in prior year	-4,807,564,075.56	1,350,103,258.89
Add: Changes in accounting policies		-6,244,481,092.34
Opening balance in current year	-4,807,564,075.56	-4,894,377,833.45
Increase in current year	246,468,012.08	123,225,167.92
Including: Transfer to net profit for the year	246,468,012.08	123,225,167.92
Decrease in current year	48,089,763.74	36,411,410.03
Including: Withdrawal of surplus reserves during the year		
General risk reserve accrued in this year	48,089,763.74	36,411,410.03
Closing balance in current year	-4,609,185,827.22	-4,807,564,075.56

60. Operating income and operating cost

Item	Incurred during the year		Incurred during the prior year	
	Income	Cost	Income	Cost
1. Subtotal of main operations	**1,309,863,141.60**	**960,451,110.67**	**1,954,021,783.04**	**1,772,639,136.66**
Insurance business income		275,021,799.00		239,995,192.20
Interest income from non-loan operations	467,489,431.13	145,875,216.78	244,770,609.72	220,640,959.39
Income from trading operations	539,339,356.82	527,519,153.43	886,110,461.13	867,577,035.84
Design fee income			108,857,572.80	70,373,581.07
General contracting income from hydropower projects			404,677,309.11	362,475,596.86
Others	303,034,353.65	12,034,941.46	309,605,830.28	11,576,771.30
2. Subtotal of other operations	**56,190,217.17**	**78,296,635.89**	**85,340,710.93**	**58,301,481.89**
Operating lease income	7,550,612.61	354,734.15	72,136.48	
Income from entrusted loans	17,879,055.76	32,617,632.12	29,800,839.72	3,069,840.04
Service fee income			5,234,534.32	
Consulting income	11,871,800.70	315,000.00	2,079,207.92	1,995,000.00
Interest on subordinated debt		38,602,731.93		
Others	18,888,748.10	6,406,537.69	48,153,992.49	53,236,641.85
Total	**1,366,053,358.77**	**1,038,747,746.56**	**2,039,362,493.97**	**1,830,940,618.55**

Note: Income from insurance business is shown under "Insurance premium earned", please refer to 62. △Insurance premium earned.

61. △Net interest income

Item	Incurred during the year	Incurred during the prior year
Interest income	**1,523,462,645.49**	**1,809,248,622.00**
− Due from banks	4,721,260.35	3,374,069.28
-Loans and advances granted	726,539,038.46	809,683,623.63
Including: Loans and advances to individuals	4,106,477.63	17,002,632.46
Loans and advances to companies	722,432,560.83	792,680,991.17
− Others	792,202,346.68	996,190,929.09
Interest expenses	**3,601,716,572.75**	**3,917,461,384.94**
− Interbank placement	127,914,194.16	157,015,266.98
− Borrowings from banks and other financial institutions	25,633,095.46	32,387,701.39
− Others	3,448,169,283.13	3,728,058,416.57
Net interest income	**-2,078,253,927.26**	**-2,108,212,762.94**

62. △Insurance premium earned

Item	Incurred during the year	Incurred during the prior year
Premium income	4,278,063,773.83	4,310,402,840.09
Total	**4,278,063,773.83**	**4,310,402,840.09**

63. △Net handling fee and commission income

Item	Incurred during the year	Incurred during the prior year
Handling fee and commission income	**40,587,678.04**	**77,629,073.60**
Advisory and consulting fees	29,311,123.01	56,581,438.82
-Handling fee for finance leasing business	11,276,555.03	21,047,634.78
Handling fee and commission expenses	**374,021,055.08**	**431,244,070.36**
-Handling fee expenses	154,042,398.92	145,759,491.07
-Commission expenses	219,978,656.16	285,484,579.29
Net income of handling fee and commissions	**-333,433,377.04**	**-353,614,996.76**

64. △Net claims expense

(1) Presentation of claims expenses by insurance contract

Item	Incurred during the year	Incurred during the prior year
Original insurance contract	2,153,898,030.03	2,460,147,626.54
Total	**2,153,898,030.03**	**2,460,147,626.54**

(2) Presentation of claims expenses by content

Item	Incurred during the year	Incurred during the prior year
Compensation expenses	2,153,898,030.03	2,460,147,626.54
Total	**2,153,898,030.03**	**2,460,147,626.54**

65. △Net withdrawal of insurance liability reserve

Item	Incurred during the year	Incurred during the prior year
Withdrawal of reserve for outstanding claims	508,900,016.61	477,090,994.18
—Original insurance contracts	219,998,402.24	129,054,561.07
—Reinsurance contracts	1,031,326.46	-410,449.75
—Others	287,870,287.91	348,446,882.86
Others	105,254,107.72	-48,032,057.26
Total	**614,154,124.33**	**429,058,936.92**

66. △Reinsurance costs

Item	Incurred during the year	Incurred during the prior year
Reinsurance expenses		5,039,054.88
Total		**5,039,054.88**

67. Taxes and surcharges

Item	Incurred during the year	Incurred during the prior year
Urban maintenance and construction tax	15,265,391.74	18,912,274.92
Property tax	9,250,876.94	7,907,309.14
Land use tax	354,136.66	265,333.36
Education surcharge and local education surcharge	11,135,552.00	13,749,367.96
Water resources construction fund (river management fees, flood control fees)	808,146.62	1,598,544.05
Land value-added tax	950.00	
Stamp duty	21,632,227.16	12,341,713.02
Vehicle and vessel use tax	57,490.62	200,511.50
Others	347.52	45.04
Total	**58,505,119.26**	**54,975,098.99**

68. Selling expenses

Item	Incurred during the year	Incurred during the prior year
Employee benefits	367,046,026.64	505,844,578.85
Office expenses	43,408,587.17	38,249,365.71
Sales and service charges	34,729,554.43	27,316,664.17
Operating expenses	31,590,351.55	33,512,923.00
Rental expenses	23,677,009.67	31,304,840.62
Agency fees	46,587,507.89	29,643,839.76
Advertising expenses	32,001,874.08	28,458,453.04
Electronic equipment running costs	19,267,089.85	14,696,760.42
Travel expenses	7,496,162.88	13,570,276.05
Vehicle usage fees	8,946,587.16	11,594,614.88
Greening fees	11,446,897.35	11,562,051.29
Repair fees	4,967,359.05	6,848,255.80
Conference fees	3,069,333.66	6,756,239.12
Depreciation charges	3,328,416.89	4,673,505.86
Transportation expenses	1,900,950.87	2,982,613.26
Amortization expenses	874,601.85	1,358,364.86
Others	111,443,716.38	121,135,381.30
Total	**751,782,027.37**	**889,508,727.99**

69. Administrative expenses

Item	Incurred during the year	Incurred during the prior year
Employee benefits	345,691,860.04	320,666,365.16
Rental expenses	40,113,157.72	24,243,231.48
Depreciation charges	11,386,267.11	21,739,592.10
Agency fees	11,447,911.24	20,465,950.35
Amortization expenses	15,587,268.12	18,428,428.78
Consulting fees	9,470,430.18	16,759,102.65
Business entertainment expenses	6,856,819.42	10,317,837.15
Office expenses	5,530,340.61	7,986,011.29

Item	Incurred during the year	Incurred during the prior year
Property management and additional service fees	7,439,552.70	6,620,709.77
Postage expenses	4,057,170.05	4,593,696.93
Service fees	3,147,957.73	4,579,617.28
Utilities	3,135,910.16	3,547,325.59
Travel expenses	2,604,498.73	3,550,573.89
Litigation expenses	1,403,913.36	3,441,229.96
Advertising expenses	1,722,972.16	2,984,905.60
Disability employment guarantee fund	2,667,716.16	2,901,783.61
Freight and miscellaneous charges	1,946,211.04	2,609,131.83
Decoration costs	4,055,289.66	2,323,342.91
Information system maintenance and usage fees	5,844,204.26	1,906,110.75
Communication fee	1,766,872.79	2,058,893.89
Labor protection fee	2,576,046.86	1,933,329.14
Greening fees	678,286.75	1,695,113.28
Transportation costs	1,173,277.95	1,283,321.27
Repair fees	665,685.71	984,517.78
Funds for Party building	954,192.91	874,922.05
Conference fees	401,829.45	821,085.15
Material consumption	591,779.75	567,580.04
Safety production funding	96,796.31	387,008.26
Bidding fees	200.00	338,650.51
Board fees	166,332.50	216,975.23
Recruitment fees	413,477.36	127,251.44
Insurance premiums	176,555.20	108,525.82
Amortization of low-value consumables	350,051.54	412,831.69
Printing costs		11,720.43
Others	45,602,835.67	30,521,775.68
Total	**539,723,671.20**	**522,008,448.74**

70. Research and development expenses

(1) Presentation by cost category

Item	Incurred during the year	Incurred during the prior year
Labor cost	4,270,526.49	13,788,750.25
Material cost	11,336.59	6,422,371.44
Experimental trial fee	1,238.94	
Depreciation charges	180.63	260,670.96
Amortization expense of intangible assets	238,301.88	80,361.65
Travel expenses	606.89	46,958.15
Entrusted R&D expenses		266,037.74
Other costs		45,621.62
Total	**4,522,191.42**	**20,910,771.81**

(2) Presentation by R&D project

Item	Incurred during the year	Incurred during the prior year
Agricultural technology research	174,128.04	6,731,426.30
Other projects		333,582.97
Software development	4,208,620.23	5,448,391.28
Water conservancy technology research		4,319,546.95

Item	Incurred during the year	Incurred during the prior year
Underwater forest ecological restoration technology research	56,846.79	301,932.56
Wastewater treatment technology	82,596.36	3,760,137.04
Fire engineering		15,754.71
Total	**4,522,191.42**	**20,910,771.81**

71. Finance costs

Item	Incurred during the year	Incurred during the prior year
Interest expenses	85,703,153.45	9,120,683.62
Less: Interest income	199,430,024.70	162,654,276.85
Net gain on exchange		
Add: Net loss on exchange	2,942,530.50	2,267,095.53
Other expenses	4,296,500.38	27,248,667.96
Total	**-106,487,840.37**	**-124,017,829.74**

72. Other income

Item	Incurred during the year	Incurred during the prior year
Guarantee business subsidy	10,303,000.00	11,053,000.00
Tax rebates and exemptions	343,359.79	7,229,624.19
Job stabilization subsidies	1,103,356.96	803,791.03
Enterprise settlement incentive and subsidy	5,072,748.88	1,284,259.41
Business contribution incentives and other industry subsidies	18,040,789.04	72,389,327.96
Others	9,984,745.47	8,084,918.68
Total	**44,848,000.14**	**100,844,921.27**

73. Investment income

Sources of investment income	Incurred during the year	Incurred during the prior year
Gain on long-term equity investments accounted for under the equity method	573,777,491.33	649,704,468.39
Investment income arising from disposal of long-term equity investments	449,535,616.50	229,874,602.35
Investment income earned while holding trading financial assets	132,688,649.85	10,036,517.57
Investment income from disposal of trading financial assets	10,112,186.77	24,884,670.69
Investment income from investments in other equity instruments during the holding period	93,143,052.69	
Interest income on debt investments during the holding period	21,315,723.01	209,330,640.17
Investment income from debt investments during the holding period	358,562,498.87	
Gain on disposal of debt investments		469,266,861.70
Investment income earned on other non-current financial assets during the holding period	209,913,952.24	181,887,066.70
Investment income from disposal of other non-current financial assets	18,037,077.01	-106,922.33
Investment income received during the period in which other equity instruments are held	2,508,721.04	62,255,558.14
Others	37,760,019.58	151,302,346.36
Total	**1,907,354,988.89**	**1,988,435,809.74**

74. Gains from changes in fair value

Sources of gains arising from changes in fair value	Incurred during the year	Incurred during the prior year
Trading financial assets	-51,624,499.26	26,720,573.70
Other non-current financial assets	-11,135,569.50	24,264,554.74
Trading financial liabilities		7,744,798.69
Investment properties at fair value	286,140,986.63	900,275,851.00
Total	**223,380,917.87**	**959,005,778.13**

75. ☆Credit impairment loss

Item	Incurred during the year	Incurred during the prior year
Bad debt losses	-202,247,150.00	-385,642,703.98
Credit impairment losses on debt investments	1,000,482,316.25	-130,534,782.64
Others	12,880,687.92	3,856,032.34
Total	**811,115,854.17**	**-512,321,454.28**

76. Asset impairment loss

Item	Incurred during the year	Incurred during the prior year
Others	-10,611,204.81	
Total	**-10,611,204.81**	

77. Gains on disposal of assets

Item	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the year
Disposal income of non-current assets	-29,507,391.16	-2,873,555.18	-29,507,391.16
Including: Disposal income of fixed assets	-4,812,068.21	120,632.27	-4,812,068.21
Gain on disposal of other non-current assets	-24,695,322.95	-2,994,187.45	-24,695,322.95
Others	-51,361,916.10	-4,670,667.01	-51,361,916.10
Total	**-80,869,307.26**	**-7,544,222.19**	**-80,869,307.26**

78. Non-operating income

Item	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the period
Gain on destruction and retirement of non-current assets		3,999,910.25	
Including: Gain on destruction and retirement of fixed assets		2,746.43	
Gain on destruction and retirement of other non-current assets		3,997,163.82	
Gain on debt restructuring		139,600,000.00	
Government grants not related to the ordinary activities of the enterprise	764,442.65	812,985.07	764,442.65
Income from liquidated damages, indemnities, fines, etc.	1,793,368.58	3,632,185.81	1,793,368.58
Others	3,614,637.12	3,192,941.45	3,614,637.12
Total	**6,172,448.35**	**151,238,022.58**	**6,172,448.35**

(1) Details of government grants

Item	Incurred during the year	Incurred during the prior year
Business development incentives		812,985.07
Roadwork maintenance grants	764,442.65	

Item	Incurred during the year	Incurred during the prior year
Total	**764,442.65**	**812,985.07**

79. Non-operating expenses

Item	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the period
Losses on destruction and scrapping of non-current assets		867,619.87	
Including: Loss on destruction and scrapping of fixed assets		3,451.26	
Loss on destruction and scrapping of other non-current assets		864,168.61	
External donation expenses	371,617.00	91,242.03	371,617.00
Others	4,133,273.72	8,038,257.65	4,133,273.72
Total	**4,504,890.72**	**8,997,119.55**	**4,504,890.72**

80. Income tax expenses

(1) Details of income tax expenses

Item	Incurred during the year	Incurred during the prior year
Current income tax expenses	314,862,087.61	222,413,684.67
Adjustment to deferred income tax	-39,356,519.55	-13,504,201.49
Others	-56,289,790.47	
Total	**219,215,777.59**	**208,909,483.18**

81. Other comprehensive income attributable to the owners of the parent company

(1) Details of other comprehensive income items and their income tax impacts and transfer to profit or loss

Item	Incurred during the year		
	Amount before tax	Income tax	Net amount after tax
I. Other comprehensive income that cannot be reclassified into profit or loss	**-415,335,139.31**	**-54,324,380.75**	**-361,010,758.56**
1. Share in other comprehensive income of the investee that cannot be reclassified into profit and loss under the equity method			
2.Changes in fair value of investments in other equity instruments	-415,335,139.31	-54,324,380.75	-361,010,758.56
II. Other comprehensive income that will be reclassified into profit or loss	**-35,447,003.08**		**-35,447,003.08**
1.Others	-35,447,003.08		-35,447,003.08
Subtotal	-35,447,003.08		-35,447,003.08
III. Total other comprehensive income	**-450,782,142.40**	**-54,324,380.75**	**-396,457,761.64**

(Continued)

Item	Incurred during the prior year		
	Amount before tax	Income tax	Net amount after tax
I. Other comprehensive income that cannot be reclassified into profit or loss	**-22,673,574.60**	**79,670,309.07**	**-102,343,883.67**
1. Share in other comprehensive income of the investee that cannot be reclassified into profit and loss under the equity method	-113,604.45		-113,604.45
2.Changes in fair value of investments in other equity instruments	-22,559,970.15	79,670,309.07	-102,230,279.22

Item	Incurred during the prior year		
	Amount before tax	Income tax	Net amount after tax
II. Other comprehensive income that will be reclassified into profit or loss	**-13,267,831.23**		**-13,267,831.23**
1.Others	-13,267,831.23		-13,267,831.23
Subtotal	-13,267,831.23		-13,267,831.23
III. Total other comprehensive income	**-35,941,405.83**	**79,670,309.07**	**-115,611,714.90**

(2) Reconciliation of various items of other comprehensive income

Item	Closing balance of prior year	Change in the prior year	Opening balance in current year	Change in the current year	Closing balance in current year
Changes in fair value of investments in other equity instruments	39,545,043.21	-87,206,067.14	-47,661,023.93	-219,222,746.27	-266,883,770.20
Gains or losses from changes in fair value of available-for-sale financial assets	79,068,258.55	-28,405,647.76	50,662,610.79	-177,235,015.37	-126,572,404.58
Total	**118,613,301.76**	**-115,611,714.90**	**3,001,586.86**	**-396,457,761.64**	**-393,456,174.78**

82. Cash flow statements

(1) Supplementary information of cash flow statement

Item	Incurred during the year	Incurred during the prior year
1. Reconciliation of net profit to cash flows from operating activities:	——	——
Net profit	565,101,065.75	337,504,292.24
Add: Provision for impairment of assets	10,611,204.81	
Credit impairment losses	-811,115,854.17	512,321,454.28
Depreciation of fixed assets, oil and gas assets and productive biological assets	71,563,868.70	36,552,759.83
Depreciation of right-of-use assets	40,357,039.94	44,375,693.90
Amortization of intangible assets	16,886,497.15	17,282,251.86
Amortization of long-term prepaid expenses	109,154,246.42	136,212,588.83
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains marked with "-")		-3,999,910.25
Losses on scrap of fixed assets (gains marked with "-")		3,451.26
Losses on changes in fair values (gains marked with "-")	-223,380,917.87	-959,005,778.13
Finance costs (gains marked with "-")	85,703,153.45	9,120,683.62
Investment losses (gains marked with "-")	-1,907,354,988.89	-1,988,435,809.74
Decrease in deferred tax assets (increase marked with "-")	-26,310,012.50	-133,691,790.20
Increase in deferred tax liabilities (decrease marked with "-")	-82,248,903.00	90,183,725.51
Decrease in inventories (increase marked with "-")	16,956,746.09	-19,454,509.07
Decrease in operating receivables (increase marked with "-")	-7,908,315,928.31	-1,075,062,631.57
Increase in operating payables (decrease marked with "-")	6,727,360,970.30	3,600,209,818.95
Others		
Net cash flow from operating activities	-3,315,031,812.13	604,116,291.33
2. Significant investing and financing activities that do not involve cash receipts and payment	——	——
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:	——	——

Item	Incurred during the year	Incurred during the prior year
Closing balance of cash	4,916,799,893.02	3,842,760,466.24
Less: Opening balance of cash	3,842,760,466.24	7,275,033,462.88
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	1,074,039,426.78	-3,432,272,996.64

(2) Net cash acquired from subsidiaries and disposal of subsidiaries during the year

Item	Incurred during the year
I. Cash or cash equivalents paid in the current period for business combinations occurred during the period	
Less: Cash and cash equivalents held by subsidiaries at the date of purchase	
Add: Cash or cash equivalents paid in the current period for business combinations that occurred in prior periods	
Net cash paid for acquisition of subsidiaries	
II. Cash or cash equivalents received during the period from the disposal of subsidiaries	
Less: Cash and cash equivalents held by subsidiaries at the date of loss of control	
Add: Cash or cash equivalents received in the current year from the disposal of subsidiaries in prior periods	16,780,675.00
Net cash received on disposal of subsidiaries	16,780,675.00

(3) Cash and cash equivalents

Item	Closing balance	Opening balance
I. Cash	4,916,799,893.02	3,842,760,466.24
Including: Cash on hand	409.85	490.00
Bank deposits readily available for payment	4,255,159,338.00	3,842,759,976.24
Other cash and cash equivalents readily available for payment	661,640,145.17	
II. Cash equivalents		
Including: Bond investments due within 3 months		
III. Closing balance of cash and cash equivalents	4,916,799,893.02	3,842,760,466.24
Including: Restricted cash and cash equivalents used by the parent company and the subsidiaries of the Group		

83. Assets with restricted ownership and use rights

Item	Closing book value	Reasons for restriction
Cash and cash equivalents	2,387,498,128.48	Time deposits, letters of credit, etc.
Premiums receivable	800,000,000.00	Pledge
Other current assets	1,559,543,864.92	Refundable deposits due within 1 year
Long-term receivables	3,318,061,508.70	Pledge
Other non-current assets	1,168,251,247.89	Mortgage of assets, refundable deposits
Total	**9,233,354,749.99**	

IX. Contingencies

None.

X. Events after the balance sheet date

None.

XI. Related party relationship and the transactions of related parties

1. Related party relationships

(1) Controlling shareholders and the ultimate controlling party

Name of controlling shareholder and ultimate controlling party	Place of registration	Business nature	Registered capital (RMB 10,000)	Shareholding ratio (%)	Voting ratio (%)
Guangxi Investment Group Co., Ltd.	Nanning, Guangxi	Industrial investment	2300000	71.41	71.41

(2) Subsidiaries

Information about the Group's subsidiaries is detailed in the relevant information disclosed in Note VII.

(3) Joint ventures and associates

Information on the Group's joint ventures and associates is detailed in Note VIII. “Long-term equity investments” disclosed in this note.

(4) Other related parties

Type of relationship	Name of related party	Content of the main transactions
(1) Other enterprises controlled by the same controlling shareholder and ultimate controlling party	Beibu Gulf Equity Exchange Group Co., Ltd.	Administrative expenses
	Guangxi Beibu Gulf Salt Technology Co., Ltd.	Cost of main operations, administrative expenses
	Guangxi Beibu Gulf Bank Co., Ltd.	Income from main operations, cost of main operations, Δinterest income, Δinterest expenses, investment income, finance costs
	Guangxi Guangtou City Services Co., Ltd.	Other operating income, administrative expenses
	Guangxi Guangtou Gas Co., Ltd.	Income from main operations, Δinterest income
	Guangxi Investment Group TLD Technology Co., Ltd.	Income from main operations, cost of main operations, Δinterest expenses
	Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	Cost of main operations, Δinterest expenses, administrative expenses, selling expenses
	Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd. Nanning Wanli Hotel	Cost of main operations, administrative expenses
	Guangxi Guangtou Pharmaceutical Co., Ltd.	△Interest income
	Guangxi Investment Group Yinhai Alumimium Co., Ltd.	Income from main operations
	Guangxi Guangtou Intelligent Service Group Co., Ltd.	Cost of main operations, selling expenses, administrative expenses
	Guangxi Guangtou Smart Products Business Management Co., Ltd.	Selling expenses, administrative expenses
	Guangxi Guangtou Intelligent Technology Co., Ltd.	Income from main operations, administrative expenses
	Guangxi Union Asset Management Co., Ltd.	Administrative expenses
	Guangxi Guiyan Import and Export Trade Co., Ltd.	Administrative expenses

Type of relationship	Name of related party	Content of the main transactions
	Guangxi Longxianggu Investment Co., Ltd.	Income from main operations, Δinterest income
	Guangxi Shuguang Maiyue Technology Co., Ltd.	Income from main operations
	Guangxi Digital Qi'an Technical Service Co., Ltd.	Selling expenses
	Guangxi Shuangqian Health Industry Development Co., Ltd.	Administrative expenses
	Guangxi Tongxin Science and Technology Co., Ltd.	Cost of main operations
	Guangxi Investment Group Consulting Co., Ltd.	△Handling fee and commission expenses
	Guangxi Wuzhou Double Coins Industrial Co., Ltd.	Administrative expenses
	Guangxi Zhengrun Development Group Co., Ltd.	△Interest expenses
	Guangxi Zhongheng Medical Technology Co., Ltd.	Selling expenses, administrative expenses
	Guangxi Salt Group Co., Ltd.	Cost of main operations
	Guofu Life Insurance Co., Ltd.	Other operating income, administrative expenses
	Guohai Securities Co., Ltd.	Income from main operations, Δinterest expenses, investment income, selling expenses
	Digital Guangxi Group Co., Ltd.	Income from main operations, administrative expenses
	Yunbaobao Big Data Industry Development Co., Ltd.	Administrative expenses

2. Related transactions

(1) Purchase of goods

Type and name of related party	Subjects	Contents of the transaction	Amount in current year	Amount in prior year
Beibu Gulf Equity Exchange Group Co., Ltd.	Administrative expenses	Liquidated damages for vehicle transactions	2,329.80	
		Asset auction listing fees	10,200.00	
Guangxi Beibu Gulf Salt Technology Co., Ltd.	Administrative expenses	Others	8,069.59	
	Cost of main operations	Financing costs	3,304,944.44	1,808,333.33
Guangxi Beibu Gulf Bank Co., Ltd.	△Interest expenses	Interest expenses	8,587,554.19	7,623,399.70
	Finance costs	Handling fees		1,670.00
	Cost of main operations	Financing costs	111,564,737.66	98,063,375.23
Guangxi Guangtou City Services Co., Ltd.	Administrative expenses	Others		720,161.40
Guangxi Investment Group TLD Technology Co., Ltd.	△Interest expenses	Interest expenses	15,949,884.82	
	Cost of main operations	Leasing business		34,136,395.58
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	△Interest expenses	Interest expenses		337,371.07
	Administrative expenses	Rentals	215,433.11	12,544,445.47
	Selling expenses	Rentals	118,800.00	400,529.24
	Finance costs	Amortization of unrecognized financing fees	148,640.24	
	Cost of main operations	Rentals		48,316.03
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd. Nanning Wanli Hotel	Administrative expenses	Staff canteen and other services	20,944.00	37,990.10
	Cost of main operations	Others		7,084.91
Guangxi Guangtou Intelligent Service Group Co., Ltd.	Administrative expenses	Others	6,578,194.01	142,171.59
	Selling expenses	Others	1,288,240.16	
	Cost of main operations	Others	13,329.72	
Guangxi Guangtou Smart	Administrative expenses	Others	2,145,653.18	

Type and name of related party	Subjects	Contents of the transaction	Amount in current year	Amount in prior year
Products Business Management Co., Ltd.	Selling expenses	Others	108,505.00	
	Finance costs	Amortization of unrecognized financing fees	379,367.88	
Guangxi Guangtou Intelligent Technology Co., Ltd.	Administrative expenses	Others	781,421.22	175,393.81
Guangxi Union Asset Management Co., Ltd.	Administrative expenses	Financial advisory	5,378,638.18	
Guangxi Guiyan Import and Export Trade Co., Ltd.	Administrative expenses	Others	37,795.36	22,270.49
Guangxi Digital Qi'an Technical Service Co., Ltd.	Selling expenses	Others		169,811.32
Guangxi Shuangqian Health Industry Development Co., Ltd.	Administrative expenses	Others		25,650.00
Guangxi Tongxin Science and Technology Co., Ltd.	Cost of main operations	Financing costs	6,447,999.99	8,059,999.99
Guangxi Investment Group Co., Ltd.	△Interest expenses	Funds lending and borrowing	6,315,600.00	350,000.00
	Administrative expenses	Others	21,093,750.00	952.38
	Cost of main operations	Funds lending and borrowing	379,776,206.89	357,045,833.36
Guangxi Investment Group Consulting Co., Ltd.	△Handling fee and commission expenses	△Handling fee and commission expenses	273,820.50	1,314,868.84
Guangxi Wuzhou Double Coins Industrial Co., Ltd.	Administrative expenses	Others		7,435.52
Guangxi Zhengrun Development Group Co., Ltd.	△Interest expenses	Funds lending and borrowing	3,883,357.89	5,739,999.99
Guangxi Zhongheng Medical Technology Co., Ltd.	Administrative expenses	Others	637.17	12,624.37
	Selling expenses	Others		1,911.50
Guangxi Salt Group Co., Ltd.	Cost of main operations	Others	105,053,787.77	111,209,023.47
Guofu Life Insurance Co., Ltd.	Administrative expenses	Employee group traffic accident insurance	17,935.30	
Guohai Securities Co., Ltd.	△Interest expenses	Funds lending and borrowing	77,038,165.42	806,603.76
	Selling expenses	Others	56,603.77	
Digital Guangxi Group Co., Ltd.	Administrative expenses	Others	18,480.00	23,225.67
Yunbaobao Big Data Industry Development Co., Ltd.	Administrative expenses	Information system maintenance and usage fees	2,830.19	
Total			**756,621,857.45**	**640,836,848.12**

(2) Sale of goods

Type and name of related party	Subjects	Contents of the transaction	Amount in current year	Amount in prior year
Guangxi Beibu Gulf Bank Co., Ltd.	△Interest income	Interest income	33,973,845.10	13,852,549.94
	Investment income	Others	13,500,000.00	13,500,000.00
Guangxi Guangtou City Services Co., Ltd.	Other operating income	Others		95,238.10
Guangxi Guangtou Gas Co., Ltd.	△Interest income	Interest income	137,578.62	
	Income from main operations	Others		40,723.27
Guangxi Investment Group TLD Technology Co., Ltd.	Income from main operations	Leasing business		13,908.49
Guangxi Guangtou Pharmaceutical Co., Ltd.	△Interest income	Interest income	21,698.10	
Guangxi Investment Group Yinhai Alumimium Co., Ltd.	Income from main operations	Others		37,735.85
Guangxi Guangtou Intelligent Technology Co.,	Income from main	Others	349,056.60	

Type and name of related party	Subjects	Contents of the transaction	Amount in current year	Amount in prior year
Ltd.	operations			
Guangxi Longxianggu Investment Co., Ltd.	△Interest income	Interest income	566,037.72	
	Income from main operations	Others	283,018.86	
Guangxi Shuguang Maiyue Technology Co., Ltd.	Income from main operations	Others		14,595.81
Guangxi Investment Group Co., Ltd.	△Interest income	Interest income	760,434.57	194,153.61
Guangxi Branch of Guofu Life Insurance Co., Ltd.	Other operating income	Insurance premiums		204,256.93
Guohai Securities Co., Ltd.	Investment income	Investment income	174,108.77	
	Income from main operations	Others	510,887.60	
Digital Guangxi Group Co., Ltd.	Income from main operations	Others	288,679.25	
Total			**50,565,345.19**	**27,953,162.00**

(3) Related leases

Lessor Name	Lessee Name	Leasehold assets	Amount involved in leased assets (RMB 10,000)	Lease start date	Lease end date	Lease income (RMB 10,000)	Basis for determining lease income	Impact of lease income on the company
Guangxi Financial Investment Group Co., Ltd.	Guofu Life Insurance Co., Ltd.		1,171.02	2020-4 -26	2025-4-25	19.61	Contracts	Included in other operating income by the Company
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guofu Life Insurance Co., Ltd.			2021-3-1	2026-2-28	13.48	Contracts	Included in other operating income by the Company
Total			**1,171.02**			**33.09**		

3. Balances of related transactions

(1) Accounts receivable of related parties

Related Parties	Closing balance	Opening balance
Guangxi Guangtou Gas Co., Ltd.		6,916,000.00
Guangxi Beibu Gulf Bank Co., Ltd.	4,289,830.00	
Guangxi Guangtou Intelligent Technology Co., Ltd.	370,000.00	
Digital Guangxi Group Co., Ltd.	714,000.00	408,000.00
Total	**5,373,830.00**	**7,324,000.00**

(2) Other receivables of related parties

Related parties	Closing balance	Opening balance
Guangxi Guangtou Gas Co., Ltd.		12,679.34
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	3,030.00	4,045,916.55
Guangxi Beibu Gulf International Port Group Co., Ltd.	6,000,000.00	
Guangxi Beibu Gulf Investment Group Co., Ltd.	90,000,000.00	

Related parties	Closing balance	Opening balance
Guangxi Communications Investment Group Corporation Ltd.	150,000,000.00	
Guangxi Rural Investment Group Co., Ltd.	15,000,000.00	
Guangxi Modern Logistics Group Co., Ltd.	30,000,000.00	
Guangxi Xijiang Development Investment Group Co., Ltd.	100,000,000.00	
The Eleventh Metallurgical Construction Group Co., Ltd.	30,000,000.00	
Guangxi State Farms Group Co., Ltd.	60,000,000.00	
Guangxi Railway Investment Group Co., Ltd.	30,000,000.00	
Guangxi Union Asset Management Co., Ltd.	341,860,000.00	
Guangxi Guangtou Intelligent Service Group Co., Ltd.	643,102.01	21,363.66
Guangxi Guangtou Smart Products Business Management Co., Ltd.	2,568,247.50	
Guangxi Investment Group Co., Ltd.	123,361,334.65	16,780,675.00
Guangxi Investment Group Consulting Co., Ltd.	15,000.00	20,000.00
Guangxi Salt Group Co., Ltd.		62,712,869.39
Total	**979,450,714.16**	**83,593,503.94**

(3) Prepayments of related parties

Related parties	Closing balance	Opening balance
Guangxi Investment Group TLD Technology Co., Ltd.	620,485.27	5,254,828.05
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.		529,720.68
Total	**620,485.27**	**5,784,548.73**

(4) Long-term receivables of related parties

Related parties	Closing balance	Opening balance
Guangxi Investment Group Co., Ltd.	66,500,000.00	
Total	**66,500,000.00**	

(5) Accounts receivable of related parties

Related parties	Closing balance	Opening balance
Guangxi Investment Group Consulting Co., Ltd.	273,820.50	
Total	**273,820.50**	

(6) Other payables of related parties

Related parties	Closing balance	Opening balance
Guangxi Beibu Gulf Salt Technology Co., Ltd.	60,000,000.00	50,000,000.00
Guangxi Beibu Gulf Bank Co., Ltd.	35,865.00	35,865.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	1,511,911.23	99,238.29
Guangxi Guangtou Smart Products Business Management Co., Ltd.	113,782.20	
Guangxi South China Technology Exchange Co., Ltd.	80,000,000.00	
Guangxi Tongxin Science and Technology Co., Ltd.	110,000,000.00	100,000,000.00
Guangxi Investment Group Co., Ltd.	6,171,850,519.00	5,830,000,000.00
Guangxi Zhengrun Development Group Co., Ltd.		120,000,000.00
Guangxi Zhongheng Medical Technology Co., Ltd.	4,560.00	
Guangxi Salt Group Co., Ltd.	1,481,835,728.89	
Digital Guangxi Group Co., Ltd.	11,649,967.31	
Total	**7,917,002,333.63**	**6,100,135,103.29**

(7) Long-term payables of related parties

Related parties	Closing balance	Opening balance

Related parties	Closing balance	Opening balance
Guangxi Union Asset Management Co., Ltd.	80,000,000.00	440,000,000.00
Guangxi Investment Group Co., Ltd.		66,500,000.00
Total	**80,000,000.00**	**506,500,000.00**

(8) Interest payable of related parties

Related parties	Closing balance	Opening balance
Guangxi Beibu Gulf Bank Co., Ltd.		284,617.36
Guangxi Union Asset Management Co., Ltd.		2,015,000.00
Guangxi Zhengrun Development Group Co., Ltd.		4,975,342.45
Total	-	**7,274,959.81**

(9) Related party long-term prepaid expenses

Related parties	Closing balance	Opening balance
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.		337,784.40
Guohai Securities Co., Ltd.		1,008,254.74
Total	-	**1,346,039.14**

XII. Notes to main items of the financial statements of the parent company

1. Notes to main items of the financial statements

(1) Accounts receivable

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	169,133.36	76.78	169,133.36	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	51,163.58	23.22	106.31	0.21	51,057.27
Total	**220,296.94**	**100.00**	**169,239.67**	**76.82**	**51,057.27**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	169,133.36	96.57	169,133.36	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	6,000.00	3.43	7.90	0.13	5,992.10
Total	**175,133.36**	**100.00**	**169,141.26**	**96.58**	**5,992.10**

1) Disclosure of accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	45,163.58	6,000.00
1-2 years	6,000.00	
2-3 years		
3-4 years		

Aging	Closing balance	Opening balance
4-5 years		
More than 5 years	169,133.36	169,133.36
Subtotal	**220,296.94**	**175,133.36**
Less: Bad debt provision	169,239.67	169,141.26
Total	**51,057.27**	**5,992.10**

2) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	169,133.36	76.78	169,133.36	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	51,163.58	23.22	106.31	0.21	51,057.27
Including: Normal risk portfolio	6,000.00	2.72	106.31	1.77	5,893.69
Low risk portfolio	45,163.58	20.50			45,163.58
Total	**220,296.94**	**100.00**	**169,239.67**	**76.82**	**51,057.27**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable for which bad debt provision is made on an individual basis	169,133.36	96.57	169,133.36	100.00	
Accounts receivable for which bad debt provision is made on a portfolio basis	6,000.00	3.43	7.90	0.13	5,992.10
Including: Normal risk portfolio	6,000.00	3.43	7.90	0.13	5,992.10
Low risk portfolio					
Total	**175,133.36**	**100.00**	**169,141.26**	**96.58**	**5,992.10**

3) Accounts receivable for which bad debt provision is made on an individual basis

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Reason for accrual
Qinzhou ** Center	169,133.36	169,133.36	100.00	Extremely low recovery rate
Total	**169,133.36**	**169,133.36**	**—**	**—**

4) Accounts receivable with significant closing balances, grouped by party in default

Name of debtor	Book balance	As a percentage of the total accounts receivable (%)	Bad debt provision
Qinzhou ** Center	169,133.36	76.78	169,133.36
China ** Group Nanning Branch	6,000.00	2.72	106.31
Nanning ** Loan Co., Ltd.	37,620.62	17.08	
Guangxi ** Group Urban Construction Development Co., Ltd.	7,542.96	3.42	
Total	**220,296.94**	**100.00**	**169,239.67**

(2) Other receivables

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable		60,000,000.00
Other receivables	28,142,846,447.89	24,122,213,218.67
Total	**28,142,846,447.89**	**24,182,213,218.67**

1) Dividends receivable

Item	Closing balance	Opening balance	Reasons for non-recovery	Whether impairment has occurred and the basis for its determination
Dividends receivable with aging within 1 year		60,000,000.00	— —	——
Including: Guangxi SME Financing Guarantee Co., Ltd.		60,000,000.00	Bonus recognized at the end of the current year and expected to be recovered in the following year	
Total		**60,000,000.00**	**— —**	**——**

2) Other receivables

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables for which bad debt provision is made on an individual basis	231,097,043.47	0.82	825,056.20	0.36	230,271,987.27
Other receivables for which bad debt provision is made on a portfolio basis	27,918,326,134.03	99.18	5,751,673.41	0.02	27,912,574,460.62
Total	**28,149,423,177.50**	**100.00**	**6,576,729.61**	**0.02**	**28,142,846,447.89**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables for which bad debt provision is made on an individual basis	820,387.86	0.00	820,387.86	100.00	
Other receivables for which bad debt provision is made on a portfolio basis	24,122,272,508.84	100.00	59,290.17	0.00	24,122,213,218.67
Total	**24,123,092,896.70**	**100.00**	**879,678.03**	**0.00**	**24,122,213,218.67**

a. Disclosure of other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	13,023,158,884.74	23,985,227,800.31
1-2 years	15,068,996,746.34	136,147,619.13
2-3 years	55,675,858.53	81,550.57
3-4 years	4,000.00	
4-5 years		11,155.84
More than 5 years	1,587,687.89	1,624,770.85
Subtotal	**28,149,423,177.50**	**24,123,092,896.70**
Less: Bad debt provision	6,576,729.61	879,678.03
Total	**28,142,846,447.89**	**24,122,213,218.67**

b. Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	231,097,043.47	0.82	825,056.20	0.36	230,271,987.27
Other receivables for which bad debt provision is made on a portfolio basis	27,918,326,134.03	99.18	5,751,673.41	0.02	27,912,574,460.62
Including: Normal risk portfolio	349,327,344.03	1.24	5,751,673.41	1.65	343,575,670.62
Low risk portfolio	27,568,998,790.00	97.94			27,568,998,790.00
Total	**28,149,423,177.50**	**100.00**	**6,576,729.61**	**0.02**	**28,142,846,447.89**

(Continued)

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	820,387.86	0.00	820,387.86	100.00	
Other receivables for which bad debt provision is made on a portfolio basis	24,122,272,508.84	100.00	59,290.17	0.00	24,122,213,218.67
Including: Normal risk portfolio	24,122,272,508.84	100.00	59,290.17	0.00	24,122,213,218.67
Low risk portfolio					
Total	**24,123,092,896.70**	**100.00**	**879,678.03**	**0.00**	**24,122,213,218.67**

c. Other receivables for which bad debt provision was made on an individual basis at the end of the year

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Reason for accrual
Guangxi ** Management Co., Ltd.	224,995,855.61	4,561.30	0.00	Expected to be recovered in the first quarter of 2023
Guangxi ** Investment Co., Ltd.	5,280,800.00	107.06	0.00	Expected to be recovered in the first quarter of 2023
Guangxi ** Catering Management Co., Ltd.	820,387.86	820,387.84	100.00	Unrecoverable
Total	**231,097,043.47**	**825,056.20**	—	—

d. Disclosure of other receivables by nature

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Related party transactions	27,568,330,427.61		27,568,330,427.61
Warranty, deposit, margin	1,265,357.40	20,647.55	1,244,709.85
Third-party transactions	579,827,392.49	6,556,082.06	573,271,310.43
Total	**28,149,423,177.50**	**6,576,729.61**	**28,142,846,447.89**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Related party transactions	24,023,127,097.48		24,023,127,097.48
Warranty, deposit, margin	1,498,108.27	24,445.48	1,473,662.79
Third-party transactions	98,467,690.95	855,232.55	97,612,458.40
Total	**24,123,092,896.70**	**879,678.03**	**24,122,213,218.67**

e. Provision for bad debts on other receivables accrued, recovered or reversed during the year

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		59,290.17	820,387.86	879,678.03
Accrual for the period		5,692,383.22	4,668.36	5,697,051.58
Reversal during the period				
Charge-offs for the period				
Write-off during the period				
Other changes				
Closing balance		**5,751,673.39**	**825,056.22**	**6,576,729.61**

f. The change in the book balance of other receivables is as follows:

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		24,122,272,508.84	820,387.86	24,123,092,896.70
Increase in the current year		3,796,053,625.19	230,276,655.61	4,026,330,280.80
Derecognized during the year				
Other changes				
Closing balance		**27,918,326,134.03**	**231,097,043.47**	**28,149,423,177.50**

g. Other receivables of the top five closing balances, grouped by party in arrears

Name of debtor	Nature of payment	Book balance	Aging	As a percentage of the total closing balance of other receivables (%)	Bad debt provision
Guangxi ** Property Services Co., Ltd.	Current payments	55,201,576.33	2-3 years	0.20	
Guangxi ** Real Estate Management Co., Ltd.	Current payments	27,138,223,258.12	1-2 years	96.41	
Guangxi ** Management Co., Ltd.	Current payments	348,000,000.00	Within 1 year	1.24	5,678,513.76
Guangxi ** Leasing Co., Ltd.	Current payments	308,755,070.20	Within 1 year	1.10	
Guangxi ** Management Co., Ltd.	Current payments	224,995,855.61	Within 1 year	0.80	4,561.29
Total	——	**28,075,175,760.26**	— —	**99.74**	**5,683,075.05**

(3) Long-term equity investments

1) Classification of long-term equity investments

Item	Opening balance	Increase in current year	Decrease in current year	Closing balance
Investments in subsidiaries	30,965,986,154.33	1,373,331,487.31		32,339,317,641.64
Investments in associates	3,350,292,860.65	445,694,639.86	683,376,752.59	3,112,610,747.92
Subtotal	**34,316,279,014.98**	**1,819,026,127.17**	**683,376,752.59**	**35,451,928,389.56**
Less: Provision for impairment of long-term equity investments				
Total	**34,316,279,014.98**	**1,819,026,127.17**	**683,376,752.59**	**35,451,928,389.56**

2) Detail of long-term equity investments

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of impairment provision
			Added investment	Reduced investment	Gains or losses on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Total	**35,300,687,535.22**	**34,316,279,014.98**	**1,754,723,687.31**	**683,376,752.59**	**64,302,439.86**						**35,451,928,389.56**	
I. Subsidiaries	**32,339,317,641.64**	**30,965,986,154.33**	**1,373,331,487.31**								**32,339,317,641.64**	
Guangxi SME Financing Guarantee Co., Ltd.	4,264,346,299.04	4,064,346,299.04	200,000,000.00								4,264,346,299.04	
Nanning Jintong Micro-Finance Co., Ltd.	8,989,000,000.00	8,989,000,000.00									8,989,000,000.00	
GFIG Urban Construction Development Co., Ltd.	1,653,050,000.00	1,653,050,000.00									1,653,050,000.00	
Guangxi Jinkong Asset Management Co., Ltd.	6,493,679,444.42	6,493,679,444.42									6,493,679,444.42	
Guangxi Jintou Internet Financial Services Co., Ltd.	70,000,000.00	70,000,000.00									70,000,000.00	
Guangxi Jintou Real Estate Management Co., Ltd.	626,506,593.28	626,506,593.28									626,506,593.28	
Guangxi Digital Financial Services Technology Co., Ltd.	37,985,541.20	26,354,053.89	11,631,487.31								37,985,541.20	
Guangxi Investment Capital Management Group Co., Ltd.	3,212,711,535.99	2,621,011,535.99	591,700,000.00								3,212,711,535.99	
Guangxi Investment Group Financial Holding Co., Ltd.	5,802,538,227.71	5,232,538,227.71	570,000,000.00								5,802,538,227.71	
Beibu Gulf Property & Casualty Insurance Co., Ltd.	300,000,000.00	300,000,000.00									300,000,000.00	
Beibu Gulf Financial Leasing Co., Ltd.	490,000,000.00	490,000,000.00									490,000,000.00	
Guangxi Jinxin Innovation	399,500,000.00	399,500,000.00									399,500,000.00	

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of impairment provision
			Added investment	Reduced investment	Gains or losses on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Development Investment Fund Partnership (Limited Partnership)												
III. Associates	**2,961,369,893.58**	**3,350,292,860.65**	**381,392,200.00**	**683,376,752.59**	**64,302,439.86**						**3,112,610,747.92**	
Nanning Guangyuan Microloan Co., Ltd.	68,143,360.46	68,143,360.46			5,467,387.46						73,610,747.92	
Financial Open Portal (Guangxi) Cross-border Financial Digital Co., Ltd.	1,960,000.00	729,479.37			-729,479.37							
Guangxi Yuanchen Hakka Cultural City Investment Co., Ltd.		24,257,368.70		24,257,368.70								
Guangxi Water & Power Design Institute Co., Ltd.		218,162,652.12	381,392,200.00	659,119,383.89	59,564,531.77							
Guangxi Huasheng Group Liaoping Agricultural Development Co., Ltd.	2,886,266,533.12	3,034,000,000.00									3,034,000,000.00	
Guangxi Guoxin Investment Development Co., Ltd.	5,000,000.00	5,000,000.00									5,000,000.00	

(4) Operating income and operating cost

Item	Incurred during the year		Incurred during the prior year	
	Income	Cost	Income	Cost
1. Subtotal of main operations				**1,996,366.09**
Handling, consultancy and custodian fees				1,996,366.09
2. Subtotal of other operations	**11,823,858.17**	**4,551,431.40**	**18,374,540.35**	**6,748,313.04**
Leasing	11,823,858.17	4,551,431.40	13,140,006.03	6,748,313.04
Service fee income			5,234,534.32	
Total	**11,823,858.17**	**4,551,431.40**	**18,374,540.35**	**8,744,679.13**

(5) Investment income

Sources of investment income	Incurred during the year	Incurred during the prior year
Gain on long-term equity investments accounted for under the equity method	64,302,439.86	403,505,494.04
Investment income on long-term equity investments accounted for under the cost method	783,692,126.26	27,160,000.00
Investment income arising from disposal of long-term equity investments	410,930,577.62	1,006,667.79
Investment income earned while holding trading financial assets	16,425,186.18	
Investment income from disposal of trading financial assets	4,786,100.00	615,426.10
Investment income earned on other non-current financial assets during the holding period	431,504.73	14,243,207.75
Investment income received during the period in which other equity instruments are held	2,508,721.04	8,652,652.29
Total	**1,283,076,655.69**	**455,183,447.97**

(6) Supplementary information to the parent company's cash flow statement

Item	Incurred during the year	Incurred during the prior year
1. Reconciliation of net profit to cash flows from operating activities:	——	——
Net profit	-898,685,380.18	-2,010,415,358.13
Add: Provision for impairment of assets		
Credit impairment losses	5,730,534.46	64,858.51
Depreciation of fixed assets, oil and gas assets and productive biological assets	2,428,662.93	2,822,799.03
Depreciation of right-of-use assets		
Amortization of intangible assets	2,080,695.63	3,081,498.68
Amortization of long-term prepaid expenses	80,247,603.83	108,020,129.52
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains marked with "-")	167,177.57	-106,204.05
Losses on scrap of fixed assets (gains marked with "-")		
Losses on changes in fair values (gains marked with "-")	-275,713,249.40	-10,623,977.52
Finance costs (gains marked with "-")		
Investment losses (gains marked with "-")	-1,283,076,655.69	-455,183,447.97
Decrease in deferred tax assets (increase marked with "-")		
Increase in deferred tax liabilities (decrease marked with "-")		
Decrease in inventories (increase marked with "-")		
Decrease in operating receivables (increase marked with "-")	-3,954,898,970.59	1,323,472,955.53
Increase in operating payables (decrease marked with "-")	3,260,803,289.16	6,061,829,781.28
Others		
Net cash flow from operating activities	-3,060,916,292.28	5,022,963,034.88
2. Significant investing and financing activities that do not involve cash receipts and payment	——	——

Item	Incurred during the year	Incurred during the prior year
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:	——	——
Closing balance of cash	1,040,046,807.19	857,573,654.36
Less: Opening balance of cash	857,573,654.36	3,076,788,077.33
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	182,473,152.83	-2,219,214,422.97

XIII. Approval of the financial statement

The financial statements for the year 2022 have been approved by the board of directors of the Group.

Guangxi Financial Investment Group Co., Ltd.

April 17th, 2023

Guangxi Financial Investment Group Co., Ltd.

Auditors' Report

XYZH/2022NNAA20110

ShineWing Certified Public Accountants LLP

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AUDITORS' REPORT

XYZH/2022NNAA20110

Guangxi Financial Investment Group Co., Ltd.:

I. Audit opinion

We have audited the accompanying financial statements of Guangxi Financial Investment Group Co., Ltd. (hereinafter to be referred as the Group) which comprise the consolidated and parent company's balance sheet as at December 31st, 2021, and the consolidated and parent company's income statement, consolidated and parent company's cash flow statement, consolidated and parent company's statement of changes in shareholders' equity for the year then ended, and notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly the consolidated financial position of the Group as of the year 2021 and the results of its consolidated operations and cash flows for the year 2021, in conformity with Accounting Standards for Business Enterprises in all material respects.

II. The basis of audit opinion

We conducted our audition in accordance with the Chinese Certified Public Accountants Auditing Standards. The Responsibility for Auditor of Financial Statements in the audit report further elaborates on our responsibilities under these standards. According to the CPA Code of Ethics, we are independent of the Group, and performing other responsibillties in respect of professional ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

III. Management and governance responsibility for Financial Statements

Management is responsible for preparing the financial statements according to the requirements of the Accounting Standards for Business Enterprises so as to achieve a fair presentation and to design, implement and maintain the necessary internal control so that the financial statements are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the sustainability of the Group, disclosing, as applicable, going-concern-related issues and applying the going-concern assumption unless the management plans to liquidate the Group, discontinue operations or have no other realistic choice.

The governance is responsible for overseeing the financial reporting process for the Group.

IV. The Responsibility for Auditor of Financial Statements

Our goal is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue audit reports that contain audit opinions. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit performed in accordance with the auditing standards will always be found when a material misstatement exists. Misstatements can be caused by fraud or error. Misstatement is generally considered to be material if it is reasonably expected that the misstatement, alone or aggregated, may affect the financial decision making by the users of the financial statements based on the financial statements.

In carrying out the audit in accordance with the auditing standards, we exercise professional judgment and maintain professional suspicion. At the same time, we also perform the following tasks:

1. Identify and assess the risk of material misstatement of financial statements due to fraud or error, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as a basis for the publication of audit opinion. As fraud may involve collusion, forgery, willful omission, misrepresentation or override of internal control, the risk of not discovering a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement resulting from a mistake.

2. Understand the internal controls related to auditing in order to design appropriate auditing procedures, but not for the purpose of expressing an opinion on the effectiveness of internal control.

3. Appraise the appropriateness of the accounting policies selected by management and the reasonableness of making accounting estimates and related disclosures.

4. Conclude on the management's appropriateness to using the going concern assumption. In the meantime, based on the audit evidence obtained, it concludes with regard to whether there is any material uncertainty about the matters or circumstances that may cast significant doubts on the ability of the Group to continue as a going concern. If we conclude that there is a significant uncertainty, the auditing standards require us to draw the attention of the users of the statements to the relevant disclosures in the consolidated financial statements in the audit report. If the disclosures are not sufficient, we should issue an unqualified opinion. Our conclusion is based on the information available up to the date of the audit report. However, future events or conditions may result in the Group not being able to continue as a going concern.

5. The overall presentation, structure and content of the consolidated financial statements are reviewed and the financial statements are assessed as to whether the transactions and events are fairly reflected.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the management about the issues such as the scope of the audit, the timing and major audit findings, including communicating the notable shortcomings of internal control identified by our audit.

ShineWing Certified Public Accountants LLP

Chinese Certified Public Accountant:

Chinese Certified Public Accountant:

Beijing, China

April 22nd, 2022

Consolidated Balance Sheet

December 31st, 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current assets:	1		
Cash and cash equivalents	2	6,573,475,348.84	8,897,496,170.10
△Provision for settlement	3	5,151,008.21	4,182,730.32
△Lending funds	4		
Trading financial assets	5	2,852,542,648.22	5,046,093,997.40
Financial assets at fair value through profit or loss	6		
Derivative financial assets	7		
Notes receivable	8		
Accounts receivable	9	692,615,129.51	831,108,781.31
Receivables financing	10		
Prepayments	11	557,951,167.12	641,563,572.41
△Premiums receivable	12	792,895,393.16	709,133,348.64
△Reinsurance accounts receivable	13	273,552,046.94	208,230,893.17
△Reinsurance contract reserve receivable	14	287,988,744.75	275,167,065.04
Other receivables	15	2,635,380,599.92	1,473,347,113.46
Including: Dividends receivable	16	110,363,390.42	123,562,785.98
△Purchase and resale financial assets	17	31,101,891.00	18,900,069.00
Inventories	18	23,685,875.73	4,231,366.66
Including: Raw Materials	19		
Stock products (Finished products)	20	20,686,761.03	
Contract assets	21	97,309,971.89	
Assets held for sale	22	9,022,026.00	589,824.88
Non-current assets due within one year	23	2,493,234,657.37	2,433,601,192.37
Other current assets	24	2,687,209,590.34	2,680,600,770.81
Total current assets	**25**	**20,013,116,099.00**	**23,224,246,895.57**
Non-current assets:	26		
△Loans and advances	27	11,101,538,688.31	16,482,221,248.24
Debt Investments	28	17,597,391,485.09	22,619,570,694.68
Available-for-sale financial assets	29		
Other debt investments	30		31,600,000.00
Held-to-maturity investment	31		
Long-term receivables	32	10,711,846,303.01	12,848,471,866.03
Long-term equity investments	33	5,199,560,285.87	5,409,122,276.89
Investments in other equity instruments	34	6,923,832,581.27	4,180,462,402.39
Other non-current financial assets	35	7,773,523,504.34	6,324,078,092.14
Investment properties	36	19,096,500,287.09	17,782,147,443.68
Fixed assets	37	246,107,772.23	360,938,122.58
Including: Original price of fixed assets	38	458,329,615.96	683,509,709.43
Accumulated depreciation	39	212,235,994.67	322,571,586.85
Provision for impairment of fixed assets	40		
Construction in progress	41	147,372,834.85	8,746,964.07
Productive biological assets	42		
Oil and gas assets	43		
Right-of-use assets	44	93,728,803.13	106,007,931.02
Intangible assets	45	78,969,113.09	88,958,512.52
Development expenditure	46	-	3,538,351.87
Goodwill	47	48,064,809.32	48,064,809.32
Long-term prepaid expenses	48	47,704,779.71	137,098,408.69
Deferred tax assets	49	761,893,538.60	628,201,748.40
Other non-current assets	50	4,048,109,384.26	4,738,908,762.87
Including: Specially reserved materials	51		
Total non-current assets	**52**	**83,876,144,170.17**	**91,798,137,635.39**
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Total assets	**74**	**103,889,260,269.17**	**115,022,384,530.96**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Consolidated Balance Sheet (Continued)

December 31st, 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current liabilities:	75		
Short-term loans	76	7,095,932,531.98	8,943,418,910.89
△Borrowing from the central bank	77		
△Borrowing funds	78	200,000,000.00	
Trading financial liabilities	79		
Financial liabilities at fair value through profit or loss	80		
Derivative financial liabilities	81		
Notes payable	82	295,800,000.00	116,000,000.00
Accounts payable	83	1,125,085,274.53	348,055,393.70
Advance from customers	84		
Contract liabilities	85	285,770,829.37	448,435,969.62
△Sale of repurchased financial assets	86		89,799,289.30
△Deposits from customers and interbank	87		
△Acting trading securities	88		
△Acting underwriting securities	89		
Employee benefits payable	90	48,967,252.92	18,495,217.86
Including: Salary payable	91	15,379,263.66	16,266,113.37
Welfare payable	92		
#Including: Staffs' bonus and welfare fund	93		
Taxes payable	94	225,064,215.22	295,957,084.80
Including: Taxes payable	95	223,843,949.75	293,241,777.18
Other payables	96	13,186,608,818.67	15,290,157,200.83
Including: Dividends payable	97	168,347,185.78	168,945,011.87
△Handing charges and commissions payable	98	48,573,494.02	61,817,877.02
△Reinsurance accounts payable	99	315,495,620.86	277,668,144.36
Liabilities held for sale	100		
Non-current liabilities due within one year	101	13,279,393,795.63	22,334,579,641.33
Other current liabilities	102	127,285,242.76	29,670,524.52
Total current liabilities	**103**	**36,233,977,075.96**	**48,254,055,254.23**
Non-current liabilities:	104		
△Insurance contract reserve	105	5,762,950,068.27	5,377,156,921.55
Long-term loans	106	12,568,574,374.93	14,789,492,514.43
Bonds payable	107	6,027,857,220.38	7,841,602,000.00
Including: Preferred stock	108		
Perpetual debts	109		
Lease liabilities	110	81,098,097.35	89,499,165.42
Long-term payables	111	14,345,530,612.56	7,573,516,714.71
Long-term employee benefits payable	112		
Provisions	113		6,709.60
Deferred income	114	27,158,519.33	50,736,387.43
Deferred tax liabilities	115	177,889,178.79	87,705,453.28
Other non-current liabilities	116	11,945,500.97	40,604,913.31
Including: Specially reserved funds	117		
Total non-current liabilities	**118**	**39,003,003,572.58**	**35,850,320,779.73**
Total liabilities	**119**	**75,236,980,648.54**	**84,104,376,033.96**
Owners' equities	120		
Paid-in capital (or share capital)	121	4,300,000,000.00	2,800,000,000.00
State-owned capital	122		
State-owned legal person capital	123	4,300,000,000.00	2,800,000,000.00
Collective capital	124		
Private capital	125		
Foreign capital	126		
#Less: Returned investment	127		
Net amount of paid-in capital (or share capital)	128	4,300,000,000.00	2,800,000,000.00
Other equity instruments	129		
Including: Preferred stock	130		
Perpetual debts	131		
Capital reserve	132	18,532,975,776.70	12,220,678,454.90
Less: Treasury stocks	133		
Other comprehensive income	134	3,001,586.86	74,796,025.21
Including: Foreign currency translation differences	135		
Special reserve	136		
Surplus reserve	137	68,789,379.09	68,789,379.09
Including: Statutory reserve funds	138	68,789,379.09	68,789,379.09
Arbitrary reserve funds	139		
#Reserve funds	140		
#Enterprise development funds	141		
#Profits return investment	142		
△General risk reserve	143	1,141,643,001.93	1,068,580,927.36
Retained earnings	144	-4,559,898,305.47	-4,646,712,063.36
Total owners' equities attributable to the parent company	145	19,486,511,439.11	11,586,132,723.20
*Minority interests	146	9,165,768,181.52	19,331,875,773.80
Total owners' equities	**147**	**28,652,279,620.63**	**30,918,008,497.00**
Total liabilities and owner's equity	**148**	**103,889,260,269.17**	**115,022,384,530.96**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Balance Sheet

December 31st, 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current assets:	1		
Cash and cash equivalents	2	1,737,573,654.36	3,776,788,077.33
Trading financial assets	3	16,960,408.35	39,449,824.48
Financial assets at fair value through profit or loss	4		
Derivative financial assets	5		
Notes receivable	6		
Accounts receivable	7	5,992.10	1,297,278.17
Receivables financing	8		
Prepayments	9	137,743.46	575,540.67
Other receivables	10	24,182,213,218.67	26,788,689,534.73
Including: Dividends receivable	11	60,000,000.00	1,351,584,921.72
Inventories	12		
Including: Raw Materials	13		
Stock products (Finished products)	14		
Contract assets	15		
Assets held for sale	16		
Non-current assets due within one year	17		
Other current assets	18	397,437.66	109,784.27
Total current assets	**19**	**25,937,288,454.60**	**30,606,910,039.65**
Non-current assets:	20		
Debt Investment	21		
Available-for-sale financial assets	22		
Other debt investment	23		
Held-to-maturity investment	24		
Long-term receivables	25	268,409,930.74	209,859,785.24
Long-term equity investments	26	34,316,279,014.98	27,661,527,585.09
Other equity instruments investments	27	992,976,357.84	420,031,579.84
Other non-current financial assets	28	503,191,875.16	515,863,235.88
Investment properties	29	38,701,235.86	40,898,117.50
Fixed assets	30	33,972,165.53	37,989,115.42
Including: Original price of fixed assets	31	61,784,742.03	71,596,721.96
Accumulated depreciation	32	27,812,576.50	33,607,606.54
Provision for impairment of fixed assets	33		
Construction in progress	34		
Productive biological assets	35		
Oil and gas assets	36		
Right-of-use assets	37		
Intangible assets	38	1,234,129.86	1,828,580.40
Development expenditure	39		
Goodwill	40		
Long-term prepaid expenses	41	139,106,087.80	108,704,302.42
Deferred tax assets	42	42,263,880.73	42,263,880.73
Other non-current assets	43	522,805,909.61	5,519,201.49
Including: Specially reserved materials	44		
Total non-current assets	**45**	**36,858,940,588.11**	**29,044,485,384.01**
Total assets	**46**	**62,796,229,042.71**	**59,651,395,423.66**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Balance Sheet (Continued)

December 31st, 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	Closing balance	Opening balance
Current liabilities:	47		
Short-term loans	48	3,240,488,533.58	4,480,629,664.72
Trading financial liabilities	49		
Financial liabilities at fair value through profit or loss	50		
Derivative financial liabilities	51		
Notes payable	52		
Accounts payable	53		
Advance from customers	54		
Contract liabilities	55	547,985.22	881,603.14
Employee benefits payable	56	219,542.62	185,607.46
Including: Salary payable	57		
Welfare payable	58		
#Including: Staffs' bonus and welfare fund	59		
Taxes payable	60	11,994,143.87	10,763,553.68
Including: Taxes payable	61	11,920,879.45	10,608,528.92
Other payables	62	24,346,067,677.07	17,499,392,594.35
Including: Dividends payable	63		
Liabilities held for sale	64		
Non-current liabilities due within one year	65	6,665,650,000.00	14,621,151,375.48
Other current liabilities	66		
Total current liabilities	**67**	**34,264,967,882.36**	**36,613,004,398.83**
Non-current liabilities:	68		
Long-term loans	69	4,974,000,000.00	6,517,400,000.00
Bonds payable	70	3,886,506,318.39	4,782,102,000.00
Including: Preferred stock	71		
Perpetual debts	72		
Lease liabilities	73		
Long-term payables	74	5,630,946,165.82	3,450,242,387.58
Long-term employee benefits payable	75		
Provisions	76		
Deferred income	77		
Deferred tax liabilities	78		
Other non-current liabilities	79		
Including: Specially reserved funds	80		
Total non-current liabilities	**81**	**14,491,452,484.21**	**14,749,744,387.58**
Total liabilities	**82**	**48,756,420,366.57**	**51,362,748,786.41**
Owners' equities	83		
Paid-in capital (or share capital)	84	4,300,000,000.00	2,800,000,000.00
State-owned capital	85		
State-owned legal person capital	86	4,300,000,000.00	2,800,000,000.00
Collective capital	87		
Private capital	88		
Foreign capital	89		
#Less: Returned investment	90		
Net amount of paid-in capital (or share capital)	91	4,300,000,000.00	2,800,000,000.00
Other equity instruments	92		
Including: Preferred stock	93		
Perpetual debts	94		
Capital reserve	95	13,094,055,603.43	6,707,042,154.41
Less: Treasury stocks	96		
Other comprehensive income	97	-83,451,560.49	41,984,491.51
Including: Foreign currency translation differences	98		
Special reserve	99		
Surplus reserve	100	68,789,379.09	68,789,379.09
Including: Statutory reserve funds	101	68,789,379.09	68,789,379.09
Arbitrary reserve funds	102		
#Reserve funds	103		
#Enterprise development funds	104		
#Profits return investment	105		
Retained earnings	106	-3,339,584,745.89	-1,329,169,387.76
Total owners' equities	**107**	**14,039,808,676.14**	**8,288,646,637.25**
Total liabilities and owner's equity	**108**	**62,796,229,042.71**	**59,651,395,423.66**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting:

Consolidated Income Statement

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2021	2020
I. Total operating revenue	1	**8,236,643,029.66**	**10,654,269,237.03**
Including: Operating revenue	2	5,990,881,137.91	7,578,867,506.26
△ Interest income	3	1,515,601,730.49	2,252,643,691.89
△ Insurance premium earned	4	723,121,175.29	815,945,067.21
△ Handling charge and commission incomes	5	7,038,985.97	6,812,971.67
II. Total operating cost	6	**10,437,276,909.98**	**11,318,199,470.19**
Including: Operating cost	7	2,002,938,674.43	2,684,924,291.38
△ Interest expenses	8	3,760,446,117.96	3,873,674,530.80
△ Handling charge and commission expenses	9	416,261,281.46	545,121,282.01
△ Insurance termination refund	10	-	-
△ Net compensation expenses	11	2,460,147,626.54	1,872,236,889.66
△ Net withdrawal of insurance liability reserve	12	429,058,936.92	901,837,769.42
△ Policy dividend payments	13	-	-
△ Reinsurance costs	14	5,039,054.88	16,170,793.37
Taxes and surcharges	15	54,975,098.99	88,303,615.72
Selling expenses	16	889,508,727.99	918,882,274.27
Administrative expenses	17	522,008,448.74	505,199,128.37
Research & development expenses	18	20,910,771.81	40,728,054.07
Financial expenses	19	-124,017,829.74	-128,879,158.88
Including: Interest expenses	20	9,120,683.62	97,213,523.31
Interest income	21	162,654,276.85	418,396,494.54
Net exchange loss (Net gain marked with"-")	22	2,267,095.53	0.14
Others	23	-	-
Add: Other income	24	100,844,921.27	138,992,060.70
Investment income (Loss marked with"-")	25	1,988,435,809.74	1,748,975,788.38
Including: Investment income from associates and joint ventures	26	649,704,468.39	679,423,901.69
Derecognition of gains on financial assets at amortized cost	27	-	-
△ Exchange earnings (Loss marked with "-")	28	76,385,920.04	231,712,385.09
Net exposure hedging gains(Loss marked with "-")	29	-	-
Gains from changes in fair value (Loss marked with "-")	30	959,005,778.13	67,996,179.99
Credit impairment losses (Loss marked with "-")	31	-512,321,454.28	-
Asset impairment loss (Loss marked with "-")	32	-	-148,383,973.17
Gains on disposal of assets (Loss marked with "-")	33	-7,544,222.19	98,334.38
III. Operating profit (Loss marked with "-")	34	**404,172,872.39**	**1,375,460,542.21**
Add: Non-operating revenue	35	151,238,022.58	21,376,873.22
Including: Government grants	36	812,985.07	197,054.08
Less: Non-operating expenses	37	8,997,119.55	15,687,501.59
IV. Total profits (Total losses marked with "-")	38	**546,413,775.42**	**1,381,149,913.84**
Less: Income tax expenses	39	208,909,483.18	440,695,275.34
V. Net profits (Net losses marked with "-")	40	**337,504,292.24**	**940,454,638.50**
(I) Classified by the attribution of ownership	41		
Net profits attrbutable to the owner of parent company	42	123,225,167.92	277,022,954.80
*Non-controlling interests	43	214,279,124.32	663,431,683.70
(II) Classified by continuity of operations	44		
Net profits from continuing operations	45	337,504,292.24	940,454,638.50
Net profits of discontinuing operations	46	-	-
VI. Net after-tax amount of other comprehensive income	47	**-110,882,661.19**	**97,488,441.66**
The net after-tax value of other comprehensive incomes attributable to the owner of parent company	48	-115,611,714.90	48,006,108.94
(I) Other comprehensive income that cannot be reclassified into profit or loss	49	-102,343,883.67	-
1.Remeasurement of changes in defined benefit plans	50	-	-
2.Other comprehensive income not converted into profit or loss under equity method	51	-113,604.45	-
3.Fair value changes of other equity instrument investments	52	-102,230,279.22	-
4.Profit and loss from fair value changes of enterprise's own credit risks	53	-	-
5.Others	54	-	-
(II) Other comprehensive income reclassified into profit and loss	55	-13,267,831.23	48,006,108.94
1.Other comprehensive income converted into profit or loss under the equity method	56	-	-
2.Fair value changes of other debt instruments	57	-	-
3.Profit and loss from fair value changes of available-for-sale financial assets	58	-	48,006,108.94
4.Amount reclassified from financial assets to other comprehensive income	59	-	-
5.Gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets	60	-	-
6.Provision for credit impairment on other debt instruments	61	-	-
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62	-	-
8.Translation difference of foreign currency statements	63	-	-
9.Others	64	-13,267,831.23	-
* Net other comprehensive income attributable to non-controlling interests after tax	65	4,729,053.71	49,482,332.72
VII. Total comprehensive income	66	**226,621,631.05**	**1,037,943,080.16**
Total comprehensive income attributable to owners of the parent company	67	7,613,453.02	325,029,063.74
*Total comprehensive income attributable to non-controlling interest	68	219,008,178.03	712,914,016.42
VIII. Earnings per share:	69	-	-
(I) Basic earnings per share	70	-	-
(II) Diluted earnings per share	71	-	-

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Income Statement

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2021	2020
I. Operating revenue	1	**175,784,567.55**	**999,020,231.86**
Including: Operating revenue	2	18,374,540.35	86,828,600.79
△ Interest income	3	157,410,027.20	912,191,631.07
△ Insurance premium earned	4		
△ Handling charge and commission incomes	5		
II. Total operating cost	6	**2,731,497,651.69**	**2,369,403,113.78**
Including: Operating cost	7	8,744,679.13	6,507,937.96
△ Interest expenses	8	2,623,466,037.51	2,296,545,812.20
△ Handling charge and commission expenses	9		
△ Insurance termination refund	10		
△ Net compensation expenses	11		
△ Net withdrawal of insurance liability reserve	12		
△ Policy dividend payments	13		
△ Reinsurance costs	14		
Taxes and surcharges	15	9,552,383.57	12,994,939.33
Selling expenses	16	45,357,568.22	59,210,031.71
General and general and administrative expenses	17	55,039,362.36	33,450,286.25
Research & development expenses	18		
Financial expenses	19	-10,662,379.10	-39,305,893.67
Including: Interest expenses	20		
Interest income	21	29,016,388.67	39,396,610.61
Net exchange loss (Net gain marked with"-")	22		
Others	23		
Add: Other income	24	3,255,322.18	2,359,089.14
Investment income (Loss marked with"-")	25	455,183,447.97	554,039,448.65
Including: Investment income from associates and joint ventures	26	393,124,112.17	
Derecognition of gains on financial assets at amortized cost	27		
△ Exchange earnings (Loss marked with "-")	28	76,119,760.83	230,350,996.51
Net exposure hedging gains (Loss marked with "-")	29		
Income from changes in fair value (Loss marked with "-")	30	10,623,977.52	71,843,154.50
Impairment loss of credit (Loss marked with "-")	31	-64,858.51	
Impairment loss of assets (Loss marked with "-")	32		-5,627.00
Income from disposal of assets (Loss marked with "-")	33	106,204.05	
III. Operating profit (Loss marked with "-")	34	**-2,010,489,230.10**	**-511,795,820.12**
Add: Non-operating revenue	35	131,154.00	309,337.20
Including: Government grants	36		
Less: Non-operating expenses	37	57,282.03	3,474,241.55
IV. Total profits (Total losses marked with "-")	38	**-2,010,415,358.13**	**-514,960,724.47**
Less: Income tax expenses	39		
V. Net profits (Net losses marked with "-")	40	**-2,010,415,358.13**	**-514,960,724.47**
(I) Classified by the attribution of ownership	41		
Net profits attrbutable to the owner of parent company	42	-2,010,415,358.13	-514,960,724.47
*Non-controlling interests	43		
(II) Classified by continuity of operations	44		
Net profits from continuing operations	45	-2,010,415,358.13	-514,960,724.47
Net profits of discontinuing operations	46		
VI. Net after-tax amount of other comprehensive income	47	**-125,436,052.00**	
The net after-tax value of other comprehensive incomes attributable to the owner of parent company	48	-125,436,052.00	
(I) Other comprehensive income that cannot be reclassified into profit or loss	49	-125,436,052.00	
1.Remeasurement of changes in defined benefit plans	50		
2.Other comprehensive income not converted into profit or loss under equity method	51		
3.Fair value changes of other equity instrument investments	52	-125,436,052.00	
4.Profit and loss from fair value changes of enterprise's own credit risks	53		
5.Others	54		
(II) Other comprehensive income reclassified into profit and loss	55		
1.Other comprehensive income converted into profit or loss under the equity method	56		
2.Fair value changes of other debt instruments	57		
3.Profit and loss from fair value changes of available-for-sale financial assets	58		
4.Amount reclassified from financial assets to other comprehensive income	59		
5.Gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets	60		
6.Provision for credit impairment on other debt instruments	61		
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62		
8.Translation difference of foreign currency statements	63		
9.Others	64		
* Net other comprehensive income attributable to non-controlling interests after tax	65		
VII. Total comprehensive income	66	**-2,135,851,410.13**	**-514,960,724.47**
Total comprehensive income attributable to owners of the parent company	67	-2,135,851,410.13	-514,960,724.47
*Total comprehensive income attributable to non-controlling interest	68		
VIII. Earnings per share:	69		
(I) Basic earnings per share	70		
(II) Diluted earnings per share	71		

Legal representative:: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Consolidated Cash Flow Statement

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2021	2020
I. Cash flow arising from operating activities:	1		
Cash received from sales of goods or rendering services	2	6,176,610,547.73	6,919,910,498.29
△Net increase in customer deposits and interbank deposits	3		
△Net increase in borrowing from the central bank	4		
△Net increase in borrowing from other financial institutions	5	-8,404,830,785.37	6,432,436,788.53
△Cash received from the original insurance contract premium	6	4,116,169,515.32	3,858,389,966.40
△Cash received from reinsurance	7	-87,651,996.25	-86,723,680.14
△Net increase in the Fund's reserves and investments	8		
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period	9		
△ Cash received from interest, fees and commissions	10	1,032,992,988.09	1,813,739,650.06
△Net increase in borrowed funds	11		
△ Repurchase business funds net increase	12		
△Net cash received from dealers in securities	13		
Received tax refunds	14	16,338,787.26	10,163,027.18
Cash received related to other operating activities	15	53,516,690,338.97	11,249,055,312.20
Subtotal of cash inflow from operating activities	**16**	**56,366,319,395.75**	**30,196,971,562.52**
Cash paid for the purchase of goods and services	17	5,685,878,303.94	5,584,684,039.56
△ Net increase in loans and advances to customer	18	-310,663,756.72	2,669,239,304.08
△Net increase of deposits in central bank and interbank	19		
△Cash paid for the original insurance contract	20	2,683,238,225.43	2,241,704,290.47
△Net increase in lending funds	21		
△Cash for paid for interest, fees and commissions	22	1,241,574,395.41	1,063,573,797.79
△Paid policy dividends in cash	23		
Cash paid to and for employees	24	906,576,322.28	1,086,725,905.00
Taxes paid	25	760,293,907.63	955,426,440.20
Cash paid related to other operating activities	26	44,795,305,706.45	8,778,488,580.56
Subtotal of cash outflows from operating activities	**27**	**55,762,203,104.42**	**22,379,842,357.66**
Net cash flow from operating activities	**28**	**604,116,291.33**	**7,817,129,204.86**
II. Cash flow from investment activities:	**29**		
Cash received from disinvestment	30	5,791,117,259.53	5,219,388,271.86
Cash received from the return of investment	31	478,371,584.72	1,164,433,566.04
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	32	5,902,999.41	868,173,915.20
Net cash received from dispose of subsidiaries and other business units	33	327,794,970.87	5,288,938.73
Cash received related to other investing activities	34	7,348,595,674.86	1,702,008,580.23
Subtotal of cash inflow from investing activities	**35**	**13,951,782,489.39**	**8,959,293,272.06**
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets	36	171,806,523.87	249,975,064.80
Cash paid for investment	37	7,193,502,311.77	15,462,535,026.72
△Net increase in pledge loans	38		
Net cash paid by subsidiaries and other business units	39	205,000,000.00	
Cash paid related to other investing activities	40	7,035,955,312.47	4,232,175,929.15
Subtotal of cash outflows from investing activities	**41**	**14,606,264,148.11**	**19,944,686,020.67**
Net cash flow from investing activities	**42**	**-654,481,658.72**	**-10,985,392,748.61**
III.Cash flow from financing activities:	**43**		
Cash received from external investment	44	1,821,581,531.00	6,154,906,377.54
Including: The subsidiary received cash from non-controllings' investment	45		5,074,264,333.00
Cash received from loans granted	46	7,166,960,400.60	6,685,977,706.76
Cash received relating to other financing activities	47	8,472,152,805.35	9,313,878,893.09
Subtotal cash inflow from financing activities	**48**	**17,460,694,736.95**	**22,154,762,977.39**
Payment of debt in cash	49	11,834,846,200.00	6,954,423,000.00
Cash used to pay dividends, profits, or interest payments	50	821,251,280.63	1,092,154,429.13
Including: Dividends and profits paid to non-controlling interests by subsidiaries	51		215,037,957.92
Cash paid related to other financing activities	52	8,125,054,450.23	9,505,808,209.19
Subtotal cash outflow from financing activities	**53**	**20,781,151,930.86**	**17,552,385,638.32**
Net cash flow from financing activities	**54**	**-3,320,457,193.91**	**4,602,377,339.07**
IV. Impact of exchange rate fluctuations on cash and cash equivalents	**55**	**-61,450,435.34**	**-9,124,645.46**
V. Net increase in cash and cash equivalents	**56**	**-3,432,272,996.64**	**1,424,989,149.86**
Add: Balance of cash and cash equivalents at the beginning of the period	57	7,275,033,462.88	5,850,044,313.02
VI. Balance of cash and cash equivalents at the end of the period	**58**	**3,842,760,466.24**	**7,275,033,462.88**

Legal representative:: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Parent Company's Cash Flow Statement

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd. Unit: RMB

Item	Line	2021	2020
I. Cash flow arising from operating activities:	1		
Cash received from sales of goods or rendering services	2	14,698,004.70	9,893,648.82
△Net increase in customer deposits and interbank deposits	3		
△Net increase in borrowing from the central bank	4		
△Net increase in borrowing from other financial institutions	5	-6,906,313,756.94	8,951,669,576.93
△Cash received from the original insurance contract premium	6		
△Cash received from reinsurance	7		
△Net increase in the Fund's reserves and investments	8		
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period	9		
△ Cash received from interest, fees and commissions	10		
△Net increase in borrowed funds	11		
△ Repurchase business funds net increase	12		
△Net cash received from dealers in securities	13		
Received tax refunds	14		
Cash received related to other operating activities	15	46,172,051,399.31	38,155,263,571.09
Subtotal of cash inflow from operating activities	**16**	**39,280,435,647.07**	**47,116,826,796.84**
Cash paid for the purchase of goods and services	17		
△ Net increase in loans and advances to customer	18		
△Net increase of deposits in central bank and interbank	19		
△Cash paid for the original insurance contract	20		
△Net increase in lending funds	21		
△Cash for paid for interest, fees and commissions	22		
△Paid policy dividends in cash	23		
Cash paid to and for employees	24	66,584,338.13	107,415,264.81
Taxes paid	25	22,070,070.31	37,425,182.24
Cash paid related to other operating activities	26	34,168,818,203.75	39,429,704,588.63
Subtotal of cash outflows from operating activities	**27**	**34,257,472,612.19**	**39,574,545,035.68**
Net cash flow from operating activities	**28**	**5,022,963,034.88**	**7,542,281,761.16**
II.Cash flow from investment activities:	**29**		
Cash received from disinvestment	30	31,701,754.37	27,853,801.17
Cash received from the return of investment	31	1,324,270,854.67	325,070,610.47
Net cash recovered from the disposal of fixed assets,intangible assets and other long-term assets	32	1,653,121.63	868,058,792.90
Net cash received from dispose of subsidiaries and other business units	33	772,847,577.27	
Cash received related to other investing activities	34	136,401,587.70	
Subtotal of cash inflow from investing activities	**35**	**2,266,874,895.64**	**1,220,983,204.54**
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets	36	2,692,945.00	1,517,082.00
Cash paid for investment	37	2,214,200,000.00	4,368,752,752.94
△Net increase in pledge loans	38		
Net cash paid by subsidiaries and other business units	39	205,000,000.00	
Cash paid related to other investing activities	40		
Subtotal of cash outflows from investing activities	**41**	**2,421,892,945.00**	**4,370,269,834.94**
Net cash flow from investing activities	**42**	**-155,018,049.36**	**-3,149,286,630.40**
III.Cash flow from financing activities:	**43**		
Cash received from external investment	44	1,600,000,000.00	2,082,000,000.00
Including: The subsidiary received cash from non-controllings' investment	45		
Cash received from loans granted	46	2,825,460,400.60	4,037,775,206.76
Cash received relating to other financing activities	47		
Subtotal cash inflow from financing activities	**48**	**4,425,460,400.60**	**6,119,775,206.76**
Payment of debt in cash	49	10,805,802,000.00	6,757,898,000.00
Cash used to pay dividends, profits, or interest payments	50	593,053,069.90	861,566,403.69
Including: Dividends and profits paid to non-controlling interests by subsidiaries	51		
Cash paid related to other financing activities	52	52,363,221.58	5,051,457.59
Subtotal cash outflow from financing activities	**53**	**11,451,218,291.48**	**7,624,515,861.28**
Net cash flow from financing activities	**54**	**-7,025,757,890.88**	**-1,504,740,654.52**
IV. Impact of exchange rate fluctuations on cash and cash equivalents	**55**	**-61,401,517.61**	**-9,276,284.89**
V. Net increase in cash and cash equivalents	**56**	**-2,219,214,422.97**	**2,878,978,191.35**
Add: Balance of cash and cash equivalents at the beginning of the period	57	3,076,788,077.33	197,809,885.98
VI. Balance of cash and cash equivalents at the end of the period	**58**	**857,573,654.36**	**3,076,788,077.33**

Legal representative: Person in Charge of Accounting Work: Person in Charge of Accounting Department:

Consolidated Statement of Changes in Shareholders' Equity

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Current year amount													
		Equity attributable to shareholders of the parent company												Non-controlling interests	Total shareholders' equity
		Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	2,800,000,000.00				12,220,678,454.90		27,720,412.87		68,789,379.09	1,068,580,927.36	1,350,103,258.89	17,535,872,433.11	19,632,418,203.08	37,168,290,636.19
Add: Impact from changes in accounting policies	2							47,075,612.34				-5,996,815,322.25	-5,949,739,709.91	-300,542,429.28	-6,250,282,139.19
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	2,800,000,000.00				12,220,678,454.90		74,796,025.21		68,789,379.09	1,068,580,927.36	-4,646,712,063.36	11,586,132,723.20	19,331,875,773.80	30,918,008,497.00
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				6,312,297,321.80		-71,794,438.35			73,062,074.57	86,813,757.89	7,900,378,715.91	-10,166,107,592.28	-2,265,728,876.37
(1) Total comprehensive income	7							-115,611,714.90				123,225,167.92	7,613,453.02	219,008,178.03	226,621,631.05
(2) Shareholder's contributions and withdrawals of captial	8					1,606,808,298.91		43,817,276.55			36,650,664.54		1,687,276,240.00	-3,981,404,415.20	-2,294,128,175.20
1) Common stock contributed by shareholders	9					1,725,500,000.00							1,725,500,000.00		1,725,500,000.00
2) Capital contributed by other equity instruments holders	10														
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					-118,691,701.09		43,817,276.55			36,650,664.54		-38,223,760.00	-3,981,404,415.20	-4,019,628,175.20
(3) Withdrawal and use of special reserve	13														
1) Withdrawal of special reserve	14														
2) Use of special reserve	15														
(4) Profits distribution	16										36,411,410.03	-36,411,410.03		-198,222,332.22	-198,222,332.22
1) Appropriation of surplus reserve	17														
Including: Statutory reserve fund	18														
Discretionary reserve	19														
#Reserve fund	20														
#Enterprise development fund	21														
#Return on investment	22														
△2) Extraction of general risk reserves	23										36,411,410.03	-36,411,410.03			
3) Distribution to shareholders	24													-198,222,332.22	-198,222,332.22
4) Others	25														
(5) Internal transfer within shareholder's equity	26	1,500,000,000.00				4,705,489,022.89							6,205,489,022.89	-6,205,489,022.89	
1) Conversion of capital reserve into share capital	27	1,500,000,000.00				-1,500,000,000.00									
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income are carried forward to retained earnings	31														
6) Others	32					6,205,489,022.89							6,205,489,022.89	-6,205,489,022.89	
4. Closing balance of current year	33	4,300,000,000.00				18,532,975,776.70		3,001,586.86		68,789,379.09	1,141,643,001.93	-4,559,898,305.47	19,486,511,439.11	9,165,768,181.52	28,652,279,620.63

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Consolidated Statement of Changes in Shareholders' Equity (continued)

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Prior year amount													
		Equity attributable to shareholders of the parent company												Non-controlling interests	Total shareholders' equity
		Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28
1. Closing balance of last year	1	1,300,000,000.00				11,985,316,059.03		-20,285,696.07		68,789,379.09	1,056,109,864.36	1,120,085,752.22	15,510,015,358.63	15,039,456,922.20	30,549,472,280.83
Add: Impact from changes in accounting policies	2														
Impact from corrections of errors in prior period	3											-16,769,739.67	-16,769,739.67		-16,769,739.67
Others	4											-10,069,590.91	-10,069,590.91	-89,789.72	-10,159,380.63
2. Opening balance of current year	5	1,300,000,000.00				11,985,316,059.03		-20,285,696.07		68,789,379.09	1,056,109,864.36	1,093,246,421.64	15,483,176,028.05	15,039,367,132.48	30,522,543,160.53
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				235,362,395.87		48,006,108.94			12,471,063.00	256,856,837.25	2,052,696,405.06	4,593,051,070.60	6,645,747,475.66
(1) Total comprehensive income	7							48,006,108.94				277,022,954.80	325,029,063.74	712,914,016.42	1,037,943,080.16
(2) Shareholder's contributions and withdrawals of captial	8	1,500,000,000.00				235,362,395.87		-			-53,919,521.45		1,681,442,874.42	4,110,766,470.98	5,792,209,345.40
1) Common stock contributed by shareholders	9													4,110,766,470.98	4,110,766,470.98
2) Capital contributed by other equity instruments holders	10														
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12	1,500,000,000.00				235,362,395.87					-53,919,521.45		1,681,442,874.42		1,681,442,874.42
(3) Withdrawal and use of special reserve	13														
1) Withdrawal of special reserve	14														
2) Use of special reserve	15														
(4) Profits distribution	16										66,390,584.45	-20,166,117.55	46,224,466.90	-230,629,416.80	-184,404,949.90
1) Appropriation of surplus reserve	17														
Including: Statutory reserve fund	18														
Discretionary reserve	19														
#Reserve fund	20														
#Enterprise development fund	21														
#Return on investment	22														
△2) Extraction of general risk reserves	23										66,390,584.45	-66,390,584.45			
3) Distribution to shareholders	24													-230,629,416.80	-230,629,416.80
4) Others	25											46,224,466.90	46,224,466.90		46,224,466.90
(5) Internal transfer within shareholder's equity	26														
1) Conversion of capital reserve into share capital	27														
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income are carried forward to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	2,800,000,000.00				12,220,678,454.90		27,720,412.87		68,789,379.09	1,068,580,927.36	1,350,103,258.89	17,535,872,433.11	19,632,418,203.08	37,168,290,636.19

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Parent Company's Statement of Changes in Shareholders' Equity

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Current year amount										
		Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
			Preferred share	Perpetual bond	Other							
Column	—	1	2	3	4	5	6	7	8	9	10	11
1. Closing balance of last year	1	2,800,000,000.00				6,707,042,154.41				68,789,379.09	-1,137,728,762.16	8,438,102,771.34
Add: Impact from changes in accounting policies	2							41,984,491.51			-191,440,625.60	-149,456,134.09
Impact from corrections of errors in prior period	3											
Others	4											
2. Opening balance of current year	5	2,800,000,000.00				6,707,042,154.41		41,984,491.51		68,789,379.09	-1,329,169,387.76	8,288,646,637.25
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				6,387,013,449.02		-125,436,052.00			-2,010,415,358.13	5,751,162,038.89
(1) Total comprehensive income	7							-125,436,052.00			-2,010,415,358.13	-2,135,851,410.13
(2) Shareholder's contributions and withdrawals of captial	8					7,887,013,449.02						7,887,013,449.02
1) Common stock contributed by shareholders	9											
2) Capital contributed by other equity instruments holders	10											
3) Share-based payment recorded in shareholder's equity	11											
4) Others	12					7,887,013,449.02						7,887,013,449.02
(3) Withdrawal and use of special reserve	13											
1) Withdrawal of special reserve	14								380,917.56			380,917.56
2) Use of special reserve	15								-380,917.56			-380,917.56
(4) Profits distribution	16											
1) Appropriation of surplus reserve	17											
Including: Statutory reserve fund	18											
Discretionary reserve	19											
#Reserve fund	20											
#Enterprise development fund	21											
#Return on investment	22											
2) Distribution to shareholders	23											
3) Others	24											
(5) Internal transfer within shareholder's equity	25	1,500,000,000.00				-1,500,000,000.00						
1) Conversion of capital reserve into share capital	26	1,500,000,000.00				-1,500,000,000.00						
2) Conversion of surplus reserve into share capital	27											
3) Recover of loss by surplus reserve	28											
4) Benefit plans are carried forward to retained earnings	29											
5) Other comprehensive income are carried forward to retained earnings	30											
6) Others	31											
4. Closing balance of current year	32	4,300,000,000.00				13,094,055,603.43		-83,451,560.49		68,789,379.09	-3,339,584,745.89	14,039,808,676.14

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department:

Parent Company's Statement of Changes in Shareholders' Equity (Continued)

FY 2021

Prepared by: Guangxi Financial Investment Group Co., Ltd.

Unit: RMB

Item	Line	Prior year amount										
		Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
			Preferred share	Perpetual bond	Other							
Column	—	12	13	14	15	16	17	18	19	20	21	22
1. Closing balance of last year	1	1,300,000,000.00				5,228,811,235.39				68,789,379.09	-622,768,037.69	5,974,832,576.79
Add: Impact from changes in accounting policies	2											
Impact from corrections of errors in prior period	3											
Others	4											
2. Opening balance of current year	5	1,300,000,000.00				5,228,811,235.39				68,789,379.09	-622,768,037.69	5,974,832,576.79
3. Movement for current year ("-" for decrease)	6	1,500,000,000.00				1,478,230,919.02					-514,960,724.47	2,463,270,194.55
(1) Total comprehensive income	7										-514,960,724.47	-514,960,724.47
(2) Shareholder's contributions and withdrawals of captial	8	1,500,000,000.00				1,478,230,919.02						2,978,230,919.02
1) Common stock contributed by shareholders	9	1,500,000,000.00										1,500,000,000.00
2) Capital contributed by other equity instruments holders	10											
3) Share-based payment recorded in shareholder's equity	11											
4) Others	12					1,478,230,919.02						1,478,230,919.02
(3) Withdrawal and use of special reserve	13											
1) Withdrawal of special reserve	14											
2) Use of special reserve	15											
(4) Profits distribution	16											
1) Appropriation of surplus reserve	17											
Including: Statutory reserve fund	18											
Discretionary reserve	19											
#Reserve fund	20											
#Enterprise development fund	21											
#Return on investment	22											
2) Distribution to shareholders	23											
3) Others	24											
(5) Internal transfer within shareholder's equity	25											
1) Conversion of capital reserve into share capital	26											
2) Conversion of surplus reserve into share capital	27											
3) Recover of loss by surplus reserve	28											
4) Benefit plans are carried forward to retained earnings	29											
5) Other comprehensive income are carried forward to retained earnings	30											
6) Others	31											
4. Closing balance of current year	32	2,800,000,000.00				6,707,042,154.41				68,789,379.09	-1,137,728,762.16	8,438,102,771.34

Legal representative:

Person in Charge of Accounting Work:

Person in Charge of Accounting Department: 毛绘宇

Guangxi Financial Investment Group Co., Ltd.
Notes to the consolidated financial statements for 2021

I. General Information of the Company

1. Enterprise history, place of registration, organizational form and headquarters address

Guangxi Financial Investment Group Co., Ltd. (hereinafter referred to as the Group), a limited liability company approved by the People's Government of Guangxi Zhuang Autonomous Region, is an enterprise directly under the State-owned Assets Management Committee of Guangxi Zhuang Autonomous Region, which received the "Enterprise Legal Person Business License" from the Administration for Industry and Commerce of Guangxi Zhuang Autonomous Region on July 24th, 2008., unified credit code: 91450000677718276R, registered address: No. 22 Jinpu Road, Qingxiu District, Nanning City, No. 1 commercial and residential building twelfth floor, registered capital of RMB 4300 million, legal representative: Xu Youhua.

On December 31st, 2019, the General Office of the Party Committee of Guangxi Autonomous Region and the General Office of the People's Government of Guangxi Autonomous Region on the issuance of the Strategic Reorganization Plan of Guangxi Investment Group Co., Ltd. and Guangxi Financial Investment Group Co., Ltd. (Ting Fa [2019] No. 149), Guangxi Investment Group Co., Ltd. (hereinafter referred to as "Guangxi Investment Group") and the Group implemented a strategic reorganization, and the Group was reorganized into Guangxi Investment Group as its wholly-owned subsidiary and injected into Guangxi Investment Group with the audited net assets of the Group as of December 31st, 2018, and this restructuring has been registered for industrial and commercial changes.

In March 2020, according to the Notice of the General Office of Guangxi District People's Government of the General Office of the Party Committee of the Autonomous Region on the Issuance of Guangxi Investment Group Co., Ltd. and Guangxi Financial Investment Group Co., Ltd. Strategic Restructuring Program (Ting Fa [2019] No. 149) deployment requirements, Guangxi Zhuang Autonomous Region Finance will allocate funds to Guangxi Investment Group Co., Ltd. in batches to increase the registered capital of the Group by RMB 1.5 billion, and on March 31st, 2020, the registered capital of the Company will be changed from RMB 1500 million, to RMB 3000 million, including paid-in capital of RMB 2800 million.

On August 4th, 2021, according to the Approval on the Transfer to Capital and Amendment of Articles of Association of Guangxi Financial Investment Group Co., Ltd, Guitoufa[2021] No. 274, it was agreed that Guangxi Financial Investment Group Co. shall transfer capital reserve of

RMB 1500 million to paid-in capital. After the transfer, the registered capital of Guangxi Financial Investment Group Co., Ltd. is RMB 4300 million and the paid-in capital is RMB 4300 million.

2. The nature of the business and the main business activities of the enterprise

The business scope of the business license of the enterprise legal person: to carry out financial-based, non-financial complementary investment, capital operation and asset management business; municipal infrastructure and road construction, real estate development, land consolidation; financial advisory and social and economic consulting; insurance agency (subject to the scope approved by the license); the sale of precious metals.

The major business segments of the Group and its subsidiaries include property insurance, financial leasing, commercial leasing, commercial factoring, urban construction investment, financial asset management, microfinance, financial guarantee, equity funds, industrial funds, and industrial equity investment.

Name of parent company and group headquarters

The parent company of the Group is Guangxi Investment Group Co., Ltd. and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region.

The Group has 12 secondary subsidiaries, including: Beibu Gulf Property Insurance Co., Ltd., Beibu Gulf Financial Leasing Co., Ltd., Guangxi Financial Assets Management Co., Ltd., Guangxi SME Financing Guarantee Co., Ltd., Nanning Jintong Microfinance Co., Ltd., Guangxi Financial Investment Internet Financial Service Co., Ltd., Guangxi Financial Investment Group Urban Construction Development Co., Ltd., Guangzhou Investment Management Co., Ltd., and Guangxi Investment Group Financial Holding Co., Ltd., Guangxi Financial Investment Real Estate Management Co., Ltd, Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd, Guangxi Digital Financial Service Technology Co., Ltd.

According to the Company Law of the People's Republic of China and the Articles of Association of the Group, the Board of Directors is the highest authority of the Group; the Board of Directors consists of 4 directors (including 0 independent directors), with 1 chairman and 1 vice-chairman; the Company has 1 general manager and 5 vice-general managers; and the Supervisory Board has 2 members for the time being.

3. Approval of financial report reporting

The approved reporting date for the Group's financial report is April 22nd, 2022.

II. Basis of Preparation of the Financial Statements

The Group's financial statements have been prepared on a going concern basis, based on transactions and events that have actually occurred, in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance and related regulations, and based on the accounting policies and estimates described in Note IV. "Significant Accounting Policies and Accounting Estimates" herein.

III. 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 give a true and complete view of the financial position, results of operations and cash flows of the Company and the Group and other relevant information.

IV. Significant Accounting Policies and Accounting Estimates

An enterprise should disclose the significant accounting policies and accounting estimates adopted, and disclose the determination basis of its significant accounting policies and the measurement basis of financial statement items, as well as the key assumptions and uncertainties used in its accounting estimates, in the context of the enterprise's specific circumstances.

1. Accounting period

The Group's fiscal year is the Gregorian calendar year, that is, from January 1st to December 31st each year.

2. Functional currency

Renminbi (RMB) is the functional currency of the Group.

3. Basis of accounting and valuation principles

The Group's accounting is carried out on the accrual basis of accounting, and historical cost is used as the valuation principle, except for financial assets held for tradingthat are measured at fair value.

4. Business combination

Assets and liabilities acquired by the Group as a consolidator in a business combination under common control are measured at the carrying amount of the consolidated party in the consolidated statements of ultimate control at the date of consolidation. The difference between the book value of the net assets acquired and the book value of the consideration paid for the merger is adjusted to capital reserve; if capital reserve is not sufficient to offset the difference, retained earnings are adjusted.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under common control are measured at fair value at the acquisition date. The cost of the combination is the sum of the fair value of cash or non-cash assets paid, liabilities issued or assumed and equity securities issued by the Group to obtain control of the acquiree at the date of acquisition, and all directly related costs incurred in the business combination (for a business combination achieved in stages through multiple transactions, the cost of the combination is the sum of the costs of each individual transaction). The difference between the cost of the merger and the fair value of the share of identifiable net assets of the acquiree acquired in the merger is recognized as goodwill; if the cost of the merger is less than the fair value of the share of identifiable net assets of the acquiree acquired in the merger, the fair value of each identifiable asset, liability and contingent liability acquired in the merger, as well as the fair value of non-cash assets or equity securities issued in consideration of the merger, are first reviewed. If, after the review, the cost of consolidation is still less than the share of the fair value of the identifiable net assets of the acquiree acquired in the consolidation, the difference is recognized as non-operating income in the period of consolidation.

5. Preparation of consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries in the scope of the consolidated financial statements.

(2) Principles, procedures and methods of preparing consolidated financial statements

In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Company are not consistent, the necessary adjustments are made to the financial statements of the subsidiary in accordance with the Company's accounting policies or accounting periods.

All significant internal transactions, transaction balances and unrealized profits within the scope of consolidation are eliminated in the preparation of the consolidated financial

statements. The shares of ownership interests of subsidiaries that do not belong to the parent company and the shares of net profit or loss, other comprehensive income and total comprehensive income for the period that belong to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, profit or loss of minority shareholders, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders", respectively. The shares of minority interests in the consolidated financial statements are presented in "minority interests, minority gains and losses, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders".

For subsidiaries acquired in a business combination under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation. When preparing the comparative consolidated financial statements, the relevant items in the prior year's financial statements are adjusted as if the reporting entity formed after the merger had been in existence since the point at which the ultimate controlling party began to exercise control.

For a business combination that is ultimately formed by acquiring an equity interest in an investee under common control by step through multiple transactions, its treatments disclosed in consolidated financial statement shall be added in the reporting period in which control is acquired. For example: when a business combination is ultimately formed by acquiring an equity interest in an investee under common control realized through multiple transactions, if it is a package transaction, the consolidated statements of operations are prepared as if the ultimate controlling party existed in its current state at the time control by the ultimate controlling party commenced, and the relevant assets and liabilities of the consolidated party are consolidated into the Group's the comparative statement of consolidated financial statements, the relevant assets and liabilities of the consolidated party are consolidated into the Group's consolidated financial statements, and the increase in net assets as a result of the consolidation is adjusted to the relevant items under owners' equity in the comparative statement. In order to avoid double counting the value of the net assets of the consolidated party, long-term equity investments held by the Group before reaching consolidation and for which relevant gains or losses, other comprehensive income and other changes in net assets have been recognized between the later of the date of acquisition of the original equity interest and the date when the Group and the consolidated party are under the ultimate control of the same party and the date of consolidation should be eliminated from opening retained earnings and current profit or loss in the comparative statement period, respectively.

For a subsidiary acquired through a business combination not under common control, the results of operations and cash flows are included in the consolidated financial statements from the date the Group obtains control. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the purchase date.

For a business combination that is ultimately formed by acquiring an equity interest in an investee not under common control by step through multiple transactions, its treatments disclosed in consolidated financial statement shall be added in the reporting period in which control is acquired. For example: When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying amount is recognized as investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates to other comprehensive income is involved in the equity method of accounting under the equity method and changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

When the Group partially disposes of its long-term equity investments in subsidiaries without loss of control, the difference between the disposal price and the share of the net assets of the subsidiaries corresponding to the disposal of the long-term equity investments calculated on an ongoing basis from the date of purchase or the date of consolidation is adjusted to capital premium or equity premium in the consolidated financial statements, and retained earnings is adjusted if capital surplus is not sufficient to cover the reduction.

If the Group loses control over an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of consolidated financial statements. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest, less the share of the net assets of the original subsidiary calculated on a continuing basis from the date of purchase or the date of consolidation in proportion to the original shareholding, is recognized as investment gain or loss in the period in which control is lost, and goodwill is eliminated. Other comprehensive

income related to the equity investment in the original subsidiary, etc., is transferred to current investment gain or loss when control is lost.

If the Group disposes of its equity investment in a subsidiary through multiple transactions, which is a package transaction, until it loses control, each transaction is accounted for as a disposal of the subsidiary and loss of control; however, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment in each disposal prior to the loss of control is recognized in the consolidated financial statements as other comprehensive income and is transferred to investment income or loss in the period in which control is lost.

6. Classification of joint venture arrangements and accounting for joint operations

The Group's joint venture arrangements include joint operations and joint ventures. For joint operations, the Group recognizes assets held and liabilities assumed separately as a joint party in a joint operation, as well as assets held and liabilities assumed on a share basis, and recognizes related revenues and expenses separately or on a share basis in accordance with relevant agreements. If a purchase or sale of assets that do not constitute a business transaction occurs with a joint operation, only the portion of the gain or loss arising from the transaction attributable to the other participants in the joint operation is recognized.

7. Criteria for determining cash and cash equivalents

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment. Cash equivalents in the statement of cash flows represent investments that are held for less than three months, are highly liquid, easily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

8. Foreign currency operations and translation of foreign currency statements

(1) Foreign currency operations

The Group's foreign currency operations are translated into RMB at the spot exchange rate (or actual situation) at the date of the transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rate at the balance sheet date. The resulting translation differences are recognized directly in profit or loss for the current period, except for exchange differences arising from special borrowings in foreign currencies for the purpose of acquiring or producing assets eligible for capitalization, which are treated on the basis of capitalization.

(2) Translation of foreign currency financial statements

Foreign currency balance sheet items are translated using the spot exchange rate at the balance sheet date for assets and liabilities; shareholders' equity items, except for "Retained earnings", are translated at the spot exchange rate at the time of the transaction; income and expense items in the income statement are translated using the spot exchange rate (or actual situation) at the date of the transaction. The translation differences arising from the above translation are presented in "Other comprehensive income" in shareholders' equity. Cash flows in foreign currencies are translated using the spot exchange rates at the dates when the cash flows occur. The effect of exchange rate changes on cash is shown separately in the statement of cash flows.

9. Financial assets and financial liabilities

(1) Financial assets

1) Classification, recognition basis and measurement method of financial assets

The Group classifies financial assets as financial assets carried at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss based on the business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Group classifies financial assets as financial assets carried at amortized cost if both of the following conditions are met: ① the business model for managing the financial asset is to collect the contractual cash flows. ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount; they are subsequently measured at amortized cost. For such financial assets that are not part of any hedging relationship, its amortization by effective interest method, impairment, exchange gain or loss, and gain or loss arising on derecognition are recognized in profit or loss.

The Group classifies financial assets as financial assets at fair value through other comprehensive income if both ① the business model for managing the financial asset is to both collect the contractual cash flows and sell the financial asset. ② The contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount. Except for those designated as hedged items, such financial assets, other

than credit impairment losses or gains, foreign exchange gains or losses and interest on such financial assets calculated under the effective interest rate method, are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income should be transferred from other comprehensive income and recognized in profit or loss for the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the carrying amount of the financial assets (not net of provision for impairment) by the effective interest rate, except for the following cases: ① for financial assets acquired or originated that are credit impaired, interest income is determined from initial recognition based on the amortized cost of the financial assets (book balance less provision for impairment accrued, i.e. carrying value) and the effective interest rate adjusted for credit. ② For financial assets acquired or originated without credit impairment but become credit impaired in subsequent periods, interest income is determined in subsequent periods based on the amortized cost of the financial assets and the effective interest rate.

The Group designates its investments in non-trading equity instruments as financial assets at fair value through other comprehensive income. This designation, once made, cannot be revoked. The Group's investments in non-trading equity instruments designated as at fair value through other comprehensive income are initially measured at fair value, with related transaction costs recognized at initial recognition; except for dividends received (other than those attributable to the recovery of investment costs), which are recognized in profit or loss, other related gains and losses (including exchange gains and losses) are recognized in other comprehensive income and are not subsequently transferred to current profit or loss. When they are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to retained earnings.

For financial assets other than those classified as financial assets measured at amortized cost and those classified as financial assets at fair value through other comprehensive income as described above, the Group classifies them as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value, and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss for the current period.

If the contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

At initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Group designates the following financial assets as financial assets at fair value through profit or loss.

When the Group changed its business model for managing financial assets, all affected related financial assets were reclassified.

2) Basis of recognition and measurement of transfer of financial assets

The Group derecognizes a financial asset when one of the following conditions is met: ① the contractual rights to receive cash flows from the financial asset expires; ② the financial asset is transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

If a transfer of a financial asset as a whole satisfies the derecognition condition, the difference between the carrying value of the transferred financial asset at derecognition date and the sum of the consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income, corresponding to the derecognized portion (the financial asset involved in the transfer also meet the following conditions: the Group's business model for managing the financial asset is aimed at collecting contractual cash flows; the contractual terms of the financial asset provide that the cash flows arising on a specific date are only payments of interest based on the principal amount), is recognized in profit or loss.

If a partial transfer of a financial asset satisfies the conditions for derecognition, the whole carrying value of the financial asset transferred is apportioned between the derecognized portion and the un-derecognized portion according to their respective relative fair values. And the difference between the sum ofthe consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income corresponding to the derecognized portion that shall be apportioned to the derecognized portion (the financial asset involved in the transfer also meet the following conditions: the Group's business model for managing the financial asset is aimed at collecting contractual cash flows; the contractual terms of the financial asset provide that the cash flows arising on a specific date are only payments of interest based on the principal amount), and the above apportioned carrying value of financial assets is recognized in profit or loss.

3) Expected credit losses

a Application scope

The Group accounts for impairment and recognizes loss provisions for the following items on the basis of expected credit losses: ①financial assets measured at amortized cost and debt instrument investment measured at fair value through other comprehensive income; ② lease receivables; ③ contract assets; and ④ loan commitments and financial guarantee contracts issued other than those classified as financial liabilities at fair value through profit or loss.

b Method of determining expected credit losses and accounting treatment

Expected credit losses are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable under the contracts and all cash flows expected to be received by the Group, discounted at the original effective interest rate, which is the present value of the total cash shortfall.

The Group always measures its loss allowance for each of the following items at an amount equal to the expected credit loss for the entire duration: ① Provision for losses on receivables or contract assets resulting from transactions regulated by *Accounting Standards for Business Enterprises No. 14 - Revenue*, regardless of whether the item includes a significant financing component/but only includes items that do not contain significant financing component, excluding items containing significant financing component (management chooses one or the other, but can make accounting policy elections for receivables and contract assets, respectively); ② Finance operating lease receivables (management's choice); ③ Operating lease receivables (management's choice).

For other items other than those mentioned above, the Group measures the provision for losses according to the following situations: The Group applies the simplified method to recognize the expected credit losses on notes receivable and contract assets, i.e. the provision for losses on the notes receivable and contract assets is measured at the amount equal to the expected credit losses over their entire duration.

For other items within the scope of accruals of expected credit losses, other than accounts receivable, notes receivable and contract assets, the provision for losses are recognized in accordance with the three stages of impairment. The Group assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition at each balance sheet date, and measures its provisions for losses and recognizes expected credit losses and changes in them separately in accordance with the following circumstances: (1) If the credit risk of the financial instrument has increased significantly since initial recognition or

a default has occurred, the Company shall measure the provision for loss at an amount equal to the expected credit loss over its entire duration. (2) If the credit risk of the financial instrument has not increased significantly since initial recognition, the Company shall measure the provision for losses at an amount equal to the expected credit losses over the next 12 months of the financial instrument.

At the end of period, the Group calculates the expected credit losses on various financial assets and recognizes the difference as an impairment loss if the expected credit loss is higher than the carrying value of its current provision for impairment, or as an impairment gain if the expected credit loss is less than the carrying value of the current provision for impairment. However, such reversed provision amount shall not be less than zero.

For investments in debt instruments that are measured at fair value through other comprehensive income, i.e., other debt assets, the resulting provision for losses is recognized in other comprehensive income and shall not reduce the carrying value of the financial asset as presented in the balance sheet.

For loan commitments and financial guarantee contracts issued other than financial liabilities at fair value through profit or loss, its resulting allowance for losses is recognized in provision.

For a financial asset that its credit risk has increased significantly or credit loss has occurred, or a financial asset with financially significant customers, the Group measures its provision for impairment individually. For a financial asset without being assessed individually, the Group measures the provision for impairment based on its credit risk characteristics and classifies them into different portfolios.

Basis of determining portfolio

Item	Portfolio type	Basis of determining portfolio
Financial investment	Financial investment	Classified by subject
Accounts receivable	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Contract assets	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Other receivables (excluding advances from customers)	Low risk category	Other receivables with very low risk, such as employee loans, social insurance fee, provident funds, etc.In daily operating activities.

Basis of determining portfolio		
Item	**Portfolio type**	**Basis of determining portfolio**
	Government debt	Debtors are all levels of government payments
	Non-governmental debt –borrowing- intra-group on-governmental debt –borrowing- related party on-governmental debt –borrowing- extra-group	The money nature is inter-company's borrowing, and is divided into intra-group customers, related party customers and extra-group customers according to the borrower
	Non-governmental debt - ordinary other receivables	Non-governmental debtors, and the money nature is ordinary transactions; litigation costs; deposits and allowance
Long-term receivables	Finance lease payments	Long-term receivables are finance lease items
	Other long-term receivables - intra-group Other long-term receivables - related party Other long-term receivables - extra-group	The nature of money is non-finance leaseitems, which are divided into intra-group customers, related party customers and extra-group customers according to customers
Other assets - entrusted loans	Entrusted loans - intra-group	The financier is theintra-group customer
	Entrusted loans - related party	The financier is the related party customer
	Entrusted loans - extra-group	The financier is the extra-group customer
Loans and advances	Loans to public	Customer type belongs to public customers, and can also be subdivided according to the industry they belong to
	Personal loans	Customer type belongs to individual customer
Commutations receivable	Commutations receivable	Classified by subject
Notes receivable	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group	Divided by customers into intra-group customers, related party customers and extra-group customers
Receivables financing	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group Accounts receivable - intra-group Accounts receivable - related party Accounts receivable - extra-group	Classified by subjects, divided by customers into intra-group customers, related party customers, and extra-group customers
Off-balance-sheet guarantee	Off-balance-sheet guarantee - intra-group Off-balance-sheet guarantee - related party Off-balance-sheet guarantee - extra-group	Divided by customers into intra-group customers, related party customers, and extra-group customers

Accrual method with provision for bad debts by portfolio	
Financial investments, accounts receivable, contract assets, other receivables-government debt, other receivables-borrowings, long-term receivables-non-finance leases, other assets-entrusted loans, notes receivable, receivables financing, off-balance-sheet guarantees	Provision for impairment measured based on the rating mapping model
Ordinary other receivables, commutations receivable	Provision for impairment measured based on the rolling rate model
Long-term receivables-finance leases (leasing companies), loans and advances (microfinance companies)	Provision for impairment measured based on the Wilson statistical model
Grouped as intra-group accounts receivable, notes receivable, receivables financing, contract assets, other receivables, long-term receivables, other assets - entrusted loans, off-balance-sheet guarantees, etc., other receivables - low risk category, treasury bonds, policy financial bonds	Combining historical experience on default loss and current economic conditions, and considering forward-looking information, the expected credit loss rate is 0.

(2) Financial liabilities

1) Financial liabilities classification, recognition basis and measurement method

The Group classifies financial liabilities as financial liabilities at amortized cost, except for the following: ① Financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss. ② Financial liabilities resulting from the transfer of financial assets that do not meet the derecognition criteria or from the continued involvement in the transferred financial assets. ③ Financial guarantee contracts that do not fall under the circumstances of ① or ② above, and loan commitments to lend at below-market interest rates that do not fall under the circumstances of ① above.

The Group accounts for contingent consideration recognized as a purchaser in a business combination not under common control that results in a financial liability at fair value through profit or loss.

2) Conditions for derecognition of financial liabilities

When the present obligation of a financial liability is discharged in whole or in part, the financial liability or the part of the obligation that has been discharged is derecognized. When the Group enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability and the contractual terms of the new financial liability are materially different from those of the existing financial liability, the existing financial liability is derecognized and the new financial liability is recognized at the same time. If the Group materially modifies the contractual terms of all or part of an existing financial liability, the Group derecognizes the existing financial liability or part of it, and recognizes the modified financial liability as a new financial liability at the same time. The difference between the carrying amount of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the principal market, or, if no principal market exists, at prices in the most advantageous market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. There are three levels of inputs used in fair value measurements, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and level 3 inputs are unobservable inputs for the related assets or liabilities. The Group prioritizes the use of level 1 inputs and uses level 3 inputs at last. The level to which the

fair value measurement results belong is determined by the lowest level to which the inputs that are significant to the fair value measurement as a whole belong.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances where there is insufficient recent information available to determine fair value, or where the range of possible estimates of fair value is so wide that cost represents the best estimate of fair value within that range, such cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, they are presented in the balance sheet in net amounts after offsetting each other if the following conditions are met: (1) the Group has a legal right to offset the recognized amounts and such legal right is currently enforceable; and (2) the Group plans to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid meeting that obligation by delivering cash or other financial assets. Some financial instruments do not explicitly contain terms and conditions for the obligation to deliver cash or other financial assets, but it is possible that contractual obligations may arise indirectly through other terms and conditions. (2) If a financial instrument is required to be settled by or available for settlement with the Group's own equity instruments, consideration needs to be given to whether the Group's own equity instruments used to settle the instrument are intended as a substitute for cash or other financial assets or to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In certain circumstances, a financial instrument contract requires the Group to settle the financial instrument with or using its own equity instruments, where the amount of the contractual right or contractual obligation is equal to the number of its own equity instruments available for acquisition or delivery multiplied by their fair value at the time of settlement, regardless of whether the amount of the contractual right or obligation is fixed or based in whole or in part on variables other than the market price of the Group's own equity instruments (such as

interest rates, the price of a commodity or the price of a financial instrument), the contract is classified as a financial liability.

The Group classifies financial instruments (or their components) in the consolidated statements of income, taking into account all terms and conditions agreed between the members of the Group and the holder of the financial instrument. If the Group as a whole has an obligation to deliver cash, other financial assets or settle in another manner that results in the instrument becoming a financial liability as a result of the instrument, the instrument should be classified as a financial liability.

If a financial instrument or its component parts belong to financial liabilities, the related interest, stock dividends (or dividends), gains or losses, and gains or losses arising from redemption or refinancing are recognized by the Group in profit or loss for the current period.

When financial instruments or their components belong to equity instruments, the Group treats them as changes in equity when they are issued (including refinancing), repurchased, sold or cancelled, and does not recognize changes in the fair value of equity instruments.

10. Hedging instruments

The Group's hedging operations include fair value hedges and cash flow hedges. The offsetting results of changes in the fair value of the hedging instrument and the hedged item are recognized in profit or loss in the same accounting period when the following conditions are met:

(1) The hedging relationship consists only of the eligible hedging instrument and the hedged item.

(2) At the inception of the hedge, the Group formally designates the hedging instrument and the hedged item and prepares a formal designation and written documentation of the hedging relationship and the Group's risk management strategy and risk management objectives for engaging in the hedge. This documentation contains, at a minimum, the hedging instrument, the hedged item, the nature of the hedged risk and the method of assessing the effectiveness of the hedge (including an analysis of the reasons for the cause of the hedge ineffective portion and the method of determining the hedge ratio).

(3) The hedging relationship meets the requirements for hedge effectiveness, i.e. the hedge satisfies both of the following conditions: ① The Group determines that the hedging relationship is such that an economic relationship exists between the hedged item and the hedging instrument. The economic relationship is such that the values of the hedging

instrument and the hedged item change in opposite directions due to the same exposure to the hedged risk. ② The effect of credit risk does not dominate the change in value resulting from the economic relationship between the hedged item and the hedging instrument. ③ The hedge ratio of a hedging relationship should be equal to the ratio of the number of hedged items that an enterprise actually hedges to the actual number of hedging instruments that hedge them, but should not reflect an imbalance in the relative weights of hedged items and hedging instruments that would render the hedge ineffective and could produce accounting results that are inconsistent with hedge accounting objectives.

The Group's hedged items are aluminum products and other non-ferrous metals, and the corresponding hedging instruments are futures contracts.

The Group uses the method of comparison of major terms of contracts (agreements) for prospective evaluation of hedge effectiveness and the method of ratio analysis (regression analysis) for retrospective evaluation of hedge effectiveness at the end of the reporting period.

11. Inventory

The Group's inventories mainly consist of raw materials, packaging, low-value consumables, goods-in-progress, and goods in stock, etc.

Inventories are valued at actual cost at the time of acquisition under the perpetual inventory system. The actual cost of inventories received or issued is determined using the weighted average method. Low-value consumables and packaging materials are amortized by the one-time write-off method.

Inventory is recognized at the lower of the cost and net realizable value at the end of period. For the part of the inventory that is expected to be unrecoverable due to damages, obsolete in whole or in part, or the selling price being below cost, the provision for impairment of inventory are measured. The provision for decline in value of inventory for goods in stock and bulk raw materials are made according to the difference between the cost of an individual inventory item and its net realizable value. The provision for decline in value of inventory for other raw and auxiliary materials with large quantity and low unit price are withdrawn according to categories.

The net realizable value of inventory of goods used directly for sale such as inventory, goods in process and materials for sale, is determined at the estimated selling price of the inventory less estimated selling expenses and related taxes. The net realizable value of the inventory of goods used for production is determined on the basis of the estimated selling

price of the finished products less the cost, estimated selling expenses and related taxes that will be incurred at the time of completion.

12. Contract assets

Describe the accounting content and recognition method of contract assets, the determination method of expected credit losses and the accounting treatment.

(1) Methods and criteria for recognition of contract assets

A contract asset is a right to receive consideration for merchandise that the Group has transferred to a customer and that is dependent on factors other than the passage of time. If the Group sells two clearly distinguishable commodities to a customer and is entitled to receive payment because one of the commodities has been delivered, but the receipt of such payment is also dependent on the delivery of the other commodity, the Group treats the right to receive payment as a contract asset.

(2) Determination method of expected credit losses on contract assets and accounting treatment

The method of determining expected credit losses on contract assets is referred to above Note IV. 9. "Financial assets".

Accounting treatment: if the expected credit loss is greater than the current carrying amount of the provision for impairment of contract assets, the Group recognizes the difference as an impairment loss and debits "Impairment loss on assets" and credits "Provision for impairment of contract assets". Conversely, the Group recognizes the difference as an impairment gain and makes the opposite accounting entry.

The Group incurs credit losses in practice and identifies the related notes or accounts receivable are irrecoverable, after approval, their value could be written off. Based on the approved write-off amount, the Group debits "provision for contract assets" and credits "contract assets". If the write-off amount is greater than the provision amount made, their difference is debited to "impairment loss of assets".

13. Long-term equity investments

(1) Determination of control, joint control or significant influence over the investee

The Group's long-term equity investments mainly consist of equity investments held by the Group that enable the Group to exercise control or significant influence over the investees, and equity investments in its joint ventures.

Control means that the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is control over an arrangement that is shared by the relevant agreement and where the relevant activities of the arrangement are decided only with the unanimous consent

of the participants sharing control. A joint venture arrangement is an arrangement in which two or more participants share control. A joint venture is a joint arrangement in which the joint ventures have rights only to the net assets of the arrangement.

Significant influence isthe power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is determined mainly on the basis of having representatives on the board of directors or similar authority of the investee and exercising significant influence through the right to speak in the process of making financial and operating decisions of the investee; if the Group owns, directly or indirectly through subsidiaries, more than 20% but less than 50% of the voting shares of the investee, and if there is clear evidence that it cannot participate in the production and operating decisions of the investee under such circumstances, it cannot form significant influence. In determining whether it can exercise significant influence over an investee, the Group considers, on the one hand, the voting shares of the investee held directly or indirectly by the Group and, on the other hand, the effect of current exercisable potential voting rights held by the Group and other parties after their presumed conversion into equity interests in the investee, such as the effect ofcurrent convertible warrants, share options and convertible corporate bonds issued by the investee.

(2) Method of determining the cost, subsequent measurement and profit or loss recognition of long-term equity investments

If cash is paid, non-cash assets transferred or debts assumed as consideration for a merger, the initial investment cost of a long-term equity investment at the date of merger is based on the acquisition of the share of the ownership interest of the consolidated party in the carrying amount of the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments and the carrying amount of cash paid, non-cash assets transferred or debt assumed is adjusted against the equity premium in capital surplus; if the equity premium in capital surplus is not sufficient to offset it, it is adjusted against retained earnings.

If equity securities are issued as consideration for a merger, the initial investment cost of the long-term equity investment at the date of merger is based on the acquisition of the share of the ownership interest of the consolidated party in the book value of the consolidated financial statements of the ultimate controlling party, and the share capital is based on the total nominal value of the shares issued. The difference between the initial investment cost of the long-term equity investment and the total nominal value of the shares issued is adjusted against the share capital premium in capital surplus; the share capital premium in capital

surplus is adjusted against the share capital premium in capital surplus. If the equity premium in capital surplus is not sufficient for elimination, the adjustment is made to retained earnings.

Business combinations not under common control: The Group uses the cost of the combination determined at the date of purchase as the initial investment cost of long-term equity investments.

Intermediary fees such as auditing, legal services, appraisal and consulting and other related management fees incurred for business combinations are used to recognize the current profit or loss when incurred; transaction costs for equity securities or debt securities issued as consideration for the combination are included in the initial recognition amount of the equity securities or debt securities.

Except for long-term equity investments acquired through business combination mentioned above, long-term equity investments acquired by paying cash are stated at investment cost based on the actual purchase price paid; long-term equity investments acquired by issuing equity securities are stated at investment cost based on the fair value of the equity securities issued; long-term equity investments invested by investors are stated at investment cost based on the value agreed in the investment contract or agreement; long-term equity investments acquired by debt restructuring, exchange of non-monetary assets, etc., are determined in accordance with the provisions of relevant accounting standards.

The Group uses the cost method of accounting for long-term equity investments in which the Group is able to exercise control over the investee; the equity method of accounting is used for investments in joint ventures and associates.

Under the cost method of accounting, long-term equity investments are carried at initial investment cost, and the cost of long-term equity investments is adjusted when additional investments are made or recovered. Profits or cash dividends declared by the investee are recognized as investment income.

When the equity method is adopted for accounting, if the initial investment cost is greater than the investment cost, the difference of the fair value share of the investee's identifiable net assets enjoyed shall not adjust initial investment cost of long-term equity investment; When the initial investment cost is less than the investment cost, the difference of the fair value share of the investee's identifiable net assets shall be included in the current profit and loss, and the cost of long-term equity investment shall be adjusted. Upon acquisition of long-term equity investments, investment income and other comprehensive income are recognized in accordance with the share of net profit or loss and other comprehensive income realized by

the investee in the year, respectively, while the carrying value of long-term equity investments is adjusted; the portion of the long-term equity investments to which the investor is entitled is calculated based on the profit or cash dividends declared by the investee, and the carrying value of long-term equity investments is reduced accordingly; the book value of long-term equity investments is adjusted and recognized in owners' equity for other changes in the investee's owner's equity other than net profit or loss, other comprehensive income and profit distribution. Based on the fair value of the investee's identifiable assets at the time of obtaining the investment, the net profit of the investee is adjusted according to the group's accounting policies and accounting period, and the investment income is recognized on the basis of offsetting the unrealized internal transaction loss and profit between the joint venture and the joint venture, and calculating the part attributable to the investment enterprise according to the proportion.

(3) Changes in long-term equity investments

For an equity investment that can exercise joint control or significant influence over the investee but does not constitute control due to additional investment, the sum of the fair value of the equity investment originally held that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) plus the cost of the additional investment is used as the initial cost of the investment to be accounted for under the equity method, and the difference between its fair value and its carrying amount is transferred to the current profit or loss when the investment is accounted for under the equity method. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee at the date of the additional investment determined in accordance with the new percentage of shareholding after the additional investment, if the former is greater than the latter, the carrying value of the long-term equity investment is not adjusted; if the former is less than the latter, the difference is adjusted to the carrying value of the long-term equity investment and recognized as non-operating income for the current period.

For long-term equity investments that are able to exercise control over investees not under common control due to additional investments, etc., the sum of the carrying amount of the equity investment originally held plus the cost of the additional investment is used as the initial cost of investment to be accounted for under the cost method when preparing the individual financial statements. Other comprehensive income recognized on equity investments held prior to the date of purchase due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon disposal of the investment. If an equity investment held before

the date of purchase is designated as a non-trading equity instrument at fair value through other comprehensive income, the accumulated changes in fair value previously recognized in other comprehensive income are not transferred to current profit or loss.

If the Group no longer has joint control or significant influence over the investee due to the disposal of part of the equity investment, etc., and the remaining equity interest after disposal that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and carrying amount at the date of loss of joint control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized on the former equity investment due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee when the equity method of accounting is discontinued.

If an investor loses control over an investee for reasons such as the disposal of a portion of its equity investment, in preparing individual financial statements, if the remaining equity interest after disposal is capable of exercising joint control or significant influence over the investee, it is accounted for under the equity method instead, and the remaining equity interest is adjusted as if it had been accounted for under the equity method since its acquisition; if the remaining equity interest after disposal is not capable of exercising joint control or significant influence over the investee and its accounting is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and its carrying amount at the date of disposal is recognized in profit or loss.

(4) Disposal of long-term equity investments

The difference between the carrying amount and the actual acquisition price of a long-term equity investment upon disposal is recognized as investment income in the current period. When a long-term equity investment accounted for using the equity method is disposed of, the same basis as that used for the direct disposal of the related assets or liabilities by the investee is used to account for the portion of the investment originally recognized in other comprehensive income at a corresponding percentage.

14. Investment property

(1) Classification of investment properties

Investment properties are those of properties held to earn rent or for capital appreciation, or both. It mainly includes: rented buildings.

(2) Measurement model for investment properties

The Group uses the fair value model for subsequent measurement of land use rights held and intended to be transferred after appreciation, and uses the cost model for subsequent measurement of properties earning rentals. The method of accruals of asset impairment is described in Note III. 18.

Under the fair value model, there is an active market for properties transactions where the Group's investment properties are located, and the Group is able to obtain market prices and other relevant information for similar or comparable properties from the properties transaction market so as to make a reasonable estimate for the fair value of the investment properties. Therefore, the Group adopts the fair value model for subsequent measurement of investment properties, and changes in fair value are recognized in current profit or loss.

In determining the fair value of investment properties, reference is made to the prevailing market price of similar or comparable properties in an active market; if the prevailing market price of similar or comparable properties is not available, reference is made to the most recent transaction price of similar or comparable properties in an active market, taking into account factors such as the circumstances of the transaction, the date of the transaction and the area in which it is located, so as to make a reasonable estimate for fair value of the investment property; or the fair value is determined based on the present value of rental income and related cash flows expected to be obtained in the future.

Under the cost model, the Group depreciates or amortizes investment properties on a straight-line basis over their cost less accumulated impairment and net residual value. The depreciable life and annual depreciation rates are determined separately for the categories of investment properties, their estimated economic useful life and estimated net residual value rates as follows.

Category	Depreciation life (years)	Residual value (%)	Annual depreciation rate (%)
House & buildings	20.00	5.00	4.75

15. Fixed assets

The Group's fixed assets are tangible assets that are held for the production of goods, provision of services, rental or operation management, have a useful life of more than one year and a high unit value.

Fixed assets include houses and buildings, machinery and equipment, transportation equipment, office equipment and others, and are recorded at their cost at the time of acquisition, of which, the cost of purchased fixed assets includes the purchase price and related taxes such as import duties, and other expenses directly attributable to the fixed assets incurred before they reach their intended useable state; the cost of self-constructed fixed assets consists of the necessary expenses incurred to construct the assets before they reach their intended useable state; fixed assets invested by investors are recorded at their fair value. The cost of self-built fixed assets consists of the necessary expenditure incurred before the asset reaches its intended useable state; the fixed asset invested by an investor is recorded at the value agreed in the investment contract or agreement, but if the value agreed in the contract or agreement is not fair, it is recorded at fair value.

Subsequent expenditures related to fixed assets, including repair and renovation expenditures, which meet the conditions for recognition as fixed assets, are included in the cost of fixed assets and the carrying amount is derecognized for the replaced portion; those that do not meet the conditions for recognition as fixed assets are recognized in profit or loss as incurred.

The Group depreciates all fixed assets, except for fully depreciated fixed assets that continue to be used and land that is separately recorded in the accounts. Depreciation is provided using the average life method and is charged to the cost or current expense of the relevant assets, depending on their use. The categorized depreciable lives, estimated net residual value rate and depreciation rates of the Group's fixed assets are as follows:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	House & buildings	20	5	4.75
2	Transportation	4	5	23.75
3	Electronic and office equipment	3-5	5	31.67-19
4	Production equipment	5-10	5	19-9.5
5	Other equipment	3	5	31.67

The Group reviews the estimated useful lives, estimated net residual values and depreciation methods of fixed assets at the end of each year and treats changes, if any, as changes in accounting estimates.

A fixed asset is derecognized when it is disposed of, or when no economic benefits are expected to arise from its use or disposal. Proceeds from the disposal of fixed assets that are sold, transferred, scrapped or destroyed, net of their carrying amounts and related taxes, are recognized in profit or loss for the current period.

16. Construction in progress

Construction in progress is measured according to the actual costs incurred. Self-operated construction projects are measured by direct materials, direct wages and direct construction costs; contracted construction projects are measured by the construction price payable; and equipment installation projects are determined by the value of the equipment installed, installation costs, and expenses incurred in the commissioning of the project, etc. The cost of construction in progress also includes borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction in progress reaches its intended useable state, fixed assets are carried forward at the estimated value based on the project budget, cost or actual cost of the project, etc. Depreciation starts from the following month, and the difference in the original value of fixed assets is adjusted after the completion of the final accounting procedures for completion.

17. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition or production of assets eligible for capitalization begin to be capitalized when expenditure on the assets has been incurred, borrowing costs have been incurred, and the acquisition or production activities necessary to bring the assets to their intended use or saleable condition have commenced; capitalization ceases when the acquisition or production of assets eligible for capitalization reaches their intended use or saleable condition. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Interest expenses actually incurred in the period on special borrowings are capitalized, net of interest income earned on unused borrowed funds deposited in banks or investment income earned on temporary investments; general borrowings are capitalized based on the weighted-average amount of accumulated asset expenses in excess of the portion of special borrowings multiplied by the weighted-average interest rate of the general borrowings occupied.

Assets eligible for capitalization are assets such as property, plant and equipment, investment properties and inventories that require a substantial period of time (usually more than one year) for their acquisition or production activities to reach their intended use or saleable condition.

If there is an unusual interruption in the acquisition or production of an asset eligible for capitalization and the interruption lasts for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition or production of the asset resumes.

18. Intangible assets

The Group's intangible assets, including land-use rights, patented technology and non-patented technology, are measured at their actual cost at the time of acquisition, of which, the actual cost is based on the actual price paid and related other expenses for purchased intangible assets; the actual cost is determined at the value agreed in the investment contract or agreement for intangible assets invested by investors, except that if the agreed value in the contract or agreement is not fair, the actual cost is determined at fair value.

For the intangible assets that acquired from an acquiree in a business combination not under common control and not recognized in its financial statements, the Group recognizes them at fair value as intangible assets upon initial recognition of the acquiree's assets, one of the following conditions is met: 1. they are derived from contractual or other legal rights; 2. they can be separated or segregate from the acquiree and can be used, either separately or together with related contracts, assets and liabilities for sale, transfer, license, lease or exchange.

Land-use rights are amortized evenly over the period from the commencement date of the grant; patented technology, non-patented technology and other intangible assets are amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law. The amortization amount is charged to the cost of the related assets and current profit or loss according to the object of their benefit.

The estimated useful life and amortization method of intangible assets with finite useful lives are reviewed at the end of each year and, if changed, are treated as changes in accounting estimates. The estimated useful lives of intangible assets with indefinite useful lives are reviewed at each accounting period, and if there is evidence that the useful lives of the intangible assets are finite, the useful lives are estimated and amortized over the estimated useful lives.

19. Research and development

The Group's research and development expenditures are classified as research stage expenditures and development stage expenditures based on their nature and whether there is a high degree of uncertainty that the research and development activities will ultimately result

in intangible assets. Research stage expenditures are recognized in profit or loss as incurred; development stage expenditures are recognized as intangible assets when all of the following conditions are met:

1. It is technically feasible to complete the intangible asset so that it can be used or sold;

2. Has the intent to complete the intangible asset and use or sell it;

3. The existence of a market for the product produced using the intangible asset or the existence of a market for the intangible asset itself;

4. Have sufficient technical, financial and other resources to support the completion of the development of the intangible asset and the ability to use or sell the intangible asset;

5. The expenditure attributable to the development phase of the intangible asset can be measured reliably.

Expenditures in the development stage that do not meet the above conditions are recognized in profit or loss in the current period as incurred. Development expenditures charged to profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures in the development stage that have been capitalized are presented as development expenditures on the balance sheet and are presented as intangible assets from the date the project reaches its intended useable state.

20. Long-term prepaid expenses

The Group's long-term prepaid expenses are expenses, such as leasing fees, renovation fees, debt issuance fees that have been expensed but should be borne by the current and future periods with an amortization period over one year (excluding one year), and such expenses are amortized equally over the period of benefit. If an item of long-term prepaid expense does not benefit subsequent accounting periods, the entire unamortized amortized value of the item is transferred to current profit or loss.

21. Goodwill

Goodwill represents the excess of the cost of an equity investment or the cost of a business combination not under common control over the share of the fair value of the identifiable net assets of the investee or the acquiree acquired in a business combination at the acquisition date or the purchase date.

Goodwill related to subsidiaries is presented separately in the consolidated financial statements, and goodwill related to associates and joint ventures is included in the carrying value of long-term equity investments.

22. Impairment of non-financial long-term assets

The Group examines long-term equity investments, property and equipment, construction in progress, and intangible assets with finite useful lives at each balance sheet date. When the following indications exist that an asset may be impaired, the Group performs an impairment test. Goodwill and intangible assets with indefinite useful lives are tested for impairment at the end of each year, regardless of whether there is an indication of impairment. If it is difficult to test the recoverable amount of an individual asset, the test is performed on the basis of the asset group or combination of asset groups to which the asset belongs.

After the impairment test, if the carrying amount of the asset exceeds its recoverable amount, the difference is recognized as an impairment loss. Once an impairment loss is recognized for the above asset, it will not be reversed in subsequent accounting periods. The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows.

Indications of impairment are as follows:

1. A significant decline in the market value of the asset in the current period that is significantly greater than the decline that would be expected due to the passage of time or normal use;

2. Significant changes in the economic, technological or legal environment in which the enterprise operates and in the market in which the assets are located in the current period or will occur in the near future, which adversely affect the enterprise;

3. Market interest rates or other market rates of return on investments have increased in the current period, thereby affecting the discount rate at which the enterprise calculates the present value of the expected future cash flows from the asset, resulting in a significant reduction in the recoverable amount of the asset;

4. Evidence shows that the asset is obsolete or that its physical substance has been damaged;

5. The asset has been or will be idle, discontinued or scheduled for early disposal;

6. Evidence reported within the enterprise that the economic performance of the asset has been or will be below expectations, such as when the net cash flows generated by the asset or the operating profit (or loss) achieved is significantly lower (or higher) than the projected amount;

7. Other indications that the asset may have been impaired.

23. Contract liabilities

Contractual liabilities reflect the Group's obligation to transfer goods to customers for which consideration has been received or is receivable from customers. If the Group has paid the contract consideration or the Group has obtained the unconditional right to receive the contract consideration before transferring the goods to the customer, a contract liability is recognized at the earlier of the actual amount paid by the customer or the amount due and payable, based on the amount received or receivable.

24. Employee benefits

Employee benefits refers to various benefits or compensations paid by the Company for receiving the services from the employees. The employee benefits mainly includes short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by the Group to employees' spouses, children, dependants, deceased employees' family members and other beneficiaries also belong to employee benefits.

1. Short-term benefits, which refers to the remuneration of employees that the Group is required to pay in full within twelve months after the end of the annual reporting period in which the employees provide the relevant services, except for compensation for termination of employment relationship with the employees. The Group's short-term remuneration includes salaries, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, work injury insurance premiums and maternity insurance premiums, housing fund, labor union expenses and employee education expenses, short-term paid absences, short-term profit-sharing plans, non-monetary benefits and other short-term remuneration.

The Group recognizes the actual short-term benefits incurred as a liability in the accounting period in which the employee provides the service, and recognizes it in the current profit or loss or the cost of related assets, depending on the beneficiary of the service provided by the employee. Short-term benefits that are non-monetary in nature are measured at fair value.

2. Post-employment benefits refer to various forms of compensation and benefits provided by the Groupto obtain services rendered by employees who retire or terminate the labor relationship with the Group, which exclude short-term remuneration and termination benefits.

The defined contribution plan established by the Group refers to the basic endowment insurance and the unemployment insurance as well as enterprise annuities, etc. paid for employees according to the related regulations stipulated by the local government. During the accounting period when the employees render services to the Group, the amount which should be paid is calculated according to the base of pay and the percentage according to the local stipulations. Such plan is recognized as the liability and is recognized into the current profit or loss or the cost of the related assets.

The Group classifies the beneficial liabilities generated from defined benefit plans determined by the expected accumulated welfare unit method into the period when employees provide services, and recognizes into current profit or loss or the cost of the related assets. The deficit or surplus formed from deducting the fair value of the defined benefit plan asset from the present value of the defined benefit plan liability is recognized as a net liability or a net asset of a defined benefit plan. If the defined benefit plan has a surplus existed, the Group adopts the lower of the two:namely the surplus of the defined benefit plan and the upper limit of asset of the defined benefit plan, to measure the net asset of defined benefit plan.

All the defined benefit plans, including the liabilities expected to be paid within the twelve months after the end of the reporting period when the employees provide services are discounted according to the market rate of return of the treasury bonds matched to the term and currency of the defined benefit plan liabilities or the high-quality corporate bonds in the active market.

The service cost generated by the defined benefit plan and the net interest of the net liabilities or net assets of the defined benefit plan is recognized into current period profit or loss or the cost of the related asset. The change generated from the re-measurement of the net liabilities or net assets of the defined benefit plans is recognized into other comprehensive income, and shall not to be reversed in the profit or loss of the subsequent accounting period.

When settling the defined benefit plans, the Group recognizes the settlement gain or loss according to the difference between the present value of the defined benefit plan on the settlement day and the settlement price.

3. Termination benefits refer to compensation given by the Group to employees who terminate their employment relationship with the Group before the expiration of their employment contracts or to encourage them to voluntarily accept redundancy. For employees who do not terminate their employment contracts with the Group but no longer provide services to the Group in the future and cannot bring economic benefits to the Group, the Group undertakes to provide financial compensation in the nature of termination benefits, and in the case of "internal retirement", they shall be treated as termination benefits before their official retirement date and as post-employment benefits after their official retirement date. After the official retirement date, the benefits shall be treated as post-employment benefits.

Where the Group provides termination benefits to employees, a liability for employee compensation arising from termination benefits is recognized in profit or loss at the earlier of when the Group is unable to unilaterally withdraw the termination benefits provided as a result of a termination plan or proposed redundancy, or when the Group recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

For termination benefits that are not expected to be fully paid within twelve months after the end of the annual reporting period, and for termination plans where the substantive termination is implemented within one year but compensation payments are made over one year, the Group selects the appropriate discount rate and measures the amount of termination benefits accrued in profit or loss at the discounted amount.

4. Other long-term employee benefits refer to all employee compensation other than short-term compensation, post-employment benefits and termination benefits, including long-term compensated absences, long-term disability benefits and long-term profit-sharing plans, etc.

Other long-term employee benefits provided by the Group to employees that qualify as defined contribution plans are accounted for in accordance with the relevant provisions of the defined contribution plans. If other long-term employee benefits provided by the Group to employees qualify as defined benefit plans, the Group recognizes and measures the net negative amount of other long-term employee benefits-service costs in accordance with the relevant provisions of the defined benefit plans; net interest on net liabilities or net assets for other long-term employee benefits; changes resulting from remeasurement of net liabilities or net assets for other long-term employee benefits. The total net amount is charged to current profit or loss or to the cost of the related assets.

25. Share-based payments

Share-based payments are transactions in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed in order to obtain services from employees or other parties. Share-based payments are classified into equity-settled share-based payments and cash-settled share-based payments.

Equity-settled share-based payments used in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the date of grant. The amount of this fair value is recorded as the related cost or expense on a straight-line basis with a corresponding increase in capital surplus, based on the best estimate of the number of exercisable equity instruments during the waiting period, if the services are completed or the required performance conditions are met before the rights are exercised.

Share-based payments settled in cash are measured at the fair value of the liability assumed by the Group that is determined on a share or other equity instrument basis. If the right is exercisable immediately after the grant, the fair value of the liability assumed is recorded at the grant date as the relevant cost or expense, with a corresponding increase in the liability; if the right is exercisable after the completion of the service within the waiting period or after the fulfillment of the required performance conditions, the service acquired during the period is recorded at cost or expense at each balance sheet date of the waiting period, based on the best estimate of the circumstances under which the right is exercisable, in the amount of the fair value of the liability assumed by the Group. the Group 's liability is adjusted accordingly.

The fair value of the liability is remeasured at each balance sheet date prior to the settlement of the related liability and at the settlement date, with changes in fair value recognized in profit or loss.

26. Bonds payable

The Group's bonds payable are measured at fair value on initial recognition, and the related transaction costs are included in the initial recognition amount. Subsequently, they are measured at amortized cost.

The difference between the bond payment price and the total face value of the bonds is accounted for as bond premium or discount and is amortized over the life of the bonds by the effective interest rate method when interest is accrued, and is treated as a borrowing costs.

The Group recognizes a liability when operations related to contingencies such as external guarantees, discounting of commercial acceptances, pending litigation or arbitration, product quality guarantees, etc. meet the following conditions simultaneously: the obligation is a present obligation assumed by the Group; it is probable that the performance of the obligation will result in an outflow of economic benefits to the enterprise; and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks associated with the contingency, uncertainties and the time value of money. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The carrying amount of the provision is reviewed at each balance sheet date and the carrying amount is adjusted to reflect the current best estimate if there is a change.

27. Revenue

The operating revenues of the Group mainly include revenue from assignment of asset use right, revenue from guarantee fee, premium income, revenue from fees and commissions, revenue from sales of goods.

(1) Revenue from sale of goods

Revenues from sale of goods are recognized when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods; the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the Group; the associated costs incurred or to be incurred can be measured reliably.

(2) Revenue from assignment of asset use right

When it is probable that the associated economic benefits will flow to the Group; the amount of revenue can be measured reliably, revenues from assignment of asset use right are recognized based on the following situation:

a The amount of interest income is determined based on the timing of the use of monetary funds of the enterprise and the effective interest rate.

b The amount of royalty revenue is calculated in accordance with the time and method of charging as stipulated in the relevant contract or agreement.

(3) Other revenues

Other revenues are recognized when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be measured reliably.

The specific method of revenue recognition is as follows:

a Revenue from Guarantee fee

Under business contracts or agreements, revenue is recognized in the current period, based on the cash basis, when the price has been received or the price voucher has been obtained.

b Premium income

Premium incomes are recognized by the Group when it is probable that the economic benefits related to an insurance contract will flow to the Group, and the amount of revenue related to an insurance contract can be measured reliably. The Group recognizes premium income for the period based on the total amount of premiums agreed in the insurance contract. For sub-premium income, the Group calculates and determines the amount of sub-premium income based on the agreement of the relevant reinsurance contract.

c Revenue from fees and commissions

The Group provides services such as feasibility study of projects and financial consultancy to lessees, and usually charges the lessees fees related to the financial leasing contracts when providing the lessees with the financial lease assets. The Group apportions the revenues from fees received over the remaining period of the lease term and recognizes it as fees for each period

Revenue is recognized when the Group's performance obligation in the contract is fulfilled, that is, when the customer obtains control of the related goods or services.

If a contract contains two or more performance obligations, the transaction price is apportioned to each individual performance obligation by the Group at the beginning of the contract in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and revenue is measured according to the transaction price apportioned to each individual performance obligation.

The transaction price is the amount of consideration to which the Group is expected to be entitled as a result of the transfer of goods or servicesto the customer, excluding amounts received on behalf of third parties. The transaction price recognized by the Group does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognized in the aggregate when the relevant uncertainty is removed. Amounts expected to be returned to the customer as a liability are not included in the transaction price. If there is a significant financing component in the contract, the transaction price is determined by the Group on the basis of the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is acquired. The difference between this transaction price and the contract consideration is amortized over the term of the contract using the effective interest method. If the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price is expected to be less than one year at the contract commencement date, the existence of a significant financing component in the contract is not considered.

The Group's performance obligations in contracts are fulfilled within a certain time period when one of the following conditions is met; otherwise, performance obligations are fulfilled at a point in time:

(1) The customer acquires and consumes the economic benefits of the Group's performance at the same time as the performance.

(2) The customer is able to control the goods under construction in the course of the Group's performance.

(3) The goods produced in the course of the Group's performance are irreplaceable and entitled to receive payment by the Group for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period of time, revenue is recognized by the Group in accordance with the progress of performance over that period of time. When the progress of performance is not reasonably determinable, revenue is recognized in the amount of costs already incurred that are expected to be reimbursed until the progress of performance can be reasonably determined.

For performance obligations performed at a point in time, revenue is recognized by the Group at the point in time when the customer obtains control of the related goods or services. In determining whether the customer has acquired control of the goods or services, the following indications are considered:

(1) The Group has a present right to receive payment for the goods or services.

(2) Legal ownership of the merchandise has been transferred by the Group to the customer.

(3) The physical transfer of the item has been made by the Group to the customer.

(4) The principal risks and rewards of ownership of the commodity have been transferred by the Group to the customer.

(5) The customer has accepted the goods or services, etc.

The Group's rights to receive consideration for goods or services transferred to customers are presented as contract assets, which are impaired on the basis of expected credit losses. The Group's unconditional rights to receive consideration from customers that are owned are presented as receivables. The Group's obligation to transfer goods or services to customers for which consideration is receivable for goods received is presented as a contractual liability.

28. Contract cost

Describe the recognition principles and measurement methods for contract performance costs, contract acquisition costs, amortization of contract costs, and impairment of contract costs.

(1) Method of determining the amount of assets related to contract costs

The Group's assets related to contract costs include contract performance costs and contract acquisition costs.

Contract performance costs, which are costs incurred by the Group to perform a contract that are not regulated by other ASBEs and that also meet the following conditions, are recognized as a contract performance cost as an asset: the cost is directly attributable to a current or expected contract, including direct labor, direct materials, manufacturing costs (or similar costs), costs explicitly borne by the customer and other costs incurred solely in connection with that contract; the cost increases the Group's future resources available to meet its performance obligations; and the cost is expected to be recovered.

Contract acquisition costs, which are incremental costs incurred by the Group to obtain a contract that are expected to be recovered, are recognized as contract acquisition costs as an asset; if the asset is amortized over a period of not more than one year, it is recognized in profit or loss as incurred. Incremental costs are costs that the Group would not have incurred

without obtaining the contract (e.g., sales commissions, etc.). Expenses incurred by the Group to obtain a contract other than incremental costs that are expected to be recovered (such as travel expenses that would have been incurred regardless of whether the contract was obtained) are recognized in profit or loss as incurred, except for those explicitly borne by the customer.

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortized to current profit or loss using the same basis as the revenue recognition of the commodity to which the asset relates.

(3) Impairment of assets related to contract costs

In determining impairment losses on assets related to contract costs, the Group first determines impairment losses on other assets related to contracts recognized in accordance with other relevant ASBEs; then, based on the difference between the carrying value of the asset and the remaining consideration that the Group expects to obtain for the transfer of the commodity related to the asset and the estimated costs to be incurred for the transfer of the related commodity, the excess should be provided for impairment and recognized as an asset impairment loss.

If there is a subsequent change in the factors for impairment in previous periods, such that the aforementioned difference is higher than the carrying amount of the asset, the original provision for impairment is reversed and recognized in profit or loss, but the carrying amount of the reversed asset should not exceed the carrying amount of the asset at the date of reversal assuming no provision for impairment was made.

29. Government grants

Government grants are monetary assets or non-monetary assets that the Group obtains from the government without consideration. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount actually received if they are monetary assets, or at the amount receivable if there is conclusive evidence that the relevant conditions set forth in the financial support policy can be met and the financial support funds are expected to be received at the end of the period.If the government grants are non-monetary assets and their fair value that cannot be reliably obtained, they shall be measured atthe nominal amount (RMB 1).

The Group's government grants are distinguished into asset-related government grants and revenue-related government grants. Among them, asset-related government grants refer to government grants obtained by the Group for the acquisition and construction or other formation of long-term assets; revenue-related government grants refer to government grants other than asset-related government grants. If the objects of subsidies are not specified in government documents, the Group makes judgment in accordance with the above distinction principles, and if it is difficult to distinguish them, they are classified as revenue-related government subsidies as a whole.

Government grants related to assets are written down to the carrying amount of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are recognized in profit or loss by straight-line amortization method over the useful life of the related assets

If the related assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the unallocated balance of the related deferred gain is transferred to profit or loss in the period in which the assets are disposed of.

Government grants related to revenue, which are used to compensate for related costs and expenses or losses in subsequent periods, are recognized as deferred income and recognized in profit or loss or reduced by related costs in the period in which the related costs and expenses or losses are recognized; those used to compensate for related costs and expenses or losses already incurred are recognized directly in profit or loss or reduced by related costs. Government subsidies related to ordinary activities are recognized in other income or reduced by related costs and expenses in accordance with the substance of the economic operations. Government subsidies not related to ordinary activities are recognized as non-operating income and expenses.

Where the Group obtains policy-based preferential loan subsidies, a distinction is made between cases in which the finance allocates the subsidies to the lending bank and cases in which the finance allocates the subsidies directly to the Group, which are accounted for in accordance with the following principles:

1. If the finance allocates the discounted interest funds to the lending bank, and the lending bank provides loans to the Group at a policy preferential interest rate, the Group uses the actual amount received as the recorded value of the borrowings and calculates the related borrowing costs based on the principal amount of the borrowings and such policy preferential

interest rate (alternatively, the fair value of the borrowings is used as the recorded value of the borrowings and the borrowing costs are calculated using the effective interest method, with the difference between the actual amount received and the fair value of the borrowings recognized as deferred income. The deferred income is amortized over the life of the borrowings using the effective interest rate method and is reduced by the related borrowing costs).

2. The finance allocates the discounted interest funds directly to the Group, and the Group reduces the corresponding discounted interest to the relevant borrowing costs.

If the Group has recognized government grants that need to be returned, they are accounted for in the period in which they need to be returned by situation in accordance with the following rules:

1. If the carrying amount of the relevant asset is reduced on initial recognition, the carrying amount of the asset is adjusted.

2. If deferred income exists, the carrying amount of the deferred income is reduced and the excess is recognized in profit or loss.

3. In other cases, it is directly charged to current profit or loss.

30. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax assets are recognized for deductible losses and tax credits that can be offset against taxable income in subsequent years in accordance with the provisions of the tax law as if they were temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is recovered or the liability is settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets recognized is reduced to the extent that it is not expected that sufficient taxable income will be available against which the deferred tax assets can be utilized in future periods. To the extent that it is probable that sufficient taxable income will be available, the written down amount is reversed.

31. Lease

A lease is a contract in which the lessor cedes the right to use an asset to the lessee for a certain period of time in return for consideration. On the commencement date of the contract, the Group shall assess whether the contract is a lease or contains a lease. A contract is leased or contains a lease if a party to the contract assigns the right to control the use of one or more identified assets for a certain period of time in exchange for consideration. In order to determine whether the contract conveyed the right to control the use of the identified assets for a certain period of time, the Group shall assess whether the customer in the contract is entitled to almost all of the economic benefits arising from the use of the identified asset during the period of use and is entitled to dominate the use of the identified asset during that period of use.

Where a contract contains multiple separate leases at the same time, the contract is split by the Group and each separate lease is accounted for separately. If a contract contains both leased and non-leased components, the leased and non-leased components are separated for accounting treatment.

(1) The Group as a lessee

Right-of-use assets and lease liabilities are recognized against the lease at the commencement date of the lease term.

Right-of-use assets are initially measured at cost, which includes the initial measurement of the lease liability, the lease payments made on or before the commencement date of the lease (net of amounts related to lease incentives received), the initial direct costs incurred and the costs expected to be incurred to disassemble and remove the leased asset, restore the site where the leased asset is located or restore the leased asset to its agreed condition under the terms of the lease. The Group depreciates right-of-use assets using the straight-line method. Where it is reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, the Group depreciates the leased asset over its remaining useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date of the lease term, and the discount rate is interest rate implicit in lease. If the interest rate implicit in lease cannot be determined, the Group uses the incremental borrowing rate as the discount rate.

The Group calculates the interest expense on the lease liability for each period of the lease term based on a fixed periodic interest rate, which is charged to current profit or loss or to the cost of the related asset. Variable lease payments that are not included in the measurement of the lease liability are charged to current profit or loss or the cost of the related assets when they are actually incurred.

After the start date of the lease term, the Group re-determines the lease payment amount and re-measures the lease liability at the present value calculated based on the changed lease payment amount and the revised discount rate if the following circumstances occur: a change in the evaluation of the purchase option, lease renewal option or lease termination option, a change in the lease term due to the actual exercise of the lease renewal option or lease termination option that is inconsistent with the original evaluation; a change in the amount expected to be payable based on the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount.

When the lease liability is remeasured, the Group adjusts the carrying amount of the right-of-use asset accordingly. If the carrying value of the right-of-use asset has been reduced to zero but the lease liability is subject to further reduction, the Group recognizes the remaining amount in profit or loss for the current period.

The Group has determined not to recognize right-of-use assets and lease liabilities for short-term leases (leases with a lease term not exceeding 12 months) and leases of low-value assets, and to recognize the related lease payments in profit or loss or the cost of the related assets on a straight-line basis over the respective periods of the lease term.

(2) The Group as a lessor

At the start date of the lease, the Group classifies leases as finance leases and operating leases. Finance leases are leases that substantially transfer all the risks and rewards associated with ownership of the leased assets, regardless of whether ownership is ultimately transferred. Operating leases are leases other than finance leases.

When the Group acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease, rather than the underlying asset of the original lease. If the original lease is a short-term lease and the Group chooses to apply the simplified treatment of short-term leases described above to the original lease, the Group classifies the sublease as an operating lease.

Under finance leases, the Group recognizes finance lease receivables for finance leases at the start date of the lease term and derecognizes the finance lease assets. When the Group makes initial measurement of finance lease receivables, the net amount of lease investment is used as the entry value of the finance lease receivables. The net amount of lease investment is the sum of the unguaranteed residual value and the present value of the collected amount of lease not yet received at the start date of the lease term discounted at the interest rate implicit in lease.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments not included in the measurement of net amount of lease investments are recognized in profit or loss when they are actually incurred.

Under operating leases, the Group recognizes the collected amount of lease from operating leases as rental income using the straight-line method (or other systematic and reasonable method) over the respective periods of the lease term. Initial direct costs related to operating leases are capitalized and amortized to current profit or loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the collected amount of lease are recognized in profit or loss when they are actually incurred.

32. Held-for-sale

1. The Group classifies non-current assets or disposal groups as held for sale if they both meet the following conditions: (1) In accordance with the practice for the sale of such assets or disposal groups in similar transactions, they can be sold immediately in their current condition; and (2) the sale is highly probable, that is, a resolution has been made on a sale plan and a firm commitment to purchase has been obtained, and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. Before the Group classifies a non-current asset or disposal group as held for sale for the first time, the carrying amount of each asset and liability in the non-current asset or disposal group is measured in accordance with the provisions of the relevant accounting standards. On initial measurement or remeasurement of non-current assets held for sale or disposal groups at the balance sheet date, if the carrying amount is higher than its fair value less costs to sell, the carrying amount is written down to its fair value less costs to sell, and the amount of the write-down is recognized as an impairment loss on the asset and charged to current profit or loss, together with a provision for impairment of assets held for sale.

2. Non-current assets or disposal groups acquired by the Group for resale are classified as held for sale at the date of acquisition if they meet the prescribed condition that the sale is expected to be completed within one year and it is probable that other conditions for classification as held for sale will be met in the short term (usually three months). At initial measurement, the initial measurement amount assuming it is not classified as held for sale and the net amount of fair value less costs to sell are compared and the lower is measured. Except for non-current assets or disposal groups acquired in a business combination, the difference arising from the initial measurement of the non-current assets or disposal groups that is measured at fair value less costs to sell is recognized in profit or loss.

3. If the Group loses control over a subsidiary due to the sale of the investment in the subsidiary, regardless of whether the Group retains part of the equity investment after the sale, the investment in the subsidiary to be sold will be classified as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary will be classified as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the conditions for classification as held for sale.

4. If the net increase in the fair value less costs to sell of non-current assets held for sale at a subsequent balance sheet date, the amount previously written down should be restored and reversed within the amount of impairment loss recognized on assets after classified as held for sale, and the amount reversed is recognized in profit or loss for the current period. Impairment losses recognized before classification as held for sale are not reversed.

5. The amount of impairment loss recognized on assets held for sale disposal group is first set off against the carrying value of goodwill in the disposal group, and then against the carrying value of each non-current asset on a pro rata basis according to its proportionate share of the carrying value.

If the net increase in the fair value less costs to sell of disposal groups held for sale at a subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of impairment loss recognized for non-current assets after classification as held for sale category for which the relevant measurement provisions apply, and the reversal amount is recognized in profit or loss for the current period. The carrying amount of goodwill that has been written down and the impairment loss recognized on non-current assets before classification as held for sale shall not be reversed.

The amount of subsequent reversal of impairment loss on assets recognized in disposal groups held for sale is increased proportionately to the carrying value of each non-current asset in the disposal group, except for goodwill.

6. No depreciation or amortization is recognized for non-current assets held for sale or non-current assets in disposal groups, and interest and other expenses continue to be recognized for liabilities in disposal groups held for sale.

7. When a non-current asset or disposal group held for sale no longer continues to be classified as held for sale or when a non-current asset is removed from the disposal group held for sale because it no longer meets the conditions for classification as held for sale, it is measured at the lower of: (1) Carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment; (2) Recoverable amount.

8. Upon derecognition of non-current assets held for sale or disposal groups, the unrecognized gain or loss is recognized in profit or loss for the current period.

33. Fair value measurement

(1) Initial fair value measurement

For assets and liabilities measured at fair value, the Group measures the fair value using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants occurring at the measurement date, taking into account the characteristics of the asset or liability. When measuring a related asset or liability at fair value, the sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; the orderly transaction to sell the asset or transfer the liability takes place in the principal market for the related asset or liability. Where no principal market exists, the transaction is assumed to take place in the most advantageous market for the relevant asset or liability; Assumptions adopted by market participants to maximize their economic benefits when pricing the asset or liability are used. When measuring non-financial assets at fair value, consideration is given to the ability of a market participant to generate economic benefits from the use of the asset for its best use or the ability to generate economic benefits from the sale of the asset to other market participants who are able to use it for its best use.

(2) Valuation techniques

The Group measures the relevant assets or liabilities at fair value using valuation techniques that are applicable in the current circumstances and supported by sufficient available data and other information, and the valuation techniques used mainly include the market approach, the income approach and the cost approach, giving priority to the use of relevant observable inputs when applying valuation techniques, and using unobservable inputs only when relevant observable inputs are not available or practicable.

(3) Fair value hierarchy

The Group determines the level to which the fair value measurement results belong based on the lowest level to which the inputs that are significant to the fair value measurement as a whole belong: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the volume and frequency of transactions for the relevant asset or liability are sufficient to provide pricing information on a continuous basis. Level 2 inputs are inputs other than Level 1 inputs that are observable for the relevant asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the underlying asset or liability.

V. Description of changes in accounting policies and accounting estimates and correction of errors

1. Changes in accounting policies and their effects

The Ministry of Finance revised and issued the *Accounting Standards for Business Enterprises (ASBEs) No. 22 - Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), *Accounting Standards for Business Enterprises No. 23 – The transfer of Financial Assets* (Caikuai [2017] No. 8), and *Accounting Standards for Business Enterprises No. 24 - Hedge Accounting* (Caikuai [2017] No. 9)on March 31st, 2017, and revised and issued the *Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments* (Caikuai [2017] No. 14) on May 2nd, 2017 (hereinafter collectively referred to as the "new financial instruments standards"); the Ministry of Finance revised and issued the *Accounting Standards for Business Enterprises No. 14 - Revenue* (Caikuai [2017] No. 22) on July 5th, 2017 (hereinafter referred to as the "new revenue standards"); the Ministry of Finance revised and issued the revised *Accounting Standards for Business Enterprises No. 21 - Leases* (Caikuai [2018] No. 35) on December 7th, 2018; the above newly issued ASBEs, collectively referred to as the new ASBEs, are required to be effective as of January 1st, 2019 for enterprises listed both domestically and internationally and for enterprises listed outside of China that adopt IFRSs or ASBEs for the preparation of financial statements, and effective as of January 1st, 2021 for other enterprises that implement ASBEs. Accordingly, the Company will adjust its accounting policies accordingly in accordance with the above requirements.

The Company implemented the new financial instruments standards with reducing the opening owners' equity by RMB 6,247,513,212.69, of which the expected credit loss model was used to forecast the impairment of financial assets and the fair value of financial instruments was adjusted using the financial instruments valuation model, which reduced the opening undistributed earnings by RMB 5,996,815,322.25 and increased other comprehensive

income by RMB 47,075, 612.34 and decreased the non-controlling interest by RMB 297,773,502.78.

2. Changes in accounting estimates and their effects

None.

3. Adjustments on profits and losses for the prior year

Guangxi Tong Sheng Financial Leasing Co., Ltd. measured additional income tax of RMB 16,769,739.67 for the prior year, due to the tax authority re-identifies the scope of application of the preferential tax policy for western development, which increased opening amount of tax payable by RMB 16,769,739.67 and decreased opening undistributed profit by RMB 16,769,739.67.

4. Changes in the scope of consolidation and the specific effects of the above adjustments are set out below:

Item	December 31st, 2020	January 1st, 2021	Total impact amount (increase with "+", decrease with "-")	Including: adjustments of new standards (increase with "+", decrease with "-")	Including: changes in scope of consolidation (increase with "+", decrease with "-")	Including: adjustments on profits and losses for prior year (increase with "+", decrease with "-")
Cash and cash equivalents	8,897,020,420.73	8,897,496,170.10	475,749.37		475,749.37	
☆Trading financial assets		5,046,093,997.40	5,046,093,997.40	5,046,093,997.40		
Financial assets at fair value through profit or loss	1,402,896,503.76		-1,402,896,503.76	-1,402,896,503.76		
Accounts receivable	1,266,731,162.91	831,108,781.31	-435,622,381.60	-435,622,381.60		
Prepayments	641,213,041.21	641,563,572.41	350,531.20	350,531.20		
Other receivables	1,313,266,970.29	1,473,347,113.46	160,080,143.17	346,753,443.17	-186,673,300.00	
Including: Dividends receivable	127,102,018.90	123,562,785.98	-3,539,232.92	-3,539,232.92		
Non-current assets due within 1 year	2,669,899,476.00	2,433,601,192.37	-236,298,283.63	-236,298,283.63		
Other current assets	3,391,901,501.69	2,680,600,770.81	-711,300,730.88	-711,793,299.12	492,568.24	
△Loans and advances	16,625,834,196.13	16,482,221,248.24	-143,612,947.89	-143,612,947.89		
☆Debt investments		22,619,570,694.68	22,619,570,694.68	22,619,570,694.68		
Available-for-sale financial assets	34,227,000,624.45		-34,227,000,624.45	-34,227,000,624.45		
☆Other debt investments		31,600,000.00	31,600,000.00	31,600,000.00		
Held-to-maturity investments	649,500,000.00		-649,500,000.00	-649,500,000.00		
Long-term receivables	16,740,690,018.63	12,848,471,866.03	-3,892,218,152.60	-3,892,218,152.60		
☆Other equity instrument investments		4,180,462,402.39	4,180,462,402.39	4,180,462,402.39		

Item	December 31st, 2020	January 1st, 2021	Total impact amount (increase with "+", decrease with "-")	Including: adjustments of new standards (increase with "+", decrease with "-")	Including: changes in scope of consolidation (increase with "+", decrease with "-")	Including: adjustments on profits and losses for prior year (increase with "+", decrease with "-")
☆Other non-current financial assets		6,324,078,092.14	6,324,078,092.14	6,324,078,092.14		
☆Right-of-use assets		106,007,931.02	106,007,931.02	106,007,931.02		
Long-term prepaid expenses	138,314,752.70	137,098,408.69	-1,216,344.01	-1,216,344.01		
Deferred tax assets	190,855,301.24	628,201,748.40	437,346,447.16	438,109,044.16	-762,597.00	
Other non-current assets	8,176,131,762.87	4,738,908,762.87	-3,437,223,000.00	-3,437,223,000.00		
Total assets:	**96,331,255,732.61**	**90,100,432,752.32**	**-6,230,822,980.29**	**-6,044,355,400.90**	**-186,467,579.39**	-
Advances from customers	448,435,969.62		-448,435,969.62	-448,435,969.62		
☆Contract liabilities		448,435,969.62	448,435,969.62	448,435,969.62		
Taxes payable	279,382,531.84	295,957,084.80	16,574,552.96		-21,922.71	16,596,475.67
Other payables	15,472,957,592.23	15,290,157,200.83	-182,800,391.40	-4,773,655.40	-178,200,000.00	173,264.00
Non-current liabilities due within 1 year	22,279,797,086.09	22,334,579,641.33	54,782,555.24	54,782,555.24		
Other current liabilities	80,391,911.95	29,670,524.52	-50,721,387.43	-50,721,387.43		
☆Lease liabilities		89,499,165.42	89,499,165.42	89,499,165.42		
Long-term payables	7,568,603,875.55	7,573,516,714.71	4,912,839.16	4,912,839.16		
Provisions		6,709.60	6,709.60	6,709.60		
Deferred income	15,000.00	50,736,387.43	50,721,387.43	50,721,387.43		
Deferred tax liabilities	28,975,255.51	87,705,453.28	58,730,197.77	58,730,197.77		
Total liabilities	**46,158,559,222.79**	**46,200,264,851.54**	**41,705,628.75**	**203,157,811.79**	**-178,221,922.71**	**16,769,739.67**

Item	December 31st, 2020	January 1st, 2021	Total impact amount (increase with "+", decrease with "-")	Including: adjustments of new standards (increase with "+", decrease with "-")	Including: changes in scope of consolidation (increase with "+", decrease with "-")	Including: adjustments on profits and losses for prior year (increase with "+", decrease with "-")
Other comprehensive income	27,720,412.87	74,796,025.21	47,075,612.34	47,075,612.34		
Retained earnings	1,372,349,728.74	-4,646,712,063.36	-6,019,061,792.10	-5,996,815,322.25	-5,476,730.18	-16,769,739.67
Total owners' equity attributable to the parent company	1,400,070,141.61	-4,571,916,038.15	-5,971,986,179.76	-5,949,739,709.91	-5,476,730.18	-16,769,739.67
* Non-controlling interest	19,632,418,203.08	19,331,875,773.80	-300,542,429.28	-297,773,502.78	-2,768,926.50	
Total owners' equity:	**21,032,488,344.69**	**14,759,959,735.65**	**-6,272,528,609.04**	**-6,247,513,212.69**	**-8,245,656.68**	**-16,769,739.67**
Total liabilities and owners' equity:	**67,191,047,567.48**	**60,960,224,587.19**	**-6,230,822,980.29**	**-6,044,355,400.90**	**-186,467,579.39**	-
I. Total operating revenue	10,655,289,991.74	10,654,269,237.03	-1,020,754.71		-1,020,754.71	
Including: Operating revenue	7,579,888,260.97	7,578,867,506.26	-1,020,754.71		-1,020,754.71	
△Interest income	2,258,444,399.41	2,252,643,691.89	-5,800,707.52			
△Fees and commissions income	1,012,264.15	6,812,971.67	5,800,707.52			
II. Total operating cost	11,318,042,732.00	11,318,199,470.19	156,738.19		156,738.19	
Taxes and surcharges	90,105,393.48	88,303,615.72	-1,801,777.76		-1,801,777.76	
Selling expenses	918,867,493.27	918,882,274.27	14,781.00		14,781.00	
General and administrative expenses	503,253,681.88	505,199,128.37	1,945,446.49		1,945,446.49	
Financial expenses	-128,877,447.34	-128,879,158.88	-1,711.54		-1,711.54	
Add: Other income	138,969,813.60	138,992,060.70	22,247.10		22,247.10	
Investment income (Loss indicated with "-")	1,743,137,892.11	1,748,975,788.38	5,837,896.27		5,837,896.27	
Total income statement items:	1,219,354,965.45	**1,224,037,615.92**	**4,682,650.47**	-	**4,682,650.47**	-

VI. Taxation

1. Type of taxes and tax rates

Type of taxes	Tax base	Tax rate
VAT	Taxable income	13%, 10%, 9%, 6%, 5%
Urban maintenance and construction tax	Amount of turnover tax payable	7%
Education surcharge	Amount of turnover tax payable	3%
Local education surcharge	Amount of turnover tax payable	2%
Corporate income tax	Taxable income	3%, 5%, 9%, 15%, 25%

2. Tax benefits and approvals

(1) Preferential policies related to the development of the West

According to the announcement of the Ministry of Finance, *Announcement of the State Development and Reform Commission of the General Administration of Taxation of the Ministry of Finance on the Continuation of the Enterprise Income Tax Policy for the Development of the Western Region* No. 23 of 2020, from January 1st, 2021 to December 31st, 2030, enterprise income tax will be levied at a reduced rate of 15% on enterprises in the encouraged industries located in the western region.The enterprises in the encouraged industries referred to in this article are those whose main business is the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region* and whose main business income accounts for more than 60% of the total income of the enterprise.

(2) Tax incentives for small and profitable enterprises

According to the notice of the Ministry of Finance, *Notice of the General Administration of Taxation of the Ministry of Finance on the Implementation of the Policy of Universal Tax Relief for Small and Micro Enterprises* No. 13 of 2019, from January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small and micro enterprises not exceeding RMB 1 million shall be reduced by 25% of the taxable income and taxed at a rate of 20% of the corporate income tax;the portion of annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million is reduced by 50% of the taxable income and taxed at a rate of 20% of the corporate income tax.

According to the State Administration of Taxation Announcement No. 12 of 2021 on *Notice of the State Administration of Taxation on Matters Relating to the Implementation of Preferential Income Tax Policies to Support the Development of Small and Micro Profit*

Enterprises and Individual Entrepreneurs, from January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small and micro enterprises not exceeding RMB 1 million shall be reduced by 12.5% of the taxable income and taxed at a rate of 20% of the corporate income tax.

(3) Tax incentives for the guarantee industry

According to Paragraph 6 of the *Notice on Value-added Tax Policies on Input Tax Credit for Leased-in Fixed Assets* (Caishui [2017] No. 90): From January 1st, 2018 to December 31st, 2019, taxpayers shall be exempt from VAT on guarantee fee income obtained from the provision of financing guarantees for loans and bond issues by farmers, small enterprises, micro-enterprises and individual entrepreneurs, as well as on re-guarantee fee income obtained from the provision of re-guarantees for the above financing guarantees (hereinafter referred to as "original guarantees"). According to the *Notice on the Extension of the Implementation of Preferential Tax Policies Relating to Financial Inclusion* (Notice No. 22 of 2020 of the General Administration of Taxation of the Ministry of Finance),*Notice on Value-Added Tax Policies on Input Tax Credit for Leased-in Fixed Assets and Other Value-Added Tax Policies* (Caishui [2017] No. 90), which provides for the implementation of tax incentives that expire on December 31st, 2019, has been extended to December 31st, 2023.

(4) Tax incentives for the insurance industry

1) According to Article 1 (10) of Annex 3 of the *Notice of the Ministry of Finance and the State Administration of Taxation on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36): "Agricultural farming, irrigation, pest control, plant protection, agricultural insurance and related technical training business, poultry, livestock, aquatic animal breeding and disease control are exempt from VAT". Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on April 29th, 2016 as the *Registration Form for Taxpayer's Tax Reduction and Exemption*, which is exempt from taxation since May 1st, 2016.

2) According to Article 1(21) of Annex 3 of the *Notice of the Ministry of Finance, State Administration of Taxation on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36): "Premium income derived from life insurance products offered by insurance companies with a term of more than one year is exempt from VAT" (more than one year includes one year)". Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on April 19th, 2016 as the *Registration*

Form for Taxpayer's Tax Reduction and Exemption, which is exempt from taxation since May 1st, 2016.

3) According to Article 1(23) of Annex 3 of the *Notice of the Ministry of Finance and the State Administration of Taxation on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36) and Article 1 of the *Circular of the Ministry of Finance and the State Administration of Taxation on Further Clarification of Policies Relating to the Financial Sector for the Full-scale Implementation of the Camp Reform Pilot Project* (Caishui [2016] No. 46): Interest income from financial interbank transactions are exempted from VAT. Beibu Gulf Property & Casualty Insurance Co., Ltd. was accepted by the State Taxation Bureau of Nanning City on December 30th, 2016 as the *Registration Form for Tax Reduction for Taxpayers*, which is exempt from taxation since May 1st, 2016.

(5) Water conservancy construction fund incentives

According to the *Notice of the Department of Finance of Guangxi Zhuang Autonomous Region on the Clarification of Preferential Policies of Local Water Conservancy Construction Fund* (Guicaigui [2022] No. 1), from January 1st, 2022 to December 31st, 2022 (the period to which it belongs), the local water conservancy construction fund will be levied at a 50% reduction (which means that it will be levied at 0.5‰ of the operating revenue or sales revenue).From January 1st, 2022 to December 31st, 2022 (the period to which it belongs), enterprises registered within the China (Guangxi) Pilot Free Trade Zone (including Nanning, Qinzhou Port and Chongzuo Area) that are engaged in lawful operations are exempt from the local water conservancy construction fund. Enterprises engaged in lawful operations are exempted from the local water conservancy construction fund.

VII. Business Combinations and Consolidated Financial Statements

1. Basic information of subsidiaries included in the scope of consolidated statements

No.	Company name	Level	Business type	Main business location	Place of registration	Business nature	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Investment amount	Acquisition method
1	Guangxi Jinkong Asset Management Co., Ltd.	2	2	Guangxi	Nanning	Asset management	595,000.00	100.00	100.00	649,367.94	1
2	GFIG Urban Construction Development Co., Ltd.	2	2	Guangxi	Nanning	Investment	217,020.00	100.00	100.00	217,020.00	1
3	Guangxi Jintou Real Estate Management Co., Ltd.	2	1	Guangxi	Nanning	Investment	62,650.66	100.00	100.00	62,650.66	1
4	Guangxi Jintou Internet Financial Services Co., Ltd.	2	2	Guangxi	Nanning	Internet finance	10,304.69	68.00	68.00	7,000.00	1
5	Guangxi SME Financing Guarantee Co., Ltd.	2	2	Guangxi	Nanning	Guarantee	430,000.00	100.00	100.00	406,434.63	1
6	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	2	2	Guangxi	Nanning	Investment	64,600.00	39.42	39.42	10,500.00	1
7	Nanning Jintong Micro-Finance Co., Ltd.	2	2	Guangxi	Nanning	Financial services	898,900.00	100.00	100.00	898,900.00	1
8	GIG Financial Holding Co., Ltd.	2	2	Guangxi	Nanning	Financial services	384,618.56	95.00	95.00	365,387.63	2
9	GIG Capital Management Group Co., Ltd.	2	2	Guangxi	Nanning	Investment	140,465.66	90.00	90.00	126,419.10	2
10	Beibu Gulf Financial Leasing Co., Ltd.	2	2	Guangxi	Nanning	Financial services	100,000.00	49.00	57.14	49,000.00	2
11	Beibu Gulf Property & Casualty Insurance Co., Ltd.	2	2	Guangxi	Nanning	Insurance services	150,000.00	20.00	53.33	30,000.00	1
12	Guangxi Digital Financial Services Technology Co., Ltd.	2	1	Guangxi	Nanning	Software development	3,450.00	51.00	51.00	2,635.41	2

Note: Enterprise type: 1 Domestic non-financial subsidiaries; 2 domestic financial subsidiaries; 3 foreign subsidiaries; 4 business units; 5 infrastructure units.

Acquisition method: 1 Investment establishment; 2 Business combination under the same control; 3 Business combination not under the same control; 4 Others.

2. Reasons for holding less than half of the voting rights in an investee but being able to exercise control over the investee

No.	Company name	Shareholding ratio (%)	Voting ratio (%)	Registered capital	Investment amount	Level	Reasons for inclusion in the scope of consolidation
1	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	39.42	100.00	350,000.00	10,500.00	2	Reaching physical control
2	Beibu Gulf Financial Leasing Co., Ltd.	49.00	57.14	100,000.00	49,000.00	2	Reaching physical control
3	Beibu Gulf Property & Casualty Insurance Co., Ltd.	20.00	53.33	150,000.00	30,000.00	2	Reaching physical control

Note: Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.: Initiated by the Group, the Group holds 39.42% of the shares and is the largest shareholder. According to the Articles of Association of Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd. the chairman is appointed by the Group, the general manager is nominated by the chairman, and other executives are nominated by the general manager to reach control.

(1) Beibu Gulf Financial Leasing Co., Ltd.: The Board of Directors consists of seven directors, four of whom are nominated by the Group to achieve control.

(2) Beibu Gulf Property & Casualty Insurance Co., Ltd.: With the approval of the People's Government of Guangxi Zhuang Autonomous Region, the Group has initiated the formation of Beibu Gulf Property & Casualty Insurance Co., Ltd. and assumed the management responsibility. The Board of Directors of Beibu Gulf Property & Casualty Insurance Co., Ltd. consists of 15 directors, and the Group nominates 8 directors to achieve control.

3. Significant non-wholly owned subsidiaries

(1) Non-controlling interests

No.	Name of subsidiaries	Shareholding ratio of non-controlling interests	Profit or loss for the year attributable to non-controlling interests	Dividends paid to non-controlling interests during the year	Accumulated non-controlling interests at the end of the year
1	Guangxi Jintou Internet Financial Services Co., Ltd.	32.00%	1,250,431.25	2,313,282.16	85,893,598.49

2	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	60.58%	29,515.76		544,840,126.79
3	GIG Financial Holding Co., Ltd. (Consolidated)	5.00%	29,916,121.77		308,857,581.40
4	GIG Capital Management Group Co., Ltd. (Consolidated)	10.00%	14,534,801.71		860,509,074.76
5	Beibu Gulf Financial Leasing Co., Ltd.	51.00%	73,394,246.34	8,160,000.00	763,394,597.88
6	Beibu Gulf Property & Casualty Insurance Co., Ltd.	80.00%	-127,005,946.13		987,815,609.44
7	**Total**		-7,880,829.30	10,473,282.16	3,551,310,588.76

1) Key financial information

Item	Amount for the year					
	Guangxi Jintou Internet Financial Services Co., Ltd.	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	GIG Financial Holding Co., Ltd. (Consolidated)	GIG Capital Management Group Co., Ltd. (Consolidated)	Beibu Gulf Financial Leasing Co., Ltd.	Beibu Gulf Property & Casualty Insurance Co., Ltd.
Current assets	433,418,376.15	653,595,248.70	5,087,145,168.70	2,638,906,442.47	553,471,601.36	4,406,526,268.00
Non-current assets	6,264,349.88		11,712,506,883.24	12,388,356,483.80	3,796,235,167.27	978,279,931.98
Total assets	439,682,726.03	653,595,248.70	16,799,652,051.94	15,027,262,926.27	4,349,706,768.63	5,384,806,199.98
Current liabilities	171,204,484.65	3,052.92	5,578,143,411.63	1,143,079,514.95	2,183,448,676.20	731,511,747.60
Non-current liabilities	45,021.51		4,717,995,671.65	922,022,909.89	651,097,109.35	3,418,524,940.58
Total liabilities	171,249,506.16	3,052.92	10,296,139,083.28	2,065,102,424.84	2,834,545,785.55	4,150,036,688.18
Operating revenue	30,240,541.00	541,460.40	1,011,551,900.19	1,494,447,113.12	364,236,979.14	3,589,600,484.14
Net profit	3,907,597.65	58,366.14	622,619,437.04	434,151,475.47	143,910,286.95	-158,757,432.66
Total comprehensive income	3,907,597.65	58,366.14	411,543,336.28	673,048,798.27	143,910,286.95	-172,025,263.89
Cash flow from operating activities	4,290,591.03	-181,364.22	87,354,872.88	104,984,873.20	-774,586.55	-384,129,413.06

(Continued)

Item	Amount for prior year					
	Guangxi Jintou Internet Financial Services Co., Ltd.	Guangxi State Enterprise Mutual Funds Operation Management Co., Ltd.	GIG Financial Holding Co., Ltd. (Consolidated)	GIG Capital Management Group Co., Ltd. (Consolidated)	Beibu Gulf Financial Leasing Co., Ltd.	Beibu Gulf Property & Casualty Insurance Co., Ltd.
Current assets	566,363,970.53	653,773,498.92	4,023,779,560.11	4,584,274,343.53	665,093,111.54	4,327,433,590.47
Non-current assets	6,181,118.72	0.00	11,670,222,184.03	10,246,063,911.09	4,002,339,113.02	1,107,463,598.48
Total assets	572,545,089.25	653,773,498.92	15,694,001,744.14	14,830,338,254.62	4,667,432,224.56	5,434,897,188.95
Current liabilities	300,609,368.24	239,669.28	4,926,001,904.18	2,685,426,420.41	2,227,419,275.98	686,025,367.99
Non-current liabilities	196,816.63	0.00	4,457,096,628.04	206,477,553.30	1,052,762,252.45	3,342,077,045.27
Total liabilities	300,806,184.87	239,669.28	9,383,098,532.22	2,891,903,973.71	3,280,181,528.43	4,028,102,413.26
Operating revenue	60,960,785.90	1,909,405.94	964,480,617.18	1,028,745,285.04	438,928,754.65	3,611,652,667.39
Net profit	29,096,774.60	567,388.22	494,914,555.76	338,407,049.22	120,181,569.39	106,329,029.80
Total comprehensive income	29,096,774.60	567,388.22	584,935,455.10	338,407,049.22	120,181,569.39	113,796,572.12
Cash flow from operating activities	-4,818,903.56	1,511,702.43	-2,076,956,422.15	-22,499,314.66	-113,941,825.98	-169,261,917.02

4. Changes in the scope of consolidation during the year

(1) New companies included in the scope of consolidation during the year

Name of company	Shareholding ratio (%)	Net assets attributable to the parent at year-end	Net profit attributable to the parent for the year	Note
Subsidiary				
Guangxi Chuangmiao Investment Management Co., Ltd.	100.00	1,134,863.39	1,134,863.39	Investment set-up

GuangtouChuangyuan Industrial Investment Fund Partnership (Limited Partnership)	99.90	2,100,521.13	-1,578.87	Investment set-up
Guangxi Jintou Phase I Investment Fund (Limited Partnership)	100.00	55,904,349.01	7,596.84	Common control
Guangxi Jintou Phase II Investment Fund Partnership (Limited Partnership)	100.00	36,354,231.20	7,343.05	Common control

(2) Subjects no longer included in the scope of consolidation in the current year

No.	Company name	Place of registration	Business nature	Shareholding ratio (%)	Voting ratio (%)	Reasons for not being included in the scope of consolidation
1	Guangxi Zhuang Autonomous Region Water Conservancy and Electric Power Survey, Design and Research Institute Co., Ltd.	Nanning, Guangxi	Construction	100%	100%	Sold
2	Guangxi Big Data Industry Development Co., Ltd.	Nanning, Guangxi	Data services	60%	60%	Free allocation
3	Guangxi Nanning Rongjian Investment Consulting Co., Ltd.	Nanning, Guangxi	Investment information consultancy	100%	100%	Sold
4	Guangxi Haohai Investment Co., Ltd.	Nanning, Guangxi	Wholesale	100%	100%	Sold
5	Guangxi Jinwo Investment Management Co., Ltd.	Nanning, Guangxi	Investment management	98%	98%	Sold
6	Guangxi JinwoFeima Investment Partnership (limited Partnership)	Nanning, Guangxi	Investment management	50%	50%	Sold
7	Guangxi Industrial High-Quality Development Foundation Fund (Limited Partnership)	Nanning, Guangxi	Investment management	50%	50%	Liquidation
8	Guangxi Financial Holding Pawn Co., Ltd.	Nanning, Guangxi	Chattel pawnbroking	95%	95%	Write-off
9	Guangxi Financial Auction Co., Ltd.	Nanning, Guangxi	Financial auctions	100%	100%	Write-off

VIII. Notes to Significant Items in the Consolidated Financial Statements

The financial statement data disclosed below, unless otherwise stated, "Opening" refers to January 1st, 2021, "Closing" refers to December 31st, 2021, "Current year " refers to the period from January 1st to December 31st, 2021, "Prior year" refers to the period from January 1st to December 31st, 2020, and the currency unit is RMB, unless otherwise stated.

1. Cash and cash equivalents

(1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	490.00	69,110.62
Bank deposits	4,004,758,631.49	8,052,307,500.15
Other monetary funds	2,568,716,227.35	845,119,559.33
Total	**6,573,475,348.84**	**8,897,496,170.10**
Including: Total amount deposited abroad		

(2) Restricted cash and cash equivalents

At the end of 2021, the Group had a total of RMB 2,730,714,882.60 in restricted bank deposits, including: project cooperation deposits, pledged bank certificates of deposit, risk disposal funds and customer transaction settlement funds.

2. △Provision for settlement

(1) Presentation by category

Item	Closing balance	Opening balance
Corporate provisions	5,151,008.21	4,182,730.32
Total	**5,151,008.21**	**4,182,730.32**

3. ☆Trading financial assets

Item	Closing fair value	Opening fair value
Financial assets classified as at fair value through profit or loss	2,852,542,648.22	5,046,093,997.40
Including: Debt instrument investment	2,071,325,245.86	2,669,447,685.44
Equity instrument investment	781,217,402.36	2,367,619,312.14
Others		9,026,999.82
Financial assets designated as at fair value through profit or loss		

Item	Closing fair value	Opening fair value
Including: Debt instrument investment		
Others		
Total	**2,852,542,648.22**	**5,046,093,997.40**

4. Accounts receivable

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable with a single bad debt provision	15,527,876.52	1.92	15,527,876.52	100.00	
Accounts receivable with portfolio provision for bad debts	794,709,180.39	98.08	102,094,050.88	12.85	692,615,129.51
Total	**810,237,056.91**	**100.00**	**117,621,927.40**	**14.52**	**692,615,129.51**

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Accounts receivable with a single bad debt provision	55,512,043.16	6.08	17,335,389.45	31.23	38,176,653.71
Accounts receivable with portfolio provision for bad debts	857,115,051.15	93.92	64,182,923.55	7.49	792,932,127.60
Total	**912,627,094.31**	**100.00**	**81,518,313.00**	**8.93**	**831,108,781.31**

(1) The Company discloses accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	560,395,515.42	646,002,561.99
1-2 years	94,839,839.27	89,103,547.87
2-3 years	11,458,929.00	144,316,729.39
3-4 years	126,753,066.20	5,729,993.87
4-5 years	1,393,799.03	18,757,387.65
More than 5 years	15,395,907.99	8,716,873.54
Subtotal	**810,237,056.91**	**912,627,094.31**
Less: Bad debt provision	117,621,927.40	81,518,313.00
Total	**692,615,129.51**	**831,108,781.31**

(2) Disclosure of accounts receivable by method of provision for bad debts

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with a single bad debt provision	15,527,876.52	1.92	15,527,876.52	100.00	
Accounts receivable with portfolio provision for bad debts	794,709,180.39	98.08	102,094,050.88	12.85	692,615,129.51
Including: Normal risk portfolio	639,075,054.35	78.88	101,660,255.74	15.91	537,414,798.61
Low risk portfolio	155,634,126.04	19.21	433,795.14	0.28	155,200,330.90
Total	**810,237,056.91**	**100.00**	**117,621,927.40**	**14.52**	**692,615,129.51**

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with a single bad debt provision	55,512,043.16	6.08	17,335,389.45	31.23	38,176,653.71
Accounts receivable with portfolio provision for bad debts	857,115,051.15	93.92	64,182,923.55	7.49	792,932,127.60
Including: Normal risk portfolio	391,297,076.67	42.88	60,091,259.24	15.36	331,205,817.43
Low risk portfolio	465,817,974.48	51.04	4,091,664.31	0.88	461,726,310.17
Total	**912,627,094.31**	**100.00**	**81,518,313.00**	**8.93**	**831,108,781.31**

(3) Accounts receivable with a single bad debt provision

Debtor	Book balance	Bad debt provision	Expected credit loss rate (%)	Accrual reason
Longer pending sporadic customers	15,527,876.52	15,527,876.52	100.00	Recovery less possible
Total	**15,527,876.52**	**15,527,876.52**	—	—

(4) Provision for bad debts recovered or reversed

Debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before recovery or reversal	Reason for reversal or recovery, manner
Qinzhou ** Petrochemical Co., Ltd.	1,672,199.68	1,672,199.68	Accounts receivable have been negotiated for recovery
Guangxi ** Fund Co., Ltd.	12,500.00	12,500.00	Accounts receivable have been negotiated for recovery
Qinzhou** Property Investment Co., Ltd.	12,778.51	12,778.51	Accounts receivable have been negotiated for recovery
Fangchenggang** Real Estate Development Co., Ltd.	19,618.69	19,618.69	Accounts receivable have been negotiated for recovery
Total	**1,717,096.88**	**1,717,096.88**	——

(5) The top five accounts receivable with closing balances by debtor

Debtor	Book balance	Total ratio in accounts receivable (%)	Bad debt provision
Guangxi **Leasing Co., Ltd.	101,263,319.99	12.50	3,114,907.07
Liuzhou **Management Group Co., Ltd.	43,809,883.78	5.41	1,752,395.35
**Commercial Factoring (Guangzhou) Co., Ltd.	30,000,000.00	3.70	360,000.00
Shanghai **Financial Leasing Co., Ltd.	28,700,000.00	3.54	344,400.00
Guangxi **Investment Co., Ltd.	25,000,000.00	3.09	300,000.00
Total	**228,773,203.77**	**28.24**	**5,871,702.42**

5. Prepayments

(1) Aging of prepayments

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	449,251,323.88	80.52	8,136.80	604,923,410.71	94.28	
1-2 years	82,676,773.14	14.82		20,606,084.79	3.21	46,548.36
2-3 years	12,708,474.56	2.28		6,688,602.55	1.04	
More than 3 years	13,322,732.34	2.39		9,392,022.72	1.47	
Total	**557,959,303.92**	**100.00**	**8,136.80**	**641,610,120.77**	**100.00**	**46,548.36**

(2) Large prepayments aged over 1 year

Creditor	Debtor	Closing balance	Aging	Reason for non-settlement
Beibu Gulf Property & Casualty Insurance Co., Ltd.	China** Life Insurance Co., Ltd. Shenzhen Branch	7,586,450.00	1-2 years	Advance payment of benefits, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guangxi **Transportation Group Co., Ltd.	6,479,453.00	More than 3 years	Advance payment of benefits, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Fang**	5,392,992.01	2-3 years	Advance payment of benefits, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guiping** Hospital	5,282,120.48	1-2 years	Advance payment of benefits, case open
Guangxi Investment and Financing Guarantee Co., Ltd.	Guangxi Zhuang Autonomous Region** People's Court	2,075,484.00	1-2 years	Unexpired
Total	——	**26,816,499.49**	——	——

(3) Prepayments with the top five year-end balances by debtor

Debtor	Book balance	Total ratio in prepayments (%)	Bad debt provision
Guangxi **New Materials Co., Ltd.	9,773,124.16	1.75	
Guizhou **Aluminium Technology Co., Ltd.	7,943,761.82	1.42	
Guangxi **New Material Technology Co., Ltd.	5,721,260.07	1.03	

Debtor	Book balance	Total ratio in prepayments (%)	Bad debt provision
Guangxi ** Technology Co., Ltd.	5,254,828.05	0.94	
Guangxi ** Building Materials Technology Co., Ltd.	4,998,555.60	0.90	
Total	**33,691,529.70**	**6.04**	

6. △Premiums receivable

(1) Aging and the corresponding bad debts provisions are presented as follows:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net value
Within 3 months (including 3 months)	291,218,898.99	34.95		291,218,898.99
3 months- 1 year (including 1 year)	389,214,945.87	46.71	26,840.00	389,188,105.87
More than 1 year	152,837,755.45	18.34	40,349,367.15	112,488,388.30
Total	**833,271,600.31**	**100.00**	**40,376,207.15**	**792,895,393.16**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net value
Within 3 months (including 3 months)	516,212,553.94	71.10		516,212,553.94
3 months- 1 year (including 1 year)	108,144,902.24	14.90		108,144,902.24
More than 1 year	101,646,542.44	14.00	16,870,649.98	84,775,892.46
Total	**726,003,998.62**	**100.00**	**16,870,649.98**	**709,133,348.64**

(2) Listed below by broad category of insurance

Item	Closing balance	Opening balance
Corporate property insurance	2,849,852.85	3,186,512.64
Home property insurance	659,405.67	1,228,901.66
Engineering insurance	36,461,210.05	49,615,119.20
Liability insurance	29,423,501.30	36,004,194.04
Cargo insurance	799,863.12	898,159.55
Ship insurance	1,458,836.06	975,348.80
Agricultural insurance	725,064,698.43	517,948,099.21
Accident insurance	34,395,831.25	25,074,681.58
Health insurance	2,156,547.85	90,980,995.50
Others	1,853.73	91,986.44
Total	**833,271,600.31**	**726,003,998.62**

(3) The top five premiums receivable are as follows:

Name of the entity in arrears	Closing balance	
	Amount	Ratio (%)
Guangxi **Foodstuffs Co., Ltd.	13,650,000.00	1.64
Guangxi **Engineering Group Co., Ltd.	13,200,685.78	1.58
Guangxi** Agriculture and Animal Husbandry Co., Ltd.	59,957,554.24	7.20
Guangxi** Technology Co., Ltd.	26,047,644.00	3.13
Guizhou Province** Engineering Group Co., Ltd.	13,562,728.30	1.63
Total	**126,418,612.32**	**15.18**

7. Reinsurance contract receivables

(1) The aging of reinsurance contract receivables and the corresponding allowance for bad debts are analysed as follows

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net value
Within 3 months (including 3 months)	55,188,391.75	20.17		55,188,391.75
3 months- 1 year (including 1 year)	133,833,175.21	48.92		133,833,175.21
More than 1 year	84,530,479.98	30.90		84,530,479.98
Total	**273,552,046.94**	**100.00**		**273,552,046.94**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net value
Within 3 months (including 3 months)	44,815,528.44	21.52		44,815,528.44
3 months- 1 year (including 1 year)	66,610,787.80	31.99		66,610,787.80
More than 1 year	96,804,576.93	46.49		96,804,576.93
Total	**208,230,893.17**	**100.00**		**208,230,893.17**

(2) The top five reinsurance contract receivables are as follows:

Item	Closing balance	
	Amount	Ratio (%)
China** Reinsurance Co., Ltd.	66,807,684.50	24.42
China** Insurance Reinsurance Community	93,130,756.47	34.04

Item	Closing balance	
	Amount	Ratio (%)
Swiss** Insurance Co., Ltd., Beijing Branch	7,973,289.37	2.91
**Reinsurance (China) Co., Ltd.	21,159,818.99	7.74
China** Reinsurance Co., Ltd.	5,197,563.82	1.90
Total	**194,269,113.15**	**71.02**

8. △Reinsurance contract reserve receivable

Item	Closing balance	Opening balance
Provision for unsettled compensation receivable from reinsurance	124,125,918.31	119,595,707.41
Others	163,862,826.44	155,571,357.63
Total	**287,988,744.75**	**275,167,065.04**

9. Other receivables

Item	Closing balance	Opening balance
Interest receivable	423,014,000.33	544,949,806.97
Dividends receivable	110,363,390.42	123,562,785.98
Other receivables	2,102,003,209.17	804,834,520.51
Total	**2,635,380,599.92**	**1,473,347,113.46**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Fixed deposit	19,588,143.77	54,030,359.21
Entrusted loan	30,018,989.52	27,756,721.12
Bond investment	12,942,550.55	15,627,177.97
Others	360,464,316.49	447,535,548.67
Fixed deposit	**423,014,000.33**	**544,949,806.97**

2) Provision for bad debts on interest receivable

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance	1,549,999.38	52,941,144.14	72,949,935.00	**127,441,078.51**

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance in the year				
Accrual for the year	4,837,595.75	9,828,751.97		14,666,347.72
Reversal for the year				
Resale for the year				
Write-off for the year				
Other changes				
Closing balance	**6,387,595.13**	**62,769,896.10**	**72,949,935.00**	**142,107,426.23**

(2) Dividends receivable

Item	Closing balance	Opening balance
Dividends receivable aged within 1 year	10,130,284.13	64,365,256.75
Dividends receivable aged over 1 year	100,233,106.29	59,197,529.23
Total	**110,363,390.42**	**123,562,785.98**

(3) Other receivables

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables with a single bad debt provision	506,433,995.42	21.85	125,000,823.28	24.68	381,433,172.14
Other receivables for which bad debt provision has been made in the portfolio	1,811,541,205.33	78.15	90,971,168.30	5.02	1,720,570,037.03
Total	**2,317,975,200.75**	**100.00**	**215,971,991.58**	**9.32**	**2,102,003,209.17**

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Other receivables with a single bad debt provision	887,316,329.32	91.10	82,481,808.81	9.30	804,834,520.51
Other receivables for which bad debt provision has been made in the portfolio	86,658,561.74	8.90	86,658,561.74	100.00	
Total	**973,974,891.06**	**100.00**	**169,140,370.55**	**17.37**	**804,834,520.51**

1) Disclosure of other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	1,357,356,644.95	855,173,678.87
1-2 years	852,013,234.01	67,960,019.36
2-3 years	59,348,255.48	19,016,198.89
3-4 years	18,032,072.37	20,427,790.59
4-5 years	19,827,790.59	7,709,363.51
More than 5 years	11,397,203.35	3,687,839.84
Subtotal	**2,317,975,200.75**	**973,974,891.06**
Less: Bad debt provision	215,971,991.58	169,140,370.55
Total	**2,102,003,209.17**	**804,834,520.51**

2) Disclosure of other receivables by method of provision for bad debts

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss rate (%)	
Other receivables with a single bad debt provision	506,433,995.42	21.85	125,000,823.29	24.68	381,433,172.13
Other receivables for which bad debt provision has been made in the portfolio	1,811,541,205.33	78.15	90,971,168.29	5.02	1,720,570,037.04
Including: Normal risk portfolio	1,594,858,885.78	68.80	90,949,293.61	5.70	1,503,909,592.17
Low risk portfolio	216,682,319.55	9.35	21,874.68	0.01	216,660,444.87
Total	**2,317,975,200.75**	**100.00**	**215,971,991.58**	**9.32**	**2,102,003,209.17**

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Expected credit loss rate (%)	
Other receivables with a single bad debt provision	887,316,329.32	91.10	82,481,808.81	9.30	804,834,520.51
Other receivables for which bad debt provision has been made in the portfolio	86,658,561.74	8.90	86,658,561.75	100.00	-0.01
Including: Normal risk portfolio	86,642,127.63	8.90	86,642,127.64	100.00	-0.01
Low risk portfolio	16,434.11	0.00	16,434.11	100.00	0.00
Total	**973,974,891.06**	**100.00**	**169,140,370.56**	**17.37**	**804,834,520.50**

3) Other receivables with a single provision for bad debts at the end of the year

Debtor	Book balance	Bad debt provision	Expected credit loss rate (%)	Accrual reason
Nanning **Construction Technology Co., Ltd.	699,936.00	699,936.00	100.00	Accrued on the basis of expected recoverable risk
Guangxi **Construction Group Co., Ltd. Nanning Branch	817,174.48	817,174.48	100.00	Accrued on the basis of expected recoverable risk
**Project	100,000,000.00	50,000,000.00	50.00	Accrued on the basis of expected recoverable risk
Sporadic merchants	7,714,673.18	7,421,501.05	96.20	Accrued on the basis of expected recoverable risk
Guilin** Tourism Investment Co., Ltd.	13,202,211.76	13,202,211.76	100.00	Accrued on the basis of expected recoverable risk
Guangxi **Asset Management Co., Ltd.	384,000,000.00	52,860,000.00	13.77	Accrued on the basis of expected recoverable risk
Total	**506,433,995.42**	**125,000,823.29**	—	—

4) Disclosure of other receivables by nature

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Related party transactions	83,593,503.94		83,593,503.94
Collection of payments on behalf of others	28,575,007.03	7,180.66	28,567,826.37
Warranties, deposits and guarantees	39,873,776.59	1,265,847.58	38,607,929.01
Third party transactions	2,149,626,304.75	214,404,279.85	1,935,222,024.91
Withholding of payments	10,495.99		10,495.99
Accrual of accrued handling fees pending refund	10,884,130.84		10,884,130.84
VAT on unearned premiums	157,469.45		157,469.45
Others	5,254,512.16	294,683.50	4,959,828.66
Total	**2,317,975,200.75**	**215,971,991.58**	**2,102,003,209.17**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Related party transactions	492,702,206.53		492,702,206.53
Collection of payments on behalf of others	160,001.26		160,001.26
Warranties, deposits and guarantees	137,299,731.70	2,020,065.83	135,279,665.87
Third party transactions	315,299,312.60	166,922,309.87	148,377,002.73
Withholding of payments	3,709,672.99		3,709,672.99
Accrual of accrued handling fees pending refund	11,252,873.65		11,252,873.65
VAT on unearned premiums	2,349,696.79		2,349,696.79

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Others	11,201,395.54	197,994.85	11,003,400.69
Total	**973,974,891.06**	**169,140,370.55**	**804,834,520.51**

5) Provision for bad debts on other receivables accrued, recovered or reversed during the period

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		81,661,420.95	87,478,949.60	169,140,370.55
Accrual for the period		42,519,014.47	4,312,606.56	46,831,621.03
Reversal for the period				
Closing balance		**124,180,435.42**	**91,791,556.16**	**215,971,991.58**

6) The movement in the book balance of other receivables is as follows

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses for the next 12 months	Expected credit losses over the entire life (no credit impairment)	Expected credit losses over the entire life (credit impairment has occurred)	
Opening balance		87,478,949.60	886,495,941.46	973,974,891.06
Accrual for the period		1,724,882,643.60		1,724,882,643.60
Reversal for the period			380,882,333.90	380,882,333.90
Closing balance		**1,812,361,593.19**	**505,613,607.56**	**2,317,975,200.75**

7) Bad debt provision for other receivables recovered or reversed

Debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before recovery or reversal	Reason for reversal or recovery, manner
Chongqing **Pharmaceutical Co., Ltd.	16,434.11	16,434.11	Recovered transactions
Total	**16,434.11**	**16,434.11**	——

8) Other receivables with the top five balances at the end of the year by debtor

Debtor	Nature of payment	Book balance	Aging	Total ratio in other accounts receivable (%)	Bad debt provision
Guangxi ** Management Co., Ltd.	Current payments	1,704,183,954.00	Within 1 year	73.52	980,454.20
Guangxi **Management Co., Ltd.	Current payments	384,000,000.00	1-2 years	16.57	52,860,000.00
Guangxi **Investment Co., Ltd.	Current payments	38,000,000.00	Within 1 year	1.64	
Nanning** Development Zone Management Committee	Current payments	17,730,392.77	Within 1 year	0.76	291,383.20

Debtor	Nature of payment	Book balance	Aging	Total ratio in other accounts receivable (%)	Bad debt provision
Guilin** Tourism Investment Co., Ltd.	Current payments	13,202,211.76	4-5 years	0.57	13,202,211.76
Total	——	**2,157,116,558.53**	——	**93.06**	**67,334,049.16**

10. △Purchase and resale financial assets

Item	Closing balance	Opening balance
Bonds	31,101,891.00	18,900,069.00
Less: Bad debt provision		
Total book value	**31,101,891.00**	**18,900,069.00**

11. Inventories

Item	Closing balance		
	Book balance	Provision for decline in value / provision for impairment of contract performance costs	Book value
Homemade semi-finished and in-process products			
Including: Completed unsettled projects			
Goods in stock	20,686,761.03		20,686,761.03
Contract performance costs	2,999,114.70		2,999,114.70
Total	**23,685,875.73**		**23,685,875.73**

(Continued)

Item	Opening balance		
	Book balance	Provision for decline in value / provision for impairment of contract performance costs	Book value
Homemade semi-finished and in-process products	4,231,366.66		4,231,366.66
Including: Completed unsettled projects	4,231,366.66		4,231,366.66
Goods in stock			
Contract performance costs			
Total	**4,231,366.66**		**4,231,366.66**

12. ☆Contract assets

(1) Details of contract assets

Item	Closing balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Recognised for work based on progress of project completion	97,309,971.89		97,309,971.89			
Total	**97,309,971.89**		**97,309,971.89**			

13. Assets held for sale

Item	Closing book value	Closing fair value
Fixed assets held for sale	84,881.00	84,881.00
Assets held for sale - passenger vehicles	1,209,645.00	1,209,645.00
Assets held for sale - commercial vehicles	7,727,500.00	7,727,500.00
Total	**9,022,026.00**	**9,022,026.00**

14. Non-current assets due within one year

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Long-term receivables due within 1 year	2,752,451,545.14	388,755,636.95	2,363,695,908.19
Entrusted loan due within 1 year	131,800,000.00	2,261,250.82	129,538,749.18
Total	**2,884,251,545.14**	**391,016,887.77**	**2,493,234,657.37**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Long-term receivables due within 1 year	2,645,029,101.46	235,098,681.21	2,409,930,420.25
Entrusted loan due within 1 year	23,670,772.12		23,670,772.12
Total	**2,668,699,873.58**	**235,098,681.21**	**2,433,601,192.37**

15. Other current assets

Item	Closing balance	Opening balance
Input tax to be deducted	48,170,453.84	44,358,751.63
Prepaid income tax	13,104,064.85	9,774,501.02
Refundable deposits	1,820,276,092.20	2,054,550,903.87

Item	Closing balance	Opening balance
Prepayment for equipment		9,529,327.30
Financial products		38,315,353.15
Input tax pending certification and securities liquidation payments	10,651,091.08	
Entrusted loan	97,411,914.78	78,716,698.81
Compensation receivable	697,510,169.77	445,355,235.03
Borrowing interest camp tax credit	85,803.82	
Total	**2,687,209,590.34**	**2,680,600,770.81**

16. △Loans and advances

(1) Distribution by individuals and corporate

Item	Closing balance	Opening balance
Personal loans and advances	23,195,401.16	635,374,380.58
Credit card		
Housing mortgages		
Others	23,195,401.16	635,374,380.58
Corporate loans and advances	11,484,661,910.34	16,249,271,440.97
Credit card	11,484,661,910.34	16,249,271,440.97
Housing mortgages		
Others		
Total loans and advances	11,507,857,311.50	16,884,645,821.55
Less: Loan loss provision	406,318,623.19	402,424,573.31
Including: Individual provision		
Provision by corporate	406,318,623.19	402,424,573.31
Book value of loans and advances	11,101,538,688.31	16,482,221,248.24

(2) Distribution by industry

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
Agriculture, forestry, animal husbandry and fishery	873,613,160.00	7.59	1,020,718,009.78	6.05
Mining industry	599,300,000.00	5.21	781,460,000.00	4.63
Real estate industry	621,438,262.57	5.40	628,090,526.00	3.72
Construction	1,964,462,270.61	17.07	2,844,775,920.97	16.85
Finance and insurance industry	100,000,000.00	0.87	70,502,400.00	0.42

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
Services	422,770,000.00	3.67	315,277,988.90	1.87
Transportation	647,924,904.99	5.63	716,823,311.22	4.25
Catering	294,820,000.00	2.56	389,870,000.00	2.31
Manufacturing	641,650,000.00	5.58	1,820,434,437.63	10.78
Personal consumption	23,195,401.16	0.20	46,563,731.22	0.28
Wholesale and retail trade	4,464,808,210.81	38.80	6,653,948,439.47	39.41
Electricity, gas and water production and supply industry	20,000,000.00	0.17	20,000,000.00	0.12
Other industries	833,875,101.36	7.25	1,576,181,056.36	9.33
Total loans and advances	11,507,857,311.50	100.00	16,884,645,821.55	100.00
Less: Loan loss provision	406,318,623.19	—	402,424,573.31	—
Including: Individual provision		—		—
Provision by corporate	406,318,623.19	—	402,424,573.31	—
Book value of loans and advances	11,101,538,688.31	—	16,482,221,248.24	—

(3) Distribution by region

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
South China	1,306,599,498.66	11.35	1,335,762,194.12	7.91
North China				
Guangxi	10,201,257,812.84	88.65	15,548,883,627.43	92.09
Others				
Total loans and advances	11,507,857,311.50	100.00	16,884,645,821.55	100.00
Less: Loan loss provision	406,318,623.19	—	402,424,573.31	—
Including: Individual provision		—		—
Provision by corporate	406,318,623.19	—	402,424,573.31	—
Book value of loans and advances	11,101,538,688.31	—	16,482,221,248.24	—

(4) Distribution by the way of guarantee

Item	Closing balance	Opening balance
Credit loans	57,647,687.20	83,391,437.12
Guaranteed loans	1,897,370,629.03	3,802,584,309.87
Collateral loan	9,552,838,995.27	12,998,670,074.56
Including: Mortgage loans	8,798,051,246.98	11,957,161,678.45
Pledge loans	754,787,748.29	1,041,508,396.11

Item	Closing balance	Opening balance
Total loans and advances	11,507,857,311.50	16,884,645,821.55
Less: Loan loss provision	406,318,623.19	402,424,573.31
Including: Individual provision		
Provision by corporate	406,318,623.19	402,424,573.31
Book value of loans and advances	11,101,538,688.31	16,482,221,248.24

(5) Loan loss provision

Item	Amount in current year		Amount in prior year	
	Individual	Portfolio	Individual	Portfolio
Opening balance		402,424,573.31		438,564,610.42
Accrual for the period		3,894,049.88		
Transferred out during the period				36,140,037.11
Closing balance		**406,318,623.19**		**402,424,573.31**

17. ☆Debt investments

(1) Details of debt investments

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Debt asset packages	15,326,122,182.40	4,783,411,884.27	10,542,710,298.13
Debt plans	200,000,000.00		200,000,000.00
Corporate debt	5,236,497,977.90	23,673,701.73	5,212,824,276.17
Others	1,741,624,907.47	99,767,996.68	1,641,856,910.79
Total	**22,504,245,067.77**	**4,906,853,582.68**	**17,597,391,485.09**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Debt asset packages	20,155,030,737.30	5,520,448,748.68	14,634,581,988.62
Debt plans	200,000,000.00		200,000,000.00
Corporate debt	4,129,000,000.00	9,585,000.00	4,119,415,000.00
Others	3,767,858,226.11	102,284,520.05	3,665,573,706.06
Total	**28,251,888,963.41**	**5,632,318,268.73**	**22,619,570,694.68**

18. ☆Other debt investments

(1) Details of Other debt investments

Item	Closing balance	Opening balance
Trust investment plan		31,600,000.00
Total		**31,600,000.00**

19. Long-term receivables

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	8,610,899,770.89	230,493,398.62	8,380,406,372.27
Including: Unrealized financing gain	-956,550,212.27		-956,550,212.27
Sales of goods in installments			
Provision of services in installments			
Others	2,406,004,264.93	74,564,334.19	2,331,439,930.74
Total	**11,016,904,035.82**	**305,057,732.81**	**10,711,846,303.01**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	8,629,117,043.46	274,279,962.67	8,354,837,080.79
Including: Unrealized financing gain	-1,138,483,930.68		-1,138,483,930.68
Sales of goods in installments			
Provision of services in installments			
Others	4,559,010,000.00	65,375,214.76	4,493,634,785.24
Total	**13,188,127,043.46**	**339,655,177.43**	**12,848,471,866.03**

20. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase	Decrease	Closing balance
Investments in subsidiaries				
Investments in joint ventures				
Investment in associates	5,417,622,276.89	870,535,988.87	1,080,097,979.89	5,208,060,285.87
Subtotal	**5,417,622,276.89**	**870,535,988.87**	**1,080,097,979.89**	**5,208,060,285.87**
Less: Provision for impairment of long-term equity investments	8,500,000.00			8,500,000.00
Total	**5,409,122,276.89**	**870,535,988.87**	**1,080,097,979.89**	**5,199,560,285.87**

(2) Details of long-term equity investments

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of provision for impairment
			Additional investment	Reduce investment	Investment gains and losses recognized under equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profit declared	Provision for impairment	Others		
Total	4,260,457,446.44	5,417,622,276.89	218,876,837.94	916,029,079.89	649,704,468.39		1,954,682.54	164,068,900.00			5,208,060,285.87	8,500,000.00
I. Subsidiaries												
II. Joint ventures												
II. Associated	4,260,457,446.44	5,417,622,276.89	218,876,837.94	916,029,079.89	649,704,468.39		1,954,682.54	164,068,900.00			5,208,060,285.87	8,500,000.00
Guangxi Guoxin Investment Development Co., Ltd.	5,000,000.00	5,000,000.00									5,000,000.00	
Guangxi Zhuang Autonomous Region Water Conservancy and Electric Power Survey, Design and Research Institute Co., Ltd.			174,364,262.81	51,177,137.32	246,438,395.37		1,954,682.54				371,580,203.40	
Financial Open Portal (Guangxi) Cross-border Financial Digital Co., Ltd.	1,777,229.45	1,777,229.45			-1,047,750.08						729,479.37	
Guangxi Yuanchen Hakka Cultural City Investment Co., Ltd.	24,345,303.60	24,345,303.60	24,257,368.70	24,345,303.60							24,257,368.70	
FangchenggangBianhe District Trade and Investment Co., Ltd.	12,600,000.00	12,600,000.00									12,600,000.00	

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of provision for impairment
			Additional investment	Reduce investment	Investment gains and losses recognized under equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profit declared	Provision for impairment	Others		
Beibu Gulf Wealth Management Co., Ltd.			10,517,739.06								10,517,739.06	
Guangxi Gold Investment Co., Ltd.	6,975,540.71	6,975,540.71			211,698.36						7,187,239.07	
Beibu Gulf Equity Exchange Group Co., Ltd.	13,626,013.32	13,626,013.32			3,181,959.46			1,498,400.00			15,309,572.78	
Guangxi Beibu Gulf Bank Co., Ltd.	4,185,422,438.20	4,185,422,438.20			369,869,927.35			125,770,500.00			4,429,521,865.55	—
Guangxi GuofuRongtong Equity Investment Fund Management Co., Ltd.	10,710,921.16	10,710,921.16		6,489,367.37	578,446.21			4,800,000.00				
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.		8,728,644.58			1,451,597.77						10,180,242.35	
Guangxi Luhai New Channel Equity Management Center (Limited Partnership)		2,462,393.17			3,596,624.85						6,059,018.02	
GuangtouHuili (Shanghai) Investment Management Co., Ltd.		4,595,855.24			2,003,233.04						6,599,088.28	
Guangxi Guofu Innovation Equity Investment Fund		7,498,983.82			1,667,193.28			2,000,000.00			7,166,177.10	

Investee	Investment cost	Opening balance	Changes in current year								Closing balance	Closing balance of provision for impairment
			Additional investment	Reduce investment	Investment gains and losses recognized under equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profit declared	Provision for impairment	Others		
Management Co., Ltd.												
Guangxi GIG Asset Management Co., Ltd.		291,361,682.04			19,355,226.84			30,000,000.00			280,716,908.88	
Guangxi GuofuRongtong Equity Investment Fund Management Co., Ltd.			6,489,367.37		2,397,915.94						8,887,283.31	
Guangxi Salt Industry Group Co., Ltd.		834,017,271.60		834,017,271.60								
Guilin Haomiao Tourism Investment Co., Ltd.		8,500,000.00									8,500,000.00	8,500,000.00
ChongzuoJintou Environment Xinzhai Water Co., Ltd.			2,248,100.00								2,248,100.00	
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)			1,000,000.00								1,000,000.00	

21. ☆Investments in other equity instruments

(1) Investments in other equity instruments

Item	Closing balance	Opening balance
Village Bank Shares	48,983,131.50	48,983,131.50
Partnership share	1,481,954,020.18	1,057,356,012.45
Asset Acquisition Projects	3,600,000,000.00	1,800,000,000.00
Other equity investments	1,792,895,429.59	1,274,123,258.44
Total	**6,923,832,581.27**	**4,180,462,402.39**

22. ☆Other non-current financial assets

Item	Closing fair value	Opening fair value
ABS Subordinated Income Rights	117,000,000.00	68,940,000.00
Partnership share	1,470,982,593.46	495,754,226.18
Equity investment	4,094,223,958.04	4,183,223,958.04
Others	2,091,316,952.84	1,576,159,907.93
Total	**7,773,523,504.34**	**6,324,078,092.14**

23. Investment properties

(1) Measurement at cost

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original book value	**208,279,692.70**	**473,002,046.86**	**22,355,863.13**	**658,925,876.43**
Including: Houses, buildings	204,636,249.25	473,002,046.86	18,712,419.68	658,925,876.43
Land use rights	3,643,443.45		3,643,443.45	
II. Total accumulated depreciation and accumulated amortization	**25,856,398.02**	**40,257,312.67**	**3,688,121.35**	**62,425,589.34**
Including: Houses, buildings	25,250,241.81	40,244,300.37	3,068,952.84	62,425,589.34
Land use rights	606,156.21	13,012.30	619,168.51	
III. Total net book value of investment properties	**182,423,294.68**	—	—	**596,500,287.09**
Including: Houses, buildings	179,386,007.44	—	—	596,500,287.09
Land use rights	3,037,287.24	—	—	
IV. Total accumulated amount of provision for impairment of investment properties				
Including: Houses, buildings				
Land use rights				

Item	Opening balance	Increase	Decrease	Closing balance
V. Total book value of investment properties	**182,423,294.68**	—	—	**596,500,287.09**
Including: Houses, buildings	179,386,007.44	—	—	596,500,287.09
Land use rights	3,037,287.24	—	—	

(2) Measurement at fair value

Item	Opening fair value	Increase		
		Acquisition and construction	Transfer of own-use real estate or inventories	Income or loss from change in fair value
I. Total cost				
Including: Land use rights				
II. Total changes in fair value	**17,599,724,149.00**			**900,275,851.00**
Including: Land use rights	17,599,724,149.00			900,275,851.00
III. Total book value of investment properties	**17,599,724,149.00**			**900,275,851.00**
Including: Land use rights	17,599,724,149.00			900,275,851.00

(Continued)

Item	Decrease		Closing fair value
	Disposal	Convert to self-use properties	
I. Total cost			
Including: Houses, buildings			
II. Total changes in fair value			**18,500,000,000.00**
Including: Houses, buildings			18,500,000,000.00
III. Total book value of investment properties			**18,500,000,000.00**
Including: Houses, buildings			18,500,000,000.00

24. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	246,093,621.29	360,938,122.58
Liquidation of fixed assets	14,150.94	
Total	**246,107,772.23**	**360,938,122.58**

(1) Fixed assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original book value:	**683,509,709.43**	**31,420,684.13**	**256,600,777.60**	**458,329,615.96**
Including: Houses and buildings	382,838,013.24	12,821,620.25	116,497,964.73	279,161,668.76
Machinery equipment	9,710,098.50	659,181.34	5,400,513.62	4,968,766.22
Transportation equipment	104,480,610.78	3,293,379.17	48,120,738.50	59,653,251.45
Electronic equipment	132,594,139.71	9,447,327.91	57,413,024.32	84,628,443.30
Office equipment	28,692,106.03	4,648,472.53	11,249,066.08	22,091,512.48
Others	25,194,741.17	550,702.93	17,919,470.35	7,825,973.75
II. Total accumulated depreciation:	**322,571,586.85**	**36,552,759.83**	**146,888,352.01**	**212,235,994.67**
Including: Houses and buildings	73,497,955.52	17,232,748.36	23,887,835.92	66,842,867.96
Machinery equipment	6,508,859.62	646,647.67	5,119,124.49	2,036,382.80
Transportation equipment	91,747,313.41	3,144,741.97	44,974,876.09	49,917,179.29
Electronic equipment	107,505,520.27	10,037,769.56	48,213,321.01	69,329,968.82
Office equipment	22,904,152.10	4,510,611.65	9,088,756.51	18,326,007.24
Others	20,407,785.93	980,240.62	15,604,437.99	5,783,588.56
III. Total net book value of fixed assets	**360,938,122.58**	—	—	**246,093,621.29**
Including: Houses and buildings	309,340,057.72	—	—	212,318,800.80
Machinery equipment	3,201,238.88	—	—	2,932,383.42
Transportation equipment	12,733,297.37	—	—	9,736,072.16
Electronic equipment	25,088,619.44	—	—	15,298,474.48
Office equipment	5,787,953.93	—	—	3,765,505.24
Others	4,786,955.24	—	—	2,042,385.19
IV. Total provision for impairment				
Including: Houses and buildings				
Machinery equipment				
Transportation equipment				
Electronic equipment				
Office equipment				
Others				
V. Total book value of fixed assets	**360,938,122.58**	—	—	**246,093,621.29**
Including: Houses and buildings	309,340,057.72	—	—	212,318,800.80
Machinery equipment	3,201,238.88	—	—	2,932,383.42
Transportation equipment	12,733,297.37	—	—	9,736,072.16
Electronic equipment	25,088,619.44	—	—	15,298,474.48
Office equipment	5,787,953.93	—	—	3,765,505.24
Others	4,786,955.24	—	—	2,042,385.19

(2) Liquidation of fixed assets

Item	Closing book value	Opening book value	Reasons for moving to cleanup
Fixed asset disposal appraisal fee	14,150.94		Disposal of fixed assets
Total	**14,150.94**		

25. Construction in progress

(1) Summary of construction in progress

Item	Closing balance	Opening balance
Construction in progress	147,372,834.85	8,746,964.07
Engineering materials		
Total	**147,372,834.85**	**8,746,964.07**

(2) Construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Chongzuo PPP project sewage treatment plant	147,372,834.85		147,372,834.85	8,746,964.07		8,746,964.07
Total	**147,372,834.85**		**147,372,834.85**	**8,746,964.07**		**8,746,964.07**

(3) Statement of changes in major construction in progress during the period

Item	Budget	Opening balance	Increase for the year	Amount transferred to fixed assets during the year	Other decrease for the year	Closing balance	Percentage of total project inputs among budget (%)	Construction progress (%)	Accumulated capitalized amount of interest	Including: Amount of interest capitalized during the year	Capitalization rate of interest for the year (%)	Capital source
Chongzuo PPP project sewage treatment plant	210,496,200.00	8,746,964.07	138,625,870.78			147,372,834.85	70.01	95.00	1,313,950.00	1,313,950.00	1.13	Bank loan of RMB142 million and own funds
Total	**210,496,200.00**	**8,746,964.07**	**138,625,870.78**			**147,372,834.85**	——	——				

26. ☆Right-of-use assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original book value:	**106,007,931.02**	**36,162,432.47**	**4,065,866.46**	**138,104,497.03**
Including: Houses and Buildings	105,058,262.33	36,162,432.47	3,116,197.77	138,104,497.03
Transportation equipment	949,668.69		949,668.69	
II. Total accumulated depreciation:		**44,375,693.90**		**44,375,693.90**
Including: Houses and Buildings		44,375,693.90		44,375,693.90
Transportation equipment				
III. Total net book value of right-of-use assets	**106,007,931.02**	——	——	**93,728,803.13**
Including: Houses and Buildings	105,058,262.33	——	——	93,728,803.13
Transportation equipment	949,668.69	——	——	
IV. Total provision for impairment				
Including: Houses and Buildings				
Transportation equipment				
V. Total book value of right-of-use assets	**106,007,931.02**	——	——	**93,728,803.13**
Including: Houses and Buildings	105,058,262.33	——	——	93,728,803.13
Transportation equipment	949,668.69	——	——	

27. Intangible assets

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
I. Total original price	**163,441,204.94**	**23,108,110.01**	**30,918,205.97**	**155,631,108.98**
Including: Software	153,400,725.25	22,814,050.61	20,980,250.57	155,234,525.29
Land use right	5,956,293.17		5,956,293.17	
Patent right	126,866.08		24,341.79	102,524.29
Non-patent technology	3,957,320.44		3,957,320.44	
Copyright		294,059.40		294,059.40
II. Total accumulated amortization	**74,482,692.42**	**17,282,251.86**	**15,102,948.39**	**76,661,995.89**
Including: Software	72,410,463.63	17,254,845.80	13,043,593.60	76,621,715.83
Land use right	1,388,798.79		1,388,798.79	
Patent right	34,766.23	10,252.56	21,892.23	23,126.56
Non-patent technology	648,663.77		648,663.77	
Copyright		17,153.50		17,153.50
III. Total provision for impairment of intangible assets				

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
Including: Software				
Land use right				
Patent right				
Non-patent technology				
Copyright				
IV. Total book value	**88,958,512.52**	—	—	**78,969,113.09**
Including: Software	80,990,261.62	—	—	78,612,809.46
Land use right	4,567,494.38	—	—	
Patent right	92,099.85	—	—	79,397.73
Non-patent technology	3,308,656.67	—	—	
Copyright		—	—	276,905.90

28. Development expenditure

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Others	Recognized as intangible assets	Included in current profit or loss	Others	
Marketing Management System	377,830.19			377,830.19			
New Functional System for Internet Platform Business	448,113.20			448,113.20			
Private Financing Registration System							
Private Financing Registration Business Transformation System	770,943.42			770,943.42			
Big Data Integration System V2.0	249,836.59	89,971.45				339,808.04	
Big Data Collection System V2.0	258,864.03	90,253.09				349,117.12	
Big Data Foundation Platform V1.0	972,631.23	215,021.82				1,187,653.05	
Big Data Visualization and Analysis System V1.0	460,133.21	181,023.49				641,156.70	
Total	**3,538,351.87**	**576,269.85**		**1,596,886.81**		**2,517,734.91**	

29. Goodwill

(1) Original value of goodwill

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Guangxi Tong Sheng Financial Leasing Co., Ltd.	47,782,734.89			47,782,734.89
Guangxi GIG Dingxin Guiding Fund Operation Co., Ltd.	282,074.43			282,074.43
Total	**48,064,809.32**			**48,064,809.32**

30. Long-term prepaid expenses

Item	Opening balance	Increase for the year	Amortization for the year	Other decrease	Closing balance	Reason for other decrease
Commission fee	97,526,401.80	146,762,897.81	108,510,680.80	135,012,087.09	766,531.72	
Contract service fee	4,854,894.00	24,115,829.00	9,870,099.00		19,100,624.00	
Decoration costs	3,984,749.90	1,373,853.70	3,214,307.61		2,144,295.99	
Rental expenses	18,461,488.58	1,752,250.00	7,914,588.11		12,299,150.47	
Expenditure for leased fixed asset improvement	9,633,852.00	7,777,539.00	4,482,900.00		12,928,491.00	
Others	2,637,022.41	48,677.43	2,220,013.31		465,686.53	
Total	**137,098,408.69**	**181,831,046.94**	**136,212,588.83**	**135,012,087.09**	**47,704,779.71**	——

31. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented by the net amount after offset

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible / taxable temporary difference	Deferred tax assets/ liabilities	Deductible / taxable temporary difference
I. Deferred tax assets	**761,893,538.60**	**4,537,342,101.71**	**628,201,748.40**	**3,694,224,849.08**
Provision for impairment of assets	405,016,418.75	2,642,452,314.71	424,610,420.14	2,710,198,009.85
Deductible losses	1,708,984.70	6,835,938.80	1,675,654.03	6,702,616.12
Employee benefits payable (accrued but not paid)	9,594,236.05	42,139,116.71	9,557,674.84	42,099,967.23
Valuation of trading financial instruments and derivative financial instruments	65,326,842.75	275,939,104.36	64,856,864.15	273,953,523.49
Change in fair value of available-for-sale financial assets that is recorded in other comprehensive income	446,151.47	2,974,343.06	1,335,218.07	8,901,453.75

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible / taxable temporary difference	Deferred tax assets/ liabilities	Deductible / taxable temporary difference
Deferred income	4,073,777.90	27,158,519.33	7,608,208.11	50,721,387.43
Interest payable	55,179,240.10	211,917,748.64	44,447,763.85	195,953,697.07
Operating income	35,146.26	234,308.40	2,242,515.61	14,950,104.08
Funds for Party building	119,553.45	797,022.95	88,542.38	590,282.36
Changes in fair value of investments in other equity instruments	31,071,748.91	124,286,995.64	9,351,884.41	37,407,537.64
Provision for credit impairment	151,750,350.68	1,010,431,871.43	30,049,787.33	206,291,014.34
Others	37,571,087.58	192,174,817.68	32,377,215.48	146,455,255.72
II. Deferred tax liabilities	**177,889,178.79**	**860,614,768.68**	**87,705,453.28**	**543,182,520.23**
Valuation of trading financial instruments and derivative financial instruments	12,663,307.88	50,657,337.47	12,734,340.13	50,937,360.52
Change in fair value of available-for-sale financial assets that is recorded in other comprehensive income	1,067,885.71	7,119,238.06	1,067,885.71	7,119,238.06
Changes in fair value of financial assets recognized in other comprehensive income (new standard applies)	101,390,206.90	405,560,827.60	2,835,847.98	11,343,391.92
Changes in fair value of other non-current financial assets	7,941,993.65	31,772,134.57		
Others	54,825,784.65	365,505,230.98	71,067,379.46	473,782,529.73

(2) Details of unrecognized deferred tax assets

Item	Closing balance	Opening balance
Deductible temporary differences	45,203,161.04	12,180,235.41
Deductible losses	4,468,522,385.60	5,021,694,056.83
Total	**4,513,725,546.64**	**5,033,874,292.24**

(3) Deductible losses on unrecognized deferred tax assets will expire in the following years

Year	Closing balance	Opening balance	Note
2021		553,171,671.23	
2022	1,020,813,626.70	1,020,813,626.70	
2023	1,627,321,270.21	1,627,321,270.21	
2024	1,200,409,663.09	1,200,409,663.09	
2025	619,977,825.60	619,977,825.60	

Year	Closing balance	Opening balance	Note
Total	**4,468,522,385.60**	**5,021,694,056.83**	

32. Other non-current assets

Item	Closing balance	Opening balance
Deposited Capital Margin	340,372,000.00	507,074,700.00
Assets for offsetting debt	2,267,470,959.00	1,936,219,433.00
Prepayment for construction	302,742,451.25	819,892,451.30
Prepayment for purchase of office building	562,229,935.30	703,266,200.50
Prepayment for long-term assets such as fixed assets	7,455,703.55	7,033,362.91
Prepayment for acquisitions	453,558,161.76	651,108,161.76
Others	2,267,470,959.00	1,936,219,433.00
Total	**4,048,109,384.26**	**4,738,908,762.87**

33. Short-term loans

(1) Classification of short-term loans

Item	Closing balance	Opening balance
Pledge loans	2,190,960,000.00	2,466,899,696.17
Mortgage loan		
Guaranteed loans	3,466,172,531.98	3,990,519,214.72
Credit loans	1,438,800,000.00	2,486,000,000.00
Total	**7,095,932,531.98**	**8,943,418,910.89**

34. △Borrowing funds

Loan Unit	Closing balance	Opening balance
Domestic interbank funds	200,000,000.00	
Total	**200,000,000.00**	

35. Notes payable

Category	Closing balance	Opening balance
Commercial acceptance bills	65,000,000.00	
Bank acceptance bills	160,800,000.00	20,000,000.00
L/C	70,000,000.00	96,000,000.00
Total	**295,800,000.00**	**116,000,000.00**

36. Accounts payable

(1) Presentation of accounts payable

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	1,122,123,426.16	284,921,240.48
1-2 years	2,635,954.28	58,615,044.19
2-3 years	85,934.65	249,186.44
More than 3 years	239,959.44	4,269,922.59
Total	**1,125,085,274.53**	**348,055,393.70**

(2) Significant accounts payable with the aging over 1 year

Name of creditor	Closing balance	Reasons for non-repayment
Guangxi Yulin **Construction Engineering Co.,Ltd	891,641.82	Payment terms not met
Shandong ** Environmental Protection Technology Co.,Ltd	246,840.00	Payment terms not met
Guangxi Xincheng County **Engineering Co.,Ltd	212,764.95	Payment terms not met
Guangxi **Investment Management Co.,Ltd	200,000.00	Payment terms not met
Guangxi **Construction Co.,Ltd	180,900.00	Payment terms not met
Total	**1,732,146.77**	——

37. ☆Contract liabilities

Item	Closing balance	Opening balance
Guarantee fee received in advance	4,446,108.34	5,869,629.96
Service fees received in advance	43,189,647.43	43,333,711.55
Engineering received in advance	150,000.00	307,772,051.70
Pre-collection handling fee		206,343.11
Debt received in advance	156,708,850.00	
Accounts received in advance	9,503,117.50	1,243,737.50
Lease fees charged in advance	1,464,245.32	4,224,151.51
Premiums charged in advance	68,301,604.14	84,809,656.45
Others	2,007,256.64	976,687.84
Total	**285,770,829.37**	**448,435,969.62**

38. △Sale of repurchased financial assets

Item	Closing balance	Opening balance
Securities		89,799,289.30
Total		**89,799,289.30**

39. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase	Decrease	Closing balance
I. Short-term remuneration	18,495,217.86	750,688,611.46	751,215,727.04	17,968,102.28
II. Post-employment benefits - defined contribution plan		79,873,699.17	79,722,954.05	150,745.12
III. Dismissal benefit		45,681,597.61	14,833,192.09	30,848,405.52
IV. Other benefits due within one year				
V. Others				
Total	**18,495,217.86**	**876,243,908.24**	**845,771,873.18**	**48,967,252.92**

(2) Short-term remuneration

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
I. Salaries, bonuses, allowances and subsidies	16,266,113.37	620,474,488.30	621,361,338.01	15,379,263.66
II. Staff welfare		19,247,175.89	19,247,175.89	
III. Social insurance premiums		37,145,740.09	37,079,656.89	66,083.20
Including: Medical insurance		35,933,757.60	35,870,256.56	63,501.04
Work injury insurance		825,371.41	822,789.25	2,582.16
Maternity insurance		345,842.13	345,842.13	
Others		40,768.95	40,768.95	
IV. Housing Fund	569,679.00	54,443,039.05	54,203,111.72	809,606.33
V. Union funds and employee education funds	1,464,012.23	13,694,324.09	13,654,897.57	1,503,438.75
VI. Other short-term remuneration	195,413.26	5,683,844.04	5,669,546.96	209,710.34
Total	**18,495,217.86**	**750,688,611.46**	**751,215,727.04**	**17,968,102.28**

(3) Post-employment benefits - defined contribution plan

Item	Opening balance	Increase	Decrease	Closing balance
I. Basic endowment insurance		76,579,578.22	76,471,902.43	107,675.79
II. Unemployment insurance premium		2,383,191.07	2,378,679.56	4,511.51

Item	Opening balance	Increase	Decrease	Closing balance
III. Contribution to enterprise annuity		910,929.88	872,372.06	38,557.82
IV. Others				
Total		**79,873,699.17**	**79,722,954.05**	**150,745.12**

40. Taxes payable

Item	Opening balance	Payable in current year	Paid in current year	Closing balance
Value added tax	61,842,066.13	490,869,241.28	524,737,782.07	27,973,525.34
Corporate income tax	209,952,525.20	355,064,490.31	384,328,485.04	180,688,530.47
Urban maintenance and construction tax	3,736,293.35	18,871,211.23	21,276,135.89	1,331,368.69
Property tax		7,859,922.20	7,859,922.20	
Land use tax		236,636.02	236,636.02	
Individual income tax	5,820,066.32	27,397,919.40	26,932,104.53	6,285,881.19
Education surcharge (including local)	2,661,814.34	12,972,581.90	14,692,893.45	941,502.79
Water conservancy construction funds (watercourse management fee and flood prevention expense)	53,493.27	1,333,736.34	1,108,466.93	278,762.68
Land value added tax		778.35	778.35	
Stamp duty	11,890,826.18	12,458,514.74	17,047,895.12	7,301,445.80
Vessel and vehicle use tax		110,224.63	110,224.63	
Deed tax	0.01	7,362,293.02	7,099,094.77	263,198.26
Total	**295,957,084.80**	**934,537,549.42**	**1,005,430,419.00**	**225,064,215.22**

41. Other payables

Item	Closing balance	Opening balance
Interest payable	486,011,534.39	622,333,596.23
Dividend payable	168,347,185.78	168,945,011.87
Other payables	12,532,250,098.50	14,498,878,592.73
Total	**13,186,608,818.67**	**15,290,157,200.83**

(1) Interest payable

Item	Closing balance	Opening balance
Interest on long-term loans with interest installments and principal repayment due	223,865,139.78	148,372,289.02
Interest on enterprise bonds	220,966,098.89	451,916,597.57
Interest payable on short-term loans	9,820,503.02	9,694,516.09
Interest payable to financial institutions	190,652.78	

Item	Closing balance	Opening balance
Finance lease interest	361,111.10	
Interest on sale of repurchased financial assets	27,246.20	73,530.87
Others	30,780,782.62	12,276,662.68
Total	**486,011,534.39**	**622,333,596.23**

(2) Dividends payable

Item	Closing balance	Opening balance
Common shares dividend	168,347,185.78	168,945,011.87
Total	**168,347,185.78**	**168,945,011.87**

(3) Other payables

1) Other payables by nature of payment

Item	Closing balance	Opening balance
Third-party transactions	11,015,854,898.21	13,361,068,579.72
Deposit	233,383,053.82	241,685,633.74
Collection and payment on behalf of	16,205,210.66	26,239,086.87
Warranty	12,745,605.45	22,212,729.32
Guarantee	83,502,178.96	47,206,080.68
Others	1,170,559,151.40	800,466,482.40
Total	**12,532,250,098.50**	**14,498,878,592.73**

42. △Handling charges and commissions payable

Item	Closing balance	Opening balance
Insurance	48,573,494.02	61,817,877.02
Total	**48,573,494.02**	**61,817,877.02**

43. △Reinsurance accounts payable

Item	Closing balance	Opening balance
Within 1 year (including 1 year)	231,629,208.66	177,599,143.85
More than 1 year	83,866,412.20	100,069,000.51
Total	**315,495,620.86**	**277,668,144.36**

44. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term loans due within one year	6,174,019,351.70	7,336,353,471.71
Bonds payable due within one year	4,281,765,382.37	10,589,251,375.48
Long-term payables due within one year	2,813,081,469.65	4,354,192,238.90
Other long-term liabilities due within one year	1,295,676.37	43,491,745.62
Lease liabilities due within one year	9,231,915.54	11,290,809.62
Total	**13,279,393,795.63**	**22,334,579,641.33**

45. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Output VAT to be transferred	18,661,747.16	5,854,843.50
Deposits received	16,745,414.50	19,474,802.00
Payable claims	91,876,798.96	1,788,091.86
Others	1,282.14	2,552,787.16
Total	**127,285,242.76**	**29,670,524.52**

46. △Insurance contract reserve

(1) Changes in insurance contract reserve

Item	Opening balance	Increase	Decrease				Closing balance
			Payment of compensation	Early cancellation	Others	Total	
Unexpired liability reserve	2,061,079,770.18	1,488,720,418.41	44,022,688.56		1,529,432,730.89	1,573,455,419.45	1,976,344,769.14
Original insurance contract	2,061,079,770.18	1,488,720,418.41	44,022,688.56		1,529,432,730.89	1,573,455,419.45	1,976,344,769.14
Reinsurance contracts							
Outstanding claims reserve	3,316,077,151.37	3,128,126,754.73	2,657,598,606.96			2,657,598,606.96	3,786,605,299.14
Original insurance contract	3,316,077,151.37	3,128,126,754.73	2,657,598,606.96			2,657,598,606.96	3,786,605,299.14
Reinsurance contracts							
Total	**5,377,156,921.55**	**4,616,847,173.14**	**2,701,621,295.52**		**1,529,432,730.89**	**4,231,054,026.41**	**5,762,950,068.28**

(2) Unexpired term of insurance contract reserve

Item	Closing balance		Opening balance	
	Within 1 year (including 1 year)	More than 1 year	Within 1 year (including 1 year)	More than 1 year
Unexpired liability reserve	1,434,978,955.10	541,365,814.02	1,011,124,272.63	1,049,955,497.55
Original insurance contract	1,434,978,955.10	541,365,814.02	1,011,124,272.63	1,049,955,497.55
Reinsurance contracts				
Outstanding claims reserve	1,178,741,762.73	2,607,863,536.42	1,087,189,100.09	2,228,888,051.28
Original insurance contract	1,178,741,762.73	2,607,863,536.42	1,086,587,346.41	2,228,888,051.28
Reinsurance contracts			601,753.68	
Total	**2,613,720,717.83**	**3,149,229,350.44**	**2,098,313,372.72**	**3,278,843,548.83**

47. Long-term loans

(1) Classification of long-term loans

Item	Closing balance	Opening balance
Pledge loans	2,047,333,175.02	3,549,140,000.00
Guaranteed loans	13,537,097,924.59	14,797,212,952.40
Credit loans	3,158,162,627.02	3,779,493,033.74
Total	**18,742,593,726.63**	**22,125,845,986.14**
Less: Long-term loans due within one year	6,174,019,351.70	7,336,353,471.71
Including: Pledge loans	1,163,883,175.02	1,567,840,000.00
Guaranteed loans	2,394,173,549.66	4,407,869,071.71
Credit loans	2,615,962,627.02	1,360,644,400.00
Long-term loans due after one year	**12,568,574,374.93**	**14,789,492,514.43**

48. Bonds payable

(1) Classification of bonds payable

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Non-public issuance of domestic corporate bonds	4,330,877,729.10	3,371,765,382.37	959,112,346.73
USD Debt	3,168,744,873.65		3,168,744,873.65
Medium-term notes	2,810,000,000.00	910,000,000.00	1,900,000,000.00
Total	**10,309,622,602.75**	**4,281,765,382.37**	**6,027,857,220.38**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Non-public issuance of domestic corporate bonds	9,749,802,000.00	7,328,200,000.00	2,421,602,000.00
USD Debt	5,871,051,375.48	3,261,051,375.48	2,610,000,000.00
Medium-term notes	2,810,000,000.00		2,810,000,000.00
Total	**18,430,853,375.48**	**10,589,251,375.48**	**7,841,602,000.00**

49. ☆Lease liabilities

Item	Closing balance	Opening balance
Lease payment amount	103,221,507.96	114,936,189.66
Unrecognized financing costs	-12,202,716.31	-12,617,801.15
Total	**91,018,791.65**	**102,318,388.51**
Less: reclassification to non-current liabilities due within one year	9,920,694.30	12,819,223.09
Including: Lease payment amount	10,126,166.77	13,211,976.56
Unrecognized financing costs	-205,472.46	-392,753.47
Net lease liabilities	**81,098,097.35**	**89,499,165.42**

50. Long-term payables

Item	Opening balance	Increase	Decrease	Closing balance
Long-term payables	5,818,391,882.28	14,943,134,788.44	7,918,561,393.98	12,842,965,276.74
Special payable	1,755,124,832.43	159,684,053.47	412,243,550.08	1,502,565,335.82
Total	**7,573,516,714.71**	**15,102,818,841.91**	**8,330,804,944.06**	**14,345,530,612.56**

(1) Long-term payables with top five closing balance

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
China **Asset Management Co.,Ltd	1,520,875,000.02	63,800,000.00	1,457,075,000.02
China **Asset Management Co.,Ltd	4,015,000,000.00	300,000,000.00	3,715,000,000.00
**Bank Co., Ltd. Nanning Branch	1,400,000,000.00		1,400,000,000.00
Guangxi **Investment Co.,Ltd	2,294,800,000.00	90,200,000.00	2,204,600,000.00
Asset securitization projects	767,896,800.00		767,896,800.00
Total	**9,998,571,800.02**	**454,000,000.00**	**9,544,571,800.02**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
China **Asset Management Co.,Ltd	861,600,000.00	204,600,000.00	657,000,000.00
China **Asset Management Co.,Ltd	3,055,000,000.00		3,055,000,000.00
**Bank Co., Ltd. Nanning Branch			
Guangxi **Investment Co.,Ltd			
Asset securitization projects			
Total	**3,916,600,000.00**	**204,600,000.00**	**3,712,000,000.00**

(2) Special payable with top five closing balance

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Guarantee Fund	1,502,565,335.82		1,502,565,335.82
Water Resources Census Results Development and Utilization			
Key Technologyof Integrated Water Resources Deployment in Pearl River-Xijiang Economic Zone			
Guilin Flood Control and Li River Replenishment Reservoir Group Ecological Scheduling Technology Research			
Research on the full life cycle safety control and risk evaluation of earth and rock dams			
Total	**1,502,565,335.82**		**1,502,565,335.82**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Guarantee Fund	1,745,242,387.58		1,745,242,387.58
Water Resources Census Results Development and Utilization	1,169,697.59		1,169,697.59
Key Technologyof Integrated Water Resources Deployment in Pearl River-Xijiang Economic Zone	981,256.87		981,256.87
Guilin Flood Control and Li River Replenishment Reservoir Group Ecological Scheduling Technology Research	1,548,991.18		1,548,991.18
Research on the full life cycle safety control and risk evaluation of earth and rock dams	953,640.00		953,640.00
Total	**1,749,895,973.22**		**1,749,895,973.22**

51. Provisions

Item	Closing balance	Opening balance
External guarantees		6,709.60
Total		**6,709.60**

52. Deferred income

Item	Opening balance	Increase	Decrease	Closing balance
Handling fee subsidy	50,721,387.43	8,207,546.90	31,770,415.00	27,158,519.33
Science and Technology Department Research Projects	15,000.00		15,000.00	
Total	**50,736,387.43**	**8,207,546.90**	**31,785,415.00**	**27,158,519.33**

53. Other non-current liabilities

Item	Closing balance	Opening balance
Discount income to be recognized	1,620,676.48	686,118.45
Discount interest on finance leasing	9,541,286.46	38,296,106.65
Handling charges for financing lease	783,538.03	1,622,688.21
Total	**11,945,500.97**	**40,604,913.31**

54. Paid-in capital

Name of investor	Opening Book balance		Increase	Decrease	Closing Book balance	
	Investment amount	Ratio (%)			Investment amount	Ratio (%)
Guangxi Investment Group Co., Ltd.	2,800,000,000.00	100.00	1,500,000,000.00		4,300,000,000.00	100.00
Total	**2,800,000,000.00**	**100.00**	**1,500,000,000.00**		**4,300,000,000.00**	**100.00**

Note: For details of the changes in paid-in capital during the period, see "Note VIII. 55. Capital reserve (2) Capital reserve transferred to capital".

55. Capital reserve

Item	Opening balance	Increase	Decrease	Closing balance
Capital (or equity) premium				
Other capital reserve	12,220,678,454.90	12,041,771,251.82	5,729,473,930.02	18,532,975,776.70
Total	**12,220,678,454.90**	**12,041,771,251.82**	**5,729,473,930.02**	**18,532,975,776.70**
Including: State-owned exclusive capital reserve				

Note: The changes in capital reserve during the period were as follows:

(1) Transfer of capital by shareholders: Guangxi Investment Group Co., Ltd. transferred capital of RMB 1,725,500,000.00 and increased capital reserve by RMB 1,725,500,000.00.

(2) Capital reserve transferred to capital: Capital reserve transferred to paid-in capital of RMB 1,500,000,000.00 and capital reserve decreased by RMB 1,500,000,000.00.

(3) Receipt of equity interests within the scope of consolidation without consideration: The transfer of certain equity interests in the company without consideration increased the capital reserve by a total of RMB 5,780,213,405.48.

(4) Purchase of minority interests: The purchase of certain equity interests in the Company reduced capital reserve by a total of RMB 81,841,325.32.

(5) Transfer and sale of equity interests: The sale of certain equity interests in the Company reduced capital surplus by a total of RMB 159,651,273.86.

(6) Other significant matters: Increase in guarantee cooperation fund of RMB 150,755,045.41; Increase in capital reserve by RMB 351,610,000.00 from financial funds to Guangxi Guangtou Industrial High Quality Development Fund; Guangxi Industrial Investment Development Co., Ltd. received the second tranche of direct equity investment in emerging industries to increase capital surplus by RMB 100,000,000.00; Guangxi Guohai Yuchai Venture Capital Partnership (limited partnership) invested by Guangxi Beibu Gulf Equity Investment Fund Management Co., Ltd. transferred the principal and income of the exited projects back to Guangxi Investment Guidance Fund Co., Ltd. as required, reducing capital reserve by RMB 4,288,529.91; Refund the original 2019 appropriation of capital funds from the autonomous region's Department of Finance by RMB 50,000,000.00, reducing capital reserve by RMB 50,000,000.00.

56. Other comprehensive income

Item	Opening balance	Current Period Incurred					Closing balance
		Amount before income tax for the period	Less: Transfer to profit or loss or retained earnings in the period previously charged to other comprehensive income	Less: Income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
Gains or losses on changes in fair value of financial assets	74,796,025.21	116,644,778.51		80,558,142.53	-115,611,714.90	4,729,053.71	3,001,586.86
Total	**74,796,025.21**	**116,644,778.51**		**80,558,142.53**	**-115,611,714.90**	**4,729,053.71**	**3,001,586.86**

57. Surplus Reserve

Item	Opening balance	Increase	Decrease	Closing balance	Reason and basis for change
Statutory surplus	68,789,379.09			68,789,379.09	Accrued at 10% of net profit
Total	**68,789,379.09**	-	-	**68,789,379.09**	

58. △General risk reserve

Item	Opening balance	Increase	Decrease	Closing balance
General risk reserve	1,068,580,927.36	73,214,074.57	152,000.00	1,141,643,001.93
Total	**1,068,580,927.36**	**73,214,074.57**	**152,000.00**	**1,141,643,001.93**

59. Retained earnings

Item	Amount in current year	Amount in prior year
Closing balance in prior year	1,350,103,258.89	1,120,085,752.22
Add: Change in accounting policy	-5,996,815,322.25	
Adjustments to prior years' profit or loss		-16,769,739.67
Others		-10,069,590.91
Opening balance in current year	-4,646,712,063.36	1,093,246,421.64
Increase	123,225,167.92	277,022,954.80
Including: Transfer to net profit for the year	123,225,167.92	277,022,954.80
Other adjustment factors		
Decrease	36,411,410.03	20,166,117.55
Including: Discretionary surplus reserve accrued in this year		
General risk reserve accrued in this year	36,411,410.03	66,390,584.45
Cash dividend distributed in this year		
Transfer of capital		
Others		46,224,466.90
Closing balance in current year	-4,559,898,305.47	1,350,103,258.89

60. Operating revenue and operating cost

Item	Amount in current year		Amount in prior year	
	Revenue	Cost	Revenue	Cost
1. Subtotal of main business	**5,905,540,426.98**	**1,944,637,192.54**	**7,354,343,095.03**	**2,644,925,853.16**
Insurance business income	3,587,281,665.00	239,995,192.20	3,608,069,127.00	223,365,603.30
Non-lending business interest income	609,007,588.86	392,639,015.27	557,867,102.45	87,395,187.29

Item	Amount in current year		Amount in prior year	
	Revenue	Cost	Revenue	Cost
Trading business income	886,110,461.13	867,577,035.84	1,583,234,918.66	1,402,735,300.77
Design fee income	108,857,572.80	70,373,581.07	405,027,164.10	275,461,500.40
General contracting income from hydropower projects	404,677,309.11	362,475,596.86	598,889,234.49	539,304,724.50
Others	309,605,830.08	11,576,771.30	601,255,548.33	116,663,536.90
2. Subtotal of other business	**85,340,710.93**	**58,301,481.89**	**224,524,411.23**	**39,998,438.22**
Service fee income	5,234,534.32		47,311.32	15,203.46
Operating lease income	72,136.48	28,398,664.39	38,210,171.55	16,662,368.76
Commissioned loan income	29,800,839.72	3,069,840.04	114,689,678.74	
Consulting income	2,079,207.92	1,995,000.00	17,737,348.55	1,338,456.30
Others	48,153,992.49	24,837,977.46	53,839,901.07	21,982,409.70
Total	**5,990,881,137.91**	**2,002,938,674.43**	**7,578,867,506.26**	**2,684,924,291.38**

61. △Net interest income

Item	Amount in current year	Amount in prior year
Interest income	**1,515,601,730.49**	**2,252,643,691.89**
-Loans and advances granted	1,515,601,730.49	2,252,643,691.89
Including: loans and advances to individuals	17,002,632.46	3,956,503.07
Loans and advances to companies	1,498,599,098.03	2,248,687,188.82
Interest expenses	**3,760,446,117.96**	**3,873,674,530.80**
- Issuance of bonds	129,291,111.13	107,557,833.36
- Others	3,631,155,006.83	3,766,116,697.44
Net interest income	**-2,244,844,387.47**	**-1,621,030,838.91**

62. △Insurance premium earned

Item	Amount in current year	Amount in prior year
Premium income	768,107,267.67	831,913,859.14
Withdrawal of provision for unexpired liabilities	-44,986,092.38	-15,968,791.93
Total	**723,121,175.29**	**815,945,067.21**

63. △Net handling fees and commission income

Item	Amount in current year	Amount in prior year
Income of handling fees and commission	**7,038,985.97**	**6,812,971.67**
Advisory and consulting fees	**7,038,985.97**	**6,812,971.67**
Fees and commission expenses	**416,261,281.46**	**545,121,282.01**

Item	Amount in current year	Amount in prior year
-Handling expenses	130,776,702.17	259,636,702.72
-Commission expenses	285,484,579.29	285,484,579.29
Net income of fees and commissions	**-409,222,295.49**	**-538,308,310.34**

64. △Net claims expense

(1) Show claims expense by insurance contract

Item	Amount in current year	Amount in prior year
Original insurance contract	2,460,147,626.54	1,872,236,889.66
Total	**2,460,147,626.54**	**1,872,236,889.66**

(2) Show claims expense by content

Item	Amount in current year	Amount in prior year
Damages expenses	2,460,147,626.54	1,872,236,889.66
Total	**2,460,147,626.54**	**1,872,236,889.66**

65. △Net withdrawal of insurance liability reserve

Item	Amount in current year	Amount in prior year
Drawdown of reserve for outstanding claims	477,090,994.18	700,114,874.21
Original insurance contracts	129,054,561.07	268,515,884.67
Reinsurance contracts	-410,449.75	-475,900.69
—Others	348,446,882.86	432,074,890.23
Others	-48,032,057.26	201,722,895.21
Total	**429,058,936.92**	**901,837,769.42**

66. △Reinsurance costs

Item	Amount in current year	Amount in prior year
Reinsurance expenses	5,039,054.88	6,012,488.39
Reinsurance costs		10,158,304.98
Total	**5,039,054.88**	**16,170,793.37**

67. Taxes and surcharges

Item	Amount in current year	Amount in prior year
Urban Maintenance and Construction Tax	18,912,274.92	28,582,151.30
Property tax	7,907,309.14	7,093,558.67
Land use tax	265,333.36	2,871,496.50
Education surcharge and local education surcharge	13,749,367.96	20,801,876.39
Water Resources Construction Fund (river management fees, flood control fees)	1,598,544.05	13,237.54
Stamp duty	12,341,713.02	28,438,133.55
Vehicle and boat use tax	200,511.50	479,904.40
Other taxes	45.04	23,257.37
Total	**54,975,098.99**	**88,303,615.72**

68. Selling expenses

Item	Amount in current year	Amount in prior year
Employee benefits	505,844,578.85	456,801,043.39
Office expenses	38,266,720.40	41,338,604.08
Operating expenses	33,802,759.40	34,321,086.47
Rental fees	31,304,840.62	53,820,854.32
Agency fees	29,643,839.76	33,983,480.04
Advertising expenses	28,458,453.04	28,905,716.49
Sales and service charges	27,318,011.40	52,907,969.98
Electronic equipment running costs	14,696,760.42	14,740,763.86
Travel expenses	13,577,608.06	17,847,414.50
Vehicle usage fees	11,594,614.88	16,177,087.92
Greening fees	11,562,051.29	13,564,121.83
Repairs and maintenance	6,848,255.80	6,922,117.81
Conference fees	6,756,239.12	7,210,894.16
Depreciation	4,673,505.86	5,185,042.17
Transportation expenses	2,982,613.26	15,805,497.96
Amortization	1,340,823.86	4,202,316.50
Others	120,837,051.97	115,148,262.79
Total	**889,508,727.99**	**918,882,274.27**

69. Administrative expenses

Item	Amount in current year	Amount in prior year
Employee benefits	320,666,365.16	230,518,052.34
Others	30,892,911.97	27,645,787.54
Rental costs	23,269,708.65	54,422,675.98
Depreciation	21,739,592.10	41,192,431.21
Agency fees	20,465,950.35	18,660,591.80
Amortization expense	18,809,564.87	25,658,790.90
Consulting fees	16,760,046.05	19,961,764.72
Business entertainment expenses	10,317,837.15	8,880,309.01
Office expenses	7,986,011.29	11,756,756.61
Property management and additional service fees	6,642,045.52	6,218,091.24
Postage and electricity expenses	4,593,696.93	5,647,976.22
Service fees	4,579,617.28	5,743,871.69
Utilities	3,568,128.66	3,451,015.95
Travel expenses	3,550,573.89	3,192,971.46
Litigation expenses	3,441,229.96	5,549,322.67
Advertising expenses	2,984,905.60	2,788,415.27
Disability Employment Guarantee Fund	2,901,783.61	2,994,894.72
Freight and miscellaneous charges	2,609,131.83	2,388,149.57
Decoration fee	2,323,342.91	3,774,019.29
Information system maintenance and usage fees	2,102,236.14	892,874.24
Communication fee	2,058,893.89	4,998,001.32
Labor protection fee	1,933,329.14	3,560,712.66
Greening fee	1,695,113.28	1,904,884.06
Transportation costs	1,619,917.67	3,675,879.78
Repair fee	982,150.80	4,246,325.27
Party building work funding	874,922.05	965,052.03
Conference fee	821,085.15	1,767,105.94
Material consumption	567,580.04	1,360,454.41
Safety production funding	387,008.26	571,047.54
Bidding fees	338,650.51	165,838.45
Board fee	216,975.23	167,820.42

Item	Amount in current year	Amount in prior year
Recruitment fee	127,251.44	67,509.44
Insurance premiums	108,525.82	214,376.38
Amortization of low-value consumables	60,645.11	12,682.31
Printing costs	11,720.43	63,280.67
Logistics fees		119,395.26
Total	**522,008,448.74**	**505,199,128.37**

70. Research and development expenses

(1) By cost category

Item	Amount in current year	Amount in prior year
Labor cost	13,788,750.25	25,353,554.33
Material cost	6,422,371.44	3,545,723.89
Fuel cost	-	103,767.22
Experimental trial fee	-	5,415,913.90
Depreciation	260,670.96	917,120.21
Design fee	-	62,735.85
Equipment commissioning fee	-	965,107.89
Amortization expense of intangible assets	80,361.65	977,504.22
Travel expenses	46,958.15	890,594.69
Entrusted R&D expenses	266,037.74	-
Equipment rental fee	-	133,742.92
Consulting, insurance premiums	-	125,173.09
Review fee	-	83,031.92
Other costs	45,621.62	2,154,083.94
Total	**20,910,771.81**	**40,728,054.07**

(2) By R&D project

Item	Amount in current year	Amount in prior year
Underwater forest ecological restoration technology research	301,932.56	
Agricultural technology research	6,731,426.30	382,568.59
Software development	5,448,391.28	6,864,177.65
Research on key technologies for ecological restoration of wetland parks		722,707.88

Item	Amount in current year	Amount in prior year
Water technology research	4,319,546.95	30,097,313.17
Wastewater treatment technology	3,760,137.04	1,936,830.45
Fire engineering	15,754.71	
Other projects	333,582.97	724,456.33
Total	**20,910,771.81**	**40,728,054.07**

71. Financial expenses

Items	Incurred during the year	Incurred during the prior year
Interest expenses	9,120,683.62	97,213,523.31
Less: Interest income	162,654,276.85	418,396,494.54
Net gain on exchange		
Add: Net loss on exchange	2,267,095.53	0.14
Other expenses	27,248,667.96	192,303,812.21
Total	**-124,017,829.74**	**-128,879,158.88**

72. Other income

Sources of investment income	Incurred during the year	Incurred during the prior year
Guarantee business subsidy	11,053,000.00	40,946,450.00
Special funds for the development of small and medium enterprises		38,870,000.00
Tax rebates and exemptions	7,229,624.19	21,449,301.00
Job stabilization subsidies	803,791.03	4,084,710.45
Enterprise settlement incentives and subsidies for moving in	1,284,259.41	4,489,756.38
Debt issuance incentive		2,000,000.00
Business contribution incentives and other industry subsidies	72,389,184.26	7,768,697.76
Others	8,085,062.38	19,383,145.11
Total	**100,844,921.27**	**138,992,060.70**

73. Investment income

Sources of investment income	Incurred during the year	Incurred during the prior year
Gain on long-term equity investments accounted for under the equity method	649,704,468.39	679,423,901.69
Investment income arising on disposal of long-term equity investments	229,874,602.36	223,009,342.72
Investment income earned while holding financial assets for trading	126,502,742.38	
Investment income from disposal of trading financial assets	24,884,670.69	

Investment income from available-for-sale financial assets, etc.		760,914,679.43
Investment income from disposal of available-for-sale financial assets		82,041,879.41
Interest income over the holding period of debt investments	187,083,392.36	
Gain on disposal of debt investments	469,266,861.70	
Investment income acquired during the holding period of other non-current financial assets	87,668,089.70	
Investment income from disposal of other non-current financial assets	-106,922.33	
Investment income received during the period in which other equity instruments are held	62,255,558.14	
Others	151,302,346.35	3,585,985.13
Total	**1,988,435,809.74**	**1,748,975,788.38**

74. Gains from changes in fair value

Sources of investment income	Incurred during the year	Incurred during the prior year
Trading financial assets	26,720,573.70	
Financial assets measured at fair value and the change of which is included in the profit or loss of the current period		56,362,649.41
Other non-current financial assets	24,264,554.74	
Trading financial liabilities	7,744,798.69	
Financial liabilities measured at fair value and the change of which is included in the profit or loss of the current period		11,633,530.58
Investment properties at fair value	900,275,851.00	
Total	**959,005,778.13**	**67,996,179.99**

75. ☆Credit impairment losses

Items	Incurred during the year	Incurred during the prior year
Bad debt losses	-336,931,559.67	
Credit impairment losses on debt investments	-130,186,733.57	
Impairment losses on other debt investments		
Impairment loss on contract assets		
Others	-45,203,161.04	
Total	**-512,321,454.28**	

76. Asset impairment loss

Items	Incurred during the year	Incurred during the prior year
Bad debt loss		-154,804,394.16
Impairment loss on available-for-sale financial assets		-159,591,375.10
Others		166,011,796.09
Total		**-148,383,973.17**

77. Gains on disposal of assets

Items	Incurred during the year	Incurred during the prior year	Amount recognized in non-recurring profit or loss of this year
Disposal income of non-current assets	-2,873,555.18	98,334.38	-2,873,555.18
Including: Disposal income of fixed assets	120,632.27	98,334.38	120,632.27
Gain on disposal of other non-current assets	-2,994,187.45		-2,994,187.45
Others	-4,670,667.01		-4,670,667.01
Total	**-7,544,222.19**	**98,334.38**	**-7,544,222.19**

78. Non-operating revenue

Items	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the period
Gain on destruction and retirement of non-current assets	3,999,910.25	3,995,763.24	3,999,910.25
Including: Gain on destruction and retirement of fixed assets	2,746.43	73,027.49	2,746.43
Gain on destruction and retirement of other non-current assets	3,997,163.82	3,922,735.75	3,997,163.82
Gain on debt restructuring	139,600,000.00		139,600,000.00
Government grants not related to the ordinary activities of the enterprise	812,985.07	197,054.08	812,985.07
Income from liquidated damages, indemnities, fines, etc.	3,632,185.81	15,039,186.28	3,632,185.81
Others	3,192,941.45	2,144,869.62	3,192,941.45
Total	**151,238,022.58**	**21,376,873.22**	**151,238,022.58**

(1) Details of government grants

Items	Incurred during the year	Incurred during the prior year
Business development incentives	812,985.07	
Incentive grants for recognition of high technology enterprises		100,000.00
Government subsidy gain - one-off incentive income from the Bureau of Statistics		50,000.00
Epidemic subsidies for electricity		16,301.68
Others		30,752.40
Total	**812,985.07**	**197,054.08**

79. Non-operating expenses

Items	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the period
Losses on destruction and scrapping of non-current assets	867,619.87	70,157.68	867,619.87
Including: Loss on destruction and scrapping of fixed assets	3,451.26	60,099.53	3,451.26

Items	Incurred during the year	Incurred during the prior year	Amount included in non-recurring profit or loss for the period
Loss on destruction and scrapping of other non-current assets	864,168.61	10,058.15	864,168.61
External donation expenses	91,242.03	5,401,445.08	91,242.03
Others	8,038,257.65	10,215,898.83	8,038,257.65
Total	**8,997,119.55**	**15,687,501.59**	**8,997,119.55**

80. Income tax expenses

(1) Income tax expenses

Items	Incurred during the year	Incurred during the prior year
Current income tax expenses	222,413,684.67	407,477,747.29
Adjustment on deferred income tax	-13,504,201.49	33,236,042.03
Others		-18,513.98
Total	**208,909,483.18**	**440,695,275.34**

(2) Adjustment process for accounting profit and income tax expense

Items	Incurred during the year
Total profit	546,413,775.42
Income tax expense at the appropriate/applicable tax rate	193,366,247.14
Effect of different tax rates applied by subsidiaries	
Effect of adjustments to income tax of prior periods	
Effect of non-taxable income	
Effect of non-deductible costs, expenses and losses	15,683,573.88
Effect of deductible losses on the use of deferred income tax assets not recognised in prior periods	-140,337.84
Effect of deductible temporary differences or deductible losses on deferred income tax assets not recognised in the current year	
Others	
Income tax expense	**208,909,483.18**

81. Other comprehensive income attributable to owners of the parent company

(1) Details of other comprehensive income items and their income tax impacts and transfer to profit or loss

Items	Incurred during the year		
	Amount before tax	Income tax	Net amount after tax
I. Other comprehensive income that cannot be reclassified into profit or loss	**-22,673,574.60**	**79,670,309.07**	**-102,343,883.67**

Items	Incurred during the year		
	Amount before tax	Income tax	Net amount after tax
1. Shares in other comprehensive income that cannot be reclassified into profit or loss in the invested company under the equity method	-113,604.45		-113,604.45
2.Changes in fair value of investments in other equity instruments	-22,559,970.15	79,670,309.07	-102,230,279.22
II. Other comprehensive income that will be reclassified into profit or loss	**-13,267,831.23**		**-13,267,831.23**
1. Gains or losses from changes in fair value of available-for-sale financial assets			
Less: Included in other comprehensive income in the previous period and transferred into profit or loss in the current period			
Subtotal			
2.Others	-13,267,831.23		-13,267,831.23
Less: Included in other comprehensive income in the previous period and transferred into profit or loss in the current period			
Subtotal	-13,267,831.23		-13,267,831.23
III. Total other comprehensive income	**-35,941,405.83**	**79,670,309.07**	**-115,611,714.90**

(Continued)

Items	Incurred during the prior year		
	Amount before tax	Income tax	Net amount after tax
I. Other comprehensive income that cannot be reclassified into profit or loss			
1.Shares in other comprehensive income that cannot be reclassified into profit or loss in the invested company under the equity method			
2.Changes in fair value of investments in other equity instruments			
II. Other comprehensive income that will be reclassified into profit or loss	**78,671,873.55**	**30,665,764.61**	**48,006,108.94**
1. Gains or losses from changes in fair value of available-for-sale financial assets	78,671,873.55	30,665,764.61	48,006,108.94
Less: Included in other comprehensive income in the previous period and transferred into profit or loss in the current period			
Subtotal	78,671,873.55	30,665,764.61	48,006,108.94
2.Others			
Less: Included in other comprehensive income in the previous period and transferred into profit or loss in the current period			
Subtotal			
III. Total other comprehensive income	**78,671,873.55**	**30,665,764.61**	**48,006,108.94**

(2) Adjustment of other comprehensive income items

Item	Closing balance of previous year	Change in the previous year	Opening balance of the year	Change in the year	Closing balance in current year
Other comprehensive income that cannot be transferred to profit or loss under the equity method	9,982,589.84		9,982,589.84	238,897,322.80	292,697,189.19
Changes in fair value of investments in other equity instruments	36,407,787.61		36,407,787.61	-326,103,389.94	-289,695,602.33
Gains or losses from changes in fair value of available-for-sale financial assets	-19,600,461.18	48,006,108.94	28,405,647.76	-28,405,647.76	0.00
Total	**26,789,916.27**	**48,006,108.94**	**74,796,025.21**	**-115,611,714.90**	**3,001,586.86**

82. Borrowing costs

Items	Capitalization rate	Amount capitalized
Chongzuo PPP Items wastewater treatment plant	1.13%	1,313,950.00
Total	—	**1,313,950.00**

83. Foreign currency translation

Items	Current year's amount
Exchange differences charged to current profit or loss	-2,267,095.53
Total	**-2,267,095.53**

(1) Lessee

Items	Amount
Interest expense on lease liabilities	211,180.83
Total cash outflows relating to leases	2,239,770.00

84. Cash flow statements

(1) Supplementary information of cash flow statement

Items	Incurred during the year	Incurred during the prior year
1. Adjustment from net profits to cash flows from operating activities	——	——
Net profits	337,504,292.24	940,454,638.50
Add: Provision for impairment of assets		148,383,973.17
Impairment loss of credit	512,321,454.28	
Depreciation of fixed assets, oil and gas assets and productive biological assets	36,552,759.83	96,720,582.18

Items	Incurred during the year	Incurred during the prior year
Depreciation of right-of-use assets	44,375,693.90	
Amortization of intangible assets	17,282,251.86	28,565,708.96
Amortization of long-term prepayments	136,212,588.83	83,633,059.75
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains marked with "-")	-3,999,910.25	-98,334.38
Losses on scrap of fixed assets (gains marked with "-")	3,451.26	-3,925,605.56
Losses on changes in fair values (gains marked with "-")	-959,005,778.13	-67,996,179.99
Financial expenses (gains marked with "-")	9,120,683.62	62,540,259.75
Investment losses (gains marked with "-")	-1,988,435,809.74	-1,743,137,892.11
Decrease in deferred tax assets (increase marked with "-")	-133,691,790.20	58,193,286.91
Increase in deferred tax liabilities (decrease marked with "-")	90,183,725.51	-38,816,934.67
Decrease in inventories (increase marked with "-")	-19,454,509.07	-3,086,218.06
Decrease in operating receivables (increase marked with "-")	-1,075,062,631.57	344,185,488.10
Increase in operating payables (decrease marked with "-")	3,600,209,818.95	7,911,513,372.31
Other		
Net cash flow from operating activities	604,116,291.33	7,817,129,204.86
2. Significant investing and financing activities that do not involve cash receipts and payment	——	——
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents	——	——
Closing balance of cash	3,842,760,466.24	7,275,033,462.88
Less: Opening balance of cash	7,275,033,462.88	5,850,044,313.02
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-3,432,272,996.64	1,424,989,149.86

(2) Net cash acquired from subsidiaries and disposal of subsidiaries during the year

Items	Incurred during the year
I.Cash or cash equivalents paid in the period for business combinations that occurred during the period	
Less: Purchase date cash and cash equivalents held by subsidiaries	
Add: Cash or cash equivalents paid in the period for business combinations that occurred in prior periods	
Net cash paid for acquisition of subsidiaries	

Items	Incurred during the year
II. Cash or cash equivalents received during the period from the disposal of subsidiaries	327,794,970.87
Less: Cash and cash equivalents held by subsidiaries at the date of loss of control	
Add: Cash or cash equivalents received in the period on disposal of subsidiaries in prior periods	
Net cash received on disposal of subsidiaries	327,794,970.87

(3) Cash and cash equivalents

Items	Closing balance	Opening balance
I. Cash	3,842,760,466.24	7,275,033,462.88
Including: Cash on hand	490.00	69,110.62
Bank deposits readily available for payment	1,274,043,748.89	6,939,929,371.77
Other cash and cash equivalents readily available for payment	2,568,716,227.35	335,034,980.49
II. Cash equivalents		
Including: Bond investments due within 3 months		
III. Closing balance of cash and cash equivalents	**3,842,760,466.24**	**7,275,033,462.88**
Including: Restricted cash and cash equivalents used by the parent company and the subsidiaries of the Group		

85. Foreign currency monetary items

Items	Foreign currency balance at end of year	Translation rate	Translated RMB balance at the end of the year
Cash and cash equivalents	117,998.28	—	752,321.63
Including: USD	117,998.28	6.38	752,321.63
Accounts receivable	-566,432.69	—	-3,611,404.90
Including: USD	-566,432.69	6.38	-3,611,404.90
Bonds payable	497,003,446.47	—	3,168,744,873.65
Including: USD	497,003,446.47	6.38	3,168,744,873.65

86. Restricted ownership and use of assets

Item	Closing carrying amount	Reason for restriction
Cash and cash equivalents	2,730,714,882.60	Time deposits, letters of credit, etc.
Premiums receivable	250,000,000.00	Pledge
Refundable deposits	2,120,209,172.00	Deposit for capital recognizance, etc.
Long-term receivables	1,785,000,000.00	Pledge
Long-term equity investments	217,000,000.00	Pledge
Total	**7,102,924,054.60**	

IX. Contingencies

None.

X. Events after the balance sheet date

None.

XI. Related party relationship and the transactions of related parties

1. Related party relationships

(1) Controlling shareholders and ultimate controlling party

Controlling shareholders and ultimate controlling party	Place of incorporation	Nature of business	Registered capital	Shareholding ratio of the parent company in the Company (%)	Voting ratio of the parent company in the Company (%)
Guangxi Investment Group Co., Ltd.	Nanning, Guangxi	Industrial investment	2300000	100.00	100.00

(2) Subsidiaries

Information about the Group's subsidiaries is detailed in the relevant information disclosed in Note VII to this note.

(3) Joint ventures and associates

Information on the Group's joint ventures and associates is detailed in Note VIII. Long-term equity investments disclosed in this note.

(4) Other related parties

Type of relationship	Name of related party	The main transactions
(1) Other enterprises controlled by the same controlling shareholder and ultimate controlling party	Guangxi Beibu Gulf Bank Co., Ltd.	Loan at call, interest income
	Guangxi Guangtou Health Industry Group Co., Ltd.	Staff canteen and other services
	Guangxi GuangtouKangyang Co., Ltd.	Staff canteen services, etc., labour insurance fees
	Guangxi GuangtouTonglide Technology Co., Ltd.	Leasing business
	Guangxi Guiyan Import and Export Trading Co., Ltd.	Other
	Guangxi Digital Broadband Network Convergence Technology Co., Ltd.	Technical services
	Guangxi Salt Industry Group Co., Ltd.	Utilities, other
	Guangxi Zhengrun Development Group Co., Ltd.	Loan at call
	Guohai Securities Co., Ltd.	Loan at call
	Digital Guangxi Group Co., Ltd.	Technical services

Type of relationship	Name of related party	The main transactions
	Guangxi Fangyuan Electric Power Maintenance Co., Ltd.	Other
	Guangxi Fangyuan Electric Power Maintenance Co., Ltd.	Other
	Guangxi GuangtouYinhaiAluminium Industry Group Co., Ltd.	Other
	Guangxi Guangtou Integrated Energy Management Co., Ltd.	Other
	Guangxi Digital Qi'an Technical Service Co., Ltd.	Technical Services
	Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	Rent, Utilities

2. Related transactions

(1) Related transactions

Name of related party	Subjects	Contents of the transaction	Current year's amount	Prior year's amount
Guangxi Investment Group Co., Ltd.	Cost of main operations	Loan at call	357,045,833.36	226,617,925.27
	Administrative expenses	Others	952.38	315,010.28
	△Interest expenses	Loan at call	350,000.00	1,802,672.94
	△Interest income	Interest income	194,153.61	
	Investment income	Others		72,721,228.68
	Income from main operations	Others		3,726.42
Guangxi Beibu Gulf Salt Technology Co., Ltd.	Cost of main operations	Financing costs	1,808,333.33	
Guangxi Beibu Gulf Bank Co., Ltd.	△Interest expenses	Interest expenses	7,623,399.70	
	Finance costs	Service charge	1,670.00	
	△Interest income	Interest income	13,852,549.94	
	Cost of main operations	Financing costs	98,063,375.23	
	Investment income	Investment income	13,500,000.00	
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Administrative expenses	Others		193,396.23
	Income from main operations	Others		24,056.60
	Interest expenses	Loan at call		31,324,453.03
	Cost of main operations	Loan at call		124,011,778.18
	Finance costs	Deposit income		-22,989,987.69
Guangxi Guangtou City Services Co., Ltd.	Administrative expenses	Others	720,161.40	
	Other operating income	Others	95,238.10	
Guangxi Guangtou Gas Co., Ltd.	Income from main operations	Others	40,723.27	
Guangxi GuangtouTonglide Technology Co., Ltd.	Cost of main operations	Leasing business	34,136,395.58	12,227,753.46
	Income from main operations	Leasing business	13,908.49	159,811.25

Name of related party	Subjects	Contents of the transaction	Current year's amount	Prior year's amount
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	Selling expenses	Rentals	400,529.24	
	Administrative expenses	Rentals	12,544,445.47	
	Cost of main operations	Rentals	48,316.03	
	△Interest expenses	Interest expenses	337,371.07	
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd. Nanning Wanli Hotel	Cost of main operations	Others	7,084.91	
	Administrative expenses	Staff canteen and other services	37,990.10	45,512.63
Guangxi GuangtouYinhaiAluminium Industry Group Co., Ltd.	Income from main operations	Others	37,735.85	37,735.85
Guangxi Guangtou Intelligent Service Group Co., Ltd.	Administrative expenses	Others	142,171.59	
Guangxi Guangtou Intelligent Technology Co., Ltd.	Administrative expenses	Others	175,393.81	
Guangxi Guiyan Import and Export Trade Co., Ltd.	Administrative expenses	Others	22,270.49	
Guangxi ShuguangMaiyue Technology Co., Ltd.	Income from main operations	Others	14,595.81	
	Non-operating expenses	Data services		221,238.96
Guangxi Digital Qi'an Technical Service Co., Ltd.	Selling expenses	Others	169,811.32	
	Administrative expenses	Data services		122,746.09
Guangxi Shuangqian Health Industry Development Co., Ltd.	Administrative expenses	Others	25,650.00	
Guangxi Tongxin Science and Technology Co., Ltd.	Cost of main operations	Financing costs	8,059,999.99	
Guangxi Investment Group Consulting Co., Ltd.	Service charge and commission expenses	Service charge and commission expenses	1,314,868.84	
Guangxi Wuzhou Double Coins Industrial Co., Ltd.	Administrative expenses	Others	7,435.52	
Guangxi Zhengrun Development Group Co., Ltd.	△Interest expenses	Loan at call	5,739,999.99	3,988,756.77
Guangxi Zhongheng Medical Technology Co., Ltd.	Administrative expenses	Others	12,624.37	
	Selling expenses	Others	1,911.50	
GuangxiSalt Group Co., Ltd.	Cost of main operations	Others	111,209,023.47	
Guangxi Branch of Guofu Life Insurance Co., Ltd.	Other operating income	Insurance premiums	204,256.93	
Guohai Securities Co., Ltd.	△Interest expenses	Loan at call	806,603.76	604,952.82
	Administrative expenses	Loan at call		1,335,849.05
Digital Guangxi Group Co., Ltd.	Income from main operations	Data services		2,930,156.61
	Administrative expenses	Others	23,225.67	
Guifa Finance Co., Ltd.	Finance costs	Loan at call		7,465,567.08
Total			**668,790,010.12**	**463,385,579.47**

(2) Related leases

Name of lessor	Name of the lessee	Leasehold assets	Amount involved in leased assets	Lease start date	Lease end date	Lease income	Basis for determining lease income	Impact of lease income on the company
Guangxi Finance and Leasing Co., Ltd.	Guangxi LaibinYinhai Aluminum Industry Co., Ltd.	Production equipment	320,000,000.00	2019-03-12	2022-03-09		Lease interest	Income from main operations
	Guangxi LaibinYinhai Aluminum Industry Co., Ltd.	Production equipment	180,000,000.00	2019-07-25	2022-07-19			
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	Guangxi Investment Capital Management Group Co., Ltd.	Houses and buildings	5,164,830.00	2019-10-1	2022-9-30			
	Guangxi GuangtouDingxin Guidance Fund Operation Co., Ltd.	Houses and buildings	1,722,485.00	2019-10-1	2022-9-30			
	Guangxi Finance and Leasing Co., Ltd.	Houses and buildings	2,120,267.20	2019-11-1	2022-10-31			
Guangxi Guangtou Health Industry Group Co., Ltd.	Guangxi Beibu Gulf Equity Investment Fund Management Co., Ltd.	Houses and buildings	1,722,870.00	2020-9-1	2023-8-31			
	Guangxi Investment Group Financing Guarantee Co., Ltd.	Houses and buildings	814,676.11	2019-1-1	2022-10-31			
	Guangxi Tong Sheng Financial Leasing Co., Ltd.	Houses and buildings	2,530,238.84	2020-1-1	2022-12-31			
	Nanning Guangyuan Microloan Co., Ltd.	Houses and buildings	814,998.53	2019-11-1	2022-10-31			
Guangxi Financial Investment Group Urban Construction Development Co., Ltd.	Guangxi Guangtou Commercial Factoring Co., Ltd.	Houses and buildings	259,437.47	2021-4-1	2022-12-31			
	Guangxi Jintou Internet Financial Services Co., Ltd.	Houses and buildings	435,659.02	2021-1-1	2022-12-31			
Total			**515,585,462.17**					

(3) Related party loan at call

Related Parties	Amount of loan at call	Note
Guangxi Beibu Gulf Bank Co., Ltd.	2,240,500,000.00	Short-term borrowings, long-term borrowings
Total	**2,240,500,000.00**	

3. Balances of related transactions

(1) Accounts receivable from related parties

Related Parties	Closing balance	Opening balance
Guangxi Guangtou Gas Co., Ltd.	6,916,000.00	
Digital Guangxi Group Co., Ltd.	408,000.00	1,081,100.00
Total	**7,324,000.00**	**1,081,100.00**

(2) Other receivables from related parties

Related Parties	Closing balance	Opening balance
Guangxi Guangtou Gas Co., Ltd.	12,679.34	
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	4,045,916.55	
Guangxi Guangtou Intelligent Service Group Co., Ltd.	21,363.66	
Guangxi Investment Group Co., Ltd.	16,780,675.00	30,000.00
Guangxi Investment Group Consulting Co., Ltd.	20,000.00	
Guangxi Guangtou Health Industry Group Co., Ltd.		3,511,626.25
Total	**20,880,634.55**	**3,541,626.25**

(3) Prepayments from related parties

Related Parties	Closing balance	Opening balance
Guangxi GuangtouTonglide Technology Co., Ltd.	5,254,828.05	
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	529,720.68	
Guangxi Guangtou Health Industry Group Co., Ltd.		817,540.39
Guangxi Investment Group Co., Ltd.		630,020.57
Total	**5,784,548.73**	**1,447,560.96**

(4) Long-term receivables from related parties

Related Parties	Closing balance	Opening balance
Guangxi GuangtouTonglide Technology Co., Ltd.		1,042,858.18
Guangxi Investment Group Co., Ltd.		3,750,000,000.00

Related Parties	Closing balance	Opening balance
Total	-	**3,751,042,858.18**

(5) Other payables to related parties

Related Parties	Closing balance	Opening balance
Guangxi Beibu Gulf Salt Technology Co., Ltd.	50,000,000.00	20,000,000.00
Guangxi Beibu Gulf Bank Co., Ltd.	35,865.00	455,750.72
Guangxi Guangtou Intelligent Service Group Co., Ltd.	99,238.29	
Guangxi Tongxin Science and Technology Co., Ltd.	100,000,000.00	100,000,000.00
Guangxi Investment Group Co., Ltd.	5,830,000,000.00	5,230,000,000.00
Guangxi Zhengrun Development Group Co., Ltd.	120,000,000.00	122,010,342.46
Guangxi Salt Industry Group Co., Ltd.		1,250,000,000.00
Guangxi GuangtouTonglide Technology Co., Ltd.		160,000.00
Total	**6,100,135,103.29**	**6,722,626,093.18**

(6) Long-term payables to related parties

Related Parties	Closing balance	Opening balance
Guangxi Guangtou Asset Management Co., Ltd.	440,000,000.00	
Guangxi Investment Group Co., Ltd.	66,500,000.00	
Guangxi GuangtouTonglide Technology Co., Ltd.		160,000.00
Total	**506,500,000.00**	**160,000.00**

(7) Interest payable by related parties

Related Parties	Closing balance	Opening balance
Guangxi Beibu Gulf Bank Co., Ltd.	284,617.36	
Guangxi Guangtou Asset Management Co., Ltd.	2,015,000.00	
Guangxi Zhengrun Development Group Co., Ltd.	4,975,342.45	
Total	**7,274,959.81**	

(8) Related party long term amortised expenses

Related Parties	Closing balance	Opening balance
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	337,784.40	
Guohai Securities Co., Ltd.	1,008,254.74	
Total	**1,346,039.14**	

XII. Notes to main items of the financial statements of the parent company

1. Notes to main items of the financial statements

(1) Accounts receivable

Type	Closing balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Accounts receivable that are subjected to provision for bad debts on individual basis	169,133.36	96.57	169,133.36	100.00	
Accounts receivable with bad debt provision by portfolio	6,000.00	3.43	7.90	0.13	5,992.10
Total	**175,133.36**	**100.00**	**169,141.26**	**96.58**	**5,992.10**

(Continued)

Type	Opening balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Accounts receivable that are subjected to provision for bad debts on individual basis					
Accounts receivable with bad debt provision by portfolio	1,466,415.53	100.00	169,137.36	11.53	1,297,278.17
Total	**1,466,415.53**	**100.00**	**169,137.36**	**11.53**	**1,297,278.17**

1) Companies that have implemented the new standard on financial instruments disclose accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	6,000.00	1,297,282.17
1-2 years		
2-3 years		
3-4 years		
4-5 years		
Above 5 years	169,133.36	169,133.36
Subtotal	**175,133.36**	**1,466,415.53**
Less: provision for bad debts	169,141.26	169,137.36
Total	**5,992.10**	**1,297,278.17**

2) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable that are subjected to provision for bad debts on individual basis	169,133.36	96.57	169,133.36	100.00	

Type	Closing balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable with bad debt provision by portfolio	6,000.00	3.43	7.90	0.13	5,992.10
Including: normal risk portfolio	6,000.00	3.43	7.90	0.13	5,992.10
Low risk portfolio					
Total	**175,133.36**	**100.00**	**169,141.26**	**96.58**	**5,992.10**

(Continued)

Type	Opening balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable that are subjected to provision for bad debts on individual basis					
Accounts receivable with bad debt provision by portfolio	1,466,415.53	100.00	169,137.36	11.53	1,297,278.17
Including: normal risk portfolio	1,466,415.53	100.00	169,137.36	11.53	1,297,278.17
Low risk portfolio					
Total	**1,466,415.53**	**100.00**	**169,137.36**	**11.53**	**1,297,278.17**

3) Accounts receivable that are subjected to provision for bad debts on individual basis

Name of debtor	Book balance	Provision for bad debts	Expected credit loss ratio(%)	Reasons for accrual
A small number of customers with long pending accounts	169,133.36	169,133.36	100.00	Extremely low recovery rate
Total	**169,133.36**	**169,133.36**	—	—

4) Accounts receivable with significant closing balances, grouped by party in default

Name of debtor	Book balance	Ratio to total accounts receivable (%)	Provision for bad debts
A small number of customers with long pending accounts	175,133.36	100.00	169,141.26
Total	**175,133.36**	**100.00**	**169,141.26**

(2) Other receivables

Items	Closing balance	Opening balance
Interest receivable		
Dividends receivable	60,000,000.00	1,351,584,921.72
Other receivables	24,122,213,218.67	25,437,104,613.01
Total	**24,182,213,218.67**	**26,788,689,534.73**

1) Dividends receivable

Items	Closing balance	Opening balance	Reasons for non-recovery
Dividends receivable within one year of age	60,000,000.00	180,567,334.52	——
Dividend receivables aged over one year		1,171,017,587.20	——
Total	**60,000,000.00**	**1,351,584,921.72**	——

2) Other receivables

Type	Closing balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables that are subjected to provision for bad debts on individual basis					
Other receivables with bad debt provision by portfolio	24,123,092,896.70	100.00	879,678.03	0.00	24,122,213,218.67
Total	**24,123,092,896.70**	**100.00**	**879,678.03**	**0.00**	**24,122,213,218.67**

(Continued)

Type	Opening balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables that are subjected to provision for bad debts on individual basis					
Other receivables with bad debt provision by portfolio	25,437,958,555.85	100.00	853,942.84	0.00	25,437,104,613.01
Total	**25,437,958,555.85**	**100.00**	**853,942.84**	**0.00**	**25,437,104,613.01**

3) Disclosure of other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	23,985,227,800.31	25,396,260,138.31
1-2 years	136,147,619.13	32,062,490.85
2-3 years	81,550.57	5,010,000.00
3-4 years		3,011,155.84
4-5 years	11,155.84	120,952.70
Above 5 years	1,624,770.85	1,493,818.15
Subtotal	**24,123,092,896.70**	**25,437,958,555.85**
Less: provision for bad debts	879,678.03	853,942.84
Total	**24,122,213,218.67**	**25,437,104,613.01**

4) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Other receivables that are subjected to provision for bad debts on individual basis					
Other receivables with bad debt provision by portfolio	24,123,092,896.70	100.00	879,678.03	0.00	24,122,213,218.67
Including: normal risk portfolio	24,123,092,896.70	100.00	879,678.03	0.00	24,122,213,218.67
Low risk portfolio					
Total	**24,123,092,896.70**	**100.00**	**879,678.03**	**0.00**	**24,122,213,218.67**

(Continued)

Type	Opening balance				
	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Other receivables that are subjected to provision for bad debts on individual basis					
Other receivables with bad debt provision by portfolio	25,437,958,555.85	100.00	853,942.84	0.00	25,437,104,613.01
Including: normal risk portfolio	25,437,958,555.85	100.00	853,942.84	0.00	25,437,104,613.01
Low risk portfolio					
Total	**25,437,958,555.85**	**100.00**	**853,942.84**	**0.00**	**25,437,104,613.01**

5) Disclosure of other receivables by natureof other receivables

Items	Closing balance		
	Book balance	Provision for bad debts	Carrying amount
Related party loan at call	24,023,127,097.48		24,023,127,097.48
Warranties, deposits, bonds	1,498,108.27	24,445.48	1,473,662.79
Third party transactions	98,467,690.95	855,232.55	97,612,458.40
Total	**24,123,092,896.70**	**879,678.03**	**24,122,213,218.67**

(Continued)

Items	Opening balance		
	Book balance	Provision for bad debts	Carrying amount
Related party loan at call	25,432,284,312.96		25,432,284,312.96
Warranties, deposits, bonds	919,490.97		919,490.97

Items	Opening balance		
	Book balance	Provision for bad debts	Carrying amount
Third party transactions	4,754,751.92	853,942.84	3,900,809.08
Total	**25,437,958,555.85**	**853,942.84**	**25,437,104,613.01**

6) Bad debt provision for other receivables accrued, recovered or transferred during the year

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses (no credit impairment) for the entire duration	Expected credit losses (credit impairment has occurred) throughout the entire duration	
Opening balance		853,942.84		853,942.84
Accrual for the period		25,735.19		25,735.19
Closing balance		**879,678.03**		**879,678.03**

7) The movement in the book balance of other receivables is as follows:

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses (no credit impairment) for the entire duration	Expected credit losses (credit impairment has occurred) throughout the entire duration	
Opening balance		25,437,958,555.85		25,437,958,555.85
Increase in the year				
Derecognised during the year		1,314,865,659.15		1,314,865,659.15
Other changes				
Closing balance		**24,123,092,896.70**		**24,123,092,896.70**

(3) Long-term equity investments

1) Classification of long-term equity investments

Items	Opening balance	Increase in current year	Decrease in current year	Closing balance
Investments in subsidiaries	26,406,082,971.13	26,406,082,971.13	21,846,179,787.93	30,965,986,154.33
Investment in joint ventures				-
Investments in associates	1,255,444,613.96	1,255,444,613.96	-839,403,632.73	3,350,292,860.65
Subtotal	**27,661,527,585.09**	**27,661,527,585.09**	**21,006,776,155.20**	**34,316,279,014.98**
Less: Provision for impairment of long-term equity investments				-
Total	**27,661,527,585.09**	**27,661,527,585.09**	**21,006,776,155.20**	**34,316,279,014.98**

2) Detail of long-term equity investments

Investee	Investment costs	Opening balance	Changes during the year								Closing balance	Closing balance of impairment loss allowance
			Additional investments	Reduced investments	Gains and losses on investments recognised under the equity method	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Total	**33,067,963,524.58**	**27,661,527,585.09**	**8,069,100,591.47**	**1,809,427,956.29**	**393,124,112.17**		**1,954,682.54**				**34,316,279,014.98**	-
I. Subsidiaries	**30,045,986,154.33**	**26,406,082,971.13**	**5,087,053,183.20**	**527,150,000.00**							**30,965,986,154.33**	-
Guangxi Small and Medium Enterprises Financing Guarantee Co., Ltd.	4,064,346,299.04	4,064,346,299.04	-	-							4,064,346,299.04	
Nanning Jintong Microfinance Co., Ltd.	8,989,000,000.00	8,989,000,000.00	-	-							8,989,000,000.00	
Guangxi Financial Auction Co., Ltd.	-	10,000,000.00	-	10,000,000.00							-	
Guangxi Financial Investment Group Urban Construction Development Co., Ltd.	1,653,050,000.00	1,569,200,000.00	601,000,000.00	517,150,000.00							1,653,050,000.00	
Guangxi Jinkong Asset Management Co., Ltd.	6,493,679,444.42	6,493,679,444.42	-								6,493,679,444.42	
Guangxi Jintou Internet Financial Services Co., Ltd.	70,000,000.00	70,000,000.00	-								70,000,000.00	
Guangxi Investment Group Financial Holding Co., Ltd.	5,232,538,227.71	3,065,849,569.12	2,166,688,658.59	-							5,232,538,227.71	
Guangxi Investment Capital Management Co., Ltd.	1,701,011,535.99	1,194,207,658.55	1,426,803,877.44	-							2,621,011,535.99	
Guangxi Jintou Real Estate Management Co., Ltd.	626,506,593.28	-	626,506,593.28								626,506,593.28	
Guangxi Digital Financial Services Technology Co., Ltd.	26,354,053.89		26,354,053.89	-							26,354,053.89	
Beibuwan Property Insurance Co., Ltd.	300,000,000.00	300,000,000.00	-	-							300,000,000.00	
Beibu Gulf Financial Leasing Co., Ltd.	490,000,000.00	490,000,000.00	-								490,000,000.00	

Investee	Investment costs	Opening balance	Changes during the year								Closing balance	Closing balance of impairment loss allowance
			Additional investments	Reduced investments	Gains and losses on investments recognised under the equity method	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Guangxi Jinxin Innovation Development Investment Fund Partnership (Limited Partnership)	399,500,000.00	159,800,000.00	239,700,000.00	-							399,500,000.00	
II. Joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
III. Associates	**3,021,977,370.25**	**1,255,444,613.96**	**2,982,047,408.27**	**1,282,277,956.29**	**393,124,112.17**		**1,954,682.54**				**3,350,292,860.65**	-
Guangxi Guoxin Investment Development Co., Ltd.	5,000,000.00	5,000,000.00	-	-							5,000,000.00	
Guangxi Big Data Industry Development Co., Ltd.	-	15,000,000.00	-	15,000,000.00							-	
Guangxi Industrial High Quality Development Foundation Fund (Limited Partnership)	-	1,000,000.00	-	1,000,000.00							-	
Guangxi SME Venture Capital Co., Ltd.	-	920,000,000.00	-	920,000,000.00							-	
Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	34,200,482.61	312,667,384.51	-	342,897,810.30	246,438,395.37		1,954,682.54				218,162,652.12	
Financial Open Portal (Guangxi) Cross-border Financial Digital Co., Ltd.	729,479.37	1,777,229.45	-		-1,047,750.08						729,479.37	
Nanning Guangyuan Microloan Co., Ltd.	71,523,506.45		71,523,506.45	3,380,145.99							68,143,360.46	
Guangxi Yuanchen Hakka Cultural City Investment Co., Ltd.	24,257,368.70		24,257,368.70								24,257,368.70	
Guangxi Huasheng Group Liaoping Agricultural Development Co., Ltd.	2,886,266,533.12		2,886,266,533.12		147,733,466.88						3,034,000,000.00	

(4) Operating income and operating cost

Items	Incurred during the year		Incurred during the prior year	
	Income	Cost	Income	Cost
1. Subtotal of main operations		**1,996,366.09**	**60,697,683.96**	
Guarantee cooperation fund			60,697,683.96	
Consultancy and trustee fees		1,996,366.09		
2. Subtotal of other operations	**18,374,540.35**	**6,748,313.04**	**26,130,916.83**	**6,507,937.96**
Leasing	13,140,006.03	6,748,313.04	11,223,798.90	6,507,937.96
Service fee income	5,234,534.32		14,907,117.93	
Total	**18,374,540.35**	**8,744,679.13**	**86,828,600.79**	**6,507,937.96**

(5) Investment income

Sources of investment income	Incurred during the year	Incurred during the prior year
Investment income on long-term equity investments accounted for under the equity method	393,124,112.17	
Investment income on long-term equity investments accounted for under the cost method	38,541,381.87	493,785,236.49
Investment income arising from disposal of long-term equity investments	6,667.79	
Investment income from disposal of trading financial assets	615,426.10	2,508,721.04
Investment income from held-to-maturity investments during the holding period		11,706,204.02
Investment income from disposal of held-to-maturity investments		45,109,709.83
Investment income acquired during the holding period of other non-current financial assets	14,243,207.75	
Investment income from disposal of other non-current financial assets		929,577.27
Investment income received during the period in which other equity instruments are held	8,652,652.29	
Total	**455,183,447.97**	**554,039,448.65**

(6) Supplementary information of parent company's cash flow statement

Items	Incurred during the year	Incurred during the prior year
1. Adjustment from net profits to cash flows from operating activities	—	—
Net profits	-2,010,415,358.13	-514,960,724.47
Add: Provision for impairment of assets		5,627.00
Credit impairment losses	64,858.51	
Depreciation of fixed assets, oil and gas assets and productive biological assets	2,822,799.03	2,918,006.88
Amortization of intangible assets		
Amortization of long-term prepayments	3,081,498.68	2,263,800.36

Items	Incurred during the year	Incurred during the prior year
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains marked with "-")	108,020,129.52	46,158,008.73
Losses on scrap of fixed assets (gains marked with "-")	-106,204.05	-
Losses on changes in fair values (gains marked with "-")		
Financial expenses (gains marked with "-")	-10,623,977.52	-71,843,154.50
Investment losses (gains marked with "-")		
Decrease in deferred tax assets (increase marked with "-")	-455,183,447.97	-554,039,448.65
Increase in deferred tax liabilities (decrease marked with "-")		-
Decrease in inventories (increase marked with "-")		-
Decrease in operating receivables (increase marked with "-")		-
Increase in operating payables (decrease marked with "-")	1,323,472,955.53	5,854,376,511.06
Other	6,061,829,781.28	2,777,403,134.75
Net cash flow from operating activities		
2. Significant investing and financing activities that do not involve cash receipts and payment	5,022,963,034.88	7,542,281,761.16
Transfer of debt to capital	—	—
Convertible corporate bonds due within 1 year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents	—	—
Closing balance of cash	857,573,654.36	3,776,788,077.33
Less: Opening balance of cash	3,776,788,077.33	197,809,885.98
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents	-	
Net increase in cash and cash equivalents	-2,919,214,422.97	3,578,978,191.35

XIII. Approval of the financial statement

The financial statements for the year 2021 have been approved by the board of directors of the Group.

Guangxi Financial Investment Group Co., Ltd.

April 22nd, 2022

Guangxi Investment Group Co., Ltd.
Auditor's Report
XYZH/2023NNAA1B0136

ShineWing Certified Public Accountants LLP

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Auditor's Report

XYZH/2023NNAA1B0136

Guangxi Investment Group Co., Ltd.,

I. Audit Opinion

We have audited the accompanying financial statements of Guangxi Investment Group Co., Ltd. (hereinafter referred to as the "Company"), including the consolidated and parent company's statement of financial position as at December 31st, 2022, and the consolidated and parent company's income statement, the consolidated and parent company's cash flows statement, and the consolidated and parent company's statement of changes in equity for the year then ended, as well as the notes to financial statements.

In our opinion, the accompanying financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all material respects, and have given fair views on the Company's consolidated and parent company's financial position as at December 31st, 2022, and the consolidated and parent company's operating results and cash flows for the year then ended.

II. Basis for Audit Opinion

We conducted our audit in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these Standards are further described in the Section "CPA's Responsibility for Auditing Financial Statements" of our report. In accordance with the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company, and have fulfilled other responsibilities in respect of professional ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

III. Key Audit Items

Key audit items are, in our professional judgment, the most important items in audit of the financial statements of the current period. The audit opinions of these items shall be formed in connection

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报告编码：京230A8C2GHJ

with the financial statements as a whole. We do not express independent opinions on these items. We confirm that the following events are the key audit items that should be communicated in the Auditor's Report.

Recognition of revenue	
Key Audit Items	Responses in the audit
Refer to Note IV, 28 to the financial statements; VIII, 72 Operating Income, Operating Costs, VIII, 73 Net Interest Income, VIII, 74 Earned Premiums, VIII, 75 Revenue from Service Charges and Commissions. The Company's total operating revenue for 2022 is RMB 210,300 million, an increase of RMB 4,006 million or 1.94% from RMB 206,294 million for 2021. We identified revenue recognition as a key audit matter as revenue is one of the key performance indicators of the Company and there may be an inherent risk that management may manipulate the timing of revenue recognition in order to meet specific objectives or expectations.	The principal audit procedures we performed in relation to the key audit matter of revenue recognition were to 1. obtaining an understanding of key internal controls relating to revenue recognition, evaluating the effectiveness of their design and testing the effectiveness of the operation of relevant internal controls. 2. examining major sales contracts to understand the content of the sales contracts and evaluating the appropriateness of the revenue recognition method in accordance with the revenue guidelines. 3. examining original information such as sales contracts, payment orders, sales invoices, statements and bank returns of major customers to verify the authenticity of revenue. 4. analyzing the reasonableness of changes in revenue in the context of the business. Analytically review the changes in revenue between periods and the reasonableness of changes in gross margin. 5. performing correspondence procedures to confirm the accuracy of accounts receivable and revenue amounts.

	6. performing cut-off tests on revenue recorded around the balance sheet date to evaluate whether revenue is recorded in the appropriate accounting period. 7. performing checks on customer post-period recoveries. 8. checking that information relating to revenue is adequately and appropriately presented.

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

The management is responsible for preparing the financial statements that give a fair view in accordance with the Accounting Standards for Business Enterprises in PRC, and designing, executing and maintaining necessary internal control, so that the financial statements are free from material misstatement, whether due to fraud or errors.

In preparation of the financial statements, the management is responsible for evaluating the ability of the Company to continue as a going concern, disclosing the matters related to going concern (if applicable), and using the going concern assumptions, unless the Company plans to liquidate the Company, or terminate operation, or have no realistic alternative but to do so.

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

V. CPA's Responsibility for Auditing Financial Statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or errors, and to issue the auditor's report including the audit opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or errors, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain the professional skepticism throughout the audit. We also:

1.Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or errors, design and perform the audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the audit 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, international omissions, misrepresentations, or the override of internal control.

2.Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the internal control.

3.Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and relevant disclosures made by the management.

4.Conclude on appropriateness of the management's use of going concern assumptions, 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, the auditing standards require we draw attention in our auditor's report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, we should express unqualified opinions. Our conclusions are based on the audit evidence up to the date of the auditor's report. However, the future events or conditions may cause the Company to cease to continue as a going concern.

5.Evaluate the overall presentation, structure and contents (including disclosures) of the financial statements, and evaluate whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6.Obtain adequate and appropriate audit evidence regarding financial information of the entities controlled by the Company or the Company's business activities, to express audit opinions on the consolidated financial statements. We are responsible for guiding, supervising and performing group audit, and assume sole liability for the audit opinion.

We communicate with the management about the issues such as the scope of the audit, the timing and major audit findings, including communicating the notable shortcomings of internal control identified by our audit.

ShineWing Certified Public Accountants (LLP)

Chinese Certified Public Accountants:

(Project Partner)

Beijing • China

Chinese Certified Public Accountants:

April 14th, 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31st, 2022

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current assets:			
Cash and cash equivalents	VIII. 1	64,511,378,181.87	67,956,008,811.91
△Provision of settlement funds	VIII. 2	3,017,278,620.30	2,616,222,706.46
△Lendings to banks and other financial institutions	VIII. 3	10,271,344,817.00	3,783,817,619.00
Held-for-trading financial assets	VIII. 4	80,135,521,817.61	64,219,099,248.82
Financial assets at fair value through profit or loss (FVTPL)			
Derivative financial assets	VIII. 5	25,629,481.65	55,350,922.76
Notes receivable	VIII. 6	347,668,182.17	388,881,538.23
Accounts receivable	VIII. 7	7,691,802,102.20	5,182,579,139.97
Receivables financing	VIII. 8	167,945,592.44	266,224,209.95
Prepayments	VIII. 9	2,980,816,201.84	4,022,262,866.19
△Receivable premium	VIII. 10	1,196,397,651.33	792,895,393.16
△Cession premium receivable	VIII. 11	271,678,522.42	273,552,046.94
△Provision of cession receivable	VIII. 12	397,721,427.68	287,988,744.75
Other receivables	VIII. 13	12,357,955,701.00	6,213,959,266.73
Including: Dividends receivable		272,166,541.02	110,726,527.90
△Redemptory monetary capital for sale	VIII. 14	22,374,316,228.45	17,859,359,550.47
Inventories	VIII. 15	8,607,283,788.33	8,132,282,406.38
Including: Raw materials		1,724,342,656.04	1,570,961,330.54
Goods in stock (finished goods)		2,224,297,682.09	3,161,843,918.79
Contract assets	VIII. 16	998,039,993.93	258,234,958.82
Held-for-sale assets	VIII. 17	72,112,175.29	9,022,026.00
Non-current assets due within one year	VIII. 18	115,308,212,772.41	100,406,330,969.09
Other current assets	VIII. 19	15,136,675,267.76	13,876,525,127.67
Total current assets		**345,869,778,525.68**	**296,600,597,553.30**
Non-current assets:			
△Loans and advances	VIII. 20	112,780,550,693.63	103,355,909,743.01
Debt investments	VIII. 21	83,333,220,428.85	84,542,374,551.09
Available-for-sale financial assets			
Other debt investments	VIII. 22	12,823,446,832.83	21,974,059,562.11
Held-to-maturity investments			
Long-term receivables	VIII. 23	12,486,566,192.42	10,965,596,294.29
Long-term equity investments	VIII. 24	35,442,861,162.43	29,198,596,232.41
Investment in other equity instruments	VIII. 25	38,079,395,623.21	35,877,841,450.52
Other non-current financial assets	VIII. 26	12,744,982,716.76	13,565,782,937.57
Investment properties	VIII. 27	35,536,966,897.04	21,871,372,825.14
Fixed assets	VIII. 28	33,632,624,325.56	27,221,657,569.90
Including: Original value of fixed assets		57,643,429,450.02	48,452,101,253.23
Accumulated depreciation		24,006,035,440.58	21,224,587,590.72
Provision for impairment of fixed assets		163,064,801.31	163,613,577.44
Construction in progress	VIII. 29	6,694,672,055.49	4,135,282,302.08
Productive biological assets	VIII. 30	18,687,351.63	121,590.72
Oil and gas assets			
Right-of-use assets	VIII. 31	1,382,359,400.58	1,638,720,292.24
Intangible assets	VIII. 32	4,440,634,316.91	3,433,377,140.81
Development expenditures	VIII. 33	412,521,821.56	225,913,943.55
Goodwill	VIII. 34	4,891,148,048.05	5,032,497,105.56
Long-term deferred expenses	VIII. 35	961,975,654.54	753,132,276.02
Deferred tax assets	VIII. 36	4,164,751,473.11	4,045,364,546.82
Other non-current assets	VIII. 37	3,678,947,872.38	4,695,885,008.84
Including: Special material reserve			
Total non-current assets		**403,506,312,866.98**	**372,533,485,372.68**
Total assets		**749,376,091,392.66**	**669,134,082,925.98**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

December 31st, 2022

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current liabilities:			
Short-term loans	VIII. 38	23,116,240,558.86	22,364,164,873.66
△Borrowings from the Central Bank	VIII. 39	18,584,289,151.00	14,518,976,350.00
△Borrowings from banks and other financial institutions	VIII. 40	10,560,410,333.61	11,042,278,563.22
Held-for-trading financial liabilities	VIII. 41	2,959,487,015.80	1,525,049,827.69
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	VIII. 42	11,208,690.66	165,895,834.42
Notes payable	VIII. 43	7,771,173,030.62	5,611,643,789.48
Accounts payable	VIII. 44	6,012,121,943.18	7,388,327,958.03
Advance from customers	VIII. 45	76,174,070.99	89,436,689.85
Contract liabilities	VIII. 46	2,183,267,143.83	2,784,489,053.46
△Sold and repurchase financial assets	VIII. 47	22,132,881,950.83	19,530,621,594.70
△Deposits from customers and interbank	VIII. 48	288,005,856,254.72	247,742,944,321.40
△Funds received as agent of stock exchange	VIII. 49	17,122,633,827.27	17,946,557,347.57
△Funds received as agent of stock underwrite			
Employee benefits payable	VIII. 50	2,206,205,297.49	2,293,621,672.66
Including: Salary payable		1,640,518,721.47	1,723,121,266.74
Welfare expenses payable		1,720,169.50	271,518.98
#Including: Bonus and welfare funds			
Taxes and surcharges payable	VIII. 51	1,477,441,356.13	1,691,423,544.29
Including: Taxes payable		1,385,422,890.57	1,588,044,649.29
Other payables	VIII. 52	11,287,187,311.97	9,364,941,874.84
Including: Dividends payable		280,899,336.47	280,081,874.27
△Handling charges and commissions payable	VIII. 53	112,882,031.61	48,573,494.02
△Reinsurance accounts payable	VIII. 54	275,648,095.79	315,495,620.86
Held-for-trading liabilities			
Non-current liabilities due within one year	VIII. 55	38,282,637,372.52	27,373,830,827.76
Other current liabilities	VIII. 56	4,734,308,346.54	11,783,946,004.55
Total current liabilities		**456,912,053,783.42**	**403,582,219,242.46**
Non-current liabilities:			
△Provision for insurance contracts	VIII. 57	6,119,570,068.51	5,762,950,068.27
Long-term loans	VIII. 58	42,023,323,809.45	37,069,847,786.06
Bonds payable	VIII. 59	96,161,780,603.72	86,795,026,585.67
Including: Preference share			
Perpetual bond			
Lease liabilities	VIII. 60	1,174,443,406.15	1,004,994,365.02
Long-term payables	VIII. 61	15,004,037,488.11	17,154,052,328.73
Long-term employee benefits payable	VIII. 62	72,517,771.93	47,324,036.00
Provisions	VIII. 63	232,704,008.58	105,546,363.33
Deferred income	VIII. 64	593,962,315.47	328,303,603.25
Deferred tax liabilities	VIII. 36	557,405,641.82	697,149,346.62
Other non-current liabilities	VIII. 65	654,420,030.47	637,950,394.77
Including: Authorized reserve fund			
Total non-current liabilities		**162,594,165,144.21**	**149,603,144,877.72**
Total liabilities		**619,506,218,927.63**	**553,185,364,120.18**
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VIII. 66	23,000,000,000.00	23,000,000,000.00
National capital		23,000,000,000.00	23,000,000,000.00
State-owned legal representative capital			
Collective capital			
Private capital			
Foreign capital			
#Less: Investment returned			
Net paid-in capital (or share capital)		23,000,000,000.00	23,000,000,000.00
Other equity instruments	VIII. 67	4,885,171,534.54	4,929,371,069.26
Including: Preference share			
Perpetual bond		2,895,171,534.54	2,899,371,069.26
Capital reserve	VIII. 68	6,950,963,480.06	7,612,624,959.03
Less: Treasury share			
Other comprehensive income		-856,715,700.25	-14,265,027.23
Including: Foreign currency translation differences		1,353,845.51	-2,168,252.86
Special reserve	VIII. 69	42,722,729.70	47,333,723.33
Surplus reserve	VIII. 70	1,333,800,370.03	1,328,188,183.69
Including: Statutory surplus reserve		1,333,800,370.03	1,328,188,183.69
Discretionary surplus reserve			
# Reserve funds			
# Enterprise expansion funds			
# Profit distribution to investor			
△General risk reserve			
Undistributed profits	VIII. 71	-4,778,029,104.59	-5,099,950,234.58
Total owners' equity (or shareholders' equity) attributable to the parent company		30,577,913,309.49	31,803,302,673.50
*Non-controlling interests		99,291,959,155.54	84,145,416,132.30
Total owners' equity (or shareholders' equity)		**129,869,872,465.03**	**115,948,718,805.80**
Total liabilities and owners' equity (or shareholders' equity)		**749,376,091,392.66**	**669,134,082,925.98**

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF FINANCIAL POSITION

December 31st, 2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Note	Closing balance	Opening balance
Current assets:			
Cash and cash equivalents		3,061,182,153.32	4,538,891,693.03
△Provision of settlement funds			
△Lendings to banks and other financial institutions			
Held-for-trading financial assets			
Financial assets at fair value through profit or loss (FVTPL)			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIII. 1	63,785,544.03	41,336,366.96
Receivables financing			
Prepayments		2,310,121.72	8,487,082.15
△Receivable premium			
△Cession premium receivable			
△Provision of cession receivable			
Other receivables	XIII. 2	7,280,451,547.15	8,263,843,087.26
Including: Dividends receivable		17,867,647.08	18,227,647.08
△Redemptory monetary capital for sale			
Inventories			
Including: Raw materials			
Goods in stock (finished goods)			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year		8,044,707.68	4,703,172.26
Other current assets		943,013,258.35	648,793,401.75
Total current assets		**11,358,787,332.25**	**13,506,054,803.41**
Non-current assets:			
△Loans and advances			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables		1,329,000,000.00	972,000,000.00
Long-term equity investments	XIII. 3	73,853,102,220.37	65,868,182,582.26
Investment in other equity instruments			72,769,466.73
Other non-current financial assets		827,937,946.90	784,600,258.92
Investment properties		1,860,028,014.00	2,055,920,281.00
Fixed assets		104,261,899.82	79,765,507.62
Including: Original value of fixed assets		233,090,648.35	206,479,428.19
Accumulated depreciation		129,086,991.99	126,803,572.09
Provision for impairment of fixed assets			
Construction in progress		1,725,882.48	27,246,822.96
Productive biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		24,500,847.69	25,692,087.92
Development expenditures		126,894,595.65	87,693,539.04
Goodwill			
Long-term deferred expenses			-
Deferred tax assets		92,447,500.00	559,186,807.86
Other non-current assets			
Including: Special material reserve			
Total non-current assets		**78,219,898,906.91**	**70,533,057,354.31**
Total assets		**89,578,686,239.16**	**84,039,112,157.72**

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF FINANCIAL POSITION (Continued)

December 31st, 2022

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current liabilities:			
Short-term loans		2,504,607,862.04	2,701,991,953.19
△Borrowings from the Central Bank			
△Borrowings from banks and other financial institutions			
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payable			
Accounts payable		125,080,333.33	160,801,075.54
Advance from customers		566,975.84	150,345.28
Contract liabilities			
△Financial assets sold for repurchase			
△Deposits from customers and interbank			
△Funds received as agent of stock exchange			
△Funds received as agent of stock underwrite			
Employee benefits payable		304,089.38	1,277,834.26
Including: Salary payable			
Welfare expenses payable			
#Including: Bonus and welfare funds			
Taxes and surcharges payable		5,279,205.69	17,629,061.32
Including: Taxes payable		5,264,335.92	17,621,990.44
Other payables		2,286,844,419.01	3,316,084,901.72
Including: Dividends payable		51,607,961.08	50,526,555.48
△Handling charges and commissions payable			
△Reinsurance accounts payable			
Held-for-trading liabilities			
Non-current liabilities due within one year		14,844,003,338.47	8,350,283,143.10
Other current liabilities		3,025,535,958.90	5,054,513,698.64
Total current liabilities		**22,792,222,182.66**	**19,602,732,013.05**
Non-current liabilities:			
△Provision for insurance contracts			
Long-term loans		16,705,880,000.00	17,252,880,000.00
Bonds payable		8,995,465,760.32	9,887,990,408.83
Including: Preference share			
Perpetual bond			
Lease liabilities			
Long-term payables		747,000,000.00	547,000,000.00
Long-term employee benefits payable			
Provisions		6,891,746.59	7,374,061.72
Deferred income			
Deferred tax liabilities		78,556,166.72	127,529,233.47
Other non-current liabilities			
Including: Authorized reserve fund			
Total non-current liabilities		**26,533,793,673.63**	**27,822,773,704.02**
Total liabilities		**49,326,015,856.29**	**47,425,505,717.07**
Owners' equity:			
Paid-in capital		23,000,000,000.00	23,000,000,000.00
National capital		23,000,000,000.00	23,000,000,000.00
State-owned legal representative capital			
Collective capital			
Private capital			
Foreign capital			
#Less: Investment returned			
Net paid-in capital		23,000,000,000.00	23,000,000,000.00
Other equity instruments		4,885,171,534.54	4,929,371,069.26
Including: Preference share			
Perpetual bond		2,895,171,534.54	2,899,371,069.26
Capital reserve		6,949,902,425.47	2,406,504,145.06
Less: Treasury share			
Other comprehensive income		-732,595,167.39	-53,988,432.61
Including: Foreign currency translation differences			
Special reserve			
Surplus reserve		1,333,800,370.03	1,328,188,183.69
Including: Statutory surplus reserve		1,333,800,370.03	1,328,188,183.69
Discretionary surplus reserve			
# Reserve funds			
# Enterprise expansion funds			
# Profit distribution to investor			
△General risk reserve			
Undistributed profits		4,816,391,220.22	5,003,531,475.25
Total owners' equity		**40,252,670,382.87**	**36,613,606,440.65**
Total liabilities and owners' equity		**89,578,686,239.16**	**84,039,112,157.72**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED INCOME STATEMENT

FY 2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Total revenue		**210,299,952,217.90**	**206,293,566,166.30**
Including: Operating revenue	VIII. 72	183,385,699,518.11	180,380,992,175.67
△Interest income	VIII. 73	19,984,556,524.69	18,516,291,299.78
△Earned premium	VIII. 74	4,276,673,086.15	4,310,130,410.76
△Income from service charges and commissions	VIII.75	2,653,023,088.95	3,086,152,280.09
II. Total costs		**210,299,813,501.12**	**205,093,755,350.35**
Including: Operating costs	VIII. 72	176,852,772,584.23	172,261,033,214.55
△Interest expenses	VIII. 73	15,322,560,494.24	13,828,665,857.98
△Expenses for service charges and commissions	VIII. 75	705,485,477.92	831,008,471.34
△Surrender value			
△Net payments for insurance claims	VIII. 76	2,153,898,030.03	2,460,147,626.54
△Net provision for insurance contracts	VIII. 77	614,154,124.33	429,058,936.92
△Commissions on insurance policies			
△Cession charges	VIII. 78		5,039,054.88
Taxes and surcharges	VIII. 79	820,055,612.79	951,831,713.80
Selling expenses	VIII. 80	4,655,660,494.25	5,711,801,213.24
General and administrative expenses	VIII. 81	4,799,705,939.79	4,691,595,349.05
Research and development expenses	VIII. 82	1,096,339,263.53	812,911,129.40
Financial expenses	VIII. 83	3,279,181,480.01	3,110,662,782.65
Including: Interest expenses		3,938,253,985.77	3,446,901,766.67
Interest income		666,014,826.66	485,983,875.82
Foreign exchange net loss (net income indicated with "-")		-109,477,243.63	30,445,704.63
Others			
Add: Other income	VIII. 84	802,695,526.14	367,162,396.11
Investment income (losses indicated with "-")	VIII. 85	6,679,825,231.94	5,834,254,457.43
Including: Investment income from associates and joint ventures		2,647,708,571.69	1,891,239,558.54
Gains from derecognition of financial assets at amortized cost		-55,163,202.48	469,100,829.70
△Gain or loss on foreign exchange transactions (losses indicated with "-		-246,926,568.54	90,610,892.46
Net exposure hedging gains (losses indicated with "-")			
Gains from changes in fair value (losses indicated with "-")	VIII. 86	-510,746,594.68	2,285,788,932.15
Credit impairment loss (losses indicated with "-")	VIII. 87	-1,541,379,094.31	-4,489,294,292.55
Asset impairment loss (losses indicated with "-")	VIII. 88	-264,414,522.46	-554,293,708.58
Gains from disposal of assets (losses indicated with "-")	VIII. 89	42,532,705.25	130,457,473.34
III. Operating profits (losses indicated with "-")		**4,961,725,400.12**	**4,864,496,966.31**
Add: Non-operating income	VIII. 90	265,927,528.81	418,561,205.77
Including: Government grants		9,250,689.35	9,967,338.45
Less: Non-operating expenses	VIII. 91	172,150,379.41	241,992,867.98
IV. Total profits (total losses indicated with "-")		**5,055,502,549.52**	**5,041,065,304.10**
Less: Income tax expenses	VIII. 92	1,262,917,960.29	1,305,294,450.26
V. Net profits (net losses indicated with "-")		**3,792,584,589.23**	**3,735,770,853.84**
(I) Classification by attribution of the ownership:			
Owners of the Company		565,183,248.37	512,384,455.61
*Non-controlling interests		3,227,401,340.86	3,223,386,398.23
(II) Classification by operation continuity:			
Continuing operations		3,792,584,589.23	3,735,770,853.84
Discontinued operations			
VI. Net post-tax amount of other comprehensive income		**-1,054,157,750.52**	**307,327,540.67**
Other comprehensive income net of tax attributable to owners of the parent company	VIII. 93	-842,450,673.02	225,373,603.70
(I) Other comprehensive income that cannot be reclassified into profit or loss:		-786,145,762.94	28,400,333.71
1. Changes from remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments		-786,145,762.94	28,400,333.71
4. Changes in fair value of own credit risks of the enterprise			
5. Other			
(II) Other comprehensive income that will be reclassified into profit or loss		-56,304,910.08	196,973,269.99
1. Other comprehensive income available for transfer to profit or loss under the equity method		-85,472,434.78	1,487,990.59
2. Changes in fair value of other debt investments		12,625,682.78	130,780,893.73
3. Gain or loss from changes in fair value of the available-for-sale financial assets			
4. Amount of reclassification of financial assets into other comprehensive income		279,997.98	1,950,222.54
5. Gain or loss from reclassification of held-to-maturity investments into available-for-sale financial assets			
6. Credit loss allowance of other debt investments		33,452,709.52	71,125,735.43
7. Cash flow hedges (effective portion of gain or loss from cash flow hedging)			
8. Exchange differences on translating foreign operations		5,073,718.03	-1,551,619.66
9. Other		-22,264,583.61	-6,819,952.64
*Other comprehensive income net of tax attributable to non-controlling interests		-211,707,077.50	81,953,936.97
VII. Total comprehensive income		**2,738,426,838.71**	**4,043,098,394.51**
Total comprehensive income attributable to owners of the parent company		-277,267,424.65	737,758,059.31
*Total comprehensive income attributable to non-controlling interests		3,015,694,263.36	3,305,340,335.20
VIII. Earnings per share (EPS):			
(I) Basic EPS			
(II) Diluted EPS			

Director of the Company: Chief accountant: Director of Department of Accounting:

INCOME STATEMENT

FY 2022

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Total revenue		**478,080,870.88**	**426,593,494.59**
Including: Operating revenue	XIII. 4	478,080,870.88	426,593,494.59
△Interest income			
△Earned premium			
△Income from service charges and commissions			
II. Total costs		**1,961,278,877.48**	**2,055,813,329.25**
Including: Operating costs	XIII. 4	140,733.43	218,431.64
△Interest expenses			
△Expenses for service charges and commissions			
△Surrender value			
△Net payments for insurance claims			
△Net provision for insurance contracts			
△Commissions on insurance policies			
△Cession charges			
Taxes and surcharges		4,906,592.74	22,157,486.69
Selling expenses			
General and administrative expenses		200,518,253.95	266,578,252.97
Research and development expenses			64,114.50
Financial expenses		1,755,713,297.36	1,766,795,043.45
Including: Interest expenses		1,941,165,835.66	1,852,455,813.44
Interest income		206,615,146.23	116,719,119.25
Foreign exchange net loss (net income indicated with "-")		-3,266,813.47	1,040,289.60
Others			
Add: Other income		1,654,559.78	5,557,318.85
Investment income (losses indicated with "-")	XIII. 5	2,133,798,839.49	2,878,095,861.72
Including: Investment income from associates and joint		1,915,619,928.77	1,090,022,150.71
Gains from derecognition of financial assets at amortized cost			
△Gain or loss on foreign exchange transactions (losses indicated with			
Net exposure hedging gains (losses indicated with "-")			
Gains from changes in fair value (losses indicated with "-")		-187,403,175.15	55,168,078.56
Credit impairment loss (losses indicated with "-")		-1,123,432.61	-3,485,885.71
Asset impairment loss (loss indicated with "-")			
Gains from disposal of assets (losses indicated with "-")			283,070.77
III. Operating profits (losses indicated with "-")		**463,728,784.91**	**1,306,398,609.53**
Add: Non-operating income		22,928,222.76	49,644,573.05
Including: Government grants		140,000.00	-
Less: Non-operating expenses		12,768,903.21	1,743,867.92
IV. Total profits (total losses indicated with "-")		**473,888,104.46**	**1,354,299,314.66**
Less: Income tax expenses		417,766,241.11	13,103,162.17
V. Net profits (net losses indicated with "-")		**56,121,863.35**	**1,341,196,152.49**
Continuing operations		56,121,863.35	1,341,196,152.49
Discontinued operations			
VI. Net post-tax amount of other comprehensive income		**-678,606,734.78**	**1,487,990.59**
(I) Other comprehensive income that cannot be reclassified into profit or loss:		-593,134,300.00	
1. Changes from remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments		-593,134,300.00	
4. Changes in fair value of own credit risks of the enterprise			
5. Other			
(II) Other comprehensive income that will be reclassified into profit or loss		-85,472,434.78	1,487,990.59
1. Other comprehensive income available for transfer to profit or loss under the equity method		-85,472,434.78	1,487,990.59
2. Changes in fair value of other debt investments			
3. Gain or loss from changes in fair value of the available-for-sale financial assets			
4. Amount of reclassification of financial assets into other comprehensive income			
5. Gain or loss from reclassification of held-to-maturity investments into available-for-sale financial assets			
6. Credit loss allowance of other debt investments			
7. Cash flow hedges (effective portion of gain or loss from cash flow hedging)			
8. Exchange differences on translating foreign operations			
9. Other			
VII. Total comprehensive income		**-622,484,871.43**	**1,342,684,143.08**
VIII. Earnings per share (EPS):			
(I) Basic EPS			
(II) Diluted EPS			

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF CASH FLOWS

FY 2022

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		214,068,535,244.13	248,571,070,110.30
△Net increase in deposits from customers and other financial institutions		39,934,049,394.72	41,233,272,410.75
△Net increase in loans from the Central Bank		4,063,996,454.00	6,521,319,415.00
△Net increase in loans from other financial institutions		-2,100,009,783.63	-6,483,231,520.37
△Cash received from premium under the original insurance contracts		3,714,187,222.54	4,116,087,424.11
△Net cash received from reinsurance business		-83,281,712.97	-87,651,996.25
△Net increase in deposits and investments of the insured			
△Net increase in disposal of financial assets at fair value through profit or loss		-1,712,169,132.82	-1,656,594,504.82
△Cash received from interest, service charges and commissions		16,833,780,383.42	15,801,960,960.42
△Net increase in borrowings from banks and other financial institutions		1,500,000,000.00	589,000,000.00
△Net increase in funds for repurchase business		2,930,964,828.29	-6,426,520,165.99
△Net cash received as agent of stock exchange		-828,992,465.80	4,580,239,529.01
Receipts of tax refunds		1,202,318,859.37	468,215,908.25
Other cash received from operating related activities		34,547,918,967.93	63,472,756,078.01
Subtotal of cash inflows of operating activities		**314,071,298,259.18**	**370,699,923,648.42**
Cash payment for goods purchased and services received		205,156,612,535.27	238,933,390,001.41
△Net increase in customer's loans and advances		32,377,169,527.67	41,028,709,615.91
△Net increase in deposits in the Central Bank and deposits from other banks		97,265,562.00	-1,199,277,848.00
△Cash paid for claims under the original insurance contracts		2,263,658,325.85	2,683,238,225.43
△Net increase in lending to banks and other financial institutions		1,307,168,000.00	550,000,000.00
△Cash paid for interest, service charges and commissions		10,500,544,106.99	7,976,761,115.27
△Cash paid for policy dividends			
Cash payments to and on behalf of employees		7,024,743,538.25	6,978,713,953.80
Payments of taxes		4,467,812,758.00	4,836,567,079.68
Other cash paid for operating related activities		43,685,763,120.78	61,455,671,325.26
Subtotal of cash outflows of operating activities		**306,880,737,474.81**	**363,243,773,468.76**
Net cash flows from operating activities	VIII.96	**7,190,560,784.37**	**7,456,150,179.66**
II. Cash flows from investment activities:			
Cash received from return on investments		436,195,145,523.08	279,538,067,812.26
Cash received from investment income		9,619,831,252.38	7,938,545,419.61
Net cash from disposal of fixed assets, intangible assets and other long-term assets		80,253,366.76	519,838,461.59
Net cash from disposal of subsidiaries and other business units		134,493,545.61	790,959,700.17
Other cash received from investment related activities		14,281,370,167.29	9,305,600,364.02
Subtotal of cash inflows of investment activities		**460,311,093,855.12**	**298,093,011,757.65**
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		4,495,325,122.34	2,948,239,989.91
Cash paid for investment		451,026,874,734.61	293,937,755,417.51
△Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			163,092,669.27
Other cash paid for investment related activities		13,522,310,218.27	8,137,811,147.11
Subtotal of cash outflows of investment activities		**469,044,510,075.22**	**305,186,899,223.80**
Net cash flows from investment activities		**-8,733,416,220.10**	**-7,093,887,466.15**
III. Cash flows from financing activities:			
Contribution received from absorption of investments		7,255,465,846.00	4,407,775,437.43
Including: Contribution from non-controlling interests of subsidiaries		361,650,000.00	1,860,876,454.14
Cash received from loans		188,643,327,066.48	211,386,553,999.93
Other cash received from financing related activities		15,635,153,391.06	12,798,440,097.26
Subtotal of cash inflows of financing activities		**211,533,946,303.54**	**228,592,769,534.62**
Cash paid for repayment of debts		178,229,078,777.63	199,423,961,768.89
Cash paid for distribution of dividends and profits, and payment of interest		8,664,772,152.35	8,684,001,522.70
Including: Distribution of dividends and profits to non-controlling interests by subsidiaries		1,293,484,920.98	1,735,893,395.32
Other cash paid for financing related activities		15,589,778,139.76	13,851,085,693.63
Subtotal of cash outflows of financing activities		**202,483,629,069.74**	**221,959,048,985.22**
Net cash flows from financing activities		**9,050,317,233.80**	**6,633,720,549.40**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**82,058,156.99**	**-78,434,358.91**
V. Net increase in cash and cash equivalents	VIII.96	**7,589,519,955.06**	**6,917,548,904.00**
Add: Cash and cash equivalents at the beginning of the period	VIII.96	60,397,289,460.12	53,479,740,556.12
VI. Cash and cash equivalents at the end of the period	VIII.96	**67,986,809,415.18**	**60,397,289,460.12**

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF CASH FLOW

FY 2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services			
△Net increase in deposits from customers and other financial institutions			
△Net increase in loans from the Central Bank			
△Net increase in loans from other financial institutions			
△Cash received from premium under the original insurance contracts			
△Net cash received from reinsurance business			
△Net increase in deposits and investments of the insured			
△Net increase in disposal of financial assets at fair value through profit or loss			
△Cash received from interest, service charges and commissions			
△Net increase in borrowings from banks and other financial institutions			
△Net increase in funds for repurchase business			
△Net cash received as agent of stock exchange			
Receipts of tax refunds			
Other cash received from operating related activities		1,600,215,655.16	212,244,483.85
Subtotal of cash inflows of operating activities		**1,600,215,655.16**	**212,244,483.85**
Cash payment for goods purchased and services received			
△Net increase in customer's loans and advances			
△Net increase in deposits in the Central Bank and deposits from other banks			
△Cash paid for claims under the original insurance contracts			
△Net increase in lending to banks and other financial institutions			
△Cash paid for interest, service charges and commissions			
△Cash paid for policy dividends			
Cash payments to and on behalf of employees		138,163,335.31	124,512,141.80
Payments of taxes		30,063,668.19	32,637,471.93
Other cash paid for operating related activities		2,410,548,345.97	866,392,579.90
Subtotal of cash outflows of operating activities		**2,578,775,349.47**	**1,023,542,193.63**
Net cash flows from operating activities	XIII.6	**-978,559,694.31**	**-811,297,709.78**
II. Cash flows from investment activities:			
Cash received from return on investments		12,180,261,209.47	9,886,689,857.98
Cash received from investment income		1,454,643,767.99	1,949,678,849.72
Net cash from disposal of fixed assets, intangible assets and other long-term assets		217,076.00	692,853.32
Net cash from disposal of subsidiaries and other business units			1,611,970,591.50
Other cash received from investment related activities		21,072,444.60	6,037,861.01
Subtotal of cash inflows of investment activities		**13,656,194,498.06**	**13,455,070,013.53**
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		111,333,778.79	219,467,792.68
Cash paid for investment		15,702,966,777.72	13,891,355,597.81
△Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash paid for investment related activities		6,994,000.49	5,180,870.31
Subtotal of cash outflows of investment activities		**15,821,294,557.00**	**14,116,004,260.80**
Net cash flows from investment activities		**-2,165,100,058.94**	**-660,934,247.27**
III. Cash flows from financing activities:			
Contribution received from absorption of investments		944,480,000.00	840,000,000.00
Including: Contribution from non-controlling interests of subsidiaries			
Cash received from loans		28,646,300,000.00	23,691,700,000.00
Other cash received from financing related activities			150,000,000.00
Subtotal of cash inflows of financing activities		**29,590,780,000.00**	**24,681,700,000.00**
Cash paid for repayment of debts		25,674,030,409.21	20,897,982,200.00
Cash paid for distribution of dividends and profits, and payment of interest		2,222,721,896.20	2,032,321,742.92
Including: Distribution of dividends and profits to non-controlling interests by subsidiaries			
Other cash paid for financing related activities		28,087,755.49	23,708,210.18
Subtotal of cash outflows of financing activities		**27,924,840,060.90**	**22,954,012,153.10**
Net cash flows from financing activities		**1,665,939,939.10**	**1,727,687,846.90**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**10,274.44**	**-2,601.00**
V. Net increase in cash and cash equivalents	XIII.6	**-1,477,709,539.71**	**255,453,288.85**
Add: Cash and cash equivalents at the beginning of the period	XIII.6	4,538,891,693.03	4,283,438,404.18
VI. Cash and cash equivalents at the end of the period	XIII.6	**3,061,182,153.32**	**4,538,891,693.03**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FY 2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Current year amount													
		Equity attributable to owners of the Company												Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	23,000,000,000.00		2,899,371,069.26	2,030,000,000.00	7,612,624,959.03		-14,265,027.23	47,333,723.33	1,328,188,183.69		-5,099,609,071.76	31,803,643,836.32	84,145,898,285.76	115,949,542,122.08
Add: Impact from changes in accounting policies	2											-341,162.82	-341,162.82	-482,153.46	-823,316.28
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	23,000,000,000.00		2,899,371,069.26	2,030,000,000.00	7,612,624,959.03		-14,265,027.23	47,333,723.33	1,328,188,183.69		-5,099,950,234.58	31,803,302,673.50	84,145,416,132.30	115,948,718,805.80
3. Movement for current year ("-" for decrease)	6			-4,199,534.72	-40,000,000.00	-661,661,478.97		-842,450,673.02	-4,610,993.63	5,612,186.34		321,921,129.99	-1,225,389,364.01	15,146,543,023.24	13,921,153,659.23
(1) Total comprehensive income	7							-842,450,673.02				565,183,248.37	-277,267,424.65	3,015,694,263.36	2,738,426,838.71
(2) Shareholder's contributions and withdrawals of captial	8			-4,199,534.72	-40,000,000.00	-661,661,478.97						55,987,333.27	-649,873,680.42	13,716,409,563.06	13,066,535,882.64
1) Common stock contributed by shareholders	9													6,077,948,519.16	6,077,948,519.16
2) Capital contributed by other equity instruments holders	10			-4,199,534.72	-40,000,000.00								-44,199,534.72		-44,199,534.72
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					-661,661,478.97						55,987,333.27	-605,674,145.70	7,638,461,043.90	7,032,786,898.20
(3) Withdrawal and use of special reserve	13								-4,610,993.63				-4,610,993.63	-2,718,193.64	-7,329,187.27
1) Withdrawal of special reserve	14								112,501,621.77				112,501,621.77	91,431,683.44	203,933,305.21
2) Use of special reserve	15								-117,112,615.40				-117,112,615.40	-94,149,877.08	-211,262,492.48
(4) Profits distribution	16									5,612,186.34		-299,249,451.65	-293,637,265.31	-1,582,842,609.54	-1,876,479,874.85
1) Appropriation of surplus reserve	17									5,612,186.34		-5,612,186.34			
Including:Statutory surplus reserve	18									5,612,186.34		-5,612,186.34			
Discretionary surplus reserve	19														
# Reserve funds	20														
# Enterprise expansion funds	21														
# Profit distribution to investor	22														
△2) Withdrawal of general risk reserve	23														
3) Distribution to shareholders	24											-293,637,265.31	-293,637,265.31	-1,582,842,609.54	-1,876,479,874.85
4) Others	25														
(5) Internal transfer within shareholder's equity	26														
1) Conversion of capital reserve into share capital	27														
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income transferred to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	23,000,000,000.00		2,895,171,534.54	1,990,000,000.00	6,950,963,480.06		-856,715,700.25	42,722,729.70	1,333,800,370.03		-4,778,029,104.59	30,577,913,309.49	99,291,959,155.54	129,869,872,465.03

Director of the Company:

Chief accountant:

Director of Department of Accounting:

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FY 2022

Prepared by: Chongqing Investment Group Co., Ltd. Currency: CNY

Item	Line	Prior year amount													
		Equity attributable to owners of the Company												Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28.00
1. Closing balance of last year	1	10,000,000,000.00		1,998,899,371.10	1,240,000,000.00	21,299,117,862.94		-356,290,987.90	45,022,852.03	1,194,068,568.44		3,891,822,559.22	39,022,640,025.83	62,327,281,764.26	101,348,921,790.09
Add: Impact from changes in accounting policies	2					-138,125.27		116,652,356.97				-8,938,010,247.20	-8,822,496,015.50	-119,663,545.67	-8,942,159,581.17
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	10,000,000,000.00		1,998,899,371.10	1,240,000,000.00	21,298,979,537.67		-239,638,630.93	45,022,852.03	1,194,068,568.44		-5,247,187,687.98	30,200,144,010.33	62,207,618,218.59	92,407,762,228.92
3. Movement for current year ("-" for decrease)	6	13,000,000,000.00		900,471,698.16	790,000,000.00	-13,596,354,578.64		225,373,603.70	2,310,871.30	134,119,615.25		147,237,453.40	1,603,158,663.17	21,937,797,913.71	23,540,956,576.88
(1) Total comprehensive income	7							225,373,603.70				512,384,455.61	737,758,059.31	3,305,340,335.20	4,043,098,394.51
(2) Shareholder's contributions and withdrawals of captial	8			900,471,698.16	790,000,000.00	-596,354,578.64							1,094,117,119.52	18,951,262,401.29	20,045,379,520.81
1) Common stock contributed by shareholders	9													2,321,679,414.88	2,321,679,414.88
2) Capital contributed by other equity instruments holders	10			900,471,698.16	790,000,000.00								1,690,471,698.16		1,690,471,698.16
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					-596,354,578.64							-596,354,578.64	16,629,582,986.41	16,033,228,407.77
(3) Withdrawal and use of special reserve	13								2,310,871.30				2,310,871.30	-1,590,050.38	720,820.92
1) Withdrawal of special reserve	14								105,504,219.50				105,504,219.50	78,679,765.21	184,183,984.71
2) Use of special reserve	15								-103,193,348.20				-103,193,348.20	-80,269,815.59	-183,463,163.79
(4) Profits distribution	16									134,119,615.25		-365,147,002.21	-231,027,386.96	-317,214,772.40	-548,242,159.36
1) Appropriation of surplus reserve	17									134,119,615.25		-134,119,615.25			
Including:Statutory surplus reserve	18									134,119,615.25		-134,119,615.25			
Discretionary surplus reserve	19														
# Reserve funds	20														
# Enterprise expansion funds	21														
# Profit distribution to investor	22														
△2) Withdrawal of general risk reserve	23														
3) Distribution to shareholders	24											-231,027,386.96	-231,027,386.96	-317,214,772.40	-548,242,159.36
4) Others	25														
(5) Internal transfer within shareholder's equity	26	13,000,000,000.00				-13,000,000,000.00									
1) Conversion of capital reserve into share capital	27	13,000,000,000.00				-13,000,000,000.00									
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income trasnferred to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	23,000,000,000.00		2,899,371,069.26	2,030,000,000.00	7,612,624,959.03		-14,265,027.23	47,333,723.33	1,328,184,183.69		-5,099,950,234.58	31,803,302,673.50	84,145,416,132.30	115,948,718,805.80

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF CHANGES IN EQUITY

FY2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Current year amount										
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Total equity
			Preferred shares	Perpetual bond	Other								
Column	—	1	2	3	4	5	6	7	8	9	10	11	12
1. Closing balance of last year	1	**23,000,000,000.00**		**2,899,371,069.26**	**2,030,000,000.00**	**2,406,504,145.06**		**-53,988,432.61**		**1,328,188,183.69**		**5,003,531,475.25**	**36,613,606,440.65**
Add: Impact from changes in accounting policies	2												
Impact from corrections of errors in prior period	3												
Others	4												
2. Opening balance of current year	5	**23,000,000,000.00**		**2,899,371,069.26**	**2,030,000,000.00**	**2,406,504,145.06**		**-53,988,432.61**		**1,328,188,183.69**		**5,003,531,475.25**	**36,613,606,440.65**
3. Movement for current year ("-" for decrease)	6			**-4,199,534.72**	**-40,000,000.00**	**4,543,398,280.41**		**-678,606,734.78**		**5,612,186.34**		**-187,140,255.03**	**3,639,063,942.22**
(1) Total comprehensive income	7							-678,606,734.78				56,121,863.35	-622,484,871.43
(2) Shareholder's contributions and withdrawals of captial	8			-4,199,534.72	-40,000,000.00	4,543,398,280.41						55,987,333.27	4,555,186,078.96
1) Common stock contributed by shareholders	9												
2) Capital contributed by other equity instruments holders	10			-4,199,534.72	-40,000,000.00								-44,199,534.72
3) Share-based payment recorded in shareholder's equity	11												
4) Others	12					4,543,398,280.41						55,987,333.27	4,599,385,613.68
(3) Withdrawal and use of special reserve	13												
1) Withdrawal of special reserve	14												
2) Use of special reserve	15												
(4) Profits distribution	16									5,612,186.34		-299,249,451.65	-293,637,265.31
1) Appropriation of surplus reserve	17									5,612,186.34		-5,612,186.34	
Including:Statutory surplus reserve	18									5,612,186.34		-5,612,186.34	
Discretionary surplus reserve	19												
# Reserve funds	20												
# Enterprise expansion funds	21												
# Profit distribution to investor	22												
△2) Withdrawal of general risk reserve	23												
3) Distribution to shareholders	24											-293,637,265.31	-293,637,265.31
4) Others	25												
(5) Internal transfer within shareholder's equity	26												
1) Conversion of capital reserve into share capital	27												
2) Conversion of surplus reserve into share capital	28												
3) Recover of loss by surplus reserve	29												
4) Benefit plans are carried forward to retained earnings	30												
5) Other comprehensive income trasnferred to retained earnings	31												
6) Others	32												
4. Closing balance of current year	33	**23,000,000,000.00**		**2,895,171,534.54**	**1,990,000,000.00**	**6,949,902,425.47**		**-732,595,167.39**		**1,333,800,370.03**		**4,816,391,220.22**	**40,252,670,382.87**

Director of the Company:

Chief accountant:

Director of Department of Accounting:

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FY2022

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Prior year amount											
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Undistributed profit	Total equity
			Preferred shares	Perpetual bond	Other								
Column	—	14	15	16	17	18	19	20	21	22	23	24	25
1. Closing balance of last year	1	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**18,708,735,466.55**		**-55,476,423.20**		**1,194,068,568.44**		**4,922,794,005.36**	**38,009,020,988.25**
Add: Impact from changes in accounting policies	2											-895,311,680.39	-895,311,680.39
Impact from corrections of errors in prior period	3												
Others	4												
2. Opening balance of current year	5	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**18,708,735,466.55**		**-55,476,423.20**		**1,194,068,568.44**		**4,027,482,324.97**	**37,113,709,307.86**
3. Movement for current year ("-" for decrease)	6	**13,000,000,000.00**		**900,471,698.16**	**790,000,000.00**	**-16,302,231,321.49**		**1,487,990.59**		**134,119,615.25**		**976,049,150.28**	**-500,102,867.21**
(1) Total comprehensive income	7							1,487,990.59				1,341,196,152.49	1,342,684,143.08
(2) Shareholder's contributions and withdrawals of captial	8			900,471,698.16	790,000,000.00	-3,302,231,321.49							-1,611,759,623.33
1) Common stock contributed by shareholders	9												
2) Capital contributed by other equity instruments holders	10			900,471,698.16	790,000,000.00								1,690,471,698.16
3) Share-based payment recorded in shareholder's equity	11												
4) Others	12					-3,302,231,321.49							-3,302,231,321.49
(3) Withdrawal and use of special reserve	13												
1) Withdrawal of special reserve	14												
2) Use of special reserve	15												
(4) Profits distribution	16									134,119,615.25		-365,147,002.21	-231,027,386.96
1) Appropriation of surplus reserve	17									134,119,615.25		-134,119,615.25	
Including:Statutory surplus reserve	18									134,119,615.25		-134,119,615.25	
Discretionary surplus reserve	19												
# Reserve funds	20												
# Enterprise expansion funds	21												
# Profit distribution to investor	22												
△2) Withdrawal of general risk reserve	23												
3) Distribution to shareholders	24											-231,027,386.96	-231,027,386.96
4) Others	25												
(5) Internal transfer within shareholder's equity	26	13,000,000,000.00				-13,000,000,000.00							
1) Conversion of capital reserve into share capital	27	13,000,000,000.00				-13,000,000,000.00							
2) Conversion of surplus reserve into share capital	28												
3) Recover of loss by surplus reserve	29												
4) Benefit plans are carried forward to retained earnings	30												
5) Other comprehensive income trasnferred to retained earnings	31												
6) Others	32												
4. Closing balance of current year	33	**23,000,000,000.00**		**2,899,371,069.26**	**2,030,000,000.00**	**2,406,504,145.06**		**-53,988,432.61**		**1,328,188,183.69**		**5,003,531,475.25**	**36,613,606,440.65**

Director of the Company:

Chief accountant:

Director of Department of Accounting:

Guangxi Investment Group Co., Ltd.
Notes to the Financial Statements

For the year ended December 31st, 2022

I. General Information of the Company

1. Enterprise history, place of registration, organizational form and headquarters address

Guangxi Investment Group Co., Ltd. (hereinafter referred to as the Company and collectively referred to as the Group when including subsidiaries) is a state-owned enterprise under the People's Government of Guangxi Zhuang Autonomous Region, which was founded on June 24th, 1988 as Guangxi Construction Investment and Development Company, and then reorganized in 1996 into Guangxi Development Investment Co., Ltd. On April 22nd, 2002, upon the approval of the People's Government of Guangxi Zhuang Autonomous Region, it changed its name to Guangxi Investment (Group) Co., Ltd., and then on March 15th, 2004, to its present name, with registration change of legal representative certificate at Guangxi Zhuang Autonomous Region Administration for Industry and Commerce. The Company's unified social credit code is 91450000198229061H, legal representative: Zhou Lian, registered address: Guangxi Investment Building, No. 109, Minzu Avenue, Qingxiu District, Nanning City. By the end of 2022, the Company has 33,856 employees.

2. The nature of the business and the main business activities of the enterprise

The Company is an important investment and financing body and state-owned asset management entity of Guangxi Zhuang Autonomous Region and held the honor in participating in the construction of key projects in Guangxi, cultivating and developing resource-advantaged industries, growing state-owned capital, creating value, serving the society and accomplishing employees. The business scope mainly includes: investment and management in energy, mining, financial industry, cultural tourism, real estate industry, fertilizer industry, medical institutions and pharmaceutical manufacturing; equity investment, management and related consulting services; domestic trade; import and export trade; high-tech development, technology transfer, technology consulting; economic information consulting services. The main business segments of the Group are the finance segment, energy segment, aluminum segment, digital segment, investment segment and pharmaceutical, medical health segment, etc.

3. Name of the parent company and group headquarters

The Company is directly controlled by the People's Government of Guangxi Zhuang Autonomous Region. The Company has a Strategic Development Department, Synergy Department, Planning and Finance Department, Corporate Governance Department/Safety, Environment Protection and Risk Control Department, Legal Compliance Department, Human Resources Department/Organization Department of the Party Committee/United Front Work Department of the Party Committee/Office of Full-time External Directors of District Enterprises, Office/Office of the Board of Directors/Office of the Party Committee/Publicity Department of the Party Committee, Work Department of the Party Group/Direct Ministries/Union Office, Audit Department/Work Department of the Supervisory Board, Discipline Inspection and Supervision Department/ Party Committee Inspection Team and other functional management departments. There is no branch office. For details of subsidiaries, please refer to "Note VII. Business Combinations and Consolidated Financial Statements".

The Company has a Board of Directors to manage and control the major decisions and daily work.

4. Approval of financial reports for filing

The approved reporting date for the Group's financial statements is April 14th, 2023.

II. Basis of Preparation of the Financial Statements

The Group's financial statements have been prepared on a going concern basis, based on transactions and events that have actually occurred, in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance and related regulations, and based on the accounting policies and estimates described in Note IV. "Significant Accounting Policies and Accounting Estimates" herein.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises and give a true and complete view of the financial position, results of operations and cash flows of the Company and the Group and other relevant information.

IV. Significant Accounting Policies and Accounting Estimates

1. Accounting period

The Group's fiscal year is the Gregorian calendar year, that is, from January 1st to December 31st each year.

2. Functional currency

Renminbi (RMB) is the functional currency of the Group.

3. Basis of accounting and valuation principles

The Group's accounting is carried out on the accrual basis of accounting, and the historical cost is used as the valuation principle, except for held-for-trading financial assets and others, which are measured at fair value.

4. Business combination

Assets and liabilities acquired by the Group as a consolidator in a business combination under common control are measured at the carrying value of the consolidated party in the consolidated statements of ultimate control at the date of consolidation. The difference between the carrying value of the net assets acquired and the carrying value of the consideration paid for the merger is adjusted to capital reserve; if the capital reserve is not sufficient to offset the difference, retained earnings are adjusted.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under common control are measured at fair value at the acquisition date. The cost of the combination is the sum of the fair value of cash or non-cash assets paid, liabilities issued or assumed and equity securities issued by the Group to obtain control of the acquiree at the date of acquisition, and all directly related costs incurred in the business combination (for a business combination achieved in stages through multiple transactions, the cost of the combination is the sum of the costs of each individual transaction). The difference between the cost of the merger and the fair value of the share of identifiable net assets of the acquiree acquired in the merger is recognized as goodwill; if the cost of the merger is less than the fair value of the share of identifiable net assets of the acquiree acquired in the merger, the fair value of each identifiable asset, liability and contingent liability acquired in the merger, as well as the fair value of non-cash assets or equity securities issued in consideration of the merger, are first reviewed. If, after the review, the cost of consolidation is still less than the share of the fair value of the identifiable net assets of the acquiree acquired in the consolidation, the difference is recognized as non-operating income in the period of consolidation.

5. Preparation of consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries and structured entities in the scope of the consolidated financial statements.

(2) Principles, procedures and methods of preparing consolidated financial statements

In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Group are not consistent, the necessary

adjustments are made to the financial statements of the subsidiary in accordance with the Group's accounting policies or accounting periods.

All significant internal transactions, transaction balances and unrealized profits within the scope of consolidation are eliminated in the preparation of the consolidated financial statements. The shares of ownership interests of subsidiaries that do not belong to the parent company and the shares of net profit or loss, other comprehensive income and total comprehensive income for the period that belong to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, profit or loss of minority shareholders, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders", respectively.

For subsidiaries acquired in a business combination under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation. When preparing the comparative consolidated financial statements, the relevant items in the prior year's financial statements are adjusted as if the reporting entity formed after the merger had been in existence since the point at which the ultimate controlling party began to exercise control.

For a business combination that is ultimately formed by acquiring an equity interest in an investee under common control by step through multiple transactions, its accounting treatment should be disclosed in the consolidated financial statements when control is acquired. For example: when a business combination is ultimately formed by acquiring an equity interest in an investee under common control realized through multiple transactions, if it is a package transaction, the consolidated statements of operations are prepared as if the ultimate controlling party existed in its current state at the time control by the ultimate controlling party commenced, and the relevant assets and liabilities of the consolidated party are consolidated into the Group's the comparative statement of consolidated financial statements, the relevant assets and liabilities of the consolidated party are consolidated into the Group's consolidated financial statements, and the increase in net assets as a result of the consolidation is adjusted to the relevant items under owners' equity in the comparative statement. In order to avoid double counting the value of the net assets of the consolidated party, long-term equity investments held by the Group before reaching consolidation and for which relevant gains or losses, other comprehensive income and other changes in net assets have been recognized between the later of the date of acquisition of the original equity interest and the date when the Group and the consolidated party are under the ultimate control of the same party and the date of consolidation should be eliminated from opening retained earnings and current profit or loss in the comparative statement period, respectively.

For a subsidiary acquired through a business combination not under common control, the results of operations and cash flows are included in the consolidated financial statements from

the date the Group obtains control. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the purchase date.

For a business combination that is ultimately formed by acquiring an equity interest in an investee not under common control by step through multiple transactions, its accounting treatment should be disclosed in the consolidated financial statements when control is acquired. For example: When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying value is recognized as investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates to other comprehensive income is involved in the equity method of accounting under the equity method and changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

When the Group partially disposes of its long-term equity investments in subsidiaries without loss of control, the difference between the disposal price and the share of the net assets of the subsidiaries corresponding to the disposal of the long-term equity investments calculated on an ongoing basis from the date of purchase or the date of consolidation is adjusted to capital premium or equity premium in the consolidated financial statements, and retained earnings are adjusted if the capital surplus is not sufficient to cover the reduction.

If the Group loses control over an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of consolidated financial statements. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest, less the share of the net assets of the original subsidiary calculated on a continuing basis from the date of purchase or the date of consolidation in proportion to the original shareholding, is recognized as investment gain or loss in the period in which control is lost, and goodwill is eliminated. Other comprehensive income related to the equity investment in the original subsidiary, etc., is transferred to current investment gain or loss when control is lost.

If the Group disposes of its equity investment in a subsidiary through multiple transactions, which is a package transaction, until it loses control, each transaction is accounted for as a disposal of the subsidiary and loss of control; however, the difference

between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment in each disposal prior to the loss of control is recognized in the consolidated financial statements as other comprehensive income and is transferred to investment income or loss in the period in which control is lost.

6. Classification of joint venture arrangements and accounting for joint operations

The Group's joint venture arrangements include joint operations and joint ventures. For joint operations, the Group recognizes assets held and liabilities assumed separately as a joint party in a joint operation, as well as assets held and liabilities assumed on a share basis, and recognizes related revenues and expenses separately or on a share basis in accordance with relevant agreements. If a purchase or sale of assets that do not constitute a business transaction occurs with a joint operation, only the portion of the gain or loss arising from the transaction attributable to the other participants in the joint operation is recognized.

7. Criteria for determining cash and cash equivalents

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment. Cash equivalents in the statement of cash flows represent investments that are held for less than three months, are highly liquid, easily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

8. Foreign currency operations and translation of foreign currency statements

(1) Foreign currency operations

The Group's foreign currency operations are translated into RMB at the spot exchange rate (or actual situation) at the date of the transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rate at the balance sheet date. The resulting translation differences are recognized directly in profit or loss for the current period, except for exchange differences arising from special borrowings in foreign currencies for the purpose of acquiring or producing assets eligible for capitalization, which is treated on the basis of capitalization.

(2) Translation of foreign currency financial statements

Foreign currency balance sheet items are translated using the spot exchange rate at the balance sheet date for assets and liabilities; shareholders' equity items, except for "Retained earnings", are translated at the spot exchange rate at the time of the transaction; income and expense items in the income statement are translated using the spot exchange rate (or actual situation) at the date of the transaction. The translation differences arising from the above translation are presented in "Other comprehensive income" in shareholders' equity. Cash flows in foreign currencies are translated using the spot exchange rates at the dates when the

cash flows occur. The effect of exchange rate changes on cash is shown separately in the statement of cash flows.

9. Financial assets and financial liabilities

(1) Financial assets

1) Classification, recognition basis and measurement method of financial assets

The Group classifies financial assets as financial assets carried at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss based on the business model for managing financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies financial assets as financial assets carried at amortized cost if both of the following conditions are met: ① the business model for managing the financial asset is to collect the contractual cash flows. ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount; they are subsequently measured at amortized cost. For such financial assets that are not part of any hedging relationship, their amortization by effective interest method, impairment, exchange gain or loss, and gain or loss arising on derecognition are recognized in profit or loss. Such financial assets of the Group include accounts receivable, notes receivable and other receivables.

The Group classifies financial assets as financial assets at fair value through other comprehensive income if both ① the business model for managing the financial asset is to both collect the contractual cash flows and sell the financial asset. ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount. Except for those designated as hedged items, other gains or losses of such financial assets, other than credit impairment losses or gains, foreign exchange gains or losses and interest on such financial assets calculated under the effective interest rate method, are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income should be transferred from other comprehensive income and recognized in profit or loss for the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the book balance of the financial assets by the

effective interest rate, except for the following cases: ① for financial assets acquired or originated that are credit impaired, interest income is determined from initial recognition based on the amortized cost of the financial assets and the effective interest rate adjusted for credit. ② for financial assets acquired or originated without credit impairment but become credit-impaired in subsequent periods, interest income is determined in subsequent periods based on the amortized cost of the financial assets and the effective interest rate.

The Group designates its investments in non-trading equity instruments as financial assets at fair value through other comprehensive income. This designation, once made, cannot be revoked. The Group's investments in non-trading equity instruments designated as at fair value through other comprehensive income are initially measured at fair value, with related transaction costs recognized at initial recognition; except for dividends received (other than those attributable to the recovery of investment costs), which are recognized in profit or loss, other related gains and losses (including exchange gains and losses) are recognized in other comprehensive income and are not subsequently transferred to current profit or loss. When they are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to retained earnings. The investment in equity instruments is designated as at fair value through other comprehensive income.

For financial assets other than those classified as financial assets measured at amortized cost and those classified as financial assets at fair value through other comprehensive income as described above, the Group classifies as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value, and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss for the current period.

If the contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

At initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Group designates the following financial assets as financial assets at fair value through profit or loss.

2) Basis of recognition and measurement of transfer of financial assets

The Group derecognizes a financial asset when one of the following conditions is met: ① the contractual rights to receive cash flows from the financial asset expires; ② the financial asset is transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither

transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

If a transfer of a financial asset as a whole satisfies the derecognition condition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of changes in fair value originally recognized in other comprehensive income, corresponding to the derecognized portion (the contractual terms of the financial asset involved in the transfer provide that the cash flows arising on a specific date are only payments of principal and interest based on the principal amount outstanding), is recognized in profit or loss.

If a partial transfer of a financial asset satisfies the conditions for derecognition, the whole carrying value of the financial asset transferred is apportioned between the derecognized portion and the un-derecognized portion according to their respective relative fair values. And the difference between the sum of the consideration received for the transfer and the cumulative amount of changes in fair value originally recognized in other comprehensive income corresponding to the derecognized portion that shall be apportioned to the derecognized portion (the contractual terms of the financial asset involved in the transfer provide that the cash flows arising on a specific date are only payments of principal and interest based on the principal amount outstanding), and the above apportioned carrying value of financial assets is recognized in profit or loss.

3) Expected credit losses

i. Application scope

The Group makes impairment accounting treatment and recognizes a provision for losses based on expected credit losses, for the following items: ①financial assets measured at amortized cost and debt instrument investment at fair value through other comprehensive income; ② lease receivables; ③ contract assets; ④ loan commitments and financial guarantee contracts issued, excluding financial liabilities at fair value through profit or loss.

ii. Method of determining expected credit losses and accounting treatment

Expected credit losses, which are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses, being the difference between all contractual cash flows receivable under the contract and all cash flows expected to be collected by the Group discounted at the original effective interest rate, are the present value of the total cash shortfall.

The Group measures provision for losses for the following items at the amount equal to the expected credit loss over their entire duration: ①receivables or provision for losses on

contract assets resulted from the transactions governed by Accounting Standards for Business Enterprises No. 14- Revenue, whether the item contains material financing components, or not; ② finance lease receivables; ③ operating lease receivables.

For other items other than those mentioned above, the Group measures the provision for losses according to the following situations: The Group applies the simplified method to recognize the expected credit losses on notes receivable and contract assets, i.e. the provision for losses on notes receivable and contract assets are measured at the amount equal to the expected credit losses over their entire duration.

For other items within the scope of accruals of expected credit losses, other than accounts receivable, notes receivable and contract assets, the provision for losses is recognized in accordance with a three-stage model. The Group assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition at each balance sheet date, measures its provisions for losses and recognizes expected credit losses and changes in them separately in accordance with the following circumstances: ① if the credit risk of the financial instrument has increased significantly since initial recognition or default has occurred, the Company shall measure the provision for loss at an amount equal to the expected credit loss over its entire duration. ② if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company shall measure the provision for losses at an amount equal to the expected credit losses over the next 12 months of the financial instrument.

At the end of the period, the Group calculates the expected credit losses on various financial assets and recognizes the difference as an impairment loss if the expected credit losses are higher than the carrying value of its current provision for impairment, or as an impairment gain if the expected credit losses are less than the carrying value of the current provision for impairment. However, such reversed provision amount shall not be less than zero.

For investments in debt instruments that are measured at fair value through other comprehensive income, i.e., other debt assets, the resulting provision for losses is recognized in other comprehensive income and shall not reduce the carrying value of the financial asset as presented in the statement of financial position.

For loan commitments and financial guarantee contracts issued, excluding financial liabilities at fair value through profit or loss, its resulting provision for losses is recognized in the provision.

For a financial asset whose credit risk has increased significantly or credit loss has occurred, or a financial asset with financially significant customers, the Group measures its provision for impairment individually. For a financial asset without being assessed individually,

the Group measures the provision for impairment based on its credit risk characteristics and classifies them into different portfolios.

Basis of determining porfolio		
Item	**Portfolio type**	**Basis of determining porfolio**
Financial investment	Financial investment	Classified by subject
Accounts receivable	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt-related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Contract assets	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt-related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Other receivables (excluding advances from customers)	Low-risk category	Other receivables with very low risk, such as employee loans, social insurance fees, provident funds, etc. in daily operating activities.
	Government debt	Debtors are governments at all levels
	Non-governmental debt –borrowing- intra-group on-governmental debt –borrowing- related party on-governmental debt –borrowing- extra-group	The nature of fund is inter-company's borrowing, and is divided into intra-group customers, related party customers and extra-group customers according to the borrower
	Non-governmental debt - Other receivables	Non-governmental debtors, and the nature of fund is ordinary transactions; litigation costs; deposits and allowances
Long-term receivables	Finance lease payments	Long-term receivables are finance lease items
	Other long-term receivables - intra-group Other long-term receivables - related party Other long-term receivables - extra-group	The nature of money is non-finance lease items, which are divided into intra-group customers, related party customers and extra-group customers according to customers
Other assets - entrusted loans	Entrusted loans - intra-group	The financier is the intra-group customer
	Entrusted loans - related party	The financier is the related party customer
	Entrusted loans - extra-group	The financier is the extra-group customer
Loans and advances	Loans to public	Customer type belongs to public customers, and can also be subdivided according to the industry they belong to
	Personal loans	Customer type belongs to individual customers
Subrogation recovery of receivables	Commutations receivable	Classified by subject
Notes receivable	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group	Divided by customers into intra-group customers, related party customers and extra-group customers
Receivables financing	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group Accounts receivable - intra-group Accounts receivable - related party Accounts receivable - extra-group	Classified by subjects, divided by customers into intra-group customers, related party customers, and extra-group customers
Off-balance-sheet guarantee	Off-balance-sheet guarantee - intra-group Off-balance-sheet guarantee - related party Off-balance-sheet guarantee - extra-group	Divided by customers into intra-group customers, related party customers, and extra-group customers
Accrual method with provision for bad debts by portfolio		

Financial investments, accounts receivable, contract assets, other receivables-government debts, other receivables-borrowings, long-term receivables-non-finance leases, other assets-entrusted loans, notes receivable, receivables financing, off-balance-sheet guarantees	Provision for impairment measured based on the rating mapping model
Other receivables, subrogation recovery of receivables	Provision for impairment measured based on the rolling rate model
Long-term receivables-finance leases (leasing companies), loans and advances (microfinance companies)	Provision for impairment measured based on the Wilsion statistical model
Grouped as intra-group accounts receivable, notes receivable, receivables financing, contract assets, other receivables, long-term receivables, other assets - entrusted loans, off-balance-sheet guarantees, etc., other receivables - low risk category, treasury bonds, policy financial bonds	Combining historical experience on default loss and current economic conditions, and considering forward-looking information, the expected credit loss rate is 0.

(2) Financial liabilities

1) Financial liabilities classification, recognition basis and measurement method

The Group classifies financial liabilities as financial liabilities at amortized cost, except for the following: ① financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss. ② financial liabilities resulting from the transfer of financial assets that do not meet the derecognition criteria or from the continued involvement in the transferred financial assets. ③ financial guarantee contracts that do not fall under the circumstances of ① or ② above, and loan commitments to lend at below-market interest rates that do not fall under the circumstances of ① above.

The Group accounts for contingent consideration recognized as a purchaser in a business combination not under common control that results in a financial liability at fair value through profit or loss.

2) Conditions for derecognition of financial liabilities

When the present obligation of a financial liability is discharged in whole or in part, the financial liability or the part of the obligation that has been discharged is derecognized. When the Group enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability and the contractual terms of the new financial liability are materially different from those of the existing financial liability, the existing financial liability is derecognized and the new financial liability is recognized at the same time. If the Group materially modifies the contractual terms of all or part of an existing financial liability, the Group derecognizes the existing financial liability or part of it, and recognizes the financial liability that has modified the terms as a new financial liability at the same time. The difference between the carrying value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the principal market, or, if no principal market exists, at prices in the most advantageous market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. There are three levels of inputs used in fair value measurements, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and level 3 inputs are unobservable inputs for the related assets or liabilities. The Group prioritizes the use of level 1 inputs and uses level 3 inputs at last. The level to which the fair value measurement result belongs is determined by the lowest level of the input value that is significant to the fair value measurement as a whole.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances where there is insufficient recent information available to determine fair value, or where the range of possible estimates of fair value is so wide that cost represents the best estimate of fair value within that range, such cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the statement of financial position and are not offset against each other. However, they are presented in the statement of financial position in net amounts after offsetting each other if the following conditions are met: (1) the Group has a legal right to offset the recognized amounts and such legal right is currently enforceable; and (2) the Group plans to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of financial liability if the Group cannot unconditionally avoid meeting that obligation by delivering cash or other financial assets. Some financial instruments do not explicitly contain terms and conditions for the obligation to deliver cash or other financial assets, but it is possible that contractual obligations may arise indirectly through other terms and conditions. (2) If a financial instrument is required to be settled by or available for settlement with the Group's own equity instruments, consideration needs to be given to whether the Group's own equity instruments used to settle the instrument are intended as a substitute for cash or other

financial assets or to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a financial instrument contract requires the Group to settle the financial instrument with its own equity instruments, where the amount of contractual rights or contractual obligations is equal to the number of own equity instruments that can be obtained or delivered multiplied by its settlement fair value at the time of the contract, whether the amount of the contractual rights or obligations are fixed or based in whole or in part on variables other than the market price of the Group's own equity instruments (such as interest rates, the price of a commodity or a financial instrument), the contract is classified as a financial liability.

The Group takes into account all terms and conditions agreed between group members and holders of financial instruments when classifying financial instruments (or their components) in the consolidated statements. An instrument is classified as a financial liability if the group as a whole has an obligation to deliver cash, and other financial assets, or otherwise settle in a manner that causes the instrument to become a financial liability as a result of the instrument.

If a financial instrument or its component parts belong to financial liabilities, the related interest, dividends on shares (or dividends), gains or losses, and gains or losses arising from redemption or refinancing are recognized by the Group in profit or loss for the current period.

When financial instruments or their components belong to equity instruments, the Group treats them as changes in equity when they are issued (including refinancing), repurchased, sold or cancelled, and does not recognize changes in the fair value of equity instruments.

10. Hedging instruments

The Group's hedging operations include fair value hedges and cash flow hedges. The offsetting results of changes in the fair value of the hedging instrument and the hedged item are recognized in profit or loss in the same accounting period when the following conditions are met:

(1) The hedging relationship consists only of the eligible hedging instrument and the hedged item.

(2) At the inception of the hedge, the Group formally designates the hedging instrument and the hedged item and prepares a formal designation and written documentation of the hedging relationship and the Group's risk management strategy and risk management objectives for engaging in the hedge. This documentation contains, at a minimum, the hedging instrument, the hedged item, the nature of the hedged risk and the method of assessing the

effectiveness of the hedge (including an analysis of the reasons for the cause of the hedge's ineffective portion and the method of determining the hedge ratio).

(3) The hedging relationship complies with the hedge effectiveness requirements, that is, the hedge meets the following conditions at the same time: ① the Group identifies a hedging relationship where there is an economic relationship between the hedged item and the hedging instrument. The economic relationship causes the value of the hedging instrument and the hedged item to change in opposite directions due to the same hedged risk. ② the impact of credit risk does not dominate the value changes arising from the economic relationship between the hedged item and the hedging instrument. ③ the hedging ratio of the hedging relationship shall be equal to the ratio of the actual number of hedged items hedged by the enterprise to the actual number of hedging instruments for hedging, but shall not reflect the imbalance of the relative weights of the hedged items and hedging instruments. This imbalance can lead to ineffective hedges and may produce accounting results that are inconsistent with hedge accounting objectives.

The Group's hedged items are aluminum products and other non-ferrous metals, and the corresponding hedging instruments are futures contracts.

The Group uses the comparison method of the main terms of contracts (agreements) for the prospective evaluation of the effectiveness of the hedge and uses the ratio analysis method (regression analysis method) for the retrospective evaluation of the effectiveness of the hedge at the end of the reporting period.

11. Inventory

The Group's inventory mainly includes raw materials, packaging, low-value consumables, engineering construction, goods in process and finished goods, etc.

Inventories are valued at actual cost at the time of acquisition under the perpetual inventory system. The actual cost of inventories received or issued is determined by the weighted average method, those being valued at planned cost, the apportioned cost difference is carried forward at the end of the month. Low-value consumables and packaging materials are amortized by the one-time write-off method.

Inventory is recognized at the lower of cost and net realizable value at the end of the period. For the part of inventories that are expected to be unrecoverable due to damages, obsolete in whole or in part, or the selling price is below cost, the provision for impairment of inventory shall be made at the end of the interim or year. The provision for impairment of inventory shall be withdrawn as the difference that the carrying value of the individual item of inventory is higher than its net realizable value; the net realizable value refers to the amount that estimated selling price minus costs expected to be incurred until completion, estimated sales expenses and related taxes.

If the cost of inventory is higher than its net realizable value, a provision for the decline in the value of inventory shall be made and recognized in profit or loss. When provision for impairment of inventory is recognized, the finished goods are measured by individual inventory item and the raw materials is made by category. On the balance sheet date, the enterprise shall determine the net realizable value of inventories. If the factors affecting the previous written-down of inventory value have disappeared, causing the net realizable value of the inventory to be higher than its carrying value, the written-down amount shall be recovered and reversed within the amount of the original provision for impairment of inventory, and the reversed amount is recognized in current profit or loss.

12. Contract assets

(1) Methods and criteria for recognition of contract assets

Contract assets refer to the rights that the Group has transferred goods to customers to receive consideration, and the rights depend on factors other than the passage of time. If the Group sells two clearly distinguishable commodities to a customer and is entitled to receive payment because one of the commodities has been delivered, but the receipt of such payment is also dependent on the delivery of the other commodity, the Group treats the right to receive payment as a contract asset.

(2) Determination method of expected credit losses on contract assets and accounting treatment

The method of determining expected credit losses on contract assets is referred to in Note IX. “Financial assets and financial liabilities”.

Accounting treatment: if the expected credit loss is greater than the current carrying value of the provision for impairment of contract assets, the Group recognizes the difference as an impairment loss and debits "Impairment loss on assets" and credits "Provision for impairment of contract assets". Conversely, the Group recognizes the difference as an impairment gain and makes the opposite accounting entry.

The Group incurs credit losses in practice and identifies the related notes or accounts receivable are irrecoverable, after approval, their value could be written off. Based on the approved write-off amount, the Group debits "provision for contract assets" and credits "contract assets". If the write-off amount is greater than the provision amount made, their difference is debited to "impairment loss of assets".

13. Long-term equity investments

(1) Determination of control, joint control or significant influence over the investee

The Group's long-term equity investments mainly consist of equity investments held by the Group that enable the Group to exercise control or significant influence over the investees, and equity investments in its joint ventures.

Control means that the Group has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is determined mainly on the basis of having representatives on the board of directors or similar authority of the investee and exercising significant influence through the right to speak in the process of making financial and operating decisions of the investee; if the Group owns, directly or indirectly through subsidiaries, more than 20% but less than 50% of the voting shares of the investee, and if there is clear evidence that it cannot participate in the production and operating decisions of the investee under such circumstances, it cannot form significant influence. In determining whether it can exercise significant influence over an investee, the Group considers, on the one hand, the voting shares of the investee held directly or indirectly by the Group and, on the other hand, the effect of current exercisable potential voting rights held by the Group and other parties after their presumed conversion into equity interests in the investee, such as the effect of current convertible warrants, share options and convertible corporate bonds issued by the investee.

(2) Method of determining the cost, subsequent measurement and profit or loss recognition of long-term equity investments

If cash payment, transfer of non-cash assets or assumption of debt are used as merger consideration, the initial investment cost of the long-term equity investment is recognized, on the consolidation date, at the carrying value of owner’s equity of the combined party recorded on the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments and the carrying value of cash paid, non-cash assets transferred or debt assumed is adjusted against the equity premium

in capital surplus; if the equity premium in capital surplus is not sufficient to offset it, it is adjusted against retained earnings.

If equity securities are issued as consideration for a merger, the initial investment cost of the long-term equity investment at the date of the merger is based on the acquisition of the share of the ownership interest of the consolidated party in the carrying value of the consolidated financial statements of the ultimate controlling party and the share capital is based on the total nominal value of the shares issued. The difference between the initial investment cost of the long-term equity investment and the total nominal value of the shares issued is adjusted against the share capital premium in capital surplus; the share capital premium in capital surplus is adjusted against the share capital premium in capital surplus. If the equity premium in capital surplus is not sufficient for elimination, the adjustment is made to retained earnings.

Business combinations not under common control: The Group uses the cost of the combination determined at the date of purchase as the initial investment cost of long-term equity investments.

Intermediary fees such as auditing, legal services, evaluation and consultation and other related management fees incurred for business combination are included in the current profit and loss when they occur; transaction costs of equity securities or debt securities issued as consideration for the combination are included in the initial recognition amount of the equity securities or debt securities.

Except for long-term equity investments acquired through business combination mentioned above, long-term equity investments acquired by paying cash are stated at investment cost based on the actual purchase price paid; long-term equity investments acquired by issuing equity securities are stated at investment cost based on the fair value of the equity securities issued; long-term equity investments invested by investors are stated at investment cost based on the value agreed in the investment contract or agreement; long-term equity investments acquired by debt restructuring, exchange of non-monetary assets, etc., are determined according to the relevant accounting standards.

The Group uses the cost method of accounting for long-term equity investments in which the Group is able to exercise control over the investee; the equity method of accounting is used for investments in joint ventures and associates.

When the cost method is adopted, the long-term equity investment is measured at the initial investment cost, and the cost of the long-term equity investment is adjusted when the investment is added or recovered. Profits or cash dividends declared to be distributed by the investee are recognized as investment income.

When the equity method is adopted for accounting, if the initial investment cost is greater than the investment cost, the difference of the fair value share of the investee's identifiable net assets enjoyed shall not adjust the initial investment cost of long-term equity investment; When the initial investment cost is less than the investment cost, the difference of the fair value share of the investee's identifiable net assets shall be included in the current profit and loss, and the cost of long-term equity investment shall be adjusted. Upon acquisition of long-term equity investments, investment income and other comprehensive income are recognized in accordance with the share of net profit or loss and other comprehensive income realized by the investee in the year, respectively, while the carrying value of long-term equity investments is adjusted; the portion of the long-term equity investments to which the investor is entitled is calculated based on the profit or cash dividends declared to be distributed by the investee, and the carrying value of long-term equity investments is reduced accordingly; the carrying value of long-term equity investments is adjusted and recognized in owners' equity for other changes in the investee's owner's equity other than net profit or loss, other comprehensive income and profit distribution. Based on the fair value of the investee's identifiable assets at the time of obtaining the investment, the net profit of the investee is adjusted according to the group's accounting policies and accounting period, and the investment income is recognized on the basis of offsetting the unrealized internal transaction loss and profit between the joint venture and the joint venture and calculating the part attributable to the investment enterprise according to the proportion.

(3) Changes in long-term equity investments

For an equity investment that can exercise joint control or significant influence over the investee but does not constitute control due to additional investment, the sum of the fair value of the equity investment originally held that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) plus the cost of the additional investment is used as the initial cost of the investment to be accounted for under the equity method, and the difference between its fair value and its carrying value is transferred to the current profit or loss when the investment is accounted for under the equity method. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee at the date of the additional investment determined in accordance with the new percentage of shareholding after the additional investment, if the former is greater than the latter, the carrying value of the long-term equity investment is not adjusted; if the former is less than the latter, the difference is adjusted to the carrying value of the long-term equity investment and recognized as non-operating income for the current period.

For long-term equity investments that are able to exercise control over investees not under common control due to additional investments, etc., the sum of the carrying value of

the equity investment originally held plus the cost of the additional investment is used as the initial cost of investment to be accounted for under the cost method when preparing the individual financial statements. Other comprehensive income recognized on equity investments held prior to the date of purchase due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon disposal of the investment. If an equity investment held before the date of purchase is designated as a non-trading equity instrument at fair value through other comprehensive income, the accumulated changes in fair value previously recognized in other comprehensive income are not transferred to current profit or loss.

If the Group no longer has joint control or significant influence over the investee due to the disposal of part of the equity investment, etc., and the remaining equity interest after disposal that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and carrying value at the date of loss of joint control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized on the former equity investment due to the adoption of the equity method of accounting shall be accounted for on the same basis as the investee directly disposes of the relevant assets or liabilities by the investee when the equity method of accounting is discontinued.

If an investor loses control over an investee for reasons such as the disposal of a portion of its equity investment, in preparing individual financial statements, if the remaining equity interest after disposal is capable of exercising joint control or significant influence over the investee, it is accounted for under the equity method instead, and the remaining equity interest is adjusted as if it had been accounted for under the equity method since its acquisition; if the remaining equity interest after disposal is not capable of exercising joint control or significant influence over the investee and its accounting is applicable to Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments (Caikuai [2017] No. 7), the difference between its fair value and its carrying value at the date of disposal is recognized in profit or loss.

(4) Disposal of long-term equity investments

The difference between the carrying value and the actual acquisition price of a long-term equity investment upon disposal is recognized as investment income in the current period. For a long-term equity investment measured by the equity method, the disposal of the long-term equity investment shall be accounted for on the same basis as the investee directly disposes of the relevant assets or liabilities, and the portion originally recognized in other comprehensive income shall be accounted for according to the corresponding ratio.

14. Investment property

The Group's investment properties include land-use rights that are held and intended to be transferred upon appreciation, and buildings that have been leased out.

Investment property acquired by the Group is initially measured at cost at the time of acquisition: The cost of acquired investment properties includes the purchase price, related taxes and other expenses directly attributable to the asset; the cost of self-constructed investment properties consists of the necessary expenses incurred in constructing the asset before it reaches its intended useable state. The cost of investment property acquired in other ways is recognized by applying the provisions of the relevant accounting standards.

The Group has an active real estate leasing market in its location and is able to obtain the leasing market prices and other relevant information of similar or comparable real estate from the real estate leasing market, so as to make scientific and reasonable estimates of the fair value of investment properties, and the fair value of investment property can be obtained reliably on a continuous basis. Therefore, the Group adopts the fair value model for the subsequent measurement of investment properties and does not depreciate or amortize investment properties, and should adjust the book value of investment property based on its fair value at the balance sheet date, and the difference between the fair value and the original book value is recognized in profit or loss for the current period.

When the use of an investment property is changed to self-use, the investment property is converted to a fixed asset or intangible asset from the date of the change. When the use of a self-use property is changed to earn rent or capital appreciation, the fixed assets or intangible assets are converted to investment property from the date of the change. When a conversion occurs, the book value before conversion is used as the recorded value after conversion if the conversion is for investment properties measured using the cost model, and the fair value at the date of conversion is used as the recorded value after conversion if the conversion is for investment properties measured using the fair value model.

Investment property is derecognized when it is disposed of, or permanently withdrawn from use and no future economic benefits are expected from its disposal. When the Group sells, transfers or retires investment properties or when investment properties are destroyed, the disposal proceeds, net of their carrying values and related taxes, are recognized in profit or loss for the current period.

15. Fixed assets

The Group's fixed assets are tangible assets that are held for the production of goods, provision of services, rental or operation management, have a useful life of more than one year and have a unit value of more than a certain amount.

Fixed assets include houses and buildings, machinery and equipment, transportation equipment, office equipment and others, and are recorded at their cost at the time of acquisition, of which, the cost of purchased fixed assets includes the purchase price and related taxes such as import duties, and other expenses directly attributable to the fixed assets incurred before they reach their intended useable state; the cost of self-constructed fixed assets consists of the necessary expenses incurred to construct the assets before they reach their intended useable state; fixed assets invested by investors are recorded at the value agreed in investment contract or agreement, but if the value agreed in investment contract or agreement is not fair, recorded at their fair value. The cost of self-constructed fixed assets consists of the necessary expenditure incurred before the asset reaches its intended useable state; the fixed asset invested by an investor is recorded at the value agreed in the investment contract or agreement, but if the value agreed in the contract or agreement is not fair, it is recorded at fair value; the fixed asset leased under a finance lease is recorded at the lower of the fair value of the leased asset and the present value of the minimum lease payments at the commencement date of the lease.

Subsequent expenditures related to fixed assets, including repair and renovation expenditures, which meet the conditions for recognition as fixed assets, are included in the cost of fixed assets and the carrying value is derecognized for the replaced portion; those that do not meet the conditions for recognition as fixed assets are recognized in profit or loss as incurred.

The Group depreciates all fixed assets, except for fully depreciated fixed assets that continue to be used and land that is separately recorded in the accounts. Depreciation is provided using the average life method and is charged to the cost or current expense of the relevant assets, depending on their use. The categorized depreciable lives, estimated net residual value rate and depreciation rates of the Group's fixed assets are as follows:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	House & buildings	5-50	0.00-5.00	1.90-20.00
2	Machinery and equipment	4-30	0.00-5.00	3.17-25.00
3	Transportation	4-15	0.00-5.00	6.33-25.00
4	Electronic equipment	3-10	0.00-5.00	9.50-33.33
5	Office equipment	2-11	0.00-5.00	8.64-48.50
6	Other equipment	3-15	3.00-5.00	9.50-32.33

The Group reviews the estimated useful lives, estimated net residual values and depreciation methods of fixed assets at the end of each year and treats changes, if any, as changes in accounting estimates.

A fixed asset is derecognized when it is disposed of, or when no economic benefits are expected to arise from its use or disposal. Proceeds from the disposal of fixed assets that are

sold, transferred, scrapped or destroyed, net of their carrying values and related taxes, are recognized in profit or loss for the current period.

16. Construction in progress

Construction in progress is measured according to the actual costs incurred. Self-operated construction projects are measured by direct materials, direct wages and direct construction costs; contracted construction projects are measured by the construction price payable; and equipment installation projects are determined by the value of the equipment installed, installation costs, and expenses incurred in the commissioning of the project, etc. The cost of construction in progress also includes borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction in progress reaches its intended useable state, fixed assets are carried forward at the estimated value based on the project budget, cost or actual cost of the project, etc. Depreciation starts from the following month, and the difference in the original value of fixed assets is adjusted after the completion of the final accounting procedures for completion.

17. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings. For borrowing costs attributable to the acquisition, construction or production of an asset that meets the capitalization conditions, the borrowing costs shall be capitalized when the expenditure on the assets and borrowing costs have been incurred, and the necessary acquisition, construction or production activities have commenced for making assets ready for the use or sale of assets. The capitalization shall be stopped when the assets acquired, constructed or produced that meet the capitalization conditions are ready for use or sale. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

The interest expense actually incurred in the current period of the special loan shall be capitalized after deducting the interest income obtained from the unused loan funds deposited in the bank or the investment income obtained from the temporary investment; the general loan shall be capitalized according to the assets whose accumulated asset expenditure exceeds the special loan part. The capitalized amount is determined by multiplying the weighted average of expenses by the weighted average interest rate of the occupied general loans.

Assets eligible for capitalization are assets such as property, plant and equipment, investment properties and inventories that require a considerable period of time (usually more than one year) for their acquisition or production activities to be ready for use or for sale.

If the acquisition, construction or production of an asset that meets the capitalization conditions is abnormally interrupted and the interruption lasts for more than 3 months, the capitalization of borrowing costs will be suspended until the acquisition, construction or production of the asset resumes.

18. Intangible assets

The Group's intangible assets, including land-use rights, patented technology and non-patented technology, are measured at their actual cost at the time of acquisition, of which, the actual cost is based on the actual price paid and related other expenses for purchased intangible assets; the actual cost is determined at the value agreed in the investment contract or agreement for intangible assets invested by investors, except that if the agreed value in the contract or agreement is not fair, the actual cost is determined at fair value.

Land-use rights are amortized evenly over the period from the commencement date of the grant; patented technology, non-patented technology and other intangible assets are amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law. The amortization amount is charged to the cost of the related assets and current profit or loss according to the object of their benefit.

The estimated useful life and amortization method of intangible assets with finite useful lives are reviewed at the end of each year and, if changed, are treated as changes in accounting estimates. The estimated useful lives of intangible assets with indefinite useful lives are reviewed at each accounting period, and if there is evidence that the useful lives of the intangible assets are finite, the useful lives are estimated and amortized over the estimated useful lives. The specific amortization is as below:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	Software	3-15	0.00	6.67-33.33
2	Land use rights	40-70	0.00	1.43-2.50
3	Mining rights	15-30	0.00	3.33-6.67
4	Sea area use right	50	0.00	2.00
5	Concessions	5	0.00	20.00
6	Patents	5-10	0.00	10.00-20.00

19. Research and development

The Group's research and development expenditures are classified as research-stage expenditures and development-stage expenditures based on their nature and whether there is a high degree of uncertainty that the research and development activities will ultimately result in intangible assets. Research stage expenditures are recognized in profit or loss as incurred; development stage expenditures are recognized as intangible assets when all the following conditions are met:

(1) It is technically feasible to complete the intangible asset so that it can be used or sold;

(2) Has the intent to complete the intangible asset and use or sell it;

(3) The existence of a market for the product produced using the intangible asset or the existence of a market for the intangible asset itself;

(4) Have sufficient technical, financial and other resources to support the completion of the development of the intangible asset and the ability to use or sell the intangible asset;

(5) The expenditure attributable to the development phase of the intangible asset can be measured reliably.

Expenditures in the development stage that do not meet the above conditions are recognized in profit or loss in the current period as incurred. Development expenditures charged to profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures in the development stage that have been capitalized are presented as development expenditures on the statement of financial position and are presented as intangible assets from the date the project reaches its intended useable state.

20. Long-term deferred expenses

The Group's long-term deferred expenses are amortized expenses that have been expensed but should be borne by the current and future periods with an amortization period of one year or more (excluding one year), and such expenses are amortized equally over the period of benefit. If an item of long-term deferred expense does not benefit subsequent accounting periods, the entire unamortized amortized value of the item is transferred to current profit or loss.

21. Goodwill

Goodwill represents the excess of the cost of an equity investment or the cost of a business combination not under common control over the share of the fair value of the identifiable net assets of the investee or the acquiree acquired in a business combination at the acquisition date or the purchase date.

Goodwill related to subsidiaries is presented separately in the consolidated financial statements and goodwill related to associates and joint ventures is included in the carrying value of long-term equity investments.

22. Impairment of non-financial long-term assets

The Group examines long-term equity investments, property and equipment, construction in progress, and intangible assets with finite useful lives at each balance sheet

date. When the following indications exist that an asset may be impaired, the Group performs an impairment test. Goodwill and intangible assets with indefinite useful lives are tested for impairment at the end of each year, regardless of whether there is an indication of impairment. If it is difficult to test the recoverable amount of an individual asset, the test is performed on the basis of the asset group or combination of asset groups to which the asset belongs.

After the impairment test, if the carrying value of the asset exceeds its recoverable amount, the difference is recognized as an impairment loss. Once an impairment loss is recognized for the above asset, it will not be reversed in subsequent accounting periods. The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows.

Indications of impairment are as follows:

(1) A significant decline in the market value of the asset in the current period that is significantly greater than the decline that would be expected due to the passage of time or normal use;

(2) Significant changes in the economic, technological or legal environment in which the enterprise operates and in the market in which the assets are located in the current period or will occur in the near future, which adversely affect the enterprise;

(3) Market interest rates or other market rates of return on investments have increased in the current period, thereby affecting the discount rate at which the enterprise calculates the present value of the expected future cash flows from the asset, resulting in a significant reduction in the recoverable amount of the asset;

(4) Evidence shows that the asset is obsolete or that its physical substance has been damaged;

(5) The asset has been or will be idle, discontinued or scheduled for early disposal;

(6) Evidence reported within the enterprise that the economic performance of the asset has been or will be below expectations, such as when the net cash flows generated by the asset or the operating profit (or loss) achieved is significantly lower (or higher) than the projected amount;

(7) Other indications that the asset may have been impaired.

23. Contract liabilities

Contractual liabilities reflect the Group's obligation to transfer goods to customers for which consideration has been received or is receivable from customers. If the Group has paid the contract consideration or the Group has obtained the unconditional right to receive the contract consideration before transferring the goods to the customer, a contract liability is

recognized at the earlier of the actual amount paid by the customer or the amount due and payable, based on the amount received or receivable.

24. Employee benefits

Employee benefits refer to various benefits or compensations paid by the Company for receiving the services from the employees. The employee benefits mainly includes short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by the Group to employees' spouses, children, dependants, deceased employees' family members and other beneficiaries also belong to employee benefits.

(1) Short-term benefits refer to the remuneration of employees that the Group is required to pay in full within twelve months after the end of the annual reporting period in which the employees provide the relevant services, except for compensation for termination of the employment relationship with the employees. The Group's short-term remuneration includes salaries, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, work injury insurance premiums and maternity insurance premiums, housing fund, labor union expenses and employee education expenses, short-term paid absences, short-term profit-sharing plans, non-monetary benefits and other short-term remuneration.

The Group recognizes the actual short-term benefits incurred as a liability in the accounting period in which the employee provides the service, and recognizes it in the current profit or loss or the cost of related assets, depending on the beneficiary of the service provided by the employee. Short-term benefits that are non-monetary in nature are measured at fair value.

(2) Post-employment benefits refer to various forms of compensation and benefits provided by the Group to obtain services rendered by employees who retire or terminate the labor relationship with the Group, which exclude short-term remuneration and termination benefits.

(3) Termination benefits refer to compensation given by the Group to employees who terminate their employment relationship with the Group before the expiration of their employment contracts or to encourage them to voluntarily accept redundancy. For employees who do not terminate their employment contracts with the Group but no longer provide services to the Group in the future and cannot bring economic benefits to the Group, the Group undertakes to provide financial compensation in the nature of termination benefits, and in the case of "internal retirement", they shall be treated as termination benefits before their official retirement date and as post-employment benefits after their official retirement date. After the official retirement date, the benefits shall be treated as post-employment benefits.

Where the Group provides termination benefits to employees, liability for employee compensation arising from termination benefits is recognized in profit or loss at the earlier of when the Group is unable to unilaterally withdraw the termination benefits provided as a result of a termination plan or proposed redundancy, or when the Group recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

For termination benefits that are not expected to be fully paid within twelve months after the end of the annual reporting period, and for termination plans where the substantive termination is implemented within one year but compensation payments are made over one year, the Group selects the appropriate discount rate and measures the amount of termination benefits accrued in profit or loss at the discounted amount.

(4) Other long-term employee benefits refer to all employee compensation other than short-term compensation, post-employment benefits and termination benefits, including long-term compensated absences, long-term disability benefits and long-term profit-sharing plans, etc.

Other long-term employee benefits provided by the Group to employees that qualify as defined contribution plans are accounted for in accordance with the relevant provisions of the defined contribution plans. If other long-term employee benefits provided by the Group to employees qualify as defined benefit plans, the Group recognizes and measures the net negative amount of other long-term employee benefits-service costs in accordance with the relevant provisions of the defined benefit plans; net interest on net liabilities or net assets for other long-term employee benefits; changes resulting from remeasurement of net liabilities or net assets for other long-term employee benefits. The total net amount is charged to the current profit or loss or to the cost of the related assets.

25. Bonds payable

The Group's bonds payable are measured at fair value on initial recognition, and the related transaction costs are included in the initial recognition amount. Subsequently, they are measured at amortized cost.

The difference between the bond payment price and the total face value of the bonds is accounted for as a bond premium or discount and is amortized over the life of the bonds by the effective interest rate method when interest is accrued, and is treated as a borrowing cost.

26. Provisions

When contingencies, such as external guarantees, discounting of commercial acceptances, pending litigation or arbitration, product quality guarantees, etc., meet the following conditions, the Group recognizes them as liabilities: the obligation is a present obligation assumed by the Group; it is probable that the performance of the obligation will result in an

outflow of economic benefits to the enterprise; and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks associated with the contingency, uncertainties and the time value of money. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The carrying value of the provision is reviewed at each balance sheet date and the carrying value is adjusted to reflect the current best estimate if there is a change.

27. Other financial instruments such as preference shares and perpetual bonds

The Group classifies the preference shares and perpetual bonds that qualify as equity instruments, and other financial instruments as financial liabilities. The related accounting policies are described in Note IV. 9. (5) "Distinction between financial liabilities and equity instruments".

Preference shares and perpetual bonds classified as debt instruments are initially measured at their fair value net of transaction costs and subsequently measured at amortized cost using the effective interest rate method. Interest expense or dividend distribution is treated as borrowing costs, and gains or losses arising from their repurchase or redemption are recognized in profit or loss for the current period.

Preference shares and perpetual bonds classified as equity instruments increase the owner's equity after deducting transaction costs from the consideration received upon issuance, and their interest expense or dividend distribution is treated as profit distribution, and repurchase or cancellation is treated as changes in equity.

28. Revenue

The Group's operating revenue mainly consists of aluminum revenue, electricity revenue, trading revenue, real estate revenue, and fee and commission revenue.

Revenue is recognized when the Group’s performance obligation in the contract is fulfilled, that is when the customer obtains control of the related goods or services.

If a contract contains two or more performance obligations, the transaction price is apportioned to each individual performance obligation by the Group at the beginning of the contract in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and revenue is measured according to the transaction price apportioned to each individual performance obligation.

The transaction price is the amount of consideration to which the Group is expected to be entitled as a result of the transfer of goods or services to the customer, excluding amounts received on behalf of third parties. The transaction price recognized by the Group does not

exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognized in the aggregate when the relevant uncertainty is removed. Amounts expected to be returned to the customer as a liability are not included in the transaction price. If there is a significant financing component in the contract, the transaction price is determined by the Group on the basis of the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is acquired. The difference between this transaction price and the contract consideration is amortized over the term of the contract using the effective interest method. If the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price is expected to be less than one year at the contract commencement date, the existence of a significant financing component in the contract is not considered.

The Group's performance obligations in contracts are fulfilled within a certain time period when one of the following conditions is met; otherwise, performance obligations are fulfilled at a point in time:

(1) The customer acquires and consumes the economic benefits of the Group's performance at the same time as the performance.

(2) The customer is able to control the goods under construction in the course of the Group's performance.

(3) The goods produced in the course of the Group's performance are irreplaceable and entitled to receive payment by the Group for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period of time, revenue is recognized by the Group in accordance with the progress of performance over that period of time. When the progress of performance is not reasonably determinable, revenue is recognized in the amount of costs already incurred that are expected to be reimbursed until the progress of performance can be reasonably determined.

For performance obligations performed at a point in time, revenue is recognized by the Group at the point in time when the customer obtains control of the related goods or services. In determining whether the customer has acquired control of the goods or services, the following indications are considered:

(1) The Group has a present right to receive payment for the goods or services.

(2) Legal ownership of the goods has been transferred by the Group to the customer.

(3) The physical transfer of the item has been made by the Group to the customer.

(4) The principal risks and rewards of ownership of the goods have been transferred by the Group to the customer.

(5) The customer has accepted the goods or services, etc.

The Group's rights to receive consideration for goods or services transferred to customers are presented as contract assets, which are impaired on the basis of expected credit losses. The Group's unconditional rights to receive consideration from customers that are owned are presented as receivables. The Group's obligation to transfer goods or services to customers for which consideration is receivable for goods received is presented as a contractual liability.

Specific method of revenue recognition for the Group

(1) Aluminum revenue: According to the sales contract of goods, when both parties to the trade confirm the transfer of the right of goods and no effective control is exercised over the goods, the bill of transfer of the right of goods is reconciled with the bill of sale - and then revenue is recognized in the current period.

(2) Electricity revenue: Electricity revenue mainly refers to the revenue from electricity and heat charges, net of related taxes, received from the sale of electricity and heat. The Company and its subsidiaries recognize revenue when electricity and heat are sold to customers.

(3) Trade revenue: ① Warehouse trade business: if the sale contract agrees that the said goods are delivered to the agreed location by the buyer or by the company, and the buyer shall inspect the quantity or quality of the said goods in a reasonable period of time, the company recognizes revenue when it receives the information that the buyer confirms the said goods meet the agreement, issues a sale invoice and obtains the payment or right to receive payment. ②Warehouse Receipt Trade Business: In accordance with the sales contract, the company delivers and changes the bill of lading and the related right of lading to the buyer of the subject goods, issues a sales invoice, and recognizes sales revenue when it obtains the payment or right to receive the goods.

(4) Investment property revenue: Revenue from the sale of development products is recognized when the development products are completed and accepted, a legally binding sales contract is signed, the principal risks and rewards of ownership of the development products are transferred to the purchaser, and the Group neither retains the right of continuing management normally associated with ownership nor exercises effective control over the goods sold.

(5) Handling fees and commission income: ① Revenue from agency securities trading business is recognized on the date of agency securities trading. ② Revenue from securities underwriting and sponsorship business is recognized when the Group completes its performance obligations under the underwriting or sponsorship contracts. ③ Revenue from financial advisory and investment consulting business is recognized in accordance with the progress of performance as the Group fulfills its performance obligations or at the point when

the performance obligations are completed, depending on the nature of the consulting services and contract terms. ④ Revenue from the asset management business is recognized in accordance with the contractual terms of the asset management business in accordance with the progress of performance as the Group fulfills its performance obligations, or at the point when the performance obligations are completed.

29. Contract cost

(1) Method of determining the amount of assets related to contract costs

The Group's assets related to contract costs include costs to fulfil a contract and incremental costs of obtaining a contract.

Costs to fulfil a contract, which are costs incurred by the Group to perform a contract that is not regulated by other Accounting Standards for Business Enterprises and that also meet the following conditions, are recognized as a contract performance cost as an asset: the cost is directly attributable to a current or expected contract, including direct labor, direct materials, manufacturing costs (or similar costs), costs explicitly borne by the customer and other costs incurred solely in connection with that contract; the cost increases the Group's future resources available to meet its performance obligations; and the cost is expected to be recovered.

Incremental costs of obtaining a contract, which are incremental costs incurred by the Group to obtain a contract that are expected to be recovered, are recognized as contract acquisition costs as an asset; if the asset is amortized over a period of not more than one year, it is recognized in profit or loss as incurred. Incremental costs are costs that the Group would not have incurred without obtaining the contract (e.g., sales commissions, etc.). Expenses incurred by the Group to obtain a contract other than incremental costs that are expected to be recovered (such as travel expenses that would have been incurred regardless of whether the contract was obtained) are recognized in profit or loss as incurred, except for those explicitly borne by the customer.

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortized to current profit or loss using the same basis as the revenue recognition of the commodity to which the asset relates.

(3) Impairment of assets related to contract costs

In determining impairment losses on assets related to contract costs, the Group first determines impairment losses on other assets related to contracts recognized in accordance with other relevant Accounting Standards for Business Enterprises; then, based on the difference between the carrying value of the asset and the remaining consideration that the Group expects to obtain for the transfer of the commodity-related to the asset and the

estimated costs to be incurred for the transfer of the related commodity, the excess should be provided for impairment and recognized as an asset impairment loss.

If there is a subsequent change in the factors for impairment in previous periods, such that the aforementioned difference is higher than the carrying value of the asset, the original provision for impairment is reversed and recognized in profit or loss, but the carrying value of the reversed asset should not exceed the carrying value of the asset at the date of reversal assuming no provision for impairment was made.

30. Government grants

Government grants are monetary assets or non-monetary assets that the Group obtains from the government without consideration. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount actually received if they are monetary assets, or at the amount receivable if there is conclusive evidence that the relevant conditions set forth in the financial support policy can be met and the financial support funds are expected to be received at the end of the period. If the government grants are non-monetary assets and their fair value that cannot be reliably obtained, they shall be measured at the nominal amount (RMB 1).

The Group's government grants are distinguished into asset-related government grants and revenue-related government grants. Among them, asset-related government grants refer to government grants obtained by the Group for the acquisition and construction or other formation of long-term assets; revenue-related government grants refer to government grants other than asset-related government grants. If the objects of subsidies are not specified in government documents, the Group makes judgments in accordance with the above distinction principles, and if it is difficult to distinguish them, they are classified as revenue-related government grants as a whole.

Government grants related to assets are written down to the carrying value of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are recognized in profit or loss over the useful life of the related assets in the same manner as the economic benefits associated with the assets are realized.

If the related assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the unallocated balance of the related deferred gain is transferred to profit or loss in the period in which the assets are disposed of.

Government grants related to revenue, which are used to compensate for related costs and expenses or losses in subsequent periods, are recognized as deferred income and

recognized in profit or loss or reduced by related costs in the period in which the related costs and expenses or losses are recognized; those used to compensate for related costs and expenses or losses already incurred are recognized directly in profit or loss or reduced by related costs. Government grants related to ordinary activities are recognized in other income or reduced by related costs and expenses in accordance with the substance of the economic operations. Government grants not related to ordinary activities are recognized as non-operating income and expenses.

Where the Group obtains policy-based preferential loan subsidies, a distinction is made between cases in which the finance allocates the subsidies to the lending bank and cases in which the finance allocates the subsidies directly to the Group, which are accounted for in accordance with the following principles:

(1) If the finance allocates the discounted interest funds to the lending bank, and the lending bank provides loans to the Group at a policy preferential interest rate, the Group uses the actual amount received as the recorded value of the borrowings and calculates the related borrowing costs based on the principal amount of the borrowings and such policy preferential interest rate.

(2) The finance allocates the discounted interest funds directly to the Group, and the Group reduces the corresponding discounted interest to the relevant borrowing costs.

If the Group has recognized government grants that need to be returned, they are accounted for in the period in which they need to be returned by circumstance in accordance with the following rules:

(1) If the carrying value of the relevant asset is reduced on initial recognition, the carrying value of the asset is adjusted.

(2) If deferred income exists, the carrying value of the deferred income is reduced and the excess is recognized in profit or loss.

(3) In other cases, it is directly charged to the current profit or loss.

31. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax bases of assets and liabilities and their carrying values (temporary differences). Deferred tax assets are recognized for deductible losses and tax credits that can be offset against taxable income in subsequent years in accordance with the provisions of the tax law as if they were temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is recovered or the liability is settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The carrying value of deferred tax assets recognized is reduced to the extent that it is not expected that sufficient taxable income will be available against which the deferred tax assets can be utilized in future periods. To the extent that it is probable that sufficient taxable income will be available, the written-down amount is reversed.

32. Lease

A lease is an agreement whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a payment or series of payments. On the commencement date of the contract, the Group shall assess whether the contract is a lease or contains a lease. A contract is leased or contains a lease if a party to the contract assigns the right to control the use of one or more identified assets for a certain period of time in exchange for consideration. In order to determine whether the contract conveyed the right to control the use of the identified assets for a certain period of time, the Group shall assess whether the customer in the contract is entitled to almost all of the economic benefits arising from the use of the identified asset during the period of use and is entitled to dominate the use of the identified asset during that period of use.

Where a contract contains multiple separate leases at the same time, the contract is split by the Group and each separate lease is accounted for separately. If a contract contains both leased and non-leased components, the leased and non-leased components are separated for accounting treatment.

(1) The Group as a lessee

Right-of-use assets and lease liabilities are recognized, for the lease, at the commencement date of the lease term.

Right-of-use assets are initially measured at cost, which includes the initial measurement of the lease liability, the lease payments made on or before the commencement date of the lease (net of amounts related to lease incentives received), the initial direct costs incurred and the costs expected to be incurred to disassemble and remove the leased asset, restore the location of the leased asset or recover the leased asset to its agreed condition under the terms of the lease. The Group depreciates right-of-use assets using the straight-line method. Where it is reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, the Group depreciates the leased asset over its remaining useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date of the lease term, and the discount rate is the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be determined, the Group uses the incremental borrowing rate as the discount rate.

The Group calculates the interest expense on the lease liability for each period of the lease term based on a fixed periodic interest rate, which is charged to current profit or loss or to the cost of the related asset. Variable lease payments that are not included in the measurement of the lease liability are charged to current profit or loss or the cost of the related assets when they are actually incurred.

After the start date of the lease term, the Group re-determines the lease payment amount and re-measures the lease liability at the present value calculated based on the changed lease payment amount and the revised discount rate if the following circumstances occur: a change in the evaluation of the purchase option, lease renewal option or lease termination option, a change in the lease term due to the actual exercise of the lease renewal option or lease termination option that is inconsistent with the original evaluation; a change in the amount expected to be payable based on the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount.

When the lease liability is remeasured, the Group adjusts the carrying value of the right-of-use asset accordingly. If the carrying value of the right-of-use asset has been reduced to zero but the lease liability is subject to further reduction, the Group recognizes the remaining amount in profit or loss for the current period.

The Group has determined not to recognize right-of-use assets and lease liabilities for short-term leases (leases with a lease term not exceeding 12 months) and leases of low-value assets, and to recognize the related lease payments in profit or loss or the cost of the related assets on a straight-line basis over the respective periods of the lease term.

(2) The Group as a lessor

At the start date of the lease, the Group classifies leases as finance leases and operating leases. Finance leases are leases that substantially transfer all the risks and rewards associated with ownership of the leased assets, regardless of whether ownership is ultimately transferred. Operating leases are leases other than finance leases.

When the Group acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease, rather than the underlying asset of the original lease. If the original lease is a short-term lease and the Group chooses to apply the simplified treatment of short-term leases described above to the original lease, the Group classifies the sublease as an operating lease.

Under finance leases, the Group recognizes finance lease receivables for finance leases at the start date of the lease term and derecognizes the finance lease assets. When the Group makes an initial measurement of finance lease receivables, the net amount of lease investment is used as the carrying value of the finance lease receivables. The net amount of lease investment is the sum of the unguaranteed residual value and the present value of the collected amount of lease not yet received at the start date of the lease term discounted at the interest rate implicit in the lease.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments not included in the measurement of the net amount of lease investments are recognized in profit or loss when they are actually incurred.

Under operating leases, the Group recognizes the collected amount of lease from operating leases as rental income using the straight-line method (or other systematic and reasonable methods) over the respective periods of the lease term. Initial direct costs related to operating leases are capitalized and amortized to current profit or loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the collected amount of the lease are recognized in profit or loss when they are actually incurred.

33. Safety production fee

The safety production fee, which is withdrawn in accordance with the national regulations, is included in the cost of relevant products or current profit and loss, and is also recorded in "Special reserve".

When using the extracted production safety costs, which are costly expenses, directly offset the special reserve. If the extracted production safety fee is used to form fixed assets, the expenses incurred are classified through the "construction in progress" account and recognized as fixed assets when the safety project is completed and reaches its intended useable state; at the same time, the special reserve is reduced according to the cost of forming fixed assets and the accumulated depreciation is recognized in the same amount. The fixed assets are not depreciated in subsequent periods.

34. Held-for-sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they both meet the following conditions: (1) In accordance with the practice for the sale of such assets or disposal groups in similar transactions, they can be sold immediately in their current condition; and (2) the sale is highly probable, that is, a resolution has been made on a sale plan and a firm commitment to purchase has been obtained, and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. Before the Group classifies a

non-current asset or disposal group as held for sale for the first time, the carrying value of each asset and liability in the non-current asset or disposal group is measured in accordance with the provisions of the relevant accounting standards. On initial measurement or remeasurement of non-current Held-for-sale assets or disposal groups at the balance sheet date, if the carrying value is higher than its fair value less costs to sell, the carrying value is written down to its fair value less costs to sell, and the amount of the write-down is recognized as an impairment loss on the asset and charged to current profit or loss, together with a provision for impairment of Held-for-sale assets.

(2) Non-current assets or disposal groups acquired by the Group for resale are classified as held for sale at the date of acquisition if they meet the prescribed condition that the sale is expected to be completed within one year and it is probable that other conditions for classification as held for sale will be met in the short term (usually three months). At initial measurement, the initial measurement amount assuming it is not classified as held for sale and the net amount of fair value less costs to sell are compared and the lower is measured. Except for non-current assets or disposal groups acquired in a business combination, the difference arising from the initial measurement of the non-current assets or disposal groups that is measured at fair value less costs to sell is recognized in profit or loss.

(3) If the Group loses control over a subsidiary due to the sale of the investment in the subsidiary, regardless of whether the Group retains part of the equity investment after the sale, the investment in the subsidiary to be sold will be classified as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary will be classified as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the conditions for classification as held for sale.

(4) If the net increase in the fair value less costs to sell non-current Held-for-sale assets at a subsequent balance sheet date, the amount previously written down should be restored and reversed within the amount of impairment loss recognized on assets after classified as held for sale, and the amount reversed is recognized in profit or loss for the current period. Impairment losses recognized before classification as held for sale are not reversed.

(5) The amount of impairment loss recognized on Held-for-sale assets disposal group is first set off against the carrying value of goodwill in the disposal group, and then against the carrying value of each non-current asset on a pro-rata basis according to its proportionate share of the carrying value.

If the net increase in the fair value less costs to sell of disposal groups held for sale at a subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of impairment loss recognized for non-current assets after classification as held for sale category for which the relevant measurement provisions apply,

and the reversal amount is recognized in profit or loss for the current period. The carrying value of goodwill that has been written down and the impairment loss recognized on non-current assets before classification, as held for sale, shall not be reversed.

The amount of subsequent reversal of impairment loss on assets recognized in disposal groups held for sale is increased proportionately to the carrying value of each non-current asset in the disposal group, except for goodwill.

(6) No depreciation or amortization is recognized for non-current Held-for-sale assets or non-current assets in disposal groups, and interest and other expenses continue to be recognized for liabilities in disposal groups held for sale.

(7) When a non-current asset or disposal group held for sale no longer continues to be classified as held for sale or when a non-current asset is removed from the disposal group held for sale because it no longer meets the conditions for classification as held for sale, it is measured at the lower of: (1) Carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment; (2) Recoverable amount.

(8) Upon derecognition of non-current Held-for-sale assets or disposal groups, the unrecognized gain or loss is recognized in profit or loss for the current period.

35. Fair value measurement

(1) Initial fair value measurement

For assets and liabilities measured at fair value, the Group measures the fair value using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants occurring at the measurement date, taking into account the characteristics of the asset or liability. When measuring a related asset or liability at fair value, the sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; the orderly transaction to sell the asset or transfer the liability takes place in the principal market for the related asset or liability. Where no principal market exists, the transaction is assumed to take place in the most advantageous market for the relevant asset or liability; Assumptions adopted by market participants to maximize their economic benefits when pricing the asset or liability are used. When measuring non-financial assets at fair value, they are considered that a market participant's ability to generate economic benefits from the assets' best use, or other market participant's ability, to which the assets are sold and can be best used, to generate economic benefits.

(2) Valuation techniques

The Group measures the relevant assets or liabilities at fair value using valuation techniques that are applicable in the current circumstances and supported by sufficient

available data and other information, and the valuation techniques used mainly include the market approach, the income approach and the cost approach, giving priority to the use of relevant observable inputs when applying valuation techniques, and using unobservable inputs only when relevant observable inputs are not available or practicable.

(3) Fair value hierarchy

The Group determines the level to which the fair value measurement results belong based on the lowest level to which the inputs that are significant to the fair value measurement as a whole belong: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the volume and frequency of transactions for the relevant asset or liability are sufficient to provide pricing information on a continuous basis. Level 2 inputs are inputs other than Level 1 inputs that are observable for the relevant asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the underlying asset or liability.

36. Accounting for the transfer of financial assets and securitization of non-financial assets

Where a transfer of a financial asset has occurred, it is judged on the basis of the transfer of substantially all the risks and rewards of ownership of the relevant financial asset: If all of the financial assets have been transferred, the corresponding financial assets are derecognized; if none have been transferred and substantially all the risks and rewards of ownership of the related financial assets have been retained, the financial assets are derecognized; if neither all the risks and rewards of ownership of the related financial assets have been transferred nor retained, derecognition is determined on the basis of the extent of control over the financial assets: If control over the financial asset is relinquished, the financial asset is derecognized; if control over the financial asset is not relinquished, the financial asset is recognized to the extent of its continued involvement in the financial asset, and the related liability is recognized accordingly. If a financial asset meets the conditions for derecognition as a whole, the difference between the consideration received for the transfer and the corresponding carrying value is recognized in profit or loss for the current period, and the cumulative change in the fair value of the related financial assets previously recognized directly in owners' equity is also transferred to profit or loss for the current period; if the conditions for derecognition of partial transfer are met, the carrying value of the financial asset involving the transfer as a whole is apportioned between the derecognized portion and the non-termination of recognition portion in accordance with their respective fair values, and the apportioned carrying value is used as the basis for the partial transfer. If the derecognition condition is not met, the consideration received is recognized as a financial liability.

37. Discontinued operating

A discontinued operation is a component of the Group that either has been disposed of or is classified as held for sale and is separately identifiable and satisfies one of the following conditions: (1) It represents a separate major line of business or geographical area of operations; (2) It is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; (3) It is a subsidiary acquired exclusively with a view to resale.

V. Description of changes in accounting policies and accounting estimates and corrections of errors

1. Changes in accounting policies and their effects

(1) Explanation No. 15

The Ministry of Finance issued and implemented *Accounting Standard for Business Enterprises Explanation No. 15* Caikuai [2021] No. 35 (hereinafter referred to as Explanation No. 15) on December 31st, 2021, which regulates the accounting treatment and judgment on loss-making contracts regarding the external sale of products or by-products produced by an enterprise before a fixed asset reaches its intended useable state or during research and development.

"Accounting treatment for external sales of products or by-products produced before a fixed asset reaches its intended useable state or in the course of research and development", Explanation No. 15 stipulates that if an enterprise sells products or by-products produced before a fixed asset reaches its intended useable state or during research and development to the public, the revenue and costs related to trial sales should be accounted for separately in accordance with the provisions of *Accounting Standard for Business Enterprises No. 14 - Revenue* and *Accounting Standard for Business Enterprises No. 1 - Inventory*, and should not be offset against the cost of fixed assets or research and development expenditures, and the net amount of revenue related to trial sales should not be offset against costs. Meanwhile, the enterprise should separately disclose in the notes the amount of revenues and costs related to trial sales, the specific items presented and the significant accounting estimates used in determining the costs related to trial sales and other relevant information. The regulation is effective as of January 1st, 2022, and should be retroactively adjusted for trial sales that occurred between the beginning of the earliest period presented in the financial statements and January 1st, 2022. The specific impact is as follows:

Guangxi Guidong Electric Power Co., Ltd., affecting the undistributed profit of RMB -341,162.82 and minority interests of RMB -482,153.46 at the beginning of 2022.

(2) Explanation No. 16

The Ministry of Finance issued and implemented *Explanation of Accounting Standards for Business Enterprises No. 16* Caikuai [2022] No. 31 (hereinafter referred to as Explanation No. 16) on December 12th, 2022, which regulates the accounting treatment of the income tax effects of dividends related to financial instruments classified as equity instruments by the issuer.

"Accounting for the income tax effect of dividends related to financial instruments classified as equity instruments by the issuer", Explanation No. 16 clarifies that for financial instruments classified as equity instruments by enterprises in accordance with the provisions of *Accounting Standard for Business Enterprises No. 37 - Presentation of Financial Instruments*, etc., the related dividend expense shall be deducted before corporate income tax in accordance with the relevant provisions of the tax policy, and the enterprise shall recognize the income tax effect of dividends payable to the current profit and loss or owners' equity item in a manner consistent with the accounting treatment used in past transactions or events that generated distributable profits. The regulation has been implemented since November 30th, 2022. For financial instruments classified as equity instruments, if the recognition of dividends payable occurs between January 1st, 2022 and the effective date of the regulation, and involves income tax effects and is not treated in accordance with the above provisions, it shall be adjusted in accordance with the above provisions. For financial instruments classified as equity instruments for which the recognition of dividends payable occurred before January 1st, 2022 and the related financial instruments have not been derecognized as of January 1st, 2022, retroactive adjustments should be made if they involve income tax effects and are not treated in accordance with the above provisions.

The Explanation No. 16 has been assessed to have no significant impact on the Group.

(3) Investment property guidelines

The Group may apply the fair value model to investment property for subsequent measurement if there is conclusive evidence that the fair value of the investment property can be reliably obtained on a continuing basis, as described in Note IV, 27. Subsidiaries not measured under the fair value model are retroactively adjusted at the consolidation level to January 1, 2021. The specific effects are as follows:

1) Guangxi Qiangqiang Carbon Co., Ltd., affecting the undistributed profit of RMB -2,676,291.87 and minority interests of RMB -2,712,951.66 at the beginning of 2021.

2) Guangxi Financial Investment Group Co., Ltd., affecting the undistributed profit of RMB -247,665,770.09 and minority interests of RMB -96,117.61 at the beginning of 2021.

3) Guangxi Beibu Gulf Bank Co., Ltd., affecting the undistributed profit of RMB 4,983,951.93 and minority interests of RMB 19,898,484.07 at the beginning of 2021.

4) Sealand Securities Co., Ltd., affecting the undistributed profit of RMB 40,883,905.06 and minority interests of RMB 105,385,545.34 at the beginning of 2021.

5) Guangxi GIG Energy Group Co., Ltd., affecting capital surplus of RMB -138,125.26, the undistributed profit of RMB 670,663.89 and minority interests of RMB -364,945.29 at the beginning of 2021.

2. Changes in accounting estimates and their effects

None.

3. Corrections of significant prior period errors and their impact

Guangxi Financial Investment Group Co., Ltd., Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd. and Guangxi Beibu Gulf Bank Co., Ltd. and others had prior period errors and restated the FY 2021 financial statements with the following impact amounts:

(1) Impact on the balance sheet

Unit: RMB

Item	Before adjustment	After adjustment	Impact amount
Notes receivable	367,662,604.70	388,881,538.23	21,218,933.53
Accounts receivable	5,107,472,309.33	5,182,579,139.97	75,106,830.64
Receivable financing	182,959,047.88	266,224,209.95	83,265,162.07
Interest receivable	436,166,521.62	434,121,188.28	-2,045,333.34
Inventory	8,194,466,776.42	8,132,282,406.38	-62,184,370.04
Non-current assets due within one year	100,404,285,635.75	100,406,330,969.09	2,045,333.34
Long-term equity investments	29,198,596,232.40	29,198,596,232.41	0.01
Investments in other equity instruments	35,805,071,983.79	35,877,841,450.52	72,769,466.73
Other non-current financial assets	13,638,552,404.30	13,565,782,937.57	-72,769,466.73
Deferred income tax assets	4,044,779,446.40	4,045,364,546.82	585,100.42
Short-term loans	22,362,172,920.47	22,364,164,873.66	1,991,953.19
Accounts payable	7,392,135,783.42	7,388,327,958.03	-3,807,825.39
Advance from customers	88,843,889.93	89,436,689.85	592,799.92
Contract liabilities	2,785,081,853.38	2,784,489,053.46	-592,799.92
Sold and repurchase financial assets	19,440,492,003.40	19,530,621,594.70	90,129,591.30
Taxes and surcharges payable	1,684,750,511.16	1,691,423,544.29	6,673,033.13
Interest payable	1,001,708,164.85	546,860,942.98	-454,847,221.87
Non-current liabilities due within one year	26,990,389,257.72	27,373,830,827.76	383,441,570.04
Other current liabilities	11,714,177,801.61	11,783,946,004.55	69,768,202.94
Provision for insurance contracts	5,762,950,068.28	5,762,950,068.27	-0.01
Long-term payables	17,140,052,328.73	17,154,052,328.73	14,000,000.00
Capital reserve	7,746,002,164.44	7,612,624,959.03	-133,377,205.41
Undistributed profit	-5,225,792,264.46	-5,099,950,234.58	125,842,029.88
Minority interests	84,127,238,603.81	84,145,416,132.30	18,177,528.49

(2) Impact on the income statement

Unit: RMB

Item	Before adjustment	After adjustment	Impact amount
Operating revenue	184,262,818,160.39	180,380,992,175.67	-3,881,825,984.72

Item	Before adjustment	After adjustment	Impact amount
Interest income	18,222,644,408.27	18,516,291,299.78	293,646,891.51
Earned premiums	723,121,175.29	4,310,130,410.76	3,587,009,235.47
Income from service charges and commissions	3,015,562,192.46	3,086,152,280.09	70,590,087.63
Operating costs	172,375,413,641.41	172,261,033,214.55	-114,380,426.86
Interest expense	13,671,650,591.00	13,828,665,857.98	157,015,266.98
Expenses for service charges and commissions	816,025,682.44	831,008,471.34	14,982,788.90
Taxes and surcharges	950,678,652.56	951,831,713.80	1,153,061.24
Selling expenses	5,717,035,364.19	5,711,801,213.24	-5,234,150.95
General and administrative expenses	4,917,343,163.10	4,691,595,349.05	-225,747,814.05
Research and development expenses	581,170,248.77	812,911,129.40	231,740,880.63
Financial expenses	3,110,841,803.50	3,110,662,782.65	-179,020.85
Investment income	5,834,433,478.28	5,834,254,457.43	-179,020.85
Credit impairment loss	-4,485,372,049.56	-4,489,294,292.55	-3,922,242.99
Non-operating income	418,561,205.78	418,561,205.77	-0.01
Income tax expense	1,309,968,422.52	1,305,294,450.26	-4,673,972.26
Minority interest gain or loss	3,218,029,024.82	3,223,386,398.23	5,357,373.41

VI. Taxation

1. Main taxes and tax rate

Tax category	Tax base	Tax rate
VAT	Taxable sales proceeds	13%、10%、9%、6%、5%、3%
Urban maintenance and construction tax	Turnover tax	7%、5%、1%
Educational surcharges	Turnover tax	3%
Local educational surcharges	Turnover tax	2%
Corporate income tax	Taxable profits	25%、20%、15%、5%

2. Tax incentives and approvals

(1) Guangxi Investment Group Co., Ltd.

1) The Company relies on the *Notice of Guangxi Zhuang Autonomous Region Department of Finance on Clarifying the Preferential Policies of Local Water Conservancy Construction Fund* (GuiCaiGui [2022] No. 1): "From January 1st, 2022 to March 31st, 2022 (the period to which it belongs), the local water conservancy construction fund shall be levied at a 50% reduction (i.e. 0.5‰ of operating revenue or sales revenue). "

2) The Company relies on the *Notice of the Department of Finance of Guangxi Zhuang Autonomous Region on Matters Relating to the Exemption of Local Water Conservancy Construction Fund* (GuiCaiShui [2022] No. 11): "From April 1st, 2022 to December 31st, 2026 (the period to which it belongs), the local water conservancy construction fund shall be exempted for all levy objects in Guangxi Zhuang Autonomous Region."

3) The Company relies on Article 26 of the *Enterprise Income Tax Law of the People's Republic of China* (President's Decree No. 63): "The following income of an enterprise shall be tax-exempt income: (1) interest income from treasury bonds; (2) equity investment income such as dividends and bonuses between eligible resident enterprises ....."

4) The Company relies on the *Notice of the Ministry of Finance, State Administration of Taxation on Fully Implementing the Pilot Conversion of Business Tax into Value-Added Tax* (CaiShui [2016] No. 36), Appendix 3 *Provisions on the Transitional Policy of the Pilot Conversion of Business Tax into Value-Added Tax*: "In the unified borrowing and repayment business, the interest charged by the enterprise group or the core enterprise in the enterprise group and the finance company belonging to the group to the enterprise group or the subordinate units within the group at a level not higher than the level of interest rate paid to the financial institution for borrowing or the level of coupon rate paid for bonds is exempt from VAT."

(2) Guangxi Financial Investment Group Co., Ltd.

1) According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Extension of Corporate Income Tax policy for Western Development* No.23 of 2020 issued by the Ministry of Finance, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. The enterprises belonging to encouraged industry refers to those whose main businesses are the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region*, and whose prime operating revenue accounts for more than 60% of the total revenue of the enterprise.

2) According to the Ministry of Finance Notice No. 13 of 2019 on the *Notice of the General Administration of Taxation on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises*, from January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small and micro enterprises that does not exceed RMB 1 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a rate of 20%; the portion of the annual taxable income that exceeds RMB 1 million but does not exceed RMB 3 million shall be reduced by 50% of the taxable income and subject to corporate income tax at a rate of 20%.

According to the State Administration of Taxation Announcement No. 12 of 2021 on *Announcement of the State Administration of Taxation on the Implementation of Preferential Income Tax Policies for Supporting the Development of Small and Microprofit Enterprises and Individual Entrepreneurs*, from January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small and profitable enterprises not exceeding 1 million yuan will be reduced by 12.5% of the taxable income and subject to corporate income tax at a rate of 20%.

3) According to the *Notice on Value-added Tax Policies for Input Tax Credit of Leased Fixed Assets* (Caishui [2017] No.90), Article 6, the borrowings provided by payers to farmers, small enterprises, microenterprises, and individual businesses, revenues from guarantee fees received by issuing bonds to support finance guarantee, and revenues from re-guarantee fees received by re-guaranteeing the above finance guarantee (hereinafter referred as to original

guarantee), are exempt from value-added tax from January 1st, 2018 to December 31st, 2019. According to the *Announcement on the Continuation of the Implementation of Preferential Tax Policies Relating to Financial Inclusion* (Announcement No. 22 of 2020 by the General Administration of Taxation of the Ministry of Finance), the implementation period of the tax preferential policies stipulated in the *Notice on Value-Added Tax Credit for Input Tax on Leased-in Fixed Assets and Other Value-Added Tax Policies* (CaiShui [2017] No. 90), which expired on December 31st, 2019, has been extended to December 31st, 2023.

4) According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36), Article 1, Paragraph 10 of Annex 3, "Agricultural machinery ploughing, drainage and irrigation, pest control, plant protection, farming and animal husbandry insurance and related technical training business, poultry, livestock, aquatic animal breeding and disease control are exempt from value-added tax ", Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by Nanning State Taxation Bureau on April 29th, 2016 for the Registration Form for Taxpayer Tax Reduction and Exemption, which is exempted from value-added tax since May 1st, 2016.

5) According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No.36), Article 1, Paragraph 21 of Annex 3, "Premium income from life insurance products offered by insurance companies for more than one year is exempt from VAT" (More than one year including one year), Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by Nanning State Taxation Bureau on April 19th, 2016 for the *Registration Form for Taxpayer Tax Reduction and Exemption*, which is exempted from VAT since May 1st, 2016.

6) According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36), Article 1, Paragraph 23 of Annex 3, and the *Notice of the Ministry of Finance and the State Administration of Taxation on Further Clarifying the Relevant Policies on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 46), Article 1, interest income from financial interbank transactions are exemption from VAT, Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by the Nanning State Taxation Bureau on December 30th, 2016 for the *Registration Form for Taxpayer's Tax Reduction and Exemption*, which is exempted from VAT since May 1st, 2016.

7) According to the *Notice of the Department of Finance of Guangxi Zhuang Autonomous Region on Clarifying the Preferential Policies of Local Water Conservancy Construction Fund* (GuiCaiGui [2022] No. 1), from January 1st, 2022 to December 31st, 2022 (the period to which it belongs), the local water conservancy construction fund will be levied at a 50% reduction (i.e., at 0.5‰ of the operating revenue or sales revenue). From January 1st, 2022 to December 31st,

2022 (the period of belonging), registered in China (Guangxi) Pilot Free Trade Zone (including Nanning, Qinzhou Port, Chongzuo Area) within the scope of legitimate business enterprises engaged in the exemption of local water conservancy construction funds.

(3) Guangxi Beibu Gulf Bank Co., Ltd.

According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax Policy for Western Development* No.23 of 2020, Tiandong Beibu Gulf Village Bank Co., Ltd., Binyang Beibu Gulf Village Bank Co., Ltd. and Cenxi Beibu Gulf Village Bank Co., Ltd. enjoys preferential corporate income tax policy, and the applicable tax rate for this year is 15%.

(4) Guangxi Wuzhou Zhongheng Group Co., Ltd.

1) According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax policy for Western Development* No.23 of 2020, the encouraged industries in the Western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. A subsidiary of the Company Guangxi Wuzhou Shuangqian Industrial Co., Ltd., Guangxi Wuzhou Pharmaceutical (Group) Co., Ltd., Guangxi Wuzhou Zhongheng Pharmaceutical Co., Ltd., Chongqing Lummy Pharmaceutical Co., Ltd.(hereinafter referred to as Lummy Pharmaceuticals), Chongqing Lummy Pharmaceuticals Company Limited (hereinafter referred to as Lummy Pharmaceuticals), Chongqing Lummy LongYu Pharmaceutical Co., Ltd. and Tibet Lummy Deji Pharmaceutical Co., Ltd. were eligible to pay corporate income tax at a reduced rate of 15% in 2022.

2) According to the document GKHZ [2019] No. 17 of Torch High Technology Industry Development Center of the Ministry of Science and Technology, Hunan Kangyuan Pharmaceutical Co., Ltd. (hereinafter referred to as Hunan Kangyuan) is recognized as a high-tech enterprise and the applicable income tax rate is 15%.

3) According to the Ministry of Finance Notice No. 13 of 2019 on the *Notice of the General Administration of Taxation on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises*, from January 1st, 2019 to December 31st, 2021, the portion of the annual taxable income of small and micro enterprises that does not exceed RMB 1 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a rate of 20%; the portion of the annual taxable income that exceeds RMB 1 million but does not exceed RMB 3 million shall be reduced by 50% of the taxable income and subject to corporate income tax at a rate of 20%. According to the *Announcement of the General Administration of Taxation of the Ministry of Finance on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises and Individual Entrepreneurs* (Announcement of the General Administration of Taxation of the Ministry of Finance No. 12 of 2021), the portion of the annual taxable

income of small and micro enterprises not exceeding RMB 1 million will be subject to a 50% reduction in corporate income tax on top of the preferential policies stipulated in Article 2 of the *Notice of the General Administration of Taxation of the Ministry of Finance on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises* (CaiShui [2019] No. 13), with the implementation period from January 1st, 2021 to December 31st, 2022. Guangxi Zhongheng Real Estate Development Co., Ltd., a subsidiary of the Company, is enjoying the policy. According to the *Announcement of the General Administration of Taxation of the Ministry of Finance on Further Implementation of Preferential Income Tax Policies for Small and Micro Enterprises* (Announcement No. 13 of 2022 of the General Administration of Taxation of the Ministry of Finance), the portion of the annual taxable income of small and micro enterprises exceeding RMB 1 million but not exceeding RMB 3 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a tax rate of 20%. The implementation period is from January 1st, 2022 to December 31st, 2024. Guangxi Zhongheng Real Estate Development Co., Ltd., Guangxi Zhongheng Pharmaceutical Group Co., Ltd. and Guangxi Zhongheng Innovative Medicine Research Co., Ltd., subsidiaries of the Company, enjoy the policy.

4) According to the *Announcement of the General Administration of Taxation of the Ministry of Finance on Further Implementation of the "Six Taxes and Two Fees" Relief Policy for Small and Micro Enterprises* (Announcement No. 10 of 2022 of the General Administration of Taxation of the Ministry of Finance), small-scale VAT payers, small and micro enterprises and individual industrial and commercial households are entitled to a 50% tax reduction on resource tax, urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), arable land occupation tax and education surcharge and local education surcharge.

(5) Guangxi GIG Energy Group Co., Ltd.

1) According to the *Notice on the Extension of Corporate Income Tax policy for Western Development* (Announcement of the Ministry of Finance No.23 of 2020), jointly issued by the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission, Guangxi Investment Group Laibin Power Generation Co., Ltd., Laibin Guangneng Heat Power Co., Ltd., Guangxi Guangtou Comprehensive Energy Management Co., Ltd., Guangxi Qinzhou GIG Gas Co., Ltd., Guangxi Yulin GIG Gas Co., Ltd., Guangxi Pingguo GIG Gas Co., Ltd., Guangxi Hechi GIG Gas Co., Guangxi Tianyang GIG Gas Co., Sichuan Xidian Power Design Co., Ltd., Guangxi Guineng Power Co., Ltd., Pingle Guijiang Power Co., Ltd., Zhaoping Guihai Power Co., Ltd., Hezhou Guiyuan Water Resources & Electricial Power Co., Ltd., Wuzhou Guijiang Power Co., Ltd. and Hezhou Shangcheng Power Co., Ltd., Guangxi GIG Qiaogong Energy Development Co., Ltd. can enjoy the national preferential policies on encouraged

categories to pay corporate income tax at a reduced rate of 15%. The enjoyed preferential tax period is from January 1st, 2021 to December 31st, 2030.

2) According to the Notice on Corporate Income Tax Issues Related to the Catalogue of Encouraged Industries in the Western Region (Announcement of the State Administration of Taxation No. 14 of 2015), Beihai Xinyuan Thermal Power Co., Ltd. can enjoy the national preferential policies on encouraged categories to pay corporate income tax at a reduced rate of 15%.

3) According to Article 1 of the *State Administration of Taxation Announcement* No. 8 of 2021: From January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of low-profit enterprises not exceeding RMB 1 million shall be reduced to 12.5% of the taxable income and subject to a corporate income tax rate of 20%. Hezhou Huacai Electric Power Design and Consulting Co., Ltd., Guangxi Zhaoping Sencong Hydropower Co., Ltd., Hezhou Yufeng Power Co. Ltd., Jianghua Liucheyuan Estuary Hydropower Co., Ltd, Hunan Province, Jiang Yong County, Yong Feng Hydropower Development Co., Ltd, Guangdong Baichang Electric Power Equipment Co., Ltd, Liuzhou GIG Environmental Protection Technology Co., Ltd., Long'an GIG Gas Co., Ltd., Guangxi Tianyang GIG Gas Co., Ltd., Guangxi GIG Guizhong Clean Energy Co., Ltd., Liuzhou GIG Beicheng Clean Energy Co., Ltd., Liuzhou GIG Environmental Protection Technology Co., Ltd., Guangxi GIG Yubei Gas Co., Ltd., Guangxi Hongyuan Gas Co., Ltd. and Guangxi Qinzhou GIG Gas Co., Ltd. and other enterprises enjoy the relevant tax benefits.

4) According to the *Notice on the Issuance of Several Policies to Accelerate the Development of the Pearl River-Xijiang Economic Belt (Guangxi)* (GZF [2016] No. 70), issued by Guangxi Zhuang Autonomous Region People's Government, which stipulates that: From the start-up date of the tax year, the new small and profitable enterprises engaged in non-restricted and non-prohibited industries are exempt from corporate income tax for 5 years belonging to the local share., Liuzhou GIG Environmental Protection Technology Co., Ltd. and Liuzhou GIG Beicheng Clean Energy Co., Ltd. enjoy the tax benefits.

5) The Ministry of Finance and the State Administration of Taxation jointly issued the *Notice on Urban Land Use Tax Policy for Oil and Gas Production Enterprises* (CaiShui [2015] No. 76), which stipulates that land for oil and gas long-distance pipelines is temporarily exempt from urban land use tax. Liuzhou Guangtou Beicheng Clean Energy Co., Ltd. enjoys this policy.

6) The State Administration of Taxation issued the *Announcement on Revision of the <Disabled Persons' Employment Security Fund Contribution Statement>* (State Administration of Taxation Announcement No. 49 of 2019), which stipulates that small and micro enterprises are temporarily exempted from the levy of disability insurance premiums. For enterprises with a total number of 30 employees or less (inclusive), enterprises are temporarily exempted from

the levy of disability insurance premiums. Guangxi Liuzhou Power Generation Co., Ltd. and Liuzhou Guangtou Beicheng Clean Energy Co., Ltd. enjoy this policy.

(6) GIG Natural Gas Pipeline Network Co., Ltd.

According to Nanning City Qingxiu District State Taxation Bureau, *Western Development Tax Preference Matters Audit Confirmation Notice*, GIG Natural Gas Pipeline Network Co., Ltd. meets the requirements of Article 7 "Oil and Gas" of the *Catalogue of Encouraged Industries in Western Region*, paragraph 3: "Storage and transportation of crude oil, natural gas, liquefied natural gas, refined oil products and construction of pipeline transportation facilities and networks", according to the *Notice on the Extension of Corporate Income Tax policy for Western Development* (Caizhengshui [2020] No.23), issued by the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030.

(7) Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.

1) According to the *Letter of Reply from the Torch High Technology Industry Development Center of the Ministry of Science and Technology on the First Batch of High-tech Enterprises Filing in Guangxi Zhuang Autonomous Region in 2017* (GKHZ [2017] No. 139), it is agreed that Guangxi Huayin Aluminum Industry Co., Ltd. shall be recorded as a high-tech enterprise. For high-tech enterprises identified in accordance with the *Management Measures for the Identification of High-tech Enterprises and High-tech Areas of National Key Support* jointly promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation in April 2008, they can apply for tax incentives in accordance with the *new Corporate Income Tax Law and its Implementing Regulations*, the *Law of the People's Republic of China on Tax Collection and Administration* (hereinafter referred to as the Tax Collection and Administration Law) and the *Rules for the Implementation of the Law of the People's Republic of China on Tax Collection and Administration* (hereinafter referred to as the Implementation Rules) and other relevant provisions. The new corporate income tax Law, which came into effect on January 1st, 2008, stipulates that the tax rate for domestic and foreign enterprises is unified at 25% and that the state will give preferential corporate income tax to industries and projects with key support and encouragement for development, and that the corporate income tax rate will be reduced to 15% for high-tech enterprises that the state needs to support. Guangxi Huayin Aluminum Industry Co., Ltd. paid corporate income tax at a reduced rate of 15%.

2) The corporate income tax rate of the subsidiary Gansu Guangyin Aluminum Industry Co., Ltd. is 15%. The *Notice on the Extension of Corporate Income Tax Policy for Western Development* (Announcement of the Ministry of Finance, the General Administration of

Taxation and National Development and Reform Commission No.23 of 2020), issued on April 23rd, 2020, which encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. The enterprises belonging to encouraged industry refers to those whose main businesses are the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region*, and whose prime operating revenue accounts for more than 60% of the total revenue of the enterprise. Gansu Guangyin Aluminum Industry Co., Ltd. belongs to the 5th item of the newly encouraged industries in the western region, "the use of natural gas to replace the chemical and non-ferrous metal materials used in the deep processing of heavy oil, diesel, coal technology development and application (natural gas industrial policy restrictions, except for the prohibited category of projects)", and the ratio of operating revenue meets the requirements.

3) According to the *Notice on the Announcement of the List of the First Batch of Certified High-Tech Enterprises in 2020*, issued by Torch High Technology Industry Development Center of the Ministry of Science and Technology, of Guangxi Zhuang Autonomous Region, on January 22nd, 2021, Guangxi Qiangqiang Carbon Co., Ltd. was given high-tech enterprises filing. Based on the *Corporate Income Tax Law of the People's Republic of China*, the *Implementation Regulations of the Corporate Income Tax Law of the People's Republic of China*, the *Management Measures for the Recognition of High-Tech Enterprises* (GKFH [2016] No. 32) and other relevant regulations, the income tax rate of the Company is reduced to 15%.

(8) Digital Guangxi Group Co., Ltd.

1) According to the *Notice on Several Policies for the Promotion of High-Level Open and High-Quality Development of New Era Guangxi Beibu Gulf Economic Zone* (Guizhengfa [2020] No. 42), Digital Guangxi Group Co., Ltd. enjoys the following tax preferential policies: 1. Newly established enterprises enjoying the western development of the country at a reduced rate of 15% corporate income tax are exempted from the local share of corporate income tax. 2. From the start-up date of the tax year, the new small and profitable enterprises engaged in non-restricted and non-prohibited industries are exempt from corporate income tax for 5 years belonging to the local share.

(9) Sealand Securities Co., Ltd.

Sealand Securities Co., Ltd. and all its subordinate branches according to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax policy for Western Development* No.23 of 2020, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. Guohai Innovative Capital Investment Management Co., Ltd. enjoys the above tax incentives.

(10) Guangxi Guoxin Investment Development Co., Ltd.

1) On September 20th, 2018, the Ministry of Finance and the General Administration of Taxation issued the Notice of the Ministry of Finance the General Administration of Taxation on the Taxation Policies of Basic Pension Insurance Funds Relating to Investment Business (CaiShui [2018] No. 95), which stipulates that: "II. The investment income attributed to the pension fund obtained by the social security foundation and the pension fund investment management institution within the investment scope approved by the State Council is not taxable as enterprise income tax; the income obtained by the pension fund investment management institution and the pension fund custodian engaged in pension fund management activities is subject to enterprise income tax in accordance with the provisions of the tax law. "

2) On November 21, 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice of the Ministry of Finance and the State Administration of Taxation on the Enterprise Income Tax Issues Relating to the National Social Security Fund (CaiShui [2008] No. 136), which stipulates: " I. Interest income from bank deposits of the social security fund managed by the council of the social security fund and the investment manager of the social security fund, income obtained by the social security fund from the securities market, including income from the difference between the purchase and sale of securities investment funds, stocks and bonds, income from dividends from securities investment funds, income from dividends and bonuses from stocks, interest income from bonds and other investment income such as income from industrial investment funds and income from trust investments, are treated as income not taxable for corporate income tax purposes."

(3)The Department of Finance of Guangxi Zhuang Autonomous Region, the Department of Human Resources and Social Security of Guangxi Zhuang Autonomous Region, the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region, etc., total of five departments, issued the *Notice on the Work of Transferring Part of State-owned Capital to Enrich Social Security Fund in Guangxi Zhuang Autonomous Region* (Gui Cai Zi (2020) No. 16), on April 30th, 2020, requirements: (1) in the process of transferring and receiving state-owned equity, the transfer of shares of non-listed companies is exempt from stamp duty on the title transfer documents signed between the transferee and the transferor; transfer of shares of listed companies and shares of companies listed on the National Small and Medium Enterprise Stock Transfer System are exempt from stamp duty on securities transactions; exemption from stamp duty on the increase in paid-in capital and capital surplus of the transferor as a result of taking over the transferred equity; transfer fees are exempt for companies involved in domestic listed companies, companies listed on the National Small and Medium Enterprise Stock Transfer System and overseas listed companies with non-overseas listed shares. Before the issuance of

these operating methods, the above taxes and fees paid by the transferring parties shall be refunded by the levying unit. (2) Both the transferee and the transferor do not recognize income and do not levy corporate income tax, and the corporate income tax basis of the transferor in acquiring the transferred equity is determined by the original tax basis of the transferred equity.

(11) GIG Consulting Co., Ltd.

According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax policy for Western Development* No.23 of 2020, GIG Consulting Co., Ltd. paid corporate income tax at 15% for the year.

(12) Guangxi GIG Lingang Industry Co., Ltd.

1) According to the Notice on the Issuance of the *General Plan on Improving the Employment Guarantee Fund System for Persons with Disabilities to Better Promote the Employment of Persons with Disabilities* (Development and Reform Price Regulation [2019] No. 2015), enterprises with a total of 30 employees (inclusive) or less are temporarily exempted from the disability guarantee fund. Guangxi Guangtou Lingang Industrial Co., Ltd. enjoys this exemption policy.

According to the *Notice of the Ministry of Finance State Administration of Taxation on Expanding the Scope of Exemption of Relevant Governmental Funds* (CaiShui [2016] No. 12), Article 1(1), the monthly sales or turnover of monthly taxation does not exceed RMB 100,000 (quarterly sales or turnover of quarterly taxation does not exceed RMB 300,000) are exempted from the education surcharge, local education surcharge and water conservancy construction fund. Guangxi Guangtou Lingang Industry Co., Ltd. enjoys the exemption policy.

(13) Guangxi GIG Pharmaceutical and Health Industry Group Co., Ltd.

1) According to the A*nnouncement of the Ministry of Finance General Administration of Taxation General Administration of Customs on Policies Relating to the Deepening of VAT Reform* (No. 39 of 2019), the refund system of VAT ending retained tax credits will be implemented on a trial basis starting from April 1st, 2019.

2) Enterprise income tax pre-tax deduction policy. According to the *Announcement on the Policy of Pre-tax Deduction of Enterprise Poverty Alleviation Donations* (Ministry of Finance Administration of Taxation State Council Poverty Alleviation Office Announcement No. 49 of 2019), from January 1st, 2019 to December 31st, 2022, the enterprises through public welfare social organizations or county-level (including county-level) or higher people's governments and their constituent departments and agencies directly under them, for poverty alleviation expenditure in the target poverty alleviation areas, are allowed to be deducted when

calculating taxable income for corporate income tax. During the policy implementation period, the target poverty-alleviation areas to achieve poverty alleviation can continue to apply the above policies.

3) Preferential policies for entrepreneurship and employment of retired soldiers. According to the *Notice of the Ministry of Finance General Administration of Taxation Ministry of Veterans Affairs on Further Supporting the Tax Policies Related to the Entrepreneurial Employment of Self-Employed Veteran Soldiers* (CaiShui [2019] No. 21), the *Notice of the Guangxi Zhuang Autonomous Region Department of Finance State Administration of Taxation Guangxi Zhuang Autonomous Region Taxation Bureau Guangxi Zhuang Autonomous Region Department of Veterans Affairs on Implementing Tax Policies Related to the Entrepreneurial Employment of Self-Employed Veteran Soldiers* (Gui CaiShui [2019] No. 2019] No. 13) document, the actual number of recruits will be deducted within three years in order of the amount of value-added tax, urban maintenance and construction tax, education surcharge, local education surcharge and corporate income tax preferences. According to the *Ministry of Finance General Administration of Taxation Announcement on the Extension of the Implementation Period of Some Tax Preferential Policies (*Ministry of Finance General Administration of Taxation Announcement No. 4 of 2022), the implementation period of the above tax preferential policies is extended to December 31st, 2023.

4) According to the *Enterprise Income Tax Law of the People's Republic of China*, a 100% deduction is added to the wages paid for the placement of disabled persons.

5) According to the Announcement of the Ministry of Finance and the General Administration of Taxation on the Renewal of the Preferential Policy of VAT on Propaganda and Culture (No. 10 of 2022), from January 1st, 2022 to December 31st, 2023, books will be exempt from VAT at wholesale and retail.

6) According to Article 15 of the *Temporary Regulations of the People's Republic of China on Value-Added Tax*, agricultural producers are exempt from VAT on the sale of self-produced agricultural products.

VII. Business combinations and consolidated financial statements

1. Basic information of the secondary subsidiaries included in the scope of consolidated statements

No.	Company name	Company abbreviation	Level	Business type	Main business location	Place of registration	Business nature	Paid-in capital (RMB 10,000)	Shareholding ratio	Voting ratio	Investment amount (RMB 10,000)
1	Guangxi Financial Investment Group Co., Ltd.	Financial Investment Group	2	2	Nanning, Guangxi	Nanning, Guangxi	Financial investment	1,000,000.00	71.41	71.41	1,579,732.75
2	Guangxi Beibu Gulf Bank Co., Ltd.	Beibu Gulf Bank	2	2	Nanning, Guangxi	Nanning, Guangxi	Money banking service	800,000.00	20.03	20.03	390,558.86
3	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Equity Exchange	2	2	Nanning, Guangxi	Nanning, Guangxi	Entrusted asset management business	22,000.00	78.18	78.18	17,500.00
4	Guangxi GIG Energy Group Co., Ltd.	Energy Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Energy investment	617,443.65	84.78	84.78	1,077,231.16
5	GIG Natural Gas Pipeline Network Co., Ltd.	Pipeline Network	2	1	Nanning, Guangxi	Nanning, Guangxi	Pipeline transportation	40,000.00	75.50	75.50	44,026.44
6	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	Yinhai Aluminum Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Aluminum trading	767,763.71	83.80	83.80	858,911.68
7	Guangxi Salt Industry Group Co., Ltd.	Salt Industry Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Salt wholesale, production	110,000.00	100.00	100.00	117,598.94
8	Guangxi GIG Pharmaceutical and Health Industry Group Co., Ltd.	Pharmaceutical and Health Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Health and wellness	224,000.00	100.00	100.00	416,159.36
9	Digital Guangxi Group Co., Ltd.	Digital Guangxi	2	1	Nanning, Guangxi	Nanning, Guangxi	Digital technology operations management	102,914.27	100.00	100.00	102,914.27
10	GIG Consulting Co., Ltd.	GIG Consulting	2	1	Nanning, Guangxi	Nanning, Guangxi	Consulting agency services	3,000.00	100.00	100.00	3,000.00
11	Guangxi Technology Activity Center	TechnologyCenter	2	1	Nanning, Guangxi	Nanning, Guangxi	Service industry	1,111.16	100.00	100.00	853.64
12	Guangxi GIG Lingang Industry Co., Ltd.	Lingang Industry	2	1	Beihai, Guangxi	Beihai, Guangxi	Non-ferrous metal smelting	5,000.00	51.00	51.00	2,550.00

13	Guangxi South China Technology Exchange Co., Ltd.	South China Technology	2	1	Nanning, Guangxi	Nanning, Guangxi	Science and technology promotion and application services	10,000.00	100.00	100.00	9,971.12
14	Sealand Securities Co., Ltd.	Sealand Securities	2	2	Guilin, Guangxi	Guilin, Guangxi	Securities brokerage, etc.	544,452.55	33.11	33.11	471,663.54
15	Guangxi Wuzhou Zhongheng Group Co., Ltd.	Zhongheng Group	2	1	Wuzhou, Guangxi	Wuzhou, Guangxi	Medicine	347,510.71	27.73	27.73	466,126.29
16	Guangxi Finance Company Limited	Guangxi Finance	2	3	Hong Kong	Hong Kong	Service industry	7,408.12	100.00	100.00	7,416.95
17	Guangxi GIG Intelligent Service Group Co., Ltd.	Intelligent Service	2	1	Nanning, Guangxi	Nanning, Guangxi	Property services	1,500.00	50.00	50.00	750.00

Note: Business type: 1 Domestic non-financial subsidiaries; 2 Domestic financial subsidiaries; 3 Foreign subsidiaries

2. Reasons for owning less than half of the voting rights of the investee but being able to control the investee

No.	Company name	Shareholding ratio (%)	Voting ratio (%)	Registered capital (RMB 10,000)	Investment amount (RMB 10,000)	Level	Reasons for inclusion in the scope of consolidation
1	Guangxi Beibu Gulf Bank Co., Ltd.	20.03	20.03	800,000.00	390,558.86	2	First majority shareholder and effective control
2	Sealand Securities Co., Ltd.	33.11	33.11	544,452.55	471,663.54	2	First majority shareholder and effective control
3	Guangxi Wuzhou Zhongheng Group Co., Ltd.	27.73	27.73	347,510.71	466,126.29	2	First majority shareholder and effective control

Note: Sealand Securities Co., Ltd. and Guangxi Wuzhou Zhongheng Group Co., Ltd. are listed companies.

3. Significant non-wholly owned subsidiaries

(1) Non-controlling interests

No.	Subsidiary	Non-controlling shareholding ratio (%)	Profit or loss for the year attributable to non-controlling interests	Dividends paid to non-controlling interests during the year	Accumulated non-controlling interests at the end of the year
1	Guangxi Financial Investment Group Co., Ltd.	28.59	-15,172,488.04	231,815,855.43	7,084,779,434.35
2	Guangxi Beibu Gulf Bank Co., Ltd.	85.25	2,170,295,085.87	546,166,546.00	23,105,810,342.92
3	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	21.82	-428,902.00	0.00	28,074,253.29
4	Guangxi GIG Energy Group Co., Ltd.	15.22	13,440,077.77	171,176,435.33	1,459,587,063.51
5	GIG Natural Gas Pipeline Network Co., Ltd.	24.50	1,516,860.99	0.00	113,188,155.48
6	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	16.20	-8,740,314.47	371,560,404.66	860,635,549.00
7	Guangxi Salt Industry Group Co., Ltd.	14.01	6,359,656.34	0.00	206,657,565.44
8	Guangxi GIG Lingang Industry Co., Ltd.	49.00	0.00	0.00	24,500,000.00
9	Sealand Securities Co., Ltd.	66.89	186,665,961.87	195,659,848.06	14,057,769,071.77
10	Guangxi Wuzhou Zhongheng Group Co., Ltd.	72.27	57,112,846.00	66,463,520.06	4,710,440,565.14
11	Guangxi GIG Intelligent Service Group Co., Ltd.	50.00	1,758,981.04	0.00	9,259,251.68
12	Guangxi Guoxin Investment Development Co., Ltd.	——	257,638,009.85	0.00	30,992,309,361.96

(2) Key financial information

Item	Current year amount			Prior year amount		
	Guangxi Financial Investment Group Co., Ltd.	Guangxi Beibu Gulf Bank Co., Ltd.	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Guangxi Financial Investment Group Co., Ltd.	Guangxi Beibu Gulf Bank Co., Ltd.	Guangxi Beibu Gulf Equity Exchange Co., Ltd.
Current assets	33,412,383,068.94	218,086,097,089.00	27,772,028.39	20,013,116,099.00	181,551,604,243.00	27,941,522.85
Non-current assets	84,869,454,061.96	198,430,842,559.00	106,351,997.66	83,628,382,282.47	179,005,120,565.00	117,524,081.40
Total assets	118,281,837,130.90	416,516,939,648.00	134,124,026.05	103,641,498,381.47	360,556,724,808.00	145,465,604.25
Current liabilities	47,703,686,819.97	324,494,992,983.00	4,689,214.49	36,233,977,075.96	276,260,923,117.00	12,218,082.89
Non-current liabilities	34,588,946,330.07	65,378,403,643.00	771,872.52	39,003,003,572.58	60,762,819,542.00	2,618,945.31
Total liabilities	82,292,633,150.04	389,873,396,626.00	5,461,087.01	75,236,980,648.54	337,023,742,659.00	14,837,028.20
Operating income	7,208,167,456.13	17,544,297,990.00	19,438,473.36	8,236,643,029.66	16,017,070,168.00	15,494,496.59
Net profits	565,101,065.75	2,535,260,268.00	-1,965,637.01	337,504,292.24	2,034,961,448.00	-3,773,883.27
Total comprehensive income	-2,505,597.16	2,828,044,418.00	-1,965,637.01	226,621,631.05	2,172,696,207.00	-3,773,883.27
Net cash flows from operating activities	-3,315,031,812.13	10,480,732,598.00	1,298,218.29	604,116,291.33	6,188,297,937.00	-14,732,722.19

(Continued)

Item	Current year amount			Prior year amount		
	Guangxi GIG Energy Group Co., Ltd.	GIG Natural Gas Pipeline Network Co., Ltd.	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	Guangxi GIG Energy Group Co., Ltd.	GIG Natural Gas Pipeline Network Co., Ltd.	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.
Current assets	14,689,209,931.77	248,473,975.44	11,668,559,775.38	15,976,569,664.27	219,182,827.30	9,813,621,425.20
Non-current assets	35,383,666,427.91	1,410,364,165.03	20,964,410,991.51	33,962,972,857.69	1,358,321,966.63	13,178,948,300.21
Total assets	50,072,876,359.68	1,658,838,140.47	32,632,970,766.89	49,939,542,521.96	1,577,504,793.93	22,992,569,725.41
Current liabilities	19,830,264,999.05	713,280,338.17	14,010,225,684.77	21,444,533,615.19	657,679,532.16	12,435,646,407.52
Non-current liabilities	17,143,736,365.55	483,565,330.95	7,802,414,897.87	15,936,578,272.25	460,507,076.97	1,968,145,215.33
Total liabilities	36,974,001,364.60	1,196,845,669.12	21,812,640,582.64	37,381,111,887.44	1,118,186,609.13	14,403,791,622.85
Operating income	42,707,051,960.79	3,334,055,992.04	128,737,937,328.01	50,646,735,529.49	1,965,092,847.15	118,167,308,431.60
Net profits	130,916,237.27	6,191,269.35	227,778,746.44	54,030,497.73	-35,439,257.81	1,023,165,548.65
Total comprehensive income	130,191,759.23	6,191,269.35	227,472,896.68	64,871,739.07	-35,439,257.81	1,027,390,846.15
Net cash flows from operating activities	2,590,605,545.72	82,186,116.81	2,391,760,789.46	-814,614,787.32	78,039,275.07	2,264,834,862.81

(Continued)

Item	Current year amount			Prior year amount		
	Guangxi Salt Industry Group Co., Ltd.	Guangxi GIG Lingang Industry Co., Ltd.	Sealand Securities Co., Ltd.	Guangxi Salt Industry Group Co., Ltd.	Guangxi GIG Lingang Industry Co., Ltd.	Sealand Securities Co., Ltd.
Current assets	2,028,670,781.77	48,081,513.27	61,642,303,412.32	2,180,050,289.27	34,640,648.32	56,221,826,360.01
Non-current assets	724,756,731.95	52,722,709.18	12,407,247,148.87	740,867,603.11	15,485,030.33	19,843,176,865.13
Total assets	2,753,427,513.72	100,804,222.45	74,049,550,561.19	2,920,917,892.38	50,125,678.65	76,065,003,225.14
Current liabilities	734,538,878.79	50,449,342.45	42,078,748,429.62	1,072,374,556.02	125,678.65	48,964,053,369.74
Non-current liabilities	543,722,025.75	354,880.00	12,477,630,690.81	428,318,985.01	0.00	7,734,265,410.79
Total liabilities	1,278,260,904.54	50,804,222.45	54,556,379,120.43	1,500,693,541.03	125,678.65	56,698,318,780.53
Operating income	500,982,954.27	0.00	4,622,092,724.26	1,351,595,968.82	0.00	4,843,374,888.38
Net profits	54,942,257.83	0.00	377,391,848.67	75,521,269.72	0.00	901,969,993.78
Total comprehensive income	54,942,257.83	0.00	369,073,068.20	75,521,269.72	0.00	882,478,797.57
Net cash flows from operating activities	112,713,876.17	83,725.36	-2,526,360,597.08	15,348,623.40	-11,458.37	1,056,520,132.11

(Continued)

Item	Current year amount			Prior year amount		
	Guangxi Wuzhou Zhongheng Group Co., Ltd.	Guangxi GIG Intelligent Service Group Co., Ltd.	Guangxi Guoxin Investment Development Co., Ltd.	Guangxi Wuzhou Zhongheng Group Co., Ltd.	Guangxi GIG Intelligent Service Group Co., Ltd.	Guangxi Guoxin Investment Development Co., Ltd.
Current assets	6,796,156,886.21	75,419,233.97	382,440,354.07	6,959,229,274.12	12,323,996.27	124,720,468.37
Non-current assets	4,955,691,977.61	1,543,079.47	30,610,146,616.91	4,930,494,190.85	0.00	30,610,121,306.87
Total assets	11,751,848,863.82	76,962,313.44	30,992,586,970.98	11,889,723,464.97	12,323,996.27	30,734,841,775.24
Current liabilities	2,576,904,096.59	57,749,129.40	133,909.38	2,708,802,809.21	2,323,455.00	170,423.13
Non-current liabilities	885,566,453.48	694,680.69	143,699.64	491,119,419.78	0.00	0.00
Total liabilities	3,462,470,550.07	58,443,810.09	277,609.02	3,199,922,228.99	2,323,455.00	170,423.13
Operating income	2,713,769,838.72	173,720,462.80	0.00	3,161,843,646.17	1,252,040.62	0.00
Net profits	12,389,674.15	3,517,962.08	257,638,009.85	173,166,289.20	541.27	121,268,584.85
Total comprehensive income	-83,743,394.70	3,517,962.08	257,638,009.85	4,641,377.31	541.27	121,268,584.85
Net cash flows from operating activities	-170,090,446.75	25,476,779.01	3,608,349.37	-76,736,671.04	561,093.07	-1,026,025.87

4. Changes in the scope of consolidation during the year

(1) New secondary entities included in the scope of consolidation during the year

In the current year, one new secondary entity was added to the scope of consolidation, namely Guangxi Technology Activity Center.

(2) Entities no longer included in the scope of consolidation in the current year

In the current year, one secondary subsidiary was no longer included in the scope of consolidation, namely Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.

5. Business combinations not under common control during the year

There was no business combination not under common control of a secondary subsidiary during the year.

VIII. Notes to significant items in the consolidated financial statements

The financial statement data disclosed below, unless otherwise stated, "Opening" refers to January 1st, 2022, "Closing" refers to December 31st, 2022, "Current year " refers to the period from January 1st to December 31st, 2022, "Prior year" refers to the period from January 1st to December 31st, 2021, and the currency unit is RMB, unless otherwise stated.

1. Cash and cash equivalents

(1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash	448,424,572.83	343,542,069.59
Deposit in bank	58,068,230,994.03	53,953,035,535.79
Other cash and cash equivalents	5,994,722,615.01	13,659,431,206.53
Total	**64,511,378,181.87**	**67,956,008,811.91**
Including: Total amount of money deposited abroad	101,949,024.25	92,334,035.10

Note: The Group's deposit in bank consists of: ① The legal deposit reserve of Beibu Gulf Bank deposited with the People's Bank of China in accordance with regulations, with a closing balance of RMB 13,437,321,230.48 and opening balance of RMB 13,743,558,668.39. It includes reserve for RMB deposits and reserve for foreign currency deposits, which cannot be used for daily operations and cannot be used without the approval of the People's Bank of China. ② The excess reserves deposited by Beibu Gulf Bank with the People's Bank of China for clearing purposes in accordance with regulations, with a closing balance of RMB 5,271,692,454.95 and opening balance of RMB 2,726,504,579.97. ③Treasury deposits deposited by Beibu Gulf Bank with the People's Bank of China as required, with a closing balance of RMB 34,982,000.00 and opening balance of RMB 31,479,000.00.

(2) Details of the restricted cash and cash equivalents

Item	Closing balance	Opening balance
Legal deposit reserves and treasury deposits	13,472,303,230.00	13,775,037,668.00
L/C guarantee deposit	1,705,114,846.69	629,639,656.26
Time deposit or call deposit for guarantee	1,619,333,833.94	2,407,071,000.00
Margin for banker's acceptance bills	1,240,385,339.93	1,665,415,909.31
Pledge of margin - restricted Funds	451,345,669.66	0.00
Risk reserve	422,450,297.02	475,008,163.61
Customer funds	88,294,827.35	173,099,462.17
Others	79,900,528.77	18,248,150.92
Frozen fund	79,028,313.03	2,921,785.33
Letter of guarantee deposit	15,859,879.78	2,729,576.00
Performance bond	8,174,437.20	17,510,390.80
Mortgage deposit	594,763.47	593,253.92
Loan deposit	565,241.43	0.00
Total	**19,183,351,208.27**	**19,167,275,016.32**

2. Provision of settlement funds

(1) Presentation by category

Item	Closing balance	Opening balance
Customer's provisions	2,163,648,824.08	2,318,144,270.09
Company's provisions	853,629,796.22	298,078,436.37
Total	**3,017,278,620.30**	**2,616,222,706.46**

(2) Presentation by currency

Item	Closing balance			Opening balance		
	Foreign currency amount	Exchange rate	RMB amount	Foreign currency amount	Exchange rate	RMB amount
（1）Customer's provisions	——	——	——	——	——	——
①Customer's ordinary provisions	——	——	——	——	——	——
RMB	1,922,812,267.86	1.0000	1,922,812,267.86	1,913,097,411.77	1.0000	1,913,097,411.77
USD	1,130,265.31	6.9646	7,871,845.78	1,480,345.88	6.3757	9,438,241.23
HKD	56,814,060.88	0.8933	50,752,000.58	72,405,209.69	0.8176	59,198,499.44
Subtotal	1,980,756,594.05	—	1,981,436,114.22	1,986,982,967.34	—	1,981,734,152.44
②Customer's credit provisions	——	——	——	——	——	——
RMB	182,212,709.86	1.0000	182,212,709.86	336,410,117.65	1.0000	336,410,117.65
Total of customer's provisions	**2,162,969,303.91**	—	**2,163,648,824.08**	**2,323,393,084.99**	—	**2,318,144,270.09**
（2）Company's provisions	——	——	——	——	——	——
Company's self-own provisions	——	——	——	——	——	——
RMB	853,629,796.22	1.0000	853,629,796.22	298,078,436.37	1.0000	298,078,436.37
Total	**3,016,599,100.13**	—	**3,017,278,620.30**	**2,621,471,521.36**	—	**2,616,222,706.46**

3. Lendings to banks and other financial institutions

Item	Closing balance	Opening balance
Lending to domestic banks	5,198,516,867.00	0.00
Lending to offshore banks	798,108,273.00	0.00
Lending to non-bank financial institutions	4,290,970,962.00	3,787,271,350.00
Subtotal	**10,287,596,102.00**	**3,787,271,350.00**
Less: Impairment provision	16,251,285.00	3,453,731.00
Book value of lendings to banks and other financial institutions	**10,271,344,817.00**	**3,783,817,619.00**

4. Held-for-trading financial assets

Item	Closing fair value	Opening fair value
Financial assets classified as at fair value through profit or loss	**80,135,521,817.61**	**64,199,099,248.82**
Including: Debt instrument investment	72,945,145,222.31	55,355,737,503.45
Equity instrument investment	2,013,723,318.26	2,945,403,455.42
Others	5,176,653,277.04	5,897,958,289.95
Financial assets designated as at fair value through profit or loss	**0.00**	**20,000,000.00**
Including: Debt instrument investment	0.00	0.00
Others	0.00	20,000,000.00
Total	**80,135,521,817.61**	**64,219,099,248.82**

5. Derivative financial assets

Item	Closing balance	Opening balance
Equity derivative -OTC options	12,747,064.91	0.00
Hedging instruments-Other derivatives	7,529,769.00	19,520,200.00
Other derivatives-OTC commodity options	2,863,363.90	65,604.47
Other derivatives-Traded options of futures	1,100,560.00	1,087,405.00
Other derivatives-Income swaps	631,467.91	7,643,197.79
Equity derivatives - Income certificates	361,668.93	0.00
Forward exchange transactions	335,445.00	3,925,037.00
Equity derivative -Traded options business	60,142.00	275,600.00
Equity derivative -Equity swaps	0.00	22,833,878.50
Total	**25,629,481.65**	**55,350,922.76**

6. Notes receivable

(1) Classification of notes receivable

Type	Closing balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Bank acceptance	258,421,598.17	0.00	258,421,598.17	387,713,285.10	0.00	387,713,285.10
Commercial acceptance	89,280,800.00	34,216.00	89,246,584.00	1,212,239.40	43,986.27	1,168,253.13
Total	**347,702,398.17**	**34,216.00**	**347,668,182.17**	**388,925,524.50**	**43,986.27**	**388,881,538.23**

(2) Notes receivable endorsed or discounted at the end of the year and not yet due at the balance sheet date

Type	Amount derecognized at year-end	Amount not derecognized at year-end
Bank acceptance	291,483,089.01	141,067,916.72

(3) Bad debt provision for notes receivable

Type	Closing balance				Opening balance			
	Book balance		Bad debt provision		Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)
Notes receivable with a separate provision for bad debts	0.00	0.00	0.00	0.00	46,276,655.31	11.90	22,959.30	0.05
Notes receivable with bad debt provision by portfolio	347,702,398.17	100.00	34,216.00	0.01	342,648,869.19	88.10	21,026.97	0.01
Total	**347,702,398.17**	**100.00**	**34,216.00**	**0.01**	**388,925,524.50**	**100.00**	**43,986.27**	**0.01**

1) Notes receivable with bad debt provision by portfolio

Item	Closing balance		
	Book balance	Bad debt provision	Expected credit loss ratio (%)
Subtotal of commercial acceptance	89,280,800.00	34,216.00	0.04
Normal risk portfolio	89,280,800.00	34,216.00	0.04
Subtotal of bank acceptance	258,421,598.17	0.00	0.00
Low-risk portfolio	258,421,598.17	0.00	0.00
Total	**347,702,398.17**	**34,216.00**	——

2) Provision for bad debts on notes receivable accrued, recovered or reversed during the year

Type	Opening balance	Changes during the year				Closing balance
		Accrual	Recovery or reversal	Write-off	Other changes	
Notes receivable with expected credit losses accrued on a portfolio basis	43,986.27	34,216.00	22,959.30	0.00	-21,026.97	34,216.00
Including: Commercial acceptance	43,986.27	34,216.00	22,959.30	0.00	-21,026.97	34,216.00

7. Accounts receivable

Type	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable with a separate provision for bad debts	1,413,699,028.81	15.36	1,251,851,707.45	88.55
Accounts receivable for which bad debt provision is made in the portfolio	7,788,543,570.42	84.64	258,588,789.58	3.32
Including: Normal risk portfolio	7,250,142,845.80	78.79	258,492,541.76	3.57
Low-risk portfolio	538,400,724.62	5.85	96,247.82	0.02
Total	**9,202,242,599.23**	**100.00**	**1,510,440,497.03**	**16.41**

(Continued)

Type	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable with a separate provision for bad debts	1,594,376,726.16	23.29	1,368,119,304.10	85.81
Accounts receivable for which bad debt provision is made in the portfolio	5,249,962,016.37	76.71	293,640,298.46	5.59
Including: Normal risk portfolio	4,692,167,160.67	68.56	292,917,614.90	6.24
Low-risk portfolio	557,794,855.70	8.15	722,683.56	0.13
Total	**6,844,338,742.53**	**100.00**	**1,661,759,602.56**	**24.28**

(1) Companies that have implemented the new financial instruments standard disclose accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year	6,632,334,926.85	4,492,738,782.10
1-2 years	867,171,836.78	348,384,325.99

Aging	Closing balance	Opening balance
2-3 years	152,245,005.07	397,173,937.90
3-4years	209,437,494.63	327,233,546.73
4-5years	181,494,307.91	189,936,493.32
More than 5 years	1,159,559,027.99	1,088,871,656.49
Subtotal	**9,202,242,599.23**	**6,844,338,742.53**
Less: Bad debt provision	1,510,440,497.03	1,661,759,602.56
Total	**7,691,802,102.20**	**5,182,579,139.97**

(2) Accounts receivable with a separate provision for bad debts

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrual reason
Asia Aluminum (China) Co., Ltd.	337,780,281.90	337,780,281.90	100.00	Court-ordered uncollectible interest
Zhaoqing Asia Aluminum Factory Co., Ltd.	194,652,333.69	181,290,487.69	93.14	Won a case that could not be enforced
Guangxi Power Grid Co., Ltd.	180,978,878.05	36,919,517.27	20.40	Unable to recover in full
Guangxi Guangyin Meiyabao Aluminum Co., Ltd.	133,644,976.77	133,644,976.77	100.00	Unable to recover in full
Shanghai Xisheng Metal Materials Co., Ltd.	69,513,767.83	69,513,767.83	100.00	Unable to recover in full
Zhejiang Weiyingda Industry and Trade Co., Ltd.	55,658,481.11	55,658,481.11	100.00	Unable to recover in full
Zhuhai Hongfan Non-Ferrous Metals & Chemical Engineering Inc.	43,989,232.12	43,989,232.12	100.00	Won a case that could not be enforced
Qingyuan Meiyabao Aluminum Industry Co., Ltd.	38,720,680.85	38,720,680.85	100.00	Unable to recover in full
Hebei Xinyi Cable Co., Ltd.	38,452,058.52	38,452,058.52	100.00	Bankruptcy liquidation
Xingya Aluminum Foshan Co., Ltd.	34,056,488.48	34,056,488.48	100.00	Unable to recover in full
Hunan Nonferrous Xiangxiang Fluorine Chemical Co., Ltd.	30,014,553.77	30,014,553.77	100.00	Litigation matters
Jiangsu Yige Trading Co., Ltd.	28,416,334.72	28,416,334.72	100.00	Unable to recover in full
Guangxi Hezhou Electronic Technology Eco-Industrial Park Management Committee	17,761,093.36	17,761,093.36	100.00	Unable to recover in full
Guangxi Liuzhou Chemical Holding Co., Ltd.	16,763,642.67	16,763,642.67	100.00	Unable to recover in full
Guangxi Laibin Huamei Paper Co., Ltd.	14,750,344.82	14,750,344.82	100.00	Unable to recover in full
Hefei Jiawang Aluminum Co., Ltd.	14,635,514.73	14,635,514.73	100.00	Unable to recover in full
Guangxi Iron Investment Guanxin Industry Co., Ltd.	9,550,000.00	9,550,000.00	100.00	Unable to recover in full
Foshan Hechengxin Metal Trading Co., Ltd.	9,000,000.00	9,000,000.00	100.00	Won a case that could not be enforced
Customer payments from securities margin trading	8,610,352.93	8,610,352.93	100.00	Unable to recover in full
A Pooled Asset Management Plan	8,594,719.48	8,594,719.48	100.00	Unable to recover in full
Foshan Chuying Metal Trade Co., Ltd.	7,189,753.62	7,189,753.62	100.00	Won a case that could not be enforced

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrual reason
Anhui Weikete Aluminum Co., Ltd.	7,093,973.37	7,093,973.37	100.00	Unable to recover in full
Suzhou Yinglite Trading Co., Ltd.	7,061,532.63	7,061,532.63	100.00	Unable to recover in full
Guangxi Baihe Chemical Co., Ltd.	6,934,858.89	6,934,858.89	100.00	Unable to recover in full
Shenzhen Tonglide Hardware Manufacturing Co., Ltd.	6,826,316.57	6,826,316.57	100.00	Historical overdue principal and interest
Foshan Heqing Metal Material Co., Ltd.	6,487,661.41	6,487,661.41	100.00	Won a case that could not be enforced
Hebei Tuobang Building Materials Trade Co., Ltd.	5,629,707.12	5,629,707.12	100.00	Unable to recover in full
Jiangyin Hongmao Alloy Materials Co., Ltd.	5,388,386.59	5,388,386.59	100.00	Unable to recover in full
Guangxi Heda Paper Industry Co., Ltd.	5,288,487.19	5,288,487.19	100.00	Unable to recover in full
Xinyi Shengxin Aluminum Co., Ltd.	4,539,448.14	4,539,448.14	100.00	Unable to recover in full
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	4,204,205.49	4,204,205.49	100.00	Bankruptcy liquidation
Zhangjiagang Zhirui Trading Co., Ltd.	4,103,273.47	4,103,273.47	100.00	Unable to recover in full
Detal Aluminum LLC (Azerbaijan)	4,088,594.51	4,088,594.51	100.00	Unable to recover in full
Guangxi Liuzhou Steel Group Co., Ltd.	3,600,000.00	1,800,000.00	50.00	Unable to recover in full
Sinopharm Holding Wende Pharmaceutical Nanjing Co., Ltd.	3,237,036.10	3,237,036.10	100.00	Unable to recover in full
Shenzhen Kangyouda Industry Development Co., Ltd.	3,001,474.00	3,001,474.00	100.00	Unable to recover in full
Guangxi Guidong Marine Casting&Forging Co., Ltd.	2,856,903.20	2,856,903.20	100.00	Unable to recover in full
Guangxi Jingyu Fuel Co., Ltd.	2,800,000.00	2,800,000.00	100.00	Unable to recover in full
Sichuan Huaao Aluminum Co., Ltd.	2,700,970.63	2,700,970.63	100.00	Unable to recover in full
Guangxi Mingdian Construction Co., Ltd.	1,972,042.50	409,527.92	20.77	Unable to recover in full
Guangxi Huatianneng Environmental Protection Technology Development Co., Ltd.	1,662,512.00	1,662,512.00	100.00	Unable to recover in full
Guangdong Shande Pharmaceutical Co., Ltd.	1,329,500.00	265,900.00	20.00	Judgement prediction
Henan Wanwosa Metal Mining Co., Ltd.	1,200,000.00	1,200,000.00	100.00	Unable to recover in full
Financial advisory fees receivable from NEEQ	1,147,162.67	1,147,162.67	100.00	Unable to recover in full
Other sporadic receivables	27,811,492.91	27,811,492.91	100.00	Unable to recover in full
Total	**1,413,699,028.81**	**1,251,851,707.45**	—	—

(3) Bad debt provision of recovery or reversal

Name of debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before recovery or reversal	Reasons and methods of reversal or recovery
Zhuhai Hongfan Non-Ferrous Metals & Chemical Engineering Inc.	74,185,366.61	118,174,598.73	Recovery of partial distribution of bankruptcy claims
Zhaoqing Asia Aluminum Factory Co., Ltd.	21,068,012.32	162,000,000.00	Received back payment

Name of debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before recovery or reversal	Reasons and methods of reversal or recovery
Sporadic debtors	3,753,288.55	3,753,288.55	Received back payment
Guangxi Iron Investment Guanxin Industry Co., Ltd.	3,083,232.79	12,633,232.79	Received back payment
Shenzhen Tonglide Hardware Manufacturing Co., Ltd.	1,463,769.45	8,290,086.02	Debt restructuring
Guangxi Baihe Chemical Co., Ltd.	172,096.51	7,106,955.40	Received back payment
Total	**103,725,766.23**	**311,958,161.49**	——

(4) Actual write-offs of accounts receivable for the reporting period

Name of debtor	Nature of accounts receivable	Write-off amount	Reason for write-off	Write-offs procedure performed	Whether arising from related transactions
Foshan Heqing Metal Material Co., Ltd.	Payments for goods	14,341,551.95	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Nanning Yinda Industry and Trade Co., Ltd.	Current account	1,374,541.07	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Anhua Qujiang Tanshao Tea Co., Ltd.	Receivables from goods	340,371.00	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Zhejiang Wonder Foods Trading Co., Ltd.	Current account	109,193.50	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Tianhe Store, Guangzhou TRUST-MART Co., Ltd.	Current account	105,187.27	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Total	——	**16,270,844.79**	——	——	——

(5) Top five accounts receivable with closing balances grouped by debtors

Name of debtor	Book balance	Ratio of total accounts receivable (%)	Bad debt provision
Guangxi Power Grid Co., Ltd.	1,015,099,679.86	11.03	60,728,699.26
Shandong Tianhong Chemical Co., Ltd.	752,957,701.08	8.18	673,732.24
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	565,673,784.37	6.15	480,917.15
Guangxi Free Trade Zone Zhongma Supply Chain Management Co., Ltd.	490,217,397.39	5.33	8,341,789.74
Asia Aluminum (China) Co., Ltd.	337,780,281.90	3.67	337,780,281.90
Total	**3,161,728,844.60**	**34.36**	**408,005,420.29**

8. Receivables financing

Type	Closing balance	Opening balance
Notes receivable	167,945,592.44	266,224,209.95

9. Prepayments

(1) Aging of prepayments

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year	2,721,925,387.96	91.31	0.00	3,759,907,506.56	93.48	8,136.80
1-2 years	132,537,745.82	4.45	0.00	176,230,362.59	4.38	0.00
2-3 years	78,562,606.42	2.64	0.00	45,635,208.18	1.13	0.00
More than 3 years	47,790,461.64	1.60	0.00	40,497,925.66	1.01	0.00
Total	**2,980,816,201.84**	**100.00**	**0.00**	**4,022,271,002.99**	**100.00**	**8,136.80**

(2) Large prepayments aged over 1 year

Creditor	Debtor	Closing balance	Aging	Reasons for non-settlement
Puyang Hengrun Zhubang Petrochemical Co., Ltd.	Jiangsu Baohua Chemical Co., Ltd.	10,531,801.47	More than 3 years	Settlement conditions not met
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guangxi Chaoda Transport Group Co., Ltd.	6,479,453.00	More than 1 year	Advance payment of benefits, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	GuiPing People's Hospital	5,463,921.87	More than 1 year	Advance payment of benefits, case open
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Human Resources and Social Security Bureau of Wuxuan County	5,392,992.01	More than 1 year	Advance payment of benefits, case open
Liuzhou Guangtou Beicheng Clean Energy Co., Ltd.	Liubei District Land Acquisition Office, Liuzhou	5,000,000.00	2-3 years	Prepaid tenders
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Qinzhou Healthcare Security Business Management Center	4,598,264.53	More than 1 year	Advance payment of benefits, case open
Digital Guangxi Group Co., Ltd.	GUOTAI Epoint Software Co., Ltd.	3,639,622.65	1-3 years	Settlement conditions not met
Guangxi Guangtou Petrochemical Co., Ltd.	Shandong Zhuoheng Energy Co., Ltd.	3,467,282.84	1-2 years	Settlement conditions not met
Guangxi Investment Group TLD Technology Co., Ltd.	Shenzhen Tonglide Hardware Manufacturing Co., Ltd.	3,034,115.98	2-3 years	Settlement conditions not met
Guangxi small&medium enterprises financing guarantee Co., Ltd.	Senior People's Court of Guangxi Zhuang Autonomous Region	3,000,657.29	2-3 years	Settlement conditions not met
GIG Beihai Electric Power Co., Ltd.	North China Power Engineering Co., Ltd. of China Power Engineering Consulting Group	2,880,000.00	More than 3 years	Settlement conditions not met
Total		**53,488,111.64**	——	——

(3) Prepayments with the top five closing balances grouped by debtors

Name of debtor	Book balance	Ratio of total prepayments (%)	Bad debt provision
Shandong Tianhong Chemical Co., Ltd.	294,195,199.17	9.87	0.00
Guangxi Free Trade Zone Zhongma Supply Chain Management Co., Ltd.	205,778,040.00	6.90	0.00
Guangxi Hezhou Tourism Industry Group Co., Ltd.	133,009,400.00	4.46	0.00
Shanghai Shuifa Fuxin Supply Chain Co., Ltd.	94,144,960.00	3.16	0.00
Baoji Huahai Industrial Trade Co., Ltd.	81,200,000.00	2.72	0.00
Total	**808,327,599.17**	**27.11**	**0.00**

10. Receivable premium

(1) Aging of receivable premium and the corresponding provision for bad debts are analyzed as follows:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	425,271,832.88	34.00	0.00	425,271,832.88
3 months to 1 year (including 1 year)	701,699,948.53	56.09	6,934,840.96	694,765,107.57
More than 1 year	123,943,428.91	9.91	47,582,718.03	76,360,710.88
Total	**1,250,915,210.32**	**100.00**	**54,517,558.99**	**1,196,397,651.33**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	291,218,898.99	34.95	0.00	291,218,898.99
3 months to 1 year (including 1 year)	389,214,945.87	46.71	26,840.00	389,188,105.87
More than 1 year	152,837,755.45	18.34	40,349,367.15	112,488,388.30
Total	**833,271,600.31**	**100.00**	**40,376,207.15**	**792,895,393.16**

(2) Receivable premium is shown below by major categories of insurance

Item	Closing balance	Opening balance
Agricultural insurance	1,017,187,131.46	725,064,698.43
Health insurance	90,437,986.36	2,156,547.85
Liability insurance	37,783,648.28	29,423,501.30
Engineering insurance	34,244,200.66	36,461,210.05
Accident insurance	26,634,301.43	34,395,831.25
Corporate property insurance	19,409,023.17	2,849,852.85
Cargo insurance	19,251,640.04	799,863.12
Ship insurance	1,196,888.08	1,458,836.06
House property insurance	596,276.21	659,405.67
Others	4,174,114.63	1,853.73
Total	**1,250,915,210.32**	**833,271,600.31**

(3) Top five receivables in the Company's receivable premium are as follows:

Name of debtor	Closing balance	
	Amount	Ratio (%)
Guangxi Yangxiang Agricultural and Animal Husbandry Co., Ltd.	81,247,066.73	6.50
Guangxi Lvjian Modern Agricultural Development Co., Ltd.	54,307,087.50	4.34
Guangdong Yuexin Intelligent Technology Co., Ltd.	50,000,012.00	4.00
Guangxi Yangxiang Pig Genetic Technology Co., Ltd.	32,753,966.10	2.62
Hezhou Xinhao Agriculture and Animal Husbandry Co., Ltd.	21,548,879.55	1.72
Total	**239,857,011.88**	**19.18**

11. Cession premium receivable

(1) The aging of the cession premium receivable and the corresponding provision for bad debts are analyzed as follows:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	115,234,929.56	42.42	0.00	115,234,929.56

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
3 months to 1 year (including 1 year)	106,711,159.16	39.28	0.00	106,711,159.16
More than 1 year	49,732,433.70	18.30	0.00	49,732,433.70
Total	**271,678,522.42**	**100.00**	**0.00**	**271,678,522.42**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	55,188,391.75	20.17	0.00	55,188,391.75
3 months to 1 year (including 1 year)	133,833,175.21	48.92	0.00	133,833,175.21
More than 1 year	84,530,479.98	30.91	0.00	84,530,479.98
Total	**273,552,046.94**	**100.00**	**0.00**	**273,552,046.94**

(2) Top five lists of cession premium receivable are as follows:

Sub-insurance company	Closing balance	
	Amount	Ratio (%)
China Agricultural Reinsurance Co., Ltd.	142,077,399.64	52.30
Yong An Insurance Co., Ltd.	43,209,622.68	15.90
Taiping Reinsurance (China) Co., Ltd.	9,718,351.55	3.58
Swiss Re-insurance Company Beijing Branch	8,235,397.28	3.03
China Property and Casualty Reinsurance Co., Ltd.	7,788,416.62	2.87
Total	**211,029,187.77**	**77.68**

12. Provision of cession receivable

Item	Closing balance	Opening balance
Provision for unsettled compensation receivable from sub-insurance	210,108,155.26	124,125,918.31
Others	187,613,272.42	163,862,826.44
Total	**397,721,427.68**	**287,988,744.75**

13. Other receivables

Item	Closing balance	Opening balance
Interest receivable	222,410,820.09	434,121,188.28
Dividends receivable	272,166,541.02	110,726,527.90
Other receivables	11,863,378,339.89	5,669,111,550.55
Total	**12,357,955,701.00**	**6,213,959,266.73**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Time deposits	9,040,576.75	23,060,195.19
Entrusted loans	1,537,429.37	26,754,002.60
Bond investments	11,292,024.74	12,942,550.55
Others	200,540,789.23	371,364,439.94
Total	**222,410,820.09**	**434,121,188.28**

2) Important overdue Interest

Borrower	Book balance	Overdue (months)	Reason for overdue	Whether impairment has occurred and the basis for its determination
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	213,378,056.92	24	Inability to pay	Impairment occurred
Jiangxi Guangyin Aluminum Industry Co., Ltd.	158,895,722.75	26	Bankruptcy liquidation	Impairment occurred
Foshan Guangyin Sanying Aluminum Co., Ltd.	43,026,289.77	60	The company has been cancelled	Impairment occurred
Guangxi Baise Yinhai Power Supply Co., Ltd.	36,057,060.22	24	Inability to pay	Impairment occurred
Zhanjiang Landmark Investment Co., Ltd.	18,191,250.00	33	Failure to collect at maturity	Impairment occurred
Yulin Huading Investment Co., Ltd.	15,977,500.00	33	Failure to collect at maturity	Impairment occurred
Guangxi Yuxing Investment Group Co., Ltd.	15,860,625.00	33	Failure to collect at maturity	Impairment occurred
Nanning Mingdong Industry Co., Ltd.	10,484,320.00	33	Failure to collect at maturity	Impairment occurred
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	2,583,820.01	60	The company has been cancelled	Impairment occurred
Guangxi GIG Xinyi Cable Co., Ltd.	1,782,018.85	59	Bankruptcy liquidation	Impairment occurred
Guangxi Baise Yinhai Power Generation Co., Ltd.	680,166.65	24	Inability to pay	Impairment occurred
Total	**516,916,830.17**	—	—	—

3) Provision for bad debts of interest receivable

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (Credit impairment not incurred)	Expected credit losses for the entire duration (Credit impairment incurred)	
Opening balance	0.00	69,329,288.24	537,952,313.63	**607,281,601.87**
Opening balance in current year	——	——	——	——
—Transfer to stage 2	0.00	0.00	0.00	**0.00**
—Transfer to stage 3	0.00	0.00	0.00	**0.00**
—Reverse to stage 2	0.00	0.00	0.00	**0.00**
—Reverse to stage 1	0.00	0.00	0.00	**0.00**
Accrual in current year	0.00	8,115,468.80	906,036.56	**9,021,505.36**
Reversal in current year	0.00	42,069,391.42	9,505,280.02	**51,574,671.44**
Carry-forward in current year	0.00	0.00	0.00	**0.00**
Write-off in current year	0.00	0.00	0.00	**0.00**
Other changes	0.00	0.00	-23,438,730.00	**-23,438,730.00**
Closing balance	**0.00**	**119,514,148.46**	**524,924,900.21**	**644,439,048.67**

(2) Dividends receivable

Item	Closing balance	Opening balance
Dividends receivable aged within one year	**173,492,583.75**	**10,493,421.61**
Guangxi Liuzhou Steel Group Co., Ltd.	143,939,100.00	0.00
Debao County Yinfa Asset Operation Investment Co., Ltd.	7,157,536.10	0.00
Guangxi Construction Engineering Group Co., Ltd.	5,600,000.00	0.00
Guangxi Guangtou Dongcheng Lithium Battery Industry Fund Partnership (Limited Partnership)	4,993,252.83	0.00

Item	Closing balance	Opening balance
Guigang Janohig Electronics Technology Co., Ltd.	4,000,000.00	0.00
Ziyuan County Eco City Construction Investment Co., Ltd.	3,212,712.00	0.00
Sichuan Xidian Power Design Co., Ltd.	2,040,000.00	0.00
Guangxi Rita Pharmaceutical Group Co., Ltd.	1,188,732.64	0.00
Yulin Communications & Tourism Investment Group Co., Ltd.	925,400.00	0.00
Sino Life Asset Ruizhi No.9	422,892.08	368,571.64
Profit stabilization and liquidity capital management products of Taikang	11,816.64	0.00
Others	1,141.46	3,137.48
Qinzhou Qinbei District Urban Construction Investment Co., Ltd.	0.00	7,916,990.00
Rongtong Huicaibao Currency B	0.00	50,343.72
Guangxi Guimao Electric Power Co., Ltd.	0.00	360,000.00
Guangxi Wuzhou Guolong Recycling Resources Development Co., Ltd.	0.00	150,117.19
Guangxi Wufeng Machinery Co., Ltd.	0.00	390,563.58
Debao Baide Investment Co., Ltd.	0.00	1,253,698.00
Dividends receivable aged over one year	**98,673,957.27**	**100,233,106.29**
Guangxi Jinxin SME Equity Investment Fund Co., Ltd.	19,685,095.88	19,685,095.88
Guangxi Jintou SME Development Equity Investment Fund Co., Ltd.	17,959,334.60	17,959,334.60
Guangxi Jintou SME Growth Equity Investment Fund Co., Ltd.	16,817,260.75	16,817,260.75
Guangxi Jinshi SME Equity Investment Fund Co., Ltd.	16,249,401.47	16,249,401.47
Guangxi Jinguan SME Equity Investment Fund Co., Ltd.	12,715,029.35	12,715,029.35
Guangxi Jinhong SME Equity Investment Fund Co., Ltd.	9,608,596.64	9,608,596.64
Yulin Huading Investment Co., Ltd.	1,796,875.05	2,156,250.00
Guangxi Yuxing Investment Group Co., Ltd.	1,796,874.85	2,156,250.00
Guangxi Jinshuo SME Equity Investment Fund Co., Ltd.	1,304,165.49	1,304,165.49
Guangxi Wufeng Machinery Co., Ltd.	390,563.58	0.00
Nanning Mingdong Industry Co., Ltd.	235,375.00	201,750.00
Guangxi Jinyi SME Equity Investment Fund Co., Ltd.	115,384.61	115,384.61
Guangxi Lianhong Property Co., Ltd.	0.00	1,264,587.50
Total	**272,166,541.02**	**110,726,527.90**

(3) Other receivables

Type	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables with a separate provision for bad debts	9,658,608,925.86	63.91	2,909,328,859.50	30.12
Other receivables for which bad debt provision is made in the portfolio	5,454,960,685.89	36.09	340,862,412.36	6.25
Including: Normal risk portfolio	4,539,170,650.01	30.03	339,173,488.04	7.47
Low-risk portfolio	915,790,035.88	6.06	1,688,924.32	0.18
Total	**15,113,569,611.75**	**100.00**	**3,250,191,271.86**	**21.51**

(Continued)

Type	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables with a separate provision for bad debts	3,543,514,159.55	40.32	2,735,622,290.89	77.20
Other receivables for which bad debt provision is made in the portfolio	5,245,338,198.62	59.68	384,118,516.73	7.32
Including: Normal risk portfolio	4,433,968,823.12	50.45	383,142,194.99	8.64
Low-risk portfolio	811,369,375.50	9.23	976,321.74	0.12
Total	**8,788,852,358.17**	**100.00**	**3,119,740,807.62**	**35.50**

1) Companies that have implemented the new financial instruments standard disclose other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year	9,179,369,100.04	3,562,191,148.49
1-2 years	2,415,404,874.33	1,982,395,772.13
2-3 years	636,479,320.53	543,363,745.61
3-4years	538,069,459.99	326,475,724.83
4-5years	303,610,826.12	784,199,731.77
More than 5 year	2,040,636,030.74	1,590,226,235.34
Subtotal	**15,113,569,611.75**	**8,788,852,358.17**
Less: Bad debt provision	3,250,191,271.86	3,119,740,807.62
Total	**11,863,378,339.89**	**5,669,111,550.55**

2) Top five other receivables with a single provision for bad debts at the end of the year

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrual reason
Guangxi Guishunda Asset Operation Management Co., Ltd.	4,342,255,655.61	67,370,389.45	1.55	Accrual based on individual cash flow tests
Guangxi Nanning Rongjian Investment Consulting Co., Ltd.	1,380,608,335.00	35,696,042.88	2.59	Accrual based on individual cash flow tests
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	832,310,759.97	832,310,759.97	100.00	Insolvency of the loan
Zhaoqing High Technology Industry Development Zone Land Reserve Center	513,467,995.68	0.00	0.00	Fully mortgaged, no risk of recovery
Guangxi Union Asset Management Co., Ltd.	341,860,000.00	52,860,000.00	15.46	Provision is made based on the amount expected to be recovered within the period agreed in the asset transfer agreement
Total	**7,410,502,746.26**	**988,237,192.30**	——	——

3) The bad debt provision of other receivables accrued, recovered or reversed during the year

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (Credit impairment not incurred)	Expected credit losses for the entire duration (Credit impairment incurred)	
Opening balance	0.00	371,942,021.53	2,747,798,786.09	**3,119,740,807.62**
Opening balance in current year	——	——	——	——
—Transfer to stage 2	0.00	0.00	0.00	**0.00**
—Transfer to stage 3	0.00	-1,290,859.45	1,290,859.45	**0.00**
—Reverse to stage 2	0.00	0.00	0.00	**0.00**
—Reverse to stage 1	0.00	0.00	0.00	**0.00**
Accrual in current year	0.00	316,099,826.01	23,339,316.28	**339,439,142.29**
Reversal in current year	0.00	83,172,045.43	85,652,767.40	**168,824,812.83**
Carry-forward in current year	0.00	307,466.53	2,326,358.11	**2,633,824.64**
Write-off in current year	0.00	24,114,334.00	3,063,145.55	**27,177,479.55**
Other changes	0.00	2,397,063.99	-12,749,625.02	**-10,352,561.03**
Closing balance	**0.00**	**581,554,206.12**	**2,668,637,065.74**	**3,250,191,271.86**

4) Bad debt provision of recovery or reversal

Name of debtor	Reversal or recovery amount	Amount of accumulated provision for bad debts before reversal or recovery	Reasons and methods of reversal or recovery
Zhaoqing Asia Aluminum Factory Co., Ltd.	74,935,283.45	105,000,000.00	Recovery of funds
Nanning Branch of Bank of Liuzhou Co., Ltd.	6,250,000.00	102,713.16	Recovery of funds
Qujing ZHONG YI FINE Chemical Industry Co., Ltd.	4,000,000.00	5,003,664.60	Recovery of funds
Guangxi Fangchenggang Huashi Poverty Alleviation Industrial Property Development Co., Ltd.	3,403,018.15	3,403,018.15	Recovery of funds
Guangxi United Assets and Equity Exchange Co., Ltd.	500,000.00	8,217.05	Recovery of funds
Litigation fees receivable	190,571.00	190,571.00	Recovery of funds
Nanning Office of Building Energy Efficiency and Wall Material Reform	185,548.90	0.00	Write off other payables
Foshan Heqing Metal Material Co., Ltd.	132,770.00	132,770.00	Recovery of funds
JIC Leasing Co., Ltd.	123,255.79	123,255.79	Recovery of funds
Zheng Jing	115,996.71	1,906.30	Recovery of rent deposit
Baihua MEDICAL&PHARMACEUTICAL Group Co., Ltd.	107,779.56	107,779.56	Receipt of fees for bankruptcy liquidation cases
Foshan Guangyin Sanying Aluminum Co., Ltd.	70,000.00	78,288,021.61	Recovery of partial distribution of bankruptcy claims
Guangxi Region Construction Engineering Electromechanical Equipment Bidding Center Co., Ltd.	30,000.00	493.03	Receipt of refund of bid deposit
Guangxi Kewen Tendering and Consulting Co., Ltd.	30,000.00	493.02	Receipt of return of deposit
Trustee Property of State Development and Investment Corporation in China Construction Bank for the Enterprise Annuity Scheme	21,874.68	21,874.68	Recovery of funds
Ping An International Financial Leasing (Tianjin) Co., Ltd.	10,189.15	10,189.15	Recovery of funds
Guangxi Sinopec Nanning Petroleum Co., Ltd.	1,968.19	433.87	Recovery of funds
Zou Luohui	1,774.88	377.98	Recovery of funds
Shenzhen Branch of Beijing CBRE Property Management Service Co., Ltd.	819.59	819.59	Recovery of funds
Guangxi Jet Toll Technology Co., Ltd.	301.02	111.81	Recovery of funds
Total	**90,111,151.07**	**192,396,710.35**	——

5) Actual write-offs of other receivables for the reporting period

Name of debtor	Nature of other receivables	Write-off amount	Reason for write-off	Write-offs procedure performed	Whether arising from related transactions
Litigation fees receivable	Litigation fees receivable	2,409,327.00	Unrecoverable	Consideration by the office meeting of the Chairman and the President	No

6) Other receivables with the top five closing balances by debtor

Name of debtor	Nature of payment	Book balance	Ratio in total closing balance of other receivables (%)	Bad debt provision
Guangxi Guishunda Asset Operation Management Co., Ltd.	Current account	4,445,255,655.61	29.41	67,370,389.43
Guangxi Nanning Rongjian Investment Consulting Co., Ltd.	Debt payment	3,200,455,163.86	21.17	65,603,598.29
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	Corporate short-term debt	832,310,759.97	5.51	832,310,759.97
Zhaoqing High Technology Industry Development Zone Land Reserve Center	Land payments	513,467,995.68	3.40	0.00
Guangxi Guojing Asset Management Co., Ltd.	Current account	348,000,000.00	2.30	5,678,513.76
Total	——	**9,339,489,575.12**	**61.79**	**970,963,261.45**

7) Receivables involving government grants

Company name	Grants	Closing balance	Aging	Expected collection		
				Time	Amount	Basis
Local Finance Department in Guangxi	"Guihuidai" financial subsidy	1,850,972.22	Within 1 year	——	——	——
Local Tax Authorities in Guangxi	Withholding tax handling fee to be refunded	8,867,326.40	Within 4 years	——	——	——
National Nanning Economic & Technological Development Area Management Committee	Business development incentives	11,920,603.77	1-2 years	——	——	——
Finance Bureau, Nanning Hi-Tech Industrial Development Zone	Business development incentives	1,515,200.00	Within 1 year	——	——	——
Laibin Finance Bureau	Electricity Subsidy	45,354,991.70	4-5years	——	——	——
Baise Municipal People's Government	Electricity Subsidy	33,425,449.20	More than 5 years	——	——	——
Nanning High-tech Industrial Development Zone Management Committee	Government grants	10,334,000.00	Within 1 year	——	——	——
LSDB	Business development grant	34,559,185.19	Within 1 year	——	——	——
Total	——	**147,827,728.48**	——	——	——	——

14. Redemptory monetary capital for sale

Item	Closing balance	Opening balance
Securities	18,905,603,867.11	16,145,868,391.04
Notes	4,369,437,560.00	2,944,169,843.00
Others	5,862,107.00	8,193,547.00
Less: Bad debt provision	906,587,305.66	1,238,872,230.57
Total book value	**22,374,316,228.45**	**17,859,359,550.47**

15. Inventories

Item	Closing balance		
	Book balance	Provision for decline in value	Book value
Raw materials	1,751,384,809.16	27,042,153.12	1,724,342,656.04
Self-made semi-finished products and work in process	2,417,354,884.00	1,504,627.20	2,415,850,256.80

Item	Closing balance		
	Book balance	Provision for decline in value	Book value
Development costs	850,041,966.13	0.00	850,041,966.13
Goods in stock (finished goods)	2,234,243,769.78	9,946,087.69	2,224,297,682.09
Including: Development products	137,362,715.11	284,449.07	137,078,266.04
Revolving materials (packaging materials, low-value consumables, etc.)	203,582,492.49	137,793.86	203,444,698.63
Expendable biological assets	14,665,391.60	0.00	14,665,391.60
Undeveloped land bank	173,778,381.99	0.00	173,778,381.99
Contract performance costs	99,650,838.21	0.00	99,650,838.21
Material in transit	413,672,816.87	21,922,029.90	391,750,786.97
Sending goods	477,435,067.05	282,005.62	477,153,061.43
Commissioned processing materials	32,306,268.44	0.00	32,306,268.44
Commissioning of goods for sale	1,800.00	0.00	1,800.00
Total	**8,668,118,485.72**	**60,834,697.39**	**8,607,283,788.33**

(Continued)

Item	Opening balance		
	Book balance	Provision for decline in value	Book value
Raw materials	1,678,381,702.23	107,420,371.69	1,570,961,330.54
Self-made semi-finished products and work in process	2,029,661,616.32	743,985.04	2,028,917,631.28
Development costs	396,270,124.35	0.00	396,270,124.35
Goods in stock (finished goods)	3,242,650,882.34	80,806,963.55	3,161,843,918.79
Including: Development products	197,415,204.35	284,449.07	197,130,755.28
Revolving materials (packaging materials, low-value consumables, etc.)	109,959,767.03	137,912.78	109,821,854.25
Expendable biological assets	13,510,359.82	5,565,701.50	7,944,658.32
Undeveloped land bank	173,778,381.99	0.00	173,778,381.99
Contract performance costs	119,200,610.96	0.00	119,200,610.96
Material in transit	334,267,934.22	0.00	334,267,934.22
Sending goods	203,111,875.79	282,005.62	202,829,870.17
Commissioned processing materials	26,446,091.51	0.00	26,446,091.51
Total	**8,327,239,346.56**	**194,956,940.18**	**8,132,282,406.38**

16. Contract assets

(1) Details of contract assets

Item	Closing balance		
	Book balance	Impairment provision	Book value
Data and Information Service Projects	762,655,577.90	228,126.84	762,427,451.06
Urban-rural Construction Linkage Project	183,651,001.13	164,489.74	183,486,511.39
Investment Building Upgrade	24,973,359.89	0.00	24,973,359.89
Supply Chain Projects	9,420,571.06	0.00	9,420,571.06
Primary Land Development Projects (Pharmaceutical and Health Group)	7,686,917.17	7,686,917.17	0.00
Guangtou Xinjing Real Estate Project	3,394,037.99	2,992.18	3,391,045.81
Liuzhou kitchen Waste Resource Utilization and Harmless Treatment Project PPP	3,251,605.50	0.00	3,251,605.50
Shantytown Improvement and Gas Entry Project of Changtian Sub-district Office Area, Qinbei District	2,632,398.64	0.00	2,632,398.64
Wutongshu Qing Hua Yuan Gas Pipeline Installation Project	2,430,000.00	40,114.05	2,389,885.95

Item	Closing balance		
	Book balance	Impairment provision	Book value
Linhu Meidi (Lot 211) Phase II & III Gas Pipeline Project of Taifung Group	1,195,000.00	0.00	1,195,000.00
Tianyang District Air Force Project	1,193,406.78	19,700.57	1,173,706.21
Yuda Jinxiu Senlin Gas Pipeline Installation Project	1,150,000.00	18,984.02	1,131,015.98
Power Equipment Sales Warranty	546,176.00	54,362.60	491,813.40
Other projects	2,094,409.29	18,780.25	2,075,629.04
Total	**1,006,274,461.35**	**8,234,467.42**	**998,039,993.93**

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Data and Information Service Projects	3,098,479.88	0.00	3,098,479.88
Urban-rural construction linkage project	98,760,108.49	88,368.67	98,671,739.82
Primary Land Development Projects (Pharmaceutical and Health Group)	7,686,917.17	7,686,917.17	0.00
Guangtou Xinjing Real Estate Project	3,344,037.99	2,992.18	3,341,045.81
Liuzhou Kitchen Waste Resource Utilization and Harmless Treatment Project PPP	51,920,860.23	0.00	51,920,860.23
Environmental engineering construction projects (Guangxi Investment Capital)	97,309,971.89	0.00	97,309,971.89
Xiwan Huanhai Avenue	1,837,881.97	0.00	1,837,881.97
Fangchenggang Zhenyuling Bridge	1,013,150.52	0.00	1,013,150.52
Power equipment sales warranty	560,376.00	27,891.30	532,484.70
Liuzhou Municipal Supporting Projects	498,274.38	0.00	498,274.38
Jinxiangyuan Pension Services	11,069.62	0.00	11,069.62
Total	**266,041,128.14**	**7,806,169.32**	**258,234,958.82**

(2) Provision for impairment of contract assets

Item	Opening balance	Accrual in current year	Reversal in current year	Carry-forward/Write-off in current year	Closing balance	Reason
Primary Land Development Projects (Pharmaceutical and Health Group)	7,686,917.17	0.00	0.00	0.00	7,686,917.17	The likelihood of recovery is expected to be low
Data and Information Service Projects	0.00	228,126.84	0.00	0.00	228,126.84	risk of possible impairment of the project's project payments is expected
Urban-rural Construction Linkage Project	88,368.67	57,057.25	0.00	-19,063.82	164,489.74	The likelihood of recovery is expected to be low
Other projects	30,883.48	124,760.19	710.00	0.00	154,933.67	The likelihood of recovery is expected to be low
Total	**7,806,169.32**	**409,944.28**	**710.00**	**-19,063.82**	**8,234,467.42**	—

17. Held-for-sale assets

Item	Closing book value	Closing fair value	Expected disposal costs	Schedule
Held-for-sale assets-Passenger vehicles	1,112,685.53	1,112,685.53	0.00	To be sold
Held-for-sale assets-Commercial vehicles	70,999,489.76	70,999,489.76	0.00	To be sold
Total	**72,112,175.29**	**72,112,175.29**	**0.00**	

18. Non-current assets due within one year

Item	Closing balance	Opening balance
Loans due within one year	111,577,844,874.00	97,823,421,827.00
Long-term receivables due within one year	3,427,689,908.51	2,538,025,956.73
Debt investments due within one year	289,183,060.00	220,000,000.00
Entrust loans due within one year	69,411,566.67	131,800,000.00
Non-principal protected wealth management with maturity within one year	60,000,000.00	0.00
Lease receivables due within one year	16,473,337.07	0.00
Long-term deferred expenses due within one year	2,874,604.83	0.00
Less: Provision for bad debts of long-term receivables due within one year	145,146,829.16	388,755,636.95
Provision for impairment of debt investments due within one year	8,595,897.71	3,529,078.25
Less: Provision for bad debts of entrusted loans due within one year	1,191,694.98	2,261,250.82
Others	19,669,843.18	87,629,151.38
Total	**115,308,212,772.41**	**100,406,330,969.09**

19. Other current assets

Item	Closing balance	Opening balance
Refundable deposits	8,394,940,567.41	10,350,907,929.19
Funds clearing transactions	3,837,393,500.00	612,143,329.00
Entrusted loans	1,041,395,873.51	741,531,914.78
Compensation receivable	669,607,980.40	697,510,169.77
Outstanding interest	387,557,830.00	103,778,962.00
Retained VAT	201,044,606.74	591,649,476.85

Item	Closing balance	Opening balance
Operating lease assets (aluminum formwork)	175,976,580.53	249,388,817.88
Input VAT to be deducted	151,825,723.27	370,666,318.21
Prepaid taxes	120,528,661.85	97,359,130.19
Transfer of input VAT	108,141,616.14	0.00
Input VAT to be certified	41,547,772.32	49,657,891.68
Interest expenses to be amortized	5,904,817.67	0.00
Contract performance costs	0.00	11,550,805.34
Others	809,737.92	380,382.78
Total	**15,136,675,267.76**	**13,876,525,127.67**

20. Loans and advances

(1) Distribution of loans and advances by individuals and businesses

Item	Closing balance	Opening balance
Individual loans and advances	36,124,569,685.65	74,875,995,919.16
Including: Credit card	1,988,355,160.20	2,776,746,741.00
Housing mortgage	23,817,625,692.53	50,051,836,591.00
Others	10,318,588,832.92	22,047,412,587.16
Business loans and advances	82,392,450,406.23	33,836,465,757.04
Including: Loans	77,389,846,170.71	24,125,837,984.04
Discount	4,999,834,733.15	9,550,384,160.00
Others	2,769,502.37	160,243,613.00
Total loans and advances	**118,517,020,091.88**	**108,712,461,676.20**
Less: Provision for loan losses	5,736,469,398.25	5,356,551,933.19
Including: Individual accruals	5,644,796,432.52	4,950,233,310.00
Portfolio accruals	91,672,965.73	406,318,623.19
Book value of loans and advances	**112,780,550,693.63**	**103,355,909,743.01**

(2) Distribution of loans and advances by industry

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
Agriculture, fishery	2,242,084,023.66	1.89	2,131,084,281.86	1.96
Extractive industry	1,187,595,203.02	1.00	889,338,831.01	0.82
Real estate	6,029,305,426.48	5.09	5,858,423,287.96	5.39
Construction	9,074,146,841.25	7.66	8,438,532,744.00	7.76
Finance and insurance	2,867,568,924.02	2.42	2,465,368,226.15	2.27
Services	219,070,000.00	0.18	222,529,696.26	0.20
Transportation	2,617,945,633.26	2.21	2,082,294,938.35	1.92
Catering	532,761,284.25	0.45	530,030,942.97	0.49
Manufacturing	19,469,029,279.36	16.43	13,615,423,660.89	12.52
Trade and commerce	312,612,498.98	0.26	0.00	0.00
Personal consumption	30,828,437,014.17	26.01	34,811,714,333.55	32.02
Wholesale and retail trade	19,577,501,764.34	16.52	18,339,025,637.06	16.87
Electricity, gas and water production and supply industry	2,815,437,965.68	2.38	2,108,616,913.77	1.94
Other business	20,743,524,233.41	17.50	17,220,078,182.37	15.84
Total loans and advances	**118,517,020,091.88**	**100.00**	**108,712,461,676.20**	**100.00**
Less: Provision for loan losses	5,736,469,398.25	——	5,356,551,933.19	——
Including: Individual accruals	5,644,796,432.52	——	4,950,233,310.00	——
Portfolio accruals	91,672,965.73	——	406,318,623.19	——
Book value of loans and advances	**112,780,550,693.63**	**——**	**103,355,909,743.01**	**——**

(3) Distribution of loans and advances by region

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
South China	118,517,020,091.88	100.00	108,712,461,676.20	100.00
Including: Guangxi region	118,517,020,091.88	100.00	107,405,862,177.54	98.80
Total loans and advances	**118,517,020,091.88**	**100.00**	**108,712,461,676.20**	**100.00**
Less: Provision for loan losses	5,736,469,398.25	——	5,356,551,933.19	——
Including: Individual accruals	5,644,796,432.52	——	4,950,233,310.00	——
Portfolio accruals	91,672,965.73		406,318,623.19	
Book value of loans and advances	**112,780,550,693.63**	**——**	**103,355,909,743.01**	**——**

(4) Distribution of loans and advances by guarantee

Item	Closing balance	Opening balance
Credit loans	19,949,915,896.54	15,595,554,719.96
Guaranteed loans	32,066,095,158.43	25,205,578,750.58
Collateral loans	66,501,009,036.91	67,911,328,205.66
Including: Mortgage loan	49,375,148,361.03	49,506,504,638.04
Pledge loans	17,125,860,675.88	18,404,823,567.62
Total loans and advances	**118,517,020,091.88**	**108,712,461,676.20**
Less: Provision for loan losses	5,736,469,398.25	5,356,551,933.19
Including: Individual accruals	5,644,796,432.52	4,950,233,310.00
Portfolio accruals	91,672,965.73	406,318,623.19
Book value of loans and advances	**112,780,550,693.63**	**103,355,909,743.01**

(5) Overdue loans

Item	Closing balance				Total
	Overdue for 1—90 days (including 90 days)	Overdue for 90—360 days (including 360 days)	Overdue for 360 days to 3 years (including 3 years)	Overdue for more than 3 years	
Credit loans	216,439,732.00	233,604,274.00	121,212,069.00	11,275,741.00	**582,531,816.00**
Guaranteed loans	158,870,785.00	47,684,125.00	55,078,035.00	123,047,251.00	**384,680,196.00**
Collateral loans	449,557,538.00	390,545,446.00	426,666,722.00	132,377,530.00	**1,399,147,236.00**
Including: Mortgage loan	435,310,671.00	380,364,781.00	406,032,988.00	117,179,391.00	**1,338,887,831.00**
Pledge loans	14,246,867.00	10,180,665.00	20,633,734.00	15,198,139.00	**60,259,405.00**
Total loans and advances	**824,868,055.00**	**671,833,845.00**	**602,956,826.00**	**266,700,522.00**	**2,366,359,248.00**

(Continued)

Item	Opening balance				Total
	Overdue for 1—90 days (including 90 days)	Overdue for 90—360 days (including 360 days)	Overdue for 360 days to 3 years (including 3 years)	Overdue for more than 3 years	
Credit loans	131,812,870.00	115,169,992.00	68,343,107.00	34,075,404.00	**349,401,373.00**
Guaranteed loans	289,252,096.00	217,547,289.00	152,881,113.00	306,010,963.00	**965,691,461.00**
Collateral loans	439,530,638.00	315,639,281.00	382,304,378.00	675,011,175.00	**1,812,485,472.00**
Including: Mortgage loan	433,244,595.00	303,870,887.00	364,306,233.00	638,781,197.00	**1,740,202,912.00**
Pledge loans	6,286,043.00	11,768,394.00	17,998,145.00	36,229,978.00	**72,282,560.00**
Total loans and advances	**860,595,604.00**	**648,356,562.00**	**603,528,598.00**	**1,015,097,542.00**	**3,127,578,306.00**

(6) Provision for loan losses

Item	Current year amount		Prior year amount	
	Individual	Portfolio	Individual	Portfolio
Opening balance	4,950,233,310.00	406,318,623.19	4,003,588,642.00	402,424,573.31
Accrual in current year	2,473,609,318.52	4,944,908.25	2,738,433,762.00	3,894,049.88
Transfer out in current year	0.00	0.00	0.00	0.00
Write-off in current year	1,763,320,969.00	0.00	1,743,334,924.00	0.00
Reversal in current year	-15,725,227.00	-319,590,565.71	-48,454,170.00	0.00
Recovery of reversal due to original reversal of loans and advances	35,600,480.00	-319,590,565.71	40,041,042.00	0.00
Reversal of loans and advances due to increase in discounted value	-51,325,707.00	0.00	-88,495,212.00	0.00
Reversal due to other factors	0.00	0.00	0.00	0.00
Closing balance	**5,644,796,432.52**	**91,672,965.73**	**4,950,233,310.00**	**406,318,623.19**

21. Debt investments

Item	Closing balance		
	Book balance	Impairment provision	Book value
Asset packages	84,734,869,630.02	2,944,156,824.74	81,790,712,805.28
Enterprise bonds and others	1,614,979,587.26	72,471,963.69	1,542,507,623.57
Total	**86,349,849,217.28**	**3,016,628,788.43**	**83,333,220,428.85**

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Asset packages	87,200,995,207.40	5,348,655,597.17	81,852,339,610.23
Enterprise bonds and others	2,801,415,250.37	111,380,309.51	2,690,034,940.86
Total	**90,002,410,457.77**	**5,460,035,906.68**	**84,542,374,551.09**

22. Other debt investments

Item	Closing balance	Opening balance
Debt instruments	7,359,912,423.00	9,711,052,820.00
Financial bonds	1,850,909,421.35	246,183,211.84
Enterprise bonds	131,621,758.27	185,437,364.17
Local bonds	0.00	1,920,845,913.57
Corporate bonds	0.00	221,568,023.70
Others	3,481,003,230.21	9,688,972,228.83
Total	**12,823,446,832.83**	**21,974,059,562.11**

23. Long-term receivables

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	9,390,716,880.56	219,702,646.87	9,171,014,233.69
Including: Unrealized financing profits	-1,075,378,743.85	0.00	-1,075,378,743.85
Sale of goods by instalments	951,993,975.24	17,417,731.00	934,576,244.24
Others	2,663,732,874.63	282,757,160.14	2,380,975,714.49
Total	**13,006,443,730.43**	**519,877,538.01**	**12,486,566,192.42**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Finance lease payments	8,664,476,663.71	230,493,398.62	8,433,983,265.09
Including: Unrealized financing profits	-973,348,767.69	0.00	-973,348,767.69

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Others	2,801,499,297.63	269,886,268.43	2,531,613,029.20
Total	**11,465,975,961.34**	**500,379,667.05**	**10,965,596,294.29**

24. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase	Decrease	Closing balance
Investments in subsidiaries	19,779,121.32	0.00	19,759,121.32	20,000.00
Investments in joint ventures	44,493,278.24	5,591,666.16	7,524,601.00	42,560,343.40
Investments in associates	29,274,879,223.17	7,879,962,202.01	1,586,462,919.60	35,568,378,505.58
Subtotal	**29,339,151,622.73**	**7,885,553,868.17**	**1,613,746,641.92**	**35,610,958,848.98**
Less: Provision for impairment of long-term equity investments	140,555,390.32	34,698,678.07	7,156,381.84	168,097,686.55
Total	**29,198,596,232.41**	**7,850,855,190.10**	**1,606,590,260.08**	**35,442,861,162.43**

(2) Details of long-term equity investments

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Total	**29,967,206,266.29**	**29,339,151,622.73**	**1,524,886,054.35**	**61,983,135.73**	**2,647,708,571.69**	**-85,472,434.78**
I. Subsidiaries	**19,779,121.32**	**19,779,121.32**	**0.00**	**0.00**	**0.00**	**0.00**
Guangxi Zhuangmei E-commerce Co., Ltd.	19,759,121.32	19,759,121.32	0.00	0.00	0.00	0.00
Guangxi Association for Promotion of Private Sci-Tech Enterprises	20,000.00	20,000.00	0.00	0.00	0.00	0.00
II. Joint ventures	**38,348,588.72**	**44,493,278.24**	**800,000.00**	**5,924,601.00**	**3,053,814.92**	**0.00**
Guangxi Hezhou Sheng Li Electric Power Co., Ltd.	6,123,987.72	14,845,300.72	0.00	0.00	3,222,198.52	0.00
Guangxi Zhongyou Tiexiang Energy Ltd.	13,500,000.00	13,500,000.00	0.00	0.00	0.00	0.00
Nanning Guohai Yuchai Investment Management Co., Ltd.	5,924,601.00	4,158,452.32	0.00	5,924,601.00	28,297.44	0.00
Shenzhen Guohai No. 9 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	4,000,000.00	3,995,858.54	0.00	0.00	-17,789.08	0.00
Guangxi Beitou Guohai Jiuhe Industrial Investment Partnership (Limited Partnership)	8,800,000.00	7,993,666.66	800,000.00	0.00	-178,891.96	0.00
III. Associates	**29,909,078,556.25**	**29,274,879,223.17**	**1,524,086,054.35**	**56,058,534.73**	**2,644,654,756.77**	**-85,472,434.78**
Guangxi Guiguan Electric Power Co., Ltd.	5,153,063,512.34	6,445,733,713.51	0.00	0.00	711,913,114.84	1,669,033.33
Guangxi Fangchenggang Nuclear Power Co., Ltd.	6,847,465,668.72	5,894,723,366.00	360,478,560.00	0.00	650,646,285.63	0.00
Guangxi Construction Engineering Group Co., Ltd.	3,410,225,655.74	3,680,556,705.98	30,993.08	0.00	522,318,223.36	-23,151,099.03
Tianshengqiao No.1 Level Water and Electricity Development Co., Ltd.	2,743,814,970.99	2,351,696,453.92	0.00	0.00	221,776,234.42	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	1,224,000,000.00	1,714,671,045.49	136,000,000.00	0.00	-17,539,544.67	0.00
Guangxi Huasheng New Material Co., Ltd.	679,489,200.00	1,176,932,281.87	0.00	0.00	367,095,614.77	0.00
Datang Yantan Hydropower Co., Ltd.	417,917,949.09	897,024,885.69	0.00	0.00	179,829,027.64	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	953,816,500.00	848,920,000.00	100,000,000.00	0.00	0.00	0.00
SDIC Qinzhou Electric Power Co., Ltd.	2,095,456,655.26	875,674,234.49	0.00	0.00	-68,439,511.66	0.00
Guangxi Guiguan Kaitou Electric Power Co., Ltd.	360,000,000.00	693,949,932.88	0.00	0.00	158,281,268.96	0.00
Guoneng Guangtou Beihai Power Generation Co., Ltd.	882,945,676.01	634,478,157.73	141,166,400.00	0.00	-25,676,592.20	0.00
Guangxi Union Asset Management Co., Ltd.	276,034,227.02	540,272,748.93	0.00	0.00	25,657,328.78	0.00
Guofu Life Insurance Co., Ltd.	585,714,285.46	639,715,060.35	0.00	0.00	-71,577,572.38	-63,844,144.36
Guangxi Guangtou New Materials Group Co., Ltd.	525,092,448.05	456,605,977.84	0.00	0.00	-46,111,697.01	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	360,012,240.37	360,012,240.37	0.00	0.00	76,501.29	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	259,511,405.60	259,511,405.60	0.00	0.00	-5,299,732.40	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Hezhou Investment Group Co., Ltd.	246,280,000.00	246,280,000.00	0.00	0.00	0.00	0.00
Aluminum Power Jinhai Co., Ltd.	191,000,000.00	185,583,695.15	0.00	0.00	40,130,053.51	-146,224.72
Guangxi Guangtou Jietong Logistics Industry Fund Partnership (L.P.)	190,000,000.00	0.00	190,000,000.00	0.00	32,898,626.00	0.00
Guangxi Guangtou Zhanxin No.2 Investment Partnership (Limited Partnership)	198,940,000.00	0.00	198,940,000.00	0.00	384,661.82	0.00
Guangxi Lishui Investment Partnership (Limited Partnership)	150,000,000.00	0.00	0.00	0.00	68,644.58	0.00
Guangxi Direct Enterprise Credit Guarantee Co., Ltd.	105,000,000.00	0.00	105,000,000.00	0.00	0.00	0.00
Guangxi Radio & TV Big Data Technology Co., Ltd.	101,179,921.94	101,179,921.94	0.00	0.00	1,121,173.98	0.00
Shenzhen Guohai Zhongheng Pharmaceutical Health Venture Capital Partnership (Limited Partnership)	100,000,000.00	100,384,232.81	0.00	0.00	1,339,284.66	0.00
Guangxi Guangtou Zhanxin No.3 Investment Partnership (Limited Partnership)	94,240,000.00	0.00	94,240,000.00	0.00	-90,622.92	0.00
Nanning CRRC Aluminum Precision Machining Co., Ltd.	39,200,000.00	0.00	67,046,246.17	0.00	11,770,111.71	0.00
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	84,369,153.80	105,472,864.80	0.00	10,887,140.06	8,009,241.27	0.00
Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (Limited Partnership)	75,000,000.00	75,174,628.09	0.00	0.00	-2,147,346.22	0.00
Qingdao Guohai Huihang Investment Partnership (Limited Partnership)	60,000,000.00	59,018,253.95	0.00	0.00	0.00	0.00
Sichuan Xidian Power Design Co., Ltd.	58,343,100.00	0.00	0.00	0.00	0.00	0.00
Xiamen Guohai Nut Venture Investment Partnership (Limited Partnership)	8,096,640.27	63,273,297.40	0.00	0.00	194,064.97	0.00
Guangxi Aglaiya Biotechnology Co., Ltd.	50,000,000.00	48,655,144.95	0.00	0.00	-3,856,311.58	0.00
Guangxi Digital Guangrun Technology Co., Ltd.	42,966,391.41	42,966,391.41	0.00	0.00	-1,470,130.71	0.00
Yunbaobao Big Data Industry Development Co., Ltd.	39,495,317.72	39,495,317.72	0.00	0.00	1,542,840.00	0.00
Chongqing Bilingxing Private Equity Investment Fund Partnership (Limited Partnership)	40,000,000.00	0.00	40,000,000.00	0.00	-617,635.57	0.00
Nanning Huiyou Xingyao Equity Investment Fund Partnership (Limited Partnership)	20,380,000.00	34,394,890.12	0.00	0.00	4,634,720.73	0.00
Guangxi Fangchenggang No.3 Nuclear Power Co., Ltd.	39,000,000.00	0.00	39,000,000.00	0.00	0.00	0.00
Guangxi Shuguang Baode Information Technology Co., Ltd.	35,716,206.55	35,716,206.55	0.00	0.00	565,344.60	0.00
Guangxi Laibin GIG Advanced Materials Co., Ltd.	29,400,000.00	31,022,787.06	0.00	0.00	211,010.48	0.00
Chongqing Century Light Technology Industrial Co., Ltd.	29,546,715.28	29,546,715.28	0.00	0.00	0.00	0.00
Guangxi Jintou Environment Technology Co., Ltd.	20,466,871.65	0.00	25,573,675.19	0.00	2,382,599.54	0.00
Guangxi Exchange Registration and Settlement Co., Ltd.	42,060,000.00	0.00	2,060,000.00	0.00	-3,688,748.38	0.00
Liuzhou Guanghe Petty Loan Co., Ltd.	33,177,169.23	33,177,169.23	0.00	0.00	-7,747,840.93	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Talent Cloud IT Co., Ltd.	24,053,480.82	24,053,480.82	0.00	0.00	511,146.78	0.00
Guangxi Gold Stone Technology Co., Ltd.	27,520,995.77	27,520,995.77	0.00	0.00	-1,167,457.60	0.00
Ningbo Meishan Bonded Port Credit Enterprise Equity Investment Partnership (Limited Partnership)	20,750,000.00	20,704,346.54	0.00	0.00	-8,057.98	0.00
Guangxi Chaochao New Material Co., Ltd.	22,206,796.91	22,206,796.91	0.00	0.00	-2,202,405.37	0.00
Guangxi Zhongke Alpha Technology Co., Ltd.	19,981,347.29	19,981,347.29	0.00	0.00	-1,064,040.82	0.00
Guangxi Zhongran Clean Energy Co., Ltd.	10,000,000.00	15,835,356.46	0.00	0.00	2,173,291.49	0.00
Beibu Gulf Equity Exchange Group Co., Ltd.	15,309,572.78	14,283,233.16	0.00	0.00	4,186,908.62	0.00
China National Salt Industry Group Guangxi Salt Co., Ltd.	26,652,000.00	17,188,569.01	0.00	0.00	-1,264,120.00	0.00
Hangzhou Guohai Xinsheng Equity Investment Partnership (Limited Partnership)	20,000,000.00	17,061,394.35	0.00	4,002,395.03	1,783,000.26	0.00
Guangxi Guofu Financing Equity Investment Fund Management Co., Ltd.	6,489,367.37	8,887,283.31	0.00	0.00	4,686,450.19	0.00
Guangxi Gradient Technology Co., Ltd.	13,245,332.03	13,245,332.03	0.00	0.00	27,288.27	0.00
Guangxi Construction Industrialization Co., Ltd.	17,009,780.57	17,009,780.57	0.00	0.00	-3,971,547.94	0.00
Jiaxing Guohai LOHAS No. 6 Equity Investment Partnership (Limited Partnership)	13,000,000.00	12,943,041.35	0.00	0.00	-257,250.47	0.00
Changxing Guohai East Lake Equity Investment Partnership (Limited Partnership)	10,000,000.00	9,934,519.21	0.00	0.00	1,324,464.80	0.00
Guizhou Xingyi Electric Power Development Co., Ltd.	210,000,000.00	49,208,948.68	0.00	0.00	-39,606,677.46	0.00
Sinopec (Maoming) Gas Pipeline Co., Ltd.	9,222,292.28	9,222,292.28	0.00	0.00	1,144,603.41	0.00
Guangxi Guofu Innovative Equity Investment Fund Management Co., Ltd.	1,437,957.00	7,166,177.10	0.00	0.00	5,945,949.05	0.00
Shenzhen Guohai No.5 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	10,000,000.00	9,925,234.09	0.00	0.00	372,922.78	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	10,000,000.00	10,000,000.00	0.00	0.00	0.00	0.00
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.	1,050,000.00	10,180,242.35	0.00	0.00	-229,103.37	0.00
Guangxi Guiwu Smart Technology Co., Ltd.	9,754,987.19	9,754,987.19	0.00	0.00	88,000.00	0.00
Guilin Haomiao Tourism Investment Co., Ltd.	8,500,000.00	8,500,000.00	0.00	0.00	0.00	0.00
Fangchenggang Bianhe District Trade & Investment Co., Ltd.	12,600,000.00	12,600,000.00	0.00	0.00	-4,531,226.12	0.00
Shenzhen Guohai No.3 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	14,750,000.00	14,373,222.04	0.00	0.00	-6,464,539.30	0.00
Guangxi Shuguang Weiqi Technology Co., Ltd.	0.00	0.00	3,280,000.00	0.00	40,054.38	0.00
Guangxi Gold investment Co., Ltd.	7,187,239.07	7,187,239.08	0.00	0.00	-497,817.81	0.00
Hunan Maio Medical Technology Co., Ltd.	9,800,000.00	5,249,446.91	0.00	0.00	1,071,515.45	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Guohai Selection No.1 Investment Partnership (Limited Partnership)	6,800,000.00	0.00	6,800,000.00	0.00	-569,556.66	0.00
Guangxi Digital Certification Co., Ltd.	4,827,759.34	4,827,759.34	0.00	0.00	1,222,139.73	0.00
Hunan Huipan Medical Technology Co., Ltd.	980,000.00	2,231,865.57	0.00	0.00	3,090,519.14	0.00
Nanning Huashu Lightweight Electric Vehicle Design Institute Co., Ltd.	5,000,000.00	0.00	5,000,000.00	0.00	0.00	0.00
Guangxi Digital Hezhou Technology Co., Ltd.	4,682,362.78	4,682,362.78	0.00	0.00	253,275.68	0.00
Baise Haohai Power Generation Co., Ltd.	1,839,000.00	4,384,447.86	0.00	0.00	1,408,094.48	0.00
Guangxi Gas Group Co., Ltd.	4,500,000.00	4,500,000.00	0.00	0.00	0.00	0.00
Guangxi Pingle Nongtou Energy Construction Co., Ltd.	4,900,000.00	4,416,068.94	0.00	0.00	0.00	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	4,268,892.71	4,268,892.71	0.00	0.00	72,062.45	0.00
Wuzhou Export-oriented Industrial Park Development Co., Ltd.	4,000,000.00	4,000,000.00	0.00	0.00	0.00	0.00
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	3,067,976.07	3,067,976.07	0.00	0.00	959,101.89	0.00
Guangxi Shuguang Network Security Technology Co., Ltd.	3,646,969.57	3,646,969.57	0.00	0.00	18,141.41	0.00
Shenzhen Guohai No. 8 Software Service Venture Capital Partnership (Limited Partnership)	6,000,000.00	5,988,312.03	0.00	0.00	-2,362,895.63	0.00
Tibet Osbixiu Pharmaceutical Co., Ltd.	3,750,000.00	0.00	3,750,000.00	0.00	-164,559.33	0.00
Guangxi Quanyu Tourism Industry Development Fund Management Co., Ltd.	2,500,000.00	2,295,074.10	0.00	0.00	1,154,754.76	0.00
Guangxi Shuguang Hetai Big Data Technology Co., Ltd.	3,056,894.19	3,056,894.19	0.00	0.00	-30,128.85	0.00
GIG Huili (Shanghai) Investment Management Co., Ltd.	8,570,000.00	6,599,088.28	0.00	0.00	-3,597,476.97	0.00
Guangxi Guanglin Digital Technology Co., Ltd.	3,500,000.00	3,500,000.00	0.00	0.00	-833,000.00	0.00
Nanning Lansheng Yirong Fund Management Co., Ltd.	1,750,000.00	2,911,243.50	0.00	0.00	-288,204.82	0.00
Guangxi Luhai New Channel Equity Investment Management Center (Limited Partnership)	2,475,000.00	6,059,018.02	0.00	0.00	-3,516,049.34	0.00
Guangxi Shuguang Maiyue Technology Co., Ltd.	1,887,001.43	1,887,001.43	0.00	0.00	531,117.26	0.00
GXTDG Technology Limited	0.00	0.00	1,394,697.00	0.00	866,400.73	0.00
Guangxi Guangtou JieFei Technology Co., Ltd.	2,000,000.00	0.00	2,000,000.00	0.00	80,210.42	0.00
Guangxi Digital Medicine Technology Co., Ltd.	2,498,021.25	2,498,021.25	0.00	0.00	-629,528.36	0.00
Guangxi Shuguang Education Technology Co., Ltd.	3,932,681.25	3,932,681.25	0.00	0.00	-2,227,759.44	0.00
Shenzhen Tianyi Lummy Pharmaceutical Industry Investment Partnership (Limited Partnership)	11,740,600.00	1,684,505.74	0.00	0.00	2,260.07	0.00
Nanning Hourunde Fund Management Co., Ltd.	900,000.00	1,108,213.59	0.00	0.00	314,650.91	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Nannan Aluminium Institute of New Materials and Applications of Aluminum Alloy for Aviation and Transportation	1,200,000.00	0.00	1,200,000.00	0.00	0.00	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	200,504.57	200,504.57	269,500.00	0.00	18,330.26	0.00
Guangxi Shuguang Zhihan Technology Co., Ltd.	0.00	0.00	480,000.00	0.00	0.00	0.00
Sichuan Laipuxin Pharmaceutical Information Consulting Center (Limited Partnership)	300,000.00	0.00	300,000.00	0.00	2,045.31	0.00
Guangxi Nongken BeiYao Farm Co., Ltd.	75,982.91	0.00	75,982.91	0.00	0.00	0.00
Guizhou Yushe Coal Industry Co., Ltd.	60,000,000.00	0.00	0.00	0.00	0.00	0.00
Guangxi Natural Gas Pipeline Co., Ltd.	213,500,000.00	0.00	0.00	0.00	0.00	0.00
Financial Open Portal (Guangxi) Cross Border Financial Digital Co., Ltd.	1,777,229.45	729,479.37	0.00	0.00	-729,479.37	0.00
Guangxi Yuanchen Kejia Culture Town Investment Co., Ltd.	24,257,368.70	24,257,368.70	0.00	24,257,368.70	0.00	0.00
Beibu Gulf Wealth Management Co., Ltd.	0.00	10,517,739.06	0.00	10,517,739.06	0.00	0.00
Chongzuo Jintou Environment Xinzhai Water Co., Ltd.	0.00	2,248,100.00	0.00	2,248,100.00	0.00	0.00
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)	0.00	1,000,000.00	0.00	1,000,000.00	0.00	0.00
Guangxi GIG Dayuan Environmental Technology Co., Ltd.	0.00	3,117,033.10	0.00	3,117,033.10	0.00	0.00
HydrocoreCorporation	21,712,776.41	21,712,776.41	0.00	0.00	-267,629.06	0.00
Ganzi Datong New Energy Co., Ltd.	3,115,943.37	3,115,943.37	0.00	0.00	-175,231.22	0.00
Ganzi Xikang Water Conservancy Power Investigation Design Co., Ltd.	3,080,155.53	3,080,155.53	0.00	0.00	-443,370.46	0.00
IrayaEnergyCorporation	27,096,405.14	27,096,405.14	0.00	0.00	8,048.94	0.00
Tibet Jian'an Pharmaceutical Chain Co., Ltd.	350,000.00	78,866.76	0.00	0.00	-78,866.76	0.00
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	400,000.00	135,461.33	0.00	28,758.78	-106,702.55	0.00

(Continued)

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Others		
Total	**3,627,251,264.72**	**1,539,160,766.71**	**-7,156,381.84**	**151,421,290.87**	**35,610,958,848.98**	**168,097,686.55**
I. Subsidiaries	**0.00**	**0.00**	**0.00**	**-19,759,121.32**	**20,000.00**	**20,000.00**
Guangxi Zhuangmei E-commerce Co., Ltd.	0.00	0.00	0.00	-19,759,121.32	0.00	0.00

Guangxi Association for Promotion of Private Sci-Tech Enterprises	0.00	0.00	0.00	0.00	20,000.00	20,000.00
II. Joint ventures	**0.00**	**1,600,000.00**	**0.00**	**1,737,851.24**	**42,560,343.40**	**0.00**
Guangxi Hezhou Sheng Li Electric Power Co., Ltd.	0.00	1,600,000.00	0.00	0.00	16,467,499.24	0.00
Guangxi Zhongyou Tiexiang Energy Ltd.	0.00	0.00	0.00	0.00	13,500,000.00	0.00
Nanning Guohai Yuchai Investment Management Co., Ltd.	0.00	0.00	0.00	1,737,851.24	0.00	0.00
Shenzhen Guohai No. 9 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	3,978,069.46	0.00
Guangxi Beitou Guohai Jiuhe Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	8,614,774.70	0.00
III. Associates	**3,627,251,264.72**	**1,537,560,766.71**	**-7,156,381.84**	**169,442,560.95**	**35,568,378,505.58**	**168,077,686.55**
Guangxi Guiguan Electric Power Co., Ltd.	-18,757,675.84	263,760,125.25	0.00	0.00	6,876,798,060.59	0.00
Guangxi Fangchenggang Nuclear Power Co., Ltd.	0.00	616,494,056.96	0.00	0.00	6,289,354,154.67	0.00
Guangxi Construction Engineering Group Co., Ltd.	-157,453,770.70	0.00	0.00	0.00	4,022,301,052.69	0.00
Tianshengqiao No.1 Level Water and Electricity Development Co., Ltd.	0.00	95,762,443.66	0.00	0.00	2,477,710,244.68	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	3,916,277,699.63	0.00	0.00	0.00	5,749,409,200.45	0.00
Guangxi Huasheng New Material Co., Ltd.	-1,833,977.82	311,517,762.01	0.00	0.00	1,230,676,156.81	0.00
Datang Yantan Hydropower Co., Ltd.	0.00	96,546,933.89	0.00	0.00	980,306,979.44	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	0.00	0.00	0.00	0.00	948,920,000.00	0.00
SDIC Qinzhou Electric Power Co., Ltd.	0.00	0.00	0.00	0.00	807,234,722.83	0.00
Guangxi Guiguan Kaitou Electric Power Co., Ltd.	0.00	98,832,449.28	0.00	0.00	753,398,752.56	0.00
Guoneng Guangtou Beihai Power Generation Co., Ltd.	0.00	0.00	0.00	0.00	749,967,965.53	0.00
Guangxi Union Asset Management Co., Ltd.	0.00	12,500,000.00	0.00	0.00	553,430,077.71	0.00
Guofu Life Insurance Co., Ltd.	-118,937,084.96	0.00	0.00	0.00	385,356,258.65	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	7,814,769.46	0.00	0.00	0.00	418,309,050.29	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	0.00	0.00	0.00	0.00	360,088,741.66	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	0.00	0.00	0.00	0.00	254,211,673.20	0.00
Guangxi Hezhou Investment Group Co., Ltd.	0.00	0.00	0.00	0.00	246,280,000.00	0.00
Aluminum Power Jinhai Co., Ltd.	0.00	0.00	0.00	0.00	225,567,523.94	0.00
Guangxi Guangtou Jietong Logistics Industry Fund Partnership(L.P.)	0.00	0.00	0.00	0.00	222,898,626.00	0.00
Guangxi Guangtou Zhanxin No.2 Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	199,324,661.82	0.00
Guangxi Lishui Investment Partnership (Limited Partnership)	0.00	0.00	0.00	139,478,118.74	139,546,763.32	0.00
Guangxi Direct Enterprise Credit Guarantee Co., Ltd.	0.00	0.00	0.00	0.00	105,000,000.00	0.00
Guangxi Radio & TV Big Data Technology Co., Ltd.	0.00	0.00	0.00	0.00	102,301,095.92	0.00
Shenzhen Guohai Zhongheng Pharmaceutical Health Venture Capital Partnership	0.00	0.00	0.00	0.00	101,723,517.47	0.00

(Limited Partnership)						
Guangxi Guangtou Zhanxin No.3 Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	94,149,377.08	0.00
Nanning CRRC Aluminum Precision Machining Co., Ltd.	0.00	0.00	0.00	0.00	78,816,357.88	0.00
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	0.00	26,936,448.48	0.00	0.00	75,658,517.53	0.00
Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	73,027,281.87	0.00
Qingdao Guohai Huihang Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	59,018,253.95	59,018,253.95
Sichuan Xidian Power Design Co., Ltd.	0.00	0.00	0.00	58,343,100.00	58,343,100.00	0.00
Xiamen Guohai Nut Venture Investment Partnership (Limited Partnership)	0.00	5,807,321.42	0.00	0.00	57,660,040.95	0.00
Guangxi Aglaiya Biotechnology Co., Ltd.	0.00	0.00	0.00	0.00	44,798,833.37	0.00
Guangxi Digital Guangrun Technology Co., Ltd.	0.00	0.00	0.00	0.00	41,496,260.70	0.00
Yunbaobao Big Data Industry Development Co., Ltd.	0.00	0.00	0.00	0.00	41,038,157.72	0.00
Chongqing Bilingxing Private Equity Investment Fund Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	39,382,364.43	0.00
Nanning Huiyou Xingyao Equity Investment Fund Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	39,029,610.85	0.00
Guangxi Fangchenggang No.3 Nuclear Power Co., Ltd.	0.00	0.00	0.00	0.00	39,000,000.00	0.00
Guangxi Shuguang Baode Information Technology Co., Ltd.	0.00	0.00	0.00	0.00	36,281,551.15	0.00
Guangxi Laibin GIG Advanced Materials Co., Ltd.	0.00	0.00	0.00	0.00	31,233,797.54	0.00
Chongqing Century Light Technology Industrial Co., Ltd.	0.00	0.00	0.00	0.00	29,546,715.28	29,546,715.28
Guangxi Jintou Environment Technology Co., Ltd.	141,304.95	0.00	0.00	0.00	28,097,579.68	
Guangxi Exchange Registration and Settlement Co., Ltd.	0.00	0.00	-7,156,381.84	21,938,679.86	27,466,313.32	27,466,313.32
Liuzhou Guanghe Petty Loan Co., Ltd.	0.00	0.00	0.00	0.00	25,429,328.30	0.00
Guangxi Talent Cloud IT Co., Ltd.	0.00	0.00	0.00	0.00	24,564,627.60	0.00
Guangxi Gold Stone Technology Co., Ltd.	0.00	3,444,280.00	0.00	0.00	22,909,258.17	0.00
Ningbo Meishan Bonded Port Credit Enterprise Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	20,696,288.56	19,409,921.09
Guangxi Chaochao New Material Co., Ltd.	0.00	0.00	0.00	0.00	20,004,391.54	10,060,500.00
Guangxi Zhongke Alpha Technology Co., Ltd.	0.00	0.00	0.00	0.00	18,917,306.47	0.00
Guangxi Zhongran Clean Energy Co., Ltd.	0.00	0.00	0.00	0.00	18,008,647.95	0.00
Beibu Gulf Equity Exchange Group Co., Ltd.	0.00	749,200.00	0.00	0.00	17,720,941.78	0.00
China National Salt Industry Group Guangxi Salt Co., Ltd.	0.00	0.00	0.00	0.00	15,924,449.01	0.00
Hangzhou Guohai Xinsheng Equity Investment Partnership (Limited Partnership)	0.00	815,719.42	0.00	0.00	14,026,280.16	0.00
Guangxi Guofu Financing Equity Investment Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	13,573,733.50	0.00
Guangxi Gradient Technology Co., Ltd.	0.00	0.00	0.00	0.00	13,272,620.30	0.00

Guangxi Construction Industrialization Co., Ltd.	0.00	0.00	0.00	0.00	13,038,232.63	0.00
Jiaxing Guohai LOHAS No. 6 Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	12,685,790.88	0.00
Changxing Guohai East Lake Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	11,258,984.01	0.00
Guizhou Xingyi Electric Power Development Co., Ltd.	0.00	0.00	0.00	0.00	9,602,271.22	0.00
Sinopec (Maoming) Gas Pipeline Co., Ltd.	0.00	0.00	0.00	0.00	10,366,895.69	0.00
Guangxi Guofu Innovative Equity Investment Fund Management Co., Ltd.	0.00	2,761,726.34	0.00	0.00	10,350,399.81	0.00
Shenzhen Guohai No.5 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	10,298,156.87	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	0.00	0.00	0.00	0.00	10,000,000.00	10,000,000.00
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.	0.00	0.00	0.00	0.00	9,951,138.98	0.00
Guangxi Guiwu Smart Technology Co., Ltd.	0.00	0.00	0.00	0.00	9,842,987.19	0.00
Guilin Haomiao Tourism Investment Co., Ltd.	0.00	0.00	0.00	0.00	8,500,000.00	8,500,000.00
Fangchenggang Bianhe District Trade & Investment Co., Ltd.	0.00	0.00	0.00	0.00	8,068,773.88	0.00
Shenzhen Guohai No.3 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	7,908,682.74	0.00
Guangxi Shuguang Weiqi Technology Co., Ltd.	0.00	0.00	0.00	3,809,761.00	7,129,815.38	0.00
Guangxi Gold investment Co., Ltd.	0.00	0.00	0.00	0.00	6,689,421.27	0.00
Hunan Maio Medical Technology Co., Ltd.	0.00	0.00	0.00	0.00	6,320,962.36	0.00
Guangxi Guohai Selection No.1 Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	6,230,443.34	0.00
Guangxi Digital Certification Co., Ltd.	0.00	0.00	0.00	0.00	6,049,899.07	0.00
Hunan Huipan Medical Technology Co., Ltd.	0.00	0.00	0.00	0.00	5,322,384.71	0.00
Nanning Huashu Lightweight Electric Vehicle Design Institute Co., Ltd.	0.00	0.00	0.00	0.00	5,000,000.00	0.00
Guangxi Digital Hezhou Technology Co., Ltd.	0.00	0.00	0.00	0.00	4,935,638.46	0.00
Baise Haohai Power Generation Co., Ltd.	0.00	1,287,300.00	0.00	0.00	4,505,242.34	0.00
Guangxi Gas Group Co., Ltd.	0.00	0.00	0.00	0.00	4,500,000.00	0.00
Guangxi Pingle Nongtou Energy Construction Co., Ltd.	0.00	0.00	0.00	0.00	4,416,068.94	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	0.00	0.00	0.00	0.00	4,340,955.16	0.00
Wuzhou Export-oriented Industrial Park Development Co., Ltd.	0.00	0.00	0.00	0.00	4,000,000.00	0.00
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	0.00	345,000.00	0.00	0.00	3,682,077.96	4,000,000.00
Guangxi Shuguang Network Security Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,665,110.98	0.00
Shenzhen Guohai No. 8 Software Service Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	3,625,416.40	0.00
Tibet Osbixiu Pharmaceutical Co., Ltd.	0.00	0.00	0.00	0.00	3,585,440.67	0.00

Guangxi Quanyu Tourism Industry Development Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	3,449,828.86	0.00
Guangxi Shuguang Hetai Big Data Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,026,765.34	0.00
GIG Huili (Shanghai) Investment Management Co., Ltd.	0.00	0.00	0.00	0.00	3,001,611.31	0.00
Guangxi Guanglin Digital Technology Co., Ltd.	0.00	0.00	0.00	0.00	2,667,000.00	0.00
Nanning Lansheng Yirong Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	2,623,038.68	0.00
Guangxi Luhai New Channel Equity Investment Management Center (Limited Partnership)	0.00	0.00	0.00	0.00	2,542,968.68	0.00
Guangxi Shuguang Maiyue Technology Co., Ltd.	0.00	0.00	0.00	0.00	2,418,118.69	0.00
GXTDG Technology Limited	0.00	0.00	0.00	0.00	2,261,097.73	0.00
Guangxi Guangtou JieFei Technology Co., Ltd.	0.00	0.00	0.00	0.00	2,080,210.42	0.00
Guangxi Digital Medicine Technology Co., Ltd.	0.00	0.00	0.00	0.00	1,868,492.89	0.00
Guangxi Shuguang Education Technology Co., Ltd.	0.00	0.00	0.00	0.00	1,704,921.81	0.00
Shenzhen Tianyi Lummy Pharmaceutical Industry Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	1,686,765.81	0.00
Nanning Hourunde Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	1,422,864.50	0.00
Guangxi Nannan Aluminium Institute of New Materials and Applications of Aluminum Alloy for Aviation and Transportation	0.00	0.00	0.00	0.00	1,200,000.00	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	488,334.83	0.00
Guangxi Shuguang Zhihan Technology Co., Ltd.	0.00	0.00	0.00	0.00	480,000.00	0.00
Sichuan Laipuxin Pharmaceutical Information Consulting Center (Limited Partnership)	0.00	0.00	0.00	0.00	302,045.31	0.00
Guangxi Nongken BeiYao Farm Co., Ltd.	0.00	0.00	0.00	0.00	75,982.91	75,982.91
Guizhou Yushe Coal Industry Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Natural Gas Pipeline Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Financial Open Portal (Guangxi) Cross Border Financial Digital Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Yuanchen Kejia Culture Town Investment Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Beibu Gulf Wealth Management Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Chongzuo Jintou Environment Xinzhai Water Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi GIG Dayuan Environmental Technology Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
HydrocoreCorporation	0.00	0.00	0.00	-21,445,147.35	0.00	0.00
Ganzi Datong New Energy Co., Ltd.	0.00	0.00	0.00	-2,940,712.15	0.00	0.00
Ganzi Xikang Water Conservancy Power Investigation Design Co., Ltd.	0.00	0.00	0.00	-2,636,785.07	0.00	0.00
IrayaEnergyCorporation	0.00	0.00	0.00	-27,104,454.08	0.00	0.00

Tibet Jian'an Pharmaceutical Chain Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00

Note: Guangxi Zhuangmei e-commerce Co., Ltd. was included in the scope of consolidation in January 2022, but was not included in the scope of consolidation in 2021 because the restructuring and handover were not completed.

25. Investment in other equity instruments

1. Details of investment in other equity instruments

Item	Closing balance	Opening balance
Liuzhou Zhengling Project	3,169,939,644.00	3,600,000,000.00
10% state-owned equity interests of Guangxi Transportation Investment Group Co., Ltd.	3,010,500,000.00	3,010,500,000.00
10% state-owned equity interests of Guangxi Beibu Gulf International Port Group Co., Ltd.	2,979,281,980.39	2,979,281,980.39
10% state-owned equity interests of Guangxi Nongken Group Co., Ltd.	2,528,432,157.98	2,528,432,157.98
10% state-owned equity interests of Guangxi Guohong Economic Development Group Co., Ltd.	2,385,409,924.82	2,385,409,924.82
10% state-owned equity interests of Guangxi Baise Development and Investment Group Co., Ltd.	1,501,789,544.77	1,501,789,544.77
10% state-owned equity interests of Guangxi Tourism Development Group Co., Ltd.	1,240,005,996.83	1,240,005,996.83
Guangxi Guangtou Aluminum Industry Investment Fund Partnership (Limited Partnership)	1,100,647,690.19	977,647,690.19
10% state-owned equity interests of Guangxi Airport Management Group Co., Ltd.	1,097,214,950.70	1,097,214,950.70
Other investment projects of the Financial Investment Group	927,435,899.91	0.00
10% state-owned equity interests of Beihai City Development Investment Group Co., Ltd.	899,830,388.02	899,830,388.02
10% state-owned equity interests of Guangxi Laibin City Construction Investment Group Co., Ltd.	859,651,839.89	859,651,839.89
10% state-owned equity interests of Guangxi Honggui Capital Operation Group Co., Ltd.	825,809,966.92	825,809,966.92
9.68% state-owned equity interests of Guangxi Guigang City Investment and Development Group Co., Ltd.	752,458,944.88	752,458,944.88
9.87% state-owned equity interests of Yulin City Construction Investment Group Co., Ltd.	718,675,309.64	718,675,309.64
10% state-owned equity interests of Yulin Transportation and Tourism Investment Group Co., Ltd.	698,469,027.40	698,469,027.40
10% state-owned equity interests of Guangxi Laibin Industrial Investment Group Co., Ltd.	691,179,776.94	691,179,776.94
10% state-owned equity interests of Guangxi Rural Investment Group Co., Ltd.	652,163,644.14	652,163,644.14
Guangxi Guofu Innovation Medical Health Industry Fund Partnership (Limited Partnership)	641,235,313.00	569,723,014.62
Guangxi Investment Guidance Fund Co., Ltd.	634,371,004.00	634,371,004.00
10% state-owned equity interests of Beihai Road and Harbor Construction Investment Development Co., Ltd.	590,926,397.36	590,926,397.36
Guangxi Modern Logistics Group Co., Ltd.	573,980,063.95	573,980,063.95

Item	Closing balance	Opening balance
9.935% state-owned equity interests of Guangxi Automobile Group Co., Ltd.	561,904,069.71	561,904,069.71
10% state-owned equity interests of Guangxi Guigang Transportation Investment and Development Group Co., Ltd.	515,731,151.82	515,731,151.82
8.5695% state-owned equity interests of Guangxi Yuchai Machinery Group Co., Ltd.	466,145,839.57	466,145,839.57
9.91% state-owned equity interests of Yulin Yudong Construction Investment Group Co., Ltd.	464,788,538.93	464,788,538.93
10% state-owned equity interests of Guangxi Liuzhou Industrial Investment Development Group Co., Ltd.	440,293,061.02	440,293,061.02
Guangxi Luhai New Channel Equity Investment Fund Partnership (Limited Partnership)	430,726,263.90	704,913,348.68
9.3353% state-owned equity interests of Guangxi Liugong Group Co., Ltd.	427,884,732.56	427,884,732.56
10% state-owned equity interests of Baise Industrial Investment Group Co., Ltd.	424,961,597.04	424,961,597.04
10% state-owned equity interests of Guangxi Liuzhou Iron and Steel Group Co., Ltd.	401,961,003.30	401,961,003.30
10% state-owned equity interests of Yulin Investment Group Co., Ltd.	345,373,277.55	345,373,277.55
Guangxi Nanning Guofu Jutong Equity Investment Fund Partnership (Limited Partnership) Fund	334,825,808.31	335,075,315.44
10% state-owned equity interests of Guangxi Beibu Gulf Investment Group Co., Ltd.	330,000,000.00	330,000,000.00
Liuzhou Bank Co., Ltd.	330,000,000.00	330,000,000.00
Guangxi Liugong Group Co., Ltd.	300,000,000.00	0.00
7.06% state-owned equity interests of Guangxi Forestry Group Co., Ltd.	261,565,470.88	261,565,470.88
10% state-owned equity interests of Nanning Agricultural and Industrial Group Co., Ltd.	207,345,553.52	207,345,553.52
Guangxi Digital Economy Industry Investment Fund Partnership (Limited Partnership)	206,275,543.72	78,225,543.72
Guangxi Zewei New Material Technology Co., Ltd.	200,000,000.00	0.00
Guangxi Yuchai Special Equipment Co., Ltd.	200,000,000.00	0.00
Guangxi Yuchai Machinery Group Co., Ltd.	200,000,000.00	0.00
Guangxi Sanchuang Technology Co., Ltd.	198,000,000.00	0.00
Guotou Juli Merger & Acquisition Equity Investment Fund (Shanghai) Partnership (Limited Partnership)	158,866,090.30	188,655,153.17
Guangxi Hua'ao Automobile Manufacturing Co., Ltd.	158,489,553.00	0.00
Luzhai Seven Colors Pearl Mica Material Co., Ltd.	150,000,000.00	0.00
4.81% state-owned equity interests of Beihai Yintan Development Investment Co., Ltd.	149,570,961.48	149,570,961.48
10% state-owned equity interests of Beihai Tourism Group Co., Ltd.	122,783,191.18	122,783,191.18
10% state-owned equity interests of Guangxi Chongzuo Jianzhuo Asset Management Co., Ltd.	117,673,613.25	117,673,613.25
Equity interests in unlisted companies held by Guangxi Beibu Gulf Bank Co., Ltd.	114,075,475.00	10,280,368.00
Liuzhou Beicheng Dule Investment Management Co., Ltd.	100,000,000.00	0.00
Guangxi Huibaoyuan Pharmaceutical Technology Co., Ltd.	100,000,000.00	0.00
Guigang Janohig Electronics Technology Co., Ltd.	100,000,000.00	0.00
Guangxi Zhongqiang Aluminum Technology Co., Ltd.	100,000,000.00	0.00

Item	Closing balance	Opening balance
Nanning Ketian Water-based Technology Co., Ltd.	87,169,254.17	0.00
Eight Plus One Pharmaceutical Co., Ltd.	82,500,000.00	0.00
Guangxi Pingguo Bodao Al-Mg Cable Co., Ltd.	80,000,000.00	0.00
CEC Beihai Industrial Park Development Co., Ltd.	80,000,000.00	0.00
Tianlin Baikuangtian Carbon Co., Ltd.	80,000,000.00	0.00
Equity interests in listed companies held by Guangxi Beibu Gulf Bank Co., Ltd.	66,855,392.00	65,777,079.00
Oramed Pharmaceuticals Inc.	58,345,430.45	63,401,732.22
10% state-owned equity interests of Guangxi Hezhou Agricultural Investment Group Co., Ltd.	53,514,180.00	53,514,180.00
Guangxi Culture Industry Group Co., Ltd.	50,000,000.00	50,000,000.00
China Securities Inter-Institutional Quotation System Co., Ltd.	50,000,000.00	50,000,000.00
10% state-owned equity interests ofGuangxi Guigang Financial Investment Development Group Co., Ltd.	38,977,551.66	38,977,551.66
Liuzhou Chemical Industry Co., Ltd.	34,010,981.34	50,784,395.80
10% state-owned equity interests of Guangxi Baise Baijin Mining Investment Group Co., Ltd.	29,046,426.20	29,046,426.20
Zhengtong Co., Ltd.	25,000,000.00	25,000,000.00
Baise New Aluminum Power Co., Ltd.	24,000,000.00	24,000,000.00
Guangxi Nanning Guofu Yingtong Equity Investment Fund Partnership (Limited Partnership)	21,017,186.40	21,117,379.59
10% state-owned equity interests of Guangxi University Asset Management Co., Ltd.	12,624,814.85	12,624,814.85
Guangzhou Dongbao Market	8,180,000.00	8,180,000.00
10% state-owned equity interests of Guangxi Hechi Zhuotai Construction Engineering Co., Ltd.	6,645,147.65	6,645,147.65
10% state-owned equity interests of Beihai Market Investment and Development Group Co., Ltd.	6,434,471.44	6,434,471.44
10% state-owned equity interests of Guilin Ronghu Hotel Management Group Co., Ltd.	5,945,857.52	5,945,857.52
10% state-owned equity interests of Beihai Weizhou Island Tourism Development Co., Ltd.	5,173,853.69	5,173,853.69
Guangxi Guiwei Investment Co., Ltd.	2,000,000.00	2,000,000.00
Guangxi Southern Aluminum Processing Co., Ltd.	0.00	343,329,107.81
Guotou Innovation (Beijing) Investment Fund Co., Ltd.	0.00	93,070,348.09
Qinzhou Tianheng Petrochemical Co., Ltd.	0.00	36,083,053.34
Beijing Guotou Collaboration Equity Investment Fund (Limited Partnership)	0.00	18,662,503.71
Guangxi Guiping Guiyin Village and Township Bank Co., Ltd.	0.00	11,824,845.73
Guangxi Tengxian Guiyin Village and Township Bank Co., Ltd.	0.00	10,609,561.19
Guangxi Pingnan Guiyin Village and Township Bank Co., Ltd.	0.00	10,163,656.27
Hezhou Babu Dongying Village and Township Bank Co., Ltd.	0.00	9,412,607.19
Fangchenggang Fangcheng Guomin County Bank Co., Ltd.	0.00	6,972,461.12

Item	Closing balance	Opening balance
Guotou Juli Investment Management Co., Ltd.	0.00	1,273,163.87
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	0.00	72,769,466.73
Others	73,304,814.07	72,394,371.59
Total	**38,079,395,623.21**	**35,877,841,450.52**

2. Details of investment in other equity instruments at year end

Item	Dividend income recognized in the current period	Accumulated gains	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as at fair value through other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	0.00	0.00	593,134,300.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Liuzhou Chemical Industry Co., Ltd.	0.00	0.00	5,146,860.60	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Oramed Pharmaceuticals Inc.	0.00	23,424,240.89	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
10% state-owned equity interests in each state-owned capital groups held by Guangxi Guoxin Investment Development Co., Ltd.	254,091,562.52	377,000,517.63	0.00	0.00	Long-term investments in non-trading equity instruments	-
Total	**254,091,562.52**	**400,424,758.52**	**598,281,160.60**	**0.00**	— —	-

26. Other non-current financial assets

Item	Closing fair value	Opening fair value
Refundable deposits	3,875,155,929.14	3,708,880,946.69
Hualong Securities Co., Ltd.	702,367,240.22	702,367,240.22
Guangxi Times Lithium New Material Industry Development Fund Partnership (Limited Partnership)	458,885,000.00	145,086,326.00
Global New Materials International Holdings Co., Ltd.	382,033,713.60	653,928,066.12
Qinzhou Qinbei District Urban Construction Investment Co., Ltd.	350,500,000.00	217,105,800.00
Debao County Baide Investment Co., Ltd.	330,000,000.00	330,000,000.00
Lingshan Hongchuang Urban Investment Development Co., Ltd.	300,000,000.00	400,000,000.00
Guangxi Defu Investment Partnership (Limited Partnership)	300,000,000.00	0.00
Guangxi Investment Guidance Fund Co., Ltd.	271,873,288.00	260,171,505.39
ABS Subordinated Income Rights	229,000,000.00	117,000,000.00
Guangxi Guangtou New Materials Industry Development Fund Partnership (Limited Partnership)	221,776,080.00	219,972,042.56
Guilin Bank Co., Ltd.	220,252,902.50	196,484,257.52
Guangxi Digital Economy Industry Investment Fund Partnership (Limited Partnership)	200,854,786.34	43,297,734.15
Guangxi Guangtou Sengong High Quality Investment Fund Partnership (Limited Partnership)	180,100,000.00	180,127,723.04
Guangfa Xinde Zhongheng Huijin (Longyan) Equity Investment Partnership (Limited Partnership)	179,951,692.51	192,702,511.05
Guangxi Tiandong Agriculture, Industry and Trade Co., Ltd.	178,562,268.00	180,000,000.00
Pubei County Jinpu Agricultural Investment Co., Ltd.	174,000,000.00	180,000,000.00
Yulin Longhe Investment Co., Ltd.	160,000,000.00	185,000,000.00
Guangxi Xinrui Investment Partnership (Limited Partnership)	159,854,099.92	49,990,000.00
Nanning Minsheng Electronic Information Industry Investment Fund Partnership (Limited Partnership)	152,832,288.53	152,832,288.53
Guangxi Guangtou Dongcheng Lithium Industry Fund Partnership (Limited Partnership)	150,100,000.00	150,748,100.49
Guangxi Liuzhou Automotive Quality Inspection Development Equity Investment Fund Partnership (Limited Partnership)	150,000,000.00	150,114,619.86
Guangxi Guangtou Keyuan Industrial Investment Fund Partnership (Limited Partnership)	150,000,000.00	149,643,175.08
Guilin Gongcheng Hongyuan Investment Group Co., Ltd.	125,000,000.00	142,000,000.00
Yunnan Hanqiang Biotechnology Co., Ltd.	125,000,000.00	125,000,000.00
Guangxi Liuzhou Guangtou Guofu Technology Venture Capital Fund Partnership (Limited Partnership)	114,535,514.55	115,119,101.04
Ziyuan County Eco City Construction Investment Co., Ltd.	110,000,000.00	110,000,000.00
Suzhou Guyu Dingruo Equity Investment Partnership (Limited Partnership)	105,345,633.83	69,500,735.06
Luzhou Jiuze Equity Investment Center (Limited Partnership)	101,312,956.87	107,958,666.67
Guangxi Xinchuang Lithium New Material Industry Development Fund Partnership (Limited Partnership)	100,765,000.00	39,037,800.50

Item	Closing fair value	Opening fair value
Guangxi Yangxiang Co., Ltd.	100,000,000.00	100,000,000.00
Guangxi Sanuo Electronic Information Industry Development Fund Partnership (Limited Partnership)	96,920,803.26	96,920,803.26
Nanning City District Rural Credit Cooperative	87,723,182.67	89,468,319.80
Sealand Securities Excellence 3170 single capital management plan	83,502,634.68	83,629,384.39
Guangxi Beibu Gulf Innovation Development Investment Fund (Limited Partnership)	75,000,000.00	75,000,000.00
Suzhou Industrial Park Yuanhe Dingsheng Equity Investment Partnership (Limited Partnership)	72,405,382.96	39,355,253.86
Guangxi Guangtou Forestry Development Investment Fund Partnership (Limited Partnership)	66,100,000.00	0.00
Trust Guarantee Fund of Western Trust Co., Ltd.	64,108,056.82	38,266,597.80
Equity Income Rights of Guangxi Construction Engineering Group No.5 Construction Engineering Co., Ltd.	62,749,629.73	62,615,876.74
Guangxi Beibu Gulf Hourunde Fund Management Center (Limited Partnership)	60,411,296.60	54,476,165.60
Nanning Branch of China Minsheng Bank Co., Ltd.	58,564,674.65	77,368,203.50
PetroChina Company Limited	54,372,297.00	53,715,891.00
China Salt Industry Co., Ltd.	53,354,336.66	53,354,336.66
Wuhan Youzhiyou Biopharmaceutical Co., Ltd.	52,868,400.00	45,678,048.11
Beihai Tiange Industry and Trade Co., Ltd. (Equity Income Rights)	40,000,000.00	0.00
Overseas Project III	39,838,100.00	39,838,100.00
China Development Jingcheng (Beijing) Investment Fund Co., Ltd.	35,964,333.04	57,330,862.00
Overseas Project II	33,198,500.00	33,198,500.00
Jiangxi Province Salt Industry Group Co., Ltd.	31,139,044.68	31,139,044.68
Wuhu Huarong Huakong Investment Center (Limited Partnership)	30,000,000.00	0.00
Overseas Project I	29,940,102.30	29,940,102.30
China Biomedical Fund Phase I (Limited Partnership)	22,327,945.66	22,327,945.66
Xiangyi Project Income Right	21,808,652.46	24,289,044.55
Integra Holdings Ltd.	20,893,800.00	19,127,100.00
Jiangsu Colecip Energy Technology Co., Ltd.	19,995,043.43	19,995,043.43
Overseas Project IV	19,376,695.00	19,376,695.00
Bohai International Trust Co., Ltd.	14,900,000.00	4,900,000.00
Guangxi Guimao Electric Power Co., Ltd.	13,918,355.02	6,572,057.09
Guilin Guomin County Bank Co., Ltd.	11,890,579.70	14,636,217.22
Zhongcheng Trust Co., Ltd.	10,111,865.91	5,023,184.57
Guangxi Jinguan SME Equity Investment Fund Co., Ltd.	8,201,630.43	8,201,630.43
China Airlines Trust Co., Ltd.	7,577,858.94	0.00

Item	Closing fair value	Opening fair value
Nanning Jiangnan Guomin County Bank Co., Ltd.	6,336,230.97	6,861,798.71
Wuzhou Rural Credit Cooperative	6,000,000.00	12,000,000.00
Guangxi Electricity Trading Center Co., Ltd.	5,164,352.00	5,164,352.00
China Trust Industry Protection Fund Co., Ltd.	5,058,928.90	5,151,403.79
Shenzhen Xianzan Technology Co., Ltd.	5,000,000.00	5,000,000.00
Hangzhou Fangxia Biotechnology Co., Ltd.	5,000,000.00	5,000,000.00
Guangxi Rongxian Guiyin Village and Township Bank Co., Ltd.	4,819,865.07	5,500,644.43
Guangxi Gongcheng Rural Cooperative Bank	4,006,719.99	2,000,000.00
Guangxi Tengxian Guiyin Village and Township Bank Co., Ltd.	3,642,283.34	3,120,577.70
Liuzhou Rural Credit Cooperative	3,265,237.45	4,950,000.00
Subscription Guarantee Fund - Kunlun Trust Co., Ltd.	2,074,499.17	0.00
Hangzhou Guangyao Xinya Equity Investment Partnership (Limited Partnership)	2,000,000.00	2,000,000.00
China Airlines Capital Holdings Co., Ltd.	1,968,000.00	2,382,000.00
Guangzhou Power Trading Center Co., Ltd.	1,800,000.00	1,800,000.00
2020 Phase I Jianguang Guangtou Group Targeted Asset-Backed Notes Subordinated of Huadian Jintai (Beijing) Investment Fund Management Co., Ltd.	1,144,773.61	1,089,115.67
Guiping Datengxia Valley Cultural Tourism Co., Ltd.	1,000,000.00	1,000,000.00
Futures Membership Investment	1,000,000.00	1,000,000.00
Guangxi Liugong Group Co., Ltd.	0.00	300,000,000.00
Guangxi Sanchuang Technology Co., Ltd.	0.00	200,000,000.00
Guangxi Yuchai Machinery Group Co., Ltd.	0.00	200,000,000.00
Guangxi Hua'ao Automobile Manufacturing Co., Ltd.	0.00	158,489,553.04
Luzhai Seven Colors Pearl Mica Material Co., Ltd.	0.00	150,000,000.00
Eight Plus One Pharmaceutical Co., Ltd.	0.00	118,867,164.78
Guangxi Huibaoyuan Pharmaceutical Technology Co., Ltd.	0.00	100,000,000.00
Laibin Huaqiao Economic Development Co., Ltd.	0.00	100,000,000.00
Nanning Ketian Water-based Technology Co., Ltd.	0.00	95,093,731.82
Guangxi Pingguo Copper and Aluminum Sheet Industry Co., Ltd.	0.00	80,000,000.00
Guangxi Zhongqiang Aluminum Technology Co., Ltd.	0.00	70,000,000.00
Sealand Innovation No.1 Private Equity Investment Fund Raising Special Account of Securities Industry Support for Private Enterprise Development Series	0.00	62,638,932.99
Guangxi Guangtou Changke New Material Industry Development Fund Partnership (Limited Partnership)	0.00	57,902,516.02

Item	Closing fair value	Opening fair value
Guangxi Wufeng Machinery Co., Ltd.	0.00	55,000,000.00
Guangxi Zhuoneng New Energy Technology Co., Ltd.	0.00	55,000,000.00
Guangxi Wuzhou Guolong Renewable Resources Development Co., Ltd.	0.00	50,000,000.00
Guangxi Zhengrun New Material Technology Co., Ltd.	0.00	50,000,000.00
Guangxi Xiancaotang Pharmaceutical Co., Ltd.	0.00	50,000,000.00
Liuzhou Yuanchuang Efi Technology Co., Ltd.	0.00	50,000,000.00
Guangxi Construction Engineering Group Wisdom Manufacturing Co., Ltd.	0.00	50,000,000.00
Jiaxing Liding Changhao Equity Investment Fund Partnership (Limited Partnership)	0.00	48,479,418.11
Shanghai Hengrun Digital Technology Group Co., Ltd.	0.00	45,000,000.00
Guilin Xinfei Optoelectronics Technology Co., Ltd.	0.00	36,000,000.00
Tianlin Baikuangtian Carbon Co., Ltd.	0.00	35,000,000.00
Guangxi Sanhuan Ceramic Town Development Co., Ltd.	0.00	34,000,000.00
Shanghai Tengrui Pharmaceutical Co., Ltd.	0.00	30,000,000.00
Guangxi Qinglandihe Investment Management Center (Limited Partnership)	0.00	26,237,303.28
Guangxi Guofu Yongjing Venture Investment Partnership (Limited Partnership)	0.00	25,000,000.00
Guangxi Hepu County Huilaibao Machinery Manufacturing Co., Ltd.	0.00	23,000,000.00
Hangzhou Tiangu Information Technology Co., Ltd.	0.00	20,000,000.00
Shenzhen JieShiFeiTong Technology Co., Ltd.	0.00	20,000,000.00
Shandong Xishangxi New Material Technology Co., Ltd.	0.00	20,000,000.00
Jiangsu Zhonghui Yuantong Biotechnology Co., Ltd.	0.00	20,000,000.00
Beihai Runrui Technology Co., Ltd.	0.00	19,811,194.13
Xincheng County Agricultural Investment Co., Ltd.	0.00	19,464,508.92
Suzhou Newerley Xince Venture Capital Partnership (Limited Partnership)	0.00	18,834,255.28
Guangxi Guofu Yonglang Venture Capital Partnership (Limited Partnership)	0.00	15,000,000.00
Guangxi Guojing Beautiful Countryside Industry Investment Partnership (Limited Partnership)	0.00	14,500,600.18
Chengdu Jinchengxiang Investment Co., Ltd.	0.00	13,500,000.00
Jiaxing Liding Fuyun Equity Investment Partnership (Limited Partnership)	0.00	6,932,688.51
Guangxi Kanai New Energy Co., Ltd.	0.00	5,600,000.00
Zhejiang Zhongke Jiuyuan New Materials Co., Ltd.	0.00	5,000,000.00
Guangxi Railway Investment Group Co., Ltd.	0.00	3,580,887.77
Nanning Qinglan Xinhe Investment Management Center (Limited Partnership)	0.00	2,815,237.04
Guangxi Qinzhou Jintou Zhongyan Investment Management Partnership (Limited Partnership)	0.00	1,020,066.00

Item	Closing fair value	Opening fair value
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	0.00	63,996,062.47
Others	1,026,480,230.65	396,185,877.31
Total	**12,744,982,716.76**	**13,565,782,937.57**

27. Investment properties

(1) Investment properties at fair value

Item	Opening fair value	Increase			Decrease		Closing fair value
		Acquisition and construction	Conversion from self-use properties or inventories	Income or loss from change in fair value	Disposal	Convert to self-use properties	
I. Total cost	**21,094,997,979.14**	**13,103,280,603.69**	**351,195,849.42**	**449,923.58**	**10,184,513.94**	**1,225,712.63**	**34,538,514,129.26**
Including: houses and buildings	3,398,504,637.11	558,252,303.69	347,399,277.83	449,923.58	7,199,275.89	658,112.63	4,296,748,753.69
Land use right	17,696,493,342.03	12,545,028,300.00	3,796,571.59	0.00	2,985,238.05	567,600.00	30,241,765,375.57
II. Total changes in fair value	**776,374,846.00**	**0.00**	**6,068,576.17**	**216,057,130.98**	**0.00**	**47,785.37**	**998,452,767.78**
Including: houses and buildings	-128,121,591.02	0.00	6,068,576.17	184,420,567.62	0.00	47,785.37	62,319,767.40
Land use right	904,496,437.02	0.00	0.00	31,636,563.36	0.00	0.00	936,133,000.38
III. Total book value of investment properties	**21,871,372,825.14**	**13,103,280,603.69**	**357,264,425.59**	**216,507,054.56**	**10,184,513.94**	**1,273,498.00**	**35,536,966,897.04**
Including: houses and buildings	3,270,383,046.09	558,252,303.69	353,467,854.00	184,870,491.20	7,199,275.89	705,898.00	4,359,068,521.09
Land use right	18,600,989,779.05	12,545,028,300.00	3,796,571.59	31,636,563.36	2,985,238.05	567,600.00	31,177,898,375.95

28. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	33,474,329,208.13	27,063,900,085.07
Liquidation of fixed assets	158,295,117.43	157,757,484.83
Total	33,632,624,325.56	27,221,657,569.90

(3) Details of fixed assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original book value:	**48,452,101,253.23**	**11,346,458,946.78**	**2,155,130,749.99**	**57,643,429,450.02**
Including: land assets	18,106,482.42	0.00	0.00	18,106,482.42
Houses and buildings	20,224,813,163.56	2,859,567,769.26	767,133,374.16	22,317,247,558.66
Machinery equipment	21,067,205,982.94	7,647,485,825.77	1,169,840,587.02	27,544,851,221.69
Transportation equipment	1,261,808,377.90	45,736,502.38	44,888,622.51	1,262,656,257.77
Electronic equipment	1,100,852,517.24	169,377,765.75	96,722,666.16	1,173,507,616.83
Office equipment	461,874,285.35	88,676,952.23	40,384,219.05	510,167,018.53
Others	4,317,440,443.82	535,614,131.39	36,161,281.09	4,816,893,294.12
II. Total accumulated depreciation:	**21,224,587,590.72**	**3,788,861,954.50**	**1,007,414,104.64**	**24,006,035,440.58**
Including: land assets	0.00	0.00	0.00	0.00
Houses and buildings	6,457,065,228.72	1,052,492,174.82	262,969,803.55	7,246,587,599.99
Machinery equipment	11,642,631,572.15	2,398,885,268.33	534,002,383.51	13,507,514,456.97
Transportation equipment	546,636,709.33	38,136,691.57	64,761,125.82	520,012,275.08
Electronic equipment	576,700,177.01	134,150,573.40	84,873,909.07	625,976,841.34
Office equipment	331,636,862.31	56,456,549.05	37,177,575.66	350,915,835.70
Others	1,669,917,041.20	108,740,697.33	23,629,307.03	1,755,028,431.50
III. Total net book value of fixed assets	**27,227,513,662.51**	— —	— —	**33,637,394,009.44**
Including: land assets	18,106,482.42	— —	— —	18,106,482.42
Houses and buildings	13,767,747,934.84	— —	— —	15,070,659,958.67
Machinery equipment	9,424,574,410.79	— —	— —	14,037,336,764.72
Transportation equipment	715,171,668.57	— —	— —	742,643,982.69
Electronic equipment	524,152,340.23	— —	— —	547,530,775.49
Office equipment	130,237,423.04	— —	— —	159,251,182.83
Others	2,647,523,402.62	— —	— —	3,061,864,862.62
IV. Total provision for impairment	**163,613,577.44**	**0.00**	**548,776.13**	**163,064,801.31**
Including: land assets	0.00	0.00	0.00	0.00
Houses and buildings	4,007,413.98	0.00	205,360.87	3,802,053.11
Machinery equipment	159,053,200.55	0.00	340,223.03	158,712,977.52
Transportation equipment	16,664.07	0.00	0.00	16,664.07
Electronic equipment	530,300.00	0.00	25.00	530,275.00
Office equipment	0.00	0.00	0.00	0.00
Others	5,998.84	0.00	3,167.23	2,831.61
V. Total book value of fixed assets	**27,063,900,085.07**	— —	— —	**33,474,329,208.13**
Including: land assets	18,106,482.42	— —	— —	18,106,482.42
Houses and buildings	13,763,740,520.86	— —	— —	15,066,857,905.56
Machinery equipment	9,265,521,210.24	— —	— —	13,878,623,787.20
Transportation equipment	715,155,004.50	— —	— —	742,627,318.62
Electronic equipment	523,622,040.23	— —	— —	547,000,500.49
Office equipment	130,237,423.04	— —	— —	159,251,182.83
Others	2,647,517,403.78	— —	— —	3,061,862,031.01

(4) Fixed assets for which the handling of title certificates has not been completed

Item	Book value	Reasons for out-of-place property ownership certificate
Plant of the medium-thick plate center of Yinhai Aluminum	155,242,339.98	Historical reason

Industry Group		
Plant of the cold rolling manufacturing center of Yinhai Aluminum Industry Group	142,186,301.88	Historical reason
Plant of the hot rolling center of Yinhai Aluminum Industry Group	137,599,669.47	Historical reason
Phase IV houses and buildings of Yinhai Aluminum Industry Group	125,230,485.89	Historical reason
Integrated workshop (13# building) of modern Chinese drug dosage forms of Zhongheng Group	111,522,276.01	The lightning protection certificate has been obtained. The fire protection certificate has been obtained for the powder injection workshop.
Plant of the melting and casting manufacturing center of Yinhai Aluminum Industry Group	76,426,308.02	Historical reason
Plant of the extrusion manufacturing center of Yinhai Aluminum Industry Group	64,221,387.41	Historical reason
Plant of the finished products delivery station of Yinhai Aluminum Industry Group	45,646,077.32	Historical reason
Scientific research building of Yinhai Aluminum Industry Group	42,113,426.49	Historical reason
Integrated workshop of modern Western drug dosage forms of Zhongheng Group (14# building)	37,179,501.59	In progress, the lightning protection certificate has been obtained.
Drug purification workshop (19# building) of Zhongheng Group	35,447,475.12	In progress, the fire and lightning protection certificates have been obtained.
Main plant (first piece/set) of newly-built air cushion furnace charging aisles in the alloy cold rolling factory of Yinhai Aluminum Industry Group	31,983,044.86	Historical reason
Plant of the wastewater treatment station of Yinhai Aluminum Industry Group	21,563,260.61	Historical reason
Deep processing plant of medium-thick plates of Yinhai Aluminum Industry Group	21,229,725.57	Historical reason
Plant of the general warehouse of Yinhai Aluminum Industry Group	15,256,739.05	Historical reason
Substation plant of Yinhai Aluminum Industry Group	13,030,691.64	Historical reason
1# shift building of Zhongheng Group	12,654,703.84	The materials for certificate application are incomplete.
Product display center of Zhongheng Group	7,149,725.24	The materials for certificate application are incomplete.
Chongqing Institute of Science and Technology office building of Zhongheng Group	4,347,613.46	For details, please refer to Note XIV. Other disclosures required under the relevant financial accounting system.
Carpentry workshop of Yinhai Aluminum Industry Group	3,396,615.38	Historical reason
Chemical warehouse (barrel storage) of Yinhai Aluminum Industry Group	3,143,341.87	Historical reason
26-3-301, West Area of Jinshui Huayuan, Weisi Road, Jinshui District, Zhengzhou, held by Sealand Securities	78,770.32	Historical reason
Total	**1,106,649,481.02**	— —

(5) Liquidation of fixed assets

Item	Closing book value	Opening book value	Reasons for liquidation
Houses and buildings	156,376,381.83	155,828,686.95	To be disposed
Machinery equipment	652,980.72	1,210,962.85	To be disposed
Office equipment	437,505.32	171,811.04	To be disposed
Transportation equipment	315,301.79	143,368.04	To be disposed
Electronic equipment	20,685.68	125,317.88	To be disposed
Others	492,262.09	277,338.07	To be disposed

Item	Closing book value	Opening book value	Reasons for liquidation
Total	**158,295,117.43**	**157,757,484.83**	**— —**

29. Construction in progress

Item	Closing balance	Opening balance
Construction in progress	6,516,605,229.54	4,045,229,535.82
Engineering materials	178,066,825.95	90,052,766.26
Total	**6,694,672,055.49**	**4,135,282,302.08**

(1) Details of construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Beihai Power Plant Phase II 2*660MW Power Generation Project	963,169,391.14	0.00	963,169,391.14	83,567,840.88	0.00	83,567,840.88
330KA electrolytic tank energy-saving renovation project	849,866,588.82	0.00	849,866,588.82	0.00	0.00	0.00
Rural power network reconstruction project	724,868,369.32	0.00	724,868,369.32	859,460,662.46	0.00	859,460,662.46
Business premises and decoration	547,219,076.00	0.00	547,219,076.00	272,866,318.00	0.00	272,866,318.00
1.2 million tons alumina pipelining upgrade project	239,246,048.04	0.00	239,246,048.04	0.00	0.00	0.00
Earlier Stage of Guangxi Longxiang Valley International Tourism Resort Phase I	221,703,108.71	0.00	221,703,108.71	221,703,108.71	0.00	221,703,108.71
Guangxi Debao-Jingxi branch natural gas pipeline project	200,940,541.16	0.00	200,940,541.16	147,424,143.50	0.00	147,424,143.50
Shangcheng Hydropower Station	275,315,004.41	80,577,075.05	194,737,929.36	265,401,825.34	80,577,075.05	184,824,750.29
Laibin City Large Industrial Regional Grid Project	188,907,281.50	0.00	188,907,281.50	169,349,951.25	0.00	169,349,951.25
Guidong Power 110kV Grid (South) Improvement Project	114,978,439.08	0.00	114,978,439.08	100,660,377.79	0.00	100,660,377.79
First piece/set of major equipment of weak areas and supporting facilities construction of high-end, high-precision aluminum	109,798,174.67	0.00	109,798,174.67	0.00	0.00	0.00
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou ASEAN Health City Project)	103,458,231.10	0.00	103,458,231.10	99,968,535.25	0.00	99,968,535.25
Guangxi Wuming branch natural gas pipeline project	92,626,312.69	0.00	92,626,312.69	90,283,167.85	0.00	90,283,167.85
Extrusion monolithic wallboard project	90,090,859.05	0.00	90,090,859.05	0.00	0.00	0.00
Water supply expansion project	83,942,019.79	0.00	83,942,019.79	81,416,860.79	0.00	81,416,860.79
Longhuai Spoil Disposal Storage Expansion Project	64,085,034.35	0.00	64,085,034.35	720,322.63	0.00	720,322.63
Guangxi Hengxian branch natural gas pipeline project	61,975,488.89	0.00	61,975,488.89	60,157,426.21	0.00	60,157,426.21
Longtong Spoil Disposal Storage Phase II Project	60,920,808.25	0.00	60,920,808.25	0.00	0.00	0.00
Alumina Phase I Project of Red Mud Yard Heightening and Expansion	54,308,650.95	0.00	54,308,650.95	0.00	0.00	0.00
Alumina Phase I Project (annual capacity of 2 million tons of alumina)	52,396,956.00	0.00	52,396,956.00	15,160,771.57	0.00	15,160,771.57
Guangxi Luchuan branch natural gas pipeline project	51,568,330.57	0.00	51,568,330.57	42,897,559.87	0.00	42,897,559.87
Other construction in progress	1,475,764,763.47	29,967,173.37	1,445,797,590.10	1,644,734,912.14	29,967,173.37	1,614,767,738.77
Total	**6,627,149,477.96**	**110,544,248.42**	**6,516,605,229.54**	**4,155,773,784.24**	**110,544,248.42**	**4,045,229,535.82**

(2) Changes to important construction in progress during the current period

Item	Budget amount	Opening balance	Increase	Amounts converted into fixed assets	Other decreases	Closing balance
Beihai Power Plant Phase II 2*660MW Power Generation Project	4,843,950,000.00	83,567,840.88	879,601,550.26	0.00	0.00	963,169,391.14
330KA electrolytic tank energy-saving renovation project	804,372,100.00	0.00	849,866,588.82	0.00	0.00	849,866,588.82
Rural power network reconstruction project	1,451,874,500.00	859,460,662.46	112,919,911.01	247,512,204.15	0.00	724,868,369.32
1.2 million tons alumina pipelining upgrade project	368,690,000.00	0.00	239,246,048.04	0.00	0.00	239,246,048.04
Earlier Stage of Guangxi Longxiang Valley International Tourism Resort Phase I	862,423,459.27	221,703,108.71	0.00	0.00	0.00	221,703,108.71
Guangxi Debao-Jingxi branch natural gas pipeline project	421,490,000.00	147,424,143.50	53,516,397.66	0.00	0.00	200,940,541.16
Shangcheng Hydropower Station	320,285,000.00	265,401,825.34	9,913,179.07	0.00	0.00	275,315,004.41
Laibin City Large Industrial Regional Grid Project	714,640,000.00	169,349,951.25	21,130,781.59	0.00	1,573,451.34	188,907,281.50
Guidong Power 110kV Grid (South) Improvement Project	0.00	100,660,377.79	14,318,061.29	0.00	0.00	114,978,439.08
First piece/set of major equipment of weak areas and supporting facilities construction of high-end, high-precision aluminum	642,260,900.00	0.00	380,650,557.02	270,852,382.35	0.00	109,798,174.67
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou·ASEAN Health City Project)	5,500,000,000.00	99,968,535.25	3,489,695.85	0.00	0.00	103,458,231.10
Guangxi Wuming branch natural gas pipeline project	175,880,000.00	90,283,167.85	2,343,144.84	0.00	0.00	92,626,312.69
Extrusion monolithic wallboard project	100,000,000.00	0.00	90,090,859.05	0.00	0.00	90,090,859.05
Water supply expansion project	89,994,400.00	81,416,860.79	2,525,159.00	0.00	0.00	83,942,019.79
Longhuai Spoil Disposal Storage Expansion Project	451,750,000.00	720,322.63	63,364,711.72	0.00	0.00	64,085,034.35
Guangxi Hengxian branch natural gas pipeline project	102,190,000.00	60,157,426.21	1,818,062.68	0.00	0.00	61,975,488.89
Longtong Spoil Disposal Storage Phase II Project	80,000,000.00	0.00	60,920,808.25	0.00	0.00	60,920,808.25
Alumina Phase I Project of Red Mud Yard Heightening and Expansion	89,750,000.00	0.00	54,308,650.95	0.00	0.00	54,308,650.95
Alumina Phase I Project (annual capacity of 2 million tons of alumina)	5,682,270,000.00	15,160,771.57	37,236,184.43	0.00	0.00	52,396,956.00
Guangxi Luchuan branch natural gas pipeline project	116,570,000.00	42,897,559.87	8,670,770.70	0.00	0.00	51,568,330.57
Guangxi Longxiang Valley International Tourism Resort Water World Project	498,500,000.00	73,491,679.31	250,000.00	0.00	0.00	73,741,679.31

(Continued)

Item	Percentage of total project inputs among budget (%)	Construction progress (%)	Accumulated capitalized amount of interest	Including: capitalized amount of interest for the year	Capitalization rate of interest for the year (%)	Capital source
Beihai Power Plant Phase II 2*660MW Power Generation Project	19.88	55.00	11,579,718.16	11,579,718.16	3.74	Self-financing and loan

330KA electrolytic tank energy-saving renovation project	105.66	90.00	5,237,845.60	5,237,845.60	3.45	Self-financing and loan
Rural power network reconstruction project	49.93	49.93	0.00	0.00	— —	Self-financing and others
1.2 million tons alumina pipelining upgrade project	64.89	64.89	0.00	0.00	— —	Self-financing
Earlier Stage of Guangxi Longxiang Valley International Tourism Resort Phase I	25.71	25.71	0.00	0.00	— —	Self-financing
Guangxi Debao-Jingxi branch natural gas pipeline project	47.67	85.00	10,560,178.42	6,303,915.91	3.60	Loan
Shangcheng Hydropower Station	85.96	85.96	0.00	0.00	— —	Self-financing and others
Laibin City Large Industrial Regional Grid Project	26.43	92.00	16,969,397.50	0.00	— —	Self-financing and loan
Guidong Power 110kV Grid (South) Improvement Project	100.00	100.00	0.00	0.00	— —	Self-financing
First piece/set of major equipment of weak areas and supporting facilities construction of high-end, high-precision aluminum	17.10	90.00	17,150,480.69	3,146,601.19	4.96	Self-financing, government grants and loan
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou ASEAN Health City Project)	1.88	1.88	0.00	0.00	— —	Self-financing
Guangxi Wuming branch natural gas pipeline project	52.66	100.00	5,870,348.62	952,332.89	3.65	Loan
Extrusion monolithic wallboard project	90.09	95.00	10,622,387.53	3,705,584.52	4.96	Self-financing, government grants and loan
Water supply expansion project	93.27	93.27	0.00	0.00	— —	Self-financing
Longhuai Spoil Disposal Storage Expansion Project	14.19	14.19	566,300.39	566,300.39	— —	Loan
Guangxi Hengxian branch natural gas pipeline project	60.65	100.00	2,985,307.38	484,127.34	3.65	Loan
Longtong Spoil Disposal Storage Phase II Project	76.15	100.00	0.00	0.00	— —	Self-financing
Alumina Phase I Project of Red Mud Yard Heightening and Expansion	60.51	60.51	0.00	0.00	— —	Self-financing
Alumina Phase I Project (annual capacity of 2 million tons of alumina)	92.21	92.21	100,000.00	100,000.00	4.50	Self-financing and loan
Guangxi Luchuan branch natural gas pipeline project	44.24	85.00	1,875,470.56	817,058.90	3.65	Loan
Guangxi Longxiang Valley International Tourism Resort Water World Project	14.79	14.79	0.00	0.00	— —	Self-financing

(3) Engineering materials

Item	Closing balance	Opening balance
Special materials	141,954,369.27	35,928,889.06
Special equipment	17,170,598.37	17,592,126.27
Tools and devices prepared for the construction in progress	1,140,144.05	1,834,021.04
Payment for special materials and equipment	17,801,714.26	34,697,729.89
Total	**178,066,825.95**	**90,052,766.26**

30. Productive biological assets

Item	Opening book value	Increase	Decrease	Closing book value
Plantation	121,590.72	18,565,760.91	0.00	18,687,351.63
Including: immature biological assets	121,590.72	18,565,760.91	0.00	18,687,351.63

31. Right-of-use assets

Item	Opening balance	Increase	Decrease	Closing balance
Total original book value	**2,655,001,324.65**	**1,283,293,335.17**	**2,028,270,961.81**	**1,910,023,698.01**
Including: land	12,223,804.72	27,056,032.32	0.00	39,279,837.04
Houses and buildings	1,591,426,297.11	754,330,967.54	489,819,487.00	1,855,937,777.65
Machinery equipment	1,040,076,550.27	499,801,658.52	1,530,825,718.06	9,052,490.73
Others	11,274,672.55	2,104,676.79	7,625,756.75	5,753,592.59
Total accumulated depreciation	**1,016,281,032.41**	**491,466,889.91**	**980,083,624.89**	**527,664,297.43**
Including: land	497,908.39	3,522,503.37	0.00	4,020,411.76
Houses and buildings	342,071,874.73	386,208,467.92	207,484,075.83	520,796,266.82
Machinery equipment	673,063,521.57	101,129,020.42	771,977,138.13	2,215,403.86
Others	647,727.72	606,898.20	622,410.93	632,214.99
Total net book value	**1,638,720,292.24**	—	—	**1,382,359,400.58**
Including: land	11,725,896.33	—	—	35,259,425.28
Houses and buildings	1,249,354,422.38	—	—	1,335,141,510.83
Machinery equipment	367,013,028.70	—	—	6,837,086.87
Others	10,626,944.83	—	—	5,121,377.60
Total provision for impairment	0.00	0.00	0.00	0.00
Including: land	0.00	0.00	0.00	0.00
Houses and buildings	0.00	0.00	0.00	0.00
Machinery equipment	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Total book value	**1,638,720,292.24**	**—**	**—**	**1,382,359,400.58**
Including: land	11,725,896.33	**—**	**—**	35,259,425.28
Houses and buildings	1,249,354,422.38	**—**	**—**	1,335,141,510.83
Machinery equipment	367,013,028.70	**—**	**—**	6,837,086.87
Others	10,626,944.83	**—**	**—**	5,121,377.60

32. Intangible assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original value	**5,046,748,389.81**	**1,643,578,016.78**	**241,117,495.48**	**6,449,208,911.11**
Including: software	1,318,130,789.84	282,568,206.23	27,104,907.07	1,573,594,089.00
Land use right	2,885,924,363.97	545,626,095.11	213,368,264.27	3,218,182,194.81
Patent right	166,808,370.83	270,931,079.91	225,786.08	437,513,664.66
Non-patent technology	130,773,737.70	430,626,661.87	217,483.95	561,182,915.62
Trademark rights	61,401,011.18	21,362.79	0.00	61,422,373.97
Copyright	325,841.58	0.00	0.00	325,841.58
Franchise right	23,078,359.99	113,804,610.87	201,054.11	136,681,916.75
Trading seat fee	28,250,760.00	0.00	0.00	28,250,760.00

Item	Opening balance	Increase	Decrease	Closing balance
Right to use sea area	17,633,200.00	0.00	0.00	17,633,200.00
Mining right	414,336,452.42	0.00	0.00	414,336,452.42
Others	85,502.30	0.00	0.00	85,502.30
II. Total accumulated amortization	**1,492,310,115.30**	**467,486,234.41**	**51,914,375.53**	**1,907,881,974.18**
Including: software	689,709,882.70	166,235,942.65	18,330,061.17	837,615,764.18
Land use right	512,911,281.71	167,454,294.36	33,167,904.29	647,197,671.78
Patent right	12,926,693.83	96,487,139.63	136,660.92	109,277,172.54
Non-patent technology	38,427,531.93	12,436,757.43	175,979.28	50,688,310.08
Trademark rights	26,617,187.84	3,313,645.55	0.00	29,930,833.39
Copyright	17,500.14	31,039.97	0.00	48,540.11
Franchise right	15,719,913.20	4,647,084.74	103,769.87	20,263,228.07
Trading seat fee	28,134,091.24	50,000.04	0.00	28,184,091.28
Right to use sea area	5,613,235.50	352,664.08	0.00	5,965,899.58
Mining right	162,147,294.91	16,477,665.96	0.00	178,624,960.87
Others	85,502.30	0.00	0.00	85,502.30
III. Total provision for impairment of intangible assets	**121,061,133.70**	**3,927,769.46**	**24,296,283.14**	**100,692,620.02**
Including: software	419,506.88	54,609.45	0.00	474,116.33
Land use right	33,338,526.85	0.00	24,296,283.14	9,042,243.71
Patent right	71,635,716.96	3,872,991.53	0.00	75,508,708.49
Non-patent technology	15,666,556.09	0.00	0.00	15,666,556.09
Trademark rights	826.92	168.48	0.00	995.40
Copyright	0.00	0.00	0.00	0.00
Franchise right	0.00	0.00	0.00	0.00
Trading seat fee	0.00	0.00	0.00	0.00
Right to use sea area	0.00	0.00	0.00	0.00
Mining right	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
IV. Total book value	**3,433,377,140.81**	**— —**	**— —**	**4,440,634,316.91**
Including: software	628,001,400.26	— —	— —	735,504,208.49
Land use right	2,339,674,555.41	— —	— —	2,561,942,279.32
Patent right	82,245,960.04	— —	— —	252,727,783.63
Non-patent technology	76,679,649.68	— —	— —	494,828,049.45
Trademark rights	34,782,996.42	— —	— —	31,490,545.18
Copyright	308,341.44	— —	— —	277,301.47
Franchise right	7,358,446.79	— —	— —	116,418,688.68
Trading seat fee	116,668.76	— —	— —	66,668.72
Right to use sea area	12,019,964.50	— —	— —	11,667,300.42
Mining right	252,189,157.51	— —	— —	235,711,491.55
Others	0.00	— —	— —	0.00

33. Development expenditures

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Others	Recognized as intangible assets	Included in profit or loss	Others	
Guangxi Information and Government Services Integration Platform	59,996,633.22	0.00	0.00	0.00	0.00	0.00	59,996,633.22
The first batch of projects of "Digital Guangtou" construction in 2019	49,922,230.93	2,002,249.67	0.00	0.00	0.00	0.00	51,924,480.60
The first batch of projects of "Digital Guangtou" construction in 2020	19,986,769.52	14,037,597.71	0.00	0.00	0.00	0.00	34,024,367.23
Pharmaceutical development expenditure	32,845,632.39	14,875,845.10	5,135,387.75	22,626,295.03	729,566.82	0.00	29,501,003.39
Expenditure on medical technology development	26,550,505.00	0.00	0.00	0.00	0.00	0.00	26,550,505.00
(2021-019-G-AS) Technical research and application of manufacturing ultra-wide plates for aerospace use	0.00	51,035,933.64	0.00	0.00	607,497.03	26,775,221.70	23,653,214.91
The second batch of projects of "Digital Guangtou" construction in 2019	14,369,000.57	534,938.29	0.00	0.00	0.00	0.00	14,903,938.86
(2021-023-G-AS) Technical research and application of manufacturing aluminum alloy thick plates of high toughness and high corrosion resistance	0.00	37,230,545.80	0.00	0.00	1,990,192.52	23,197,915.23	12,042,438.05
(2021-023-E-AS) Research and application of the non-destructive testing technology of residual stress in industrialized production of aluminum alloy thick plates	0.00	18,950,600.95	0.00	0.00	0.00	7,951,293.70	10,999,307.25
(2021-024-G-MC) Technical research and application of manufacturing high-end, large-size high-magnesium 5th series aluminum alloy plates for ship use	0.00	28,328,317.57	0.00	0.00	1,151,332.99	18,279,113.66	8,897,870.92
(2022-024-E-VC) Technical development of 5xxx series aluminum alloy products for interior panels of BYD automobile	0.00	19,819,674.13	0.00	0.00	570,693.00	10,914,601.19	8,334,379.94
Rural Revitalization Cloud 2021	7,572,000.88	487,884.46	0.00	0.00	0.00	0.00	8,059,885.34
(2020-072-E-MC) Technical development of manufacturing 5xxx aluminum alloy extrusion monolithic wallboard	0.00	7,349,524.91	0.00	0.00	0.00	0.00	7,349,524.91
(2020-019-E-VC) Technical development of Ford 5xxx automotive plates	0.00	16,786,496.07	0.00	0.00	0.00	9,531,380.61	7,255,115.46
(2019-046-E-IF) Development and application of 6XXX aluminum alloy plates for high-precision equipment	0.00	13,337,176.98	0.00	0.00	0.00	6,289,952.23	7,047,224.75
(2022-005-E-AS) Technical development of 2A12-T351/T851 aluminum alloy stretched plates for aerospace use	0.00	19,035,271.30	0.00	0.00	25,160.10	12,169,236.23	6,840,874.97
(2020-030-E-PT) Technical development of producing high-performance,	0.00	6,798,676.85	0.00	0.00	0.00	0.00	6,798,676.85

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Others	Recognized as intangible assets	Included in profit or loss	Others	
large-size 7075 medium-thick plates							
(2022-023-E-VC) Technical development of 6016 alloy for structural parts of high bendability	0.00	11,131,622.30	0.00	0.00	-116,456.18	5,776,094.89	5,471,983.59
(2022-001-E-IF) Technical development of manufacturing ultra-clean 6061 aluminum alloy for semiconductor equipment	0.00	13,651,262.74	0.00	0.00	394,560.03	9,675,320.31	3,581,382.40
Financial Sharing Platform Project	3,415,538.02	0.00	0.00	0.00	0.00	0.00	3,415,538.02
(2021-003-E-IF) Technical development and application of high-strength 6xxx sheets and strips for laptops	0.00	4,552,667.62	0.00	0.00	522,400.87	666,535.65	3,363,731.10
(2020-060-E-PT) Technical development of manufacturing 7075-T651 medium-thick plates for industrial molds	0.00	3,324,910.36	0.00	0.00	0.00	0.00	3,324,910.36
(2021-046-E-PT) Technical research on producing 6061-T651/T6 medium-thick plates for industrial molds	0.00	10,592,603.90	0.00	0.00	0.00	7,448,653.18	3,143,950.72
(2021-059-E-PT) Technical development of high-strength 6061 medium-thick plates for structural parts	0.00	7,720,741.83	0.00	0.00	0.00	4,636,068.15	3,084,673.68
(2020-011-E-VC) Technical development of 6101-T64 coils for conductive components of Tesla	0.00	3,830,093.07	0.00	0.00	72,391.41	726,892.80	3,030,808.86
(2021-058-E-PT) Technical research on producing 6061 medium-thick plates for aviation seats	0.00	5,101,305.34	0.00	0.00	0.00	2,316,614.10	2,784,691.24
(2021-053-E-PT) Technical development of grain refinement and composition adjustment and the homogenization system for 6082 alloy rough rolled plates	0.00	5,844,324.57	0.00	0.00	0.00	3,064,048.29	2,780,276.28
(2022-021-E-AS) Technical development of manufacturing high-strength and corrosion resistant aluminum alloy forging stocks	0.00	8,538,768.50	0.00	0.00	359,964.86	5,658,337.69	2,520,465.95
(2021-049-E-PT) Technical research on manufacturing 5083 aluminum alloy plates for ship use	0.00	4,766,974.32	0.00	0.00	0.00	2,406,828.69	2,360,145.63
(2021-055-E-PT) Technical research on 3xxx series wide aluminum alloy materials for trailers	0.00	4,470,940.97	0.00	0.00	0.00	2,130,889.30	2,340,051.67
(2021-052-E-PT) Technical development of producing low-stress 5083 alloy plates	0.00	4,287,864.70	0.00	0.00	0.00	2,148,243.93	2,139,620.77
（2021-048-E-PT) Technical development of high-strength 2A12-T4 medium-thick plates for structural parts	0.00	4,650,059.86	0.00	0.00	0.00	2,570,785.42	2,079,274.44

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Others	Recognized as intangible assets	Included in profit or loss	Others	
The first batch of projects of "Digital Guangtou" construction in 2021	0.00	1,389,879.46	0.00	0.00	0.00	0.00	1,389,879.46
Zhiguitong Project	0.00	1,237,784.02	0.00	0.00	0.00	0.00	1,237,784.02
Big Data Intelligent Collection System V3.0	243,061.16	393,138.40	0.00	0.00	0.00	0.00	636,199.56
Low Code Development Platform V1.0	213,503.33	435,004.49	0.00	0.00	0.00	0.00	648,507.82
Big Data Insight Analysis System V1.0	165,655.37	359,442.85	0.00	0.00	0.00	0.00	525,098.22
Investment Management System	0.00	0.00	518,495.60	0.00	0.00	0.00	518,495.60
Other development expenditures	10,633,413.16	714,136,697.34	543,396.22	431,930,359.51	21,990,992.46	233,427,244.23	37,964,910.52
Total	**225,913,943.55**	**1,061,026,820.07**	**6,197,279.57**	**454,556,654.54**	**28,298,295.91**	**397,761,271.18**	**412,521,821.56**

34. Goodwill

(1) Book value of goodwill

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Guangxi Wuzhou Zhongheng Group Co., Ltd.	2,891,534,586.48	0.00	0.00	2,891,534,586.48
Asset group portfolio of headquarters of Lummy Pharmaceutical	496,044,209.16	0.00	0.00	496,044,209.16
GIG Beihai Electric Power Co., Ltd.	412,818,452.57	0.00	0.00	412,818,452.57
Wuzhou Guijiang Power Co., Ltd.	274,047,152.48	0.00	0.00	274,047,152.48
Guangxi Pingguo Guangtou Gas Co., Ltd.	212,536,140.43	0.00	0.00	212,536,140.43
Guangxi Qiangqiang Carbon Co., Ltd.	185,585,529.64	0.00	0.00	185,585,529.64
Sealand Securities Co., Ltd.	181,402,031.84	0.00	0.00	181,402,031.84
GIG Natural Gas Pipeline Network Co., Ltd.	127,740,762.95	0.00	0.00	127,740,762.95
Asset group of Hunan Kangyuan	126,247,278.80	0.00	0.00	126,247,278.80
Guangxi Beibu Gulf Bank Co., Ltd.	98,639,969.27	0.00	0.00	98,639,969.27
Guangxi Tong Sheng Finance Leasing Co., Ltd.	47,782,734.89	0.00	0.00	47,782,734.89
Guangxi GIG Energy Group Co., Ltd.	46,089,220.50	0.00	0.00	46,089,220.50
Asset group of Lummy Deji	32,942,793.07	0.00	0.00	32,942,793.07
Asset group of Lummy Pharmaceutical	31,280,611.16	0.00	0.00	31,280,611.16
Shaanxi Changxing Photovoltaic Technology Co., Ltd.	26,260,814.23	0.00	0.00	26,260,814.23
Fujian Shuangfu Special Purpose Vehicle Co., Ltd.	25,870,182.88	0.00	0.00	25,870,182.88
Goldstar Pharmaceuticals Asset Group	18,360,999.29	0.00	0.00	18,360,999.29
Puyang Hengrun Petrochemical Co., Ltd.	16,447,699.27	0.00	0.00	16,447,699.27
Puyang Hengrun Zhubang Petrochemical Co., Ltd.	13,759,956.05	0.00	0.00	13,759,956.05
Merger and acquisition of Guangxi International Trust and Investment Company and Guangxi Trust and Investment Company	13,574,980.76	0.00	0.00	13,574,980.76
Asset group of GIG Pharmaceutical	12,434,143.94	0.00	0.00	12,434,143.94
Goodwill on consolidation of Huixinyuan Company	11,273,914.19	0.00	0.00	11,273,914.19
Goodwill on consolidation of the Cooling Water Company	9,859,407.59	0.00	0.00	9,859,407.59
Acquisition of Zhejiang Liangshi futures	8,509,283.25	0.00	0.00	8,509,283.25
Deqing County Yuecheng Xinghai Oil Station Co., Ltd.	5,213,869.03	0.00	0.00	5,213,869.03
Tianqi Jiahua Asset Group	2,956,604.23	0.00	0.00	2,956,604.23
Guangxi Tianyang Guangtou Gas Co., Ltd.	2,757,148.24	0.00	0.00	2,757,148.24
Guangxi Hechi Guangtou Gas Co., Ltd.	1,832,261.26	0.00	0.00	1,832,261.26
Longan Guangtou Gas Co., Ltd.	1,717,065.93	0.00	0.00	1,717,065.93
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	1,508,368.39	0.00	0.00	1,508,368.39
Guangdong Baichang Power Equipment Co., Ltd.	1,362,750.83	0.00	0.00	1,362,750.83
Guangxi GIG Dingxin Guide Fund Operation Co., Ltd.	282,074.43	0.00	0.00	282,074.43
Hezhou Shangcheng Power Co., Ltd.	275,876.88	0.00	0.00	275,876.88
Pingle Guijiang Power Co., Ltd.	262,500.00	0.00	0.00	262,500.00
Guangxi Huayin Aluminum Co., Ltd.	36.29	0.00	0.00	36.29
Sichuan Xidian Power Design Company Ltd.	74,781,171.06	0.00	74,781,171.06	0.00
Acquisition of equity interest in Guangxi Exchange Registration and Settlement Co., Ltd.	25,080,852.71	0.00	25,080,852.71	0.00
Total	**5,439,073,433.97**	**0.00**	**99,862,023.77**	**5,339,211,410.20**

(2) Provision for impairment of goodwill

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Asset group portfolio of headquarters of Lummy Pharmaceutical	100,932,107.26	111,007,390.14	0.00	211,939,497.40
Asset group of Hunan Kangyuan	126,247,278.80	0.00	0.00	126,247,278.80

Asset group of Lummy Pharmaceutical	31,280,611.16	0.00	0.00	31,280,611.16
Chengdu Goldstar Pharmaceuticals Asset Group	18,360,999.29	0.00	0.00	18,360,999.29
Fujian Shuangfu Special Purpose Vehicle Co., Ltd.	16,535,855.01	0.00	0.00	16,535,855.01
Puyang Hengrun Petrochemical Co., Ltd.	7,042,137.33	6,848,650.80	0.00	13,890,788.13
Asset group of GIG Pharmaceutical	12,434,143.94	0.00	0.00	12,434,143.94
Shaanxi Changxing Photovoltaic Technology Co., Ltd.	5,783,637.14	2,502,631.61	0.00	8,286,268.75
Deqing County Yuecheng Xinghai Oil Station Co., Ltd.	5,213,869.03	0.00	0.00	5,213,869.03
Puyang Hengrun Zhubang Petrochemical Co., Ltd.	0.00	2,030,573.76	0.00	2,030,573.76
GIG Natural Gas Pipeline Network Co., Ltd.	1,567,600.00	0.00	0.00	1,567,600.00
Hezhou Shangcheng Power Co., Ltd.	275,876.88	0.00	0.00	275,876.88
Sichuan Xidian Power Design Company Ltd.	55,821,359.86	0.00	55,821,359.86	0.00
Acquisition of Guangxi Exchange Registration and Settlement Co., Ltd.	25,080,852.71	0.00	25,080,852.71	0.00
Total	**406,576,328.41**	**122,389,246.31**	**80,902,212.57**	**448,063,362.15**

35. Long-term deferred expenses

Item	Opening balance	Increase	Amortization for the year	Other decreases	Closing balance
Decoration costs	449,454,783.09	341,515,322.19	90,426,349.14	235,703,892.28	464,839,863.86
Rental fee	22,693,775.33	150,221,819.70	92,565,095.04	0.00	80,350,499.99
Land management fees of Guangxi District Prison Administration	66,562,500.00	0.00	18,750,000.00	0.00	47,812,500.00
Fixed asset improvement expenses	40,404,168.66	21,076,072.81	15,314,968.23	0.00	46,165,273.24
Collaborative scheduling command center	0.00	45,170,210.18	15,287,500.00	0.00	29,882,710.18
Marble prospecting right to mining right project in Pinggui District	9,536,504.79	16,441,878.94	0.00	0.00	25,978,383.73
Amortization of repair costs	0.00	23,957,370.43	201,872.55	0.00	23,755,497.88
1# workshop electromechanical installation project of Zhongheng Nanning Pharmaceutical Industry Base Project	19,620,000.00	0.00	1,417,000.00	0.00	18,203,000.00
Dealer service fee	19,100,623.59	15,209,679.88	16,477,393.61	0.00	17,832,909.86
Reclamation fee	0.00	55,331,100.04	37,625,999.20	0.00	17,705,100.84
Mine environment treatment and restoration fund	5,731,920.08	11,837,099.96	7,823,291.63	0.00	9,745,728.41
Gas meters	1,848,290.39	2,913,749.61	382,555.07	0.00	4,379,484.93
Amortization of slot repair costs	3,241,998.50	1,740,668.16	1,820,182.21	0.00	3,162,484.45
Costs of water extraction and conversion from the Yellow River	0.00	2,324,224.00	290,528.00	0.00	2,033,696.00
Private equity underwriting fees	0.00	4,332,416.22	2,433,176.04	0.00	1,899,240.18
GIG 6-storey Data Center Server Room Construction Project	1,863,983.09	0.00	302,280.00	0.00	1,561,703.09
Cultural Exhibition Hall Project of Guangtou Energy Management Center	1,435,125.12	1,282,722.48	152,402.64	1,282,722.48	1,282,722.48
CUD005 Anti-liver Fibrosis (Cirrhosis) Macrophage Development Project	1,263,521.47	0.00	0.00	0.00	1,263,521.47
Company Security System	1,474,633.69	84,686.83	537,482.45	0.00	1,021,838.07
Personalized Oncology Project Purification System	1,221,274.05	295,969.73	591,679.29	0.00	925,564.49
Technical service for flood inundation risk map	0.00	931,981.11	15,533.02	0.00	916,448.09
Other long-term amortized costs	107,679,174.17	193,500,981.99	136,371,931.52	3,550,741.34	161,257,483.30
Total	**753,132,276.02**	**888,167,954.26**	**438,787,219.64**	**240,537,356.10**	**961,975,654.54**

36. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented by the net amount after offset

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
I. Deferred tax assets	**2,205,735,787.86**	**8,822,943,151.46**	**2,424,318,915.59**	**9,697,275,662.35**
Provision for impairment of assets	166,313,443.24	665,253,772.97	571,680,222.27	2,286,720,889.08
Organization expenses	1,608,777.18	6,435,108.72	0.00	0.00
Deductible losses	904,490,734.87	3,617,962,939.48	709,534,315.73	2,838,137,262.92
Employee benefits payable (accrued but not paid)	10,435,900.06	41,743,600.25	9,994,401.59	39,977,606.36
Valuation of financial instruments held-for-trading and derivative financial instruments	25,112,802.03	100,451,208.11	123,753,034.91	495,012,139.64
Changes in fair value of available-for-sale financial assets recorded in other comprehensive income	772,029.09	3,088,116.36	446,151.47	1,784,605.88
Unrealized included income or loss from combination	4,885,248.83	19,540,995.32	4,885,248.83	19,540,995.32
Deferred income	8,983,475.97	35,933,903.88	8,438,852.66	33,755,410.64
Interest payable	53,221,292.71	212,885,170.84	55,179,240.10	220,716,960.40
Accrued expenses	17,634,927.17	70,539,708.68	17,462,640.22	69,850,560.88
Operating revenue	0.00	0.00	35,146.26	140,585.04
Funds for Party Construction work	129,337.66	517,350.64	119,553.45	478,213.80
Long-term equity investments (provision for impairment)	2,407,500.00	9,630,000.00	750,000.00	3,000,000.00
Changes in fair value of investment in other equity instruments	82,527,573.29	330,110,293.16	32,577,120.17	130,308,480.68
Equity investment difference amortizing deferred tax assets	5,715,463.22	22,861,852.88	5,715,463.22	22,861,852.88
Provision for impairment of credit	489,045,894.36	1,956,183,577.45	809,933,024.48	3,239,732,097.92
Others	432,451,388.18	1,729,805,552.72	73,814,500.23	295,258,000.91
II. Deferred tax liabilities	**434,134,463.25**	**1,736,537,853.01**	**572,515,525.32**	**2,290,062,101.29**
Valuation of financial instruments held-for-trading and derivative financial instruments	948,816.63	3,795,266.52	12,663,307.88	50,653,231.52
Changes in fair value of available-for-sale financial assets recorded in other comprehensive income	0.00	0.00	1,067,885.71	4,271,542.84
Changes in fair value of financial assets recorded in other comprehensive income (applying the new standard)	32,447,514.25	129,790,057.00	105,638,675.92	422,554,703.68
Asset appraisal appreciation	86,406,904.38	345,627,617.52	86,313,254.23	345,253,016.92
Government grants - temporary difference of project support funds	4,217,788.73	16,871,154.92	4,217,788.73	16,871,154.92
Changes in fair value of other non-current financial assets	-18,249,477.56	-72,997,910.24	-75,499,899.22	-301,999,596.88
Changes in fair value of investment properties	109,287,199.46	437,148,797.85	121,817,820.44	487,271,281.77

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Others	219,075,717.36	876,302,869.44	316,296,691.63	1,265,186,766.52

(2) Deferred tax assets and deferred tax liabilities are presented by the net amount after the offset

Item	Closing balance	Opening balance
Deferred tax assets	2,049,164,239.59	1,691,163,490.57
Deferred tax liabilities	213,419,732.91	194,751,680.64
Net amount of deferred income tax assets after offset	**1,959,015,685.25**	**1,621,045,631.23**
Net amount of deferred income tax liabilities after offset	**123,271,178.57**	**124,633,821.30**

1) The set-off deferred tax assets or liabilities and the corresponding temporary differences between the set-off deductible or taxable assets or liabilities

Item	The set-off deferred tax assets or liabilities at the end of the reporting year	The temporary differences between the set-off deductible or taxable assets or liabilities at the end of the reporting year	The set-off deferred tax assets or liabilities at the beginning of the reporting year	The temporary differences between the set-off deductible or taxable assets or liabilities at the beginning of the reporting year
I. Deferred tax assets	**2,049,164,239.59**	**8,196,656,958.36**	**1,691,163,490.57**	**6,764,653,962.28**
Provision for impairment of assets	1,299,958,379.14	5,199,833,516.56	1,227,517,509.73	4,910,070,038.92
Deductible losses	94,173,338.78	376,693,355.12	0.00	0.00
Employee benefits payable (accrued but not paid)	397,205,247.76	1,588,820,991.04	308,662,165.98	1,234,648,663.92
Valuation of financial instruments held-for-trading and derivative financial instruments	90,897,313.91	363,589,255.64	18,631,803.10	74,527,212.40
Projected liabilities	26,418,899.00	105,675,596.00	12,802,754.00	51,211,016.00
Interest payable	18,186,203.26	72,744,813.04	0.00	0.00
Others	122,324,857.74	489,299,430.96	123,549,257.76	494,197,031.04
II. Deferred tax liabilities	**213,419,732.91**	**853,678,931.64**	**194,751,680.64**	**779,006,722.56**
Valuation of financial instruments held-for-trading and derivative financial instruments	52,592,521.21	210,370,084.84	100,366,792.06	401,467,168.24
Adjustment to fair value of fixed assets on the acquisition date when the subsidiaries are acquired through business combination	5,180,144.50	20,720,578.00	5,493,315.55	21,973,262.20
Others	155,647,067.20	622,588,268.80	88,891,573.03	355,566,292.12

37. Other non-current assets

Item	Closing balance	Opening balance
Debt-offsetting assets	1,861,401,608.69	2,636,177,618.31
Refundable deposits	734,503,067.89	440,372,000.00
Prepaid acquisitions	400,516,812.86	453,558,161.76
Class I road construction project	100,509,551.60	100,211,790.60
Renting of aluminum alloy formwork under the operating lease model	74,656,496.62	0.00
Prepayment for engineering equipment	67,055,888.18	37,714,083.26
Arable land occupation tax (refundable)	61,470,545.55	88,035,240.01
Subdivision of circulating shares	59,898,653.98	59,898,653.98
Prepayment for acquiring office buildings	43,000,000.00	562,229,935.29
Prepayment of land deposits	42,640,000.00	42,640,000.00
Current assets transferred to use under contracting receivables of Hunan Kangyuan	32,406,994.20	0.00
Prepayment of petrol station rentals	27,282,401.90	14,850,000.00
Old city renovation and demolition of investment properties	12,612,392.70	12,612,392.70
Stores	8,520,000.00	0.00
Traffic ditch landscaping works	8,032,677.19	7,067,699.99
Xiwan Huanhai Avenue Project	4,213,629.91	2,375,747.94
Prepaid intangible assets and other long-term assets	3,769,371.44	7,455,703.28
Prepayment for software	1,802,871.98	0.00
Fangchenggang Zhenyuling Bridge	1,016,427.96	0.00
Prepayment for land acquisition compensation for the East District Pipeline Project	0.00	2,108,091.00
Unrealized gain or loss on sale and leaseback	0.00	84,627,086.20
Investment building upgrade project	0.00	3,468,401.83
Liuzhou Municipal Supporting Project	0.00	1,059,200.92
Others	133,638,479.73	139,423,201.77
Total	**3,678,947,872.38**	**4,695,885,008.84**

38. Short-term loans

Category of loan	Closing balance	Opening balance
Pledge loans	3,021,263,066.65	2,616,583,164.61
Mortgage loans	341,000,000.00	291,000,000.00
Guaranteed loans	8,455,397,841.44	9,345,173,368.25
Credit loans	11,298,579,650.77	10,111,408,340.80
Total	**23,116,240,558.86**	**22,364,164,873.66**

39. Borrowings from the Central Bank

Name of lender	Closing balance	Opening balance
Borrowings from the Central Bank	18,584,289,151.00	14,518,976,350.00

40. Borrowings from banks and other financial institutions

Name of lender	Closing balance	Opening balance
Domestic interbank funds	9,769,807,883.61	9,542,821,836.22
Overseas interbank funds	790,602,450.00	1,499,456,727.00
Total	**10,560,410,333.61**	**11,042,278,563.22**

41. Financial liabilities held-for-trading

Item	Closing fair value	Opening fair value
Financial liabilities held-for-trading	2,959,487,015.80	1,525,049,827.69

42. Derivative financial liabilities

Item	Closing balance	Opening balance
Forward contracts	2,829,757.36	0.00
Other derivatives - OTC commodity options	2,134,593.76	26,929,438.80
Equity derivatives - Traded options	1,707,323.00	327,663.22
Equity derivatives - OTC options business	1,586,699.36	1,219,166.76
Equity derivatives - Equity swaps	1,374,740.63	133,567,016.64
Other derivatives - Traded futures options	1,132,340.00	960,485.00
Forward foreign exchange settlement and sale for customers	380,098.00	2,892,064.00
Benefit certificate	63,138.55	0.00
Total	**11,208,690.66**	**165,895,834.42**

43. Notes payable

Category	Closing balance	Opening balance
Commercial acceptance bills	389,018,333.36	715,094,551.60
Bank acceptance bills	2,791,664,659.73	3,440,243,237.88
L/C	4,590,490,037.53	1,456,306,000.00
Total	**7,771,173,030.62**	**5,611,643,789.48**

44. Accounts payable

(1) Aging of accounts payable

Aging	Closing balance	Opening balance
Within 1 year	4,604,755,372.87	6,938,410,357.22
1-2 years	1,078,717,690.07	148,308,074.61
2-3 years	68,609,485.48	95,677,470.95
More than 3 years	260,039,394.76	205,932,055.25
Total	**6,012,121,943.18**	**7,388,327,958.03**

(2) Important accounts payable with aging over 1 year

Name of creditor	Closing balance	Reasons for non-repayment
Administrator of Liuzhou Zhengling Group Co., Ltd.	600,000,000.00	Not yet eligible for payment
Guangxi Construction Engineering Group No.5 Construction Engineering Co., Ltd.	107,900,000.00	Not yet eligible for payment
Chinalawinfo Co., Ltd.	20,241,007.68	Not yet eligible for payment
Nanning Survey and Design Institute Co., Ltd. of China Railway Siyuan Survey and Design Group Co., Ltd.	18,629,401.82	Not yet eligible for payment
Provisional estimate of land allocation	12,509,117.00	Not yet eligible for payment
Guangxi Minggui Construction Engineering Co., Ltd.	11,240,132.14	Not yet eligible for payment
Yunbaobao Big Data Industry Development Co., Ltd.	10,761,503.30	Not yet eligible for payment
China Energy Engineering Group Guangxi Electric Power Design and	9,201,016.98	Not yet eligible for payment

Name of creditor	Closing balance	Reasons for non-repayment
Research Institute Co., Ltd.		
Zhuji Baosheng Environmental Technology Co., Ltd.	8,959,405.41	Not yet eligible for payment
Guangxi Communication Industry Service Co., Ltd.	5,469,807.79	Not yet eligible for payment
Guangxi Construction Engineering Group No.1 Installation Engineering Co., Ltd.	5,402,829.75	Not yet eligible for payment
China Telecom System Integration Co., Ltd.	5,163,921.63	Not yet eligible for payment
Inspur Software Group Ltd.	4,989,603.77	Not yet eligible for payment
Guangxi Construction Engineering Group Second Installation Construction Co., Ltd.	4,552,919.00	Not yet eligible for payment
China Mobile Communications Corporation Guangxi Co., Ltd.	4,417,641.51	Not yet eligible for payment
Tofflon Science and Technology Co., Ltd.	4,372,000.00	Quality guarantee deposit
Zhongdian Great Wall Internetworking System Application Co., Ltd.	4,290,237.39	Not yet eligible for payment
Guangdong Dianbai Construction Engineering Corporation	3,750,489.83	Quality guarantee deposit
Total	**841,851,035.00**	— —

45. Advance from customers

(1) Aging of advance from customers

Aging	Closing balance	Opening balance
Within 1 year	41,269,066.53	82,144,160.73
More than 1 year	34,905,004.46	7,292,529.12
Total	**76,174,070.99**	**89,436,689.85**

(2) Important advance from customers with aging over 1 year

Name of creditor	Closing balance	Reasons for outstanding amounts
Hezhou Jingji Zhinong Times Co., Ltd.	3,000,000.00	Not yet settled
Li Yongxia (Northern Plot of Jubao New Town, Xinxing Village Committee)	2,812,146.52	Not yet settled
Total	**5,812,146.52**	— —

46. Contract liabilities

Item	Closing balance	Opening balance
Sales of petroleum and chemical products received in advance	1,110,585,220.27	681,103,020.14
Debt received in advance	415,278,722.36	323,852,606.32
Natural gas and pipeline transportation services payments received in advance	204,289,455.34	143,579,778.18
Sales of products received in advance	109,906,576.84	839,523,502.70
Guarantee fee received in advance	107,940,956.22	72,747,712.48
Real estate sales received in advance	59,512,721.35	336,760,681.64
Goods payments received in advance	58,033,153.10	87,202,021.26
Technical service fee received in advance	32,246,915.49	173,589,695.72
Service fee received in advance	24,499,189.13	94,640,141.10
Project payments received in advance	8,879,066.34	10,514,631.82
Engineering services payment received in advance	5,151,109.25	9,734,112.46
Rental fee received in advance	973,121.88	1,464,245.32
Other payments received in advance	45,970,936.26	9,776,904.32
Total	**2,183,267,143.83**	**2,784,489,053.46**

47. Sold and repurchase financial assets

Item	Closing balance	Opening balance
Securities	22,120,132,007.42	19,530,408,726.70
Income rights of securities margin trading	12,749,943.41	212,868.00
Total	**22,132,881,950.83**	**19,530,621,594.70**

48. Deposits from customers and interbank

(1) Interbank placement

Item	Closing balance	Opening balance
Domestic interbank deposits	6,183,792,758.00	6,071,537,268.00
Deposits from other domestic financial institutions	13,241,913,900.00	4,341,426,829.00
Overseas interbank deposits	23,354,428.00	3,360,555.00
Total	**19,449,061,086.00**	**10,416,324,652.00**

(2) Acceptance of money deposits

Item	Closing balance	Opening balance
Current deposit	103,510,776,031.72	94,937,783,639.40
- Corporate	67,450,176,630.72	66,737,601,854.40
- Individual	36,060,599,401.00	28,200,181,785.00
Time deposit	130,879,215,873.00	90,037,082,641.00
- Corporate	75,285,677,794.00	44,472,608,625.00
- Individual	55,593,538,079.00	45,564,474,016.00
Other deposits (including outward remittances, remittances outstanding, etc.)	34,166,803,264.00	52,351,753,389.00
Total	**268,556,795,168.72**	**237,326,619,669.40**

49. Funds received as agent of stock exchange

Item	Closing balance	Opening balance
General economic business	15,801,932,171.80	16,809,993,085.92
- Individual	10,846,059,357.78	12,135,213,391.94
- Institutions	4,955,872,814.02	4,674,779,693.98
Credit business	1,320,701,655.47	1,136,564,261.65
- Individual	1,141,286,739.51	1,067,025,058.53
- Institutions	179,414,915.96	69,539,203.12
Total	**17,122,633,827.27**	**17,946,557,347.57**

50. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase	Decrease	Closing balance
Short-term employee benefits	1,868,200,928.23	6,209,597,043.15	6,307,402,593.81	1,770,395,377.57
Post-employment benefits - defined contribution plan	52,272,315.73	770,634,177.24	732,504,952.56	90,401,540.41
Dismissal benefits	30,913,067.49	26,253,917.75	48,121,621.18	9,045,364.06
Others	342,235,361.21	136,275,081.91	142,147,427.67	336,363,015.45
Total	**2,293,621,672.66**	**7,142,760,220.05**	**7,230,176,595.22**	**2,206,205,297.49**

(2) Short-term employee benefits

Item	Opening balance	Increase	Decrease	Closing balance
Salary, bonus, allowance and subsidy	1,723,121,266.74	5,035,052,268.68	5,117,654,813.95	1,640,518,721.47
Employee welfare expenses	271,518.98	278,027,374.30	276,578,723.78	1,720,169.50

Item	Opening balance	Increase	Decrease	Closing balance
Social insurance premium	6,918,025.28	315,571,096.01	312,971,376.34	9,517,744.95
Including: medical insurance premium	5,385,202.30	292,459,616.09	290,172,365.89	7,672,452.50
Work-related injury insurance premium	961,701.90	14,591,670.86	14,198,998.08	1,354,374.68
Maternity insurance premium	570,749.68	3,446,558.98	3,526,672.29	490,636.37
Others	371.40	5,073,250.08	5,073,340.08	281.40
Housing provident fund	5,805,802.77	431,796,621.35	428,537,849.10	9,064,575.02
Trade union dues and personnel education funds	94,307,508.12	100,040,646.40	121,269,786.89	73,078,367.63
Other short-term employee benefits	37,776,806.34	49,109,036.41	50,390,043.75	36,495,799.00
Total	**1,868,200,928.23**	**6,209,597,043.15**	**6,307,402,593.81**	**1,770,395,377.57**

(3) Defined contribution plan

Item	Opening balance	Increase	Decrease	Closing balance
Basic endowment insurance	9,504,505.46	581,969,907.89	572,403,956.34	19,070,457.01
Unemployment insurance premium	2,582,564.22	17,928,772.83	16,925,116.83	3,586,220.22
Contribution to enterprise annuity	40,185,246.05	170,735,496.52	143,175,879.39	67,744,863.18
Total	**52,272,315.73**	**770,634,177.24**	**732,504,952.56**	**90,401,540.41**

(4) Dismissal benefits

Item	Opening balance	Increase	Decrease	Closing balance
Economic compensation for dismissal	30,913,067.49	26,253,917.75	48,121,621.18	9,045,364.06

(5) Others

Item	Opening balance	Increase	Decrease	Closing balance
Labor costs	4,087,727.53	63,757,071.58	63,370,348.97	4,474,450.14
Tenure incentives	0.00	552,711.69	0.00	552,711.69
Retiree benefits to be set aside and supplementary insurance premiums	0.00	3,799,830.00	132,852.00	3,666,978.00
Compensation for termination of employment for staff on board and employed, etc.	0.00	192,983.38	132,844.82	60,138.56
Other long-term employee benefits	338,147,633.68	67,972,485.26	78,511,381.88	327,608,737.06
Total	**342,235,361.21**	**136,275,081.91**	**142,147,427.67**	**336,363,015.45**

51. **Taxes and surcharges payable**

Item	Opening balance	Accrued	Paid	Closing balance
VAT	715,665,128.39	2,650,217,125.61	2,542,483,800.13	823,398,453.87
Consumption tax	53,833.06	2,090,625.40	2,124,239.23	20,219.23
Resource tax	38,540,361.59	228,393,867.46	246,175,481.57	20,758,747.48
Corporate income tax	596,662,241.75	1,471,349,418.91	1,763,889,514.61	304,122,146.05
Urban maintenance and construction tax	42,536,257.03	138,021,900.53	141,320,984.26	39,237,173.30
Property tax	14,133,777.56	104,200,914.18	112,353,207.34	5,981,484.40
Land use tax	6,094,150.27	41,423,722.19	45,548,841.99	1,969,030.47
Individual income tax	69,108,805.91	524,593,697.48	536,615,866.92	57,086,636.47
Educational surtax (including local educational surtax)	31,820,787.27	112,059,893.66	113,672,703.34	30,207,977.59
Water conservancy construction funds (watercourse management fee and flood prevention expense)	70,646,758.33	14,323,068.81	24,070,944.08	60,898,883.06
Price adjustment fund	911,349.40	2,420.69	2,165.18	911,604.91
Land VAT	12,815,291.38	39,819,476.19	19,265,703.14	33,369,064.43
Stamp duty	35,140,515.52	151,041,004.57	152,418,337.62	33,763,182.47

Item	Opening balance	Accrued	Paid	Closing balance
Vessel and vehicle use tax	720.00	362,609.65	363,329.65	0.00
Arable land occupation tax	0.00	64,878,824.99	58,720,368.80	6,158,456.19
Environmental protection tax	2,062,646.51	10,647,920.94	11,072,017.65	1,638,549.80
Business tax	2,520.25	6,045.75	0.00	8,566.00
Other taxes and dues	55,228,400.07	84,281,917.19	81,599,136.85	57,911,180.41
Total	**1,691,423,544.29**	**5,637,714,454.20**	**5,851,696,642.36**	**1,477,441,356.13**

52. Other payables

Item	Closing balance	Opening balance
Interest payable	205,769,254.59	546,860,942.98
Dividends payable	280,899,336.47	280,081,874.27
Other payables	10,800,518,720.91	8,537,999,057.59
Total	**11,287,187,311.97**	**9,364,941,874.84**

(1) Interest payable

Item	Closing balance	Opening balance
Interest on long-term loans with interest paid by installment and principal repaid on maturity	88,447,133.85	230,511,195.91
Interest on enterprise bonds	64,988,972.99	272,202,389.86
Interest payable for short-term loans	12,668,077.75	9,614,468.59
Financing lease interest	37,446,795.42	10,525,435.75
Interests from sold and repurchase financial assets	171,132.31	27,246.20
Others	2,047,142.27	23,980,206.67
Total	**205,769,254.59**	**546,860,942.98**

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends of ordinary shares	215,958,042.07	216,221,985.45
Dividends of preference share/ perpetual bonds classified as equity instruments	64,941,294.40	63,859,888.82
Total	**280,899,336.47**	**280,081,874.27**

(3) Other payables

1) Other payables by nature

Item	Closing balance	Opening balance
Corporate intercourse funds	7,195,321,262.77	4,204,711,107.95
Margin, deposits, warranty	1,397,020,419.52	1,054,699,074.15
Entrusted request for payment	323,900,185.78	779,837,829.58
Accrued expenses	296,752,560.46	219,307,803.51
Liquidation of transition and suspense payments	267,173,955.00	378,538,871.00
Unclaimed amounts	221,210,161.00	181,780,659.00
Contract performance payment	176,293,084.24	127,456,667.40
Agency collection and payment	126,885,296.95	338,299,644.14
Acquisition and construction of long-term asset payments	108,958,704.00	129,458,705.00
All kind of funds payable	90,474,779.44	95,470,989.62
Customer's deposits	87,280,536.23	167,604,528.29
Deferred service fees for intermediate business	27,080,052.00	23,637,848.00
Surrender charges payable	22,751,078.22	18,871,419.43
Execution of payment in lieu	21,775,748.75	44,143,233.17
Bank remittance refund	18,717,764.49	16,378,836.61
Individual intercourse funds	16,375,633.50	16,069,187.79

Item	Closing balance	Opening balance
Social insurance, provident funds	9,707,487.73	9,393,711.86
Storage funds	0.00	421,561,295.07
Others	392,840,010.83	310,777,646.02
Total	**10,800,518,720.91**	**8,537,999,057.59**

2) Important other payables with aging over 1 year

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
China Energy Engineering Group Guangdong Electric Power Engineering Co., Ltd.	Guangxi Guixu Energy Development Investment Co., Ltd.	107,777,187.02	1-3 years	Quality guarantee deposit
Customer Summary Account Funds	Guangxi Jintou Internet Financial Services Co., Ltd.	87,280,536.23	Within 2 year	Customer investment holdover
Fanya Steel Processing and Logistics Corporation	Guangxi SME Financing Guarantee Co., Ltd.	39,000,000.00	2-3 years	Not yet settled
New Power Ceramics Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	29,223,664.05	3-4 years	Not yet settled
Guangxi Lianzhuang Investment Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	25,000,000.00	2-3 years	Not yet settled
CINF Engineering Co., Ltd.	Jingxi Huayin Mining Co., Ltd.	23,379,365.00	1-5 years and more	Not yet settled
Taiqian Yiyuan Investment and Financing Co., Ltd.	Puyang Hengrun Zhubang Petrochemical Co., Ltd.	20,000,000.00	More than 3 years	Not yet settled
Nanning Survey and Design Institute Co., Ltd. of China Railway Siyuan Survey and Design Group Co., Ltd.	Guangxi Guixu Energy Development Investment Co., Ltd.	19,430,585.00	More than 3 years	Quality guarantee deposit
Guangxi JianZheng Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	18,702,019.00	3-4 years	Not yet settled
Beijing Taiji Information System Technology Co., Ltd.	Digital Guangxi Group Co., Ltd.	17,991,560.00	1-2 years	Not yet settled
Guangxi Liuzhou Luzhai Jinli Cement Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	17,919,010.05	2-3 years	Not yet settled
Pingnan Yongping Agricultural Materials Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	12,434,620.19	3-4 years	Not yet settled
Big Data Development Bureau of Guangxi Zhuang Autonomous Region	Digital Guangxi Group Co., Ltd.	11,008,490.60	2-3 years	Agency collection and payment
Nanning Guodong Building Materials Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	10,053,078.32	1-2 years	Not yet settled
Liuzhou Zhansheng Commerce and Trade Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	9,785,249.13	1-2 years	Not yet settled
CINF Engineering Co., Ltd.	Guangxi Huayin Aluminum Co., Ltd.	9,454,178.56	1-3 years	Not yet settled
Guangzhou Aobang Medical Co., Ltd.	Guangxi Wuzhou Pharmaceutical (Group) Co., Ltd.	9,085,957.94	1-2 years	Not yet settled
Chongqing Science and Technology Assets Holding Co., Ltd.	Chongqing Lummy Pharmaceutical Co., Ltd.	7,455,000.00	More than 5 years	Payment for house purchase, unpaid temporarily due to that the formalities are not completed.
Nanning Yuetu Yueguanglong Trading Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	7,377,879.05	1-2 years	Not yet settled

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
Price Bureau of Guangxi Zhuang Autonomous Region	Power Supply Branch of Guangxi Guidong Electric Power Co., Ltd.	7,345,378.12	More than 3 years	Agency collection of government regulatory funds through electricity sales
Guangxi Guhai Trading Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	7,100,562.09	1-2 years	Not yet settled
Fangchenggang WISCO Huarun Gas Co., Ltd.	GIG Natural Gas Pipeline Network Co., Ltd.	7,000,000.00	1-2 years	Deposit
Guangxi Zhuoli Medical Technology Co., Ltd.	Guangxi Wuzhou Pharmaceutical (Group) Co., Ltd.	6,216,601.68	1-3 years	Not yet settled
Hunan Tiejun Engineering Construction Co., Ltd.	Guangxi Hezhou Sanhe Stone Co., Ltd.	6,000,000.00	1-2 years	Deposit
Guangxi Digital Economy Ecological Industry Co., Ltd.	Digital Guangxi Group Co., Ltd.	6,000,000.00	1-2 years	Agency collection of subsidies
Hunan Erdinger Technology Co., Ltd.	Chongqing Lummy Pharmaceutical Co., Ltd.	6,000,000.00	1-2 years	Business deposit
Total	— —	**528,020,922.03**	— —	— —

53. Service charges and commissions payable

Item	Closing balance	Opening balance
Insurance	112,882,031.61	48,573,494.02

54. Reinsurance accounts payable

Item	Closing balance	Opening balance
Within 1 year (including 1 year)	239,565,763.79	231,629,208.66
More than 1 year	36,082,332.00	83,866,412.20
Total	**275,648,095.79**	**315,495,620.86**

55. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term loans due within one year	16,733,056,993.86	10,410,161,143.95
Bonds payable due within one year	14,542,519,861.67	12,858,989,334.41
Long-term payables due within one year	6,950,354,437.39	3,714,447,484.08
Other long-term liabilities due within one year	1,526,938.55	8,618,158.08
Lease liabilities due within one year	55,179,141.05	381,614,707.24
Total	**38,282,637,372.52**	**27,373,830,827.76**

56. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Short-term bonds payable	4,313,247,826.83	11,452,303,669.30
Short-term deferred income	7,515,758.96	7,515,758.96
Output VAT to be transferred	207,494,965.46	176,538,101.19
Unsettled assets profit and loss	162,443.46	162,443.46
Accounts to be settled	31,367,876.00	12,574,088.00
Deposits received	16,259,358.00	16,745,414.50
Claims payable	7,869,252.93	1,747,207.66
Others	150,390,864.90	116,359,321.48
Total	**4,734,308,346.54**	**11,783,946,004.55**

(2) Short-term bonds payable

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
22 Guitouzi SCP003	1,500,000,000.00	2022/8/10	9 months	1,500,000,000.00	0.00
22 Guitouzi CP001	1,500,000,000.00	2022/10/19	12 months	1,500,000,000.00	0.00
22 GIG Energy SCP002	500,000,000.00	2022/6/16	9 months	500,000,000.00	0.00
22 GIG Energy SCP003	500,000,000.00	2022/11/16	9 months	500,000,000.00	0.00
Benefit certificate	275,052,000.00		12 months	275,052,000.00	4,876,189,002.80
21 GIG Energy SCP004	500,000,000.00	2021/11/29	9 months	500,000,000.00	505,022,885.67
21 Guitouzi SCP005	1,500,000,000.00	2021/8/5	9 months	1,500,000,000.00	1,521,784,931.50
21 Guitouzi CP001	1,500,000,000.00	2021/11/11	12 months	1,500,000,000.00	1,509,271,232.88
21 Guitouzi SCP004	1,000,000,000.00	2021/7/22	6 months	1,000,000,000.00	1,017,506,849.32
21 Guitouzi SCP006	1,000,000,000.00	2021/10/28	9 months	1,000,000,000.00	1,005,950,684.94
21 GIG Energy SCP002	500,000,000.00	2021/8/5	9 months	500,000,000.00	509,501,369.86
21 GIG Energy SCP003	500,000,000.00	2021/8/30	9 months	500,000,000.00	507,076,712.33
22 Guitouzi SCP002	1,500,000,000.00	2022/4/22	6 months	1,500,000,000.00	0.00
22 Guitouzi SCP001	1,000,000,000.00	2022/2/14	6 months	1,000,000,000.00	0.00
22 GIG Energy SCP001	500,000,000.00	2022/2/25	9 months	500,000,000.00	0.00
Total	**13,775,052,000.00**			**13,775,052,000.00**	**11,452,303,669.30**

(Continued)

Name of bond	Issued in the current year	Accrual of interest at par value	Premium or discount amortization	Repayment in the current year	Others	Closing balance
22 Guitouzi SCP003	1,500,000,000.00	15,410,958.90	0.00	0.00	0.00	1,515,410,958.90
22 Guitouzi CP001	1,500,000,000.00	10,125,000.00	0.00	0.00	0.00	1,510,125,000.00
22 GIG Energy SCP002	500,000,000.00	9,813,698.63	0.00	0.00	0.00	509,813,698.63
22 GIG Energy SCP003	500,000,000.00	2,110,958.90	0.00	0.00	0.00	502,110,958.90
Benefit certificate	1,433,874,000.00	104,624,290.66	0.00	6,138,900,083.06	0.00	275,787,210.40
21 GIG Energy SCP004	0.00	13,635,616.44	0.00	515,534,246.58	3,124,255.53	0.00
21 Guitouzi SCP005	0.00	0.00	900,000.00	1,522,684,931.50	0.00	0.00
21 Guitouzi CP001	0.00	0.00	0.00	1,509,271,232.88	0.00	0.00
21 Guitouzi SCP004	0.00	0.00	0.00	1,017,506,849.32	0.00	0.00
21 Guitouzi SCP006	0.00	0.00	0.00	1,005,950,684.94	0.00	0.00
21 GIG Energy SCP002	0.00	7,436,986.30	0.00	516,458,904.11	479,452.05	0.00
21 GIG Energy SCP003	0.00	8,400,000.00	0.00	515,534,246.58	-57,534.25	0.00
22 Guitouzi SCP002	1,500,000,000.00	0.00	0.00	1,500,000,000.00	0.00	0.00
22 Guitouzi SCP001	1,000,000,000.00	0.00	0.00	1,000,000,000.00	0.00	0.00
22 GIG Energy SCP001	500,000,000.00	14,794,520.55	0.00	514,794,520.55	0.00	0.00
Total	**8,433,874,000.00**	**186,352,030.38**	**900,000.00**	**15,756,635,699.52**	**3,546,173.33**	**4,313,247,826.83**

57. Provision for insurance contracts

(1) Increase or decrease in reserve for insurance contracts

Item	Opening balance	Increase	Decrease				Closing balance
			Compensation	Early cancellation	Others	Total	
Unearned premium reserve	1,976,344,769.13	1,568,322,317.79	0.00	0.00	1,437,778,605.78	1,437,778,605.78	2,106,888,481.14
Original insurance contracts	1,976,344,769.13	1,568,322,317.79	0.00	0.00	1,437,778,605.78	1,437,778,605.78	2,106,888,481.14
Reinsurance contracts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserve for outstanding losses	3,786,605,299.14	2,950,698,966.45	2,355,565,736.78	0.00	369,056,941.44	2,724,622,678.22	4,012,681,587.37
Original insurance contracts	3,786,605,299.14	2,950,698,966.45	2,355,565,736.78	0.00	369,056,941.44	2,724,622,678.22	4,012,681,587.37
Reinsurance contracts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**5,762,950,068.27**	**4,519,021,284.24**	**2,355,565,736.78**	**0.00**	**1,806,835,547.22**	**4,162,401,284.00**	**6,119,570,068.51**

(2) Unexpired term of insurance contract reserve

Item	Closing balance		Opening balance	
	Less than 1 year (Including 1 year)	More than 1 year	Less than 1 year (Including 1 year)	More than 1 year
Unearned premium reserve	1,868,345,947.19	238,542,533.95	1,434,978,955.11	541,365,814.02
Original insurance contracts	1,868,345,947.19	238,542,533.95	1,434,978,955.11	541,365,814.02
Reinsurance contracts	0.00	0.00	0.00	0.00
Reserve for outstanding losses	3,535,671,360.05	477,010,227.32	1,178,741,762.72	2,607,863,536.42
Original insurance contracts	3,535,671,360.05	477,010,227.32	1,178,741,762.72	2,607,863,536.42
Reinsurance contracts	0.00	0.00	0.00	0.00
Total	**5,404,017,307.24**	**715,552,761.27**	**2,613,720,717.83**	**3,149,229,350.44**

58. Long-term loans

Item	Closing balance	Opening balance
Pledge loans	5,494,074,350.83	4,694,944,287.76
Mortgage loans	929,513,218.90	858,655,493.18
Guaranteed loans	26,540,010,441.74	22,121,850,798.93
Credit loans	25,792,782,791.84	19,804,558,350.14
Total	**58,756,380,803.31**	**47,480,008,930.01**
Less: Long-term loans due within one year	16,733,056,993.86	10,410,161,143.95
Including: pledge loans	1,413,921,140.82	1,397,793,975.26
Mortgage loans	166,421,128.80	75,703,379.99
Guaranteed loans	9,775,890,274.39	4,002,438,234.87
Credit loans	5,376,824,449.85	4,934,225,553.83
Long-term loans due after one year	**42,023,323,809.45**	**37,069,847,786.06**

59. Bonds payable

(1) Classification of bonds payable

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Interbank certificate of deposit	47,440,872,587.00	0.00	47,440,872,587.00
Ordinary corporate debt	27,228,801,861.48	7,912,721,101.08	19,316,080,760.40
Medium-term notes	14,192,118,938.74	2,786,807,534.25	11,405,311,404.49
Subordinated debt	4,096,292,605.00	0.00	4,096,292,605.00
Ordinary financial debt	12,704,232,288.00	0.00	12,704,232,288.00
Overseas debt	3,488,990,769.91	3,488,990,769.91	0.00
Benefit certificate	1,198,990,958.83	0.00	1,198,990,958.83
Asset securitization	354,000,456.43	354,000,456.43	0.00
Total	**110,704,300,465.39**	**14,542,519,861.67**	**96,161,780,603.72**

(Continued)

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Interbank certificate of deposit	45,509,639,339.00	0.00	45,509,639,339.00
Ordinary corporate debt	23,405,225,738.50	8,402,352,828.50	15,002,872,910.00
Medium-term notes	11,542,304,794.51	4,142,304,794.51	7,400,000,000.00
Subordinated debt	4,096,056,986.00	0.00	4,096,056,986.00
Ordinary financial debt	10,119,182,192.00	0.00	10,119,182,192.00
Overseas debt	3,168,744,873.65	0.00	3,168,744,873.65
Benefit certificate	1,144,290,958.87	0.00	1,144,290,958.87
Asset securitization	668,571,037.55	314,331,711.40	354,239,326.15
Total	**99,654,015,920.08**	**12,858,989,334.41**	**86,795,026,585.67**

60. Lease liabilities

Item	Closing balance	Opening balance
Lease payment amount	1,467,424,229.27	1,469,665,200.98
Less: Unrecognized financing costs	-237,801,682.07	-102,715,126.88
Others	0.00	19,658,998.16
Total	**1,229,622,547.20**	**1,386,609,072.26**

Item	Closing balance	Opening balance
Less: Reclassification to non-current liabilities due within one year	55,179,141.05	381,614,707.24
Net lease liabilities	**1,174,443,406.15**	**1,004,994,365.02**

61. Long-term payables

Item	Opening balance	Increase	Decrease	Closing balance
Long-term payables	15,411,004,216.60	13,301,600,141.54	14,880,249,174.70	13,832,355,183.44
Special payables	1,743,048,112.13	168,982,156.95	740,347,964.41	1,171,682,304.67
Total	**17,154,052,328.73**	**13,470,582,298.49**	**15,620,597,139.11**	**15,004,037,488.11**

(1) Long- term payables with top ten closing balance

Item	Closing balance	Opening balance
Guangxi Guohong Guojing Trading Co., Ltd.	2,195,039,978.00	2,204,600,000.00
Huaxia Bank Co., Ltd.	1,918,423,561.23	1,900,000,000.00
China Cinda Asset Management Co., Ltd.	627,098,545.50	3,715,000,000.00
Guangxi Guojing Asset Management Co., Ltd.	518,690,704.30	399,800,000.00
Industrial Bank Financial Leasing Co., Ltd.	499,507,244.86	0.00
CMB Financial Leasing Co., Ltd.	460,000,000.00	0.00
Taiping & Sinopec Financial Leasing Co., Ltd.	400,000,000.00	0.00
China Development Bank Financial Leasing Co., Ltd.	369,329,058.17	0.00
China Huarong Asset Management Co., Ltd.	345,656,700.00	1,457,075,000.02
Hongda International Asset Management Limited	334,771,234.76	316,000,000.00

(2) Special payables with top six closing balance

Item	Closing balance	Opening balance
Guarantee fund	1,096,507,414.58	1,502,565,335.82
Restructuring	34,320,763.51	37,603,887.26
Special funds for the transformation and upgrading project of rural power grid	10,687,912.09	155,813,712.08
Reserve salt	19,609,638.99	19,609,638.99
Special reserve fund	9,162,681.52	9,162,681.52
Power distribution project for 1-3# Buildings, Area A, Taibai Lake Resettlement Housing	1,393,893.98	491,703.98

62. Long-term employee benefits payable

Item	Opening balance	Increase	Decrease	Closing balance
I. Dismissal benefits	47,324,036.00	9,646,655.00	10,121,687.00	46,849,004.00
II. Other long-term benefits	0.00	25,668,767.93	0.00	25,668,767.93
Total	**47,324,036.00**	**35,315,422.93**	**10,121,687.00**	**72,517,771.93**

63. Provisions

Item	Closing balance	Opening balance
Pending litigation	92,760,871.55	41,356,279.41
Letter of guarantee	39,646,771.00	3,566,397.00
Bank acceptance bills	31,839,584.00	15,615,221.00
Disposal costs	27,375,794.44	5,605,005.20
External guarantees	6,891,746.59	7,374,061.72
L/C	2,660,234.00	12,617,970.00
Others	31,529,007.00	19,411,429.00
Total	**232,704,008.58**	**105,546,363.33**

64. Deferred income

Item	Opening balance	Increase	Decrease	Closing balance

Government grants	251,582,891.58	320,689,644.70	45,685,934.20	526,586,602.08
Gain on amortization of service charges pending	27,158,519.33	8,490,566.04	15,944,093.89	19,704,991.48
Demolition and replacement of land in Guigang	12,029,868.39	0.00	1,038,829.20	10,991,039.19
Road construction and maintenance projects	0.00	10,926,052.22	952,202.57	9,973,849.65
Drinking water project for people and animals	0.00	5,812,140.11	489,973.05	5,322,167.06
Demolition and replacement of land in Pingguo	5,163,738.16	0.00	114,900.84	5,048,837.32
Subsidies for renovation of dilapidated buildings	0.00	4,451,233.12	428,221.67	4,023,011.45
Demolition and replacement of land in Wuzhou	3,433,533.45	0.00	297,914.16	3,135,619.29
Water conservancy facilities for small farmland	0.00	3,833,374.56	1,133,291.58	2,700,082.98
Demolition and replacement of land in Beiliu	2,709,922.34	0.00	60,192.60	2,649,729.74
Subsidies for the social functions reform of state-owned farms	0.00	2,740,422.10	151,784.04	2,588,638.06
Eco-breeding projects	0.00	700,000.00	0.00	700,000.00
Special funds for the tax reform	0.00	189,188.24	2,237.17	186,951.07
Biogas projects in rural areas	0.00	152,090.00	0.00	152,090.00
Funding for tax special work	0.00	102,225.10	0.00	102,225.10
Crop seed subsidies	0.00	76,881.00	0.00	76,881.00
Demolition and replacement of buildings on the ground in Pingguo	19,600.00	0.00	0.00	19,600.00
Research projects of the Science and Technology Department	12,030.00	0.00	12,030.00	0.00
Unrealized gain or loss on sale and leaseback	0.00	0.00	0.00	0.00
Guigang 10 acres of land support funds	26,193,500.00	0.00	26,193,500.00	0.00
Total	**328,303,603.25**	**358,163,817.19**	**92,505,104.97**	**593,962,315.47**

Government grants:

Type of government grants	Closing amount included in deferred income	Amount included in current profit or loss	Amount returned in the current year
Grants for technical transformation	239,406,856.12	1,285,240.05	0.00
Nanning Biomedical Industry Base	113,010,932.40	0.00	0.00
Investment funds under the Central budget	42,930,000.00	0.00	0.00
Poverty alleviation and revitalization network project construction in Guangxi	18,095,161.45	999,999.97	0.00
Government supporting funds for water supply projects in Xindu Town, Hezhou	17,682,083.96	364,683.48	0.00
Special funds for energy saving and emission reduction of the Development and Reform Bureau of Tieshangang District, Beihai	11,000,000.00	0.00	0.00
Comprehensive energy-saving technology renovation project	9,730,000.00	0.00	0.00
Grants for scientific research	8,662,853.85	21,546,055.88	0.00
Coordinated Support for the Industrial Revitalization Fund of the Autonomous Region in 2022 ("Thousand Enterprises Technical Transformation" Program)	7,000,000.00	0.00	0.00
Subsidy for Qiangqiang Carbon's furnace flue gas purification project of Baise Ecology and Environment Bureau	6,900,000.00	300,000.00	0.00
Guangxi (national) emergency medical supplies security	6,000,000.00	0.00	0.00
Provisional funds of the industrial energy-saving subsidy of the Autonomous Region (heating system optimization and transformation and unit flexibility transformation projects)	5,800,000.00	0.00	0.00
Grants for talents	4,392,001.08	626,966.80	0.00
Special bonuses for development and other subsidies for resource exploration of the Finance Bureau of Debao County (GGXTR [2020] No.111)	3,000,000.00	0.00	0.00
Energy system optimization program (the subsidy for industrial energy-saving projects of the Autonomous Region in July 2022)	2,938,566.54	61,433.46	0.00

Type of government grants	Closing amount included in deferred income	Amount included in current profit or loss	Amount returned in the current year
Compensation for demolition and relocation	2,633,310.78	123,920.88	0.00
"Five Accesses One Leveling" Support Fund	2,552,843.13	65,178.84	0.00
Energy system optimization program (special funds under the Central budget for pollution control, energy saving and carbon reduction in December 2021)	2,391,666.71	99,999.96	0.00
Special Fund for Industrial Development in 2018	2,204,112.99	0.00	0.00
Advanced Manufacturing Technology Standard Validation and Application Project for Injection-used Thromboxane	2,100,000.00	0.00	0.00
Grants of the Science and Technology Department of the Autonomous Region	2,000,000.00	0.00	0.00
Industrialization production base construction project equipment for anti-infection and special specialty drug preparation	1,980,489.83	0.00	0.00
Laibin industry cloud project	1,888,000.06	235,999.94	0.00
2021 Information Technology Special Funds	1,822,222.22	0.00	0.00
Financial loan interest subsidy	1,607,363.56	0.00	0.00
Deferred income\asset-related subsidies	1,505,390.65	37,090.56	0.00
Energy system optimization program (Beihai corporate technology transformation and innovation development funds in December 2022)	1,245,659.72	4,340.28	0.00
Intelligent transformation projects of solid workshops	822,079.31	0.00	0.00
Tianfu Emei Plan	700,000.00	0.00	0.00
Enterprise development subsidies of Liuyang City XCQZ [2016] No.77	562,500.00	0.00	0.00
Incentives for Guangxi smart factory demonstration enterprises and digital workshops in 2020 of the Bureau of Industry and Information Technology of Debao County	500,000.00	0.00	0.00
Subsidy for employee training	465,500.00	0.00	0.00
Subsidy for the Skill Master Studio	250,000.00	50,000.00	0.00
Esomeprazole Enteric Capsules production and quality control automation renovation project	230,000.17	0.00	0.00
Funds of the special subsidy for the second phase project of three-dimensional visualization and artificial intelligence of intelligent power plants	200,000.00	0.00	0.00
Esomeprazole Enteric Capsules	187,500.00	0.00	0.00
Subsidies for "Integrated Eldercare Services with Medical Care" projects, granted by the Health Commission and the Civil Affairs Bureau of Nanning City	173,289.04	126,710.96	0.00
Gas boiler low-NOx combustion renovation project	166,492.35	0.00	0.00
2012 Strategic Emerging Industry Development for new preparation plants	130,000.00	0.00	0.00
Low Code Development Platform V1.0 Project	100,000.00	0.00	0.00
Key Technology Research Project of Pectin Adriamycin Injection	86,070.57	0.00	0.00
Zhaoshangtong Big Data Platform Construction Project of the Northern Ecological New Area, Liuzhou City	80,000.00	0.00	0.00
Special guidance funds for strategic emerging industries	79,166.67	0.00	0.00
Amisulpride and Amisulpride Tablets Industrialization Project	56,726.92	0.00	0.00
Clean Production Project	15,833.33	0.00	0.00
Other types of government grants	1,301,928.67	2,307,809.51	0.00
Total	**526,586,602.08**	**28,235,430.57**	**0.00**

65. Other non-current liabilities

Item	Closing balance	Opening balance

Convertible agreement deposit	503,553,472.00	501,779,167.00
Futures risk reserve	117,145,708.46	106,042,600.12
Agency business liabilities	17,154,054.00	15,421,223.00
Contractual liabilities aged over one year	16,100,457.99	2,761,903.68
Discount interest income	466,338.02	11,161,962.94
Dealer service charges	0.00	783,538.03
Total	**654,420,030.47**	**637,950,394.77**

66. Paid-in capital

Name of investor	Opening book balance		Increase	Decrease	Closing book balance	
	Investment amount	Percentage (%)			Investment amount	Percentage (%)
State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region	23,000,000,000.00	100.00	0.00	0.00	23,000,000,000.00	100.00

67. Other equity instruments

Issued financial instruments	Opening balance		Increase		Decrease		Closing balance	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value
19 Guitouzi MTN004	100,000,000.00	1,000,000,000.00	0.00	0.00	100,000,000.00	1,000,000,000.00	0.00	0.00
20 Guitou Y1	100,000,000.00	999,371,069.26	0.00	471,698.16	0.00	0.00	100,000,000.00	999,842,767.42
Yunnan International Trust Renewable Loan	54,000,000.00	540,000,000.00	0.00	0.00	54,000,000.00	540,000,000.00	0.00	0.00
Bohai International Trust Loans	50,000,000.00	500,000,000.00	0.00	0.00	50,000,000.00	500,000,000.00	0.00	0.00
21 Gui Guangxi Touji ZR001	20,000,000.00	200,000,000.00	0.00	0.00	0.00	0.00	20,000,000.00	200,000,000.00
21 Gui Guangxi Touji ZR002	20,000,000.00	200,000,000.00	0.00	0.00	0.00	0.00	20,000,000.00	200,000,000.00
21 Gui Guangxi Touji ZR003	50,000,000.00	500,000,000.00	0.00	0.00	0.00	0.00	50,000,000.00	500,000,000.00
Bohai International Perpetual Debt Principal	49,000,000.00	490,000,000.00	0.00	0.00	0.00	0.00	49,000,000.00	490,000,000.00
Boshi Capital Loan Principal	50,000,000.00	500,000,000.00	0.00	0.00	0.00	0.00	50,000,000.00	500,000,000.00
22 Gui Guangxi Touji ZR001	0.00	0.00	100,000,000.00	995,328,767.12	0.00	0.00	100,000,000.00	995,328,767.12
Yunnan Trust - Yunsheng 2022-003 Single Fund Trust	0.00	0.00	50,000,000.00	500,000,000.00	0.00	0.00	50,000,000.00	500,000,000.00
2022 Zhongcheng Trust Chengyi No.31 Single Fund Trust	0.00	0.00	50,000,000.00	500,000,000.00	0.00	0.00	50,000,000.00	500,000,000.00
Total	**493,000,000.00**	**4,929,371,069.26**	**200,000,000.00**	**1,995,800,465.28**	**204,000,000.00**	**2,040,000,000.00**	**489,000,000.00**	**4,885,171,534.54**

68. Capital reserve

Item	Opening balance	Increase	Decrease	Closing balance
Capital (or capital stock) premium	4,980,261,716.05	96,735,327.86	15,764,522.49	5,061,232,521.42
Other capital reserve	2,632,363,242.98	5,399,832,519.21	6,142,464,803.55	1,889,730,958.64
Total	**7,612,624,959.03**	**5,496,567,847.07**	**6,158,229,326.04**	**6,950,963,480.06**

Note: The significant changes in capital reserve incurred by the Group during the year were mainly as follows:

1. The Company received a transfer from the Guiding Fund to the Finance Department to increase the capital reserve by RMB 231,480,000.00 from the contribution to the Guangtou Industrial High-Quality Development Parent Fund.

2. The equity method accounting for the Company's associates resulted in an increase in capital reserve of RMB 3,627,109,959.77.

3. The Company repurchased funds at a premium to hold equity interests in Guangxi GIG Energy Group Co., Ltd., resulting in a decrease in capital reserve of RMB 1,961,376,292.80.

4. The difference between the amount of dividends received by the Company from Guangxi Beibu Gulf Bank Co., Ltd. and the amount calculated based on the actual shareholding ratio resulted in an increase in capital reserve of RMB 42,387,496.53.

5. The difference between the amount of dividends received by the Company from Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd. and the amount calculated based on the actual shareholding ratio resulted in a decrease in capital reserve of RMB 73,748,655.56.

6. The Company received the second and third batches of direct equity investment funds for emerging industries from the Guidance Fund, resulting in an increase in capital reserve of RMB 713,000,000.00.

7. The minority shareholders of Guidong Electric Power Co., Ltd., a subsidiary of the Company, increased their capital, resulting in an increase in capital reserve of RMB 92,083,423.57 based on the percentage of shareholding.

8. According to the Resolution of the Sixteenth Meeting of the Board of Directors of Guangxi Investment Group Co., Ltd. in 2022, Gui-Tou-Dong-Jue [2022] No. 16 and the Resolution of the Twenty-eighth Off-site Meeting of the Board of Directors of Guangxi Financial Investment Group Co., Ltd. in 2022, Jin-Tou-Dong-Jue [2022] No. 36, it was decided that 100% of the equity interests held in Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd. to Guangxi Water Resources Development Group Co., Ltd. without compensation, resulting in a decrease in capital reserve of RMB 437,005,553.08 based on the percentage of shareholding.

9. The 2022 financial direct investment funds of Guangxi Financial Investment Group Co., Ltd., a subsidiary of the Company, resulted in an increase of RMB 687,107,905.23 in capital reserve calculated based on the percentage of shareholding.

10. The equity method accounting for the associates of Guangxi Financial Investment Group Co., Ltd., a subsidiary of the Company, resulted in an increase in capital reserve of RMB 55,542,552.78.

11. The minority shareholders of Guangxi Financial Investment Group Co., Ltd., a subsidiary of the Company, increased their capital, resulting in a change in the percentage of shareholding of the Company in Guangxi Financial Investment Group Co., Ltd., Guangxi Beibu Gulf Bank Co., Ltd., Sealand Securities Co., Ltd. and Guangxi Salt Industry Group Co., Ltd., which reduced capital reserve by RMB 3,605,333,940.73.

69. Special reserve

Item	Opening balance	Increase	Decrease	Closing balance
Safety production expenses	47,333,723.33	112,501,621.77	117,112,615.40	42,722,729.70

70. Surplus reserve

Item	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	1,328,188,183.69	5,612,186.34	0.00	1,333,800,370.03

71. Retained earnings

Item	Current-year balance	Prior-year balance
Closing balance of prior year	-5,099,609,071.76	3,691,822,559.22
Add: Change in accounting policy	-341,162.82	-8,939,010,247.20
Correction of prior period errors	0.00	0.00
Others	0.00	0.00
Opening balance of current year	-5,099,950,234.58	-5,247,187,687.98
Increase	621,170,581.64	512,384,455.61
Including: Transfer from net profits attributable to the parent company's owners of this period	565,183,248.37	512,384,455.61
Other adjustment factors	55,987,333.27	0.00
Decrease	299,249,451.65	365,147,002.21
Including: Surplus reserve withdrawn in this period	5,612,186.34	134,119,615.25
Cash dividends allocated in this period	293,637,265.31	231,027,386.96
Closing balance of current year	-4,778,029,104.59	-5,099,950,234.58

72. Operating revenue and operating costs

Item	Current year amount		Prior year amount	
	Income	Cost	Income	Cost
1. Subtotal of main operations	**181,402,080,876.73**	**175,158,777,393.80**	**178,528,352,145.55**	**170,933,245,466.85**
Including: Aluminum industry	126,004,483,892.02	124,539,320,567.47	116,267,004,049.06	113,550,444,751.04
Chemical industry	28,154,937,108.60	27,498,250,326.03	23,853,266,405.48	22,785,209,862.13
Power	6,837,285,250.90	6,256,697,530.45	6,635,814,940.62	6,628,947,773.03
Natural gas sales	3,482,020,372.73	3,452,199,934.27	2,042,499,260.98	2,008,736,319.16
Metal trading	3,243,688,938.92	3,239,870,931.42	16,401,313,645.93	16,373,909,164.53
Information data	2,837,580,576.06	2,641,475,496.40	2,525,073,043.01	2,359,289,515.33
Pharmaceuticals	2,647,184,976.39	1,061,804,964.74	3,112,454,153.23	781,493,705.61
Coal trading	2,459,098,775.88	2,515,880,135.63	2,250,831,462.53	2,229,837,211.77
Carbon products	2,069,248,193.37	1,596,596,141.99	1,420,966,308.52	869,468,502.84
General trading	661,692,009.50	647,458,788.30	915,562,086.12	890,217,925.25
Others	3,004,860,782.36	1,709,222,577.10	3,103,566,790.07	2,455,690,736.16
2. Subtotal other operations	**1,983,618,641.38**	**1,693,995,190.43**	**1,852,640,030.12**	**1,327,787,747.70**
Including: Spot trading	899,298,084.20	903,042,062.50	964,147,989.43	951,937,417.74
Sales of materials	438,065,319.68	489,333,696.84	275,811,839.75	213,213,213.31
Leasing	119,671,633.13	67,066,331.04	144,707,964.55	59,859,756.60
Interest	91,807,842.98	39,249,455.41	131,229,995.51	3,069,840.04
Other pharmaceuticals	61,634,287.68	16,961,530.69	49,943,158.71	12,645,175.04
Utilities	60,537,507.85	9,507,721.92	64,981,692.33	11,823,967.60
Fly ash	50,205,659.35	0.00	43,215,384.37	0.00
Labour costs	37,444,967.08	36,090,852.00	12,461,302.60	12,142,501.06
Waste material disposal	31,700,864.62	232,264.72	43,215,384.37	0.00
Loading, unloading and storage	19,636,614.80	0.00	2,971,124.11	113,945.72
Others	173,615,860.01	132,511,275.31	119,954,194.39	62,981,930.59
Total	**183,385,699,518.11**	**176,852,772,584.23**	**180,380,992,175.67**	**172,261,033,214.55**

73. Net interest income

Item	Current year amount	Prior year amount
Interest income	**19,984,556,524.69**	**18,516,291,299.78**
- Due from banks	1,041,584,649.27	773,104,222.77
- Deposit in the Central Bank	217,389,252.00	227,805,284.00
- Loans to banks and other financial institutions	252,090,297.00	201,074,485.00
- Loans and advances	12,411,834,114.24	10,790,596,143.19
Including: Individual loans and advances	3,968,681,554.63	3,982,294,009.46
Corporate loans and advances	7,233,398,681.61	5,975,770,009.73
Notes discounted	1,209,753,878.00	832,532,124.00
- Redemptory monetary capital for sale	253,337,950.08	179,148,709.25
- Bond investments	4,493,205,135.17	4,763,993,917.25
- Others	1,315,115,126.93	1,580,568,538.32
Interest expenditures	**15,322,560,494.24**	**13,828,665,857.98**
- Interbank placement	684,136,149.16	484,371,334.98
- Borrowings from the Central Bank	329,196,951.00	252,631,071.00
- Unloaded funds	283,059,498.52	245,213,482.25
- Acceptance of money deposits	6,804,875,629.11	5,903,154,905.61
- Sold and repurchase financial assets	444,854,216.61	608,910,589.72
- Bond issuance	2,568,348,582.38	2,513,102,888.50
- Others	4,208,089,467.46	3,821,281,585.92
Net interest income	**4,661,996,030.45**	**4,687,625,441.80**

74. Earned premium

Item	Current year amount	Prior year amount
Premium income	4,276,673,086.15	4,310,130,410.76

75. Income from service charges and commissions

Item	Current year amount	Prior year amount
Handling fees and commission income	**2,653,023,088.95**	**3,086,152,280.09**
- Settlement and clearing fees	92,918,533.00	110,727,408.00
- Agent fees	1,170,773,387.16	1,267,047,335.22
- Banking card fees	60,305,192.00	108,017,715.00
- Advisory and consulting fees	82,348,444.39	115,346,064.06
- Custody and other fiduciary business commissions	925,536,883.31	976,891,511.98
- Others	321,140,649.09	508,122,245.83
- Including: Income from financing fee	15,036,383.03	29,185,757.78
Income from e-banking	6,084,438.00	4,505,527.00
Income from investment banking-intermediary business	88,597,453.00	128,104,262.00
Investment banking income-securities underwriting business	178,333,415.48	322,992,220.44
Investment banking income-securities sponsorship business	4,332,732.92	7,075,471.69
Other fees and commission income	28,756,226.66	16,259,006.92
Handling fees and commission expenses	**705,485,477.92**	**831,008,471.34**
- handling fees	454,654,971.59	504,604,097.10
- Commission expenses	250,830,506.33	326,404,374.24
Net income from handling fees and commissions	**1,947,537,611.03**	**2,255,143,808.75**

76. Net payments for insurance claims

(1) Presentation of the payments for insurance claims according to the insurance contracts

Item	Current year amount	Prior year amount
Original insurance contracts	2,153,898,030.03	2,460,147,626.54

(2) Presentation of the payments for insurance claims by content

Item	Current year amount	Prior year amount
Payments for insurance claims	2,153,898,030.03	2,460,147,626.54

77. Net provision for insurance contracts

Item	Current year amount	Prior year amount
Withdrawal of provision for outstanding claims	508,900,016.61	477,090,994.18
Including: Original insurance contracts	219,998,402.24	129,054,561.07
Reinsurance contracts	1,031,326.46	-410,449.75
Others	287,870,287.91	348,446,882.86
Others	105,254,107.72	-48,032,057.26
Total	**614,154,124.33**	**429,058,936.92**

78. Cession charges

Item	Current year amount	Prior year amount
Cession charges	0.00	5,039,054.88

79. Taxes and surcharges

Item	Current year amount	Prior year amount
Consumption tax	2,090,625.40	378,039.08

Item	Current year amount	Prior year amount
Resource tax	228,454,809.52	218,272,092.76
Urban maintenance and construction tax	124,966,469.31	155,508,478.57
Property tax	106,046,336.36	97,578,502.16
Land use tax	42,298,247.06	43,636,423.43
Education surcharge and local education surcharge	100,288,414.94	124,728,307.09
Water resources construction fund (river management fee, flood control fee)	13,271,227.20	65,270,294.22
Land value-added tax	28,239,065.26	44,064,577.37
Stamp duty	160,775,216.30	184,760,906.13
Vehicle and boat use tax	516,442.07	792,945.52
Environmental protection tax	11,256,248.29	12,192,494.88
Others	1,852,511.08	4,648,652.59
Total	**820,055,612.79**	**951,831,713.80**

80. Selling expenses

Item	Current year amount	Prior year amount
Employee benefits	1,945,644,978.64	2,494,943,714.36
Marketing expenses	978,984,734.13	1,450,409,577.44
Depreciation	245,336,562.64	195,360,042.78
Electronic equipment running costs	97,830,549.48	84,668,990.25
Warehousing and storage costs	80,614,726.68	101,551,293.24
Amortization expense	77,865,855.41	74,906,339.88
Advertising expenses	70,789,945.65	60,523,088.65
Rental expenses	66,909,782.14	81,105,600.18
Travel expenses	56,943,374.09	82,540,399.17
Consulting fees	56,882,158.80	45,522,276.35
Business entertainment expenses	49,181,387.36	51,188,162.28
Agency fees	47,659,601.24	30,794,954.77
Office expenses	46,709,315.96	40,449,137.69
Labour costs	40,135,933.61	40,942,718.77
Loading and unloading expenses	35,765,020.91	47,390,301.29
Sales and service expenses	34,729,554.43	27,316,664.17
Operating expenses	33,903,355.22	35,435,515.02
Communication costs	25,773,992.67	24,906,287.48
Commission fee for entrusted sales	25,144,895.93	7,274,801.02
Marketing logistics cost sharing	24,521,194.37	20,099,088.87
Exchange membership annual fee	23,736,267.97	21,632,587.86
Packaging costs	19,523,108.39	26,985,251.40
Vehicle usage fees	14,018,218.13	16,551,277.04
Transport costs	13,980,015.10	16,259,202.75
Greening fees	11,446,897.35	11,562,051.29
Repairs and maintenance	9,612,699.87	13,422,090.90
Inspection fee	5,896,731.10	7,348,028.32
Others	516,119,636.98	600,711,770.02
Total	**4,655,660,494.25**	**5,711,801,213.24**

81. General and administrative expenses

Item	Current year amount	Prior year amount
Employee benefits	3,116,750,118.64	2,964,031,772.54
Depreciation	458,986,085.87	446,513,282.57
Amortization of intangible assets	158,644,942.29	132,234,866.27
Repairs and maintenance	115,027,699.11	288,871,566.54
Insurance costs	114,281,082.45	6,822,633.87

Item	Current year amount	Prior year amount
Agency fees	88,292,597.74	61,908,961.39
Safety production expenses	57,809,102.59	48,963,750.96
Consulting fees	55,255,067.62	62,301,943.38
Amortisation of long-term deferred expenditures	53,677,358.44	38,192,341.27
Business entertainment expenses	48,119,998.11	61,888,201.26
Office expenses	46,473,746.61	137,860,048.27
Rental expenses	32,596,471.26	9,142,492.11
Travel expenses	24,428,564.35	32,577,611.30
Advertising and promotion fees	16,624,775.50	21,019,172.36
Information system maintenance and usage fees	15,035,904.56	3,058,120.69
External labor costs	14,038,053.92	16,898,436.45
Disability employment guarantee fund	11,530,630.18	11,354,305.48
Others	372,133,740.55	347,955,842.34
Total	**4,799,705,939.79**	**4,691,595,349.05**

82. Research and development expenses

(6) Presentation by cost

Item	Current year amount	Prior year amount
Material costs	325,131,016.16	196,503,463.45
Labour costs	145,663,042.62	148,870,958.72
Fuel costs	125,953,339.36	1,184,465.43
Depreciation	45,544,824.67	49,605,233.72
Technical service fees	35,640,832.71	59,616,137.21
Amortization of intangible assets	31,921,766.44	547,339.22
Commissioned external research and development fees	19,328,332.70	54,811,342.94
Test and production costs	5,871,263.27	2,182,366.68
Amortisation of long-term deferred expenditures	1,002,854.81	0.00
Direct input costs	935,500.27	0.00
Housing rental fee	234,384.15	438,583.72
Power costs	169,924.68	99,575.25
Equipment usage fee	150,408.84	44,884.79
Patent application fees	3,842.92	0.00
Entrusted R&D expenses	0.00	566,173.80
Design fees	0.00	283,605.45
Other fees	358,787,929.93	298,156,999.02
Total	**1,096,339,263.53**	**812,911,129.40**

(7) Presentation by research and development project

Item	Current year amount	Prior year amount
Beibu Gulf Bank information technology investment	344,166,303.00	278,122,200.00
Zhongheng Group R&D Project	134,855,572.26	197,662,219.86
Workshop technological improvement	52,598,421.79	14,170,391.76
Self-formed patent amortization	30,608,425.88	0.00
Project of low-load three mills all burning Indonesian coal	28,757,947.39	0.00
Development of low carbon residue prebaked anode preparation method for aluminum electrolysis	23,943,661.61	10,851,771.14
20% load deep peaking unit safety and energy saving operation project	19,465,202.51	0.00
Research and development of new prebaked anode technology for aluminum with reduced consumption	17,705,724.08	9,024,595.95
Development of high-efficiency prebaked anode for aluminum electrolytic starter tank	16,503,690.27	0.00
Research and development project on the preparation method of	15,940,714.24	4,777,643.85

Item	Current year amount	Prior year amount
calcined coke for the production of prebaked anodes		
2022RD04 Research and application of alkali consumption reduction technology for aluminum oxide	15,205,575.75	0.00
2022RD03 Research and application of technology to improve aluminum oxide recovery rate	15,117,727.33	0.00
2022RD02 Aluminum oxide optimized decomposition conditions and index technology research and application	14,932,992.45	0.00
A project of preparation method that can dilute the trace elements on anode carbon blocks	13,945,699.61	0.00
2022RD05 Research and application of blockage clearing technology for thermodynamic station fuel transportation system and boiler coal bunker downcomer	12,623,826.04	0.00
2022RD06 Research and application of ash collection and conveying technology for thermal boilers	11,868,947.75	0.00
2022RD11 Research and application of technology for improving evaporation raw liquid temperature and water return rate	11,649,642.58	0.00
2022RD09 Research and application of environmental analysis technology for aluminum oxide roaster	11,530,269.38	0.00
2022RD10 Aluminum oxide roaster energy saving and consumption reduction technology research and application	11,187,440.54	0.00
2021RD13 Research and application of technology to optimize Nk concentration of scrubber system in alumina plant	10,797,895.51	6,931,406.74
2022RD07 Research and application of intelligent control and regulation technology for high pressure steam supply	10,548,049.96	0.00
2022RD01 Research and application of technology to improve the quality of bauxite ore supply	10,179,792.54	0.00
Other R&D projects	262,205,741.06	291,370,900.10
Total	**1,096,339,263.53**	**812,911,129.40**

83. Financial expenses

Item	Current year amount	Prior year amount
Interest expenses	3,938,253,985.77	3,446,901,766.67
Less: Interest income	666,014,826.66	485,983,875.82
Net gain on exchange	161,438,801.86	625,825.03
Add: Net loss on exchange	51,961,558.23	31,071,529.66
Other expenditures	116,419,564.53	119,299,187.17
Total	**3,279,181,480.01**	**3,110,662,782.65**

84. Other income

Item	Current year amount	Prior year amount
Coal storage incentive funds	303,886,715.29	0.00
Financial incentives	161,854,277.84	101,088,471.76
Economic Development Incentive Funds	101,375,003.30	37,452,764.62
Special funds for financial inclusion	46,602,167.00	15,856,736.00
Tax incentives, tax refunds and tax subsidies	43,767,125.33	16,660,423.13
Enterprise Development Grant	40,166,575.78	81,492,150.79
Post stability allowances	13,285,101.11	11,124,903.25
Financing Incentives	12,564,500.00	9,496,926.38
Guarantee business subsidy	10,303,000.00	11,053,000.00
Personal tax handling fee rebate	8,156,476.99	15,352,485.13
Financial Enterprise Subsidy	5,105,660.00	2,719,039.08
R&D Subsidy	4,766,100.00	6,295,300.00
Deferred income from Nanning Biomedical Industry Base Project	4,639,528.93	3,532,758.96
Bioindustry policy funding	3,400,000.00	0.00

Item	Current year amount	Prior year amount
Deferred income from pharmaceutical phase II and III projects	2,733,000.00	2,733,000.00
Reward subsidies for the resumption of work and production	0.00	1,266,862.07
Enterprise introduction of insurance funds discount interest	0.00	700,000.00
Financial leasing industry subsidies	0.00	20,157,481.00
Deferred income from Zhongheng Dawang Biological Base Project	0.00	6,972,857.20
Others	40,090,294.57	23,207,236.74
Total	**802,695,526.14**	**367,162,396.11**

85. Investment income

Source of investment income	Current year amount	Prior year amount
Gain on long-term equity investments under the equity method	2,647,708,571.69	1,891,239,558.54
Investment income arising on disposal of long-term equity investments	525,356,598.99	615,114,033.42
Investment income earned during the period in which the held-for-trading financial assets were held	2,679,367,475.34	1,798,637,637.65
Investment income from disposal of held-for-trading financial assets	-142,577,375.01	689,667,779.24
Investment income from investments in other equity instruments during the holding period	339,016,926.98	149,763,601.01
Interest income on debt investments during the holding period	24,965,834.12	3,404,486.17
Interest income during the holding period of other debt investments	0.00	19,650,760.96
Gain on disposal of debt investments	-55,163,202.48	469,100,829.70
Gain on disposal of other debt investments	143,309,932.71	61,326,967.18
Investment income earned during the period in which other non-current financial assets are held	254,384,597.74	147,765,170.86
Investment income acquired on disposal of other non-current financial assets	137,148,320.37	18,839,342.49
Investment income from debt investments during the holding period	73,348,716.16	0.00
Dividend income earned while holding other equity instruments	6,513,510.44	0.00
Investment income on long-term equity investments upon transfer from cost method to equity method of accounting	-9,747,263.38	0.00
Others	56,192,588.27	-30,255,709.79
Total	**6,679,825,231.94**	**5,834,254,457.43**

86. Gains from changes in fair value

Source of income or loss from change in fair value	Current year amount	Prior year amount
Held-for-trading financial assets	-656,823,183.27	1,016,567,905.64
Financial assets at fair value through profit or loss	33,073,821.76	-7,317,096.60
Derivative financial assets	72,204.25	-7,286,046.67
Other non-current financial assets	-236,622,391.81	128,332,202.23
Held-for-trading financial liabilities	43,464,717.34	-101,954,643.99
Derivative financial liabilities	1,635,413.00	1,849,406.00
Investment properties at fair value	220,859,394.86	1,347,647,277.07
Others	83,593,429.19	-92,050,071.53
Total	**-510,746,594.68**	**2,285,788,932.15**

87. Credit impairment loss

Item	Current year amount	Prior year amount
Bad debt losses	-59,630,584.78	-1,164,811,293.19
Impairment loss on credit of debt investments	1,050,481,390.25	2,426,360.36
Impairment loss on other debt investments	1,159,308.46	-11,147,036.64
Others	-2,533,389,208.24	-3,315,762,323.08
Total	**-1,541,379,094.31**	**-4,489,294,292.55**

88. Asset impairment loss

Item	Current year amount	Prior year amount
Loss on decline in value of inventories	84,224,822.48	-150,602,660.38
Impairment loss on contract assets	-428,298.10	-66,806.42
Impairment loss on long-term equity investments	0.00	-49,797,692.44
Impairment loss on fixed assets	0.00	-18,185,332.32
Impairment loss on intangible assets	-3,927,769.46	-71,736,004.00
Impairment loss on goodwill	-122,389,246.31	-195,010,144.02
Others	-221,894,031.07	-68,895,069.00
Total	**-264,414,522.46**	**-554,293,708.58**

89. Gains from disposal of assets

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Gain on disposal of non-current assets	91,467,530.21	107,587,880.28	91,467,530.21
Including: Gain on disposal of fixed assets	65,504,390.12	108,421,637.32	65,504,390.12
Gain on disposal of intangible assets	76,984,764.96	945,199.52	76,984,764.96
Gain on disposal of other non-current assets	-51,021,624.87	-1,778,956.56	-51,021,624.87
Gain on exchange of non-monetary assets	505,500.00	23,521,203.07	505,500.00
Others	-49,440,324.96	-651,610.01	-49,440,324.96
Total	**42,532,705.25**	**130,457,473.34**	**42,532,705.25**

90. Non-operating income

(1) Details of non-operating income

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Gain on destruction and retirement of non-current assets	14,485,785.27	5,464,581.81	14,485,785.27
Including: Gain on destruction and retirement of fixed assets	14,473,107.34	794,648.28	14,473,107.34
Gain on destruction and retirement of intangible assets	0.00	672,769.71	0.00
Gain on destruction and retirement of other non-current assets	12,677.93	3,997,163.82	12,677.93
Gain on debt restructuring	0.00	139,600,000.00	0.00
Donations received	939,434.20	0.00	939,434.20
Government grants not related to the ordinary activities of the enterprise	9,250,689.35	9,967,338.45	9,250,689.35
Income from liquidated damages, indemnities, fines, etc.	45,531,221.66	91,009,984.42	45,531,221.66
Others	195,720,398.33	172,519,301.09	195,720,398.33
Total	**265,927,528.81**	**418,561,205.77**	**265,927,528.81**

(2) Details of government grants

Item	Current year amount	Prior year amount
2021 Green manufacturing demonstration system construction incentive funds	300,000.00	0.00
2021 Autonomous region energy-saving project subsidy funds	904,200.00	0.00
200,000 tons/year carbon tetra-configuration project	688,880.60	688,880.60
Spring Festival Sympathy	60,000.00	30,000.00

Item	Current year amount	Prior year amount
Reversal of tax credits to be deducted	0.00	5,906,097.17
Road works maintenance subsidy	764,442.65	0.00
Real estate and land hardship tax relief refunds	1,779,364.10	1,428,462.34
Incentive subsidy for recognition of high-tech enterprises	50,000.00	0.00
Real economy support incentive from the Bureau of Industry and Information Technology	88,100.00	0.00
Guangxi Zhuang Autonomous Region Science and Technology Department high-tech qualification re-identification subsidy	50,000.00	50,000.00
Business Development Incentives	0.00	812,985.07
Qinzhou Port Finance Bureau Quarterly Sprint Award	666,702.00	0.00
Grants from the District Federation of Trade Unions for workers' vocational skills competition projects	140,000.00	0.00
One-time settlement incentive for entering the core area of Nanning, China's ASEAN financial opening portal	750,000.00	750,000.00
VAT relief for retired soldiers	9,000.00	248,129.99
Others	3,000,000.00	52,783.28
Total	**9,250,689.35**	**9,967,338.45**

91. Non-operating expenses

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Losses on destruction and retirement of non-current assets	6,168,578.45	9,974,740.60	6,168,578.45
Including: Loss on destruction and retirement of fixed assets	6,168,578.45	9,013,465.40	6,168,578.45
Losses on destruction and retirement of intangible assets	0.00	63,914.89	0.00
Loss on destruction and retirement of other non-current assets	0.00	897,360.31	0.00
Loss on debt restructuring	1,463,769.45	0.00	1,463,769.45
External donation expenses	19,117,384.24	9,432,228.00	19,117,384.24
Expenses for breach of contract, indemnity, fines, etc.	96,509,594.83	98,519,412.24	96,509,594.83
Others	48,891,052.44	124,066,487.14	48,891,052.44
Total	**172,150,379.41**	**241,992,867.98**	**172,150,379.41**

92. Income tax expenses

1. Details of income tax expenses

Item	Current year amount	Prior year amount
Current income tax expenses	1,529,604,313.68	1,738,626,178.59
Adjustment to deferred income tax	-211,254,223.13	-431,146,278.03
Others	-55,432,130.26	-2,185,450.30
Total	**1,262,917,960.29**	**1,305,294,450.26**

2. Adjustment to accounting profits and income tax expenses

Item	Current year amount
Total profits	5,055,502,549.52
Income tax expenses calculated at legal/ applicable tax rate	1,263,875,637.38
Effect of different tax rates applied to subsidiaries	-87,769,019.92
Influence of adjustment to income tax of previous period	11,377,204.59
Influence of non-taxable income	150,857,199.38
Influence of non-deductible costs, expenses and losses	112,631,613.31

Influence from use of deductible losses of the unrecognized deferred tax assets during the previous period	-73,376,538.88
Influence of the deductible temporary difference or deductible losses of the unrecognized deferred tax assets during the current period	-87,088,475.89
Others	-27,589,659.68
Income tax expenses	**1,262,917,960.29**

93. Other comprehensive income attributable to owners of the parent company

1. Various items of other comprehensive income and their income tax effects and transfers to profit or loss

Item	Current year amount		
	Pre-tax amount	Income tax	Post-tax net amount
I. Other comprehensive income that cannot be reclassified into income or loss subsequently	**-1,048,194,350.59**	**-262,048,587.65**	**-786,145,762.94**
1.Changes from re-measurement of the net liabilities or net assets under the defined benefit plan	0.00	0.00	0.00
2.Portion of other comprehensive income that cannot be reclassified into income or loss under the equity method	0.00	0.00	0.00
3. Changes in fair value of investments of other equity instruments	-1,048,194,350.59	-262,048,587.65	-786,145,762.94
II. Other comprehensive income that will be reclassified into income or loss subsequently	**-48,273,641.19**	**8,031,268.89**	**-56,304,910.08**
1. Portion of other comprehensive income in the investee that will subsequently be reclassified into income or loss under the equity method	-85,472,434.78	0.00	-85,472,434.78
2. Changes in fair value of other debt investments	16,834,243.71	4,208,560.93	12,625,682.78
3.Profit or loss from changes in fair value of available-for-sale financial assets	0.00	0.00	0.00
4. The amount of financial assets reclassified into other comprehensive income	373,330.64	93,332.66	279,997.98
5. Profit or loss from reclassification of held-to-maturity investments into available-for-sale financial assets	0.00	0.00	0.00
6. Reserve for credit impairment of other creditor's rights investment	44,603,612.69	11,150,903.17	33,452,709.52
7.Hedging reserve of cash flows (effective portion of profit or loss from cash flow hedging)	0.00	0.00	0.00
8.Difference on translation of foreign currency financial statements	5,073,718.03	0.00	5,073,718.03
9.Others	-29,686,111.48	-7,421,527.87	-22,264,583.61
III. Total other comprehensive income	**-1,096,467,991.78**	**-254,017,318.76**	**-842,450,673.02**

(continued)

Item	Prior year amount		
	Pre-tax amount	Income tax	Post-tax net amount
I. Other comprehensive income that cannot be reclassified into income or loss subsequently	**37,867,111.61**	**9,466,777.90**	**28,400,333.71**
1.Changes from re-measurement of the net liabilities or net assets under the defined benefit plan	0.00	0.00	0.00
2.Portion of other comprehensive income that cannot be reclassified into income or loss under the equity method	0.00	0.00	0.00
3. Changes in fair value of investments of other equity instruments	37,867,111.61	9,466,777.90	28,400,333.71

Item	Prior year amount		
	Pre-tax amount	Income tax	Post-tax net amount
II. Other comprehensive income that will be reclassified into income or loss subsequently	**262,652,236.35**	**65,678,966.36**	**196,973,269.99**
1. Portion of other comprehensive income in the investee that will subsequently be reclassified into income or loss under the equity method	1,487,990.59	0.00	1,487,990.59
2. Changes in fair value of other debt investments	174,374,524.97	43,593,631.24	130,780,893.73
3.Profit or loss from changes in fair value of available-for-sale financial assets	0.00	0.00	0.00
4. The amount of financial assets reclassified into other comprehensive income	2,600,296.72	650,074.18	1,950,222.54
5. Profit or loss from reclassification of held-to-maturity investments into available-for-sale financial assets	0.00	0.00	0.00
6. Reserve for credit impairment of other creditor's rights investment	94,834,313.91	23,708,578.48	71,125,735.43
7.Hedging reserve of cash flows (effective portion of profit or loss from cash flow hedging)	0.00	0.00	0.00
8.Difference on translation of foreign currency financial statements	-1,551,619.66	0.00	-1,551,619.66
9.Others	-9,093,270.18	-2,273,317.54	-6,819,952.64
III. Total other comprehensive income	**300,519,347.96**	**75,145,744.26**	**225,373,603.70**

2. Adjustment to other comprehensive income items

Item	Opening balance of prior year	Change in prior year	Opening balance of current year	Change in current year	Closing balance of current year
Other comprehensive income not available for transfer to profit or loss under the equity method	-114,154,369.91	0.00	-114,154,369.91	0.00	-114,154,369.91
Changes in fair value of investments in other equity instruments	554,384,327.35	28,400,333.71	582,784,661.06	-786,145,762.94	-203,361,101.88
Other comprehensive income available for transfer to profit or loss under the equity method	25,637,536.45	1,487,990.59	27,125,527.04	-85,472,434.78	-58,346,907.74
Change in fair value of other debt investments	-14,963,205.11	130,780,893.73	115,817,688.62	12,625,682.78	128,443,371.40
Gains or losses from changes in fair value of available-for-sale financial assets	-740,402,824.20	0.00	-740,402,824.20	0.00	-740,402,824.20
Reclassification of financial assets to other comprehensive income	-545,477.34	1,950,222.54	1,404,745.20	279,997.98	1,684,743.18
Provision for credit impairment of other debt investments	19,760,687.21	71,125,735.43	90,886,422.64	33,452,709.52	124,339,132.16
Cash flow hedge reserve (effective portion of cash flow hedge gains and losses)	-791,312.11	0.00	-791,312.11	0.00	-791,312.11
Translation differences	-2,168,252.86	-1,551,619.66	-3,719,872.52	5,073,718.03	1,353,845.51

Item	Opening balance of prior year	Change in prior year	Opening balance of current year	Change in current year	Closing balance of current year
on foreign currency financial statements					
Others	33,604,259.59	-6,819,952.64	26,784,306.95	-22,264,583.61	4,519,723.34
Total	**-239,638,630.93**	**225,373,603.70**	**-14,265,027.23**	**-842,450,673.02**	**-856,715,700.25**

94. Borrowing costs

Item	Capitalization rate	Amount capitalized
Natural gas pipeline project of Debao Jingxi branch line in Guangxi	3.60	6,303,915.91
330KA electrolytic tank energy-saving renovation project	3.45	5,237,845.60
Guangxi Emergency Medical Supplies Security Wuzhou Base (Phase I)	3.85	4,942,738.03
Liuzhou Kitchen Waste Resource Utilization and Harmless Treatment Project PPP	2.10-4.10	2,112,260.28
200,000 tons of electrolytic aluminum energy-saving transformation project (Phase I)	3.10	1,868,094.43
Guangxi Wuming branch natural gas pipeline project	3.65	952,332.89
Guangxi Luchuan branch natural gas pipeline project	3.65	817,058.90
Natural gas pipeline project of Sinopec Nanning Station - Nanning ZhongranMen Station branch line in Guangxi	3.65	740,146.49
Natural gas pipeline project of Xingye branch line in Guangxi	3.65	540,059.33
Guangxi Fangchenggang Offshore Wind Power Demonstration Project	2.10	492,849.70
Guangxi Hengxian branch line natural gas pipeline project	3.65	484,127.34
Liulv Photovoltaic Project	2.35	477,054.38
Beiliu City Ceramic Industrial Park Natural Gas Pipeline Direct Supply Project	4.50	476,413.77
Guangxi Luzhai branch line natural gas pipeline project	3.65	392,319.82
Natural gas pipeline project of Qinbei branch line in Guangxi	3.65	376,700.73
Beiliu City Industrial Park Natural Gas Transmission and Distribution Pipeline Network Project	3.76	152,927.30
Liuzhou Northern Ecological New Area Piped Gas Project	3.67	122,333.34
Liuzhou Rong'an County domestic waste incineration power generation project	1.25	115,196.77
Alumina Phase I Project (annual capacity of 2 million tons of alumina)	4.50	100,000.00
Natural gas dedicated pipeline project 0f Tiandong-Debao-Jingxi branch line in Guangxi	3.65	58,358.61
Natural gas dedicated pipeline project 0f Nanning - Fusui branch line in Guangxi	3.65	56,740.31
Lu Chuan County Town Gas Project	4.00	45,151.62
Guangxi Yizhou branch natural gas pipeline project	3.65	20,445.64
Natural gas pipeline project of Tianyang branch line in Guangxi	3.65	8,762.42
Guangxi Longgang New Area Beihai Tieshangdonggang Industrial Park Natural Gas Direct Supply Project	4.10	3,728.46
Gongcheng Yao Autonomous County Natural Gas Utilization Project	4.31	2,525.10
Total	—	**26,900,087.17**

95. Foreign currency translation

Item	Current year amount
Exchange differences charged to current profit or loss	109,477,243.63

96. Consolidated statement of cash flow

(8) Supplementary information of the cash flow statement

Item	Current year amount	Prior year amount
1. Reconciliation of net profits to cash flows from operating activities	——	——
Net profits	3,792,584,589.23	3,735,770,853.84
Add: Provision for impairment of assets	264,414,522.46	554,293,708.58
Credit impairment loss	1,541,379,094.31	4,489,294,292.55
Depreciation of fixed assets, depletion of oil and gas assets, depreciation	2,145,744,709.95	2,063,731,532.00

Item	Current year amount	Prior year amount
of bearer biological assets		
Depreciation of right-to-use assets	491,466,889.91	441,411,561.49
Amortization of intangible assets	294,401,521.95	235,642,861.39
Amortisation of long-term deferred expenditures	90,426,349.14	364,924,243.41
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains indicated with "-")	-42,532,705.25	-130,457,473.34
Losses on write-off of fixed assets (gains indicated with "-")	6,168,578.45	9,013,465.40
Losses on changes in fair value (gains indicated with "-")	510,746,594.68	-2,285,788,932.15
Financial expenses (gains indicated with "-")	3,938,253,985.77	3,446,901,766.67
Losses on investment (gains indicated with "-")	-6,679,825,231.94	-5,834,254,457.43
Decreases of deferred income tax assets (increases indicated with "-")	-119,386,926.29	-597,006,632.28
Increases of deferred income tax liabilities (decreases indicated with "-")	-139,743,704.80	207,739,252.65
Decreases of inventory (increases indicated with "-")	-340,879,139.16	-1,720,244,529.45
Decreases of operating receivables (increases indicated with "-")	-7,570,559,376.09	-4,043,952,382.63
Increases of operating payables (decreases indicated with "-")	9,007,901,032.05	6,519,131,048.96
Others	0.00	0.00
Net cash flow from operating activities	7,190,560,784.37	7,456,150,179.66
2. Significant investment and financing activities not related to cash deposit and withdrawal:	——	——
Conversion of debt into capital	0.00	0.00
Convertible corporate bonds due within one year	0.00	0.00
Finance leased fixed assets	0.00	0.00
3. Net change in cash and cash equivalents:	——	——
Closing balance of cash	48,942,332,855.18	46,224,318,617.12
Less: Opening balance of cash	46,224,318,617.12	48,163,854,898.12
Add: Closing balance of cash equivalents	19,044,476,560.00	14,172,970,843.00
Less: Opening balance of cash equivalents	14,172,970,843.00	5,315,885,658.00
Net increase in cash and cash equivalents	7,589,519,955.06	6,917,548,904.00

(9) Cash and cash equivalents

Item	Closing balance	Opening balance
I. Cash	**48,942,332,855.18**	**46,224,318,617.12**
Including: cash on hand	448,424,572.83	343,542,069.59
Bank deposits available for payment at any time	35,253,835,646.97	27,939,395,917.47
Other monetary funds available for payment at any time	912,122,766.62	3,319,861,135.09
Deposits with central bank available for disbursement	5,271,692,455.00	2,728,196,668.23
Interbank deposits	6,499,089,413.76	9,282,251,128.49
Settlement provisions	557,168,000.00	2,611,071,698.25
II. Cash equivalents	**19,044,476,560.00**	**14,172,970,843.00**
Including: bond investments due within 3 months	19,044,476,560.00	14,172,970,843.00
III. Closing balance of cash and cash equivalents	**67,986,809,415.18**	**60,397,289,460.12**

97. Foreign currency monetary items

Item	Closing balance in foreign currencies	Exchange rate	Closing balance of converted RMB
Cash and cash equivalents	—	—	**654,157,383.77**
Including: USD	62,452,743.62	6.9646	434,958,378.22
EUR	59,192.79	7.4229	439,382.16
HKD	24,209,567.67	8.9327	216,256,805.13
Others	298,163.98	8.3941	2,502,818.26
Accounts receivable	—	—	**521,618,252.07**
Including: USD	19,277,112.61	6.9646	134,257,378.48
EUR	4,521.67	7.4229	33,563.90
HKD	43,360,608.74	8.9327	387,327,309.69

Item	Closing balance in foreign currencies	Exchange rate	Closing balance of converted RMB
Short-term loans	—	—	**195,982,347.77**
Including: USD	27,650,000.00	6.9646	192,571,190.00
HKD	459,545.16	7.4229	3,411,157.77
Bonds payable	—	—	**3,482,300,000.00**
Including: USD	500,000,000.00	6.9646	3,482,300,000.00

98. Assets with restricted ownership and use rights

Item	Closing book value	Reasons for restrictions
Cash and cash equivalents	19,183,351,208.27	Deposit, frozen funds, etc.
Held-for-trading financial assets	17,066,302,857.33	Financial assets pledged for pledged repo business, financial assets transferred over for financing business, financial assets pledged for bond lending business
Fixed assets	11,113,059,956.63	Mortgage loans, sale-and-leaseback finance leases
Long-term equity investments	6,232,218,978.36	Pledge loans
Long-term receivables	2,509,872,344.94	Pledge loans
Other current assets	2,305,508,751.88	Refundable deposits
Investment properties	1,596,578,167.81	Mortgage loans
Premiums receivable	800,000,000.00	Pledge loans
Others	845,250,573.23	Pledge loans
Total	**61,652,142,838.45**	

IX. Contingent events

1. The Group's pending litigation and arbitration formation as at December 31st 2022

(1) Pending litigation between Lummy Pharmaceutical and Changchun Haiyue Pharmaceutical Co., Ltd. (hereinafter referred to as "Changchun Haiyue")

Changchun Haiyue filed an appeal with the Changchun New Area People's Court in January 2022, requesting the People's Court to order Lummy Pharmaceutical and Lummy Pharmaceuticals to pay Changchun Haiyue the sales amount of RMB 51,457,500.00 for the sale of the grant. In February 2022, the Company received (2022) J0193 Civil First Instance No. 85 “Civil Ruling”, “Civil Complaint” and other legal documents from Changchun New Area People's Court, in which the Company's bank deposits deposited with Hua Xia Bank Co., Ltd. at Chongqing Liangjiang Jinkai Branch were frozen at RMB 51,457,500.00 as a result of the “Civil Ruling”.

The first trial of the case was held in the first session on November 23rd, 2022, and only part of the evidence was cross-examined. Changchun Haiyue submitted an application for an increase of change of litigation request in court, which increased and changed the litigation request to (1) request to confirm the denial of the legal personality of Lummy Pharmaceuticals and joint and several liabilities of Lummy Pharmaceutical for the debts of Lummy Pharmaceuticals; (2) request Lummy Pharmaceutical and Lummy Pharmaceuticals to assume the responsibility of breach of contract for the sale of experience packages and compensate the plaintiff for the loss of RMB 51,457,500.00 for the breach of contract; (3) the litigation

costs of the case shall be borne by the two defendants. As of March 29th, 2023, the first instance proceedings in the case had not been completed.

The Company believes that the dispute involved in this case is a dispute between Changchun Haiyue and Lummy Pharmaceuticals over the Purchase and Sale Contract signed in the course of the Tadalafil Tablets China License Agreement, the subject of the contract is Haiyue Pharmaceutical and Lummy Pharmaceuticals, and Lummy Pharmaceutical is not a counterparty to the contract; and all transactions conducted by Lummy Pharmaceuticals are genuine transactions with commercial substance and there are no irregularities in sales. Therefore, the Zhongheng Group believes that there is no contingent loss for the Company.

(2) Guangxi Yongsheng Petrochemical Co., Ltd., a subsidiary of Guangxi Guidong Electric Power Co., Ltd., a subsidiary of Guangxi GIG Energy Group Co., Ltd., received special VAT invoices issued by the supplier Dongying Xilong Petrochemical Co., Ltd. in March 2021. The supplier's upstream company was verified resulting in the abnormity of the invoices involving input tax amounting to RMB 108,141,600. The batch of business has consistent three-flows, and Guangxi Yongsheng Petrochemical Co., Ltd. had been certified in 2021 and no credit was made in this reporting period. The transactions related to the invoices were verified by the public security authorities as real goods transactions and there were no capital returns, and the relevant tax authorities are still in the process of trial.

(3) As of December 31st, 2022, among the pending litigation cases of Guangxi Beibu Gulf Bank Co., Ltd. and its branches, there were a total of 824 cases in which Guangxi Beibu Gulf Bank Co., Ltd. was the plaintiff, involving a total principal amount of RMB 2,543,769,000; there were a total of 11 cases in which Guangxi Beibu Gulf Bank Co., Ltd. was the defendant, involving a subject matter of RMB 4,267,600. Among them, there were 21 pending litigation cases with a principal amount over RMB 10 million for a single case, involving a principal amount of RMB 2,094,186,100; there were 803 pending litigation cases with a principal amount below RMB 10 million for a single case, involving a principal amount of RMB 449,582,900. The management of Guangxi Beibu Gulf Bank Co., Ltd. believes that the final decision and enforcement results of these matters will not have a material impact on the financial position or results of the operations of the Bank.

2. As of December 31st, 2022, the Group has no contingent liabilities arising from other matters

None

3. Apart from the existence of the above contingencies, the Group had no other material contingencies as at December 31st, 2022.

None

X. Events after the statement of financial position

None

XI. Others

None

XII. Related parties and related party transactions

1. Related party relationships

(1) Controlling shareholders and ultimate controlling party

Name of controlling shareholders and ultimate controlling party	Registered place	Business nature	Registered capital	Shareholding ratio (%)	Voting ratio (%)
State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region	Nanning, Guangxi	Government department	——	100.00	100.00

(2) Subsidiaries

See Note VII. Business Combinations and Consolidated Financial Statements Disclosures in this note for further details.

(3) Joint ventures and associates

Information on the Group's joint ventures and associates is detailed in the relevant information disclosed in Note VIII. 24. to this note on long-term equity investments.

(4) Other related parties

Name of other related parties	Relationship with the Company
Guangxi Gradient Technology Co., Ltd.	Associated company subsidiaries
Guangxi Hezhou Shengli Electric Power Co., Ltd.	Associated company subsidiaries
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Associated company subsidiaries
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Associated company subsidiaries
Guangxi Chaochao New Material Co., Ltd.	Associated company subsidiaries
Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	Associated company subsidiaries
Guangxi Jicon Electronics Technology Co., Ltd.	Associated company subsidiaries
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	Associated company subsidiaries
Sichuan Power Transmission and Transformation Construction Co., Ltd.	Subsidiaries of minority shareholders of subsidiaries
Guangxi Honggui Asset Operation (Group) Co., Ltd.	Shareholder of subsidiaries
Guangxi Beibu Gulf International Port Group Co., Ltd.	Shareholder of subsidiaries
Guangxi Beibu Gulf Investment Group Co., Ltd.	Shareholder of subsidiaries
Guangxi Transportation Investment Group Co., Ltd.	Shareholder of subsidiaries
Guangxi Rural Investment Group Co., Ltd.	Shareholder of subsidiaries
Guangxi MATERIALS GENERAL Group Limited Company	Shareholder of subsidiaries
Guangxi Xijiang Development&Investment Group Co., Ltd.	Shareholder of subsidiaries
The Eleventh Metallurgical Construction Group Co., Ltd.	Shareholder of subsidiaries
Guangxi Nongken Group Co., Ltd.	Shareholder of subsidiaries
Guangxi Railway Investment Group Co., Ltd.	Shareholder of subsidiaries
Hainan Guanlong Water World Management Co., Ltd.	Significant equity participant
Guangxi Zhengrun New Material Technology Co., Ltd.	Significant equity participant

Name of other related parties	Relationship with the Company
Tibet Laimei Pharmaceutical Investment Co., Ltd.	A company controlled by Qiu Yu, a significant shareholder of the subsidiary
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	A company in which the supervisor of Sealand Securities Co., Ltd. is a senior manager

2. Related party transactions

(1) Related party transactions to purchase and sell commodities, and provide and accept labor services

1) Statement of purchases of goods/acceptance of services

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount	Prior year amount
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	Procurement of promotional services	Market price	0.00	2,600,000.00
Sichuan Laipuxin Pharmaceutical Information Consulting Center (Limited Partnership)	Procurement of promotional services	Market price	1,214,000.00	0.00
Guangxi Guangtou Asset Management Co., Ltd.	Financial consulting	Market price	1,773,600.00	0.00
Guangxi Honggui Asset Operation (Group) Co., Ltd.	Interest on internal borrowings	Market price	740,547,945.21	4,878,904.11
Guangxi Gradient Technology Co., Ltd.	Equipment purchase	Market price	109,593,260.62	18,189,724.42
Guangxi Shuguang Baode Information Technology Co., Ltd.	Equipment purchase	Market price	24,327,914.65	299,850,958.23
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	Equipment purchase	Market price	582,075.47	7,328,790.11
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	Equipment purchase	Market price	589,800.00	1,925,755.52
Guangxi Zhongke Alpha Technology Co., Ltd.	Equipment purchase	Market price	0.00	4,602,119.31
Yunbaobao Big Data Industry Development Co., Ltd.	Equipment purchase	Market price	0.00	2,804,855.32
Guangxi Digital Certification Co., Ltd.	Information data services	Market price	32,228,402.17	0.00
Guangxi Shuguang Weiqi Technology Co., Ltd.	Information data services	Market price	7,192,640.24	0.00
Guangxi Hezhou Shengli Electric Power Co., Ltd.	Power procurement	Market price	13,395,493.69	8,822,588.39

2) Statement of sale of goods/provision of services

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount	Prior year amount
Hunan Huipan Medical Technology Co., Ltd.	Sale of goods	Market price	0.00	1,695,951.29
Crowe Life Insurance Co., Ltd. Guangxi Branch	Insurance costs	Market price	0.00	204,256.93

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount	Prior year amount
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Aluminum profiles	Market price	332,583,975.82	0.00
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Other materials	Market price	49,302,343.65	0.00
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Aluminum ingots	Market price	28,254,516.40	482,342,117.63
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Processing services	Market price	791,053.70	0.00
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	Information data services	Market price	25,225,438.10	505,660.38
Guangxi Guangtou New Materials Group Co., Ltd.	Interest income	Market price	18,768,595.45	7,399,879.46
Guangxi Guangtou New Materials Group Co., Ltd.	Information data services	Market price	26,294,595.46	14,373,423.77
Guangxi Laibin Guangtou New Materials Co., Ltd.	Interest income	Market price	7,181,079.69	0.00
Guangxi Laibin Guangtou New Materials Co., Ltd.	Information data services	Market price	612,900.00	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	Engineering consulting services	Market price	109,433.97	339,622.64
Guangxi Digital Economy Ecological Industry Co., Ltd.	Interest income	Market price	14,828,485.36	7,947,169.84
Guangxi Digital Economy Ecological Industry Co., Ltd.	Other services and labour	Market price	234,211.19	442,841.13
Guangxi Digital Economy Ecological Industry Co., Ltd.	Information data services	Market price	1,674,880.97	24,533,139.88
Guangxi Gradient Technology Co., Ltd.	Information data services	Market price	733,752.62	1,924,380.52
Guangxi Shuguang Baode Information Technology Co., Ltd.	Information data services	Market price	22,752,500.00	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	Information data services	Market price	1,987,204.31	8,582,783.05
Guangxi Shuguang Maiyue Technology Co., Ltd.	Information data services	Market price	0.00	425,089.81
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	Information data services	Market price	0.00	442,477.88
Yunbaobao Big Data Industry Development Co., Ltd.	Information data services	Market price	0.00	395,057.61
Guangxi Talent Cloud IT Co., Ltd.	Information data services	Market price	0.00	113,207.54
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Information data services	Market price	482,470.96	0.00
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Selling of electricity	Market price	21,453,517.33	102,471,280.19
Guangxi Zhengrun New Material Technology Co., Ltd.	Information data services	Market price	542,996.22	0.00
Guangxi Zhengrun New Material Technology Co., Ltd.	Selling of electricity	Market price	20,377,956.76	21,949,085.60
Guangxi Chaochao New Material Co., Ltd.	Selling of electricity	Market price	136,781.18	133,897.57

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount	Prior year amount
Guangxi Jicon Electronics Technology Co., Ltd.	Selling of electricity	Market price	1,889,376.43	2,066,780.50
Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	Selling of electricity	Market price	3,607,032.65	2,140,565.31
Sichuan Power Transmission and Transformation Construction Co., Ltd.	Electricity design	Market price	1,268,596.19	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	Selling of electricity	Market price	361,406.16	0.00
Guangxi Construction Industrialization Co., Ltd.	Selling of electricity	Market price	554,069.51	0.00
HydrocoreCorporation	Electricity design	Market price	2,032,548.86	0.00
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	Underwriting operations	Market price	943,396.23	0.00

(2) Related party funds borrowing and lending

Name of related party	Amount	Start date	Expiry date	Note
Lending:				
Guangxi Guangtou New Materials Group Co., Ltd.	150,000,000.00	2021-12-1	2024-12-1	Operating borrowings
Guangxi Guangtou New Materials Group Co., Ltd.	220,000,000.00	2021-12-10	2024-12-1	Operating borrowings
Guangxi Laibin Guangtou New Materials Co., Ltd.	142,000,000.00	2021-12-21	2024-12-21	Operating borrowings
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	41,000,000.00	2022-11-7	2023-11-1	Operating borrowings
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	348,000,000.00	2022-12-27	2023-12-26	Operating borrowings
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	42,000,000.00	2022-12-28	2023-12-27	Operating borrowings
Guangxi Baise Yinhai Power Supply Co., Ltd.	30,000,000.00	2008-1-28	2009-1-27	Operating borrowings
Guangxi Baise Yinhai Power Supply Co., Ltd.	3,000,000.00	2009-1-21	2011-1-21	Operating borrowings
Guangxi Baise Yinhai Power Supply Co., Ltd.	2,300,000.00	2011-4-20	2012-4-19	Operating borrowings
Guangxi Digital Economy Ecological Industry Co., Ltd.	300,000,000.00	2021-4-22	2041-4-22	Special government bond funding
Guangxi Digital Economy Ecological Industry Co., Ltd.	110,000,000.00	2022-6-17	2042-6-17	Special government bond funding
Guangxi Digital Economy Ecological Industry Co., Ltd.	50,000,000.00	2022-5-19	2042-5-19	Special government bond funding
Guangxi Guangtou New Materials Group Co., Ltd.	150,000,000.00	2021-12-1	2024-12-1	Operating borrowings
Guangxi Guangtou New Materials Group Co., Ltd.	220,000,000.00	2021-12-10	2024-12-1	Operating borrowings

(3) Related leases

The Group as lessor

Name of the lessee	Types of leased assets	Lease income recognized during the period	Lease income recognized in the prior period
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	Houses and buildings	0.00	74,285.72
Hunan Mio Medical Technology Co., Ltd.	Houses and buildings	364,782.86	355,885.72

(4) Related party guarantees

Guarantor	Secured party	Guarantee amount	Guarantee commencement date	Guarantee due date	Has the guarantee been fulfilled completely
Guangxi Investment Group Co., Ltd.	Tianshengqiao Grade I Hydropower Station Project	69,381,000.00	1993	2025	No
Guangxi Investment Group Co., Ltd.	Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	2,016,151,225.80	2019-6-10	2025-9-30	No
Guangxi Investment Group Co., Ltd.	Guangxi Guangtou New Materials Group Co., Ltd.	311,000,000.00	2021-8-30	2027-3-11	No
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	269,380,000.00	2014-1-16	2024-8-30	No
Digital Guangxi Group Co., Ltd.	Guangxi Digital Economy Ecological Industry Co., Ltd.	47,488,500.00	2022-4-28	2023-12-29	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	57,000,000.00	2021-3-11	2023-3-19	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Zhengrun New Material Technology Co., Ltd.	78,700,000.00	2020-10-30	2024-5-27	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	177,446,700.00	2022-9-6	2023-10-5	No
Guangxi Guidong Electric Power Co., Ltd.	Guangxi Construction Industrialization Co., Ltd.	24,800,000.00	2019-10-8	2029-10-7	No

(5) Co-investment with shareholders

Co-investor	Relationships	Name of the investee fund	Main operations of the investee fund
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	A company in which the supervisor of Sealand Securities Co., Ltd. is a senior manager	Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (L.P.)	Engaged in venture capital, unlisted equity investments and related advisory services

(continued)

Paid-up amount of the investee funds	Total assets of the investee fund	Net assets of the investee fund	Net profits of the investee fund
37,700.00	36,716.94	36,716.94	-1,076.36

3. Balances of related party transactions

(1) Items receivable

Item	Related parties	Closing book balance	Opening book balance
Accounts receivable	Hunan Huipan Medical Technology Co., Ltd.	20,400.00	20,400.00
Accounts receivable	Guangxi Zhengrun New Material Technology Co., Ltd.	1,592,787.99	2,316,777.92
Accounts receivable	Sichuan Power Transmission and Transformation Construction Co., Ltd.	4,824,712.00	3,925,000.00
Accounts receivable	Guangxi Chaochao New Material Co., Ltd.	3,528,887.61	3,374,324.88
Accounts receivable	Guangxi Jicon Electronics Technology Co., Ltd.	1,376,207.18	219,576.83
Accounts receivable	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	2,104,054.25	400,218.40
Accounts receivable	Guangxi Construction Industrialization Co., Ltd.	502,556.58	0.00
Accounts receivable	Sichuan Xidian Power Design Company Ltd.	199,050.00	0.00

Item	Related parties	Closing book balance	Opening book balance
Accounts receivable	Wuzhou Digital Technology Industry Group Co., Ltd.	22,800,953.17	20,918,329.43
Accounts receivable	Guangxi Gradient Technology Co., Ltd.	0.00	1,716,750.00
Accounts receivable	Guangxi Digital Economy Ecological Industry Co., Ltd.	3,491,275.26	6,360,663.01
Accounts receivable	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	313,078.21	500,000.00
Accounts receivable	Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	565,673,784.37	505,684,906.71
Accounts receivable	Guangxi Laibin Guangtou New Materials Co., Ltd.	183,796,255.49	153,635,309.42
Accounts receivable	Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	4,204,205.49	4,204,205.49
Accounts receivable	Guangxi Guangtou New Materials Group Co., Ltd.	9,699,210.16	936,573.16
Accounts receivable	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	1,137,634.66	0.00
Other receivables	Tibet Laimei Pharmaceutical Investment Co., Ltd.	36,891,901.06	32,978,257.23
Other receivables	Guangxi Beibu Gulf International Port Group Co., Ltd.	6,000,000.00	0.00
Other receivables	Guangxi Beibu Gulf Investment Group Co., Ltd.	90,000,000.00	0.00
Other receivables	Guangxi Transportation Investment Group Co., Ltd.	150,000,000.00	0.00
Other receivables	Guangxi Rural Investment Group Co., Ltd.	15,000,000.00	0.00
Other receivables	Guangxi MATERIALS GENERAL Group Limited Company	30,000,000.00	0.00
Other receivables	Guangxi Xijiang Development&Investment Group Co., Ltd.	100,000,000.00	0.00
Other receivables	The Eleventh Metallurgical Construction Group Co., Ltd.	30,000,000.00	0.00
Other receivables	Guangxi Nongken Group Co., Ltd.	60,000,000.00	0.00
Other receivables	Guangxi Railway Investment Group Co., Ltd.	30,000,000.00	0.00
Other receivables	Guangxi Guangtou Asset Management Co., Ltd.	341,860,000.00	0.00
Other receivables	Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	23,363,168.66	23,363,168.66
Other receivables	Hainan Guanlong Water World Management Co., Ltd.	110,071,333.36	0.00
Other receivables	Guangxi Baise Yinhai Power Supply Co., Ltd.	2,300,000.00	2,300,000.00
Other receivables	Guangxi Huasheng New Materials Co., Ltd.	150,924.55	150,816.61
Other receivables	Guangxi Exchange Registration and Settlement Co., Ltd.	1,636,698.27	0.00
Other receivables	Guangxi Zhengrun New Material Technology Co., Ltd.	0.00	731,009,390.00
Other receivables	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	0.00	39,867,858.40
Other receivables	Guangxi Jicon Electronics Technology Co., Ltd.	0.00	23,375,926.26
Other receivables	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	0.00	260,210.42
Other receivables	Guangxi Minshang Stone Industry Development Co., Ltd.	37,428,340.14	9,193,261.94
Other receivables	Sichuan Xidian Power Design Company Ltd.	15,228,023.78	0.00
Prepayments	Guangxi Digital Guangrun Technology Co., Ltd.	0.00	16,007,218.55
Prepayments	Guangxi Digital Certification Co., Ltd.	0.00	3,171,575.21
Prepayments	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	2,965,266.72	2,176,049.96
Prepayments	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	0.00	896,359.91
Prepayments	Sichuan Power Transmission and Transformation Construction Co., Ltd.	1,802,956.40	0.00
Prepayments	Guangxi Minshang Stone Industry Development Co., Ltd.	0.00	0.00
Long-term receivables	Guangxi Digital Economy Ecological Industry Co., Ltd.	460,000,000.00	300,000,000.00
Long-term receivables	Guangxi Baise Yinhai Power Supply Co., Ltd.	33,000,000.00	33,000,000.00
Interest receivable	Guangxi Baise Yinhai Power Supply Co., Ltd.	36,057,060.22	35,850,832.08
Non-current assets due within one year	Guangxi Digital Economy Ecological Industry Co., Ltd.	2,230,263.92	2,045,333.34
Entrusted loans	Guangxi Guangtou New Materials Group Co., Ltd.	370,000,000.00	644,120,000.00
Entrusted loans	Guangxi Laibin Guangtou New Materials Co., Ltd.	142,000,000.00	0.00
Entrusted loans	Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	431,000,000.00	0.00

(2) Items payable

Item	Related parties	Closing book balance	Opening book balance
Accounts payable	Wuzhou Digital Technology Industry Group Co., Ltd.	1,877,577.00	1,877,577.00
Accounts payable	Yunbaobao Big Data Industry Development Co., Ltd.	10,761,503.30	12,305,116.50

Item	Related parties	Closing book balance	Opening book balance
Accounts payable	Guangxi Gradient Technology Co., Ltd.	30,755,029.13	4,683,692.49
Accounts payable	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	793,502.74	4,206,425.58
Accounts payable	Guangxi Talent Cloud IT Co., Ltd.	51,794.36	401,924.63
Accounts payable	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	269,449.64	577,264.39
Accounts payable	Guangxi Digital Certification Co., Ltd.	23,218,575.35	0.00
Accounts payable	Guangxi Zhongke Alpha Technology Co., Ltd.	2,061,426.54	5,153,566.33
Accounts payable	Guangxi Shuguang Weiqi Technology Co., Ltd.	809,398.70	0.00
Receipts in advance	Hainan Guanlong Water World Management Co., Ltd.	28,571.43	0.00
Contract liabilities	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	0.00	766,662.20
Other payables	Wuzhou Export-oriented Industrial Park Development Co., Ltd.	0.00	17,710.69
Other payables	Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	0.00	400,000.00
Other payables	Sichuan Laipuxin Pharmaceutical Information Consulting Center (Limited Partnership)	297,000.00	0.00
Other payables	Hainan Guanlong Water World Management Co., Ltd.	3,779,144.85	0.00
Other payables	Including: Guangxi Gradient Technology Co., Ltd.	1,082,144.43	1,297,004.43
Other payables	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	22,290.00	77,800.00
Other payables	Guangxi Shuguang Weiqi Technology Co., Ltd.	276,506.93	0.00
Other payables	Guangxi Digital Economy Ecological Industry Co., Ltd.	5,001,564.10	0.00
Other payables	Guangxi Digital Certification Co., Ltd.	127,750.00	306,944.00
Other payables	Guangxi Hezhou Shengli Electric Power Co., Ltd.	8,920,440.94	6,920,440.94
Other payables	Sichuan Xidian Power Design Company Ltd.	20,400,588.99	0.00
Other payables	Guangxi Laibin Guangtou New Materials Co., Ltd.	1,008,287.20	0.00
Long-term payables	Guangxi Guangtou Asset Management Co., Ltd.	80,000,000.00	440,000,000.00
Interest payable	Guangxi Guangtou Asset Management Co., Ltd.	0.00	2,015,000.00

(3) Other items

Item	Related parties	Closing balance	Opening balance
Funds received as agent of stock exchange	Guangxi Honggui Asset Operation (Group) Co., Ltd.	1,785,128.71	0.00
Funds received as agent of stock exchange	Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	5,555,424.38	4,497,440.55

XIII. Notes to the parent company's principal financial statement items

1. Accounts receivable

(1) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)		Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable with provision for bad debts based on a combination of credit risk characteristics	69,247,897.68	100.00	5,462,353.65	7.89	63,785,544.03	46,941,976.51	100.00	5,605,609.55	11.94	41,336,366.96
Including: Normal risk portfolio	5,462,353.65	7.89	5,462,353.65	100.00	0.00	6,404,558.79	13.64	5,605,609.55	87.53	798,949.24
Low risk portfolio	63,785,544.03	92.11	0.00	0.00	63,785,544.03	40,537,417.72	86.36	0.00	0.00	40,537,417.72
Total	**69,247,897.68**	**100.00**	**5,462,353.65**	**7.89**	**63,785,544.03**	**46,941,976.51**	**100.00**	**5,605,609.55**	**11.94**	**41,336,366.96**

Disclosure of other accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	28,899,794.05	3,201,351.97
1-2 years	24,000.00	1,247,975.92
2-3 years	0.00	2,423,790.33
3-4 years	2,423,790.33	0.00
4-5 years	0.00	1,468,205.14
More than 5 years	37,900,313.30	38,600,653.15
Subtotal	**69,247,897.68**	**46,941,976.51**
Less: Provision for bad debts	5,462,353.65	5,605,609.55
Total	**63,785,544.03**	**41,336,366.96**

(2) Accounts receivable with provision for bad debts based on a combination of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
4-5 years	0.00	0.00	0.00	942,205.14	14.71	143,255.90
More than 5 years	5,462,353.65	100.00	5,462,353.65	5,462,353.65	85.29	5,462,353.65
Total	**5,462,353.65**	**100.00**	**5,462,353.65**	**6,404,558.79**	**100.00**	**5,605,609.55**

2) Other portfolios

Name of portfolios	Closing balance			Opening balance		
	Book balance	Accrual rate (%)	Provision for bad debts	Book balance	Accrual rate (%)	Provision for bad debts
Low risk portfolio	63,785,544.03	0.00	0.00	40,537,417.72	0.00	0.00

3) Accounts receivable of the top five year-end balances, grouped by party in arrears

Name of debtor	Book balance	As a percentage of the total accounts receivable (%)	Provision for bad debts
Guangxi Finance Company Limited	38,732,730.97	55.93	0.00
Guangxi Jintou Real Estate Management Co., Ltd.	21,844,657.00	31.55	0.00
Pan County Transmission Project (Phase 1 Transmission)	5,462,353.65	7.89	5,462,353.65
Bihua Property Management Co., Ltd., Guangxi Investment Group	1,023,373.66	1.48	0.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	992,282.40	1.43	0.00
Total	**68,055,397.68**	**98.28**	**5,462,353.65**

2. Other receivables

Item	Closing balance	Opening balance
Interest receivable	3,785,916.85	3,264,986.92
Dividends receivable	17,867,647.08	18,227,647.08
Other receivables	7,258,797,983.22	8,242,350,453.26
Total	**7,280,451,547.15**	**8,263,843,087.26**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Others	3,785,916.85	3,264,986.92

2) Significant overdue interest

Borrower	Closing balance	Overdue (months)	Reasons for overdue	Whether impairment has occurred and the basis for its determination
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	213,378,056.92	24	Insolvency	Impairment has occurred
Guangxi Baise Yinhai Power Supply Co., Ltd.	36,057,060.22	24	Insolvency	Impairment has occurred
Guangxi Bose Yinhai Power Generation Co., Ltd.	680,166.65	24	Insolvency	Impairment has occurred
Total	**250,115,283.79**	—	—	—

(2) Dividends receivable

Item	Closing balance	Opening balance	Reasons for non-recovery
Dividends receivable with aging within 1 year	0.00	360,000.00	——
Including: Guangxi Guimao Electric Power Co., Ltd.	0.00	360,000.00	Appointment for receipt time not yet due
Dividends receivable with aging over 1 year	17,867,647.08	17,867,647.08	——
Including: Guangxi Wuzhou Zhongheng Group Co., Ltd.	17,867,647.08	17,867,647.08	Borrowing pledges
Total	**17,867,647.08**	**18,227,647.08**	——

(3) Other receivables

Disclosure of other receivables by method of provision for bad debts

Type	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)		Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	1,129,610,759.97	13.44	1,129,610,759.97	100.00	0.00	1,129,610,759.97	12.04	1,129,610,759.97	100.00	0.00
Other receivables for which provision for bad debts is made on the basis of a combination of credit risk characteristics	7,272,120,659.89	86.56	13,322,676.67	0.18	7,258,797,983.22	8,255,312,477.98	87.96	12,962,024.72	0.16	8,242,350,453.26
Including: Normal risk portfolio	21,975,857.34	0.26	13,322,676.67	60.62	8,653,180.67	14,026,495.38	0.15	12,962,024.72	92.41	1,064,470.66
Low risk portfolio	7,250,144,802.55	86.30	0.00	0.00	7,250,144,802.55	8,241,285,982.60	87.81	0.00	0.00	8,241,285,982.60
Total	**8,401,731,419.86**	**100.00**	**1,142,933,436.64**	**13.60**	**7,258,797,983.22**	**9,384,923,237.95**	**100.00**	**1,142,572,784.69**	**12.17**	**8,242,350,453.26**

Disclosure of other accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	7,081,569,601.49	8,224,148,950.09
1-2 years	168,025,765.61	9,197,309.20
2-3 years	721,346.90	442,285.48
3-4 years	442,285.48	25,469,587.75
4-5 years	25,469,587.75	333,856,415.38
More than 5 years	1,125,502,832.63	791,808,690.05
Subtotal	**8,401,731,419.86**	**9,384,923,237.95**
Less: Provision for bad debts	1,142,933,436.64	1,142,572,784.69
Total	**7,258,797,983.22**	**8,242,350,453.26**

1) Other receivables with a separate provision for bad debts at the end of the year

Name of debtor	Book balance	Provision for bad debts	Aging	Accrual rate (%)	Reasons for accrual
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	832,310,759.97	832,310,759.97	More than 3 years	100.00	Insolvency of the loan
Guangxi Bose Yinhai Power Generation Co., Ltd.	295,000,000.00	295,000,000.00	More than 5 years	100.00	Insolvency of the loan
Guangxi Baise Yinhai Power Supply Co., Ltd.	2,300,000.00	2,300,000.00	More than 5 years	100.00	Insolvency of the loan
Total	**1,129,610,759.97**	**1,129,610,759.97**	—	—	—

Provision for bad debts on other receivables

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses (no credit impairment) for the entire duration	Expected credit losses (credit impairment has occurred) throughout the entire duration	
Opening balance	0.00	12,962,024.72	1,129,610,759.97	1,142,572,784.69
The opening balance in the current year	——	——	——	——
--Transferred to Stage 2	0.00	0.00	0.00	0.00
Accrual during the year	0.00	360,683.22	0.00	360,683.22
Reversal during the year	0.00	31.27	0.00	31.27
Closing balance	**0.00**	**13,322,676.67**	**1,129,610,759.97**	**1,142,933,436.64**

2) Other accounts receivable of the top five year-end balances, grouped by party in arrears

Name of debtor	Nature of account	Book balance	Aging	As a percentage of total other receivables (%)	Provision for bad debts
Guangxi Financial Investment Group Co., Ltd.	Short-term corporate claims	6,151,325,735.22	Within 1 year	73.21	0.00
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	Short-term corporate claims	832,310,759.97	More than 3 years	9.91	832,310,759.97
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Short-term corporate claims	500,000,000.00	Within 1 year	5.95	0.00
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	Short-term corporate claims	354,000,000.00	Within 1 year	4.21	0.00
Guangxi Bose Yinhai Power Generation Co., Ltd.	Short-term corporate claims	295,000,000.00	More than 5 years	3.51	295,000,000.00
Total	——	**8,132,636,495.19**	——	**96.79**	**1,127,310,759.97**

3. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase	Decrease	Closing balance
Investments in subsidiaries	47,651,092,359.86	3,951,345,051.60	841,175,368.07	50,761,262,043.39
Investments in associates	18,227,090,222.40	5,693,288,446.84	818,538,492.26	23,101,840,176.98
Subtotal	**65,878,182,582.26**	**9,644,633,498.44**	**1,659,713,860.33**	**73,863,102,220.37**
Less: Provision for impairment of long-term equity investments	10,000,000.00	0.00	0.00	10,000,000.00
Total	**65,868,182,582.26**	**9,644,633,498.44**	**1,659,713,860.33**	**73,853,102,220.37**

(2) Breakdown of long-term equity investments

Investee	Investment costs	Opening balance	Change in current year			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Total	**66,175,862,813.87**	**65,878,182,582.26**	**4,187,376,044.68**	**841,175,368.07**	**1,915,619,928.77**	**-85,472,434.78**
I. Subsidiaries	**50,761,262,043.39**	**47,651,092,359.86**	**3,951,345,051.60**	**841,175,368.07**	**0.00**	**0.00**
Guangxi Financial Investment Group Co., Ltd.	15,797,327,498.94	15,322,627,498.94	474,700,000.00	0.00	0.00	0.00
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	8,589,116,754.41	8,589,116,754.41	0.00	0.00	0.00	0.00
Guangxi GIG Energy Group Co., Ltd.	10,333,731,555.17	7,966,192,455.17	2,367,539,100.00	0.00	0.00	0.00
Guangxi Wuzhou Zhongheng Group Co., Ltd.	4,142,719,631.31	4,589,763,550.34	55,539,502.72	502,583,421.75	0.00	0.00
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	4,161,593,600.00	4,111,593,600.00	50,000,000.00	0.00	0.00	0.00
Sealand Securities Co., Ltd.	2,655,262,988.27	2,655,262,988.27	0.00	0.00	0.00	0.00
Guangxi Investment Group Financial Holding Co., Ltd.	251,090,679.45	221,090,679.45	30,000,000.00	0.00	0.00	0.00
Guangxi Investment Capital Management Group Co., Ltd.	634,526,274.54	281,746,274.54	352,780,000.00	0.00	0.00	0.00
Guangxi Salt Industry Group Co., Ltd.	868,058,792.90	868,058,792.90	0.00	0.00	0.00	0.00
Guangxi Guangtou Jianguang One Industrial Investment Partnership (Limited Partnership)	750,000,000.00	750,000,000.00	0.00	0.00	0.00	0.00
Digital Guangxi Group Co., Ltd.	1,029,142,700.00	919,142,700.00	110,000,000.00	0.00	0.00	0.00
GIG Natural Gas Pipeline Network Co., Ltd.	529,264,438.25	529,264,438.25	0.00	0.00	0.00	0.00
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	174,000,000.00	174,000,000.00	0.00	0.00	0.00	0.00
Guangxi Beibu Gulf Bank Co., Ltd.	100,000,000.00	100,000,000.00	0.00	0.00	0.00	0.00
Guangxi South China Technology Exchange Co., Ltd.	99,711,201.27	99,711,201.27	0.00	0.00	0.00	0.00
Guangxi Finance Company Limited	74,169,480.00	74,169,480.00	0.00	0.00	0.00	0.00
Guangxi Investment Group Consulting Co., Ltd.	30,000,000.00	30,000,000.00	0.00	0.00	0.00	0.00
Guangxi Guangtou Lingang Industry Co., Ltd.	25,500,000.00	25,500,000.00	0.00	0.00	0.00	0.00
Guangxi Zhuangmei E-commerce Co., Ltd.	0.00	19,759,121.32	0.00	19,759,121.32	0.00	0.00
Bihua Property Management Co., Ltd., Guangxi Investment Group	760,000.00	760,000.00	0.00	0.00	0.00	0.00

Investee	Investment costs	Opening balance	Change in current year			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	0.00	318,832,825.00	0.00	318,832,825.00	0.00	0.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	6,750,000.00	4,500,000.00	2,250,000.00	0.00	0.00	0.00
Guangxi Technology Activity Center	8,536,448.88	0.00	8,536,448.88	0.00	0.00	0.00
Guangxi Guangtou Jianguang No.2 Industrial Investment Partnership (Limited Partnership)	500,000,000.00	0.00	500,000,000.00	0.00	0.00	0.00
II. Associates	**15,414,600,770.48**	**18,227,090,222.40**	**236,030,993.08**	**0.00**	**1,915,619,928.77**	**-85,472,434.78**
Guangxi Guiguan Electric Power Co., Ltd.	5,153,063,512.34	6,445,733,713.51	0.00	0.00	711,913,114.84	1,669,033.33
Tianshengqiao Grade I Hydropower Development Co., Ltd.	1,074,470,226.72	1,105,498,889.49	0.00	0.00	110,888,117.21	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	1,224,000,000.00	1,714,671,045.49	136,000,000.00	0.00	-17,539,544.67	0.00
Datang Yantan Hydropower Generation Co., Ltd.	417,917,949.09	897,024,885.69	0.00	0.00	179,829,027.64	0.00
Guangxi Guiguan Kaitou Power Co., Ltd.	360,000,000.00	693,949,932.88	0.00	0.00	158,281,268.96	0.00
Guangxi Huasheng New Materials Co., Ltd.	679,489,200.00	1,176,932,281.87	0.00	0.00	367,095,614.77	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	525,092,448.05	428,118,563.31	0.00	0.00	-46,111,697.01	0.00
Crowe Life Insurance Co., Ltd.	585,714,285.46	639,715,060.35	0.00	0.00	-71,577,572.38	-63,844,144.36
Aluminum Power Jinhai Co., Ltd.	191,000,000.00	185,583,695.15	0.00	0.00	40,130,053.51	-146,224.72
Guizhou Xinyi Power Development Co., Ltd.	210,000,000.00	49,208,948.68	0.00	0.00	-39,606,677.46	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	10,000,000.00	10,000,000.00	0.00	0.00	0.00	0.00
Guangxi Construction Industry Group Co., Ltd.	3,410,256,648.82	3,680,556,705.98	30,993.08	0.00	522,318,223.36	-23,151,099.03
Guangxi Hezhou Investment Group Co., Ltd.	246,280,000.00	246,280,000.00	0.00	0.00	0.00	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	1,053,816,500.00	953,816,500.00	100,000,000.00	0.00	0.00	0.00
Guizhou Yushe Coal Industry Co., Ltd.	60,000,000.00	0.00	0.00	0.00	0.00	0.00
Guangxi Natural Gas Pipeline Co., Ltd.	213,500,000.00	0.00	0.00	0.00	0.00	0.00

(Continued)

Investee	Change in current year				Closing balance	Closing balance of impairment loss allowance
	Other equity changes	Cash dividend or profit announced to be declared	Accrual of depreciation reserve	Others		
Total	**3,627,109,959.77**	**818,538,492.26**	**0.00**	**0.00**	**73,863,102,220.37**	**10,000,000.00**
I. Subsidiaries	**0.00**	**0.00**	**0.00**	**0.00**	**50,761,262,043.39**	**0.00**
Guangxi Financial Investment Group Co., Ltd.	0.00	0.00	0.00	0.00	15,797,327,498.94	0.00
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	8,589,116,754.41	0.00
Guangxi GIG Energy Group Co., Ltd.	0.00	0.00	0.00	0.00	10,333,731,555.17	0.00
Guangxi Wuzhou Zhongheng Group Co., Ltd.	0.00	0.00	0.00	0.00	4,142,719,631.31	0.00
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	4,161,593,600.00	0.00
Sealand Securities Co., Ltd.	0.00	0.00	0.00	0.00	2,655,262,988.27	0.00
Guangxi Investment Group Financial Holding Co., Ltd.	0.00	0.00	0.00	0.00	251,090,679.45	0.00
Guangxi Investment Capital Management Group Co., Ltd.	0.00	0.00	0.00	0.00	634,526,274.54	0.00
Guangxi Salt Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	868,058,792.90	0.00
Guangxi Guangtou Jianguang One Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	750,000,000.00	0.00
Digital Guangxi Group Co., Ltd.	0.00	0.00	0.00	0.00	1,029,142,700.00	0.00
GIG Natural Gas Pipeline Network Co., Ltd.	0.00	0.00	0.00	0.00	529,264,438.25	0.00
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	0.00	0.00	0.00	0.00	174,000,000.00	0.00
Guangxi Beibu Gulf Bank Co., Ltd.	0.00	0.00	0.00	0.00	100,000,000.00	0.00
Guangxi South China Technology Exchange Co., Ltd.	0.00	0.00	0.00	0.00	99,711,201.27	0.00
Guangxi Finance Company Limited	0.00	0.00	0.00	0.00	74,169,480.00	0.00
Guangxi Investment Group Consulting Co., Ltd.	0.00	0.00	0.00	0.00	30,000,000.00	0.00
Guangxi Guangtou Lingang Industry Co., Ltd.	0.00	0.00	0.00	0.00	25,500,000.00	0.00
Guangxi Zhuangmei E-commerce Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Bihua Property Management Co., Ltd., Guangxi Investment Group	0.00	0.00	0.00	0.00	760,000.00	0.00
Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	0.00	0.00	0.00	0.00	6,750,000.00	0.00
Guangxi Technology Activity Center	0.00	0.00	0.00	0.00	8,536,448.88	0.00
Guangxi Guangtou Jianguang No.2 Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	500,000,000.00	0.00
II. Associates	**3,627,109,959.77**	**818,538,492.26**	**0.00**	**0.00**	**23,101,840,176.98**	**10,000,000.00**

Investee	Change in current year				Closing balance	Closing balance of impairment loss allowance
	Other equity changes	Cash dividend or profit announced to be declared	Accrual of depreciation reserve	Others		
Guangxi Guiguan Electric Power Co., Ltd.	-18,757,675.84	263,760,125.25	0.00	0.00	6,876,798,060.59	0.00
Tianshengqiao Grade I Hydropower Development Co., Ltd.	0.00	47,881,221.83	0.00	0.00	1,168,505,784.87	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	3,916,277,699.63	0.00	0.00	0.00	5,749,409,200.45	0.00
Datang Yantan Hydropower Generation Co., Ltd.	0.00	96,546,933.89	0.00	0.00	980,306,979.44	0.00
Guangxi Guiguan Kaitou Power Co., Ltd.	0.00	98,832,449.28	0.00	0.00	753,398,752.56	0.00
Guangxi Huasheng New Materials Co., Ltd.	-1,833,977.82	311,517,762.01	0.00	0.00	1,230,676,156.81	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	7,814,769.46	0.00	0.00	0.00	389,821,635.76	0.00
Crowe Life Insurance Co., Ltd.	-118,937,084.96	0.00	0.00	0.00	385,356,258.65	0.00
Aluminum Power Jinhai Co., Ltd.	0.00	0.00	0.00	0.00	225,567,523.94	0.00
Guizhou Xinyi Power Development Co., Ltd.	0.00	0.00	0.00	0.00	9,602,271.22	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	0.00	0.00	0.00	0.00	10,000,000.00	10,000,000.00
Guangxi Construction Industry Group Co., Ltd.	-157,453,770.70	0.00	0.00	0.00	4,022,301,052.69	0.00
Guangxi Hezhou Investment Group Co., Ltd.	0.00	0.00	0.00	0.00	246,280,000.00	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	0.00	0.00	0.00	0.00	1,053,816,500.00	0.00
Guizhou Yushe Coal Industry Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Natural Gas Pipeline Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00

4. Operating revenue and operating costs

Item	Current year amount		Prior year amount	
	Income	Cost	Income	Cost
1. Subtotal of main operations	**0.00**	**0.00**	**0.00**	**0.00**
2. Subtotal other operations	**478,080,870.88**	**140,733.43**	**426,593,494.59**	**218,431.64**
Interest	439,287,443.88	0.00	388,665,421.70	0.00
Leasing	26,699,457.40	140,733.43	36,525,092.53	218,431.64
Liaoping Agricultural Development land management fees	11,174,204.76	0.00	0.00	0.00
Consulting income	444,621.39	0.00	955,165.78	0.00
Handling fees	278,981.20	0.00	443,246.05	0.00
Training income	188,679.25	0.00	0.00	0.00
Income from head office staff car	6,350.92	0.00	2,339.45	0.00
Other sales revenue	1,132.08	0.00	2,229.08	0.00
Total	**478,080,870.88**	**140,733.43**	**426,593,494.59**	**218,431.64**

5. Investment income

Source of investment income	Current year amount	Prior year amount
Gain on long-term equity investments under the equity method	1,915,619,928.77	1,090,022,150.71
Investment income from long-term equity investments accounted for under the cost method	165,309,542.18	946,218,363.41
Investment income arising on disposal of long-term equity investments	47,780,838.85	837,112,684.29
Investment income earned during the period in which the held-for-trading financial assets were held	5,040,101.88	4,341,200.76
Investment income from disposal of held-for-trading financial assets	48,427.81	401,462.55
Investment income from financial assets at fair value through profit or loss during the period in which they are held	0.00	0.00
Investment income from disposal of financial assets at fair value through profit or loss	0.00	0.00
Investment income from held-to-maturity investments during the holding period	0.00	0.00
Investment income from available-for-sale financial asset	0.00	0.00
Investment income from disposal of available-for-sale financial assets	0.00	0.00
Others	0.00	0.00
Total	**2,133,798,839.49**	**2,878,095,861.72**

6. Supplementary information of the parent company's cash flow statement

Item	Current year amount	Prior year amount
1. Reconciliation of net profits to cash flows from operating activities	——	——
Net profits	56,121,863.35	1,341,196,152.49
Add: Provision for impairment of assets	0.00	0.00
Credit impairment loss	1,123,432.61	3,485,885.71
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	13,110,822.31	4,389,351.99
Amortization of intangible assets	1,191,240.23	1,307,786.02
Amortisation of long-term deferred expenditures	4,268,077.59	90,075,943.39
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains indicated with "-")	0.00	-283,070.77
Losses on write-off of fixed assets (gains indicated with "-")	145,356.01	78,644.00
Losses on changes in fair value (gains indicated with "-")	187,403,175.15	-55,168,078.56
Financial expenses (gains indicated with "-")	1,941,165,835.66	1,852,455,813.44
Losses on investment (gains indicated with "-")	-2,133,798,839.49	-2,878,095,861.72
Decreases of deferred income tax assets (increases indicated with "-")	466,739,307.86	593,487.17

Item	Current year amount	Prior year amount
Increases of deferred income tax liabilities (decreases indicated with "-")	-48,973,066.75	12,509,675.00
Decreases of inventory (increases indicated with "-")	0.00	0.00
Decreases of operating receivables (increases indicated with "-")	967,280,253.40	478,079,696.98
Increases of operating payables (decreases indicated with "-")	-2,434,337,152.24	-1,661,923,134.92
Others	0.00	0.00
Net cash flow from operating activities	-978,559,694.31	-811,297,709.78
2. Significant investment and financing activities not related to cash deposit and withdrawal:	——	——
Conversion of debt into capital	0.00	0.00
Convertible corporate bonds due within one year	0.00	0.00
Finance leased fixed assets	0.00	0.00
3. Net change in cash and cash equivalents:	——	——
Closing balance of cash	3,061,182,153.32	4,538,891,693.03
Less: Opening balance of cash	4,538,891,693.03	4,283,438,404.18
Add: Closing balance of cash equivalents	0.00	0.00
Less: Opening balance of cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	-1,477,709,539.71	255,453,288.85

XIV. Other disclosures required under the relevant financial accounting system

1. Assets and liabilities after deduction of banking services assets and payments for agency purchases and sales of securities

As at the end of the year, the Group's total assets amounted to RMB 749,376,091,392.66, after deducting RMB 424,500,563,489.45 for assets in banking services and agency securities trading, the Company's total assets amounted to RMB 324,875,527,903.21, the Company's total liabilities amounted to RMB 619,506,218,927.63, after deducting RMB 401,663,969,112.45 for liabilities in banking services and agency securities trading, the Company's total liabilities amounted to RMB 217,842,249,815.18.

2. Guangxi Wuzhou Zhongheng Group Co., Ltd.

(1) Zhongheng Group's lawsuit against DHS Pharmaceutical Co., Ltd. (hereinafter referred to as "DHS Pharmaceutical"), Daxinganling Lingonberry Boreal Biotech Co., Ltd. (hereinafter referred to as "Lingonberry"), and Yao Dekun

Zhongheng Group has won the case against DHS Pharmaceutical, Lingonberry and Yao Dekun in a dispute over equity transfer. The Wuzhou Intermediate People's Court ruled that the defendants, DHS Pharmaceutical, Lingonberry and Yao Dekun, should jointly pay the principal amount of RMB 35,722,532.18 and interest to Zhongheng Group (Interest calculation: based on RMB 35,722,532.18, calculated at 6% per annum from January 30th 2017 until the date of full settlement), the defendants, DHS Pharmaceutical, Lingonberry and Yao Dekun, shall jointly pay the plaintiff Zhongheng Group RMB 440,000.00 in legal fees.

Zhongheng Group filed an application for compulsory enforcement with the Wuzhou Intermediate People's Court, on October 16th, 2018 the Wuzhou Intermediate People's Court accepted the execution application and commenced the evaluation and auction procedures for

the assets of the other party seized in the previous period. On January 17th, 2019, the executee, DHS Pharmaceutical, applied to the Wuzhou Intermediate People's Court to suspend the execution of the case on the grounds that the formation process of the debt in dispute was suspected to be a criminal offence, as identified by the Wuzhou Intermediate People's Court, the Qiqihar Public Security Bureau decided to open an investigation into the case of Xu Shuqing's personal suspicion of misappropriation of funds on December 17th, 2018. On March 1st, 2019, the Wuzhou Intermediate People's Court issued an enforcement ruling on the case, ruling that the execution of the case was suspended on the grounds that the Qiqihar Public Security Bureau had opened a criminal investigation into the facts involved in the case and that the facts confirmed in the case would directly affect the nature, validity and liability of the case. After the resumption of enforcement, an enforcement return of RMB 1,324,326.24 was made on September 7th, 2021. On August 18th, 2022, the court served the Notice of Auction, and scheduled the first auction on the morning of September 20th of 70% of the equity interest in Heilongjiang Mamei Industrial Hemp Planting Co., Ltd. held by the executee's DHS Pharmaceutical, with a starting price of RMB 110,000, and the auction result was unsold. As of December 31st, 2022, Zhongheng Group had fully provided for bad debts for other receivables of DHS Pharmaceutical.

(2) Hunan Kangyuan Contracting

At the Twelfth Meeting of the Fifth Session of the Board of Directors and the Ninth Meeting of the Fifth Session of the Supervisory Board held on February 5th, 2021, respectively, Lummy Pharmaceutical considered and passed the *Proposal on the Signing of the Contractual Operation Agreement*, agreeing to the signing of the *Contract Management Agreement* among Lummy Pharmaceuticals, wholly-owned subsidiary Hunan Kangyuan and Hunan Erdinger Technology Co., Ltd. (hereinafter referred to as "Erdinger"), under which Erdinger will implement the overall contract management of Hunan Kangyuan for an initial term of 3 years. During the contracting period, Hunan Kangyuan will receive a net contract fee of RMB 12 million per year from Erdinger, regardless of the profit or loss of Hunan Kangyuan and any profit or loss incurred will be enjoyed or borne by Erdinger. The consolidated financial statements for the current period do not include the new profit or loss and assets and liabilities arising from the contracted operations of Erdinger.

(3) Matter of land reserve payments receivable by Zhaoqing Zhongheng Pharmaceutical Co., Ltd. (hereinafter referred to as “Zhaoqing Pharmaceutical”) and Zhaoqing Zhongheng Double Coins Industrial Co., Ltd. (hereinafter referred to as “Zhaoqing Double Coins”) from Land Reserve Center of Zhaoqing High-tech Industrial Development Zone

On September 9th, 2021, Zhaoqing Pharmaceutical, a subsidiary of Zhongheng Group, and Zhaoqing Double Coins, an affiliated company, handed over the assets such as land use rights, above-ground buildings and equipment of two plots of land located in Zhaoqing High-tech

Zone of Guangdong Province to the Land Reserve Center of Zhaoqing High-tech Industrial Development Zone for storage. According to the *Agreement on the Paid Recovery of the Right to Use State-Owned Construction Land* (agreement number: 2021 No. 09002), it was agreed that the compensation price of the storage is RMB 759,760,400.00, including RMB 748,922,500.00 for Zhongheng Group. The total amount of compensation specifically covers: compensation for land, above-ground buildings, structures, construction in progress, and greening, underground pipeline network, fire-fighting, water, electricity, gas and other supporting facilities, machines, office equipment within the site.

As of December 2022, the Land Reserve Center of Zhaoqing High-Tech Industrial Development Zone failed to pay the remaining 70% of the total compensation amount of RMB 531,832,280.00 and interest of RMB 19,865,412.97 within the agreed period after making the 30% down payment. On December 16th, 2022, Zhongheng Group, Zhaoqing Double Coins and the Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone signed the *Supplementary Agreement to the Agreement on the Paid Recovery of the Right to Use State-Owned Construction Land* and agreed that:

(1) Zhaoqing Pharmaceutical, Zhaoqing Double Coins and Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone agreed to extend the payment term for the principal amount of the outstanding payment. The principal amount of the outstanding payment (RMB 531,832,280.00, including RMB 524,245,750.00 due to Zhaoqing Pharmaceutical and RMB 7,586,530.00 due to Zhaoqing Double Coins) is payable by installment, and the installment period is extended until December 31st, 2023.

(2) If the Land Reserve Center of Zhaoqing High-Tech Industrial Development Zone fails to make full and timely payment (non-payment or partial payment is considered underpayment) in accordance with the repayment period and the amount agreed in Article 1 of the Supplemental Agreement, it shall pay Zhaoqing Pharmaceutical and Zhaoqing Double Coins late payment liquidated damages. The liquidated damages shall be calculated based on the actual number of days [period] of delay in payment from the next day of the agreed repayment term under the Supplemental Agreement, with [RMB 531,832,280.00 - (minus sign) the principal amount already paid by the Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone under the Supplemental Agreement] as the base [calculation base], and with the average loan interest rate adopted, i.e. the formula for calculating the liquidated damages is: Total liquidated damages = calculation base X actual number of days of delay X (average loan interest rate/360).

(3) Within 20 working days from the date of signing the Supplemental Agreement, Land Reserve Center of Zhaoqing High-tech Industrial Development Zone coordinated Zhaoqing Hi-and-New Tech Park Construction Investment Development Co., Ltd. to cooperate with Zhaoqing Pharmaceutical and Zhaoqing Double Coins to re-evaluate the mortgage, complete

the signing of the *Supplemental Agreement to the Land Mortgage Contract*, handle the mortgage registration change procedures, and deliver the original certificate of other rights of the mortgage to Zhongheng Group and Zhaoqing Double Coins for safekeeping. The obligation of the Land Reserve Center of Zhaoqing High-Tech Industrial Development Zone under the Article is to coordinate and facilitate the completion of the procedures for the change of mortgage registration, and to achieve consistency between the information on the change of mortgage registration and the information on the change of the principal claim. If the Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone fails to fully perform its obligations under the Article, the Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone shall pay liquidated damages to Zhongheng Group and Zhaoqing Double Coins according to Article 2 of the Supplemental Agreement, i.e. the liquidated damages shall be calculated based on the actual number of days [period] of delay in processing under the Supplemental Agreement, with [RMB 531,832,280.00 - (minus sign) the principal amount already paid by the Land Reserve Center of Zhaoqing Hi-Tech Industrial Development Zone under the Supplemental Agreement] as the base [calculation base], and with the average loan interest rate adopted, i.e. the formula for calculating the liquidated damages is: Total liquidated damages = calculation base X actual number of days of delay X (average loan interest rate/360).

XV. Approval of the financial statement

The financial statements for the year 2022 of the Group have been approved by the Company.

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Guangxi Investment Group Co., Ltd.

April 14th, 2023

The notes to the financial statements on page 17 to this page shall be signed by the following responsible persons

Director of the Company:	Chief accountant:	Director of Department of Accounting:
Signature:	Signature:	Signature:

Guangxi Investment Group Co., Ltd.
Auditor's Report
XYZH/2022NNAA10356

ShineWing Certified Public Accountants LLP

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北京注册会计师协会

业务报告统一编码报备系统

业务报备统一编码：	110101362022525012169
报告名称：	Guangxi Investment Group Co., Ltd. Auditor's Report
报告文号：	XYZH/2022NNAA10356
被审（验）单位名称：	广西投资集团有限公司
会计师事务所名称：	信永中和会计师事务所（特殊普通合伙）
业务类型：	财务报表审计
报告意见类型：	无保留意见
报告日期：	2022 年 04 月 15 日
报备日期：	2022 年 05 月 13 日
签字人员：	傅虹(450100010624)， 毛喜明(450100140721)

（可通过扫描二维码或登录北京注协官网输入编码的方式查询信息）

说明：本备案信息仅证明该报告已在北京注册会计师协会报备，不代表北京注册会计师协会在任何意义上对报告内容做出任何形式的保证。

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Auditor's Report

XYZH/2022NNAA10356

Guangxi Investment Group Co., Ltd.,

I. Audit Opinion

We have audited the accompanying financial statements of Guangxi Investment Group Co., Ltd. (hereinafter referred to as the "Company"), including the consolidated and parent company's statement of financial position as at December 31st, 2021, and the consolidated and parent company's income statement, the consolidated and parent company's cash flows statement, and the consolidated and parent company's statement of changes in equity for the year then ended, as well as the notes to financial statements.

In our opinion, the accompanying financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all material respects, and have given fair views on the Company's consolidated and parent company's financial position as at December 31st, 2021, and the consolidated and parent company's operating results and cash flows for the year then ended.

II. Basis for Audit Opinion

We conducted our audit in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these Standards are further described in the Section "CPA's Responsibility for Auditing Financial Statements" of our report. In accordance with the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company, and have fulfilled other responsibilities in respect of professional ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

III. Key Audit Items

Key audit items are, in our professional judgment, the most important items in audit of the financial statements of the current period. The audit opinions of these items shall be formed in connection with the financial statements as a whole. We do not express independent opinions on these items. We confirm that the following events are the key audit items that should be communicated in the Auditor's Report.

Recognition of revenue	
Key Audit Items	Responses in the audit
Refer to Note IV, 28 to the financial statements; VIII, 72 Operating Income, Operating Costs, VIII, 73 Net Interest Income, VIII, 74 Earned Premiums, VIII, 75 Revenue from Service Charges and Commissions. The Company's total operating revenue for 2021 is RMB 206,166 million, an increase of RMB 14,979 million or 7.83% from RMB 191,187 million for 2020. We identified revenue recognition as a key audit matter as revenue is one of the key performance indicators of the Company and there may be an inherent risk that management may manipulate the timing of revenue recognition in order to meet specific objectives or expectations.	The principal audit procedures we performed in relation to the key audit matter of revenue recognition were to 1. obtaining an understanding of key internal controls relating to revenue recognition, evaluating the effectiveness of their design and testing the effectiveness of the operation of relevant internal controls. 2. examining major sales contracts to understand the content of the sales contracts and evaluating the appropriateness of the revenue recognition method in accordance with the revenue guidelines. 3. examining original information such as sales contracts, payment orders, sales invoices, statements and bank returns of major customers to verify the authenticity of revenue. 4. analyzing the reasonableness of changes in revenue in the context of the business. Analytically review the changes in revenue between periods and the reasonableness of changes in gross margin. 5. performing correspondence procedures to confirm the accuracy of accounts receivable and revenue amounts. 6. performing cut-off tests on revenue recorded around the balance sheet date to evaluate whether revenue is recorded in the appropriate accounting period. 7. performing checks on customer post-period recoveries. 8. checking that information relating to revenue is adequately and appropriately presented.

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

The management is responsible for preparing the financial statements that give a fair view in accordance with the Accounting Standards for Business Enterprises in PRC, and designing, executing and maintaining necessary internal control, so that the financial statements are free from material misstatement, whether due to fraud or errors.

In preparation of the financial statements, the management is responsible for evaluating the ability of the Company to continue as a going concern, disclosing the matters related to going concern (if

applicable), and using the going concern assumptions, unless the Company plans to liquidate the Company, or terminate operation, or have no realistic alternative but to do so.

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

V. CPA's Responsibility for Auditing Financial Statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or errors, and to issue the auditor's report including the audit opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or errors, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain the professional skepticism throughout the audit. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or errors, design and perform the audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the audit 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, international 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, but not for the purpose of expressing opinions on the effectiveness of the internal control.

(III) Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and relevant disclosures made by the management.

(IV) Conclude on appropriateness of the management's use of going concern assumptions, 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, the auditing standards require we draw attention in our auditor's report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, we should express unqualified opinions. Our conclusions are based on the audit evidence up to the date of the auditor's report. However, the future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and contents (including disclosures) of the financial statements, and evaluate whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain adequate and appropriate audit evidence regarding financial information of the entities controlled by the Company or the Company's business activities, to express audit opinions on the consolidated financial statements. We are responsible for guiding, supervising and performing group audit, and assume sole liability for the audit opinion.

We communicate with the management about the issues such as the scope of the audit, the timing and major audit findings, including communicating the notable shortcomings of internal control identified by our audit.

ShineWing Certified Public Accountants

Beijing • China

Chinese Certified Public Accountants:

(Project Partner)

Chinese Certified Public Accountants:

April 15th, 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31st, 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current assets:			
Cash and cash equivalents	VIII. 1	67,956,008,811.91	70,386,799,567.83
△Provision of settlement funds	VIII. 2	2,616,222,706.46	1,838,062,156.51
△Loans to banks and other financial institutions	VIII. 3	3,783,817,619.00	3,231,516,460.00
Held-for-trading financial assets	VIII. 4	64,219,099,248.82	50,184,420,540.15
Financial assets at fair value through profit or loss (FVTPL)			
Derivative financial assets	VIII. 5	55,350,922.76	4,539,762.00
Notes receivable	VIII. 6	367,662,604.70	97,413,854.27
Accounts receivable	VIII. 7	5,107,472,309.33	4,473,195,280.66
Receivables financing	VIII. 8	182,959,047.88	228,149,988.78
Prepayments	VIII. 9	4,022,262,866.19	1,960,359,874.24
△Receivable premium	VIII. 10	792,895,393.16	709,133,348.64
△Cession premium receivable	VIII. 11	273,552,046.94	208,230,893.17
△Provision of cession receivable	VIII. 12	287,988,744.75	275,167,065.04
Other receivables	VIII. 13	6,216,004,600.07	5,232,761,419.32
Including: Dividends receivable		110,726,527.90	122,273,280.16
△Redemptory monetary capital for sale	VIII. 14	17,859,359,550.47	10,096,675,182.06
Inventories	VIII. 15	8,194,466,776.42	6,606,994,817.11
Including: Raw materials		1,571,591,042.63	1,247,562,195.50
Stock goods (Finished goods)		3,162,145,848.41	1,644,632,639.41
Contract assets	VIII. 16	258,234,958.82	70,219,695.70
Held-for-sale assets	VIII. 17	9,022,026.00	589,824.88
Non-current assets due within one year	VIII. 18	100,404,285,635.75	60,888,699,433.11
Other current assets	VIII. 19	13,876,525,127.67	12,261,013,334.23
Total current assets		**296,483,190,997.10**	**228,753,942,497.70**
Non-current assets:			
△Loans and advances	VIII. 20	103,355,909,743.01	108,525,808,271.24
Debt investments	VIII. 21	84,542,374,551.09	94,604,950,478.49
Available-for-sale financial assets			
Other debt investments	VIII. 22	21,974,059,562.11	21,610,113,080.31
Held-to-maturity investments			
Long-term receivables	VIII. 23	10,965,596,294.29	13,525,765,757.68
Long-term equity investments	VIII. 24	29,198,596,232.40	22,844,141,987.33
Investment in other equity instruments	VIII. 25	35,805,071,983.79	15,942,480,364.76
Other non-current financial assets	VIII. 26	13,638,552,404.30	11,836,808,049.18
Investment properties	VIII. 27	21,890,697,173.95	20,235,622,153.51
Fixed assets	VIII. 28	27,226,369,983.29	21,608,229,794.87
Including: Original value of fixed assets		48,459,987,453.19	41,527,877,254.02
Accumulated depreciation		21,227,761,377.29	19,924,894,169.20
Provision for impairment of fixed assets		163,613,577.44	151,744,791.75
Construction in progress	VIII. 29	4,135,282,302.08	9,214,509,686.35
Productive biological assets	VIII. 30	121,590.72	
Oil and gas assets			
Right-of-use assets	VIII. 31	1,638,720,292.24	1,848,992,061.31
Intangible assets	VIII. 32	3,433,377,140.81	3,493,947,951.27
Development expenditures	VIII. 33	225,913,943.55	140,989,792.37
Goodwill	VIII. 34	5,032,497,105.56	4,854,940,026.67
Long-term deferred expenses	VIII. 35	753,132,276.02	663,588,726.57
Deferred tax assets	VIII. 36	4,052,358,398.06	3,448,357,914.54
Other non-current assets	VIII. 37	4,695,885,008.84	5,853,246,546.94
Including: Special material reserve			
Total non-current assets		**372,564,515,986.11**	**360,252,492,643.39**
Total assets		**669,047,706,983.21**	**589,006,435,141.09**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

December 31st, 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current liabilities:			
Short-term loans	VIII. 38	22,362,172,920.47	20,992,500,029.20
△Borrowings from Central Bank	VIII. 39	14,518,976,350.00	7,995,672,382.00
△Borrowings from banks and other financial institutions	VIII. 40	11,042,278,563.22	8,317,365,008.04
Held-for-trading financial liabilities	VIII. 41	1,525,049,827.69	3,929,234,532.72
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	VIII. 42	165,895,834.42	3,582,350.00
Notes payable	VIII. 43	5,611,643,789.48	6,521,076,187.37
Accounts payable	VIII. 44	7,392,135,783.42	3,600,348,540.23
Advance from customers	VIII. 45	88,843,889.93	57,659,980.47
Contract liabilities	VIII. 46	2,785,081,853.38	2,125,314,048.13
△Sold and repurchase financial assets	VIII. 47	19,440,492,003.40	26,740,273,400.75
△Deposits from customers and interbank	VIII. 48	247,742,944,321.40	205,458,878,724.65
△Funds received as agent of stock exchange	VIII. 49	17,946,557,347.57	13,605,866,525.20
△Funds received as agent of stock underwrite			
Employee benefits payable	VIII. 50	2,293,621,672.66	1,976,344,364.46
Including: Salary payable		1,723,121,266.74	1,545,504,240.98
Welfare expenses payable		271,518.98	757,399.51
#Including: bonus and welfare funds			
Taxes and surcharges payable	VIII. 51	1,684,750,511.16	1,214,259,831.38
Including: Taxes payable		1,582,476,252.58	1,125,731,523.05
Other payables	VIII. 52	9,819,789,096.71	13,516,570,189.12
Including: Dividends payable		280,081,874.27	297,290,923.78
△Handling charges and commissions payable	VIII. 53	48,573,494.02	61,817,877.02
△Reinsurance accounts payable	VIII. 54	315,495,620.86	277,668,144.36
Held-for-trading liabilities			
Non-current liabilities due within one year	VIII. 55	26,990,389,257.72	33,479,609,254.74
Other current liabilities	VIII. 56	11,714,177,801.61	11,286,037,409.39
Total current liabilities		**403,488,869,939.12**	**361,160,078,779.23**
Non-current liabilities:			
△Provision for insurance contracts	VIII. 57	5,762,950,068.28	5,377,156,921.55
Long-term loans	VIII. 58	37,069,847,786.06	34,544,433,165.31
Bonds payable	VIII. 59	86,795,026,585.67	82,808,912,110.88
Including: Preference share			
Perpetual bond			
Lease liabilities	VIII. 60	1,004,994,365.02	1,028,793,192.96
Long-term payables	VIII. 61	17,140,052,328.73	10,172,651,918.77
Long-term employee benefits payable	VIII. 62	47,324,036.00	57,950,025.00
Provisions	VIII. 63	105,546,363.33	37,093,466.17
Deferred income	VIII. 64	328,303,603.25	329,260,569.06
Deferred tax liabilities	VIII. 36	647,912,401.30	489,410,093.97
Other non-current liabilities	VIII. 65	637,950,394.77	632,647,936.22
Including: authorized reserve fund			
Total non-current liabilities		**149,539,907,932.41**	**135,478,309,399.89**
Total liabilities		**553,028,777,871.53**	**496,638,388,179.12**
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VIII. 66	23,000,000,000.00	10,000,000,000.00
National capital		23,000,000,000.00	10,000,000,000.00
State-owned legal representative capital			
Collective capital			
Private capital			
Foreign capital			
#Less: Investment returned			
Net paid-in capital (or share capital)		23,000,000,000.00	10,000,000,000.00
Other equity instruments	VIII. 67	4,929,371,069.26	3,238,899,371.10
Including: Preference share			
Perpetual bond		2,899,371,069.26	1,998,899,371.10
Capital reserve	VIII. 68	7,746,140,289.71	21,209,117,662.94
Less: Treasury share			
Other comprehensive income		-16,067,336.16	-239,638,630.93
Including: Foreign currency translation differences		-3,769,068.25	-2,168,252.87
Special reserve	VIII. 69	47,333,723.33	45,022,852.03
Surplus reserve	VIII. 70	1,328,188,183.69	1,194,068,568.44
Including: Statutory surplus reserve		1,328,188,183.69	1,194,068,568.44
Discretionary surplus reserve			
# Reserve funds			
# Enterprise expansion funds			
# Profit distribution to investor			
△General risk reserve			
Retained earnings	VIII. 71	-5,021,647,560.57	-5,165,413,218.81
Total owners' equity (or shareholders' equity) attributable to the parent company		32,013,318,369.26	30,282,056,604.77
*Non-controlling interests		84,005,610,742.42	62,085,990,357.20
Total owners' equity (or shareholders' equity)		**116,018,929,111.68**	**92,368,046,961.97**
Total liabilities and owners' equity (or shareholders' equity)		**669,047,706,983.21**	**589,006,435,141.09**

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF FINANCIAL POSITION

December 31st, 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current assets:			
Cash and cash equivalents		4,538,891,693.03	4,283,438,404.18
△Provision of settlement funds			
△Loans to banks and other financial institutions			
Held-for-trading financial assets			
Financial assets at fair value through profit or loss (FVTPL)			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIII. 1	41,336,366.96	42,396,297.43
Receivables financing			
Prepayments		8,487,082.15	4,840,040.34
△Receivable premium			
△Cession premium receivable			
△Provision of cession receivable			
Other receivables	XIII. 2	8,268,546,259.52	8,750,372,192.06
Including: Dividends receivable		18,227,647.08	21,997,396.89
△Redemptory monetary capital for sale			
Inventories			
Including: Raw materials			
Stock goods (Finished goods)			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		648,793,401.75	52,162,280.26
Total current assets		**13,506,054,803.41**	**13,133,209,214.27**
Non-current assets:			
△Loans and advances			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables		972,000,000.00	686,000,000.00
Long-term equity investments	XIII. 3	65,868,182,582.26	67,463,679,875.90
Investment in other equity instruments			
Other non-current financial assets		857,369,725.65	107,265,767.10
Investment properties		2,055,920,281.00	2,005,881,581.00
Fixed assets		79,765,507.62	84,154,798.50
Including: Original value of fixed assets		206,479,428.19	207,832,083.62
Accumulated depreciation		126,803,572.09	123,871,791.01
Provision for impairment of fixed assets			
Construction in progress		27,246,822.96	75,980,178.96
Productive biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		25,692,087.92	26,734,387.21
Development expenditures		87,693,539.04	
Goodwill			
Long-term deferred expenses			64,150.94
Deferred tax assets		559,186,807.86	559,780,295.03
Other non-current assets			
Including: Special material reserve			
Total non-current assets		**70,533,057,354.31**	**71,009,541,034.64**
Total assets		**84,039,112,157.72**	**84,142,750,248.91**

Director of the Company: Chief accountant: Director of Department of Accounting:



STATEMENT OF FINANCIAL POSITION (Continued)

December 31st, 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Closing balance	Opening balance
Current liabilities:			
Short-term loans		2,700,000,000.00	3,700,000,000.00
△Borrowings from Central Bank			
△Borrowings from banks and other financial institutions			
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit or loss (FVTPL)			
Derivative financial liabilities			
Notes payable			
Accounts payable		160,801,075.54	311,136,884.76
Advance from customers		150,345.28	640,115.77
Contract liabilities			
△Sold and repurchase financial assets			
△Deposits from customers and interbank			
△Funds received as agent of stock exchange			
△Funds received as agent of stock underwrite			
Employee benefits payable		1,277,834.26	2,934,491.86
Including: Salary payable			
Welfare expenses payable			
#Including: bonus and welfare funds			
Taxes and surcharges payable		17,629,061.32	10,909,740.81
Including: Taxes payable		17,621,990.44	10,909,740.81
Other payables		3,841,355,246.71	4,440,834,384.45
Including: Dividends payable		50,526,555.48	43,833,333.32
△Handling charges and commissions payable			
△Reinsurance accounts payable			
Held-for-trading liabilities			
Non-current liabilities due within one year		7,882,418,449.94	8,133,607,060.81
Other current liabilities		4,999,100,000.00	5,548,356,823.91
Total current liabilities		**19,602,732,013.05**	**22,148,419,502.37**
Non-current liabilities:			
△Provision for insurance contracts			
Long-term loans		17,252,880,000.00	14,523,560,000.00
Bonds payable		9,887,990,408.83	9,989,008,909.88
Including: Preference share			
Perpetual bond			
Lease liabilities			
Long-term payables		547,000,000.00	247,000,000.00
Long-term employee benefits payable			
Provisions		7,374,061.72	6,026,110.06
Deferred income			6,860.27
Deferred tax liabilities		127,529,233.47	115,019,558.47
Other non-current liabilities			
Including: authorized reserve fund			
Total non-current liabilities		**27,822,773,704.02**	**24,880,621,438.68**
Total liabilities		**47,425,505,717.07**	**47,029,040,941.05**
Owners' equity:			
Paid-in capital		23,000,000,000.00	10,000,000,000.00
National capital		23,000,000,000.00	10,000,000,000.00
State-owned legal representative capital			
Collective capital			
Private capital			
Foreign capital			
#Less: Investment returned			
Net paid-in capital		23,000,000,000.00	10,000,000,000.00
Other equity instruments		4,929,371,069.26	3,238,899,371.10
Including: Preference share			
Perpetual bond		2,899,371,069.26	1,998,899,371.10
Capital reserve		2,406,504,145.06	18,708,735,466.55
Less: Treasury share			
Other comprehensive income		-53,988,432.61	-55,476,423.20
Including: Foreign currency translation differences			
Special reserve			
Surplus reserve		1,328,188,183.69	1,194,068,568.44
Including: Statutory surplus reserve		1,328,188,183.69	1,194,068,568.44
Discretionary surplus reserve			
# Reserve funds			
# Enterprise expansion funds			
# Profit distribution to investor			
△General risk reserve			
Retained earnings		5,003,531,475.25	4,027,482,324.97
Total owners' equity		**36,613,606,440.65**	**37,113,709,307.86**
Total liabilities and owners' equity		**84,039,112,157.72**	**84,142,750,248.91**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED INCOME STATEMENT

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Total revenue		**206,166,246,447.38**	**191,187,032,215.34**
Including: Operating revenue	VIII. 72	184,204,918,671.36	171,580,494,688.84
△Interest income	VIII. 73	18,222,644,408.27	16,263,061,563.50
△Earned premium	VIII. 74	723,121,175.29	815,945,067.21
△Income from service charges and commissions	VIII.75	3,015,562,192.46	2,527,530,895.79
II. Total costs		**204,993,511,233.30**	**188,644,820,130.47**
Including: Operating costs	VIII. 72	172,334,520,109.40	159,419,849,682.30
△Interest expenses	VIII. 73	13,671,650,591.00	12,173,115,997.36
△Expenses for service charges and commissions	VIII. 75	816,025,682.44	841,258,139.79
△Surrender value			
△Net payments for insurance claims	VIII. 76	2,460,147,626.54	1,872,236,889.66
△Net provision for insurance contracts	VIII. 77	429,058,936.92	901,837,769.42
△Commissions on insurance policies			
△Cession charges	VIII. 78	5,039,054.88	16,170,793.37
Taxes and surcharges	VIII. 79	950,678,652.56	719,814,389.79
Selling expenses	VIII. 80	5,717,035,364.19	5,781,257,093.26
General and administrative expenses	VIII. 81	4,917,343,163.10	3,929,242,294.78
Research and development expenses	VIII. 82	581,170,248.77	424,926,005.51
Financial expenses	VIII. 83	3,110,841,803.50	2,565,111,075.23
Including: Interest expenses		3,447,080,787.52	3,011,221,841.09
Interest income		485,983,875.82	550,839,158.43
Foreign exchange net loss (net income indicated with"-")		31,071,529.66	7,125,903.21
Others			
Add: Other income	VIII. 84	367,162,396.11	488,126,788.95
Investment income (losses indicated with "-")	VIII. 85	5,834,433,478.28	3,983,420,623.70
Including: Investment income from associates and joint ventures		1,891,239,558.54	1,233,132,610.73
Gains from derecognition of financial assets at amortized cost		469,100,829.70	-45,770,116.39
△Gain or loss on foreign exchange transactions (losses indicated with "-")		90,610,892.46	244,086,898.52
Net exposure hedging gains (losses indicated with "-")			
Gains from changes in fair value (losses indicated with "-")	VIII. 86	2,311,026,419.57	57,915,013.94
Credit impairment loss (losses indicated with"-")	VIII. 87	-4,485,372,049.56	-432,606,693.39
Asset impairment loss (losses indicated with "-")	VIII. 88	-554,293,708.58	-2,955,265,158.92
Gains from disposal of assets (losses indicated with "-")	VIII. 89	130,457,473.34	101,952,360.42
III. Operating profits (losses indicated with "-")		**4,866,760,115.70**	**4,029,841,918.09**
Add: Non-operating income	VIII. 90	418,561,205.78	149,478,495.67
Including: Government grants		9,967,338.45	6,543,324.89
Less: Non-operating expenses	VIII. 91	241,992,867.98	138,156,807.58
IV. Total profits (total losses indicated with "-")		**5,043,328,453.50**	**4,041,163,606.18**
Less: Income tax expenses	VIII. 92	1,312,270,424.44	1,216,476,192.65
V. Net profits (net losses indicated with "-")"		**3,731,058,029.06**	**2,824,687,413.53**
(I) Classification by attribution of the ownership :			
Owners of the Company		508,912,660.45	285,645,870.19
*Non-controlling interests		3,222,145,368.61	2,539,041,543.34
(II) Classification by operation continuity:			
Continuing operations		3,731,058,029.06	2,824,687,413.53
Discontinued operations			
VI. Net post-tax amount of other comprehensive income		**301,075,614.59**	**23,717,085.72**
Other comprehensive income net of tax attributable to owners of the company	VIII. 93	223,571,294.77	24,800,575.28
(I) Other comprehensive income that cannot be reclassified into profit or loss:		28,400,333.71	-5,015,026.91
1. Changes from remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments		28,400,333.71	-5,015,026.91
4. Changes in fair value of own credit risks of the enterprise			
5. Other			
(II) Other comprehensive income that will be reclassified into profit or loss		195,170,961.06	29,815,602.19
1. Other comprehensive income available for transfer to profit or loss under the equity method		1,487,990.59	26,917,880.97
2. Changes in fair value of other debt investments		130,780,893.73	-19,104,414.15
3. Gain or loss from changes in fair value of the available-for-sale financial assets			-2,478,716.31
4. Amount of reclassification of financial assets into other comprehensive income		1,950,222.54	-545,477.34
5. Gain or loss from reclassification of held-to-maturity investments into available-for-sale financial assets			
6. Credit loss allowance of other debt investments		71,125,735.43	17,554,044.75
7. Cash flow hedges (effective portion of gain or loss from cash flow hedging)			10,696,151.24
8. Exchange differences on translating foreign operations		-1,551,619.66	-3,223,866.97
9. Other		-8,622,261.57	
*Comprehensive income net of tax attributable to non-controlling interests		77,504,319.82	-1,083,489.56
VII. Total comprehensive income		**4,032,133,643.65**	**2,848,404,499.25**
Total comprehensive income attributable to owners of the company		732,483,955.22	310,446,445.47
*Total comprehensive income attributable to non-controlling interests		3,299,649,688.43	2,537,958,053.78
VIII. Earnings per share (EPS):			
(I) Basic EPS			
(II) Diluted EPS			

Director of the Company: Chief accountant: Director of Department of Accounting:

INCOME STATEMENT

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Total revenue		**426,593,494.59**	**496,418,105.83**
Including: Operating revenue	XIII. 4	426,593,494.59	496,418,105.83
△Interest income			
△Earned premium			
△Income from service charges and commissions			
II. Total costs		**2,055,813,329.25**	**1,701,148,176.16**
Including: Operating costs	XIII. 4	218,431.64	586,259.92
△Interest expenses			
△Expenses for service charges and commissions			
△Surrender value			
△Net payments for insurance claims			
△Net provision for insurance contracts			
△Commissions on insurance policies			
△Cession charges			
Taxes and surcharges		22,157,486.69	18,123,844.45
Selling expenses			
General and administrative expenses		266,578,252.97	94,981,066.88
Research and development expenses		64,114.50	1,991,429.21
Financial expenses		1,766,795,043.45	1,585,465,575.70
Including: Interest expenses		1,852,455,813.44	1,651,850,985.47
Interest income		116,719,119.25	102,371,394.06
Foreign exchange net loss (net income indicated with"-")		1,040,289.60	2,389,436.34
Others			
Add: Other income		5,557,318.85	647,474.77
Investment income (losses indicated with "-")	XIII. 5	2,878,095,861.72	1,691,203,920.29
Including: Investment income from associates and joint ventures		1,090,022,150.71	599,210,526.44
Gains from derecognition of financial assets at amortized cost			
△Gain or loss on foreign exchange transactions (losses indicated with "-")			
Net exposure hedging gains (losses indicated with "-")			
Gains from changes in fair value (losses indicated with "-")		55,168,078.56	-14,144,563.00
Credit impairment loss (losses indicated with"-")		-3,485,885.71	
Asset impairment loss (loss indicated with "-")			-690,523.02
Gains from disposal of assets (losses indicated with "-")		283,070.77	99,412.17
III. Operating profits (losses indicated with "-")		**1,306,398,609.53**	**472,385,650.88**
Add: Non-operating income		49,644,573.05	66,959,849.95
Including: Government grants			
Less: Non-operating expenses		1,743,867.92	10,092,047.66
IV. Total profits (total losses indicated with "-")		**1,354,299,314.66**	**529,253,453.17**
Less: Income tax expenses		13,103,162.17	22,968,429.11
V. Net profits (net losses indicated with "-")		**1,341,196,152.49**	**506,285,024.06**
Continuing operations		1,341,196,152.49	506,285,024.06
Discontinued operations			
VI. Net post-tax amount of other comprehensive income		**1,487,990.59**	**26,917,880.97**
(I) Other comprehensive income that cannot be reclassified into profit or loss:			
1. Changes from remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of own credit risks of the enterprise			
5. Other			
(II) Other comprehensive income that will be reclassified into profit or loss		1,487,990.59	26,917,880.97
1. Other comprehensive income available for transfer to profit or loss under the equity method		1,487,990.59	26,917,880.97
2. Changes in fair value of other debt investments			
3. Gain or loss from changes in fair value of the available-for-sale financial assets			
4. Amount of reclassification of financial assets into other comprehensive income			
5. Gain or loss from reclassification of held-to-maturity investments into available-for-sale financial assets			
6. Credit loss allowance of other debt investments			
7. Cash flow hedges (effective portion of gain or loss from cash flow hedging)			
8. Exchange differences on translating foreign operations			
9. Other			
VII. Total comprehensive income		**1,342,684,143.08**	**533,202,905.03**
VIII. Earnings per share (EPS):			
(I) Basic EPS			
(II) Diluted EPS			

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF CASH FLOWS

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		248,529,757,692.72	191,314,604,479.47
△Net increase in deposits from customers and other financial institutions		41,233,272,410.95	48,717,998,559.20
△Net increase in loans from the Central Bank		6,521,319,415.05	1,486,261,857.00
△Net increase in loans from other financial institutions		-6,483,231,520.63	7,804,053,983.53
△Cash received from premium under the original insurance contracts		4,116,087,424.11	3,858,354,075.40
△Net cash received from reinsurance business		-87,651,996.25	-86,723,680.14
△Net increase in deposits and investments of the insured			
△Net incresae in disposal of financial assets at fair value through profit or loss (FVTPL)		-1,656,594,504.82	-14,463,717,010.39
△Cash received from interest, service charges and commissions		15,801,972,472.28	13,960,436,260.20
△Net increase in borrowings from banks and other financial institutions		589,000,000.00	-1,590,000,000.00
△Net increase in funds for repurchase business		-6,426,520,165.99	1,086,371,567.34
△Net cash received as agent of stock exchange		4,580,239,529.01	1,968,666,637.04
Receipts of tax refunds		468,215,908.25	146,453,967.97
Other cash received from operating related activities		63,515,113,562.30	1,807,384,891.46
Subtotal of cash inflows of operating activities		**370,700,980,226.98**	**256,010,145,588.08**
Cash payment for goods purchased and services received		239,012,587,789.25	178,396,771,583.41
△Net increase in customer's loans and advances		41,028,709,615.66	40,480,420,298.08
△Net increase in deposits in Central Bank and deposits from other banks		-1,199,277,847.66	2,753,084,672.00
△Cash paid for claims under the original insurance contracts		2,683,238,225.43	2,241,704,290.47
△Net increase in lendings to banks and other financial institutions		550,000,000.00	1,200,000,000.00
△Cash paid for interest, service charges and commissions		7,976,762,237.61	7,059,107,909.15
△Cash paid for policy dividends			
Cash payments to and on behalf of employees		6,972,445,907.49	5,589,404,639.29
Payments of taxes		4,833,634,509.69	4,981,378,509.30
Other cash paid for operating related activities		61,365,383,979.33	10,056,761,623.55
Subtotal of cash outflows of operating activities		**363,223,484,416.80**	**252,758,633,525.25**
Net cash flows from operating activities	VIII.97	**7,477,495,810.18**	**3,251,512,062.83**
II. Cash flows from investment activities:			
Cash received from return on investments		279,538,067,812.16	229,810,053,658.09
Cash received from investment income		7,938,545,419.82	7,244,985,566.94
Net cash from disposal of fixed assets, intangible assets and other long-term assets		519,838,461.69	574,767,135.79
Net cash from disposal of subsidiaries and other business units		790,959,700.17	1,245,835,439.40
Other cash received from investment related activities		9,305,600,364.02	3,925,106,474.83
Subtotal of cash inflows of investment activities		**298,093,011,757.86**	**242,800,748,275.05**
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		2,935,846,332.17	4,680,444,158.63
Cash paid for investment		293,937,755,418.34	248,778,516,782.50
△Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units		163,092,669.27	1,945,147.45
Other cash paid for investment related activities		8,137,811,384.61	8,081,761,071.21
Subtotal of cash outflows of investment activities		**305,174,505,804.39**	**261,542,667,159.79**
Net cash flows from investment activities		**-7,081,494,046.53**	**-18,741,918,884.74**
III. Cash flows from financing activities:			
Contribution received from absorption of investments		4,407,775,437.63	8,348,130,870.51
Including: Contribution from non-controlling interests of subsidiaries		1,267,176,454.14	7,917,594,229.14
Cash received from loans		211,402,553,999.93	258,221,150,355.58
Other cash received from financing related activities		12,798,440,097.26	12,581,415,498.20
Subtotal of cash inflows of financing activities		**228,608,769,534.82**	**279,150,696,724.29**
Cash paid for repayment of debts		199,487,679,239.31	235,469,490,071.19
Cash paid for distribution of dividends and profits, and payment of interest		8,670,773,812.68	6,469,891,475.10
Including: Distribution of dividends and profits to non-controlling interests by subsidiaries		1,735,893,395.32	1,377,700,213.47
Other cash paid for financing related activities		13,851,394,580.43	12,829,404,287.54
Subtotal of cash outflows of financing activities		**222,009,847,632.42**	**254,768,785,833.83**
Net cash flows from financing activities		**6,598,921,902.40**	**24,381,910,890.46**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-78,274,762.27	-3,650,694.04
V. Net increase in cash and cash equivalents	VIII.97	**6,916,648,903.78**	**8,887,853,374.51**
Add: Cash and cash equivalents at the beginning of the period	VIII.97	53,480,640,556.04	44,592,787,181.53
VI. Cash and cash equivalents at the end of the period	VIII.97	**60,397,289,459.82**	**53,480,640,556.04**

Director of the Company: Chief accountant: Director of Department of Accounting:

STATEMENT OF CASH FLOW

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd. Currency: CNY

Item	Note	Current year amount	Prior year amount
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services			6,080.00
△Net increase in deposits from customers and other financial institutions			
△Net increase in loans from the Central Bank			
△Net increase in loans from other financial institutions			
△Cash received from premium under the original insurance contracts			
△Net cash received from reinsurance business			
△Net increase in deposits and investments of the insured			
△Net incresae in disposal of financial assets at fair value through profit or loss (FVTPL)			
△Cash received from interest, service charges and commissions			
△Net increase in borrowings from banks and other financial institutions			
△Net increase in funds for repurchase business			
△Net cash received as agent of stock exchange			
Receipts of tax refunds			1,341,130.60
Other cash received from operating related activities		212,244,483.85	2,009,900,129.85
Subtotal of cash inflows of operating activities		**212,244,483.85**	**2,011,247,340.45**
Cash payment for goods purchased and services received			
△Net increase in customer's loans and advances			
△Net increase in deposits in Central Bank and deposits from other banks			
△Cash paid for claims under the original insurance contracts			
△Net increase in lendings to banks and other financial institutions			
△Cash paid for interest, service charges and commissions			
△Cash paid for policy dividends			
Cash payments to and on behalf of employees		124,512,141.80	117,412,826.29
Payments of taxes		32,637,471.93	15,622,400.54
Other cash paid for operating related activities		866,392,579.90	139,203,796.21
Subtotal of cash outflows of operating activities		**1,023,542,193.63**	**272,239,023.04**
Net cash flows from operating activities	XIII.6	**-811,297,709.78**	**1,739,008,317.41**
II. Cash flows from investment activities:			
Cash received from return on investments		9,886,689,857.98	20,722,570,037.69
Cash received from investment income		1,949,678,849.72	1,507,636,355.13
Net cash from disposal of fixed assets, intangible assets and other long-term assets		692,853.32	
Net cash from disposal of subsidiaries and other business units		1,611,970,591.50	
Other cash received from investment related activities		6,037,861.01	13,867,407.32
Subtotal of cash inflows of investment activities		**13,455,070,013.53**	**22,244,073,800.14**
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		219,467,792.68	103,753,434.51
Cash paid for investment		13,891,355,597.81	27,127,602,498.78
△Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash paid for investment related activities		5,180,870.31	39,386,769.60
Subtotal of cash outflows of investment activities		**14,116,004,260.80**	**27,270,742,702.89**
Net cash flows from investment activities		**-660,934,247.27**	**-5,026,668,902.75**
III. Cash flows from financing activities:			
Contribution received from absorption of investments		840,000,000.00	2,333,000,000.00
Including: Contribution from non-controlling interests of subsidiaries			
Cash received from loans		23,691,700,000.00	29,689,615,000.00
Other cash received from financing related activities		150,000,000.00	500,000,000.00
Subtotal of cash inflows of financing activities		**24,681,700,000.00**	**32,522,615,000.00**
Cash paid for repayment of debts		20,897,982,200.00	23,997,690,000.00
Cash paid for distribution of dividends and profits, and payment of interest		2,032,321,742.92	1,869,782,368.63
Including: Distribution of dividends and profits to non-controlling interests by subsidiaries			
Other cash paid for financing related activities		23,708,210.18	818,336,545.61
Subtotal of cash outflows of financing activities		**22,954,012,153.10**	**26,685,808,914.24**
Net cash flows from financing activities		**1,727,687,846.90**	**5,836,806,085.76**
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**-2,601.00**	**-7,861.58**
V. Net increase in cash and cash equivalents	XIII.6	**255,453,288.85**	**2,549,137,638.84**
Add: Cash and cash equivalents at the beginning of the period	XIII.6	4,283,438,404.18	1,734,300,765.34
VI. Cash and cash equivalents at the end of the period	XIII.6	**4,538,891,693.03**	**4,283,438,404.18**

Director of the Company: Chief accountant: Director of Department of Accounting:

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Current year amount													
		Equity attributable to owners of the Company												Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Subtotal		
			Preferred share	Perpetual bond	Other										
Column		1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**21,209,117,662.94**		**-356,290,987.90**	**45,022,852.03**	**1,194,068,568.44**		**3,691,822,559.22**	**39,022,640,025.83**	**62,327,281,764.26**	**101,349,921,790.09**
Add: Impact from changes in accounting policies	2							116,652,356.97				-8,857,235,778.03	-8,740,583,421.06	-241,291,407.06	-8,981,874,828.12
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	10,000,000,000.00		1,998,899,371.10	1,240,000,000.00	21,209,117,662.94		-239,638,630.93	45,022,852.03	1,194,068,568.44		-5,165,413,218.81	30,282,056,604.77	62,085,990,357.20	92,368,046,961.97
3. Movement for current year ("-" for decrease)	6	**13,000,000,000.00**		**900,471,698.16**	**790,000,000.00**	**-13,462,977,373.23**		**223,571,294.77**	**2,310,871.30**	**134,119,615.25**		**143,765,658.24**	**1,731,261,764.49**	**21,919,620,385.22**	**23,650,882,149.71**
(1) Total comprehensive income	7							223,571,294.77				508,912,660.45	732,483,955.22	3,299,649,688.43	4,032,133,643.65
(2) Shareholder's contributions and withdrawals of captial	8			900,471,698.16	790,000,000.00	-462,977,373.23							1,227,494,324.93	18,304,345,974.77	19,531,840,299.70
1) Common stock contributed by shareholders	9													2,030,181,858.27	2,030,181,858.27
2) Capital contributed by other equity instruments holders	10			900,471,698.16	790,000,000.00								1,690,471,698.16		1,690,471,698.16
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					-462,977,373.23							-462,977,373.23	16,274,164,116.50	15,811,186,743.27
(3) Withdrawal and use of special reserve	13								2,310,871.30				2,310,871.30	-1,590,050.38	720,820.92
1) Withdrawal of special reserve	14								105,504,219.50				105,504,219.50	78,679,765.21	184,183,984.71
2) Use of special reserve	15								-103,193,348.20				-103,193,348.20	-80,269,815.59	-183,463,163.79
(4) Profits distribution	16									134,119,615.25		-365,147,002.21	-231,027,386.96	317,214,772.40	86,187,385.44
1) Appropriation of surplus reserve	17									134,119,615.25		-134,119,615.25			
Including:Statutory surplus reserve	18									134,119,615.25		-134,119,615.25			
Discretionary surplus reserve	19														
# Reserve funds	20														
# Enterprise expansion funds	21														
# Profit distribution to investor	22														
△2) Withdrawal of general risk reserve	23														
3) Distribution to shareholders	24											-231,027,386.96	-231,027,386.96	317,214,772.40	86,187,385.44
4) Others	25														
(5) Internal transfer within shareholder's equity	26	13,000,000,000.00				-13,000,000,000.00									
1) Conversion of capital reserve into share capital	27	13,000,000,000.00				-13,000,000,000.00									
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income trasnferred to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	**23,000,000,000.00**		**2,899,371,069.26**	**2,030,000,000.00**	**7,746,140,289.71**		**-16,067,336.16**	**47,333,723.33**	**1,328,188,183.69**		**-5,021,647,560.57**	**32,013,318,369.26**	**84,005,610,742.42**	**116,018,929,111.68**

Director of the Company:

Chief accountant:

Director of Department of Accounting:



CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FY 2021

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Prior year amount													
		Equity attributable to owners of the Company												Non-controlling interests	Total owners' (or shareholders') equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Subtotal		
			Preferred share	Perpetual bond	Other										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28.00
1. Closing balance of last year	1	**10,000,000,000.00**		**3,999,007,000.00**	**2,490,000,000.00**	**14,573,596,524.50**		**-381,091,563.18**	**40,893,719.22**	**1,143,440,066.03**		**3,928,750,540.38**	**35,794,596,286.95**	**47,120,150,410.99**	**82,914,746,697.94**
Add: Impact from changes in accounting policies	2														
Impact from corrections of errors in prior period	3					83,020,883.00						-15,444,440.54	67,576,442.46	2,522,872.90	70,099,315.36
Others	4														
2. Opening balance of current year	5	10,000,000,000.00		3,999,007,000.00	2,490,000,000.00	14,656,617,407.50		-381,091,563.18	40,893,719.22	1,143,440,066.03		3,913,306,099.84	35,862,172,729.41	47,122,673,283.89	82,984,846,013.30
3. Movement for current year ("-" for decrease)	6			**-2,000,107,628.90**	**-1,250,000,000.00**	**6,552,500,255.44**		**24,800,575.28**	**4,129,132.81**	**50,628,502.41**		**-221,483,540.62**	**3,160,467,296.42**	**15,204,608,480.37**	**18,365,075,776.79**
(1) Total comprehensive income	7							24,800,575.28				285,645,870.19	310,446,445.47	2,537,958,053.78	2,848,404,499.25
(2) Shareholder's contributions and withdrawals of captial	8			-2,000,107,628.90	-1,250,000,000.00	6,552,500,255.44							3,302,392,626.54	13,968,695,200.23	17,271,087,826.77
1) Common stock contributed by shareholders	9													7,264,203,261.93	7,264,203,261.93
2) Capital contributed by other equity instruments holders	10			-2,000,107,628.90	-1,250,000,000.00								-3,250,107,628.90	3,000,000,000.00	-250,107,628.90
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					6,552,500,255.44							6,552,500,255.44	3,704,491,938.30	10,256,992,193.74
(3) Withdrawal and use of special reserve	13								4,129,132.81				4,129,132.81	878,911.84	5,008,044.65
1) Withdrawal of special reserve	14								63,435,775.87				63,435,775.87	62,283,991.20	125,719,767.07
2) Use of special reserve	15								-59,306,643.06				-59,306,643.06	-61,405,079.36	-120,711,722.42
(4) Profits distribution	16									50,628,502.41		-507,129,410.81	-456,500,908.40	-1,302,923,685.48	-1,759,424,593.88
1) Appropriation of surplus reserve	17									50,628,502.41		-50,628,502.41			
Including:Statutory surplus reserve	18									50,628,502.41		-50,628,502.41			
Discretionary surplus reserve	19														
# Reserve funds	20														
# Enterprise expansion funds	21														
# Profit distribution to investor	22														
△2) Withdrawal of general risk reserve	23														
3) Distribution to shareholders	24											-456,500,908.40	-456,500,908.40	-1,302,923,685.48	-1,759,424,593.88
4) Others	25														
(5) Internal transfer within shareholder's equity	26														
1) Conversion of capital reserve into share capital	27														
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive income trasnferred to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**21,209,117,662.94**		**-356,290,987.90**	**45,022,852.03**	**1,194,068,568.44**		**3,691,822,559.22**	**39,022,640,025.83**	**62,327,281,764.26**	**101,349,921,790.09**

Director of the Company:

Chief accountant:

Director of Department of Accounting:

STATEMENT OF CHANGES IN EQUITY

FY2021

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Current year amount											
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Total equity
			Preferred share	Perpetual bond	Other								
Column	—	1	2	3	4	5	6	7	8	9	10	11	12
1. Closing balance of last year	**1**	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**18,708,735,466.55**		**-55,476,423.20**		**1,194,068,568.44**		**4,922,794,005.36**	**38,009,020,988.25**
Add: Impact from changes in accounting policies	2											-895,311,680.39	-895,311,680.39
Impact from corrections of errors in prior period	3												
Others	4												
2. Opening balance of current year	**5**	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**18,708,735,466.55**		**-55,476,423.20**		**1,194,068,568.44**		**4,027,482,324.97**	**37,113,709,307.86**
3. Movement for current year ("-" for decrease)	**6**	**13,000,000,000.00**		**900,471,698.16**	**790,000,000.00**	**-16,302,231,321.49**		**1,487,990.59**		**134,119,615.25**		**976,049,150.28**	**-500,102,867.21**
(1) Total comprehensive income	7							1,487,990.59				1,341,196,152.49	1,342,684,143.08
(2) Shareholder's contributions and withdrawals of captial	8			900,471,698.16	790,000,000.00	-3,302,231,321.49							-1,611,759,623.33
1) Common stock contributed by shareholders	9												
2) Capital contributed by other equity instruments holders	10			900,471,698.16	790,000,000.00								1,690,471,698.16
3) Share-based payment recorded in shareholder's equity	11												
4) Others	12					-3,302,231,321.49							-3,302,231,321.49
(3) Withdrawal and use of special reserve	13												
1) Withdrawal of special reserve	14												
2) Use of special reserve	15												
(4) Profits distribution	16									134,119,615.25		-365,147,002.21	-231,027,386.96
1) Appropriation of surplus reserve	17									134,119,615.25		-134,119,615.25	
Including:Statutory surplus reserve	18									134,119,615.25		-134,119,615.25	
Discretionary surplus reserve	19												
# Reserve funds	20												
# Enterprise expansion funds	21												
# Profit distribution to investor	22												
△2) Withdrawal of general risk reserve	23												
3) Distribution to shareholders	24											-231,027,386.96	-231,027,386.96
4) Others	25												
(5) Internal transfer within shareholder's equity	26	13,000,000,000.00				-13,000,000,000.00							
1) Conversion of capital reserve into share capital	27	13,000,000,000.00				-13,000,000,000.00							
2) Conversion of surplus reserve into share capital	28												
3) Recover of loss by surplus reserve	29												
4) Benefit plans are carried forward to retained earnings	30												
5) Other comprehensive income trasnferred to retained earnings	31												
6) Others	32												
4. Closing balance of current year	**33**	**23,000,000,000.00**		**2,899,371,069.26**	**2,030,000,000.00**	**2,406,504,145.06**		**-53,988,432.61**		**1,328,188,183.69**		**5,003,531,475.25**	**36,613,606,440.65**

Director of the Company:

Chief accountant:

Director of Department of Accounting:

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FY2021

Prepared by: Guangxi Investment Group Co., Ltd.

Currency: CNY

Item	Line	Prior year amount											
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Retained earnings	Total equity
			Preferred share	Perpetual bond	Other								
Column	—	14	15	16	17	18	19	20	21	22	23	24	25
1. Closing balance of last year	1	**10,000,000,000.00**		**3,999,007,000.00**	**2,490,000,000.00**	**13,658,374,928.50**		**-82,394,304.17**		**1,143,440,066.03**		**4,881,418,392.11**	**36,089,846,082.47**
Add: Impact from changes in accounting policies	2												
Impact from corrections of errors in prior period	3												
Others	4												
2. Opening balance of current year	5	**10,000,000,000.00**		**3,999,007,000.00**	**2,490,000,000.00**	**13,658,374,928.50**		**-82,394,304.17**		**1,143,440,066.03**		**4,881,418,392.11**	**36,089,846,082.47**
3. Movement for current year ("-" for decrease)	6			**-2,000,107,628.90**	**-1,250,000,000.00**	**5,050,360,538.05**		**26,917,880.97**		**50,628,502.41**		**41,375,613.25**	**1,919,174,905.78**
(1) Total comprehensive income	7							26,917,880.97				506,285,024.06	533,202,905.03
(2) Shareholder's contributions and withdrawals of captial	8			-2,000,107,628.90	-1,250,000,000.00	5,050,360,538.05							1,800,252,909.15
1) Common stock contributed by shareholders	9												
2) Capital contributed by other equity instruments holders	10			-2,000,107,628.90	-1,250,000,000.00								-3,250,107,628.90
3) Share-based payment recorded in shareholder's equity	11												
4) Others	12					5,050,360,538.05							5,050,360,538.05
(3) Withdrawal and use of special reserve	13												
1) Withdrawal of special reserve	14												
2) Use of special reserve	15												
(4) Profits distribution	16									50,628,502.41		-464,909,410.81	-414,280,908.40
1) Appropriation of surplus reserve	17									50,628,502.41		-50,628,502.41	
Including:Statutory surplus reserve	18									50,628,502.41		-50,628,502.41	
Discretionary surplus reserve	19												
# Reserve funds	20												
# Enterprise expansion funds	21												
# Profit distribution to investor	22												
△2) Withdrawal of general risk reserve	23												
3) Distribution to shareholders	24											-414,280,908.40	-414,280,908.40
4) Others	25												
(5) Internal transfer within shareholder's equity	26												
1) Conversion of capital reserve into share capital	27												
2) Conversion of surplus reserve into share capital	28												
3) Recover of loss by surplus reserve	29												
4) Benefit plans are carried forward to retained earnings	30												
5) Other comprehensive income trasnferred to retained earnings	31												
6) Others	32												
4. Closing balance of current year	33	**10,000,000,000.00**		**1,998,899,371.10**	**1,240,000,000.00**	**18,708,735,466.55**		**-55,476,423.20**		**1,194,068,568.44**		**4,922,794,005.36**	**38,009,020,988.25**

Director of the Company:

Chief accountant:

Director of Department of Accounting:

Guangxi Investment Group Co., Ltd.
Notes to the Financial Statements

For the year ended December 31st, 2021

I. General Information of the Company

(I) Enterprise history, place of registration, organizational form and headquarters address

Guangxi Investment Group Co., Ltd. (hereinafter referred to as the Company and collectively referred to as the Group when including subsidiaries) is a state-owned enterprise under the People's Government of Guangxi Zhuang Autonomous Region, which was founded on June 24th, 1988 as Guangxi Construction Investment and Development Company, and then reorganized in 1996 into Guangxi Development Investment Co., Ltd. On April 22nd, 2002, upon the approval of the People's Government of Guangxi Zhuang Autonomous Region, it changed its name to Guangxi Investment (Group) Co., Ltd., and then on March 15th, 2004, to its present name, with registration change of legal representative certificate at Guangxi Zhuang Autonomous Region Administration for Industry and Commerce.The Company's unified social credit code 91450000198229061H, legal representative: Zhou Lian, registered address: Guangxi Investment Building, No. 109, Minzu Avenue, Qingxiu District, Nanning City. By the end of 2021, the Company has had 35369 employees.

(II) The nature of the business and the main business activities of the enterprise

The Company is an important investment and financing body and state-owned asset management entity of Guangxi Zhuang Autonomous Region, and has the honorable mission of participating in the construction of key projects in Guangxi, cultivating and developing resource-advantaged industries, growing state-owned capital, creating value, serving the society and accomplishing employees. The business scope mainly includes: investment and management in energy, mining, financial industry, cultural tourism, real estate industry, fertilizer industry, medical institutions and pharmaceutical manufacturing; equity investment, management and related consulting services; domestic trade; import and export trade; high-tech development, technology transfer, technology consulting; economic information consulting services. The main business segments of the Group are finance segment, energy segment, aluminum segment, digital segment, investment segment and pharmaceutical, medical health segment, etc.

(III) Name of the parent company and group headquarters

The Company is directly controlled by the People's Government of Guangxi Zhuang Autonomous Region. The Company has Strategic Development Department, Synergy Department, Planning and Finance Department, Corporate Governance Department/Safety, Environment Protection and Risk Control Department, Legal Compliance Department, Human Resources Department/Organization Department of the Party Committee/United Front Work Department of the Party Committee/Office of

Full-time External Directors of District Enterprises, Office/Office of the Board of Directors/Office of the Party Committee/Publicity Department of the Party Committee, Work Department of the Party Group/Direct Ministries/Union Office, Audit Department/Work Department of the Supervisory Board, Discipline Inspection and Supervision Department/ Party Committee Inspection Team and other functional management departments. There is no branch office. For details of subsidiaries, please refer to "Note VII. Business Combinations and Consolidated Financial Statements".

The Company has a Board of Directors to manage and control the major decisions and daily work.

(IV) Approval of financial reports for filing

The approved reporting date for the Group's financial statements is April 15th, 2022.

II. Basis of Preparation of the Financial Statements

The Group's financial statements have been prepared on a going concern basis, based on transactions and events that have actually occurred, in accordance with the *Accounting Standards for Business Enterprises* issued by the Ministry of Finance and related regulations, and based on the accounting policies and estimates described in Note IV. "Significant Accounting Policies and Accounting Estimates" herein.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises and give a true and complete view of the financial position, results of operations and cash flows of the Company and the Group and other relevant information.

IV. Significant Accounting Policies and Accounting Estimates

1. Accounting period

The Group's fiscal year is the Gregorian calendar year, that is, from January 1st to December 31st each year.

2. Functional currency

Renminbi (RMB) is the functional currency of the Group.

3. Basis of accounting and valuation principles

The Group's accounting is carried out on the accrual basis of accounting, and historical cost is used as the valuation principle, except for held-for-trading financial assets and others, which are measured at fair value.

4. Business combination

Assets and liabilities acquired by the Group as a consolidator in a business combination under common control are measured at the carrying value of the consolidated party in the consolidated statements of ultimate control at the date of consolidation. The difference between the carrying value of the net assets acquired and the carrying value of the consideration paid for the merger is adjusted to capital reserve; if capital reserve is not sufficient to offset the difference, retained earnings are adjusted.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under common control are measured at fair value at the acquisition date. The cost of the combination is the sum of the fair value of cash or non-cash assets paid, liabilities issued or assumed and equity securities issued by the Group to obtain control of the acquiree at the date of acquisition, and all directly related costs incurred in the business combination (for a business combination achieved in stages through multiple transactions, the cost of the combination is the sum of the costs of each individual transaction). The difference between the cost of the merger and the fair value of the share of identifiable net assets of the acquiree acquired in the merger is recognized as goodwill; if the cost of the merger is less than the fair value of the share of identifiable net assets of the acquiree acquired in the merger, the fair value of each identifiable asset, liability and contingent liability acquired in the merger, as well as the fair value of non-cash assets or equity securities issued in consideration of the merger, are first reviewed. If, after the review, the cost of consolidation is still less than the share of the fair value of the identifiable net assets of the acquiree acquired in the consolidation, the difference is recognized as non-operating income in the period of consolidation.

5. Preparation of consolidated financial statements

(1) Principles for determining the scope of consolidation
The Group includes all controlled subsidiaries and structured entities in the scope of the consolidated financial statements.

(2) Principles, procedures and methods of preparing consolidated financial statements
In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Group are not consistent, the necessary adjustments are made to the financial statements of the subsidiary in accordance with the Group's accounting policies or accounting periods.

All significant internal transactions, transaction balances and unrealized profits within the scope of consolidation are eliminated in the preparation of the consolidated financial statements. The shares of ownership interests of subsidiaries that do not belong to the parent company and the shares of net profit or loss, other comprehensive income and total comprehensive income for the period that belong to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, profit or loss of minority shareholders, other comprehensive income attributable to

minority shareholders and total comprehensive income attributable to minority shareholders", respectively.

For subsidiaries acquired in a business combination under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation. When preparing the comparative consolidated financial statements, the relevant items in the prior year's financial statements are adjusted as if the reporting entity formed after the merger had been in existence since the point at which the ultimate controlling party began to exercise control.

For a business combination that is ultimately formed by acquiring an equity interest in an investee under common control by step through multiple transactions, its accounting treaments should be disclosed in the consolidated financial statements when control is acquired. For example: when a business combination is ultimately formed by acquiring an equity interest in an investee under common control realized through multiple transactions, if it is a package transaction, the consolidated statements of operations are prepared as if the ultimate controlling party existed in its current state at the time control by the ultimate controlling party commenced, and the relevant assets and liabilities of the consolidated party are consolidated into the Group's the comparative statement of consolidated financial statements, the relevant assets and liabilities of the consolidated party are consolidated into the Group's consolidated financial statements, and the increase in net assets as a result of the consolidation is adjusted to the relevant items under owners' equity in the comparative statement. In order to avoid double counting the value of the net assets of the consolidated party, long-term equity investments held by the Group before reaching consolidation and for which relevant gains or losses, other comprehensive income and other changes in net assets have been recognized between the later of the date of acquisition of the original equity interest and the date when the Group and the consolidated party are under the ultimate control of the same party and the date of consolidation should be eliminated from opening retained earnings and current profit or loss in the comparative statement period, respectively.

For a subsidiary acquired through a business combination not under common control, the results of operations and cash flows are included in the consolidated financial statements from the date the Group obtains control. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the purchase date.

For a business combination that is ultimately formed by acquiring an equity interest in an investee not under common control by step through multiple transactions, its accounting treaments should be disclosed in the consolidated financial statements when control is acquired. For example:When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying value is recognized as

investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates to other comprehensive income is involved in the equity method of accounting under the equity method and changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

When the Group partially disposes of its long-term equity investments in subsidiaries without loss of control, the difference between the disposal price and the share of the net assets of the subsidiaries corresponding to the disposal of the long-term equity investments calculated on an ongoing basis from the date of purchase or the date of consolidation is adjusted to capital premium or equity premium in the consolidated financial statements, and retained earnings is adjusted if capital surplus is not sufficient to cover the reduction.

If the Group loses control over an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of consolidated financial statements. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest, less the share of the net assets of the original subsidiary calculated on a continuing basis from the date of purchase or the date of consolidation in proportion to the original shareholding, is recognized as investment gain or loss in the period in which control is lost, and goodwill is eliminated. Other comprehensive income related to the equity investment in the original subsidiary, etc., is transferred to current investment gain or loss when control is lost.

If the Group disposes of its equity investment in a subsidiary through multiple transactions, which is a package transaction, until it loses control, each transaction is accounted for as a disposal of the subsidiary and loss of control; however, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment in each disposal prior to the loss of control is recognized in the consolidated financial statements as other comprehensive income and is transferred to investment income or loss in the period in which control is lost.

6. Classification of joint venture arrangements and accounting for joint operations

The Group's joint venture arrangements include joint operations and joint ventures. For joint operations, the Group recognizes assets held and liabilities assumed separately as a joint party in a joint operation, as well as assets held and liabilities assumed on a share basis, and recognizes related revenues and expenses separately or on a share basis in accordance with relevant agreements. If a purchase or sale of assets that do not constitute a business transaction occurs with a joint operation, only the portion of the gain or loss arising from the transaction attributable to the other participants in the joint operation is recognized.

7. Criteria for determining cash and cash equivalents

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment. Cash equivalents in the statement of cash flows represent investments that are held for less than three months, are highly liquid, easily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

8. Foreign currency operations and translation of foreign currency statements

(1) Foreign currency operations

The Group's foreign currency operations are translated into RMB at the spot exchange rate (or actual situation) at the date of the transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rate at the balance sheet date. The resulting translation differences are recognized directly in profit or loss for the current period, except for exchange differences arising from special borrowings in foreign currencies for the purpose of acquiring or producing assets eligible for capitalization, which are treated on the basis of capitalization.

(2) Translation of foreign currency financial statements

Foreign currency balance sheet items are translated using the spot exchange rate at the balance sheet date for assets and liabilities; shareholders' equity items, except for "Retained earnings", are translated at the spot exchange rate at the time of the transaction; income and expense items in the income statement are translated using the spot exchange rate (or actual situation) at the date of the transaction. The translation differences arising from the above translation are presented in "Other comprehensive income" in shareholders' equity. Cash flows in foreign currencies are translated using the spot exchange rates at the dates when the cash flows occur. The effect of exchange rate changes on cash is shown separately in the statement of cash flows.

9. Financial assets and financial liabilities

(1) Financial assets

1) Classification, recognition basis and measurement method of financial assets

The Group classifies financial assets as financial assets carried at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss based on the business model for managing financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies financial assets as financial assets carried at amortized cost if both of the following conditions are met: ① the business model for managing the financial asset is to collect the contractual cash flows. ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition

amount; they are subsequently measured at amortized cost. For such financial assets that are not part of any hedging relationship, its amortization by effective interest method, impairment, exchange gain or loss, and gain or loss arising on derecognition are recognized in profit or loss. Such financial assets of the Group include accounts receivable, notes receivable and other receivables.

The Group classifies financial assets as financial assets at fair value through other comprehensive income if both ① the business model for managing the financial asset is to both collect the contractual cash flows and sell the financial asset. ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the principal amount outstanding. Such financial assets are initially measured at fair value, with related transaction costs recognized in the initial recognition amount. Except for those designated as hedged items, other gains or losses of such financial assets, other than credit impairment losses or gains, foreign exchange gains or losses and interest on such financial assets calculated under the effective interest rate method, are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income should be transferred from other comprehensive income and recognized in profit or loss for the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the book balance of the financial assets by the effective interest rate, except for the following cases: ① for financial assets acquired or originated that are credit impaired, interest income is determined from initial recognition based on the amortized cost of the financial assets and the effective interest rate adjusted for credit. ② for financial assets acquired or originated without credit impairment but become credit impaired in subsequent periods, interest income is determined in subsequent periods based on the amortized cost of the financial assets and the effective interest rate.

The Group designates its investments in non-trading equity instruments as financial assets at fair value through other comprehensive income. This designation, once made, cannot be revoked. The Group's investments in non-trading equity instruments designated as at fair value through other comprehensive income are initially measured at fair value, with related transaction costs recognized at initial recognition; except for dividends received (other than those attributable to the recovery of investment costs), which are recognized in profit or loss, other related gains and losses (including exchange gains and losses) are recognized in other comprehensive income and are not subsequently transferred to current profit or loss. When they are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to retained earnings. The investment in equity instrument designated as at fair value through other comprehensive income.

For financial assets other than those classified as financial assets measured at amortized cost and those classified as financial assets at fair value through other comprehensive

income as described above, the Group classifies them as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value, and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss for the current period.

If the contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

At initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Group designates the following financial assets as financial assets at fair value through profit or loss.

When the Group changed its business model for managing financial assets, all affected related financial assets were reclassified.

2) Basis of recognition and measurement of transfer of financial assets

The Group derecognizes a financial asset when one of the following conditions is met: ① the contractual rights to receive cash flows from the financial asset expires; ② the financial asset is transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

If a transfer of a financial asset as a whole satisfies the derecognition condition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income, corresponding to the derecognized portion (the contractual terms of the financial asset involved in the transfer provide that the cash flows arising on a specific date are only payments of principal and interest based on the principal amount outstanding), is recognized in profit or loss.

If a partial transfer of a financial asset satisfies the conditions for derecognition, the whole carrying value of the financial asset transferred is apportioned between the derecognized portion and the un-derecognized portion according to their respective relative fair values. And the difference between the sum of the consideration received for the transfer and the cumulative amount of changes in fair value original recognized in other comprehensive income corresponding to the derecognized portion that shall be apportioned to the derecognized portion (the contractual terms of the financial asset involved in the transfer provide that the cash flows arising on a specific date are only payments of principal and interest based on the principal amount outstanding), and the above apportioned carrying value of financial assets is recognized in profit or loss.

3) Expected credit losses

1) Application scope

The Group makes impairment accounting treatment and recognizes provision for losses based on expected credit losses, for the following items: ①financial assets measured at amortized cost and debt instrument investment at fair value through other comprehensive income; ② lease receivables; ③ contract assets; ④ loan commitments and financial guarantee contracts issued, excluding financial liabilities at fair value through profit or loss.

2) Method of determining expected credit losses and accounting treatment

Expected credit losses, which are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses, being the difference between all contractual cash flows receivable under the contract and all cash flows expected to be collected by the Group discounted at the original effective interest rate, are the present value of the total cash shortfall.

The Group measures provision for losses for the following items at the amount equal to the expected credit loss over their entire duration: ①receivables or provision for losses on contract assets resulted from the transactions governed by *Accounting Standards for Business Enterprises No. 14- Revenue*, whether the item contains material financing components, or not; ② finance lease receivables; ③ operating lease receivables.

For other items other than those mentioned above, the Group measures the provision for losses according to the following situations: The Group applies the simplified method to recognize the expected credit losses on notes receivable and contract assets, i.e. the provision for losses on notes receivable and contract assets are measured at the amount equal to the expected credit losses over their entire duration.

For other items within the scope of accruals of expected credit losses, other than accounts receivable, notes receivable and contract assets, the provision for losses are recognized in accordance with a three-stage model. The Group assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition at each balance sheet date, and measures its provisions for losses and recognizes expected credit losses and changes in them separately in accordance with the following circumstances: ① if the credit risk of the financial instrument has increased significantly since initial recognition or a default has occurred, the Company shall measure the provision for loss at an amount equal to the expected credit loss over its entire duration. ② if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company shall measure the provision for losses at an amount equal to the expected credit losses over the next 12 months of the financial instrument.

At the end of period, the Group calculates the expected credit losses on various financial assets and recognizes the difference as an impairment loss if the expected credit losses are higher than the carrying value of its current provision for impairment, or as an impairment gain if the expected credit losses are less than the carrying value of the

current provision for impairment. However, such reversed provision amount shall not be less than zero.

For investments in debt instruments that are measured at fair value through other comprehensive income, i.e., other debt assets, the resulting provision for losses are recognized in other comprehensive income and shall not reduce the carrying value of the financial asset as presented in the statement of financial position.

For loan commitments and financial guarantee contracts issued, excluding financial liabilities at fair value through profit or loss, its resulting provision for losses are recognized in provision.

For a financial asset that its credit risk has increased significantly or credit loss has occurred, or a financial asset with financially significant customers, the Group measures its provision for impairment individually. For a financial asset without being assessed individually, the Group measures the provision for impairment based on its credit risk characteristics and classifies them into different portfolios.

Basis of determining porfolio		
Item	**Portfolio type**	**Basis of determining porfolio**
Financial investment	Financial investment	Classified by subject
Accounts receivable	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Contract assets	Government debt	Debtors are governments at all levels
	Non-governmental debt – intra-group Non-governmental debt – related party Non-governmental debt – extra-group	According to the debtors who are not at all levels of government, they are divided into intra-group customers, related party customers, and extra-group customers
Other receivables (excluding advances from customers)	Low risk catagory	Other receivables with very low risk, such as employee loans, social insurance fee, provident funds, etc.in daily operating activities.
	Government debt	Debtors are governments at all levels
	Non-governmental debt –borrowing- intra-group on-governmental debt –borrowing- related party on-governmental debt –borrowing- extra-group	The money nature is inter-company's borrowing, and is divided into intra-group customers, related party customers and extra-group customers according to the borrower
	Non-governmental debt - Other receivables	Non-governmental debtors, and the money nature is ordinary transactions; litigation costs; deposits and allowances
Long-term receivables	Finance lease payments	Long-term receivables are finance lease items
	Other long-term receivables - intra-group Other long-term receivables - related party Other long-term receivables - extra-group	The nature of money is non-finance lease items, which are divided into intra-group customers, related party customers and

Basis of determining porfolio		
Item	**Portfolio type**	**Basis of determining porfolio**
		extra-group customers according to customers
Other assets - entrusted loans	Entrusted loans - intra-group	The financier is the intra-group customer
	Entrusted loans - related party	The financier is the related party customer
	Entrusted loans - extra-group	The financier is the extra-group customer
Loans and advances	Loans to public	Customer type belongs to public customers, and can also be subdivided according to the industry they belong to
	Personal loans	Customer type belongs to individual customers
Subrogation recovery of receivables	Commutations receivable	Classified by subject
Notes receivable	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group	Divided by customers into intra-group customers, related party customers and extra-group customers
Receivables financing	Notes receivable - intra-group Notes receivable - related party Notes receivable - extra-group Accounts receivable - intra-group Accounts receivable - related party Accounts receivable - extra-group	Classified by subjects, divided by customers into intra-group customers, related party customers, and extra-group customers
Off-balance-sheet guarantee	Off-balance-sheet guarantee - intra-group Off-balance-sheet guarantee - related party Off-balance-sheet guarantee - extra-group	Divided by customers into intra-group customers, related party customers, and extra-group customers
Accrual method with provision for bad debts by portfolio		
Financial investments, accounts receivable, contract assets, other receivables-government debts, other receivables-borrowings, long-term receivables-non-finance leases, other assets-entrusted loans, notes receivable, receivables financing, off-balance-sheet guarantees		Provision for impairment measured based on the rating mapping model
Other receivables, subrogation recovery of receivables		Provision for impairment measured based on the rolling rate model
Long-term receivables-financee leases (leasing companies), loans and advances (microfinance companies)		Provision for impairment measured based on the Wilsion statistical model
Grouped as intra-group accounts receivable, notes receivable, receivables financing, contract assets, other receivables, long-term receivables, other assets - entrusted loans, off-balance-sheet guarantees, etc., other receivables - low risk category, treasury bonds, policy financial bonds		Combining historical experience on default loss and current economic conditions, and considering forward-looking information, the expected credit loss rate is 0.

(2) Financial liabilities

1) Financial liabilities classification, recognition basis and measurement method

The Group classifies financial liabilities as financial liabilities at amortized cost, except for the following: ① financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss. ② financial liabilities resulting from the transfer of financial assets that do not meet the derecognition criteria or from the continued involvement in the transferred financial assets. ③ financial guarantee contracts that do not fall under the circumstances of ① or ② above, and loan

commitments to lend at below-market interest rates that do not fall under the circumstances of ① above.

The Group accounts for contingent consideration recognized as a purchaser in a business combination not under common control that results in a financial liability at fair value through profit or loss.

2) Conditions for derecognition of financial liabilities

When the present obligation of a financial liability is discharged in whole or in part, the financial liability or the part of the obligation that has been discharged is derecognized. When the Group enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability and the contractual terms of the new financial liability are materially different from those of the existing financial liability, the existing financial liability is derecognized and the new financial liability is recognized at the same time. If the Group materially modifies the contractual terms of all or part of an existing financial liability, the Group derecognizes the existing financial liability or part of it, and recognizes the financial liability that has modified the terms as a new financial liability at the same time. The difference between the carrying value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the principal market, or, if no principal market exists, at prices in the most advantageous market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. There are three levels of inputs used in fair value measurements, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and level 3 inputs are unobservable inputs for the related assets or liabilities. The Group prioritizes the use of level 1 inputs and uses level 3 inputs at last. The level to which the fair value measurement result belongs is determined by the lowest level of the input value that is significant to the fair value measurement as a whole.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances where there is insufficient recent information available to determine fair value, or where the range of possible estimates of fair value is so wide that cost represents the best estimate of fair value within that range, such cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the statement of financial position and are not offset against each other. However, they are presented in the statement of financial position in net amounts after offsetting each other if the following conditions are met: (1) the Group has a legal right to offset the recognized amounts and such legal right is currently enforceable; and (2) the Group plans to settle

on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid meeting that obligation by delivering cash or other financial assets. Some financial instruments do not explicitly contain terms and conditions for the obligation to deliver cash or other financial assets, but it is possible that contractual obligations may arise indirectly through other terms and conditions. (2) If a financial instrument is required to be settled by or available for settlement with the Group's own equity instruments, consideration needs to be given to whether the Group's own equity instruments used to settle the instrument are intended as a substitute for cash or other financial assets or to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a financial instrument contract requires the Group to settle the financial instrument with its own equity instruments, where the amount of contractual rights or contractual obligations is equal to the number of own equity instruments that can be obtained or delivered multiplied by its settlement fair value at the time of the contract, whether the amount of the contractual rights or obligations is fixed or based in whole or in part on variables other than the market price of the Group's own equity instruments (such as interest rates, the price of a commodity or a financial instrument), the contract is classified as a financial liability.

The Group takes into account all terms and conditions agreed between group members and holders of financial instruments when classifying financial instruments (or their components) in the consolidated statements. An instrument is classified as a financial liability if the group as a whole has an obligation to deliver cash, other financial assets, or otherwise settle in a manner that causes the instrument to become a financial liability as a result of the instrument.

If a financial instrument or its component parts belong to financial liabilities, the related interest, dividends on shares (or dividends), gains or losses, and gains or losses arising from redemption or refinancing are recognized by the Group in profit or loss for the current period.

When financial instruments or their components belong to equity instruments, the Group treats them as changes in equity when they are issued (including refinancing), repurchased, sold or cancelled, and does not recognize changes in the fair value of equity instruments.

10. Hedging instruments

The Group's hedging operations include fair value hedges and cash flow hedges. The offsetting results of changes in the fair value of the hedging instrument and the hedged

item are recognized in profit or loss in the same accounting period when the following conditions are met:

1. The hedging relationship consists only of the eligible hedging instrument and the hedged item.

2. At the inception of the hedge, the Group formally designates the hedging instrument and the hedged item and prepares a formal designation and written documentation of the hedging relationship and the Group's risk management strategy and risk management objectives for engaging in the hedge. This documentation contains, at a minimum, the hedging instrument, the hedged item, the nature of the hedged risk and the method of assessing the effectiveness of the hedge (including an analysis of the reasons for the cause of the hedge ineffective portion and the method of determining the hedge ratio).

3. The hedging relationship complies with the hedge effectiveness requirements, that is, the hedge meets the following conditions at the same time：① the Group identifies a hedging relationship where there is an economic relationship between the hedged item and the hedging instrument. The economic relationship causes the value of the hedging instrument and the hedged item to change in opposite directions due to the same hedged risk.② the impact of credit risk does not dominate the value changes arising from the economic relationship between the hedged item and the hedging instrument. ③ the hedging ratio of the hedging relationship shall be equal to the ratio of the actual number of hedged items hedged by the enterprise to the actual number of hedging instruments for hedging, but shall not reflect the imbalance of the relative weights of the hedged items and hedging instruments. This imbalance can lead to ineffective hedges and may produce accounting results that are inconsistent with hedge accounting objectives.

   The Group's hedged items are aluminum products and other non-ferrous metals, and the corresponding hedging instruments are futures contracts.

   The Group uses the comparison method of the main terms of contracts (agreements) for the prospective evaluation of the effectiveness of the hedge, and uses the ratio analysis method (regression analysis method) for the retrospective evaluation of the effectiveness of the hedge at the end of the reporting period.

11. Inventory

The Group's inventory mainly includes raw materials, packaging, low-value consumables, engineering construction, goods in process and finished goods, etc.

Inventories are valued at actual cost at the time of acquisition under the perpetual inventory system. The actual cost of inventories received or issued is determined by the weighted average method, those of being valued at planned cost, the apportioned cost difference is carried forward at the end of month. Low-value consumables and packaging materials are amortized by the one-time write-off method.

Inventory is recognized at the lower of cost and net realizable value at the end of period. For the part of inventories that is expected to be unrecoverable due to damages, obsolete in whole or in part, or the selling price being below cost, the provision for impairment of inventory shall be made at the end of interim or year. The provision for impairment of inventory shall be withdrawed as the difference that the carrying value of individual item of inventory is higher than its net realizable value; the net realizable value refers the amount that estimated selling price minus costs expected to be incurred until completion, estimated sales expenses and related taxes.

If the cost of inventory is higher than its net realizable value, a provision for decline in value of inventory shall be made and recognized in profit or loss. When provision for impairment of inventory is recognized, the finished goods is measured by individual inventory item and the raw materials is made by category. On the balance sheet date, the enterprise shall determine the net realizable value of inventories. If the factors affecting the previous written-down of inventory value have disappeared, causing the net realizable value of the inventory to be higher than its carrying value, the written-down amount shall be recovered and reversed within the amount of the original provision for impairment of inventory, and the reversed amount is recognized in current profit or loss.

12. Contract assets

(1) Methods and criteria for recognition of contract assets

Contract assets refer to the rights that the Group has transferred goods to customers to receive consideration, and the rights depend on factors other than the passage of time. If the Group sells two clearly distinguishable commodities to a customer and is entitled to receive payment because one of the commodities has been delivered, but the receipt of such payment is also dependent on the delivery of the other commodity, the Group treats the right to receive payment as a contract asset.

(2) Determination method of expected credit losses on contract assets and accounting treatment
The method of determining expected credit losses on contract assets is referred to Note IX “Financial assets and financial liabilities”.

Accounting treatment: if the expected credit loss is greater than the current carrying value of the provision for impairment of contract assets, the Group recognizes the difference as an impairment loss and debits "Impairment loss on assets" and credits "Provision for impairment of contract assets". Conversely, the Group recognizes the difference as an impairment gain and makes the opposite accounting entry.

The Group incurs credit losses in practice and identifies the related notes or accounts receivable are irrecoverable, after approval, their value could be written off. Based on the approved write-off amount, the Group debits "provision for contract assets" and credits "contract assets". If the write-off amount is greater than the provision amount made, their difference is debited to "impairment loss of assets".

13. Long-term equity investments

(1) Determination of control, joint control or significant influence over the investee

The Group's long-term equity investments mainly consist of equity investments held by the Group that enable the Group to exercise control or significant influence over the investees, and equity investments in its joint ventures.

Control means that the Group has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is determined mainly on the basis of having representatives on the board of directors or similar authority of the investee and exercising significant influence through the right to speak in the process of making financial and operating decisions of the investee; if the Group owns, directly or indirectly through subsidiaries, more than 20% but less than 50% of the voting shares of the investee, and if there is clear evidence that it cannot participate in the production and operating decisions of the investee under such circumstances, it cannot form significant influence. In determining whether it can exercise significant influence over an investee, the Group considers, on the one hand, the voting shares of the investee held directly or indirectly by the Group and, on the other hand, the effect of current exercisable potential voting rights held by the Group and other parties after their presumed conversion into equity interests in the investee, such as the effect of current convertible warrants, share options and convertible corporate bonds issued by the investee.

(2) Method of determining the cost, subsequent measurement and profit or loss recognition of long-term equity investments

If cash payment, transfer of non-cash assets or assumption of debt are used as merger consideration, the initial investment cost of the long-term equity investment is recognized, on consolidation date, at the carrying value of owner's equity of the combined party recorded on the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments and the carrying value of cash paid, non-cash assets transferred or debt

assumed is adjusted against the equity premium in capital surplus; if the equity premium in capital surplus is not sufficient to offset it, it is adjusted against retained earnings.

If equity securities are issued as consideration for a merger, the initial investment cost of the long-term equity investment at the date of merger is based on the acquisition of the share of the ownership interest of the consolidated party in the carrying value of the consolidated financial statements of the ultimate controlling party, and the share capital is based on the total nominal value of the shares issued. The difference between the initial investment cost of the long-term equity investment and the total nominal value of the shares issued is adjusted against the share capital premium in capital surplus; the share capital premium in capital surplus is adjusted against the share capital premium in capital surplus. If the equity premium in capital surplus is not sufficient for elimination, the adjustment is made to retained earnings.

Business combinations not under common control: The Group uses the cost of the combination determined at the date of purchase as the initial investment cost of long-term equity investments.

Intermediary fees such as auditing, legal services, evaluation and consultation and other related management fees incurred for business combination are included in the current profit and loss when they occur; transaction costs of equity securities or debt securities issued as consideration for the combination are included in the initial recognition amount of the equity securities or debt securities.

Except for long-term equity investments acquired through business combination mentioned above, long-term equity investments acquired by paying cash are stated at investment cost based on the actual purchase price paid; long-term equity investments acquired by issuing equity securities are stated at investment cost based on the fair value of the equity securities issued; long-term equity investments invested by investors are stated at investment cost based on the value agreed in the investment contract or agreement; long-term equity investments acquired by debt restructuring, exchange of non-monetary assets, etc., are determined according to the relevant accounting standards.

The Group uses the cost method of accounting for long-term equity investments in which the Group is able to exercise control over the investee; the equity method of accounting is used for investments in joint ventures and associates.

When the cost method is adopted, the long-term equity investment is measured at the initial investment cost, and the cost of the long-term equity investment is adjusted when the investment is added or recovered. Profits or cash dividends declared to be distributed by the investee are recognized as investment income.

When the equity method is adopted for accounting, if the initial investment cost is greater than the investment cost, the difference of the fair value share of the investee's identifiable net assets enjoyed shall not adjust initial investment cost of long-term equity

investment; When the initial investment cost is less than the investment cost, the difference of the fair value share of the investee's identifiable net assets shall be included in the current profit and loss, and the cost of long-term equity investment shall be adjusted. Upon acquisition of long-term equity investments, investment income and other comprehensive income are recognized in accordance with the share of net profit or loss and other comprehensive income realized by the investee in the year, respectively, while the carrying value of long-term equity investments is adjusted; the portion of the long-term equity investments to which the investor is entitled is calculated based on the profit or cash dividends declared to be distributed by the investee, and the carrying value of long-term equity investments is reduced accordingly; the carrying value of long-term equity investments is adjusted and recognized in owners' equity for other changes in the investee's owner's equity other than net profit or loss, other comprehensive income and profit distribution.Based on the fair value of the investee's identifiable assets at the time of obtaining the investment, the net profit of the investee is adjusted according to the group's accounting policies and accounting period, and the investment income is recognized on the basis of offsetting the unrealized internal transaction loss and profit between the joint venture and the joint venture, and calculating the part attributable to the investment enterprise according to the proportion.

(3) Changes in long-term equity investments

For an equity investment that can exercise joint control or significant influence over the investee but does not constitute control due to additional investment, the sum of the fair value of the equity investment originally held that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) plus the cost of the additional investment is used as the initial cost of the investment to be accounted for under the equity method, and the difference between its fair value and its carrying value is transferred to the current profit or loss when the investment is accounted for under the equity method. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee at the date of the additional investment determined in accordance with the new percentage of shareholding after the additional investment, if the former is greater than the latter, the carrying value of the long-term equity investment is not adjusted; if the former is less than the latter, the difference is adjusted to the carrying value of the long-term equity investment and recognized as non-operating income for the current period.

For long-term equity investments that are able to exercise control over investees not under common control due to additional investments, etc., the sum of the carrying value of the equity investment originally held plus the cost of the additional investment is used as the initial cost of investment to be accounted for under the cost method when preparing the individual financial statements. Other comprehensive income recognized on equity investments held prior to the date of purchase due to the adoption of the equity method of accounting is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon disposal of the investment. If an equity investment held before the date of purchase is designated as a non-trading equity

instrument at fair value through other comprehensive income, the accumulated changes in fair value previously recognized in other comprehensive income are not transferred to current profit or loss.

If the Group no longer has joint control or significant influence over the investee due to the disposal of part of the equity investment, etc., and the remaining equity interest after disposal that is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and carrying value at the date of loss of joint control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized on the former equity investment due to the adoption of the equity method of accounting shall be accounted for on the same basis as the investee directly disposes of the relevant assets or liabilities by the investee when the equity method of accounting is discontinued.

If an investor loses control over an investee for reasons such as the disposal of a portion of its equity investment, in preparing individual financial statements, if the remaining equity interest after disposal is capable of exercising joint control or significant influence over the investee, it is accounted for under the equity method instead, and the remaining equity interest is adjusted as if it had been accounted for under the equity method since its acquisition; if the remaining equity interest after disposal is not capable of exercising joint control or significant influence over the investee and its accounting is applicable to *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7), the difference between its fair value and its carrying value at the date of disposal is recognized in profit or loss.

(4) Disposal of long-term equity investments

The difference between the carrying value and the actual acquisition price of a long-term equity investment upon disposal is recognized as investment income in the current period. For a long-term equity investment measured by the equity method, the disposal of the long-term equity investment shall be accounted for on the same basis as the investee directly disposes of the relevant assets or liabilities, and the portion originally recognized in other comprehensive income shall be accounted for according to the corresponding ratio.

14. Investment property

The Group's investment properties include land-use rights that have been leased out, land-use rights that are held and intended to be transferred upon appreciation, and buildings that have been leased out.

The Group's investment properties are recorded at their cost. The cost of acquired investment properties includes the purchase price, related taxes and other expenses directly attributable to the asset; the cost of self-constructed investment properties consists of the necessary expenses incurred in constructing the asset before it reaches its intended useable state.

The Group subsequently recognizes investment properties by using the cost model, the depreciation or amortization is provided on the basis of their estimated useful lives and net residual value rate. The estimated useful lives, net residual value rate and annual depreciation (amortization) rates of investment properties are as follows:

Category	Depreciation life (years)	Expected residual value rate (%)	Annual depreciation rate (%)
House & buildings	5-40	0.00-5.00	2.38-20.00

When the purpose of investment property is changed to self-use, the investment property is converted to a fixed asset or intangible asset from the date of the change. When the purpose of investment property is changed to earn rents or capital appreciation, the fixed assets or intangible assets are converted to investment properties from the date of the change. When conversion occurs, the carrying value before conversion is used as the recorded value after conversion.

Investment properties are derecognized when they are disposed of, or permanently withdrawn from use and no economic benefits are expected from their disposal. Proceeds from the disposal of investment properties that are sold, transferred, scrapped or destroyed, net of their carrying values and related taxes, are recognized in profit or loss for the current period.

For those adopting the fair value model, the Group is able to obtain market prices and other relevant information of similar or comparable properties from the real estate trading market to estimate the fair value of investment properties.

15. Fixed assets

The Group's fixed assets are tangible assets that are held for the production of goods, provision of services, rental or operation management, have a useful life of more than one year and have a unit value of more than a certain amount.

Fixed assets include houses and buildings, machinery and equipment, transportation equipment, office equipment and others, and are recorded at their cost at the time of acquisition, of which, the cost of purchased fixed assets includes the purchase price and related taxes such as import duties, and other expenses directly attributable to the fixed assets incurred before they reach their intended useable state; the cost of self-constructed fixed assets consists of the necessary expenses incurred to construct the assets before they reach their intended useable state; fixed assets invested by investors are recorded at the value agreed in investment contract or agreement, but if the value agreed in investment contract or agreement is not fair, recorded at their fair value. The cost of a self-built fixed assets consists of the necessary expenditure incurred before the asset reaches its intended useable state; the fixed asset invested by an investor is recorded at the value agreed in the investment contract or agreement, but if the value agreed in the contract or agreement is not fair, it is recorded at fair value; the fixed asset

leased under a finance lease is recorded at the lower of the fair value of the leased asset and the present value of the minimum lease payments at the commencement date of the lease.

Subsequent expenditures related to fixed assets, including repair and renovation expenditures, which meet the conditions for recognition as fixed assets, are included in the cost of fixed assets and the carrying value is derecognized for the replaced portion; those that do not meet the conditions for recognition as fixed assets are recognized in profit or loss as incurred.

The Group depreciates all fixed assets, except for fully depreciated fixed assets that continue to be used and land that is separately recorded in the accounts. Depreciation is provided using the average life method and is charged to the cost or current expense of the relevant assets, depending on their use. The categorized depreciable lives, estimated net residual value rate and depreciation rates of the Group's fixed assets are as follows:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	House & buildings	5-40	0.00-5.00	2.38-20.00
2	Machinery and equipment	8-30	0.00-5.00	3.17-12.50
3	Transportation	4-15	0.00-5.00	6.33-25.00
4	Electronic equipment	3-5	0.00-5.00	19.00-33.33
5	Other equipment	5-10	0.00-5.00	9.50-20.00

The Group reviews the estimated useful lives, estimated net residual values and depreciation methods of fixed assets at the end of each year and treats changes, if any, as changes in accounting estimates.

A fixed asset is derecognized when it is disposed of, or when no economic benefits are expected to arise from its use or disposal. Proceeds from the disposal of fixed assets that are sold, transferred, scrapped or destroyed, net of their carrying values and related taxes, are recognized in profit or loss for the current period.

16. Construction in progress

Construction in progress is measured according to the actual costs incurred. Self-operated construction projects are measured by direct materials, direct wages and direct construction costs; contracted construction projects are measured by the construction price payable; and equipment installation projects are determined by the value of the equipment installed, installation costs, and expenses incurred in the commissioning of the project, etc. The cost of construction in progress also includes borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction in progress reaches its intended useable state, fixed assets are carried forward at the estimated value based on the project budget, cost or actual cost of the project, etc. Depreciation starts from the following month, and the

difference in the original value of fixed assets is adjusted after the completion of the final accounting procedures for completion.

17. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings. For borrowing costs attributable to the acquisition, construction or production of an asset that meets the capitalization conditions, the borrowing costs shall to be capitalized when the expenditure on the assets and borrowing costs have been incurred, and the necessary acquisition, construction or production activities have commenced for making assets ready for the use or sale of asstes. The capitalization shall be stopped when the assets acquired, constructed or produced that meets the capitalization conditions are ready for use or sale. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

The interest expense actually incurred in the current period of the special loan shall be capitalized after deducting the interest income obtained from the unused loan funds deposited in the bank or the investment income obtained from the temporary investment; the general loan shall be capitalized according to the assets whose accumulated asset expenditure exceeds the special loan part. The capitalized amount is determined by multiplying the weighted average of expenses by the weighted average interest rate of the occupied general loans.

Assets eligible for capitalization are assets such as property, plant and equipment, investment properties and inventories that require a considerable period of time (usually more than one year) for their acquisition or production activities to to be ready for use or for sale.

If the acquisition, construction or production of an asset that meets the capitalization conditions is abnormally interrupted and the interruption lasts for more than 3 months, the capitalization of borrowing costs will be suspended until the acquisition, construction or production of the asset resumes.

18. Intangible assets

The Group's intangible assets, including land-use rights, patented technology and non-patented technology, are measured at their actual cost at the time of acquisition, of which, the actual cost is based on the actual price paid and related other expenses for purchased intangible assets; the actual cost is determined at the value agreed in the investment contract or agreement for intangible assets invested by investors, except that if the agreed value in the contract or agreement is not fair, the actual cost is determined at fair value.

Land-use rights are amortized evenly over the period from the commencement date of the grant; patented technology, non-patented technology and other intangible assets are

amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law. The amortization amount is charged to the cost of the related assets and current profit or loss according to the object of their benefit.

The estimated useful life and amortization method of intangible assets with finite useful lives are reviewed at the end of each year and, if changed, are treated as changes in accounting estimates. The estimated useful lives of intangible assets with indefinite useful lives are reviewed at each accounting period, and if there is evidence that the useful lives of the intangible assets are finite, the useful lives are estimated and amortized over the estimated useful lives. The specific amortization is as below:

SN	Category	Depreciation life (years)	Estimated residual value (%)	Annual depreciation rate (%)
1	Software	5-10	0.00	10.00-20.00
2	Land use rights	50-70	0.00	1.43-2.00
3	Mining rights	15	0.00	6.67
4	Sea area use right	50	0.00	2.00
5	Concessions	5	0.00	20.00
6	Patents	5	0.00	20.00

19. Research and development

The Group's research and development expenditures are classified as research stage expenditures and development stage expenditures based on their nature and whether there is a high degree of uncertainty that the research and development activities will ultimately result in intangible assets. Research stage expenditures are recognized in profit or loss as incurred; development stage expenditures are recognized as intangible assets when all of the following conditions are met:

1. It is technically feasible to complete the intangible asset so that it can be used or sold;
2. Has the intent to complete the intangible asset and use or sell it;
3. The existence of a market for the product produced using the intangible asset or the existence of a market for the intangible asset itself;
4. Have sufficient technical, financial and other resources to support the completion of the development of the intangible asset and the ability to use or sell the intangible asset;
5. The expenditure attributable to the development phase of the intangible asset can be measured reliably.

Expenditures in the development stage that do not meet the above conditions are recognized in profit or loss in the current period as incurred. Development expenditures charged to profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures in the development stage that have been capitalized are presented

as development expenditures on the statement of financial position and are presented as intangible assets from the date the project reaches its intended useable state.

20. Long-term deferred expenses

The Group's long-term deferred expenses are amortized expenses that have been expensed but should be borne by the current and future periods with an amortization period of one year or more (excluding one year), and such expenses are amortized equally over the period of benefit. If an item of long-term deferred expense does not benefit subsequent accounting periods, the entire unamortized amortized value of the item is transferred to current profit or loss.

21. Goodwill

Goodwill represents the excess of the cost of an equity investment or the cost of a business combination not under common control over the share of the fair value of the identifiable net assets of the investee or the acquiree acquired in a business combination at the acquisition date or the purchase date.

Goodwill related to subsidiaries is presented separately in the consolidated financial statements, and goodwill related to associates and joint ventures is included in the carrying value of long-term equity investments.

22. Impairment of non-financial long-term assets

The Group examines long-term equity investments, property and equipment, construction in progress, and intangible assets with finite useful lives at each balance sheet date. When the following indications exist that an asset may be impaired, the Group performs an impairment test. Goodwill and intangible assets with indefinite useful lives are tested for impairment at the end of each year, regardless of whether there is an indication of impairment. If it is difficult to test the recoverable amount of an individual asset, the test is performed on the basis of the asset group or combination of asset groups to which the asset belongs.

After the impairment test, if the carrying value of the asset exceeds its recoverable amount, the difference is recognized as an impairment loss. Once an impairment loss is recognized for the above asset, it will not be reversed in subsequent accounting periods. The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows.

Indications of impairment are as follows:

1. A significant decline in the market value of the asset in the current period that is significantly greater than the decline that would be expected due to the passage of time or normal use;

2. Significant changes in the economic, technological or legal environment in which the enterprise operates and in the market in which the assets are located in the current period or will occur in the near future, which adversely affect the enterprise;
3. Market interest rates or other market rates of return on investments have increased in the current period, thereby affecting the discount rate at which the enterprise calculates the present value of the expected future cash flows from the asset, resulting in a significant reduction in the recoverable amount of the asset;
4. Evidence shows that the asset is obsolete or that its physical substance has been damaged;
5. The asset has been or will be idle, discontinued or scheduled for early disposal;
6. Evidence reported within the enterprise that the economic performance of the asset has been or will be below expectations, such as when the net cash flows generated by the asset or the operating profit (or loss) achieved is significantly lower (or higher) than the projected amount;
7. Other indications that the asset may have been impaired.

23. Contract liabilities

Contractual liabilities reflect the Group's obligation to transfer goods to customers for which consideration has been received or is receivable from customers. If the Group has paid the contract consideration or the Group has obtained the unconditional right to receive the contract consideration before transferring the goods to the customer, a contract liability is recognized at the earlier of the actual amount paid by the customer or the amount due and payable, based on the amount received or receivable.

24. Employee benefits

Employee benefits refers to various benefits or compensations paid by the Company for receiving the services from the employees. The employee benefits mainly includes short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by the Group to employees' spouses, children, dependants, deceased employees' family members and other beneficiaries also belong to employee benefits.

1. Short-term benefits, which refers to the remuneration of employees that the Group is required to pay in full within twelve months after the end of the annual reporting period in which the employees provide the relevant services, except for compensation for termination of employment relationship with the employees. The Group's short-term remuneration includes salaries, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, work injury insurance premiums and maternity insurance premiums, housing fund, labor union expenses and employee education expenses, short-term paid absences, short-term profit-sharing plans, non-monetary benefits and other short-term remuneration.

   The Group recognizes the actual short-term benefits incurred as a liability in the accounting period in which the employee provides the service, and recognizes it in the current profit or loss or the cost of related assets, depending on the beneficiary of the

service provided by the employee. Short-term benefits that are non-monetary in nature are measured at fair value.

2. Post-employment benefits refer to various forms of compensation and benefits provided by the Group to obtain services rendered by employees who retire or terminate the labor relationship with the Group, which exclude short-term remuneration and termination benefits.

3. Termination benefits refer to compensation given by the Group to employees who terminate their employment relationship with the Group before the expiration of their employment contracts or to encourage them to voluntarily accept redundancy. For employees who do not terminate their employment contracts with the Group but no longer provide services to the Group in the future and cannot bring economic benefits to the Group, the Group undertakes to provide financial compensation in the nature of termination benefits, and in the case of "internal retirement", they shall be treated as termination benefits before their official retirement date and as post-employment benefits after their official retirement date. After the official retirement date, the benefits shall be treated as post-employment benefits.

   Where the Group provides termination benefits to employees, a liability for employee compensation arising from termination benefits is recognized in profit or loss at the earlier of when the Group is unable to unilaterally withdraw the termination benefits provided as a result of a termination plan or proposed redundancy, or when the Group recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

   For termination benefits that are not expected to be fully paid within twelve months after the end of the annual reporting period, and for termination plans where the substantive termination is implemented within one year but compensation payments are made over one year, the Group selects the appropriate discount rate and measures the amount of termination benefits accrued in profit or loss at the discounted amount.

4. Other long-term employee benefits refer to all employee compensation other than short-term compensation, post-employment benefits and termination benefits, including long-term compensated absences, long-term disability benefits and long-term profit-sharing plans, etc.

   Other long-term employee benefits provided by the Group to employees that qualify as defined contribution plans are accounted for in accordance with the relevant provisions of the defined contribution plans. If other long-term employee benefits provided by the Group to employees qualify as defined benefit plans, the Group recognizes and measures the net negative amount of other long-term employee benefits-service costs in accordance with the relevant provisions of the defined benefit plans; net interest on net liabilities or net assets for other long-term employee benefits; changes resulting from remeasurement of net liabilities or net assets for other long-term employee benefits. The total net amount is charged to current profit or loss or to the cost of the related assets.

25. Bonds payable

The Group's bonds payable are measured at fair value on initial recognition, and the related transaction costs are included in the initial recognition amount. Subsequently, they are measured at amortized cost.

The difference between the bond payment price and the total face value of the bonds is accounted for as bond premium or discount and is amortized over the life of the bonds by the effective interest rate method when interest is accrued, and is treated as a borrowing cost.

26. Provisions

When contingencies, such as external guarantees, discounting of commercial acceptances, pending litigation or arbitration, product quality guarantees, etc., meet the following conditions, the Group recognizes them as liabilities: the obligation is a present obligation assumed by the Group; it is probable that the performance of the obligation will result in an outflow of economic benefits to the enterprise; and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks associated with the contingency, uncertainties and the time value of money. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The carrying value of the provision is reviewed at each balance sheet date and the carrying value is adjusted to reflect the current best estimate if there is a change.

27. Other financial instruments such as preference shares and perpetual bonds

The Group classifies the preference shares and perpetual bonds that qualify as equity instruments, and other financial instruments as financial liabilities. The related accounting policies are described in Note IV. 9. (5) "Distinction between financial liabilities and equity instruments".

Preference shares and perpetual bonds classified as debt instruments are initially measured at their fair value net of transaction costs and subsequently measured at amortized cost using the effective interest rate method. Interest expense or dividend distribution is treated as borrowing costs, and gains or losses arising from their repurchase or redemption are recognized in profit or loss for the current period.

Preference shares and perpetual bonds classified as equity instruments increase the owner's equity after deducting transaction costs from the consideration received upon issuance, and their interest expense or dividend distribution is treated as profit distribution, and repurchase or cancellation is treated as changes in equity.

28. Revenue

The Group's operating revenue mainly consists of aluminum revenue, electricity revenue, trading revenue, real estate revenue, and fee and commission revenue.

Revenue is recognized when the Group's performance obligation in the contract is fulfilled, that is, when the customer obtains control of the related goods or services.

If a contract contains two or more performance obligations, the transaction price is apportioned to each individual performance obligation by the Group at the beginning of the contract in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and revenue is measured according to the transaction price apportioned to each individual performance obligation.

The transaction price is the amount of consideration to which the Group is expected to be entitled as a result of the transfer of goods or services to the customer, excluding amounts received on behalf of third parties. The transaction price recognized by the Group does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognized in the aggregate when the relevant uncertainty is removed. Amounts expected to be returned to the customer as a liability are not included in the transaction price. If there is a significant financing component in the contract, the transaction price is determined by the Group on the basis of the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is acquired. The difference between this transaction price and the contract consideration is amortized over the term of the contract using the effective interest method. If the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price is expected to be less than one year at the contract commencement date, the existence of a significant financing component in the contract is not considered.

The Group's performance obligations in contracts are fulfilled within a certain time period when one of the following conditions is met; otherwise, performance obligations are fulfilled at a point in time:

(1) The customer acquires and consumes the economic benefits of the Group's performance at the same time as the performance.

(2) The customer is able to control the goods under construction in the course of the Group's performance.

(3) The goods produced in the course of the Group's performance are irreplaceable and entitled to receive payment by the Group for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period of time, revenue is recognized by the Group in accordance with the progress of performance over that period of time. When the progress of performance is not reasonably determinable, revenue is

recognized in the amount of costs already incurred that are expected to be reimbursed until the progress of performance can be reasonably determined.

For performance obligations performed at a point in time, revenue is recognized by the Group at the point in time when the customer obtains control of the related goods or services. In determining whether the customer has acquired control of the goods or services, the following indications are considered:

(1) The Group has a present right to receive payment for the goods or services.
(2) Legal ownership of the goods have been transferred by the Group to the customer.
(3) The physical transfer of the item has been made by the Group to the customer.
(4) The principal risks and rewards of ownership of the goods have been transferred by the Group to the customer.
(5) The customer has accepted the goods or services, etc.

The Group's rights to receive consideration for goods or services transferred to customers are presented as contract assets, which are impaired on the basis of expected credit losses. The Group's unconditional rights to receive consideration from customers that are owned are presented as receivables. The Group's obligation to transfer goods or services to customers for which consideration is receivable for goods received is presented as a contractual liability.

Specific method of revenue recognition for the Group

(1) Aluminum revenue: According to the sales contract of goods, when both parties to the trade confirm the transfer of the right of goods and no effective control is exercised over the goods, the bill of transfer of the right of goods is reconciled with the bill of sale - and then revenue is recognized in the current period.

(2) Electricity revenue: Electricity revenue mainly refers to the revenue from electricity and heat charges, net of related taxes, received from the sale of electricity and heat. The Company and its subsidiaries recognize revenue when electricity and heat are sold to customers.

(3) Trade revenue: ① Warehouse trade business: if the sale contract agrees that the said goods are delivered to agreed location by the buyer or by the company, and the buyer shall inspect the quantity or quality of the said goods in a reasonable period of time, the company recognizes revenue when it receives the information that the buyer confirms the said goods meet the agreement, issues a sale invoice and obtains the payment or right to receive payment. ②Warehouse Receipt Trade Business: In accordance with the sales contract, the company delivers and changes the bill of lading and the related right of lading to the buyer of the subject goods, issues a sales invoice, and recognizes sales revenue when it obtains the payment or right to receive the goods.
(4) Investment property revenue: Revenue from the sale of development products is recognized when the development products are completed and accepted, a legally binding sales contract is signed, the principal risks and rewards of ownership of the

development products are transferred to the purchaser, and the Group neither retains the right of continuing management normally associated with ownership nor exercises effective control over the goods sold.

(5) Handling fees and commission income: ① Revenue from agency securities trading business is recognized on the date of agency securities trading. ② Revenue from securities underwriting and sponsorship business is recognized when the Group completes its performance obligations under the underwriting or sponsorship contracts. ③ Revenue from financial advisory and investment consulting business is recognized in accordance with the progress of performance as the Group fulfills its performance obligations or at the point when the performance obligations are completed, depending on the nature of the consulting services and contract terms. ④ Revenue from asset management business is recognized in accordance with the contractual terms of the asset management business in accordance with the progress of performance as the Group fulfills its performance obligations, or at the point when the performance obligations are completed.

29. Contract cost

(1) Method of determining the amount of assets related to contract costs

The Group's assets related to contract costs include costs to fulfil a contract and incremental costs of obtaining a contract.

Costs to fulfil a contract , which are costs incurred by the Group to perform a contract that are not regulated by other Accounting Standards for Business Enterprises and that also meet the following conditions, are recognized as a contract performance cost as an asset: the cost is directly attributable to a current or expected contract, including direct labor, direct materials, manufacturing costs (or similar costs), costs explicitly borne by the customer and other costs incurred solely in connection with that contract; the cost increases the Group's future resources available to meet its performance obligations; and the cost is expected to be recovered.

Incremental costs of obtaining a contract, which are incremental costs incurred by the Group to obtain a contract that are expected to be recovered, are recognized as contract acquisition costs as an asset; if the asset is amortized over a period of not more than one year, it is recognized in profit or loss as incurred. Incremental costs are costs that the Group would not have incurred without obtaining the contract (e.g., sales commissions, etc.). Expenses incurred by the Group to obtain a contract other than incremental costs that are expected to be recovered (such as travel expenses that would have been incurred regardless of whether the contract was obtained) are recognized in profit or loss as incurred, except for those explicitly borne by the customer.

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortized to current profit or loss using the same basis as the revenue recognition of the commodity to which the asset relates.

(3) Impairment of assets related to contract costs

In determining impairment losses on assets related to contract costs, the Group first determines impairment losses on other assets related to contracts recognized in accordance with other relevant Accounting Standards for Business Enterprises; then, based on the difference between the carrying value of the asset and the remaining consideration that the Group expects to obtain for the transfer of the commodity related to the asset and the estimated costs to be incurred for the transfer of the related commodity, the excess should be provided for impairment and recognized as an asset impairment loss.

If there is a subsequent change in the factors for impairment in previous periods, such that the aforementioned difference is higher than the carrying value of the asset, the original provision for impairment is reversed and recognized in profit or loss, but the carrying value of the reversed asset should not exceed the carrying value of the asset at the date of reversal assuming no provision for impairment was made.

30. Government grants

Government grants are monetary assets or non-monetary assets that the Group obtains from the government without consideration. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount actually received if they are monetary assets, or at the amount receivable if there is conclusive evidence that the relevant conditions set forth in the financial support policy can be met and the financial support funds are expected to be received at the end of the period. If the government grants are non-monetary assets and their fair value that cannot be reliably obtained, they shall be measured at the nominal amount (RMB 1).

The Group's government grants are distinguished into asset-related government grants and revenue-related government grants. Among them, asset-related government grants refer to government grants obtained by the Group for the acquisition and construction or other formation of long-term assets; revenue-related government grants refer to government grants other than asset-related government grants. If the objects of subsidies are not specified in government documents, the Group makes judgment in accordance with the above distinction principles, and if it is difficult to distinguish them, they are classified as revenue-related government grants as a whole.

Government grants related to assets are written down to the carrying value of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are recognized in profit or loss over the useful life of the related assets in the same manner as the economic benefits associated with the assets are realized.

If the related assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the unallocated balance of the related deferred gain is transferred to profit or loss in the period in which the assets are disposed of.

Government grants related to revenue, which are used to compensate for related costs and expenses or losses in subsequent periods, are recognized as deferred income and recognized in profit or loss or reduced by related costs in the period in which the related costs and expenses or losses are recognized; those used to compensate for related costs and expenses or losses already incurred are recognized directly in profit or loss or reduced by related costs. Government grants related to ordinary activities are recognized in other income or reduced by related costs and expenses in accordance with the substance of the economic operations. Government grants not related to ordinary activities are recognized as non-operating income and expenses.

Where the Group obtains policy-based preferential loan subsidies, a distinction is made between cases in which the finance allocates the subsidies to the lending bank and cases in which the finance allocates the subsidies directly to the Group, which are accounted for in accordance with the following principles:

(1) If the finance allocates the discounted interest funds to the lending bank, and the lending bank provides loans to the Group at a policy preferential interest rate, the Group uses the actual amount received as the recorded value of the borrowings and calculates the related borrowing costs based on the principal amount of the borrowings and such policy preferential interest rate.

(2) The finance allocates the discounted interest funds directly to the Group, and the Group reduces the corresponding discounted interest to the relevant borrowing costs.

If the Group has recognized government grants that need to be returned, they are accounted for in the period in which they need to be returned by situation in accordance with the following rules:

1) If the carrying value of the relevant asset is reduced on initial recognition, the carrying value of the asset is adjusted.
2) If deferred income exists, the carrying value of the deferred income is reduced and the excess is recognized in profit or loss.
3) In other cases, it is directly charged to current profit or loss.

31. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax bases of assets and liabilities and their carrying values (temporary differences). Deferred tax assets are recognized for deductible losses and tax credits that can be offset against taxable income in subsequent years in accordance with the provisions of the tax law as if they were temporary differences. At the balance sheet

date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is recovered or the liability is settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The carrying value of deferred tax assets recognized is reduced to the extent that it is not expected that sufficient taxable income will be available against which the deferred tax assets can be utilized in future periods. To the extent that it is probable that sufficient taxable income will be available, the written down amount is reversed.

32. Lease

A lease is an agreement whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a payment or series of payments. On the commencement date of the contract, the Group shall assess whether the contract is a lease or contains a lease. A contract is leased or contains a lease if a party to the contract assigns the right to control the use of one or more identified assets for a certain period of time in exchange for consideration. In order to determine whether the contract conveyed the right to control the use of the identified assets for a certain period of time, the Group shall assess whether the customer in the contract is entitled to almost all of the economic benefits arising from the use of the identified asset during the period of use and is entitled to dominate the use of the identified asset during that period of use.

Where a contract contains multiple separate leases at the same time, the contract is split by the Group and each separate lease is accounted for separately. If a contract contains both leased and non-leased components, the leased and non-leased components are separated for accounting treatment.

(1) The Group as a lessee

Right-of-use assets and lease liabilities are recognized, for the lease, at the commencement date of the lease term.

Right-of-use assets are initially measured at cost, which includes the initial measurement of the lease liability, the lease payments made on or before the commencement date of the lease (net of amounts related to lease incentives received), the initial direct costs incurred and the costs expected to be incurred to disassemble and remove the leased asset, restore the location of leased asset or recover the leased asset to its agreed condition under the terms of the lease. The Group depreciates right-of-use assets using the straight-line method. Where it is reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, the Group depreciates the leased asset over its remaining useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date of the lease term, and the discount rate is interest rate implicit in lease. If the interest rate implicit in lease cannot be determined, the Group uses the incremental borrowing rate as the discount rate.

The Group calculates the interest expense on the lease liability for each period of the lease term based on a fixed periodic interest rate, which is charged to current profit or loss or to the cost of the related asset. Variable lease payments that are not included in the measurement of the lease liability are charged to current profit or loss or the cost of the related assets when they are actually incurred.

After the start date of the lease term, the Group re-determines the lease payment amount and re-measures the lease liability at the present value calculated based on the changed lease payment amount and the revised discount rate if the following circumstances occur: a change in the evaluation of the purchase option, lease renewal option or lease termination option, a change in the lease term due to the actual exercise of the lease renewal option or lease termination option that is inconsistent with the original evaluation; a change in the amount expected to be payable based on the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount.

When the lease liability is remeasured, the Group adjusts the carrying value of the right-of-use asset accordingly. If the carrying value of the right-of-use asset has been reduced to zero but the lease liability is subject to further reduction, the Group recognizes the remaining amount in profit or loss for the current period.

The Group has determined not to recognize right-of-use assets and lease liabilities for short-term leases (leases with a lease term not exceeding 12 months) and leases of low-value assets, and to recognize the related lease payments in profit or loss or the cost of the related assets on a straight-line basis over the respective periods of the lease term.

(2) The Group as a lessor

At the start date of the lease, the Group classifies leases as finance leases and operating leases. Finance leases are leases that substantially transfer all the risks and rewards associated with ownership of the leased assets, regardless of whether ownership is ultimately transferred. Operating leases are leases other than finance leases.

When the Group acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease, rather than the underlying asset of the original lease. If the original lease is a short-term lease and the Group chooses to apply the simplified treatment of short-term leases described above to the original lease, the Group classifies the sublease as an operating lease.

Under finance leases, the Group recognizes finance lease receivables for finance leases at the start date of the lease term and derecognizes the finance lease assets. When the

Group makes initial measurement of finance lease receivables, the net amount of lease investment is used as the carrying value of the finance lease receivables. The net amount of lease investment is the sum of the unguaranteed residual value and the present value of the collected amount of lease not yet received at the start date of the lease term discounted at the interest rate implicit in lease.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments not included in the measurement of net amount of lease investments are recognized in profit or loss when they are actually incurred.

Under operating leases, the Group recognizes the collected amount of lease from operating leases as rental income using the straight-line method (or other systematic and reasonable method) over the respective periods of the lease term. Initial direct costs related to operating leases are capitalized and amortized to current profit or loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the collected amount of lease are recognized in profit or loss when they are actually incurred.

33. Held-for-sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they both meet the following conditions: (1) In accordance with the practice for the sale of such assets or disposal groups in similar transactions, they can be sold immediately in their current condition; and (2) the sale is highly probable, that is, a resolution has been made on a sale plan and a firm commitment to purchase has been obtained, and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. Before the Group classifies a non-current asset or disposal group as held for sale for the first time, the carrying value of each asset and liability in the non-current asset or disposal group is measured in accordance with the provisions of the relevant accounting standards. On initial measurement or remeasurement of non-current Held-for-sale assets or disposal groups at the balance sheet date, if the carrying value is higher than its fair value less costs to sell, the carrying value is written down to its fair value less costs to sell, and the amount of the write-down is recognized as an impairment loss on the asset and charged to current profit or loss, together with a provision for impairment of Held-for-sale assets.

(2) Non-current assets or disposal groups acquired by the Group for resale are classified as held for sale at the date of acquisition if they meet the prescribed condition that the sale is expected to be completed within one year and it is probable that other conditions for classification as held for sale will be met in the short term (usually three months). At initial measurement, the initial measurement amount assuming it is not classified as held for sale and the net amount of fair value less costs to sell are compared and the lower is measured.Except for non-current assets or disposal groups acquired in a business combination, the difference arising from the initial measurement of the non-current

assets or disposal groups that is measured at fair value less costs to sell is recognized in profit or loss.

(3) If the Group loses control over a subsidiary due to the sale of the investment in the subsidiary, regardless of whether the Group retains part of the equity investment after the sale, the investment in the subsidiary to be sold will be classified as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary will be classified as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the conditions for classification as held for sale.

(4) If the net increase in the fair value less costs to sell of non-current Held-for-sale assets at a subsequent balance sheet date, the amount previously written down should be restored and reversed within the amount of impairment loss recognized on assets after classified as held for sale, and the amount reversed is recognized in profit or loss for the current period. Impairment losses recognized before classification as held for sale are not reversed.

(5) The amount of impairment loss recognized on Held-for-sale assets disposal group is first set off against the carrying value of goodwill in the disposal group, and then against the carrying value of each non-current asset on a pro rata basis according to its proportionate share of the carrying value.

If the net increase in the fair value less costs to sell of disposal groups held for sale at a subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of impairment loss recognized for non-current assets after classification as held for sale category for which the relevant measurement provisions apply, and the reversal amount is recognized in profit or loss for the current period. The carrying value of goodwill that has been written down and the impairment loss recognized on non-current assets before classification as held for sale shall not be reversed.

The amount of subsequent reversal of impairment loss on assets recognized in disposal groups held for sale is increased proportionately to the carrying value of each non-current asset in the disposal group, except for goodwill.

(6) No depreciation or amortization is recognized for non-current Held-for-sale assets or non-current assets in disposal groups, and interest and other expenses continue to be recognized for liabilities in disposal groups held for sale.

(7) When a non-current asset or disposal group held for sale no longer continues to be classified as held for sale or when a non-current asset is removed from the disposal group held for sale because it no longer meets the conditions for classification as held for sale, it is measured at the lower of: (1) Carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment; (2) Recoverable amount.

(8) Upon derecognition of non-current Held-for-sale assets or disposal groups, the unrecognized gain or loss is recognized in profit or loss for the current period.

34. Fair value measurement

(1) Initial fair value measurement

For assets and liabilities measured at fair value, the Group measures the fair value using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants occurring at the measurement date, taking into account the characteristics of the asset or liability. When measuring a related asset or liability at fair value, the sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; the orderly transaction to sell the asset or transfer the liability takes place in the principal market for the related asset or liability. Where no principal market exists, the transaction is assumed to take place in the most advantageous market for the relevant asset or liability; Assumptions adopted by market participants to maximize their economic benefits when pricing the asset or liability are used. When measuring non-financial assets at fair value, they are considered that a market participant's ability to generate economic benefits from the assets' best use, or other market participant's ability, to which the asstes are sold and can be best used, to generate economic benefits.

(2) Valuation techniques

The Group measures the relevant assets or liabilities at fair value using valuation techniques that are applicable in the current circumstances and supported by sufficient available data and other information, and the valuation techniques used mainly include the market approach, the income approach and the cost approach, giving priority to the use of relevant observable inputs when applying valuation techniques, and using unobservable inputs only when relevant observable inputs are not available or practicable.

(3) Fair value hierarchy

The Group determines the level to which the fair value measurement results belong based on the lowest level to which the inputs that are significant to the fair value measurement as a whole belong: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the volume and frequency of transactions for the relevant asset or liability are sufficient to provide pricing information on a continuous basis. Level 2 inputs are inputs other than Level 1 inputs that are observable for the relevant asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the underlying asset or liability.

35. Accounting for the transfer of financial assets and securitization of non-financial assets

Where a transfer of a financial asset has occurred, it is judged on the basis of the transfer of substantially all the risks and rewards of ownership of the relevant financial asset: If all of the financial assets have been transferred, the corresponding financial assets are

derecognized; if none have been transferred and substantially all the risks and rewards of ownership of the related financial assets have been retained, the financial assets are derognized; if neither all the risks and rewards of ownership of the related financial assets have been transferred nor retained, derecognition is determined on the basis of the extent of control over the financial assets: If control over the financial asset is relinquished, the financial asset is derecognized; if control over the financial asset is not relinquished, the financial asset is recognized to the extent of its continued involvement in the financial asset, and the related liability is recognized accordingly. If a financial asset meets the conditions for derecognition as a whole, the difference between the consideration received for the transfer and the corresponding carrying value is recognized in profit or loss for the current period, and the cumulative change in the fair value of the related financial assets previously recognized directly in owners' equity is also transferred to profit or loss for the current period; if the conditions for derecognition of partial transfer are met, the carrying value of the financial asset involving the transfer as a whole is apportioned between the derecognized portion and the non-termination of recognition portion in accordance with their respective fair values, and the apportioned carrying value is used as the basis for the partial transfer. If the derecognition condition is not met, the consideration received is recognized as a financial liability.

36. Discontinued operating

A discontinued operation is a component of the Group that either has been disposal of or is classified as held for sale, and is separately identifiable and satisfies one of the following conditions: (1) It represents a separate major line of business or geographical area of operations; (2) It is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; (3) It is a subsidiary acquired exclusively with a view to resale.

V. Description of changes in accounting policies and accounting estimates and corrections of errors

1. Changes in accounting policies and their effects

(1) New financial instrument standards

The Ministry of Finance revised *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*, *Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets*, *Accounting Standards for Business Enterprises No. 24 - Hedge Accounting* and *Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments (revised)* (collectively referred to as the "new financial instrument standards") in 2017. The Group implemented the new financial instrument standards from January 1st, 2021, and adjusted the related accounting policies. The changed accounting policies are described in Note IV. 9.

The new financial instrument standards require financial assets to be classified into the following three categories based on the business model for managing financial assets and

the contractual cash flow characteristics: (1) financial assets measured at amortized cost; (2) financial assets at fair value through other comprehensive income; and (3) financial assets at fair value through profit or loss. If the main contract contained in the hybrid contract is a financial asset, the embedded derivatives shall not be split from the hybrid contract, but the hybrid contract shall be applicable to relevant provisions of the classification of financial asset, as a whole.

The new financial instrument standards replace the method of recognizing impairment allowances based on actual impairment losses incurred under the previous financial instrument standards with the "expected credit loss method". The "expected credit loss method" model requires an ongoing assessment of the credit risk of financial assets, therefore, under the new financial instrument standards, the Group recognizes credit losses earlier than the previous standards. The Group accounts for impairment and recognizes loss allowances on the basis of expected credit losses for: (1) financial assets measured at amortized cost; (2) receivables and debt investments measured at fair value through other comprehensive income; (3) lease receivables; (4) financial guarantee contracts (measured at fair value through profit or loss, except for those formed by the transfer of financial assets that do not meet the derecognition criteria or continue to be involved in the transferred financial assets).

The Group makes retrospective adjustments to the classification and measurement (including impairment) of financial instruments in accordance with the new financial instrument standards, except for certain specific circumstances, and records the difference between the original carrying value of the financial instruments and the new carrying value at the effective date of the new financial instrument standards (i.e., January 1st, 2021) as retained earnings or other comprehensive income at the beginning of 2021. Meanwhile, the Group did not adjust the comparative financial statement data.

(2) New revenue standards

In 2017, the Ministry of Finance issued the *Accounting Standards for Business Enterprises No. 14 - Revenue (Revised)* (hereinafter referred as to the “new revenue standards”, and the Group implemented the new revenue standards with effect from January 1st, 2021, with adjustments to the relevant accounting policies. The changed accounting policies refer to Note IV. 28.

The Group recognizes revenue when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control of the relevant goods or services. The Group is considered to have fulfilled its performance obligations at a certain period of time when certain conditions are met, otherwise, it is considered to have fulfilled its performance obligations at a certain point. If a contract contains two or more performance obligations, the transaction prices shall be apportioned to each individual performance obligation based on the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, the Group measures revenue at the apportioned transaction prices at the contract commencement date.

The Group has adjusted the relevant accounting policies in accordance with the specific provisions of the new revenue standards relating to particular events or transactions. The Group's right to receive consideration for goods that have been transferred to customers and which are dependent on factors other than the passage of time is presented as a contractual asset. The Group's obligation to transfer goods to customers for which consideration has been received or is receivable is presented as a contractual liability.

(3) New lease standards

The Ministry of Finance issued the *Accounting Standards for Business Enterprises No. 21 - Leases (Revised)* (hereinafter referred as to the "new lease standards") in 2018, and the Group implemented the new lease standards with effect from January 1st, 2021, with adjustments to the relevant accounting policies as described in Note IV.32.

For existed contracts before the date of initial execution, the Group has elected not to reassess whether they are leases or contain leases at the date of initial execution.

For contracts entered into or modified after the date of initial execution, the Group assesses whether the contract is a lease or contains a lease in accordance with the definition of lease in the new lease standards.

（1）The Group as a lessee

The Group has selected the cumulative effect of the first-time implementation of the new lease standards to adjust the amount of retained earnings and other related items in the financial statements at the beginning of the year of first-time implementation (i.e. January 1st, 2021), without adjusting the information for comparable periods, as follows:

1） For finance leases prior to the date of initial execution, the Group measures right-of-use assets and lease liabilities at the original carrying value of finance rented assets and finance lease payable, respectively, at the date of initial execution;
2） For operating leases prior to the date of initial execution, the Group measures lease liabilities, at the date of initial execution, based on the present value of the remaining lease payments discounted at the lessee's incremental borrowing rate at the date of initial execution, and measures right-of-use assets based on each lease, in accordance with an amount equal to the lease liability and the adjustments on prepaid rentals.
3） At the date of initial implementation, the Group makes impairment tests on right-of-use assets and accounts for them accordingly in accordance with Note IV. 32.

The Group applies simplified treatment to operating leases where the leased assets are low-value assets prior to the date of initial execution, and no right-of-use assets and lease liabilities are recognized. In addition to this, the Group applies one or more of the following simplified treatments to operating leases prior to the date of initial execution:

1） Leases to be completed within 12 months after the date of first execution are treated as short-term leases;
2） When measuring lease liabilities, the same discount rate is used for leases with similar characteristics;
3） Measurement of right-to-use assets does not include initial direct costs;
4） If there is a renewal option or termination option, the Group determines the lease term based on the actual exercise of the option prior to the date of first execution and other updates;
5） As an alternative to impairment tests on right-of-use assets, the Group assesses whether the contract containing the lease is a loss-making contract prior to the date of first execution in accordance with the *Accounting Standards for Business Enterprises No.13 – Contingencies*, and adjusts the right-of-use asset by the amount of the provision for losses charged to the balance sheet prior to the date of first execution;
6） If a lease change occurs before the date of initial execution, the Group accounts for it according to its final arrangement.

（2） The Group as lessor

For subleases classified as operating leases prior to the date of initial execution and still in existence after the date of initial execution, the Group, as a sublessor, reassessed and reclassified the leases based on the remaining contract period and terms of the original leases and subleases at the date of initial execution. Other than that, the Group did not adjust the leases as lessor in accordance with the cohesion provision, but accounted for them in accordance with the new lease standards from the date of first execution.

(4) Explanation on No. 14

In 2021, the Ministry of Finance issued *Explanation on No.14 of the Accounting Standards for Business Enterprises* (hereinafter referred as to the Explanation on No. 14), which was implemented by the Company effective January 1st, 2021, with adjustments made to the accounting policies.

Impact of the implementation of the new financial instrument standards, the new revenue standards, the new lease standards, Explanation on No.14:

Item	December 31st, 2020	January 1st, 2021	Impact amount
Cash and cash equivalents	70,381,161,248.71	70,386,799,567.83	5,162,569.75
Loans to banks and other financial institutions	3,230,000,000.00	3,231,516,460.00	1,516,460.00
Held-for-trading financial assets	19,317,418,289.75	50,184,420,540.15	30,867,002,250.40
Financial assets at fair value through profit or loss	12,159,279,959.92	0.00	-12,159,279,959.92
Notes receivable	150,370,240.66	97,413,854.27	-52,956,386.39
Accounts receivable	5,718,176,759.28	4,473,195,280.66	-1,254,181,478.62

Item	December 31st, 2020	January 1st, 2021	Impact amount
Receivables financing	175,193,602.39	228,149,988.78	52,956,386.39
Prepayments	2,133,138,556.72	1,960,359,874.24	-172,778,682.48
Other receivables	8,243,558,278.89	5,232,761,419.32	-2,819,402,550.56
Redemptory monetary capital for sale	10,095,191,971.06	10,096,675,182.06	1,483,211.00
Inventories	6,615,208,093.99	6,606,994,817.11	-9,471,645.92
Contract assets	0.00	70,219,695.70	70,219,695.70
Non-current assets due within one year	61,124,997,716.74	60,888,699,433.11	-236,298,283.63
Other current assets	12,720,392,611.34	12,261,013,334.23	-457,546,845.35
Loans and advances	108,347,724,405.13	108,525,808,271.24	178,083,866.11
Debt investments	37,559,726.01	94,604,950,478.49	94,567,390,752.48
Available-for-sale financial assets	61,344,399,575.99	0.00	-61,344,399,575.99
Other debt investments	18,049,428,783.31	21,610,113,080.31	3,560,684,297.00
Held-to-maturity investments	39,417,067,524.80	0.00	-39,417,067,524.80
Long-term receivables	13,749,710,638.12	13,525,765,757.68	-223,944,880.44
Long-term equity investments	22,895,948,652.93	22,844,141,987.33	-52,726,165.60
Investment in other equity instruments	94,265,698.48	15,942,480,364.76	15,848,214,666.28
Other non-current financial assets	4,438,786,351.99	11,836,808,049.18	7,398,021,697.19
Fixed assets	23,057,419,199.55	21,608,229,794.87	-1,370,778,744.42
Construction in progress	9,214,643,436.72	9,214,509,686.35	-133,750.37
Right-of-use assets	0.00	1,848,992,061.31	1,848,992,061.31
Intangible assets	3,489,773,651.67	3,493,947,951.27	10,103,769.86
Goodwill	4,880,020,879.38	4,854,940,026.67	-25,080,852.71
Long-term deferred expenses	851,987,860.20	663,588,726.57	-188,399,133.63
Deferred tax assets	2,673,880,521.64	3,448,357,914.54	773,247,786.55
Other non-current assets	49,857,874,298.41	5,853,246,546.94	-44,004,627,751.47
Short-term loans	20,986,393,548.62	20,992,500,029.20	6,106,480.58
Borrowings from central bank	7,991,261,857.00	7,995,672,382.00	4,410,525.00
Borrowings from banks and other financial institutions	8,311,370,345.04	8,317,365,008.04	5,994,663.00
Advances from customers	1,129,434,232.48	57,659,980.47	-1,071,774,252.01
Contract liabilities	1,041,919,691.17	2,125,314,048.13	1,083,350,410.43
Sold and repurchase financial assets	26,740,012,151.75	26,740,273,400.75	261,249.00
Deposits from customers and interbank	204,364,579,202.65	205,458,878,724.65	1,094,299,522.00
Taxes and surcharges payable	1,180,875,019.15	1,214,259,831.38	18,620,500.13
Other payables	15,150,357,009.17	13,516,570,189.12	-1,452,787,399.33
Non-current liabilities due within one year	32,971,519,807.77	33,479,609,254.74	508,089,446.97
Other current liabilities	11,313,394,803.04	11,286,037,409.39	-27,313,447.12

Item	December 31st, 2020	January 1st, 2021	Impact amount
Bonds payable	82,648,422,219.88	82,808,912,110.88	160,489,891.00
Lease liabilities	0.00	1,028,793,192.96	1,028,793,192.96
Long-term payables	11,254,031,459.83	10,172,651,918.77	-1,081,379,541.06
Provisions	68,069,243.99	37,093,466.17	-30,975,777.82
Deferred income	278,539,181.63	329,260,569.06	50,721,387.43
Deferred tax liabilities	376,720,395.35	489,410,093.97	78,942,231.75
Other non-current liabilities	632,616,933.29	632,647,936.22	31,002.93
Other comprehensive income	-356,290,987.90	-239,638,630.93	116,652,356.97
Retained earnings	3,708,015,892.14	-5,165,413,218.81	-8,857,235,778.03
* Non-controlling interest	62,305,331,123.51	62,085,990,357.20	-241,291,407.06

Note: The impact amounts of individual subjects in this table is not equal to the amounts of difference between December 31st, 2020 and January 1st, 2021, mainly due to the exclusion of the impact amount of "3. Corrections of significant prior period errors and their impact" on individual subjects.

2. Changes in accounting estimates and their effects

None.

3. Corrections of significant prior period errors and their impact

The Group's cumulative opening adjustments are as follows:

Item	Opening balance before adjustment / Prior year amount	Adjustment	Opening balance after adjustment / Prior year amount
Paid-in capital	10,000,000,000.00	0.00	10,000,000,000.00
Other equity instruments	6,489,007,000.00	0.00	6,489,007,000.00
Capital reserve	14,573,596,524.50	83,020,883.00	14,656,617,407.50
Other comprehensive income	-381,091,563.18	0.00	-381,091,563.18
Special reserve	40,893,719.22	0.00	40,893,719.22
Surplus reserve	1,143,440,066.03	0.00	1,143,440,066.03
Retained earnings	3,928,750,540.38	-15,444,440.54	3,913,306,099.84
Total owners' equity attributable to the parent company	35,794,596,286.95	67,576,442.46	35,862,172,729.41
Non-controlling interests	47,120,150,410.99	2,522,872.90	47,122,673,283.89
Total owners' equity	82,914,746,697.94	70,099,315.36	82,984,846,013.30
Net profits attributable to the parent company	284,837,291.01	808,579.18	285,645,870.19
Non-controlling interests	2,521,171,247.05	17,870,296.29	2,539,041,543.34
Net profits	2,806,008,538.06	18,678,875.47	2,824,687,413.53

The significant prior period error corrections are as follows:

1. Guangxi Tong Sheng Financial Leasing Co., Ltd. needs to measure additional income tax of RMB 16,769,739.67 for prior years, because it does not meet the conditions for tax preference for western development, which results in an increase of RMB 16,769,739.67 on opening tax payable and a decrease of RMB 16,769,739.67 on opening retained earnings.

2. Guangxi Guangtou Qianfeng Power Sales Co., Ltd. adjusted the 2019 year's refund after collection income tax expense of RMB 1,999,952.86 received from the tax bureau in 2020, resulting in an increase of RMB 1,999,952.86 on opening retained earnings.

3. Guangxi ZR Development Group Co., Ltd. adjusted the leased buildings and land use rights to investment properties and subsequently measured them at fair value, the appraisal appreciation increased the owner's equity by RMB 102,154,402.61.

VI. Taxation

1. Main taxes and tax rate

Tax category	Tax base	Tax rate
VAT	Taxable sales proceeds	13%, 10%, 6%, 5%, 3%
Urban maintenance and construction tax	Turnover tax	7%, 5%, 1%
Educational surcharges	Turnover tax	3%
Local educational surcharges	Turnover tax	2%
Foundation for water works	Taxable sales proceeds	0.05%
Corporate income tax	Taxable profits	25%, 20%, 15%, 12%, 9%

2. Tax incentives and approvals

(1) Guangxi Financial Investment Group Co., Ltd.

1) Preferential policies related to the Western Development

According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Extension of Corporate Income Tax policy for Western Development* No.23 of 2020 issued by the Ministry of Finance, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. The enterprises belonging to encouraged industry refers to those whose main businesses are the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region*, and whose prime operating revenue accounts for more than 60% of the total revenue of the enterprise.

2) Preferential tax policies for small meager-profit enterprises

According to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million

shall be reduced to 12.5% into the taxable income and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022.

According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Further Implementation of Preferential Income Tax Policies for Small Meager-Profit Enterprises* (Announcement of the Ministry of Finance and the State Administration of Taxation No. 13 of 2022), the portion of annual taxable income exceeding RMB 1 million but less than RMB 3 million shall be reduced to 25% and subject to corporate income tax at a rate of 20%, from January 1st, 2022 to December 31st, 2024.

According to the *Notice on Several Policies for the Promotion of High-Level Open and High-Quality Development of New Era Guangxi Beibu Gulf Economic Zone* (Guizhengfa [2020] No. 42), Article 5, Paragraph 4, the new small meager-profit enterprises engaged in the State's non-restricted and prohibited industries, are exempt from the corporate income tax belonging to local shared portion for five years, from the taxable year since start-up date.

3) Preferential tax policies for guarantee industry

According to the *Notice on Value-added Tax Policies for Input Tax Credit of Leased Fixed Assets* (Caishui [2017] No.90), Article 6, the borrowings provided by payers to farmer, small enterprises, microenterprise, and individual business, revenues from guarantee fees received by issuing bonds to support finance guarantee, and revenues from re-guarantee fees received by re-guaranteeing the above finance guarantee (hereinafter referred as to original guarantee), are exempt from value-added tax from January 1st, 2018 to December 31st, 2019. The above implementation period is extended to December 31st, 2023, which is described in the *Notice on the Extension of the implementation of Preferential Tax Policies Relating to Inclusive Finance* (Announcement of the Ministry of Finance and the State Administration No. 22 of 2020).

4) Preferential tax policies for insurance industry

①According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36), Article 1, Paragraph 10 of Annex 3, "Agricultural machinery plowing, drainage and irrigation, pest control, plant protection, farming and animal husbandry insurance and related technical training business, poultry, livestock, aquatic animal breeding and disease control are exempt from value-added tax ", Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by Nanning State Taxation Bureau on April 29th, 2016 for the Registration Form for Taxpayer Tax Reduction and Exemption, which is exempted from value-added tax since May 1st, 2016.

②According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Fully Implementing the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No.36), Article 1, Paragraph 21 of Annex 3, "Premium income from life insurance products offered by insurance companies for more than one year is exempt from VAT" (More than one year including one year), Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by

Nanning State Taxation Bureau on April 19th, 2016 for the *Registration Form for Taxpayer Tax Reduction and Exemption*, which is exempted from VAT since May 1st, 2016.

③According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 36), Article 1, Paragraph 23 of Annex 3, and the *Notice of the Ministry of Finance and the State Administration of Taxation on Further Clarifying the Relevant Policies on Comprehensively Promoting the Pilot Reform of Business Tax to Value-added Tax* (Caishui [2016] No. 46), Article 1, interest income from financial interbank transactions are exemption from VAT, Beibu Gulf Property & Casualty Insurance Co., Ltd. was approved by the Nanning State Taxation Bureau on December 30th, 2016 for the *Registration Form for Taxpayer's Tax Reduction and Exemption*, which is exempted from VAT since May 1st, 2016.

(2) Guangxi Beibu Gulf Bank Co., Ltd.

1) According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax Policy for Western Development* No.23 of 2020, Tiandong Beibu Gulf Village Bank Co., Ltd. enjoys preferential corporate income tax policy, and the applicable tax rate for this year is 15%.

2) According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax Policy for Western Development* No.23 of 2020, Binyang Beibu Gulf Village Bank Co., Ltd. enjoys preferential corporate income tax policy, and the applicable tax rate is 15% this year.

3) According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax Policy for Western Development* No.23 of 2020, Cenxi Beibu Gulf Village Bank Co., Ltd. enjoys preferential corporate income tax policy, and the applicable tax rate for this year is 15%.

(3) Guangxi Wuzhou Zhongheng Group Co., Ltd.

1) According to the *Notice of Tax Preference Filing for Corporate Income Tax Filing Category* No. 17 of 2012, issued by Wuzhou Local Taxation Bureau Directly under the Taxation Branch, Guangxi Wuzhou Shuangqian Industrial Co., Ltd. was registered for filing to implement the preferential policy on the western development strategy related to imposed corporate income tax on enterprises. According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax policy for Western Development* No.23 of 2020, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. Guangxi Wuzhou Shuangqian Industrial Co., Ltd. was eligible to pay corporate income tax at a reduced rate of 15% in 2021.

2) According to the *Notice of Tax Preference Filing for Corporate Income Tax Filing Category* No. 21 of 2012, issued by Wuzhou Local Taxation Bureau Directly under the Taxation Branch, Guangxi Wuzhou Pharmaceutical (Group) Co., Ltd. was registered for filing to implement the preferential policy on the western development strategy related to imposed corporate income tax on enterprises. According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Continuation of Corporate Income Tax Policy for Western Development* No.23 of 2020, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. Guangxi Wuzhou Pharmaceutical (Group) Co., Ltd. was eligible to pay corporate income tax at a reduced rate of 15% in 2021.

3) According to the *Notice on the Reply that the Project of Drug Storage Transportation Construction of Guangxi Wuzhou Zhongheng Pharmaceutical Co., Ltd. is the State Encouraged Projects of 2019*, issued by the Development and Reform Commission of Wuzhou City in Guangxi Zhuang Autonomous Region, the project of Guangxi Wuzhou Zhongheng Pharmaceutical Co., Ltd. complies with the provision No. 29 of the *Guidance Catalogue for Industrial Structure Adjustment (2019 version)*, and the Company implements the preferential policy on the western development strategy related to imposed corporate income tax on enterprises, and the corporate income tax is paid at 15%.

4) Chongqing Lummy Pharmaceutical Co., Ltd., Chongqing Lummy Pharmaceutical Co., Ltd., Chongqing Lummy LongYu Pharmaceutical Co., Ltd. and Tibet Lummy Deji Pharmaceutical Co., Ltd. enjoy the preferential policy of corporate income tax for the western development; according to the *Notice on the Extension of Corporate Income Tax Policies for the Western Development* [2020] No.23, issued by the Ministry of Finance, the General Administration of Taxation and the National Development and Reform Commission, the implementation period is from January 1st, 2021 to December 31st, 2030, and the Company paid income tax at 15% for the year of 2021.

5) According to the document GKHZ [2019] No. 17 of Torch High Technology Industry Development Center of the Ministry of Science and Technology, Hunan Kangyuan Pharmaceutical Co., Ltd. is recognized as a high-tech enterprise and the applicable income tax rate is 15%.

6) According to the *Notice of the People's Government of the Tibet Autonomous Region on the Issuance of Measures for the Implementation of Corporate Income Tax Policies in the Tibet Autonomous Region* (ZGF [2014] No. 51): "Enterprises in Tibet Autonomous Region unified implementation of the western development strategy in the corporate income tax rate of 15%; from January 1st, 2015 to December 31st, 2017, the part of the corporate income tax payable by enterprises in our region that belongs to local sharing is temporarily exempted. Mining industry and mining rights trading behavior are studied separately by the corporate income tax policy." At present, the policy continues, and Tibet Lummy Deji Pharmaceutical Co., Ltd. declares and pays corporate income tax at 15% in 2021.

7) According to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million shall be reduced to 12.5% into the taxable income and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022. According to the *Notice on Further Implementation of Preferential Income Tax Policies for Small Meager-Profit Enterprises* (Announcement of the Ministry of Finance and the State Administration of Taxation No. 13 of 2022), issued by the Ministry of Finance and the State Administration of Taxation, the portion of annual taxable income exceeding RMB 1 million but less than RMB 3 million shall be reduced to 25% and subject to corporate income tax at a rate of 20%, from January 1st, 2022 to December 31st, 2024.

8) According to the *Notice of the Ministry of Finance and the General Administration of Taxation on Implementation of Preferential Income Tax Policies for Small Meager-Profit Enterprises and Individual Business* (Announcement of the Ministry of Finance and the General Administration of Taxation No. 12 of 2021), the corporate income tax will be reduced by 50%, based on the preferential policies stipulated in Article 2 of the *Notice of the Ministry of Finance and the General Administration of Taxation on the Implementation of the Policies on Small Meager-Profit Enterprises Inclusive Taxes Exemption*, with the implementation period from January 1st, 2021 to December 31st, 2022.

9) According to the Article 27 of the *Income Tax Law of the People's Republic of China*, Article 86 of the *Implementation Article of the Corporate Income Tax Law of the People's Republic of China*, *Notice of the State Administration of Taxation on Issuing the Scope of Preliminary Processing of Agricultural Products for Enjoying Preferential Corporate Income Tax Policies (for Trial Implementation)* (Caishui [2008] No. 149) and *Notice on Implementing the Preferential Policies for Enterprises Engaged in Agriculture, Forestry, Animal Husbandry and Fishery Projects Notice on Matters Relating to the Preferential Policies on Corporate Income Tax* (GSH [2008] No. 850), Chongqing Lummy Jinshu Chinese Medicine Yinpian Co., Ltd., is eligible for corporate income tax exemption and is exempt from corporate income tax.

(4) Guangxi GIG Energy Group Co., Ltd.

1）According to the *Notice on the Extension of Corporate Income Tax policy for Western Development* (Announcement of the Ministry of Finance No.23 of 2020), jointly issued by the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission, Guangxi Investment Group Laibin Power Generation Co., Ltd., Laibin Guangneng Heat Power Co., Ltd., Guangxi Laibin Cooling Water Power Generation Co., Ltd., Guangxi Qinzhou GIG Gas Co., Ltd., Guangxi Yulin GIG Gas Co., Ltd., Guangxi Pingguo GIG Gas Co., Ltd., Guangxi Hechi GIG Gas Co., Guangxi Tianyang GIG Gas Co., Sichuan Xidian Power Design Co., Ltd., Guangxi Guineng Power Co., Ltd., Pingle Guijiang Power Co., Ltd., Zhaoping Guihai Power Co., Ltd., Hezhou Guiyuan Water Resources &

Electricial Power Co., Ltd., Wuzhou Guijiang Power Co., Ltd. and Hezhou Shangcheng Power Co., Ltd., Guangxi GIG Qiaogong Energy Development Co., Ltd. can enjoy the national preferential policies on encouraged categories to pay corporate income tax at a reduced rate of 15%. The enjoyed preferential tax period is from January 1st, 2021 to December 31st, 2030.

2）According to the *Notice on Corporate Income Tax Issues Related to the Catalogue of Encouraged Industries in the Western Region* (Announcement of the State Administration of Taxation No. 14 of 2015), Beihai Xinyuan Thermal Power Co., Ltd. can enjoy the national preferential policies on encouraged categories to pay corporate income tax at a reduced rate of 15%.

3）According to Article 1 of the *State Administration of Taxation Announcement* No. 8 of 2021: From January 1st, 2021 to December 31st, 2022, the portion of the annual taxable income of small meager-profit enterprises not exceeding RMB 1 million shall be reduced to 12.5% of the taxable income and subject to an corporate income tax rate of 20%. Hezhou Huacai Electric Power Design and Consulting Co., Ltd., Guangxi Zhaoping Sencong Hydropower Co., Ltd., Hezhou Yufeng Power Co. Ltd., Jianghua Liucheyuan Estuary Hydropower Co., Ltd, Hunan Province, Jiang Yong County, Yong Feng Hydropower Development Co., Ltd, Guangdong Baichang Electric Power Equipment Co., Ltd, Liuzhou GIG Environmental Protection Technology Co., Ltd., Long'an GIG Gas Co., Ltd., Guangxi Tianyang GIG Gas Co., Ltd., Guangxi GIG Guizhong Clean Energy Co., Ltd., Liuzhou GIG Beicheng Clean Energy Co., Ltd., Liuzhou GIG Environmental Protection Technology Co., Ltd., Guangxi GIG Yubei Gas Co., Ltd., Guangxi Hongyuan Gas Co., Ltd. and Guangxi Qinzhou GIG Gas Co., Ltd. and other enterprises enjoy the relevant tax benefits.

4）According to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), "for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million shall be reduced to 12.5% into the taxable income and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022.", Liuzhou GIG Beicheng Clean Energy Co., Ltd., Long'an GIG Gas Co., Ltd., Guangxi GIG Yubei Gas Co., Ltd., Guangxi Tian'e GIG Gas Co., Ltd., Guangxi Jinxiu GIG Gas Co., Ltd., Mengshan GIG Gas Co., Ltd., Guangxi Luchuan GIG Gas Co., Ltd., and Guangxi Shangsi County GIG Co., Ltd., and other enterprises enjoy the relevant tax benefits.

5）According to the *Notice on the Issuance of Several Policies to Accelerate the Development of the Pearl River-Xijiang Economic Belt (Guangxi)* (GZF [2016] No. 70), issued by Guangxi Zhuang Autonomous Region People's Government, which stipulates that: From the start-up date of the tax year, the new small and profitable enterprises engaged in non-restricted and non-prohibited industries are exempt from corporate income tax for 5 years belonging to the local share., Liuzhou GIG Environmental Protection Technology Co., Ltd. and Liuzhou GIG Beicheng Clean Energy Co., Ltd. enjoy the tax benefits.

(5) GIG Natural Gas Pipeline Network Co., Ltd.

According to Nanning City Qingxiu District State Taxation Bureau, *Western Development Tax Preference Matters Audit Confirmation Notice*, GIG Natural Gas Pipeline Network Co., Ltd. meets the requirements of Article 7 "Oil and Gas" of the *Catalogue of Encouraged Industries in Western Region*, paragraph 3: "Storage and transportation of crude oil, natural gas, liquefied natural gas, refined oil products and construction of pipeline transportation facilities and networks", according to the *Notice on the Extension of Corporate Income Tax policy for Western Development* (Caizhengshui [2020] No.23), issued by the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030.

(6) Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.

1） According to the *Letter of Reply From the Torch High Technology Industry Development Center of the Ministry of Science and Technology on the First Batch of High-tech Enterprises Filing in Guangxi Zhuang Autonomous Region in 2017* (GKHZ [2017] No. 139), it is agreed that Guangxi Huayin Aluminum Industry Co., Ltd. shall be recorded as a high-tech enterprise. For high-tech enterprises identified in accordance with the *Management Measures for the Identification of High-tech Enterprises and High-tech Areas of National Key Support* jointly promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation in April 2008, they can apply for tax incentives in accordance with the *new Corporate Income Tax Law and its Implementing Regulations*, the *Law of the People's Republic of China on Tax Collection and Administration* (hereinafter referred to as the Tax Collection and Administration Law) and the *Rules for the Implementation of the Law of the People's Republic of China on Tax Collection and Administration* (hereinafter referred to as the Implementation Rules) and other relevant provisions. The new corporate income tax Law, which came into effect on January 1st, 2008, stipulates that the tax rate for domestic and foreign enterprises is unified at 25%, and that the state will give preferential corporate income tax to industries and projects with key support and encouragement for development, and that the corporate income tax rate will be reduced to 15% for high-tech enterprises that the state needs to support. Guangxi Huayin Aluminum Industry Co., Ltd. paid corporate income tax at a reduced rate of 15%.

2） Guangxi Laibin Yinhai Aluminium Industry Co., Ltd. obtained the certificate of high-tech enterprise jointly issued by District Department of Science and Technology, District Department of Finance and District Taxation District on November 25th, 2019, which is valid for three years with certificate number GR201945000705, and the corporate income tax from the date of acquisition changed to 15%.

3） The corporate income tax rate of Gansu Guangyin Aluminum Industry Co., Ltd. is 15%. The *Notice on the Extension of Corporate Income Tax policy for Western Development* (Announcement of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission No.23 of 2020), issued on April 23rd, 2020,

of which the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. The enterprises belonging to encouraged industry refers to those whose main businesses are the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region*, and whose prime operating revenue accounts for more than 60% of the total revenue of the enterprise. Gansu Guangyin Aluminum Industry Co., Ltd. belongs to the 5th item of the new encouraged industries in the western region, "the use of natural gas to replace the chemical and non-ferrous metal materials used in the deep processing of heavy oil, diesel, coal technology development and application (natural gas industrial policy restrictions, except for the prohibited category of projects)", and the ratio of operating revenue meets the requirements.

4） According to the *Notice on the Announcement of the List of the First Batch of Certified High-Tech Enterprises in 2020*, issued by Torch High Technology Industry Development Center of the Ministry of Science and Technology, of Guangxi Zhuang Autonomous Region, on January 22nd, 2021, Guangxi Qiangqiang Carbon Co., Ltd. was given high-tech enterprises filing. Based on the *Corporate Income Tax Law of the People's Republic of China*, the *Implementation Regulations of the Corporate Income Tax Law of the People's Republic of China*, the *Management Measures for the Recognition of High-Tech Enterprises* (GKFH [2016] No. 32) and other relevant regulations, the income tax rate of the Company is reduced to 15%.

(7) Digital Guangxi Group Co., Ltd.

1） According to the *Notice on Several Policies for the Promotion of High-Level Open and High-Quality Development of New Era Guangxi Beibu Gulf Economic Zone* (Guizhengfa [2020] No. 42), the company enjoys the following tax preferential policies: 1. Newly established enterprises enjoying the western development of the country at a reduced rate of 15% corporate income tax are exempted from the local share of corporate income tax. 2. From the start-up date of the tax year, the new small and profitable enterprises engaged in non-restricted and non-prohibited industries are exempt from corporate income tax for 5 years belonging to the local share.

2） According to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million shall be reduced to 12.5% into the taxable income and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022.

(8) Sealand Securities Co., Ltd.

According to the *Notice on Issuance of the Management Measures for the Collection Payment of Corporate Income Tax for Cross-Regional Operation* (Announcement of the State Administration of Taxation No. 57 of 2012), issued by the State Administration of

Taxation, Sealand Securities Co., Ltd. and all its subordinate branches implement the payment policy of corporate income tax, with local prepayment and summary liquidation.

(9) Guangxi Guoxin Investment Development Co., Ltd.

The Department of Finance of Guangxi Zhuang Autonomous Region, the Department of Human Resources and Social Security of Guangxi Zhuang Autonomous Region, the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region, etc., total five departments, issued the *Notice on the Work of Transferring Part of State-owned Capital to Enrich Social Security Fund in Guangxi Zhuang Autonomous Region* (Gui Cai Zi (2020) No. 16), on April 30th, 2020, (1) in the process of transferring and receiving state-owned equity, the transfer of shares of non-listed companies is exempt from stamp duty on the title transfer documents signed between the transferee and the transferor; transfer of shares of listed companies and shares of companies listed on the National Small and Medium Enterprise Stock Transfer System are exempt from stamp duty on securities transactions; exemption from stamp duty on the increase in paid-in capital and capital surplus of the transferor as a result of taking over the transferred equity; transfer fees are exempt for companies involved in domestic listed companies, companies listed on the National Small and Medium Enterprise Stock Transfer System and overseas listed companies with non-overseas listed shares. Before the issuance of these operating methods, the above taxes and fees paid by the transferring parties shall be refunded by the levying unit. (2) Both the transferee and the transferor do not recognize income and do not levy corporate income tax, and the corporate income tax basis of the transferor in acquiring the transferred equity is determined by the original tax basis of the transferred equity.

(10) Guangxi Salt Industry Group Co., Ltd.

The current income tax rate of Gu angxi Salt Industry Group Yulin Salt Industry Co., Ltd. and Guangxi Salt Industry Group Liuzhou Salt Industry Co., Ltd. is 20%. The tax return of Gu angxi Salt Industry Group Yulin Salt Industry Co., Ltd. and Guangxi Salt Industry Group Liuzhou Salt Industry Co., Ltd.is approved for small-scale taxpayers and small and slightly profitable enterprises, according to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million shall be reduced to 12.5% into the taxable income and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022. According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Further Implementation of Preferential Income Tax Policies for Small Meager-Profit Enterprises* (Announcement of the Ministry of Finance and the State Administration of Taxation No. 13 of 2022), the portion of annual taxable income exceeding RMB 1 million but less than RMB 3 million shall be reduced to 25% and subject to corporate income tax at a rate of 20%, from January 1st, 2022 to December 31st, 2024.

(11) Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.

1）According to the *Notice of the Ministry of Finance, the General Administration of Taxation and National Development and Reform Commission on the Extension of Corporate Income Tax policy for Western Development No.23 of 2020* issued by the Ministry of Finance, the encouraged industries in the western region shall be subject to a reduced corporate income tax rate of 15% from January 1st, 2021 to December 31st, 2030. The enterprises belonging to encouraged industry refers to those whose main businesses are the industrial projects specified in the *Catalogue of Encouraged Industries in the Western Region*, and whose prime operating revenue accounts for more than 60% of the total revenue of the enterprise.

2）According to the *Notice on Matters Relating to the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Meager-Profit Enterprises and Individual Business* (Announcement of the State Administration of Taxation No. 8 of 2021), for small meager-profit enterprise, the portion of annual taxable income not exceeding RMB 1 million shall be reduced to 12.5% and pay corporate income tax at a rate of 20%, from January 1st, 2021 to December 31st, 2022. According to the *Notice of the Ministry of Finance and the State Administration of Taxation on Further Implementation of Preferential Income Tax Policies for Small Meager-Profit Enterprises* (Announcement of the Ministry of Finance and the State Administration of Taxation No. 13 of 2022), the portion of annual taxable income exceeding RMB 1 million but less than RMB 3 million shall be reduced to 25% and subject to corporate income tax at a rate of 20%, from January 1st, 2022 to December 31st, 2024.

VII. Business combinations and consolidated financial statements

1. Basic information of the secondary subsidiaries included in the scope of consolidated statements

No.	Company name	Company abbreviation	Level	Business type	Main business location	Place of registration	Business nature	Paid-in capital (RMB 10,000)	Shareholding ratio	Voting ratio	Investment amount (RMB 10,000)
1	Guangxi Financial Investment Group Co., Ltd.	Financial Investment Group	2	2	Nanning, Guangxi	Nanning, Guangxi	Financial investment	430,000.00	100.00	100.00	1,532,262.75
2	Guangxi Beibu Gulf Bank Co., Ltd.	Beibu Gulf Bank	2	2	Nanning, Guangxi	Nanning, Guangxi	Money banking service	800,000.00	20.03	20.03	390,558.86
3	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Equity Exchange	2	2	Nanning, Guangxi	Nanning, Guangxi	Entrusted asset management business	22,000.00	78.18	78.18	17,500.00
4	Guangxi GIG Energy Group Co., Ltd.	Energy Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Energy investment	607,928.50	81.27	81.27	840,477.25
5	GIG Natural Gas Pipeline Network Co., Ltd.	Pipeline Network	2	1	Nanning, Guangxi	Nanning, Guangxi	Pipeline transportation	40,000.00	75.50	75.50	44,026.44
6	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	Yinhai Aluminum Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Aluminum trading	767,763.71	83.80	83.80	858,911.68
7	Guangxi Salt Industry Group Co., Ltd.	Salt Industry Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Salt wholesale, production	110,000.00	100.00	100.00	117,598.94
8	Guangxi GIG Pharmaceutical and Health Industry Group Co., Ltd.	Pharmaceutical and Health Group	2	1	Nanning, Guangxi	Nanning, Guangxi	Health and wellness	219,000.00	100.00	100.00	411,159.36
9	Digital Guangxi Group Co., Ltd.	Digital Guangxi	2	1	Nanning, Guangxi	Nanning, Guangxi	Digital technology operations management	91,914.27	100.00	100.00	91,914.27
10	GIG Consulting Co., Ltd.	GIG Consulting	2	1	Nanning, Guangxi	Nanning, Guangxi	Consulting agency services	3,000.00	100.00	100.00	3,000.00
11	Guangxi GIG Lingang Industry Co., Ltd.	Lingang Industry	2	1	Beihai, Guangxi	Beihai, Guangxi	Non-ferrous metal smelting	5,000.00	51.00	51.00	2,550.00
12	Guangxi South China Technology Exchange Co., Ltd.	South China Technology	2	1	Nanning, Guangxi	Nanning, Guangxi	Science and technology promotion and application services	10,000.00	100.00	100.00	9,971.12
13	Sealand Securities Co., Ltd.	Sealand Securities	2	2	Guilin, Guangxi	Guilin, Guangxi	Securities brokerage, etc.	544,452.55	33.11	33.11	471,663.54
14	Guangxi Wuzhou Zhongheng Group Co., Ltd.	Zhongheng Group	2	1	Wuzhou, Guangxi	Wuzhou, Guangxi	Medicine	347,510.71	27.73	27.73	466,126.29
15	Guangxi Finance Company Limited	Guangxi Finance	2	3	Hong Kong	Hong Kong	Service industry	7,408.12	100.00	100.00	7,416.95
16	Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	Water & Power Institute	2	1	Nanning, Guangxi	Nanning, Guangxi	Water and electricity survey and design	20,000.00	100.00	100.00	27,118.26
17	Guangxi GIG Intelligent Service Group Co., Ltd.	Intelligent Service	2	1	Nanning, Guangxi	Nanning, Guangxi	Property services	1,000.00	50.00	50.00	500.00

Note: Business type: 1 Domestic non-financial subsidiaries; 2 Domestic financial subsidiaries; 3 Foreign subsidiaries; 4 Public institutions; 5 Infrastructure units.

2. Reasons for owning less than half of the voting rights of the investee but being able to control over the investee

No.	Company name	Shareholding ratio (%)	Voting ratio (%)	Registered capital (RMB 10,000)	Investment amount (RMB 10,000)	Level	Reasons for inclusion in the scope of consolidation
1	Guangxi Beibu Gulf Bank Co., Ltd.	20.03	20.03	800,000.00	390,558.86	2	First majority shareholder and effective control
2	Sealand Securities Co., Ltd.	33.11	33.11	544,452.55	471,663.54	2	First majority shareholder and effective control
3	Guangxi Wuzhou Zhongheng Group Co., Ltd.	27.73	27.73	347,510.71	466,126.29	2	First majority shareholder and effective control

Note: Among them, Sealand Securities and Zhongheng Group are listed companies.

3. Significant non-wholly owned subsidiaries

(1) Non-controlling interests

No.	Subsidiary	Non-controlling shareholding ratio	Profit or loss for the year attributable to non-controlling interests	Dividends paid to non-controlling interests during the year	Accumulated non-controlling interests at the end of the year
1	Guangxi Beibu Gulf Bank Co., Ltd.	79.97	1,642,034,220.17	538,989,470.00	19,224,462,491.35
2	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	21.82	-823,461.33	0.00	28,503,155.29
3	Guangxi GIG Energy Group Co., Ltd.	18.73	8,472,053.80	122,886,171.45	1,734,982,713.63
4	GIG Natural Gas Pipeline Network Co., Ltd.	24.50	-8,682,618.16	0.00	112,532,955.28
5	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	16.20	124,280,776.46	88,246,666.67	885,809,081.30
6	Guangxi GIG Lingang Industry Co., Ltd.	49.00	0.00	0.00	24,500,000.00
7	Sealand Securities Co., Ltd.	66.89	511,454,144.04	482,977,257.36	12,418,276,450.62
8	Guangxi Wuzhou Zhongheng Group Co., Ltd.	72.27	221,814,592.98	211,698,625.87	4,786,736,109.87
9	Guangxi GIG Intelligent Service Group Co., Ltd.	50.00	270.64	0.00	5,000,270.64
10	Guangxi Guoxin Investment Development Co., Ltd.	——	121,268,584.85	0.00	27,093,769,040.20

(2) Key financial information

Item	Current year amount			Prior year amount		
	Guangxi Beibu Gulf Bank Co., Ltd.	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Guangxi GIG Energy Group Co., Ltd.	Guangxi Beibu Gulf Bank Co., Ltd.	Guangxi Beibu Gulf Equity Exchange Co., Ltd.	Guangxi GIG Energy Group Co., Ltd.
Current assets	181,551,604,243.00	27,941,522.85	15,976,569,664.27	126,536,057,131.00	82,221,147.14	13,411,925,988.73
Non-current assets	178,980,238,129.00	117,524,081.40	33,963,423,395.99	178,767,717,459.00	70,931,283.52	31,849,811,742.19
Total assets	360,531,842,372.00	145,465,604.25	49,939,993,060.26	305,303,774,590.00	153,152,430.66	45,261,737,730.92
Current liabilities	276,260,923,117.00	12,218,082.89	21,444,533,615.19	230,208,048,896.00	16,271,960.08	17,493,501,944.91
Non-current liabilities	60,762,819,542.00	2,618,945.31	15,936,373,087.62	54,093,754,761.00	2,478,011.26	13,664,826,549.61
Total liabilities	337,023,742,659.00	14,837,028.20	37,380,906,702.81	284,301,803,657.00	18,749,971.34	31,158,328,494.52
Operating income	16,017,070,168.00	15,494,496.59	50,588,836,040.46	12,979,980,038.00	18,511,111.19	35,628,393,340.97
Net profits	2,034,961,448.00	-3,773,883.27	54,853,814.01	1,551,391,278.00	-3,576,863.52	495,782,932.33
Total comprehensive income	2,172,696,207.00	-3,773,883.27	65,695,055.35	1,549,700,245.00	-3,744,940.15	493,532,157.45
Net cash flows from operating activities	6,188,297,936.69	-14,732,722.19	-814,614,787.32	-1,700,980,629.09	-4,383,064.38	2,798,247,514.64

(Continued)

Item	Current year amount			Prior year amount		
	GIG Natural Gas Pipeline Network Co., Ltd.	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	Guangxi GIG Lingang Industry Co., Ltd.	GIG Natural Gas Pipeline Network Co., Ltd.	Guangxi GIG Yinhai Aluminum Industry Group Co., Ltd.	Guangxi GIG Lingang Industry Co., Ltd.
Current assets	219,182,827.30	9,696,214,869.00	34,640,648.32	137,318,601.97	10,596,029,502.84	49,399,396.93
Non-current assets	1,358,321,966.63	13,183,752,443.32	15,485,030.33	1,256,212,200.97	13,956,313,227.37	3,483,172.84
Total assets	1,577,504,793.93	22,879,967,312.32	50,125,678.65	1,393,530,802.94	24,552,342,730.21	52,882,569.77
Current liabilities	657,679,532.16	12,328,297,104.17	125,678.65	522,819,938.92	12,842,298,901.41	2,882,569.77
Non-current liabilities	460,507,076.97	1,968,145,215.33	0.00	376,405,702.77	3,247,416,453.17	0.00
Total liabilities	1,118,186,609.13	14,296,442,319.50	125,678.65	899,225,641.69	16,089,715,354.58	2,882,569.77
Operating income	1,965,092,847.15	118,097,888,201.71	0.00	1,220,955,489.81	112,638,561,736.17	0.00
Net profits	-35,439,257.81	1,012,523,195.38	0.00	-25,943,849.90	239,827,135.59	0.00
Total comprehensive income	-35,439,257.81	1,016,748,492.88	0.00	-25,943,849.90	251,858,526.64	0.00
Net cash flows from operating activities	78,039,275.07	2,286,180,493.64	-11,458.37	-31,147,294.08	1,194,021,384.63	31,816.90

(Continued)

Item	Current year amount		Prior year amount	
	Sealand Securities Co., Ltd.	Guangxi Wuzhou Zhongheng Group Co., Ltd.	Sealand Securities Co., Ltd.	Guangxi Wuzhou Zhongheng Group Co., Ltd.
Current assets	56,221,826,360.01	6,959,229,274.12	49,514,845,924.59	5,451,579,707.49
Non-current assets	19,646,073,345.12	4,930,494,190.85	23,215,870,179.30	6,542,645,704.85
Total assets	75,867,899,705.13	11,889,723,464.97	72,730,716,103.89	11,994,225,412.34
Current liabilities	48,964,053,369.74	2,708,802,809.21	45,524,394,509.69	3,115,428,971.68
Non-current liabilities	7,685,233,650.10	491,119,419.78	8,170,868,941.77	651,043,513.37
Total liabilities	56,649,287,019.84	3,199,922,228.99	53,695,263,451.46	3,766,472,485.05
Operating income	4,843,374,888.38	3,161,843,646.17	4,356,980,949.72	3,676,393,702.92
Net profits	907,076,205.98	173,166,289.20	809,533,723.07	236,081,657.38
Total comprehensive income	881,333,083.69	4,641,377.31	801,745,489.36	349,200,443.22
Net cash flows from operating activities	1,056,520,132.11	-76,736,671.04	-2,854,444,270.21	656,615,884.56

(Continued)

Item	Current year amount		Prior year amount	
	Guangxi GIG Intelligent Service Group Co., Ltd.	Guangxi Guoxin Investment Development Co., Ltd.	Guangxi GIG Intelligent Service Group Co., Ltd.	Guangxi Guoxin Investment Development Co., Ltd.
Current assets	12,323,996.27	124,720,468.37	0.00	3,532,833.22
Non-current assets	0.00	30,610,121,306.87	0.00	10,228,968,318.19
Total assets	12,323,996.27	30,734,841,775.24	0.00	10,232,501,151.41
Current liabilities	2,323,455.00	170,423.13	0.00	264,322.20
Non-current liabilities	0.00	0.00	0.00	0.00
Total liabilities	2,323,455.00	170,423.13	0.00	264,322.20
Operating income	1,252,040.62	0.00	0.00	0.00
Net profits	541.27	121,268,584.85	0.00	-1,557,471.56
Total comprehensive income	541.27	121,268,584.85	0.00	-1,557,471.56
Net cash flows from operating activities	561,093.07	-1,026,025.87	0.00	-2,040,057.32

4. Changes in the scope of consolidation during the year

(1) New secondary entities included in the scope of consolidation during the year

A secondary entity, Guangxi GIG Intelligent Service Group Co., Ltd., was added to the scope of consolidation this year.

(2) Entities no longer included in the scope of consolidation in the current year

There was no secondary subsidiary no longer included in the scope of consolidation during the year.

5. Business combinations not under common control during the year

There was no business combination not under common control of a secondary subsidiary during the year.

VIII. Notes to significant items in the consolidated financial statements

The financial statement data disclosed below, unless otherwise stated, "Opening" refers to January 1st, 2021, "Closing" refers to December 31st, 2021, "Current year " refers to the period from January 1st to December 31st, 2021, "Prior year" refers to the period from January 1st to December 31st, 2020, and the currency unit is RMB, unless otherwise stated.

1. Cash and cash equivalents

(1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash	343,542,069.59	416,965,130.35
Deposit in bank	54,143,299,418.39	57,932,641,962.07
Other cash and cash equivalents	13,469,167,323.93	12,037,192,475.41
Total	**67,956,008,811.91**	**70,386,799,567.83**
Including: Total amount of money deposited abroad	92,334,035.10	13,740,788.20

Note：The Group's deposit in bank consists of:① The legal deposit reserve of Beibu Gulf Bank deposited with the People's Bank of China in accordance with regulations, with closing balance of RMB 13,743,558,668.39 and opening balance of RMB 13,960,285,516.05, which includes RMB deposit reserve and foreign currency deposit reserve, which cannot be used for daily business and cannot be used without the approval of the People's Bank of China. ② Excess reserves deposited by Beibu Gulf Bank with the People's Bank of China for clearing purposes in accordance with regulations, with a closing balance of RMB 2,726,504,579.97 and opening balance of RMB 11,257,596,415.52. ③

Treasury deposits deposited by Beibu Gulf Bank with the People's Bank of China as required, with a closing balance of RMB 31,479,000.00 and opening balance of RMB 14,030,000.00.

(2) Details of the restricted cash and cash equivalents

Item	Closing balance	Opening balance
Time deposit or call deposit for guarantee	2,407,071,000.00	1,330,482,050.00
Margin for banker's acceptance bills	1,665,415,909.31	2,192,840,361.50
L/C guarantee deposit	633,876,581.26	741,099,671.59
Risk reserve	475,008,163.61	395,120,853.62
Customer funds	173,099,462.17	300,788,373.08
Futures margin	16,016,825.90	0.00
Performance bond	13,200,000.00	51,930,300.01
Frozen fund	12,801,586.98	7,928,574.96
Letter of guarantee deposit	2,729,576.00	398,965.00
Mortgage deposit	593,253.92	591,635.85
Guarantee deposit	0.00	24,236,925.00
Time deposit certificates	0.00	900,000.00
Others	231,325.02	5,607,840.65
Total	**5,400,043,684.17**	**5,051,925,551.26**

2. Provision of settlement funds

(1) Presentation by category

Item	Closing balance	Opening balance
Customer's provisions	2,318,144,270.09	1,490,804,971.99
Company's provisions	298,078,436.37	347,257,184.52
Total	**2,616,222,706.46**	**1,838,062,156.51**

(2) Presentation by currency

Item	Closing balance			Opening balance		
	Foreign currency amount	Exchange rate	RMB amount	Foreign currency amount	Exchange rate	RMB amount
（1）Customer's provisions	——	——	——	——	——	——
①Customer's ordinary provisions	——	——	——	——	——	——
RMB	1,913,097,411.77	1.0000	1,913,097,411.77	1,160,529,182.67	1.0000	1,160,529,182.67
USD	1,480,345.88	6.3757	9,438,241.23	887,550.78	6.5249	5,791,180.08
HKD	72,405,209.69	0.8176	59,198,499.44	61,180,424.59	0.8416	51,489,445.33
Subtotal	1,986,982,967.34	—	1,981,734,152.44	1,222,597,158.04	—	1,217,809,808.08

Item	Closing balance			Opening balance		
	Foreign currency amount	Exchange rate	RMB amount	Foreign currency amount	Exchange rate	RMB amount
②Customer's credit provisions	——	——	——	——	——	——
RMB	336,410,117.65	1.0000	336,410,117.65	272,995,163.91	1.0000	272,995,163.91
Total of customer's provisions	**2,323,393,084.99**	—	**2,318,144,270.09**	**1,495,592,321.95**	—	**1,490,804,971.99**
（2）Company's provisions	**——**	**——**	**——**	**——**	**——**	**——**
Company's self-own provisions	——	——	——	——	——	——
RMB	298,078,436.37	1.0000	298,078,436.37	347,257,184.52	1.0000	347,257,184.52
Total	**2,621,471,521.36**	—	**2,616,222,706.46**	**1,842,849,506.47**	—	**1,838,062,156.51**

3. Loans to banks and other financial institutions

Item	Closing balance	Opening balance
Lending to non-bank financial institutions	3,787,271,350.00	3,234,595,712.00
Less: Impairment provision	3,453,731.00	3,079,252.00
Carrying value of loans to banks and other financial institutions	**3,783,817,619.00**	**3,231,516,460.00**

4. Held-for-trading financial assets

Item	Closing fair value	Opening fair value
Financial assets classified as at fair value through profit or loss	**64,199,099,248.82**	**50,006,420,540.15**
Including: Debt instrument investment	56,730,542,267.70	41,080,157,613.95
Equity instrument investment	3,047,582,528.45	5,494,480,296.75
Others	4,420,974,452.67	3,431,782,629.45
Financial assets designated as at fair value through profit or loss	**20,000,000.00**	**178,000,000.00**
Including: Debt instrument investment	0.00	0.00
Others	20,000,000.00	178,000,000.00
Total	**64,219,099,248.82**	**50,184,420,540.15**

5. Derivative financial assets

Item	Closing balance	Opening balance
Equity derivative -Equity swaps	22,833,878.50	0.00
Hedging instruments-Other derivatives	19,520,200.00	0.00
Other derivatives-Income swaps	7,643,197.79	0.00
Forward exchange transactions	3,925,037.00	3,092,507.00
Other derivatives-OTC futures options	1,087,405.00	930,235.00
Equity derivative -OTC option business	275,600.00	517,020.00
Other derivatives-OTC commodity options	65,604.47	0.00
Total	**55,350,922.76**	**4,539,762.00**

6. Notes receivable

(1) Classification of notes receivable

Type	Closing balance			Opening balance		
	Book balance	Bad debt provision	carrying value	Book balance	Bad debt provision	carrying value
Bank acceptance	366,494,351.57	0.00	366,494,351.57	94,588,173.46	0.00	94,588,173.46
Commercial acceptance	1,212,239.40	43,986.27	1,168,253.13	2,933,306.66	107,625.85	2,825,680.81
Total	**367,706,590.97**	**43,986.27**	**367,662,604.70**	**97,521,480.12**	**107,625.85**	**97,413,854.27**

Notes receivable endorsed or discounted at the end of the year and not yet due at the balance sheet date

Type	Amount derecognized at year-end	Amount not derecognized at year-end
Bank acceptance	6,997,225.77	0.00

(2) Bad debt provision for notes receivable

Type	Closing balance				Opening balance			
	Book balance		Bad debt provision		Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)	Amount	Ratio (%)	Amount	Expected credit loss ratio (%)
Notes receivable with bad debt provision by portfolio	367,706,590.97	100.00	43,986.27	0.01	97,521,480.12	100.00	107,625.85	0.11

1) Notes receivable with bad debt provision by portfolio

Item	Closing balance		
	Book balance	Bad debt provision	Expected credit loss ratio（%）
Subtotal of commercial acceptance	1,212,239.40	43,986.27	3.63
Normal risk portfolio	1,212,239.40	43,986.27	3.63
Subtotal of bank acceptance	366,494,351.57	0.00	0.00
Low-risk portfolio	366,494,351.57	0.00	0.00
Total	**367,706,590.97**	**43,986.27**	——

2) Provision for bad debts on notes receivable accrued, recovered or reversed during the year

Type	Opening balance	Changes during the year				Closing balance
		Accrual	Recovery or reversal	Write-offs	Other changes	
Notes receivable with expected credit losses accrued on a portfolio basis	107,625.85	43,986.27	107,625.85	0.00	0.00	43,986.27
Including：Commercial acceptance	107,625.85	43,986.27	107,625.85	0.00	0.00	43,986.27

7. Accounts receivable

Type	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio（%）	Amount	Ratio（%）
Accounts receivable with a separate provision for bad debts (New standard applies)	1,594,376,726.16	23.57	1,368,119,304.10	85.81
Accounts receivable for which bad debt provision is made in the portfolio (New standard applies)	5,170,932,942.74	76.43	289,718,055.47	5.60
Including：Normal risk portfolio	4,430,147,211.50	65.48	288,995,371.90	6.52
Low-risk portfolio	740,785,731.24	10.95	722,683.57	0.10
Total	**6,765,309,668.90**	**100.00**	**1,657,837,359.57**	**24.50**

(Continued)

Type	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio（%）	Amount	Ratio（%）
Accounts receivable with a separate provision for bad debts (New standard applies)	1,836,794,569.85	30.79	1,293,959,148.40	70.45
Accounts receivable for which bad debt provision is made in the portfolio (New standard applies)	4,128,473,085.92	69.21	198,113,226.71	4.80
Including：Normal risk portfolio	2,976,533,661.63	49.90	193,907,848.96	6.51
Low-risk portfolio	1,151,939,424.29	19.31	4,205,377.75	0.37
Total	**5,965,267,655.77**	**100.00**	**1,492,072,375.11**	**25.01**

(1) Companies that have implemented the new financial instruments standard disclose accounts receivable by aging (New standard applies)

Aging	Closing balance	Opening balance
Within 1 year	4,445,026,141.93	3,255,996,347.38
1-2 years	317,821,672.59	564,596,490.61
2-3 years	397,173,937.90	430,133,946.66
3-4 years	327,233,546.73	301,756,898.70
4-5 years	189,936,493.32	741,729,083.87
More than 5 years	1,088,117,876.43	671,054,888.55
Subtotal	**6,765,309,668.90**	**5,965,267,655.77**
Less：Bad debt provision	1,657,837,359.57	1,492,072,375.11
Total	**5,107,472,309.33**	**4,473,195,280.66**

(2) Accounts receivable with a separate provision for bad debts (New standard applies)

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrual reason
Asia Aluminum (China) Co., Ltd.	337,780,281.90	337,780,281.90	100.00	Court-ordered uncollectible interest
Zhaoqing Asia Aluminum Factory Co., Ltd.	217,713,889.97	202,358,500.01	92.95	Won a case that was difficult to enforce
Guangxi Power Grid Co., Ltd.	175,562,292.25	36,919,517.27	21.03	Expected partial recovery
Guangxi Guangyin Meiyabao Aluminum Co., Ltd.	133,644,976.77	133,644,976.77	100.00	Expected partial recovery
Zhuhai Hongfan Non-Ferrous Metals & Chemical Engineering Inc.	118,174,598.73	118,174,598.73	100.00	Won a case that could not be enforced
Shanghai Xisheng Metal Materials Co., Ltd.	67,602,320.96	67,602,320.96	100.00	Won a case that could not be enforced
Liuzhou Longxi Water Conservancy and Hydropower Construction Investment Co., Ltd.	66,412,700.00	3,041,803.05	4.58	Significant amounts, recovered in installments
Zhejiang Weiyingda Industry and Trade Co., Ltd.	55,658,481.11	55,658,481.11	100.00	No recovery expected
Qingyuan Meiyabao Aluminum Industry Co., Ltd.	38,720,680.85	38,720,680.85	100.00	No recovery expected
Hebei Xinyi Cable Co., Ltd.	38,452,058.52	38,452,058.52	100.00	Bankruptcy liquidation
Xingya Aluminum Foshan Co., Ltd.	34,056,488.48	34,056,488.48	100.00	No recovery expected
Hunan Nonferrous Xiangxiang Fluorine Chemical Co., Ltd.	30,014,553.77	30,014,553.77	100.00	Litigation matters
Jiangsu Yige Trading Co., Ltd.	28,416,334.72	28,416,334.72	100.00	No recovery expected
Foshan Heqing Metal Material Co., Ltd.	20,829,213.36	20,829,213.36	100.00	Won a case that could not be enforced
Guangxi Hezhou Electronic Technology Eco-Industrial Park Management Committee	17,761,093.36	17,761,093.36	100.00	Uncertainty in recovery
Guangxi Liuzhou Chemical Holding Co., Ltd.	16,763,642.67	16,763,642.67	100.00	No recovery expected

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio (%)	Accrual reason
Platform service fee for sporadic customers	15,358,743.16	15,358,743.16	100.00	Less likely to be recovered
Guangxi Laibin Huamei Paper Co., Ltd.	14,750,344.82	14,750,344.82	100.00	No recovery expected
Hefei Jiawang Aluminum Co., Ltd.	14,635,514.73	14,635,514.73	100.00	No recovery expected
Guangxi Iron Investment Guanxin Industry Co., Ltd.	12,633,232.79	12,633,232.79	100.00	Uncertainty in recovery
Foshan Hechengxin Metal Trading Co., Ltd.	9,000,000.00	9,000,000.00	100.00	Won a case that could not be enforced
Financing and securities loan customer payments	8,613,340.81	8,613,340.81	100.00	No recovery expected
A Pooled Asset Management Plan	8,594,719.48	8,594,719.48	100.00	No recovery expected
Shenzhen Tonglide Hardware Manufacturing Co., Ltd.	8,290,086.02	8,290,086.02	100.00	Historical overdue principal and interest
Foshan Chuying Metal Trade Co., Ltd.	7,189,753.62	7,189,753.62	100.00	Won a case that could not be enforced
Guangxi Baihe Chemical Co., Ltd.	7,106,955.40	7,106,955.40	100.00	At risk of impairment
Anhui Weikete Aluminum Co., Ltd.	7,093,973.37	7,093,973.37	100.00	No recovery expected
Suzhou Yinglite Trading Co., Ltd.	7,061,532.63	7,061,532.63	100.00	No recovery expected
Hebei Tuobang Building Materials Trade Co., Ltd.	5,629,707.12	5,629,707.12	100.00	No recovery expected
Jiangyin Hongmao Alloy Materials Co., Ltd.	5,388,386.59	5,388,386.59	100.00	No recovery expected
Guangxi Heda Paper Industry Co., Ltd.	5,288,487.19	5,288,487.19	100.00	Uncertainty in recovery
Xinyi Shengxin Aluminum Co., Ltd.	4,539,448.14	4,539,448.14	100.00	No recovery expected
Guangxi Jiuwei Spatiotemporal Digital Industry Development Co., Ltd.	4,466,058.01	73,724.97	1.65	Expected partial recovery
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	4,204,205.49	4,204,205.49	100.00	Bankruptcy liquidation
Zhangjiagang Zhirui Trading Co., Ltd.	4,103,273.47	4,103,273.47	100.00	No recovery expected
Detal Aluminum LLC (Azerbaijan)	4,088,594.51	4,088,594.51	100.00	The other unit is bankrupt
Guangxi Liuzhou Steel Group Co., Ltd.	3,668,253.91	1,080,000.00	29.44	Expected partial recovery
Sinopharm Holding Wende Pharmaceutical Nanjing Co., Ltd.	3,237,036.10	3,237,036.10	100.00	No recovery expected
Shenzhen Kangyouda Industry Development Co., Ltd.	3,001,474.00	3,001,474.00	100.00	No recovery expected
Guangxi Guidong Marine Casting&Forging Co., Ltd.	2,856,903.20	2,856,903.20	100.00	Uncertainty in recovery
Guangxi Jingyu Fuel Co., Ltd.	2,800,000.00	2,800,000.00	100.00	Uncertainty in recovery
Sichuan Huaao Aluminum Co., Ltd.	2,700,970.63	2,700,970.63	100.00	No recovery expected
Guangxi Mingdian Construction Co., Ltd.	1,972,042.50	397,265.14	20.14	Expected partial recovery
Other sporadic receivables	18,540,081.05	18,207,085.19	98.20	—
Total	**1,594,376,726.16**	**1,368,119,304.10**	—	—

(3) Bad debt provision of recovery or reversal

Name of debtor	Recovery or reversal amount	Amount of accumulated provision for bad debts before recovery or reversal	Reasons and methods of reversal or recovery
Guangxi Dongmao Renewable Resources Development Co., Ltd.	8,942,736.74	8,942,736.74	Business resumes as normal
Qinzhou Tianheng Petrochemical Co., Ltd.	1,672,199.68	1,672,199.68	Accounts receivable have been negotiated for recovery
Sporadic debtors	542,159.81	542,159.81	Received back payment
Fangchenggang Yujing Tianheng Real Estate Development Co., Ltd.	19,618.69	19,618.69	Accounts receivable have been negotiated for recovery
Qinzhou Qinlian Evergrande Real Estate Investment Co., Ltd.	12,778.51	12,778.51	Accounts receivable have been negotiated for recovery
Guangxi Investment Guidance Fund Co., Ltd.	12,500.00	12,500.00	Accounts receivable have been negotiated for recovery
Total	**11,201,993.43**	**11,201,993.43**	——

(4) Actual write-offs of accounts receivable for the reporting period

Name of debtor	Nature of accounts receivable	Write-off amount	Reason for write-offs	Write-offs procedure performed	Whether arising from related transactions
Emeishan Xinkang Carbon Co., Ltd.	Payments for goods	2,330,224.47	Unrecoverable	TZYZ [2021] No. 46487-Guangxi Qiangqiang Carbon Co., Ltd.-Economic forensic opinion	No
Tibet Xima Pharmaceutical Technology Co., Ltd.	Payments for goods	2,746,163.12	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Chengdu Pu'en Technology Investment Co., Ltd.	Payments for goods	1,469,666.66	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Changchun Hengchi Technology Co., Ltd.	Payments for goods	695,695.29	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Chongqing Tungsten Stone Equity Investment Fund Management Center (limited Partnership)	Payments for goods	80,000.00	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Hunan Er-Kang Pharmaceutical Co., Ltd.	Payments for goods	55,029.13	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Changsha Fengyan Environmental Protection Technology Co., Ltd.	Payments for goods	20,180.00	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Other sporadic enterprises	Payments for goods	7,310.21	Unrecoverable	Consideration by the board of directors, consideration by the supervisory board	No
Total	——	**7,404,268.88**	——	——	——

(5) Top five accounts receivable with closing balances grouped by debtor

Name of debtor	Book balance	Ratio of total accounts receivable (%)	Bad debt provision
Guangxi Power Grid Co., Ltd.	1,134,140,336.00	16.76	103,336,726.12
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	505,541,510.48	7.47	79,866.56
Asia Aluminum (China) Co., Ltd.	337,780,281.90	4.99	337,780,281.90
Zhaoqing Asia Aluminum Factory Co., Ltd.	217,713,889.97	3.22	202,358,500.01
HwaBao Securities Co.Ltd.	130,000,000.00	1.92	650,000.00
Total	**2,325,176,018.35**	**34.36**	**644,205,374.59**

8. Receivables financing

Type	Closing balance	Opening balance
Notes receivable	182,959,047.88	228,149,988.78

9. Prepayments

(1) Aging of prepayments

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year	3,759,888,028.96	93.48	8,136.80	1,833,252,367.11	93.51	0.00
1-2 years	176,239,357.47	4.38	0.00	66,803,582.87	3.41	46,548.36
2-3 years	45,635,208.18	1.13	0.00	29,739,293.79	1.52	0.00
More than 3 years	40,508,408.38	1.01	0.00	30,611,178.83	1.56	0.00
Total	**4,022,271,002.99**	**100.00**	**8,136.80**	**1,960,406,422.60**	**100.00**	**46,548.36**

(2) Large prepayments aged over 1 year

Creditor	Debtor	Closing balance	Aging	Reasons for non-settlement
Digital Guangxi Group Co., Ltd.	SCN Contruction and Decoration Co., Ltd.	15,215,833.80	1-2 years	Business not completed
Sichuan Xidian Power Design Co., Ltd.	Xidian Energy Construction Corp.	12,510,579.53	1-3 years	Contract unsettled
Puyang Hengrun Zhubang Petrochemical Co., Ltd.	Jiangsu Baohua Chemical Co., Ltd.	10,531,801.47	More than 3 years	Contract unsettled
Guangxi Yongsheng Petrochemical Co., Ltd.	Shatian Customs, People's Republic of China	8,882,760.00	Within 2 years	Contract unsettled
Guangxi Guangyin Aluminum Co., Ltd.. Tianyang Branch	Foshan Nanhai District Fujin Metal Plastic Products Co., Ltd.	8,146,786.46	1-2 years	Non-arrival and acceptance
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Picc Life Insurance Co., Ltd. Shenzhen Branch	7,586,450.00	1-2 years	Advance payment of benefits, case open
Digital Guangxi Group Co., Ltd.	Guilin Hivision Technology Co., Ltd.	6,613,909.87	1-2 years	Business not completed

Creditor	Debtor	Closing balance	Aging	Reasons for non-settlement
Digital Guangxi Group Co., Ltd.	Guangxi Radio and Television	6,556,603.80	1-2 years	Business not completed
Beibu Gulf Property & Casualty Insurance Co., Ltd.	Guangxi Chaoda Transport Group Co., Ltd.	6,479,453.00	More than 3 years	Advance payment of benefits, case open
Sichuan Xidian Power Design Co., Ltd.	EPC General Contracting Department of 110KV External Power Project of Guiyang Station of China-Myanmar Natural Gas Pipeline Project	6,176,484.63	2-3 years and above	Contract unsettled
Total		**88,700,662.56**	——	——

(3) Prepayments with the top five closing balances grouped by debtor

Name of debtor	Book balance	Ratio of total prepayments (%)	Bad debt provision
SINOEEX Supply Chain Technology Co., Ltd.	383,008,846.95	9.52	0.00
Panjin Ruidong Petroleum Trading Co., Ltd.	249,971,575.83	6.21	0.00
Guangdong Chinacoal Import & Export Company Limited	234,982,214.76	5.84	0.00
Panjin Northern Asphalt Fuel Co., Ltd.	155,124,514.50	3.86	0.00
Zhejiang Petrochemical Sales Co., Ltd.	153,407,545.63	3.81	0.00
Total	**1,176,494,697.67**	**29.24**	**0.00**

10. Receivable premium

(1) Aging of receivable premium and the corresponding provision for bad debts are analyzed as follows:

Item	Closing balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	291,218,898.99	34.95	0.00	291,218,898.99
3 months to 1 year (including 1 year)	389,214,945.87	46.71	26,840.00	389,188,105.87
More than 1 year	152,837,755.45	18.34	40,349,367.15	112,488,388.30
Total	**833,271,600.31**	**100.00**	**40,376,207.15**	**792,895,393.16**

(Continued)

Item	Opening balance			
	Book balance	Ratio (%)	Bad debt provision	Net amount
Within 3 months (including 3 months)	516,212,553.94	71.10	0.00	516,212,553.94
3 months to 1 year (including 1 year)	108,144,902.24	14.90	0.00	108,144,902.24
More than 1 year	101,646,542.44	14.00	16,870,649.98	84,775,892.46
Total	**726,003,998.62**	**100.00**	**16,870,649.98**	**709,133,348.64**

(2) Receivable premium is shown below by major categories of insurance

Item	Closing balance	Opening balance
Agricultural insurance	725,064,698.43	517,948,099.21
Engineering insurance	36,461,210.05	49,615,119.20
Accident insurance	34,395,831.25	25,074,681.58
Liability insurance	29,423,501.30	36,004,194.04
Corporate property insurance	2,849,852.85	3,186,512.64
Health insurance	2,156,547.85	90,980,995.50
Ship insurance	1,458,836.06	975,348.80
Cargo insurance	799,863.12	898,159.55
House property insurance	659,405.67	1,228,901.66
Others	1,853.73	91,986.44
Total	**833,271,600.31**	**726,003,998.62**

(3) Top five receivables in the Company's receivable premium are as follows:

Name of debtor	Closing balance	
	Amount	Ratio（%）
Guangxi Yangxiang Agricultural and Animal Husbandry Co., Ltd.	59,957,554.24	7.20
Guangxi Yangxiang Pig Genetic Technology Co., Ltd.	26,047,644.00	3.13
Guangxi Bo Xuan Food Company Limited	13,650,000.00	1.64
Guizhou Highway Engineering Group Co., Ltd.	13,562,728.30	1.63
Guangxi Road and Bridge Engineering Group Co., Ltd.	13,200,685.78	1.58
Total	**126,418,612.32**	**15.18**

11. Cession premium receivable

(1) The aging of the cession premium receivable and the corresponding provision for bad debts are analyzed as follows:

Item	Closing balance			
	Book balance	Ratio（%）	Bad debt provision	Net amount
Within 3 months (including 3 months)	55,188,391.75	20.17	0.00	55,188,391.75
3 months to 1 year (including 1 year)	133,833,175.21	48.92	0.00	133,833,175.21
More than 1 year	84,530,479.98	30.91	0.00	84,530,479.98
Total	**273,552,046.94**	**100.00**	**0.00**	**273,552,046.94**

(Continued)

Item	Opening balance			
	Book balance	Ratio（%）	Bad debt provision	Net amount
Within 3 months (including 3 months)	44,815,528.44	21.52	0.00	44,815,528.44
3 months to 1 year (including 1 year)	66,610,787.80	31.99	0.00	66,610,787.80
More than 1 year	96,804,576.93	46.49	0.00	96,804,576.93
Total	**208,230,893.17**	**100.00**	**0.00**	**208,230,893.17**

(2) Top five lists of cession premium receivable are as follows:

Sub-insurance company	Closing balance	
	Amount	Ratio（%）
China Agricultural Insurance Reinsurance Community	93,130,756.47	34.04
China Property and Casualty Reinsurance Co., Ltd.	66,807,684.50	24.42
Taiping Reinsurance (China) Co., Ltd.	21,159,818.99	7.74
Swiss Re-insurance Company Beijing Branch	7,973,289.37	2.91
Partner Re	5,197,563.82	1.90
Total	**194,269,113.15**	**71.01**

12. Provision of cession receivable

Item	Closing balance	Opening balance
Provision for unsettled compensation receivable from sub-insurance	124,125,918.31	119,595,707.41
Others	163,862,826.44	155,571,357.63
Total	**287,988,744.75**	**275,167,065.04**

13. Other receivables

Item	Closing balance	Opening balance
Interest receivable	436,166,521.62	552,644,578.48
Dividends receivable	110,726,527.90	122,273,280.16
Other receivables	5,669,111,550.55	4,557,843,560.68
Total	**6,216,004,600.07**	**5,232,761,419.32**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Time deposits	23,060,195.19	59,914,867.24
Entrusted loans	24,096,163.68	21,677,325.69
Bond investments	12,942,550.55	15,627,177.97
Others	376,067,612.20	455,425,207.58
Total	**436,166,521.62**	**552,644,578.48**

2) Important overdue Interest

Borrower	Closing balance	Overdue (months)	Reason for overdue	Whether impairment has occurred and the basis for its determination
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	212,678,248.50	12 months	Inability to pay	Impairment occurred
Jiangxi Guangyin Aluminum Industry Co., Ltd.	157,122,752.11	More than 60 months	Bankruptcy liquidation	Full provision for impairment
Guangxi Guangyin Commerce Co., Ltd.	73,329,921.49	6 months	Bankruptcy liquidation	Full provision for impairment
Foshan Guangyin Sanying Aluminum Co., Ltd.	46,893,741.03	More than 60 months	Bankruptcy liquidation	Full provision for impairment
Guangxi Baise Yinhai Power Supply Co., Ltd.	35,850,832.08	12 months	Inability to pay	Impairment occurred
Zhanjiang Landmark Investment Co., Ltd.	33,075,000.00	21 months	Failure to collect at maturity	Impairment occurred
Guiping Qinglong Real Estate Development Co., Ltd.	31,375,985.75	27 months	Failure to collect at maturity	Impairment occurred
Guangxi Yuxing Investment Group Co., Ltd.	29,233,999.38	21 months	Failure to collect at maturity	Impairment occurred
Yulin Huading Investment Co., Ltd.	29,050,000.00	21 months	Failure to collect at maturity	Impairment occurred
Guangxi Lianhong Property Co., Ltd.	23,601,066.66	21 months	Failure to collect at maturity	Impairment occurred
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	2,583,820.01	More than 60 months	Bankruptcy liquidation	Full provision for impairment
Guangxi GIG Xinyi Cable Co., Ltd.	1,927,505.78	47 months	Bankruptcy liquidation	Full provision for impairment
Guangxi Baise Yinhai Power Generation Co., Ltd.	680,166.65	12 months	Inability to pay	Impairment occurred
Total	**677,403,039.44**	—	—	—

3) Provision for bad debts of interest receivable

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (Credit impairment not incurred)	Expected credit losses for the entire duration (Credit impairment incurred)	
Opening balance	0.00	54,644,075.76	367,310,675.23	**421,954,750.99**
Opening balance in current year	0.00	0.00	0.00	**0.00**
—Transfer to stage 2	0.00	0.00	0.00	**0.00**
—Transfer to stage 3	0.00	0.00	0.00	**0.00**
—Reverse to stage 2	0.00	0.00	0.00	**0.00**
—Reverse to stage 1	0.00	0.00	0.00	**0.00**
Accrual in current year	0.00	14,685,212.48	17,792,847.96	**32,478,060.44**
Reversal in current year	0.00	0.00	0.00	**0.00**
Resale in current year	0.00	0.00	0.00	**0.00**
Write-off in current year	0.00	0.00	0.00	**0.00**
Other changes	0.00	0.00	152,848,790.44	**152,848,790.44**
Closing balance	**0.00**	**69,329,288.24**	**537,952,313.63**	**607,281,601.87**

(2) Dividends receivable

Item	Closing balance	Opening balance
Dividends receivable aged within one year	**10,493,421.61**	**63,075,750.93**
Qinzhou Qinbei District Urban Construction Investment Co., Ltd.	7,916,990.00	0.00
Debao Baide Investment Co., Ltd.	1,253,698.00	7,753,698.00
Guangxi Wufeng Machinery Co., Ltd.	390,563.58	992,716.75
Life Asset Wise 9	368,571.64	0.00
Guangxi Guimao Electric Power Co., Ltd.	360,000.00	604,457.31
Guangxi Wuzhou Guolong Recycling Resources Development Co., Ltd.	150,117.19	843,125.00
Rongtong Huicaibao Currency B	50,343.72	0.00
Tianyang County Nali Investment Development Co., Ltd.	0.00	5,135,890.00
Guangxi Tandong Agricultural Industry and Trade Co., Ltd.	0.00	5,135,890.00
Guangxi Jinguan SME Equity Investment Fund Co., Ltd.	0.00	5,939,316.55
Guangxi Jinhong SME Equity Investment Fund Co., Ltd.	0.00	3,213,363.51
Guangxi Jinshi SME Equity Investment Fund Co., Ltd.	0.00	6,463,253.43
Guangxi Jinshuo SME Equity Investment Fund Co., Ltd.	0.00	612,244.90
Guangxi Jintou SME Growth Equity Investment Fund Co., Ltd.	0.00	9,957,534.54
Guangxi Jintou SME Development Equity Investment Fund Co., Ltd.	0.00	7,973,355.31
Guangxi Jinxin SME Equity Investment Fund Co., Ltd.	0.00	8,277,534.24

Item	Closing balance	Opening balance
Others	3,137.48	173,371.39
Dividends receivable aged over one year	**100,233,106.29**	**59,197,529.23**
Guangxi Jinxin SME Equity Investment Fund Co., Ltd.	19,685,095.88	11,407,561.64
Guangxi Jintou SME Development Equity Investment Fund Co., Ltd.	17,959,334.60	9,985,979.29
Guangxi Jintou SME Growth Equity Investment Fund Co., Ltd.	16,817,260.75	6,859,726.21
Guangxi Jinguan SME Equity Investment Fund Co., Ltd.	12,334,549.68	6,833,118.96
Guangxi Jinhong SME Equity Investment Fund Co., Ltd.	9,989,076.31	6,775,712.80
Guangxi Jinyi SME Equity Investment Fund Co., Ltd.	9,786,148.04	9,786,148.04
Guangxi Jinshi SME Equity Investment Fund Co., Ltd.	6,463,253.43	-
Guangxi Yuxing Investment Group Co., Ltd.	2,156,250.00	2,515,625.00
Yulin Huading Investment Co., Ltd.	2,156,250.00	2,515,625.00
Others	2,885,887.60	2,518,032.29
Total	**110,726,527.90**	**122,273,280.16**

(3) Other receivables

Type	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio（%）	Amount	Ratio（%）
Other receivables with a separate provision for bad debts (New standard applies)	3,265,457,960.16	37.15	2,735,622,290.89	83.77
Other receivables for which bad debt provision is made in the portfolio (New standard applies)	5,523,394,398.01	62.85	384,118,516.73	6.95
Including：Normal risk portfolio	4,414,415,776.22	50.23	383,142,194.99	8.68
Low-risk portfolio	1,108,978,621.79	12.62	976,321.74	0.09
Total	**8,788,852,358.17**	**100.00**	**3,119,740,807.62**	**35.50**

(Continued)

Type	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio（%）	Amount	Ratio（%）
Other receivables with a separate provision for bad debts (New standard applies)	3,063,703,285.64	42.66	2,226,206,707.67	72.66
Other receivables for which bad debt provision is made in the portfolio (New standard applies)	4,118,056,135.21	57.34	397,709,152.50	9.66
Including：Normal risk portfolio	3,149,976,579.82	43.86	396,816,055.10	12.60
Low-risk portfolio	968,079,555.39	13.48	893,097.40	0.09
Total	**7,181,759,420.85**	**100.00**	**2,623,915,860.17**	**36.54**

1) Companies that have implemented the new financial instruments standard disclose other receivables by aging （New standard applies）

Aging	Closing balance	Opening balance
Within 1 year	3,626,299,456.36	3,303,473,712.36
1-2 years	2,082,099,556.03	454,587,841.23
2-3 years	381,565,011.05	365,321,022.96
3-4years	326,172,724.83	1,363,308,072.93
4-5years	784,199,731.77	721,645,266.75
More than 5 years	1,588,515,878.13	973,423,504.62
Subtotal	**8,788,852,358.17**	**7,181,759,420.85**
Less：Bad debt provision	3,119,740,807.62	2,623,915,860.17
Total	**5,669,111,550.55**	**4,557,843,560.68**

2) Top five other receivables with a single provision for bad debts at the end of the year （New standard applies）

Name of debtor	Book balance	Bad debt provision	Expected credit loss ratio（%）	Accrual reason
Client 1	832,310,759.97	832,310,759.97	100.00	Insolvency of the loan
Client 2	384,000,000.00	52,860,000.00	13.77	Provision is made based on the amount expected to be recovered within the period agreed in the asset transfer agreement
Client 3	295,000,000.00	295,000,000.00	100.00	Insolvency of the loan
Client 4	282,061,976.83	282,061,976.83	100.00	Bankruptcy liquidation
Client 5	247,003,160.27	105,000,000.00	42.51	Some claims are not expected to be collected
Total	**2,040,375,897.07**	**1,567,232,736.80**	——	——

3) The bad debt provision of other receivables accrued, recovered or reversed during the year

（New standard applies）

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (Credit impairment not incurred)	Expected credit losses for the entire duration (Credit impairment incurred)	
Opening balance	0.00	357,568,826.42	2,266,347,033.75	**2,623,915,860.17**
Opening balance in current year	——	——	——	——
—Transfer to stage 2	0.00	0.00	0.00	**0.00**
—Transfer to stage 3	0.00	-22,199,734.28	22,199,734.28	**0.00**
—Reverse to stage 2	0.00	65,607,214.01	-65,607,214.01	**0.00**
—Reverse to stage 1	0.00	0.00	0.00	**0.00**
Accrual in current year	0.00	113,759,675.49	188,771,311.80	**302,530,987.29**
Reversal in current year	0.00	96,580,143.95	11,428,997.62	**108,009,141.57**
Resale in current year	0.00	2,746,163.12	2,337,881.29	**5,084,044.41**
Write-off in current year	0.00	10,000.00	0.00	**10,000.00**
Other changes	0.00	-50,173.31	306,447,319.45	**306,397,146.14**
Closing balance	**0.00**	**371,942,021.53**	**2,747,798,786.09**	**3,119,740,807.62**

4) Changes in book balance of other receivables（New standard applies）

Book balance	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (Credit impairment not incurred)	Expected credit losses for the entire duration (Credit impairment incurred)	
Opening balance	0.00	4,113,764,430.46	3,067,994,990.39	**7,181,759,420.85**
Opening balance in current year	——	——	——	——
—Transfer to stage 2	0.00	0.00	0.00	**0.00**
—Transfer to stage 3	0.00	-2,217,096.40	2,217,096.40	**0.00**
—Reverse to stage 2	0.00	1,629,385,270.01	-1,629,385,270.01	**0.00**
—Reverse to stage 1	0.00	0.00	0.00	**0.00**
New in the current year	0.00	15,281,223,574.92	249,557,167.43	**15,530,780,742.35**
Derecognition during the year	0.00	13,208,645,094.57	715,777,124.77	**13,924,422,219.34**
Other changes	0.00	1,881,103.46	-1,146,689.15	**734,414.31**
Closing balance	**0.00**	**6,188,224,014.27**	**2,600,628,343.90**	**8,788,852,358.17**

5) Bad debt provision of recovery or reversal

Name of debtor	Recovery or reversal Amount	Amount of accumulated provision for bad debts before reversal or recovery	Reasons and methods of reversal or recovery
Nanning Finance Bureau	1,575,382.86	1,575,382.86	Recovering the principal of migrant workers' deposit
Chongqing Succeway Pharmaceutical Co., Ltd.	534,524.50	534,524.50	Recovery of funds
Sporadic debtors	308,499.50	308,499.50	Received back payment
Zhaoqing Power Bureau	50,390.19	50,390.19	Refund of deposit
Total	**2,468,797.05**	**2,468,797.05**	——

6) Actual write-offs of other receivables for the reporting period

Name of debtor	Nature of other receivables	Write-off amount	Write-off reason	Write-offs procedure performed	Whether arising from related transactions
Tibet Xima Pharmaceutical Technology Co., Ltd.	Receivables from unrelated companies	2,746,163.12	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	No
Chengdu Pu'en Technology Investment Co., Ltd.	Receivables from unrelated companies	1,469,666.66	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	No
Changchun Hengchi Technology Co., Ltd.	Receivables from unrelated companies	695,695.29	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	No
Chongqing Succeway Pharmaceutical Co., Ltd.	Receivables from unrelated companies	465,475.50	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	No
Other sporadic	Receivables from unrelated companies	101,476.61	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	No
Chongqing Tungsten Stone Equity Investment Fund Management Center (limited Partnership)	Receivables from other related companies	80,000.00	Difficult to recover	Consideration by the board of directors, consideration by the supervisory board	Yes
Huang Zhaobin	Personal borrowing	10,000.00	The other party has been sentenced to 13 years in prison and cannot enforce the repayment	Considered and approved by the General Manager's Office	No
Total	——	**5,568,477.18**	——	——	——

7) Other receivables with the top five closing balances by debtor

Name of debtor	Nature of payment	Book balance	Ratio in total closing balance of other receivables (%)	Bad debt provision
Client 6	Current account	1,704,183,954.00	19.39	980,454.20
Client 7	Corporate short-term debt	832,310,759.97	9.47	832,310,759.97
Client 8	Company transactions	524,245,750.00	5.96	34,398,205.94
Client 9	Borrowings	459,000,000.00	5.22	13,933,255.61
Client 10	Current account	384,000,000.00	4.37	52,860,000.00
Total	——	**3,903,740,463.97**	**44.42**	**934,482,675.72**

8) Receivables involving government grants

Company name	Grants	Closing balance	Aging	Expected collection		
				Time	Amount	Basis
Laibin Finance Bureau	Electricity Subsidy	45,354,991.70	3-4 years	——	——	——
Baise Municipal People's Government	Electricity Subsidy	33,425,449.20	More than 5 years	——	——	——
LSDB	Business development grant	49,582,609.41	Within 2 years	——	——	——
Total	——	**128,363,050.31**	——	——	——	——

14. Redemptory monetary capital for sale

Item	Closing balance	Opening balance
Securities	16,152,359,881.04	10,458,972,663.75
Notes	2,945,871,900.00	499,987,540.00
Less：Bad debt provision	1,238,872,230.57	862,285,021.69
Total carrying value	**17,859,359,550.47**	**10,096,675,182.06**

15. Inventories

Item	Closing balance		
	Book balance	Provision for decline in value	carrying value
Raw materials	1,679,011,414.32	107,420,371.69	1,571,591,042.63
Self-made semi-finished products and work in process	2,029,661,616.32	743,985.04	2,028,917,631.28
Development costs	396,270,124.35	0.00	396,270,124.35
Merchandise inventories (finished products)	3,242,952,811.96	80,806,963.55	3,162,145,848.41
Including：Development products	197,415,204.35	284,449.07	197,130,755.28
Revolving materials (packaging materials, low-value consumables, etc.)	110,088,970.57	419,918.40	109,669,052.17
Expendable biological assets	13,510,359.82	5,565,701.50	7,944,658.32
Undeveloped land bank	173,778,381.99	0.00	173,778,381.99
Contract performance costs	119,200,610.96	0.00	119,200,610.96
Material in transit	334,267,934.22	0.00	334,267,934.22
Sending goods	264,235,400.58	0.00	264,235,400.58
Commissioned processing materials	26,446,091.51	0.00	26,446,091.51
Total	**8,389,423,716.60**	**194,956,940.18**	**8,194,466,776.42**

(Continued)

Item	Opening balance		
	Book balance	Provision for decline in value	carrying value
Raw materials	1,250,199,149.74	2,636,954.24	1,247,562,195.50
Self-made semi-finished products and work in process	1,950,453,498.18	2,530,649.28	1,947,922,848.90
Development costs	660,971,844.74	0.00	660,971,844.74
Merchandise inventories (finished products)	1,685,384,723.83	40,752,084.42	1,644,632,639.41
Including：Development products	262,878,406.54	284,449.07	262,593,957.47
Revolving materials (packaging materials, low-value consumables, etc.)	180,239,629.61	497,278.01	179,742,351.60
Expendable biological assets	7,389,172.23	5,565,701.50	1,823,470.73
Undeveloped land bank	173,331,915.03	0.00	173,331,915.03
Contract performance costs	86,116,465.12	0.00	86,116,465.12
Material in transit	88,373,828.45	0.00	88,373,828.45
Sending goods	574,868,572.80	10,379,995.55	564,488,577.25
Commissioned processing materials	12,003,414.28	0.00	12,003,414.28
Material procurement	25,266.10	0.00	25,266.10
Total	**6,669,357,480.11**	**62,362,663.00**	**6,606,994,817.11**

16. Contract assets

(1)Details of contract assets

Item	Closing balance		
	Book balance	Impairment provision	carrying value
Urban-rural construction linkage project	98,760,108.49	88,368.67	98,671,739.82
Environmental engineering construction projects （Guangxi Investment Capital）	97,309,971.89	0.00	97,309,971.89
Liuzhou Kitchen Waste Resource Utilization and Harmless Treatment Project PPP	51,920,860.23	0.00	51,920,860.23
Land level one development projects（Pharmaceutical and Health Group）	7,686,917.17	7,686,917.17	0.00
Real estate projects（Pharmaceutical and Health Group）	3,341,045.81	0.00	3,341,045.81
Data and Information Service Projects	3,098,479.88	0.00	3,098,479.88
Xiwan Huanhai Avenue	1,837,881.97	0.00	1,837,881.97
Fangchenggang Zhenyuling Bridge	1,013,150.52	0.00	1,013,150.52
Power equipment sales warranty	560,376.00	27,891.30	532,484.70
Liuzhou Municipal Supporting Projects	498,274.38	0.00	498,274.38
Golden Elephant Garden Pension Services	11,069.62	0.00	11,069.62
Payments for goods	0.00	0.00	0.00
Total	**266,038,135.96**	**7,803,177.14**	**258,234,958.82**

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	carrying value
Urban-rural construction linkage project	55,268,890.12	49,453.55	55,219,436.57
Environmental engineering construction projects （Guangxi Investment Capital）	0.00	0.00	0.00
Liuzhou Kitchen Waste Resource Utilization and Harmless Treatment Project PPP	133,750.37	0.00	133,750.37
Land level one development projects（Pharmaceutical and Health Group）	7,686,917.17	7,686,917.17	0.00
Real estate projects（Pharmaceutical and Health Group）	13,692,524.48	0.00	13,692,524.48
Data and Information Service Projects	714,700.00	0.00	714,700.00
Xiwan Huanhai Avenue	10,432.32	0.00	10,432.32
Fangchenggang Zhenyuling Bridge	0.00	0.00	0.00
Power equipment sales warranty	0.00	0.00	0.00
Liuzhou Municipal Supporting Projects	312,240.00	0.00	312,240.00
Golden Elephant Garden Pension Services	0.00	0.00	0.00
Payments for goods	136,611.96	0.00	136,611.96
Total	**77,956,066.42**	**7,736,370.72**	**70,219,695.70**

(2)Provision for impairment of contract assets

Item	Opening balance	Accrual in current year	Reversal in current year	Resale/Write-offs in current year	Closing balance	Reason
Land level one development projects（Pharmaceutical and Health Group）	7,686,917.17	0.00	0.00	0.00	7,686,917.17	The likelihood of recovery is expected to be low
Urban-rural construction linkage project	49,453.55	38,915.12	0.00	0.00	88,368.67	risk of possible impairment of the project's project payments is expected
Power equipment sales warranty	0.00	27,891.30	0.00	0.00	27,891.30	The likelihood of recovery is expected to be low
Total	**7,736,370.72**	**66,806.42**	**0.00**	**0.00**	**7,803,177.14**	**—**

17. Held-for-sale assets

Item	carrying value at year-end	Closing fair value	Expected disposal costs	Schedule
Fixed held-for-sale assets	9,022,026.00	9,022,026.00	0.00	For sale

18. Non-current assets due within one year

Item	Closing balance	Opening balance
Borrowings due within one year	216,470,921.75	66,706,382.59
Long-term receivables due within one year	2,535,980,623.39	2,595,822,718.87
Entrust loans due within one year	97,955,221,827.00	58,441,895,673.12
Less：Provision for bad debts of long-term receivables due within one year	388,755,636.95	235,098,681.21
Less：Provision for bad debts of entrust loans due within one year	2,261,250.82	0.00
Others	87,629,151.38	19,373,339.74
Total	**100,404,285,635.75**	**60,888,699,433.11**

19. Other current assets

Item	Closing balance	Opening balance
Refundable deposits	10,350,907,929.19	9,166,171,457.74
Entrusted loan	741,531,914.78	579,716,698.81
Compensation receivable	697,510,169.77	445,355,235.03
Funds clearing transactions	612,143,329.00	406,972,373.00
Retained VAT	591,649,476.85	491,657,726.22
Input VAT to be deducted	370,666,318.21	423,457,794.13
Operating lease assets（aluminum formwork）	249,388,817.88	166,980,577.79
Outstanding interest	103,778,962.00	134,295,882.00
Prepaid taxes	97,359,130.19	368,377,229.70
Input tax to be certified	49,657,891.68	28,900,543.27
Contract performance costs	11,550,805.34	0.00
Prepayment for equipment	0.00	9,529,327.30
Financial products	0.00	38,315,353.15
Others	380,382.78	1,283,136.09
Total	**13,876,525,127.67**	**12,261,013,334.23**

20. Loans and advances

(1)Distribution of loans and advances by individuals and businesses

Item	Closing balance	Opening balance
Individual loans and advances	74,875,995,919.16	67,904,176,429.58
Including：Credit card	2,776,746,741.00	858,999,780.00
Housing mortgage	50,051,836,591.00	49,387,410,809.00
Others	22,047,412,587.16	17,657,765,840.58
Business loans and advances	33,836,465,757.04	45,027,645,056.97
Including：Loans	24,125,837,984.04	36,736,563,164.97
Discount	9,550,384,160.00	8,247,203,680.00
Others	160,243,613.00	43,878,212.00
Total loans and advances	108,712,461,676.20	112,931,821,486.55
Less: Allowance for loan losses	5,356,551,933.19	4,406,013,215.31
Including：Portfolio accruals	5,356,551,933.19	4,406,013,215.31
carrying value of loans and advances	**103,355,909,743.01**	**108,525,808,271.24**

(2)Distribution of loans and advances by industry

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
Agriculture, fishery	2,131,084,281.86	1.96	2,224,913,785.55	1.97
Extractive industry	889,338,831.01	0.82	679,062,131.43	0.60
Real estate	5,858,423,287.96	5.39	6,808,609,121.92	6.03
Construction	8,438,532,744.00	7.76	7,228,699,933.05	6.40
Finance and insurance	2,465,368,226.15	2.27	2,264,261,836.32	2.00
Services	222,529,696.26	0.20	207,558,067.10	0.18
Transportation	2,082,294,938.35	1.92	1,966,592,799.99	1.74
Catering	530,030,942.97	0.49	853,407,122.73	0.76
Manufacturing	13,615,423,660.89	12.52	11,413,679,538.81	10.11
Personal consumption	34,811,714,333.55	32.02	39,315,879,046.03	34.81
Wholesale and retail trade	18,339,025,637.06	16.87	14,513,232,035.53	12.85
Electricity, gas and water production and supply industry	2,108,616,913.77	1.94	2,189,790,802.79	1.94
Other business	17,220,078,182.37	15.84	23,266,135,265.30	20.61
Total of loans and advances	**108,712,461,676.20**	**100.00**	**112,931,821,486.55**	**100.00**
Less: Allowance for loan losses	5,356,551,933.19	——	4,406,013,215.31	——
Including：Portfolio accruals	5,356,551,933.19	——	4,406,013,215.31	——
carrying value of loans and advances	**103,355,909,743.01**	**——**	**108,525,808,271.24**	**——**

(3)Distribution of loans and advances by region

Item	Closing balance	Ratio (%)	Opening balance	Ratio (%)
South China	108,712,461,676.20	100.00	112,931,821,486.55	100.00
Including: Guangxi region	107,405,862,177.54	98.80	111,596,059,292.43	98.82
Total of loans and advances	**108,712,461,676.20**	**100.00**	**112,931,821,486.55**	**100.00**
Less: Allowance for loan losses	5,356,551,933.19	——	4,406,013,215.31	——
Including: Portfolio accruals	5,356,551,933.19	——	4,406,013,215.31	——
carrying value of loans and advances	**103,355,909,743.01**	**——**	**108,525,808,271.24**	**——**

(4)Distribution of loans and advances by guarantee

Item	Closing balance	Opening balance
Credit loans	15,595,554,719.96	14,950,313,446.79
Guaranteed loans	25,205,578,750.58	22,524,270,577.82
Collateral loans	67,911,328,205.66	75,457,237,461.94
Including: Mortgage loan	49,506,504,638.04	57,462,352,016.27
Pledge loans	18,404,823,567.62	17,994,885,445.67
Total of loans and advances	**108,712,461,676.20**	**112,931,821,486.55**
Less: Allowance for loan losses	5,356,551,933.19	4,406,013,215.31
Including：Portfolio accruals	5,356,551,933.19	4,406,013,215.31
carrying value of loans and advances	**103,355,909,743.01**	**108,525,808,271.24**

(5)Overdue loans

Item	Closing balance				Total
	Overdue for 1—90 days (including 90 days)	Overdue for 90—360 days (including 360 days)	Overdue for 360 days to 3 years (including 3 years)	Overdue for more than 3 years	
Credit loans	131,812,870.00	115,228,992.00	68,343,107.00	34,075,404.00	349,460,373.00
Guaranteed loans	290,225,429.33	217,547,289.00	152,881,113.00	306,010,963.00	966,664,794.33
Collateral loans	439,530,638.00	374,639,281.00	382,304,378.00	675,011,175.00	1,871,485,472.00
Including: Mortgage loan	433,244,595.00	342,870,887.00	364,306,233.00	638,781,197.00	1,779,202,912.00
Pledge loans	6,286,043.00	31,768,394.00	17,998,145.00	36,229,978.00	92,282,560.00
Total of loans and advances	**861,568,937.33**	**707,415,562.00**	**603,528,598.00**	**1,015,097,542.00**	**3,187,610,639.33**
Less: Allowance for loan losses	438,000.00	37,576,550.00	0.00	0.00	38,014,550.00
Including：Portfolio accruals	438,000.00	37,576,550.00	0.00	0.00	38,014,550.00
carrying value of loans and advances	**861,130,937.33**	**669,839,012.00**	**603,528,598.00**	**1,015,097,542.00**	**3,149,596,089.33**

(Continued)

Item	Opening balance				Total
	Overdue for 1—90 days (including 90 days)	Overdue for 90—360 days (including 360 days)	Overdue for 360 days to 3 years (including 3 years)	Overdue for more than 3 years	
Credit loans	81,989,161.00	40,022,395.00	36,472,244.90	5,078,081.00	163,561,881.90
Guaranteed loans	259,004,140.00	178,196,981.20	157,318,425.00	387,175,696.00	981,695,242.20
Collateral loans	704,583,987.00	235,127,895.00	831,706,358.79	1,356,694,635.76	3,128,112,876.55
Including: Mortgage loan	682,738,834.00	217,129,094.00	803,038,485.79	1,261,707,628.65	2,964,614,042.44
Pledge loans	21,845,153.00	17,998,801.00	28,667,873.00	94,987,007.11	163,498,834.11
Total of loans and advances	**1,045,577,288.00**	**453,347,271.20**	**1,025,497,028.69**	**1,748,948,412.76**	**4,273,370,000.65**
Less: Allowance for loan losses	208,500.00	0.00	0.00	0.00	208,500.00
Including: Portfolio accruals	208,500.00	0.00	0.00	0.00	208,500.00
carrying value of loans and advances	**1,045,368,788.00**	**453,347,271.20**	**1,025,497,028.69**	**1,748,948,412.76**	**4,273,161,500.65**

(6)Allowance for loan losses

Item	Current year amount		Prior year amount	
	Individual	Portfolio	Individual	Portfolio
Opening balance	0.00	4,406,013,215.31	0.00	3,483,939,289.42
Current accrual	0.00	2,742,327,811.88	0.00	2,065,614,509.00
Current transfer	0.00	0.00	0.00	36,140,037.11
Current write-offs	0.00	1,743,334,924.00	0.00	1,307,100,959.00
Current reversal	0.00	-48,454,170.00	0.00	199,700,413.00
Recovery of reversal due to original reversal of loans and advances	0.00	40,041,042.00	0.00	199,714,741.00
Reversal of loans and advances due to increase in discounted value	0.00	-88,495,212.00	0.00	-48,101,802.00
Reversal due to other factors	0.00	0.00	0.00	48,087,474.00
Closing balance	**0.00**	**5,356,551,933.19**	**0.00**	**4,406,013,215.31**

21. Debt investments

Item	Closing balance		
	Book balance	Impairment provision	carrying value
Asset packages	87,200,995,207.40	5,348,655,597.17	81,852,339,610.23
Enterprise debt	2,736,415,250.37	111,380,309.51	2,625,034,940.86
Entrusted loan	65,000,000.00	0.00	65,000,000.00
Securities company income certificates	0.00	0.00	0.00
Others	0.00	0.00	0.00
Total	**90,002,410,457.77**	**5,460,035,906.68**	**84,542,374,551.09**

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	carrying value
Asset packages	97,184,636,352.30	6,233,584,214.56	90,951,052,137.74
Enterprise debt	3,714,805,281.11	98,466,816.17	3,616,338,464.94
Entrusted loan	0.00	0.00	0.00
Securities company income certificates	37,559,726.01	0.00	37,559,726.01
Others	149.80	0.00	149.80
Total	**100,937,001,509.22**	**6,332,051,030.73**	**94,604,950,478.49**

22. Other debt investments

(1) Details of other debt investments

Item	Closing balance	Opening balance
Debt instruments	9,711,052,820.00	3,829,084,297.00
Local bonds	1,920,845,913.57	324,170,101.64
Financial bonds	246,183,211.84	714,870,181.78
Corporate bonds	221,568,023.70	2,338,188,000.71
Enterprise bonds	185,437,364.17	1,165,564,668.68
Others	9,688,972,228.83	13,238,235,830.50
Total	**21,974,059,562.11**	**21,610,113,080.31**

(2) Significant other debt investments at the end of the year

Other debt investment projects	Face value	Amortized cost	Fair value	Cumulative amount of changes in fair value recognized in other comprehensive income	Amount of provision for impairment
21Xiamen International BankCD154	800,000,000.00	780,879,412.28	781,914,400.00	1,034,987.72	352,306.44
21China Everbright BankCD200	700,000,000.00	683,622,034.79	684,235,300.00	613,265.21	308,427.19
21China Everbright BankCD202	500,000,000.00	488,271,773.01	488,669,500.00	397,726.99	220,291.75
21Ping An BankCD243	500,000,000.00	488,301,702.70	488,739,500.00	437,797.30	220,305.25
21Huaxia BankCD286	500,000,000.00	488,301,702.70	488,739,500.00	437,797.30	220,305.25
Total	**3,000,000,000.00**	**2,929,376,625.48**	**2,932,298,200.00**	**2,921,574.52**	**1,321,635.88**

23. Long-term receivables

Item	Closing balance		
	Book balance	Bad debt provision	carrying value
Finance lease payments	8,664,476,663.71	230,493,398.62	8,433,983,265.09
Including：Unrealized financing profits	-973,348,767.69	0.00	-973,348,767.69
Others	2,801,499,297.63	269,886,268.43	2,531,613,029.20
Total	**11,465,975,961.34**	**500,379,667.05**	**10,965,596,294.29**

(Continued)

Item	Opening balance		
	Book balance	Bad debt provision	carrying value
Finance lease payments	8,690,717,043.46	274,279,962.67	8,416,437,080.79
Including：Unrealized financing profits	-1,138,483,930.68	0.00	-1,138,483,930.68
Others	5,372,552,174.51	263,223,497.62	5,109,328,676.89
Total	**14,063,269,217.97**	**537,503,460.29**	**13,525,765,757.68**

24. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase	Decrease	Closing balance
Investments in subsidiaries	19,759,121.32	0.00	0.00	19,759,121.32
Investments in joint ventures	38,325,483.39	11,467,794.85	5,300,000.00	44,493,278.24
Investments in associates	22,893,561,344.49	9,243,290,490.94	2,861,972,612.27	29,274,879,223.16
Subtotal	**22,951,645,949.20**	**9,254,758,285.79**	**2,867,272,612.27**	**29,339,131,622.72**
Less: Provision for impairment of long-term equity investments	107,503,961.87	49,797,692.44	16,766,263.99	140,535,390.32
Total	**22,844,141,987.33**	**9,204,960,593.35**	**2,850,506,348.28**	**29,198,596,232.40**

(2) Details of long-term equity investments

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Total	**29,298,563,626.13**	**22,951,645,949.20**	**6,633,565,945.93**	**1,692,591,221.82**	**1,891,239,558.54**	**1,487,990.59**
I. Subsidiaries	**19,759,121.32**	**19,759,121.32**	**0.00**	**0.00**	**0.00**	**0.00**
Guangxi Zhuangmei E-commerce Co., Ltd.	19,759,121.32	19,759,121.32	0.00	0.00	0.00	0.00
II. Joint ventures	**39,648,588.72**	**38,325,483.39**	**12,000,000.00**	**2,100,000.00**	**3,790,281.92**	**0.00**
Guangxi Zhongyou Tiexiang Energy Ltd.	13,500,000.00	13,500,000.00	0.00	0.00	0.00	0.00
Guangxi Hezhou Sheng Li Electric Power Co., Ltd.	6,123,987.72	16,433,458.66	0.00	0.00	1,611,842.06	0.00
Guangxi Beitou Guohai Jiuhe Industrial Investment Partnership (Limited Partnership)	8,000,000.00	0.00	8,000,000.00	0.00	-6,333.34	0.00
Nanning Guohai Yuchai Investment Management Co., Ltd.	5,924,601.00	5,981,849.89	0.00	0.00	265,123.09	0.00
Shenzhen Guohai No. 9 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	4,000,000.00	0.00	4,000,000.00	0.00	-4,141.46	0.00
Xiamen Guohai Nut Investment Management Co., Ltd.	2,100,000.00	2,410,174.84	0.00	2,100,000.00	1,923,791.57	0.00
III. Associates	**29,239,155,916.09**	**22,893,561,344.49**	**6,621,565,945.93**	**1,690,491,221.82**	**1,887,449,276.62**	**1,487,990.59**
Guangxi Guiguan Electric Power Co., Ltd.	5,153,063,512.34	6,541,664,581.81	0.00	0.00	302,516,714.17	4,943,014.63
Guangxi Fangchenggang Nuclear Power Co., Ltd.	6,158,274,392.77	4,670,180,650.05	895,830,000.00	0.00	710,622,079.86	0.00
Guangxi Construction Engineering Group Co., Ltd.	3,410,225,655.74	0.00	3,410,225,655.74	0.00	175,197,463.69	-57,371.02
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	952,000,000.00	1,008,091,204.03	136,000,000.00	0.00	-4,258,158.54	0.00
Tianshengqiao No.1 Level Water and Electricity Development Co., Ltd.	2,728,411,976.84	2,320,890,465.62	0.00	0.00	111,287,674.12	0.00
Guangxi Huasheng New Material Co., Ltd.	679,489,200.00	686,384,707.94	0.00	0.00	490,547,573.93	0.00
Datang Yantan Hydropower Co., Ltd.	417,917,949.09	908,256,952.49	0.00	0.00	96,933,343.25	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
SDIC Qinzhou Electric Power Co., Ltd.	2,283,848,967.25	1,064,066,546.48	0.00	0.00	-77,272,583.74	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	953,816,500.00	0.00	915,200,000.00	0.00	0.00	0.00
Guangxi Guiguan Kaitou Electric Power Co., Ltd.	360,000,000.00	684,631,929.55	0.00	0.00	110,416,569.61	0.00
Guofu Life Insurance Co., Ltd.	300,000,000.00	261,443,153.17	285,714,285.46	0.00	-30,901,868.04	-3,397,653.02
Guoneng Guangtou Beihai Power Generation Co., Ltd.	741,779,276.01	296,110,157.73	338,368,000.00	0.00	0.00	0.00
Guangxi Guangtou Asset Management Co., Ltd.	437,109,000.00	536,981,758.77	0.00	0.00	33,290,990.16	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	525,092,448.05	493,534,827.35	0.00	0.00	-40,993,086.22	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	360,000,000.00	202,502,997.01	157,500,000.00	0.00	9,243.36	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	269,564,952.41	269,564,952.41	0.00	0.00	-10,053,546.81	0.00
Guangxi Hezhou Investment Group Co., Ltd.	246,280,000.00	0.00	180,000,000.00	0.00	0.00	0.00
Aluminum Power Jinhai Co., Ltd.	191,000,000.00	185,364,074.93	0.00	0.00	219,620.22	0.00
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	84,369,153.80	93,929,705.03	2,088,520.66	0.00	9,454,639.11	0.00
Guangxi Radio & TV Big Data Technology Co., Ltd.	100,000,000.00	100,272,843.69	0.00	0.00	907,078.25	0.00
Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (Limited Partnership)	75,000,000.00	75,000,000.00	0.00	0.00	174,628.09	0.00
Xiamen Guohai Nut Venture Investment Partnership (Limited Partnership)	8,096,640.27	24,388,437.45	3,038,584.31	3,575,027.02	52,391,080.14	0.00
Qingdao Guohai Huihang Investment Partnership (Limited Partnership)	60,000,000.00	59,231,112.46	0.00	0.00	-212,858.51	0.00
Guizhou Xingyi Electric Power Development Co., Ltd.	210,000,000.00	114,508,807.11	0.00	0.00	-65,299,858.43	0.00
Guangxi Aglaiya Biotechnology Co., Ltd.	50,000,000.00	0.00	50,000,000.00	0.00	-1,344,855.05	0.00
Guangxi Digital Guangrun Technology Co., Ltd.	39,177,322.00	41,086,654.99	0.00	0.00	3,495,338.77	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Yunbaobao Big Data Industry Development Co., Ltd.	40,000,000.00	38,358,959.11	0.00	0.00	1,136,358.61	0.00
Guangxi Shuguang Baode Information Technology Co., Ltd.	24,500,000.00	26,304,850.79	0.00	0.00	9,411,355.76	0.00
Nanning Huiyou Xingyao Equity Investment Fund Partnership (Limited Partnership)	20,380,000.00	20,182,994.72	9,620,000.00	0.00	4,591,895.40	0.00
Liuzhou Guanghe Petty Loan Co., Ltd.	31,754,205.75	31,754,205.75	0.00	0.00	1,422,963.48	0.00
Guangxi Laibin GIG Advanced Materials Co., Ltd.	29,400,000.00	5,319,134.37	24,500,000.00	0.00	1,203,652.69	0.00
Chongqing Century Light Technology Industrial Co., Ltd.	23,083,298.68	29,831,075.47	0.00	0.00	-284,360.19	0.00
Guangxi Gold Stone Technology Co., Ltd.	25,666,008.22	25,666,008.22	0.00	0.00	1,854,987.55	0.00
IrayaEnergyCorporation	27,241,966.00	27,202,459.09	0.00	0.00	-106,053.95	0.00
Guangxi Yuanchen Kejia Culture Town Investment Co., Ltd.	24,345,303.60	24,345,303.60	24,257,368.70	24,345,303.60	0.00	0.00
Guangxi Talent Cloud IT Co., Ltd.	24,000,000.00	24,026,494.62	0.00	0.00	26,986.20	0.00
Guangxi Chaochao New Material Co., Ltd.	29,658,388.73	29,658,388.73	0.00	0.00	-7,451,591.82	0.00
HydrocoreCorporation	23,209,550.00	22,409,703.29	0.00	0.00	-696,926.88	0.00
Ningbo Meishan Bonded Port Credit Enterprise Equity Investment Partnership (Limited Partnership)	20,750,000.00	20,711,750.72	0.00	0.00	-7,404.18	0.00
Guangxi Zhongke Alpha Technology Co., Ltd.	21,107,692.00	0.00	21,107,692.00	0.00	-1,126,344.71	0.00
China National Salt Industry Group Guangxi Salt Co., Ltd.	26,652,000.00	19,097,569.01	0.00	0.00	-1,909,000.00	0.00
Hangzhou Guohai Xinsheng Equity Investment Partnership (Limited Partnership)	20,000,000.00	18,289,588.91	0.00	0.00	-1,228,194.56	0.00
Guangxi Construction Industrialization Co., Ltd.	18,548,852.93	18,548,852.93	0.00	0.00	-1,539,072.36	0.00
Guangxi GIG China Gas Clean Energy Co., Ltd.	10,000,000.00	13,363,582.27	0.00	0.00	2,471,774.19	0.00
Shenzhen Guohai No.3 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	14,750,000.00	14,689,382.88	0.00	0.00	-316,160.84	0.00
Beibu Gulf Equity Exchange Group Co., Ltd.	11,747,459.95	12,599,673.70	0.00	0.00	3,181,959.46	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Gradient Information Technology Co., Ltd.	11,000,000.00	11,585,998.15	0.00	0.00	1,659,333.88	0.00
Jiaxing Guohai LOHAS No. 6 Equity Investment Partnership (Limited Partnership)	13,000,000.00	0.00	13,000,000.00	0.00	-56,958.65	0.00
Fangchenggang Bianhe District Trade & Investment Co., Ltd.	12,600,000.00	12,600,000.00	0.00	0.00	0.00	0.00
Beibu Gulf Wealth Management Co., Ltd.	10,517,739.06	0.00	10,517,739.06	0.00	0.00	0.00
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.	1,050,000.00	8,728,644.58	0.00	0.00	1,451,597.77	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	10,000,000.00	10,000,000.00	0.00	0.00	0.00	0.00
Changxing Guohai East Lake Equity Investment Partnership (Limited Partnership)	10,000,000.00	0.00	10,000,000.00	0.00	-65,480.79	0.00
Shenzhen Guohai No.5 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	10,000,000.00	0.00	10,000,000.00	0.00	-74,765.91	0.00
Guangxi Guiwu Smart Technology Co., Ltd.	8,407,143.00	9,415,780.59	0.00	0.00	339,206.60	0.00
Sinopec (Maoming) Gas Pipeline Co., Ltd.	10,132,553.00	10,132,553.00	0.00	0.00	-910,260.72	0.00
Guilin Haomiao Tourism Investment Co., Ltd.	8,500,000.00	8,500,000.00	0.00	0.00	0.00	0.00
Guangxi Gold investment Co., Ltd.	6,000,000.00	6,975,540.71	0.00	0.00	211,698.36	0.00
Guangxi Guofu Innovative Equity Investment Fund Management Co., Ltd.	1,437,957.00	7,498,983.82	0.00	0.00	1,667,193.28	0.00
GIG Huili (Shanghai) Investment Management Co., Ltd.	8,570,000.00	4,595,855.24	0.00	0.00	2,003,233.04	0.00
Guangxi Luhai New Channel Equity Investment Management Center (Limited Partnership)	2,475,000.00	2,462,393.17	0.00	0.00	3,596,624.85	0.00
Shenzhen Guohai No. 8 Software Service Venture Capital Partnership (Limited Partnership)	6,000,000.00	0.00	6,000,000.00	0.00	-11,687.97	0.00
Hunan Maio Medical Technology Co., Ltd.	9,800,000.00	7,600,042.14	0.00	0.00	-2,350,595.23	0.00
Guangxi Digital Certification Co., Ltd.	3,800,000.00	4,064,762.46	0.00	0.00	762,996.88	0.00
Guangxi Digital Hezhou Technology Co., Ltd.	4,500,000.00	0.00	4,500,000.00	0.00	182,362.78	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Gas Group Co., Ltd.	4,500,000.00	4,500,000.00	0.00	0.00	0.00	0.00
Guangxi Pingle Nongtou Energy Construction Co., Ltd.	4,900,000.00	4,900,000.00	0.00	0.00	-483,931.06	0.00
Baise Haohai Power Generation Co., Ltd.	1,839,000.00	4,158,689.64	0.00	0.00	1,513,058.22	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	4,100,000.00	4,140,007.57	0.00	0.00	128,885.14	0.00
Wuzhou Export-oriented Industrial Park Development Co., Ltd.	4,000,000.00	4,000,000.00	0.00	0.00	0.00	0.00
Guangxi Shuguang Education Technology Co., Ltd.	4,600,000.00	0.00	4,600,000.00	0.00	-667,318.75	0.00
Guangxi Shuguang Network Security Technology Co., Ltd.	4,800,000.00	2,608,394.06	2,400,000.00	0.00	-1,361,424.49	0.00
Guangxi Guanglin Digital Technology Co., Ltd.	3,500,000.00	0.00	3,500,000.00	0.00	0.00	0.00
Guangxi GIG Dayuan Environmental Technology Co., Ltd.	3,584,954.86	3,584,954.86	0.00	0.00	-467,921.75	0.00
Ganzi Datong New Energy Co., Ltd.	4,300,000.00	3,487,987.29	0.00	0.00	-372,043.92	0.00
Ganzi Xikang Water Conservancy Power Investigation Design Co., Ltd.	3,350,000.00	3,264,157.01	0.00	0.00	-184,001.48	0.00
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	2,300,000.00	2,586,211.84	0.00	0.00	481,764.23	0.00
Guangxi Shuguang Hetai Big Data Technology Co., Ltd.	4,000,000.00	4,003,928.03	0.00	0.00	-947,033.84	0.00
Nanning Lansheng Yirong Fund Management Co., Ltd.	1,750,000.00	2,767,849.17	0.00	0.00	318,394.33	0.00
Guangxi Digital Medicine Technology Co., Ltd.	4,100,000.00	4,132,104.13	0.00	0.00	-1,634,082.88	0.00
Guangxi Quanyu Tourism Industry Development Fund Management Co., Ltd.	2,500,000.00	2,178,347.81	0.00	0.00	116,726.29	0.00
Chongzuo Jintou Environment Xinzhai Water Co., Ltd.	2,248,100.00	0.00	2,248,100.00	0.00	0.00	0.00
Hunan Huipan Medical Technology Co., Ltd.	980,000.00	1,784,074.65	0.00	0.00	2,327,790.92	0.00
Guangxi Shuguang Maiyue Technology Co., Ltd.	510,000.00	0.00	0.00	0.00	-60,351.09	0.00
Shenzhen Tianyi Lummy Pharmaceutical Industry Investment Partnership (Limited Partnership)	11,740,600.00	1,562,027.44	0.00	0.00	122,478.30	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Nanning Hourunde Fund Management Co., Ltd.	900,000.00	944,173.27	0.00	0.00	164,040.32	0.00
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)	1,000,000.00	0.00	1,000,000.00	0.00	0.00	0.00
Financial Open Portal (Guangxi) Cross Border Financial Digital Co., Ltd.	1,777,229.45	1,777,229.45	0.00	0.00	-1,047,750.08	0.00
Shenzhen Guohai Zhongheng Pharmaceutical Health Venture Capital Partnership (Limited Partnership)	100,000,000.00	0.00	100,000,000.00	0.00	384,232.81	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	269,500.00	176,473.50	0.00	0.00	24,031.07	0.00
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	400,000.00	121,569.70	0.00	0.00	13,891.63	0.00
Tibet Jian'an Pharmaceutical Chain Co., Ltd.	350,000.00	0.00	350,000.00	0.00	-271,133.24	0.00
Guangxi Guangtou Jiaoyin Equity Investment Fund Management Center (Limited Partnership)	1,418,819,474.99	1,418,819,474.99	0.00	1,418,819,474.99	0.00	0.00
Guangxi Guofu Financing Equity Investment Fund Management Co., Ltd.	4,000,000.00	10,710,921.16	0.00	0.00	2,976,362.15	0.00
Guangxi Shuguang Bida Cloud Technology Development Co., Ltd.	2,400,000.00	2,425,118.23	0.00	0.00	47,027.47	0.00
Suzhou Yingdi Xinkang Technology Co., Ltd.	5,500,000.00	1,808,538.72	0.00	5,500,000.00	419,686.56	0.00
Hunan Xinkangyu Consulting Service Co., Ltd.	1,200,000.00	1,267,667.43	0.00	1,267,667.43	0.00	0.00
Chengdu Meikang Medical Information System Co., Ltd.	199,500,000.00	215,376,854.70	0.00	215,376,854.70	0.00	0.00
Sichuan Meikang Pharmaceutical Software Co., Ltd.	13,500,000.00	14,389,409.29	0.00	14,389,409.29	0.00	0.00
Sichuan Xidian Energy Co., Ltd.	1,469,952.00	2,113,088.14	0.00	2,107,429.66	-5,658.48	0.00
Shaanxi Shangxin Power Distribution Co., Ltd.	5,365,040.30	5,365,040.30	0.00	5,110,055.13	-254,985.17	0.00

(Continued)

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
Total	**731,655,898.61**	**1,174,681,390.45**	**49,797,692.44**	**-3,191,107.88**	**29,339,131,622.72**	**140,535,390.32**
I. Subsidiaries	**0.00**	**0.00**	**0.00**	**0.00**	**19,759,121.32**	**0.00**
Guangxi Zhuangmei E-commerce Co., Ltd.	0.00	0.00	0.00	0.00	19,759,121.32	0.00
II. Joint ventures	**0.00**	**3,200,000.00**	**0.00**	**-4,322,487.07**	**44,493,278.24**	**0.00**
Guangxi Zhongyou Tiexiang Energy Ltd.	0.00	0.00	0.00	0.00	13,500,000.00	0.00
Guangxi Hezhou Sheng Li Electric Power Co., Ltd.	0.00	3,200,000.00	0.00	0.00	14,845,300.72	0.00
Guangxi Beitou Guohai Jiuhe Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	7,993,666.66	0.00
Nanning Guohai Yuchai Investment Management Co., Ltd.	0.00	0.00	0.00	-2,088,520.66	4,158,452.32	0.00
Shenzhen Guohai No. 9 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	3,995,858.54	0.00
Xiamen Guohai Nut Investment Management Co., Ltd.	0.00	0.00	0.00	-2,233,966.41	0.00	0.00
III. Associates	**731,655,898.61**	**1,171,481,390.45**	**49,797,692.44**	**1,131,379.19**	**29,274,879,223.16**	**140,535,390.32**
Guangxi Guiguan Electric Power Co., Ltd.	-69,294,438.45	334,096,158.65	0.00	0.00	6,445,733,713.51	0.00
Guangxi Fangchenggang Nuclear Power Co., Ltd.	0.00	381,909,363.91	0.00	0.00	5,894,723,366.00	0.00
Guangxi Construction Engineering Group Co., Ltd.	95,190,957.57	0.00	0.00	0.00	3,680,556,705.98	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	574,838,000.00	0.00	0.00	0.00	1,714,671,045.49	0.00
Tianshengqiao No.1 Level Water and Electricity Development Co., Ltd.	0.00	80,481,685.83	0.00	0.00	2,351,696,453.91	0.00
Guangxi Huasheng New Material Co., Ltd.	0.00	0.00	0.00	0.00	1,176,932,281.87	0.00
Datang Yantan Hydropower Co., Ltd.	0.00	108,165,410.05	0.00	0.00	897,024,885.69	0.00

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
SDIC Qinzhou Electric Power Co., Ltd.	0.00	111,119,728.25	0.00	0.00	875,674,234.49	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	0.00	0.00	0.00	0.00	915,200,000.00	0.00
Guangxi Guiguan Kaitou Electric Power Co., Ltd.	0.00	101,098,566.28	0.00	0.00	693,949,932.88	0.00
Guofu Life Insurance Co., Ltd.	126,857,142.78	0.00	0.00	0.00	639,715,060.35	0.00
Guoneng Guangtou Beihai Power Generation Co., Ltd.	0.00	0.00	0.00	0.00	634,478,157.73	0.00
Guangxi Guangtou Asset Management Co., Ltd.	0.00	30,000,000.00	0.00	0.00	540,272,748.93	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	4,064,236.71	0.00	0.00	0.00	456,605,977.84	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	0.00	0.00	0.00	0.00	360,012,240.37	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	0.00	0.00	0.00	0.00	259,511,405.60	0.00
Guangxi Hezhou Investment Group Co., Ltd.	0.00	0.00	0.00	0.00	180,000,000.00	0.00
Aluminum Power Jinhai Co., Ltd.	0.00	0.00	0.00	0.00	185,583,695.15	0.00
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	105,472,864.80	0.00
Guangxi Radio & TV Big Data Technology Co., Ltd.	0.00	0.00	0.00	0.00	101,179,921.94	0.00
Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	75,174,628.09	0.00
Xiamen Guohai Nut Venture Investment Partnership (Limited Partnership)	0.00	12,969,777.48	0.00	0.00	63,273,297.40	0.00
Qingdao Guohai Huihang Investment Partnership (Limited Partnership)	0.00	0.00	16,938,253.95	0.00	59,018,253.95	59,018,253.95
Guizhou Xingyi Electric Power Development Co., Ltd.	0.00	0.00	0.00	0.00	49,208,948.68	0.00
Guangxi Aglaiya Biotechnology Co., Ltd.	0.00	0.00	0.00	0.00	48,655,144.95	0.00
Guangxi Digital Guangrun Technology Co., Ltd.	0.00	0.00	0.00	-1,615,602.35	42,966,391.41	0.00

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
Yunbaobao Big Data Industry Development Co., Ltd.	0.00	0.00	0.00	0.00	39,495,317.72	0.00
Guangxi Shuguang Baode Information Technology Co., Ltd.	0.00	0.00	0.00	0.00	35,716,206.55	0.00
Nanning Huiyou Xingyao Equity Investment Fund Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	34,394,890.12	0.00
Liuzhou Guanghe Petty Loan Co., Ltd.	0.00	0.00	0.00	0.00	33,177,169.23	0.00
Guangxi Laibin GIG Advanced Materials Co., Ltd.	0.00	0.00	0.00	0.00	31,022,787.06	0.00
Chongqing Century Light Technology Industrial Co., Ltd.	0.00	0.00	22,798,938.49	0.00	29,546,715.28	29,546,715.28
Guangxi Gold Stone Technology Co., Ltd.	0.00	0.00	0.00	0.00	27,520,995.77	0.00
IrayaEnergyCorporation	0.00	0.00	0.00	0.00	27,096,405.14	0.00
Guangxi Yuanchen Kejia Culture Town Investment Co., Ltd.	0.00	0.00	0.00	0.00	24,257,368.70	0.00
Guangxi Talent Cloud IT Co., Ltd.	0.00	0.00	0.00	0.00	24,053,480.82	0.00
Guangxi Chaochao New Material Co., Ltd.	0.00	0.00	10,060,500.00	0.00	22,206,796.91	10,060,500.00
HydrocoreCorporation	0.00	0.00	0.00	0.00	21,712,776.41	0.00
Ningbo Meishan Bonded Port Credit Enterprise Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	20,704,346.54	19,409,921.09
Guangxi Zhongke Alpha Technology Co., Ltd.	0.00	0.00	0.00	0.00	19,981,347.29	0.00
China National Salt Industry Group Guangxi Salt Co., Ltd.	0.00	0.00	0.00	0.00	17,188,569.01	0.00
Hangzhou Guohai Xinsheng Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	17,061,394.35	0.00
Guangxi Construction Industrialization Co., Ltd.	0.00	0.00	0.00	0.00	17,009,780.57	0.00
Guangxi GIG China Gas Clean Energy Co., Ltd.	0.00	0.00	0.00	0.00	15,835,356.46	0.00
Shenzhen Guohai No.3 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	14,373,222.04	0.00

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
Beibu Gulf Equity Exchange Group Co., Ltd.	0.00	1,498,400.00	0.00	0.00	14,283,233.16	0.00
Guangxi Gradient Information Technology Co., Ltd.	0.00	0.00	0.00	0.00	13,245,332.03	0.00
Jiaxing Guohai LOHAS No. 6 Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	12,943,041.35	0.00
Fangchenggang Bianhe District Trade & Investment Co., Ltd.	0.00	0.00	0.00	0.00	12,600,000.00	0.00
Beibu Gulf Wealth Management Co., Ltd.	0.00	0.00	0.00	0.00	10,517,739.06	0.00
Guangxi Luhai New Channel Equity Investment Management Co., Ltd.	0.00	0.00	0.00	0.00	10,180,242.35	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	0.00	0.00	0.00	0.00	10,000,000.00	10,000,000.00
Changxing Guohai East Lake Equity Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	9,934,519.21	0.00
Shenzhen Guohai No.5 Innovative Pharmaceutical Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	9,925,234.09	0.00
Guangxi Guiwu Smart Technology Co., Ltd.	0.00	0.00	0.00	0.00	9,754,987.19	0.00
Sinopec (Maoming) Gas Pipeline Co., Ltd.	0.00	0.00	0.00	0.00	9,222,292.28	0.00
Guilin Haomiao Tourism Investment Co., Ltd.	0.00	0.00	0.00	0.00	8,500,000.00	8,500,000.00
Guangxi Gold investment Co., Ltd.	0.00	0.00	0.00	0.00	7,187,239.07	0.00
Guangxi Guofu Innovative Equity Investment Fund Management Co., Ltd.	0.00	2,000,000.00	0.00	0.00	7,166,177.10	0.00
GIG Huili (Shanghai) Investment Management Co., Ltd.	0.00	0.00	0.00	0.00	6,599,088.28	0.00
Guangxi Luhai New Channel Equity Investment Management Center (Limited Partnership)	0.00	0.00	0.00	0.00	6,059,018.02	0.00
Shenzhen Guohai No. 8 Software Service Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	5,988,312.03	0.00
Hunan Maio Medical Technology Co., Ltd.	0.00	0.00	0.00	0.00	5,249,446.91	0.00
Guangxi Digital Certification Co., Ltd.	0.00	0.00	0.00	0.00	4,827,759.34	0.00

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
Guangxi Digital Hezhou Technology Co., Ltd.	0.00	0.00	0.00	0.00	4,682,362.78	0.00
Guangxi Gas Group Co., Ltd.	0.00	0.00	0.00	0.00	4,500,000.00	0.00
Guangxi Pingle Nongtou Energy Construction Co., Ltd.	0.00	0.00	0.00	0.00	4,416,068.94	0.00
Baise Haohai Power Generation Co., Ltd.	0.00	1,287,300.00	0.00	0.00	4,384,447.86	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	0.00	0.00	0.00	0.00	4,268,892.71	0.00
Wuzhou Export-oriented Industrial Park Development Co., Ltd.	0.00	0.00	0.00	0.00	4,000,000.00	4,000,000.00
Guangxi Shuguang Education Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,932,681.25	0.00
Guangxi Shuguang Network Security Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,646,969.57	0.00
Guangxi Guanglin Digital Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,500,000.00	0.00
Guangxi GIG Dayuan Environmental Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,117,033.11	0.00
Ganzi Datong New Energy Co., Ltd.	0.00	0.00	0.00	0.00	3,115,943.37	0.00
Ganzi Xikang Water Conservancy Power Investigation Design Co., Ltd.	0.00	0.00	0.00	0.00	3,080,155.53	0.00
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	0.00	0.00	0.00	0.00	3,067,976.07	0.00
Guangxi Shuguang Hetai Big Data Technology Co., Ltd.	0.00	0.00	0.00	0.00	3,056,894.19	0.00
Nanning Lansheng Yirong Fund Management Co., Ltd.	0.00	175,000.00	0.00	0.00	2,911,243.50	0.00
Guangxi Digital Medicine Technology Co., Ltd.	0.00	0.00	0.00	0.00	2,498,021.25	0.00
Guangxi Quanyu Tourism Industry Development Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	2,295,074.10	0.00
Chongzuo Jintou Environment Xinzhai Water Co., Ltd.	0.00	0.00	0.00	0.00	2,248,100.00	0.00
Hunan Huipan Medical Technology Co., Ltd.	0.00	1,880,000.00	0.00	0.00	2,231,865.57	0.00
Guangxi Shuguang Maiyue Technology Co., Ltd.	0.00	0.00	0.00	1,947,352.52	1,887,001.43	0.00

Investee	Increase or decrease				Closing balance	Impairment provision closing balance at year end
	Other equity changes	Cash dividend or profit announced to be declared	Provision for impairment	Other		
Shenzhen Tianyi Lummy Pharmaceutical Industry Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	1,684,505.74	0.00
Nanning Hourunde Fund Management Co., Ltd.	0.00	0.00	0.00	0.00	1,108,213.59	0.00
Guangxi Huantong Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	1,000,000.00	0.00
Financial Open Portal (Guangxi) Cross Border Financial Digital Co., Ltd.	0.00	0.00	0.00	0.00	729,479.37	0.00
Shenzhen Guohai Zhongheng Pharmaceutical Health Venture Capital Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	100,384,232.81	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	200,504.57	0.00
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	0.00	0.00	0.00	0.00	135,461.33	0.00
Tibet Jian'an Pharmaceutical Chain Co., Ltd.	0.00	0.00	0.00	0.00	78,866.76	0.00
Guangxi Guangtou Jiaoyin Equity Investment Fund Management Center (Limited Partnership)	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Guofu Financing Equity Investment Fund Management Co., Ltd.	0.00	4,800,000.00	0.00	0.00	8,887,283.31	0.00
Guangxi Shuguang Bida Cloud Technology Development Co., Ltd.	0.00	0.00	0.00	-2,472,145.70	0.00	0.00
Suzhou Yingdi Xinkang Technology Co., Ltd.	0.00	0.00	0.00	3,271,774.72	0.00	0.00
Hunan Xinkangyu Consulting Service Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Chengdu Meikang Medical Information System Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Sichuan Meikang Pharmaceutical Software Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Sichuan Xidian Energy Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Shaanxi Shangxin Power Distribution Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00

Note: Guangxi Zhuangmei e-commerce Co., Ltd. is not included in the scope of consolidation because the restructuring and handover has not been completed.

25. Investment in other equity instruments

(1) Details of investment in other equity instruments

Item	Closing balance	Opening balance
Liuzhou Zhengling Project	3,600,000,000.00	1,800,000,000.00
Guangxi Transportation Investment Group Co., Ltd.	3,010,500,000.00	0.00
Guangxi Beibu Gulf International Port Group Co., Ltd.	2,979,281,980.39	0.00
Guangxi Nongken Group Co., Ltd.	2,528,432,157.98	0.00
Guangxi Guohong Economic Development Group Co., Ltd.	2,385,409,924.82	0.00
Guangxi Baise Development and Investment Group Co., Ltd.	1,501,789,544.77	1,537,148,916.75
Guangxi Tourism Development Group Co., Ltd.	1,240,005,996.83	0.00
Guangxi Airport Management Group Co., Ltd.	1,097,214,950.70	0.00
Guangxi Guangtou Aluminum Industry Investment Fund Partnership (Limited Partnership)	977,647,690.19	850,982,452.19
Beihai City Development Investment Group Co., Ltd.	899,830,388.02	922,021,465.75
Guangxi Laibin City Construction Investment Group Co., Ltd.	859,651,839.89	876,676,072.15
Guangxi Honggui Capital Operation Group Co., Ltd.	825,809,966.92	0.00
Guangxi Guigang City Investment and Development Group Co., Ltd.	752,458,944.88	753,954,103.18
Yulin City Construction Investment Group Co., Ltd.	718,675,309.64	718,675,309.64
Guangxi Luhai New Channel Equity Investment Fund Partnership (Limited Partnership)	704,913,348.68	250,406,525.36
Yulin Transportation and Tourism Investment Group Co., Ltd.	698,469,027.40	705,580,306.15
Guangxi Laibin Industrial Investment Group Co., Ltd.	691,179,776.94	901,844,776.94
Guangxi Rural Investment Group Co., Ltd.	652,163,644.14	0.00
Guangxi Investment Guidance Fund Co., Ltd.	634,371,004.00	110,925,000.00
Beihai Road and Harbor Construction Investment Development Co., Ltd.	590,926,397.36	590,926,397.36
Guangxi Guofu Innovation Medical Health Industry Fund Partnership (Limited Partnership)	569,723,014.62	607,759,375.74
Guangxi Automobile Group Co., Ltd.	561,904,069.71	0.00
Guangxi Guigang Transportation Investment and Development Group Co., Ltd.	515,731,151.82	515,731,151.82
Guangxi Modern Logistics Group Co., Ltd.	573,980,063.95	500,000,000.00
Guangxi Yuchai Machinery Group Co., Ltd.	466,145,839.57	0.00
Yulin Yudong Construction Investment Group Co., Ltd.	464,788,538.93	506,275,536.71
Guangxi Liuzhou Industrial Investment Development Group Co., Ltd.	440,293,061.02	498,715,622.49
Guangxi Liugong Group Co., Ltd.	427,884,732.56	0.00
Baise Industrial Investment Group Co., Ltd.	424,961,597.04	438,775,091.54
Guangxi Liuzhou Iron and Steel Group Co., Ltd.	401,961,003.30	0.00
Yulin Investment Group Co., Ltd.	345,373,277.55	503,485,277.55
Guangxi Southern Aluminium Processing Co., Ltd.	343,329,107.81	343,329,107.81
Guangxi Nanjing Guofu Jutong Equity Investment Fund Partnership (Limited Partnership) Fund	335,075,315.44	335,324,433.31
Guangxi Beibu Gulf Investment Group Co., Ltd.	330,000,000.00	0.00
Liuzhou Bank Co., Ltd.	330,000,000.00	330,000,000.00

Item	Closing balance	Opening balance
Guangxi Forestry Group Co., Ltd.	261,565,470.88	0.00
Nanning Agricultural and Industrial Group Co., Ltd.	207,345,553.52	214,501,146.98
China Investment Juli Merger & Acquisition Equity Investment Fund (Shanghai) Partnership (Limited Partnership)	188,655,153.17	87,946,437.38
Beihai Yintian Development and Investment Co., Ltd.	149,570,961.48	149,570,961.48
Beihai Tourism Group Co., Ltd.	122,783,191.18	122,765,117.60
Guangxi Chongzuo Jianzhuo Asset Management Co., Ltd.	117,673,613.25	118,673,613.35
Guotou Innovation (Beijing) Investment Fund Co., Ltd.	93,070,348.09	83,610,009.48
Guangxi Digital Economy Industry Investment Fund Partnership (Limited Partnership)	78,225,543.72	24,485,543.72
Equity interests in unlisted companies held by Guangxi Beibu Gulf Bank Co., Ltd.	76,057,447.00	10,280,368.00
Oramed Pharmaceuticals Inc.	63,401,732.22	19,265,698.48
Guangxi Hezhou Agricultural Investment Group Co., Ltd.	53,514,180.00	53,514,180.00
Guangxi Culture Industry Group Co., Ltd.	50,000,000.00	0.00
China Securities Inter-Institutional Quotation System Co., Ltd.	50,000,000.00	50,000,000.00
Guangxi Guigang Financial Investment Development Group Co., Ltd.	38,977,551.66	46,183,763.98
Qinzhou Tianheng Petrochemical Co., Ltd.	36,083,053.34	36,083,053.34
Liuzhou Chemical Industry Co., Ltd.	50,784,395.80	30,808,040.34
Guangxi Baise Baijin Mining Investment Group Co., Ltd.	29,046,426.20	29,576,159.05
Zhengtong Co., Ltd.	25,000,000.00	25,000,000.00
Baise New Aluminum Power Co., Ltd.	24,000,000.00	24,000,000.00
Guangxi Nanning Guofu Yingtong Equity Investment Fund Partnership (Limited Partnership)	21,117,379.59	21,217,659.94
Beijing Guotong Cooperative Equity Investment Fund (Limited Partnership)	18,662,503.71	111,243,673.97
Guangxi University Asset Management Co., Ltd.	12,624,814.85	0.00
Guangxi Guiping Guiyin Village and Township Bank Co., Ltd.	11,824,845.73	11,824,845.73
Guangxi Tengxian Guiyin Village and Township Bank Co., Ltd.	10,609,561.19	10,609,561.19
Guangxi Pingnan Guiyin Village and Township Bank Co., Ltd.	10,163,656.27	10,163,656.27
Hezhou Babu Dongying Village and Township Bank Co., Ltd.	9,412,607.19	9,412,607.19
Guangzhou Dongbao Market	8,180,000.00	8,180,000.00
Fangchenggang Fangcheng National Village and Township Bank Co., Ltd.	6,972,461.12	6,972,461.12
Guangxi Hechi Zhuotai Construction Engineering Co., Ltd.	6,645,147.65	6,645,147.65
Beihai Market Investment and Development Group Co., Ltd.	6,434,471.44	6,434,471.44
Guilin Ronghu Hotel Management Group Co., Ltd.	5,945,857.52	5,945,857.52
Beihai Weizhou Island Tourism Development Co., Ltd.	5,173,853.69	5,173,853.69
Guangxi Guiwei Investment Co., Ltd.	2,000,000.00	2,000,000.00
Guotou Juli Investment Management Co., Ltd.	1,273,163.87	1,594,305.13
Others	72,394,371.59	261,248.30
Total	**35,805,071,983.79**	**15,942,480,364.76**

(2) Details of investment in other equity instruments at year end

Item	Dividend income recognized in the current period	Accumulated gains	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as at fair value through other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Liuzhou Chemical Co., Ltd.	0.00	0.00	2,683,720.17	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Guotou Juli Investment Management Co., Ltd.	0.00	555,395.12	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Guotou Innovation (Beijing) Investment Fund Co., Ltd.	0.00	75,151,740.13	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Guangxi Luhai New Channel Equity Investment Fund Partnership (Limited Partnership)	0.00	306,329,677.61	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Guotou Juli Merger & Acquisition Equity Investment Fund (Shanghai) Partnership (Limited Partnership)	0.00	16,869,926.97	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Beijing Guotou Collaboration Equity Investment Fund (Limited Partnership)	0.00	6,654,087.84	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Guangxi Guofu Innovation Medical and Health Industry Fund Partnership (Limited Partnership)	0.00	0.00	124,286,995.66	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Unlisted equity investments held by Beibu Gulf Bank	245,283.00	0.00	0.00	0.00	The business model of the enterprise for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset	-
Total	**245,283.00**	**405,560,827.67**	**126,970,715.83**	**0.00**	——	-

26. Other non-current financial assets

Item	Closing fair value	Opening fair value
Refundable deposits	3,708,880,946.69	2,560,786,147.60
Hualong Securities Co., Ltd.	702,367,240.22	702,367,240.22
Global New Materials International Holdings Co., Ltd.	653,928,066.12	144,240,000.00
Debao County Baide Investment Co., Ltd.	330,000,000.00	330,000,000.00
Guangxi Liugong Group Co., Ltd.	300,000,000.00	300,000,000.00
Guangxi Investment Guidance Fund Co., Ltd.	260,171,505.39	73,792,330.56
Guangxi Guangtou New Materials Industry Development Fund Partnership (Limited Partnership)	219,972,042.56	221,154,758.02
Qinzhou Qinbei District Urban Construction Investment Co., Ltd.	217,105,800.00	305,500,000.00
Guangxi Tianyang Nali Investment Development Co., Ltd.	200,000,000.00	200,000,000.00
Guangxi Sanchuang Technology Co., Ltd.	200,000,000.00	200,000,000.00
Guangxi Yuchai Machinery Group Co., Ltd.	200,000,000.00	188,000,000.00
Lingshan Hongchuang Urban Investment Development Co., Ltd.	200,000,000.00	200,000,000.00
Guilin Bank Co., Ltd.	196,484,257.52	196,484,257.52
Guangfa Xinde Zhongheng Huijin (Longyan) Equity Investment Partnership (Limited Partnership)	192,702,511.05	193,485,714.29
Yulin Longhe Investment Co., Ltd.	185,000,000.00	200,000,000.00
Guangxi Guangtou Sengong High Quality Investment Fund Partnership (Limited Partnership)	180,127,723.04	0.00
Guangxi Tiandong Agriculture Industry and Trade Co., Ltd.	180,000,000.00	200,000,000.00
Pubei County Jinpu Agricultural Investment Co., Ltd.	180,000,000.00	200,000,000.00
Guangxi Hua'ao Automobile Manufacturing Co., Ltd.	158,489,553.04	158,489,553.04
Nanning Minsheng Electronic Information Industry Investment Fund Partnership (Limited Partnership)	152,832,288.53	0.00
Guangxi Guangtou Dongcheng Lithium Industry Fund Partnership (limited partnership)	150,748,100.49	0.00
Guangxi Liuzhou Automotive Quality Inspection Development Equity Investment Fund Partnership (Limited Partnership)	150,114,619.86	999,806.15
Luzhai Seven Colours Pearl Mica Material Co., Ltd.	150,000,000.00	150,000,000.00
Guangxi Guangtou Keyuan Industrial Investment Fund Partnership (limited partnership)	149,643,175.08	999,971.76
Guangxi Times Lithium New Material Industry Development Fund Partnership (limited partnership)	145,086,326.00	0.00
Guilin Gongcheng Hongyuan Investment Group Co., Ltd.	142,000,000.00	172,000,000.00
Yunnan Hanqiang Biotechnology Co., Ltd.	125,000,000.00	125,000,000.00
Eight Plus One Pharmaceutical Co., Ltd.	118,867,164.78	118,867,164.78
ABS Subordinated Income Rights	117,000,000.00	68,940,000.00
Guangxi Liuzhou Guangtou Guofu Technology Venture Capital Fund Partnership (Limited Partnership)	115,119,101.04	98,807,359.69
Resource County Ecological City Construction Investment Co., Ltd.	110,000,000.00	110,000,000.00
Luzhou Jiuze Equity Investment Centre (Limited Partnership)	107,958,666.67	112,013,196.67
Guangxi Huibaoyuan Pharmaceutical Technology Co., Ltd.	100,000,000.00	100,000,000.00
Laibin Huaqiao Economic Development Co., Ltd.	100,000,000.00	100,000,000.00
Guangxi Yangxiang Co., Ltd.	100,000,000.00	100,000,000.00

Item	Closing fair value	Opening fair value
Guangxi Sanuo Electronic Information Industry Development Fund Partnership (Limited Partnership)	96,920,803.26	0.00
Nanning Ketian Water-based Technology Co., Ltd.	95,093,731.82	95,093,731.82
Nanning City District Rural Credit Cooperative Society	89,468,319.80	89,468,319.80
Guohai Securities Excellence 3170 single capital management plan	83,629,384.39	82,386,721.89
Guangxi Pingguo Copper and Aluminum Sheet Industry Co., Ltd.	80,000,000.00	56,000,000.00
China Minsheng Bank Co., Ltd. Nanning Branch	77,368,203.50	114,350,683.72
Guangxi Beibu Gulf Innovation Development Investment Fund (Limited Partnership)	75,000,000.00	0.00
Guangxi Liuzhou Yinhai Aluminum Industry Co., Ltd.	72,769,466.73	5,458,835.35
Guangxi Zhongqiang Aluminum Technology Co., Ltd.	70,000,000.00	0.00
Suzhou Guyu Dingruo Equity Investment Partnership (Limited Partnership)	69,500,735.06	0.00
Private Equity Investment Fund Raising Special Account of Guohai Innovation No. 1 of Securities Industry Support for Private Enterprise Development Series	62,638,932.99	56,924,290.56
Guangxi Construction Group Fifth Construction Engineering Co., Ltd. Equity Income Rights	62,615,876.74	1,021,322.70
Guangxi Guangtou Changke New Material Industry Development Fund Partnership (Limited Partnership)	57,902,516.02	58,044,830.64
China Development Jingcheng (Beijing) Investment Fund Co., Ltd.	57,330,862.00	76,909,638.11
Guangxi Wufeng Machinery Co., Ltd.	55,000,000.00	55,000,000.00
Guangxi Zhuoneng New Energy Technology Co., Ltd.	55,000,000.00	55,000,000.00
Guangxi Beibu Gulf Hourunde Fund Management Center (Limited Partnership)	54,476,165.60	42,726,165.60
PetroChina Company Limited	53,715,891.00	45,401,415.00
China Salt Industry Co., Ltd.	53,354,336.66	53,354,336.66
Guangxi Wuzhou Guolong Renewable Resources Development Co., Ltd.	50,000,000.00	50,000,000.00
Guangxi Zhengrun New Material Technology Co., Ltd.	50,000,000.00	50,000,000.00
Guangxi Xiancaotang Pharmaceutical Co., Ltd.	50,000,000.00	0.00
Liuzhou Yuanchuang Efi Technology Co., Ltd.	50,000,000.00	0.00
Guangxi Construction Industry Group Wisdom Manufacturing Co., Ltd.	50,000,000.00	0.00
Guangxi Xinrui Investment Partnership (Limited Partnership)	49,990,000.00	0.00
Jiaxing Liding Changhao Equity Investment Fund Partnership (Limited Partnership)	48,479,418.11	48,480,967.94
Wuhan Youzhiyou Biopharmaceutical Co., Ltd.	45,678,048.11	30,000,000.00
Shanghai Hengrun Digital Technology Group Co., Ltd.	45,000,000.00	45,000,000.00
Guangxi Digital Economy Industry Investment Fund Partnership (Limited Partnership)	43,297,734.15	37,772,176.26
Overseas Project III	39,838,100.00	26,817,500.00
Suzhou Industrial Park Yuanhe Dingsheng Equity Investment Partnership (Limited Partnership)	39,355,253.86	0.00
Guangxi Xinchuang Lithium New Material Industry Development Fund Partnership (Limited Partnership)	39,037,800.50	0.00
Western Trust Co., Ltd. Trust Guarantee Fund	38,266,597.80	37,701,081.58
Guilin Xinfei Optoelectronics Technology Co., Ltd.	36,000,000.00	36,000,000.00
Tianlin Baikuangtian Carbon Co., Ltd.	35,000,000.00	35,000,000.00
Guangxi Sanhuan Ceramic Town Development Co., Ltd.	34,000,000.00	0.00

Item	Closing fair value	Opening fair value
Overseas Project II	33,198,500.00	33,198,500.00
Jiangxi Province Salt Industry Group Co., Ltd.	31,139,044.68	31,139,044.68
Shanghai Tengrui Pharmaceutical Co., Ltd.	30,000,000.00	30,000,000.00
Overseas Project I	29,940,102.30	29,940,102.30
Guangxi Qinglandihe Investment Management Centre (Limited Partnership)	26,237,303.28	26,561,886.55
Guangxi Guofu Yongjing Venture Investment Partnership (Limited Partnership)	25,000,000.00	0.00
Xiangyi Project Income Right	24,289,044.55	0.00
Guangxi Hepu County Huilaibao Machinery Manufacturing Co., Ltd.	23,000,000.00	0.00
China Biomedical Fund Phase I (Limited Partnership)	22,327,945.66	22,327,945.66
Hangzhou Tiangu Information Technology Co., Ltd.	20,000,000.00	0.00
Shenzhen JieShiFeiTong Technology Co., Ltd.	20,000,000.00	0.00
Shandong Xishangxi New Material Technology Co., Ltd.	20,000,000.00	0.00
Jiangsu Zhonghui Yuantong Biotechnology Co., Ltd.	20,000,000.00	0.00
Jiangsu Colecip Energy Technology Co., Ltd.	19,995,043.43	19,995,043.43
Beihai Runrui Technology Co., Ltd.	19,811,194.13	19,811,194.13
Xincheng County Agricultural Investment Co., Ltd.	19,464,508.92	19,464,508.92
Overseas Project IV	19,376,695.00	0.00
Integraholdingsltd.	19,127,100.00	19,574,700.00
Suzhou Newerley Xinze Venture Capital Partnership (Limited Partnership)	18,834,255.28	0.00
Guangxi Guofu Yonglang Venture Capital Partnership (Limited Partnership)	15,000,000.00	0.00
Guilin Guomin Village Bank Co., Ltd.	14,636,217.22	14,636,217.22
Guangxi Guojing Beautiful Countryside Industry Investment Partnership (Limited Partnership)	14,500,600.18	0.00
Chengdu Jinchengxiang Investment Co., Ltd.	13,500,000.00	13,500,000.00
Guangxi Jinguan SME Equity Investment Fund Co., Ltd.	8,201,630.43	8,201,630.43
Nanning Jiangnan National Village and Township Bank Co., Ltd.	6,861,798.71	6,861,798.71
Jiaxing Liding Fuyun Equity Investment Partnership (Limited Partnership)	6,932,688.51	6,929,004.94
Wuzhou Rural Credit Cooperative Union	6,000,000.00	6,000,000.00
Wuzhou District Rural Cooperative Credit Union	6,000,000.00	6,963,085.00
Guangxi Kanai New Energy Co., Ltd.	5,600,000.00	0.00
Guangxi Rongxian Guiyin Village and Township Bank Co., Ltd.	5,500,644.43	5,500,644.43
Guangxi Electricity Trading Centre Co., Ltd.	5,164,352.00	1,998,000.00
China Trust Industry Protection Fund Co., Ltd.	5,151,403.79	5,075,274.67
Zhongcheng Trust Co., Ltd.	5,023,184.57	0.00
Zhejiang Zhongke Juyuan New Materials Co., Ltd.	5,000,000.00	0.00
Shenzhen Xianzan Technology Co., Ltd.	5,000,000.00	5,000,000.00
Hangzhou Fangxia Biotechnology Co., Ltd.	5,000,000.00	5,000,000.00
Liuzhou Rural Credit Cooperative Society	4,950,000.00	4,950,000.00

Item	Closing fair value	Opening fair value
Bohai International Trust Co., Ltd.	4,900,000.00	0.00
Guangxi Railway Investment Group Co., Ltd.	3,580,887.77	3,527,968.25
Guangxi Tengxian Guiyin Village and Township Bank Co., Ltd.	3,120,577.70	3,120,577.70
Nanning Qinglan Xinhe Investment Management Centre (Limited Partnership)	2,815,237.04	0.00
China Airlines Capital Holdings Co., Ltd.	2,382,000.00	2,628,000.00
Guangxi Gongcheng Rural Cooperative Bank	2,000,000.00	2,000,000.00
Hangzhou Guangyao Xinya Equity Investment Partnership (Limited Partnership)	2,000,000.00	0.00
Guangzhou Power Trading Centre Co., Ltd.	1,800,000.00	1,800,000.00
Huadian Jintai (Beijing) Investment Fund Management Co., Ltd. 2020 Phase I Jianguang Guangtou Group Targeted Asset-Backed Notes Subordinated	1,089,115.67	56,181,234.52
Guangxi Qinzhou Jintou Zhongyan Investment Management Partnership (Limited Partnership)	1,020,066.00	1,009,801.13
Guiping Daitengxia Valley Cultural Tourism Co., Ltd.	1,000,000.00	1,000,000.00
Futures Membership Investment	1,000,000.00	1,000,000.00
China Airlines Trust Co., Ltd.	0.00	6,191,734.84
Yunnan Trust-Juying No. 5 Single Fund Trust	0.00	50,966,442.36
Guangxi Jinwofeima Investment Partnership (Limited Partnership)	0.00	2,815,237.04
Guangxi Guangtou Lingnan Tourism Industry Investment Fund Partnership (Limited Partnership)	0.00	101,370,401.67
Snowsky Salt Industry Group Co., Ltd.	0.00	87,565,207.28
Nanning Guotong Laimei Relief Equity Investment Fund Partnership (Limited Partnership)	0.00	1,000,000.00
Shenzhen Hefule Bio-Technology Co., Ltd.	0.00	2,000,000.00
Others	466,753,996.87	2,054,163,345.39
Total	**13,638,552,404.30**	**11,836,808,049.18**

27. Investment properties

(1) Investment properties at cost

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original carrying value	**901,501,749.20**	**517,879,606.02**	**45,011,249.44**	**1,374,370,105.78**
Including: houses and buildings	896,765,302.42	513,898,849.10	41,367,805.99	1,369,296,345.53
Land use right	4,736,446.78	3,980,756.92	3,643,443.45	5,073,760.25
II. Total accumulated depreciation and accumulated amortization	**171,541,515.51**	**70,643,550.01**	**11,611,295.26**	**230,573,770.26**
Including: houses and buildings	170,809,663.90	69,858,835.43	10,992,126.75	229,676,372.58
Land use right	731,851.61	784,714.58	619,168.51	897,397.68
III. Total net carrying value of the investment properties	**729,960,233.69**	**--**	**--**	**1,143,796,335.52**
Including: houses and buildings	725,955,638.52	--	--	1,139,619,972.95
Land use right	4,004,595.17	--	--	4,176,362.57
IV. Total accumulated impairment provision of investment properties	**7,057,569.99**	**0.00**	**0.00**	**7,057,569.99**
Including: houses and buildings	7,057,569.99	0.00	0.00	7,057,569.99
Land use right	0.00	0.00	0.00	0.00
V. Total carrying value of investment properties	**722,902,663.70**	**--**	**--**	**1,136,738,765.53**
Including: houses and buildings	718,898,068.53	--	--	1,132,562,402.96
Land use right	4,004,595.17	--	--	4,176,362.57

(2) Investment properties at fair value

Item	Opening fair value	Increase			Decrease		Closing fair value
		Acquisition and construction	Conversion from self-use properties or inventories	Income or loss from change in fair value	Disposal	Convert to self-use properties	
I. Total cost	**1,808,209,802.89**	**27,893,170.13**	**323,869,159.04**	**0.00**	**3,281,200.00**	**70,342,138.74**	**2,086,348,793.32**
Including: houses and buildings	1,748,416,302.89	27,893,170.13	292,860,304.06	0.00	3,281,200.00	70,342,138.74	1,995,546,438.34
Land use right	59,793,500.00	0.00	31,008,854.98	0.00	0.00	0.00	90,802,354.98
II. Total changes in fair value	**17,704,509,686.92**	**0.00**	**6,006,129.99**	**981,728,581.52**	**375,800.00**	**24,258,983.33**	**18,667,609,615.10**
Including: houses and buildings	104,785,537.92	0.00	2,492,543.97	80,745,730.52	375,800.00	24,258,983.33	163,389,029.08
Land use right	17,599,724,149.00	0.00	3,513,586.02	900,982,851.00	0.00	0.00	18,504,220,586.02
III. Total carrying value of investment properties	**19,512,719,489.81**	**27,893,170.13**	**329,875,289.03**	**981,728,581.52**	**3,657,000.00**	**94,601,122.07**	**20,753,958,408.42**
Including: houses and buildings	1,853,201,840.81	27,893,170.13	295,352,848.03	80,745,730.52	3,657,000.00	94,601,122.07	2,158,935,467.42
Land use right	17,659,517,649.00	0.00	34,522,441.00	900,982,851.00	0.00	0.00	18,595,022,941.00

28. Fixed assets

Item	Closing carrying value	Opening carrying value
Fixed assets	27,068,612,498.46	21,451,238,293.07
Liquidation of fixed assets	157,757,484.83	156,991,501.80
Total	**27,226,369,983.29**	**21,608,229,794.87**

(1) Details of fixed assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original carrying value:	**41,527,877,254.02**	**8,452,891,464.29**	**1,520,781,265.12**	**48,459,987,453.19**
Including: land assets	18,578,749.72	0.00	472,267.30	18,106,482.42
Houses and buildings	18,154,915,721.53	3,031,771,601.73	955,103,375.53	20,231,583,947.73
Machinery equipment	19,986,955,261.49	4,180,535,792.29	289,109,052.61	23,878,382,001.17
Transportation equipment	705,280,600.75	635,586,632.22	79,058,855.07	1,261,808,377.90
Electronic equipment	730,993,021.81	422,271,477.12	52,440,413.48	1,100,824,085.45
Office equipment	469,880,849.07	53,277,731.22	61,255,863.15	461,902,717.14
Others	1,461,273,049.65	129,448,229.71	83,341,437.98	1,507,379,841.38
II. Total accumulated depreciation:	**19,924,894,169.20**	**2,063,731,532.00**	**760,864,323.91**	**21,227,761,377.29**
Including: land assets	0.00	0.00	0.00	0.00
Houses and buildings	5,966,613,505.39	643,611,882.25	150,004,033.10	6,460,221,354.54
Machinery equipment	11,810,017,402.50	1,162,051,738.65	368,258,662.14	12,603,810,479.01
Transportation equipment	592,191,908.08	28,989,841.82	74,545,040.57	546,636,709.33
Electronic equipment	528,670,299.67	95,701,533.97	47,705,224.30	576,666,609.34
Office equipment	347,237,407.85	46,900,596.65	62,571,594.31	331,566,410.19
Others	680,163,645.71	86,475,938.66	57,779,769.49	708,859,814.88
III. Total net carrying value of fixed assets	**21,602,983,084.82**	**——**	**——**	**27,232,226,075.90**
Including: land assets	18,578,749.72	——	——	18,106,482.42
Houses and buildings	12,188,302,216.14	——	——	13,771,362,593.19
Machinery equipment	8,176,937,858.99	——	——	11,274,571,522.16
Transportation equipment	113,088,692.67	——	——	715,171,668.57
Electronic equipment	202,322,722.14	——	——	524,157,476.11
Office equipment	122,643,441.22	——	——	130,336,306.95
Others	781,109,403.94	——	——	798,520,026.50
IV. Total provision for impairment	**151,744,791.75**	**18,185,332.32**	**6,316,546.63**	**163,613,577.44**
Including: land assets	0.00	0.00	0.00	0.00
Houses and buildings	9,587,515.40	180,216.73	5,760,318.15	4,007,413.98

Item	Opening balance	Increase	Decrease	Closing balance
Machinery equipment	141,469,376.13	18,005,115.59	421,291.17	159,053,200.55
Transportation equipment	16,664.07	0.00	0.00	16,664.07
Electronic equipment	532,178.00	0.00	1,878.00	530,300.00
Office equipment	0.00	0.00	0.00	0.00
Others	139,058.15	0.00	133,059.31	5,998.84
V. Total carrying value of fixed assets	**21,451,238,293.07**	**——**	**——**	**27,068,612,498.46**
Including: land assets	18,578,749.72	——	——	18,106,482.42
Houses and buildings	12,178,714,700.74	——	——	13,767,355,179.21
Machinery equipment	8,035,468,482.86	——	——	11,115,518,321.61
Transportation equipment	113,072,028.60	——	——	715,155,004.50
Electronic equipment	201,790,544.14	——	——	523,627,176.11
Office equipment	122,643,441.22	——	——	130,336,306.95
Others	780,970,345.79	——	——	798,514,027.66

(2) Fixed assets for which the handling of title certificates has not been completed

Item	carrying value	Reasons for out-of-place property ownership certificate
1# workshop of Guangxi Wuzhou Zhongheng Group Co., Ltd.	78,876,247.19	No completion acceptance
Administration building of Guangxi Wuzhou Zhongheng Group Co., Ltd.	70,072,191.99	No completion acceptance
1# Finished product warehouse of Wuzhou Zhongheng Group Co., Ltd.	49,070,632.47	No completion acceptance
Drug purification workshop (19# building) of Wuzhou Zhongheng Group Co., Ltd.	36,764,343.36	In progress, fire and lightning protection certificates have now been obtained
Product inspection centre of Wuzhou Zhongheng Group Co., Ltd.	15,572,948.65	No completion acceptance
1#shift building of Wuzhou Zhongheng Group Co., Ltd.	13,182,166.48	No completion acceptance
Chongqing Institute of Science and Technology office building of Wuzhou Zhongheng Group Co., Ltd.	12,808,594.72	Formalities not yet transferred
Power workshop of Guangxi Wuzhou Zhongheng Group Co., Ltd.	11,320,688.80	No completion acceptance
Product display center of Guangxi Wuzhou Zhongheng Group Co., Ltd.	7,447,488.48	No completion acceptance
Main entrance building of Guangxi Wuzhou Zhongheng Group Co., Ltd.	3,644,348.06	No completion acceptance
Guangxi Wuzhou Zhongheng Group Co., Ltd. Central distribution room (general distribution room)	3,200,257.99	No completion acceptance
Firefighting pool and pump room of Wuzhou Zhongheng Group Co., Ltd.	2,140,401.42	No completion acceptance

(3) Liquidation of fixed assets

Item	Closing carrying value	Opening carrying value	Reasons for liquidation
Houses and buildings	155,828,686.95	152,135,461.09	To be disposed
Machinery equipment	1,210,962.85	3,654,033.71	To be disposed
Office equipment	171,811.04	257,907.32	To be disposed
Transportation equipment	143,368.04	69,129.92	To be disposed
Electronic equipment	125,317.88	0.00	To be disposed
Others	277,338.07	874,969.76	To be disposed
Total	**157,757,484.83**	**156,991,501.80**	

29. Construction in progress

Item	Closing balance	Opening balance
Construction in progress	4,045,229,535.82	9,108,099,451.46
Engineering materials	90,052,766.26	106,410,234.89
Total	**4,135,282,302.08**	**9,214,509,686.35**

(1)Details of construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	carrying value	Book balance	Provision for impairment	carrying value
Rural power network reconstruction project	859,460,662.46	0.00	859,460,662.46	536,790,716.62	0.00	536,790,716.62
Business premises and decoration	290,238,637.00	0.00	290,238,637.00	820,029,271.00	0.00	820,029,271.00
Shangcheng Hydropower Station	265,401,825.34	80,577,075.05	184,824,750.29	254,067,452.18	80,577,075.05	173,490,377.13
Earlier Stage of Phase I of Guangxi Longxiang Valley International Tourism Resort	221,703,108.71	0.00	221,703,108.71	221,703,108.71	0.00	221,703,108.71
Guangxi Emergency Medical Supplies Security Wuzhou Base (Phase I)	194,458,106.24	1,212,307.69	193,245,798.55	39,549,638.81	1,212,307.69	38,337,331.12
Power Grid Project in Laibin Large Industrial Park	169,349,951.25	0.00	169,349,951.25	156,206,066.75	0.00	156,206,066.75
Guangxi Debao-Jingxi branch natural gas pipeline project	147,424,143.50	0.00	147,424,143.50	76,186,338.96	0.00	76,186,338.96
Chongzuo PPP Project Sewage Treatment Plant	147,372,834.85	0.00	147,372,834.85	8,746,964.07	0.00	8,746,964.07
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou ASEAN Health City Project)	99,968,535.25	0.00	99,968,535.25	101,707,026.95	0.00	101,707,026.95
Guangxi Wuming branch natural gas pipeline project	90,283,167.85	0.00	90,283,167.85	75,177,234.52	0.00	75,177,234.52
Substation and line engineering	88,123,132.59	0.00	88,123,132.59	75,462,697.81	0.00	75,462,697.81
Second phase project	83,567,840.88	0.00	83,567,840.88	13,706,458.37	0.00	13,706,458.37
Water supply expansion project	81,416,860.79	0.00	81,416,860.79	80,530,279.47	0.00	80,530,279.47
Guangxi Longxianggu International Tourism Resort Water World Project	73,491,679.31	22,893,956.54	50,597,722.77	72,970,184.26	22,893,956.54	50,076,227.72
Guangxi Luzhai branch line natural gas pipeline project	61,604,709.15	0.00	61,604,709.15	58,490,718.33	0.00	58,490,718.33
Guangxi Hengxian branch line natural gas pipeline project	60,157,426.21	0.00	60,157,426.21	56,127,589.37	0.00	56,127,589.37
Industrialization Project of Thromboxane for Injection (Nanning Investment)	50,458,026.61	0.00	50,458,026.61	145,001,308.92	0.00	145,001,308.92
Guangxi Luchuan branch natural gas pipeline project	42,897,559.87	0.00	42,897,559.87	23,980,209.83	0.00	23,980,209.83
Guangxi Yizhou branch natural gas pipeline project	42,076,187.18	0.00	42,076,187.18	40,444,831.02	0.00	40,444,831.02
Qiaogong power station maintenance and transformation	41,503,564.74	0.00	41,503,564.74	39,288,824.60	0.00	39,288,824.60
1# turbine comprehensive technical transformation project	33,025,156.18	0.00	33,025,156.18	264,150.94	0.00	264,150.94
Others	1,011,790,668.28	5,860,909.14	1,005,929,759.14	6,325,174,029.46	8,822,310.21	6,316,351,719.25
Total	**4,155,773,784.24**	**110,544,248.42**	**4,045,229,535.82**	**9,221,605,100.95**	**113,505,649.49**	**9,108,099,451.46**

(2)Changes to important construction in progress during the current period

Item	Budget amount	Opening balance	Increase	Amounts converted into fixed assets	Other decreases	Closing balance
Rural power network reconstruction project	1,451,874,500.00	536,790,716.62	322,669,945.84	0.00	0.00	859,460,662.46
Shangcheng Hydropower Station	320,285,000.00	254,067,452.18	11,334,373.16	0.00	0.00	265,401,825.34
Earlier Stage of Phase I of Guangxi Longxiang Valley International Tourism Resort	862,423,459.27	221,703,108.71	0.00	0.00	0.00	221,703,108.71
Guangxi Emergency Medical Supplies Security Wuzhou Base (Phase I)	420,000,000.00	39,549,638.81	154,908,467.43	0.00	0.00	194,458,106.24
Laibin City Large Industrial Regional Grid Project	714,640,000.00	156,206,066.75	13,143,884.50	0.00	0.00	169,349,951.25
Guangxi Debao-Jingxi branch natural gas pipeline project	421,490,000.00	76,186,338.96	71,237,804.54	0.00	0.00	147,424,143.50
Chongzuo PPP project sewage treatment plant	210,496,200.00	8,746,964.07	138,625,870.78	0.00	0.00	147,372,834.85
Guidong Power 110kV Grid (South) Improvement Project	136,259,700.00	39,043,472.17	61,616,905.62	0.00	0.00	100,660,377.79
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou ASEAN Health City Project)	5,500,000,000.00	101,707,026.95	11,329,507.39	0.00	13,067,999.09	99,968,535.25
Guangxi Wuming branch natural gas pipeline project	175,880,000.00	75,177,234.52	15,105,933.33	0.00	0.00	90,283,167.85
Substation and line work	672,106,900.00	75,462,697.81	22,013,466.03	9,353,031.25	0.00	88,123,132.59
Beihai Power Plant Phase II 2*660MW Power Generation Project	4,843,950,000.00	13,706,458.37	69,861,382.51	0.00	0.00	83,567,840.88
Guangxi Longxianggu International Tourism Resort Water World Project	498,500,000.00	72,970,184.26	521,495.05	0.00	0.00	73,491,679.31
Guangxi Luzhai branch line natural gas pipeline project	122,000,000.00	58,490,718.33	3,113,990.82	0.00	0.00	61,604,709.15
Guangxi Hengxian branch line natural gas pipeline project	102,190,000.00	56,127,589.37	4,029,836.84	0.00	0.00	60,157,426.21
Industrialization Project of Thromboxane for Injection (Nanning Investment)	650,055,600.00	145,001,308.92	25,785,478.18	119,681,412.81	647,347.68	50,458,026.61
Guangxi Luchuan branch natural gas pipeline project	21,705,600.00	23,980,209.83	18,917,350.04	0.00	0.00	42,897,559.87
Guangxi Yizhou branch natural gas pipeline project	62,180,000.00	40,444,831.02	1,631,356.16	0.00	0.00	42,076,187.18
Qiaogong power station maintenance and transformation	63,635,704.57	39,288,824.60	25,893,277.62	21,827,463.38	1,851,074.10	41,503,564.74
1# turbine comprehensive technical transformation project	49,280,000.00	264,150.94	32,761,005.24	0.00	0.00	33,025,156.18
Energy + Qinzhou Guangtou + Qinbei District, Qinzhou City Natural Gas Utilisation Project Phase I	60,060,000.00	23,563,532.30	8,481,006.88	0.00	20,010.59	32,024,528.59

(Continued)

Item	Percentage of total project inputs among budget (%)	Construction progress (%)	Accumulated capitalized amount of interest	Including: capitalized amount of the interest of this period	Percentage of total project inputs among budget (%)	Capital source
Rural power network reconstruction project	59.20	99.50	56,078,098.67	46,961,124.96	4.45	Self-financing and others
Shangcheng Hydropower Station	82.86	82.86	39,457,816.31	7,399,757.39	6.03	Self-financing, fund-raising and others
Earlier Stage of Phase I of Guangxi Longxiang Valley International Tourism Resort	25.71	25.71	0.00	0.00	0.00	Self-financing
Guangxi Emergency Medical Supplies Security Wuzhou Base (Phase I)	46.30	46.30	296,816.92	296,816.92	3.87	Loan
Laibin City Large Industrial Regional Grid Project	23.70	87.76	16,231,503.23	0.00	0.00	Self-financing and loan
Guangxi Debao-Jingxi branch natural gas pipeline project	34.98	75.00	4,256,280.70	3,989,724.09	4.80	Loan
Chongzuo PPP project sewage treatment plant	70.01	95.00	1,313,950.00	1,313,950.00	4.55	Self-financing and loan
Guidong Power 110kV Grid (South) Improvement Project	73.87	92.00	4,701,943.91	4,270,242.26	5.50	Self-financing, fund-raising and others
Nanning International Cultural Tourism and Leisure Cluster Phase I (Guangtou ASEAN Health City Project)	1.82	0.01	12,773,344.43	7,585,143.61	6.18	Self-financing and loan
Guangxi Wuming branch natural gas pipeline project	51.33	100.00	4,918,022.63	1,360,179.88	4.65	Loan
Substation and line work	13.11	50.00	15,740,318.40	1,260,042.70	5.50	Self-financing, fund-raising and others
Beihai Power Plant Phase II 2*660MW Power Generation Project	1.73	1.50	0.00	0.00	0.00	Self-financing
Guangxi Longxianggu International Tourism Resort Water World Project	14.74	14.74	0.00	0.00	0.00	Self-financing
Guangxi Luzhai branch line natural gas pipeline project	50.50	100.00	2,347,784.88	579,491.51	3.95	Loan
Guangxi Hengxian branch line natural gas pipeline project	58.87	100.00	2,501,180.04	728,888.90	4.65	Loan
Industrialization Project of Thromboxane for Injection (Nanning Investment)	7.76	0.00	0.00	0.00	0.00	Self-financing
Guangxi Luchuan branch natural gas pipeline project	197.63	75.00	1,058,434.09	977,020.08	3.72	Loan
Guangxi Yizhou branch natural gas pipeline project	67.67	100.00	1,547,924.28	157,375.88	4.35	Loan
Qiaogong power station maintenance and transformation	65.22	80.00	0.00	0.00	0.00	Self-financing
1# turbine comprehensive technical transformation project	67.02	67.02	0.00	0.00	0.00	Self-financing
Energy + Qinzhou Guangtou + Qinbei District, Qinzhou City Natural Gas Utilisation Project Phase I	53.32	90.00	0.00	0.00	0.00	Self-financing

(3)Engineering materials

Item	Closing balance	Opening balance
Special materials	35,928,889.06	7,659,925.38
Special equipment	17,592,126.27	2,416,721.44
Tools and devices prepared for the construction in progress	1,834,021.04	1,081,801.31
Payment for special materials and equipment	34,697,729.89	95,251,786.76
Total	**90,052,766.26**	**106,410,234.89**

30. Productive biological assets

Item	Opening carrying value	Increase	Decrease	Closing carrying value
Plantation	0.00	121,590.72	0.00	121,590.72
Including: star anise	0.00	121,590.72	0.00	121,590.72

31. Right-of-use assets

Item	Opening balance	Increase	Decrease	Closing balance
Total original carrying value	**2,429,146,865.99**	**407,710,805.77**	**181,856,347.11**	**2,655,001,324.65**
Including: Land	2,373,483.14	9,850,321.58	0.00	12,223,804.72
Buildings and structures	1,199,189,259.20	393,143,716.33	906,678.42	1,591,426,297.11
Machinery and equipment	1,219,333,564.29	742,985.98	180,000,000.00	1,040,076,550.27
Others	8,250,559.36	3,973,781.88	949,668.69	11,274,672.55
Total accumulated depreciation	**580,154,804.68**	**441,411,561.49**	**5,285,333.76**	**1,016,281,032.41**
Including: Land	0.00	497,908.39	0.00	497,908.39
Buildings and structures	85,909,408.42	256,162,466.31	0.00	342,071,874.73
Machinery and equipment	494,245,396.26	184,103,459.07	5,285,333.76	673,063,521.57
Others	0.00	647,727.72	0.00	647,727.72
Total net carrying value	**1,848,992,061.31**	—	—	**1,638,720,292.24**
Including: Land	2,373,483.14	—	—	11,725,896.33
Buildings and structures	1,113,279,850.78	—	—	1,249,354,422.38
Machinery and equipment	725,088,168.03	—	—	367,013,028.70
Others	8,250,559.36	—	—	10,626,944.83
Total provision for impairment	0.00	0.00	0.00	0.00
Including: Land	0.00	0.00	0.00	0.00
Buildings and structures	0.00	0.00	0.00	0.00
Machinery and equipment	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Total carrying value	**1,848,992,061.31**	**—**	**—**	**1,638,720,292.24**
Including: Land	2,373,483.14	**—**	**—**	11,725,896.33

Item	Opening balance	Increase	Decrease	Closing balance
Buildings and structures	1,113,279,850.78	—	—	1,249,354,422.38
Machinery and equipment	725,088,168.03	—	—	367,013,028.70
Others	8,250,559.36	—	—	10,626,944.83

32. Intangible assets

Item	Opening balance	Increase	Decrease	Closing balance
I. Total original value	**4,925,343,756.68**	**552,143,276.70**	**430,738,643.57**	**5,046,748,389.81**
Including: Software	1,091,181,723.17	235,030,289.99	8,081,223.33	1,318,130,789.83
Land use right	2,951,596,561.47	234,303,401.56	299,975,599.05	2,885,924,363.98
Patent right	159,951,287.25	6,857,083.58	0.00	166,808,370.83
Non-patent technology	117,898,251.04	37,702,816.41	24,827,329.75	130,773,737.70
Trademark rights	74,869,432.38	32,724,478.80	46,192,900.00	61,401,011.18
Copyright	0.00	325,841.58	0.00	325,841.58
Franchise right	53,256,352.71	5,199,364.78	35,377,357.50	23,078,359.99
Trading seat fee	28,250,760.00	0.00	0.00	28,250,760.00
Right to use sea area	17,633,200.00	0.00	0.00	17,633,200.00
Mining right	414,336,452.42	0.00	0.00	414,336,452.42
Others	16,369,736.24	0.00	16,284,233.94	85,502.30
II. Total accumulated amortization	**1,343,864,045.27**	**235,642,861.39**	**87,196,791.36**	**1,492,310,115.30**
Including: Software	557,155,557.55	136,785,378.86	4,231,053.72	689,709,882.69
Land use right	497,384,432.73	67,682,549.49	52,155,700.52	512,911,281.70
Patent right	10,148,103.22	2,788,302.57	9,711.95	12,926,693.84
Non-patent technology	54,833,832.81	4,578,033.04	20,984,333.92	38,427,531.93
Trademark rights	33,962,124.05	2,471,055.04	9,815,991.25	26,617,187.84
Copyright	0.00	17,500.14	0.00	17,500.14
Franchise right	11,729,628.10	3,990,285.11	0.00	15,719,913.21
Trading seat fee	28,084,091.20	50,000.04	0.00	28,134,091.24
Right to use sea area	5,260,571.63	352,663.87	0.00	5,613,235.50
Mining right	145,220,201.68	16,927,093.23	0.00	162,147,294.91
Others	85,502.30	0.00	0.00	85,502.30
III. Total provision for impairment of intangible assets	**87,531,760.14**	**71,736,004.00**	**38,206,630.44**	**121,061,133.70**
Including: Software	320,046.76	99,460.12	0.00	419,506.88
Land use right	35,168,248.54	0.00	1,829,721.69	33,338,526.85
Patent right	0.00	71,635,716.96	0.00	71,635,716.96
Non-patent technology	15,666,556.09	0.00	0.00	15,666,556.09
Trademark rights	36,376,908.75	826.92	36,376,908.75	826.92

Item	Opening balance	Increase	Decrease	Closing balance
Copyright	0.00	0.00	0.00	0.00
Franchise right	0.00	0.00	0.00	0.00
Trading seat fee	0.00	0.00	0.00	0.00
Right to use sea area	0.00	0.00	0.00	0.00
Mining right	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
IV. Total carrying value	**3,493,947,951.27**	**——**	**——**	**3,433,377,140.81**
Including: Software	533,706,118.86	——	——	628,001,400.26
Land use right	2,419,043,880.20	——	——	2,339,674,555.43
Patent right	149,803,184.03	——	——	82,245,960.03
Non-patent technology	47,397,862.14	——	——	76,679,649.68
Trademark rights	4,530,399.58	——	——	34,782,996.42
Copyright	0.00	——	——	308,341.44
Franchise right	41,526,724.61	——	——	7,358,446.78
Trading seat fee	166,668.80	——	——	116,668.76
Right to use sea area	12,372,628.37	——	——	12,019,964.50
Mining right	269,116,250.74	——	——	252,189,157.51
Others	16,284,233.94	——	——	0.00

33. Development expenditures

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Other	Recognized as intangible assets	Included in profit or loss	Other	
Guangxi Information and Government Services Integration Platform	6,837,679.08	53,158,954.14	0.00	0.00	0.00	0.00	59,996,633.22
The first batch of projects in 2019 for the construction of "Digital Guangtou"	0.00	49,922,230.93	0.00	0.00	0.00	0.00	49,922,230.93
Pharmaceutical development expenditure	64,055,701.75	15,698,227.23	2,076,251.41	34,456,429.29	14,528,118.71	0.00	32,845,632.39
Expenditure on medical technology development	26,550,505.00	0.00	0.00	0.00	0.00	0.00	26,550,505.00
The first batch of projects of "Digital Guangtou" construction in 2020	0.00	19,986,769.52	0.00	0.00	0.00	0.00	19,986,769.52
The second batch of projects of "Digital Guangtou" construction in 2019	0.00	14,369,000.57	0.00	0.00	0.00	0.00	14,369,000.57
Xinchuang Comprehensive Security Platform	0.00	7,654,698.63	0.00	0.00	0.00	0.00	7,654,698.63
Rural Revitalisation Cloud 2021	0.00	7,572,000.88	0.00	0.00	0.00	0.00	7,572,000.88
Financial Sharing Platform Project	0.00	3,415,538.02	0.00	0.00	0.00	0.00	3,415,538.02
Rural Collective "Three Assets" Management Platform	0.00	2,439,396.24	0.00	0.00	0.00	0.00	2,439,396.24
Big Data Intelligent Collection System V3.0	0.00	243,061.16	0.00	0.00	0.00	0.00	243,061.16
Guang Yicai Supply Chain Management Platform Construction	0.00	0.00	231,132.08	0.00	0.00	0.00	231,132.08
Low Code Development Platform V1.0	0.00	213,503.33	0.00	0.00	0.00	0.00	213,503.33
Big Data Sharing and Open Service System V1.0	0.00	200,247.84	0.00	0.00	0.00	0.00	200,247.84
Big Data Insight Analysis System V1.0	0.00	165,655.37	0.00	0.00	0.00	0.00	165,655.37
Big Data Foundation Platform V2.0	0.00	107,938.37	0.00	0.00	0.00	0.00	107,938.37
Big Data Integration System V2.0	249,836.59	196,080.20	0.00	445,916.79	0.00	0.00	0.00
Zhuangmei Guangxi Economic and Social Cloud	28,713,173.68	12,670,937.27	0.00	41,384,110.95	0.00	0.00	0.00

Item	Opening book balance	Increase		Decrease			Closing book balance
		Internal development expenditure	Other	Recognized as intangible assets	Included in profit or loss	Other	
Aluminum Trade Tong System	283,018.86	0.00	0.00	0.00	0.00	283,018.86	0.00
GPO Drug Procurement Platform	0.00	6,860,803.34	0.00	6,860,803.34	0.00	0.00	0.00
Wei'an Home School Letter Service Platform Development and Implementation Service Project	0.00	0.00	470,297.02	470,297.02	0.00	0.00	0.00
Big Data Collection System V2.0	258,864.03	223,712.87	0.00	482,576.90	0.00	0.00	0.00
Big Data Visualization and Analysis System V1.0	460,133.21	335,325.82	0.00	795,459.03	0.00	0.00	0.00
E-procurement Platform Upgrade	0.00	0.00	1,838,490.52	0.00	1,838,490.52	0.00	0.00
Marketing Management System	377,830.19	0.00	0.00	377,830.19	0.00	0.00	0.00
Internet Platform Business New Function System	448,113.20	0.00	0.00	448,113.20	0.00	0.00	0.00
Minrongden Business Transformation System	770,943.42	0.00	0.00	770,943.42	0.00	0.00	0.00
Big Data Foundation Platform V1.0	972,631.23	386,556.38	0.00	1,359,187.61	0.00	0.00	0.00
Love Guangxi Poverty Alleviation and Revitalization Cloud	9,766,622.37	11,538,158.25	0.00	21,304,780.62	0.00	0.00	0.00
Other Projects	1,244,739.76	3,868,799.98	0.00	0.00	5,113,539.74	0.00	0.00
Total	**140,989,792.37**	**211,227,596.34**	**4,616,171.03**	**109,156,448.36**	**21,480,148.97**	**283,018.86**	**225,913,943.55**

34. Goodwill

(1) carrying value of goodwill

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Guangxi Wuzhou Zhongheng Group Co., Ltd.	2,891,534,586.48	0.00	0.00	2,891,534,586.48
Asset group portfolio of headquarters of Lummy Pharmaceutical	122,262,948.00	373,781,261.16	0.00	496,044,209.16
GIG Beihai Electric Power Co., Ltd.	412,818,452.57	0.00	0.00	412,818,452.57
Wuzhou Guijiang Power Co., Ltd.	274,047,152.48	0.00	0.00	274,047,152.48
Guangxi Pingguo Guangtou Gas Co., Ltd.	0.00	212,536,140.43	0.00	212,536,140.43
Guangxi Qiangqiang Carbon Co., Ltd.	185,585,529.64	0.00	0.00	185,585,529.64
Sealand Securities Co., Ltd.	181,402,031.84	0.00	0.00	181,402,031.84
Asset group of Hunan Kangyuan	126,247,278.80	0.00	0.00	126,247,278.80
GIG Natural Gas Pipeline Network Co., Ltd.	127,740,762.95	0.00	0.00	127,740,762.95
Guangxi Beibu Gulf Bank Co., Ltd.	98,639,969.27	0.00	0.00	98,639,969.27
Sichuan Xidian Power Design Company Ltd.	74,781,171.06	0.00	0.00	74,781,171.06
Guangxi Tong Sheng Finance Leasing Co., Ltd.	47,782,734.89	0.00	0.00	47,782,734.89
Guangxi GIG Energy Group Co., Ltd.	46,089,220.50	0.00	0.00	46,089,220.50
Asset group of Lummy Deji	32,942,793.07	0.00	0.00	32,942,793.07
Asset group of Lummy Pharmaceutical	7,308,809.58	23,971,801.58	0.00	31,280,611.16
Shaanxi Changxing Photovoltaic Technology Co., Ltd.	26,260,814.23	0.00	0.00	26,260,814.23
Fujian Shuangfu Special Purpose Vehicle Co., Ltd.	25,870,182.88	0.00	0.00	25,870,182.88
Acquisition of equity interest in Guangxi Trading Place Registration and Settlement Co., Ltd.	25,080,852.71	0.00	0.00	25,080,852.71
Goldstar Pharmaceuticals Asset Group	18,360,999.29	0.00	0.00	18,360,999.29
Puyang Hengrun Petrochemical Co., Ltd.	16,447,699.27	0.00	0.00	16,447,699.27
Puyang Hengrun Zhubang Petrochemical Co., Ltd.	13,759,956.05	0.00	0.00	13,759,956.05
Merger and acquisition of Guangxi Guotuo and Guangxi Trust	13,574,980.76	0.00	0.00	13,574,980.76
Asset group of GIG Petrochemical	12,434,143.94	0.00	0.00	12,434,143.94
Goodwill on consolidation of Huixingyuan Company	11,273,914.19	0.00	0.00	11,273,914.19
Goodwill on consolidation of Cooling Water Company	9,859,407.59	0.00	0.00	9,859,407.59
Acquisition of Zhejiang Liangshi futures	8,509,283.25	0.00	0.00	8,509,283.25
Deqing County Yuecheng Xinghai Oil Station Co., Ltd.	5,213,869.03	0.00	0.00	5,213,869.03
Tianqi Jiahua Asset Group	0.00	2,956,604.23	0.00	2,956,604.23

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Guangxi Tianyang Guangtou Gas Co., Ltd.	0.00	2,757,148.24	0.00	2,757,148.24
Guangxi Hechi Guangtou Gas Co., Ltd.	0.00	1,832,261.26	0.00	1,832,261.26
Longan Guangtou Gas Co., Ltd.	0.00	1,717,065.93	0.00	1,717,065.93
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	1,508,368.39	0.00	0.00	1,508,368.39
Guangdong Baichang Power Equipment Co., Ltd.	0.00	1,362,750.83	0.00	1,362,750.83
Guangxi GIG Dingxin Guide Fund Operation Co., Ltd.	282,074.43	0.00	0.00	282,074.43
Hezhou Shangcheng Power Co., Ltd.	275,876.88	0.00	0.00	275,876.88
Pingle Guijiang Power Co., Ltd.	262,500.00	0.00	0.00	262,500.00
Guangxi Huayin Aluminum Co., Ltd.	36.29	0.00	0.00	36.29
Merger of Guangxi Huashuo Investment Group Co., Ltd.	216,125,029.42	0.00	216,125,029.42	0.00
Chunzhengtang Asset Group	26,144,732.00	0.00	26,144,732.00	0.00
Shenzhen Zhongrongtong Asset Management Co., Ltd.	12,000.00	0.00	12,000.00	0.00
Lummy Golden Mouse Asset Group	561,297.88	0.00	561,297.88	0.00
Asset group of Sichuan Hezheng	5,353,145.55	0.00	5,353,145.55	0.00
Blue sky shared asset group	151,605.90	464,671.32	616,277.22	0.00
Total	**5,066,506,211.06**	**621,379,704.98**	**248,812,482.07**	**5,439,073,433.97**

(2) Provision for impairment of goodwill

Name of investee or events forming goodwill	Opening balance	Increase	Decrease	Closing balance
Asset group of Hunan Kangyuan	126,247,278.80	0.00	0.00	126,247,278.80
Asset group portfolio of headquarters of Lummy Pharmaceutical	0.00	100,932,107.26	0.00	100,932,107.26
Sichuan Xidian Power Design Company Ltd.	17,581,924.87	38,239,434.99	0.00	55,821,359.86
Asset group of Lummy Pharmaceutical	0.00	31,280,611.16	0.00	31,280,611.16
Guangxi Trading Places Registration and Settlement Company Limited Equity Continuing Losses	25,080,852.71	0.00	0.00	25,080,852.71
Golden Star Pharmaceuticals Asset Group	18,360,999.29	0.00	0.00	18,360,999.29
Fujian Shuangfu Special Purpose Vehicle Co., Ltd.	16,535,855.01	0.00	0.00	16,535,855.01
Guangtou Pharmaceuticals Asset Group	0.00	12,434,143.94	0.00	12,434,143.94
Puyang Hengrun Petrochemical Co., Ltd.	2,269,527.80	4,772,609.53	0.00	7,042,137.33
Shaanxi Changxing Photovoltaic Technology Co., Ltd.	0.00	5,783,637.14	0.00	5,783,637.14
Deqing County Yuecheng Xinghai Oil Station Co., Ltd.	5,213,869.03	0.00	0.00	5,213,869.03
Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd.	0.00	1,567,600.00	0.00	1,567,600.00
Hezhou Shangcheng Power Co., Ltd.	275,876.88	0.00	0.00	275,876.88
Total	**211,566,184.39**	**195,010,144.02**	**0.00**	**406,576,328.41**

35. Long-term deferred expenses

Item	Opening balance	Increase	Amortization for the year	Other decrease	Closing balance
Decoration costs	376,994,019.83	221,137,257.32	126,952,416.69	21,724,076.96	449,454,783.50
Guangxi District Prison Administration land management fees	0.00	90,000,000.00	23,437,500.00	0.00	66,562,500.00
Fixed asset improvement expenses	27,512,359.26	24,729,800.51	11,837,991.96	0.00	40,404,167.81
Rental fee	53,036,482.84	1,920,222.47	11,953,844.98	20,309,085.00	22,693,775.33
Zhongheng "*Nanning*" Pharmaceutical Industry Base Project 1# workshop electromechanical installation project	0.00	19,620,000.00	0.00	0.00	19,620,000.00
Dealer service fee	4,854,894.00	24,115,829.00	9,870,099.00	0.00	19,100,624.00
Daliyan prospecting right to mining right project in Pinggui District	4,586,888.98	4,949,615.81	0.00	0.00	9,536,504.79
Mine environment treatment and restoration fund	5,730,560.00	7,903,500.00	7,902,139.92	0.00	5,731,920.08
Amortisation of slot repair costs	3,009,982.78	7,637,247.75	7,405,232.03	0.00	3,241,998.50
GIG 6-storey Data Centre Server Room Construction Project	2,166,263.09	0.00	302,280.00	0.00	1,863,983.09
Gas meters	0.00	1,925,901.36	77,610.97	0.00	1,848,290.39
Company Security System	1,261,648.16	816,108.84	603,123.31	0.00	1,474,633.69
Guangtou Energy Management Centre Cultural Exhibition Hall Project	0.00	1,524,026.66	88,901.54	0.00	1,435,125.12
CUD005 Anti-Liver Fibrosis (Cirrhosis) Macrophage Development Project	0.00	1,330,022.60	66,501.13	0.00	1,263,521.47
Personalised Oncology Project Purification System	1,726,628.85	0.00	505,354.80	0.00	1,221,274.05
Other long-term amortised costs	182,708,998.78	225,091,550.12	162,486,117.56	137,635,257.14	107,679,174.20
Total	**663,588,726.57**	**632,701,082.44**	**363,489,113.89**	**179,668,419.10**	**753,132,276.02**

36. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not presented by the net amount after offset

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible / taxable temporary difference	Deferred tax assets/ liabilities	Deductible / taxable temporary difference
I. Deferred tax assets	**2,423,018,621.49**	**12,381,176,063.83**	**2,107,560,771.99**	**10,862,079,373.30**
Provision for impairment of assets	548,271,797.62	3,637,437,961.44	543,080,436.42	3,446,787,269.78
Deductible losses	709,259,876.97	3,419,652,204.03	665,648,880.92	3,441,518,139.43
Employee benefits payable (accrued but not paid)	9,994,401.59	43,739,778.85	10,371,307.28	45,354,496.97
Valuation of trading financial instruments and derivative financial instruments	123,584,895.87	508,971,316.82	124,503,396.87	512,539,654.37
Change in fair value of available-for-sale financial assets that is recorded in other comprehensive income	0.00	0.00	1,335,218.07	8,901,453.75
Unrealized included income or loss from combination	8,986,774.92	46,961,023.86	9,356,970.28	49,352,471.67
Deferred income	7,632,564.62	50,883,764.13	14,313,272.41	90,773,244.63
Interest payable	55,179,240.10	211,917,748.64	44,447,763.85	195,953,697.07
Accrued expenses	17,462,640.22	70,217,160.76	18,520,620.33	79,055,436.68
Operating income	35,146.26	234,308.40	2,242,515.61	14,950,104.08
Funds for Party Construction work	119,553.45	797,022.95	88,542.38	590,282.36
Long-term equity investments (Provision for impairment)	750,000.00	5,000,000.00	750,000.00	5,000,000.00
Changes in fair value of Investment in other equity instruments	33,284,336.93	133,282,823.74	16,864,959.98	73,848,583.31
Equity investment difference amortizing deferred tax assets	5,715,463.22	38,103,088.13	5,715,463.22	38,103,088.13
Provision for impairment of credit	832,123,567.56	3,878,138,519.46	605,977,543.60	2,637,650,461.08
Others	70,618,362.16	335,839,342.62	44,343,880.77	221,700,989.99

Item	Closing balance		Opening balance	
	Deferred tax assets/ liabilities	Deductible / taxable temporary difference	Deferred tax assets/ liabilities	Deductible / taxable temporary difference
II. Deferred tax liabilities	**572,310,340.69**	**2,297,034,186.05**	**465,837,506.93**	**1,885,268,168.86**
Valuation of trading financial instruments and derivative financial instruments	12,663,307.88	50,657,337.47	12,734,340.13	50,937,360.52
Change in fair value of available-for-sale financial assets that is recorded in other comprehensive income	0.00	0.00	1,811,673.63	10,094,389.74
Change in fair value of available-for-sale financial assets that is recorded in other comprehensive income (applying new standard)	106,706,561.63	429,673,941.74	11,403,824.29	45,615,297.16
Asset appraisal appreciation	213,753,001.82	855,473,328.92	200,390,453.83	806,013,579.47
Adjustment to fair value of fixed assets on the acquisition date when the subsidiaries are acquired through business combination	41,085,082.43	168,815,870.28	69,296,510.07	290,008,383.33
Government subsidy- temporary difference of project support fund	4,217,788.73	16,871,154.92	43,281,797.64	173,127,190.56
Changes in fair value of other non-current financial assets	10,043,251.31	40,177,165.16	4,604,158.83	20,212,974.04
Changes in fair value of investment properties	12,346,485.83	49,385,943.31	8,667,626.50	34,670,506.00
Others	171,494,861.06	685,979,444.25	113,647,122.01	454,588,488.04

(2) Deferred tax assets and deferred tax liabilities presented by the net amount after offset

1) The set-off deferred tax assets or liabilities and the corresponding temporary differences between the set-off deductible or taxable assets or liabilities

Item	The set-off deferred tax assets or liabilities at the end of reporting period	The temporary differences between the set-off deductible or taxable assets or liabilities at the end of reporting period	The set-off deferred tax assets or liabilities at the beginning of report year	The temporary differences between the set-off deductible or taxable assets or liabilities at the beginning of report year
I. Deferred tax assets	**1,629,339,776.57**	**6,567,176,463.38**	**1,340,797,142.55**	**5,407,702,106.13**
Provision for impairment of assets	1,226,279,590.73	4,945,217,964.92	963,418,122.72	3,893,806,254.86
Employee benefits payable (accrued but not paid)	102,817,109.98	411,268,439.92	125,932,379.51	508,109,291.03
Valuation of trading financial instruments and derivative financial instruments	18,631,803.10	74,675,099.50	20,829,992.61	83,319,971.44
Projected liabilities	12,802,754.00	51,211,017.00	14,115,442.00	56,461,765.00
Others	268,808,518.76	1,084,803,942.04	216,501,205.71	866,004,823.80
II. Deferred tax liabilities	**75,602,060.61**	**302,408,242.44**	**23,572,587.04**	**94,290,348.11**
Valuation of trading financial instruments and derivative financial instruments	70,108,745.06	280,434,980.24	17,766,100.44	71,064,401.71
Adjustment to fair value of fixed assets on the acquisition date when the subsidiaries are acquired through business combination	5,493,315.55	21,973,262.20	5,806,486.60	23,225,946.40

37. Other non-current assets

Item	Closing balance	Opening balance
Debt-offsetting assets	2,636,177,618.00	2,406,305,244.00
Prepaid house purchase	562,229,935.30	703,266,200.50
Prepayment for engineering equipment	337,714,083.26	870,587,981.41
Guigang Zhongjiang Market Project	114,280,173.40	114,280,173.40
Refundable deposits	110,372,000.00	77,074,700.00
Class I road construction project	100,211,790.60	98,209,061.60
Prepayment for acquisition of equity interest in Beibu Gulf Bank	90,508,161.76	90,508,161.76
Arable land occupation tax (refundable)	88,035,240.01	104,064,081.61
Unrealised gain or loss on sale and leaseback	84,627,086.20	267,296,625.81
Subdivision of flow-through shares	59,898,653.98	59,898,653.98
Prepayment of land deposit	42,640,000.00	42,640,000.00
Deposit of capital	30,000,000.00	230,000,000.00
Prepayment of petrol station rentals	14,850,000.00	39,100,000.00
Old city renovation and demolition of investment properties	12,612,392.70	12,612,392.70
Traffic ditch landscaping works	7,067,699.99	7,067,699.99
Prepayment for projects (software systems, etc.)	3,575,974.32	4,773,074.20
Investment building upgrade - contract performance costs	3,468,401.83	0.00
Xiwanhuanhai Avenue	2,375,747.94	1,365,315.62
Prepayment for land acquisition compensation for the East District Pipeline Project	2,108,091.00	2,108,091.00
Construction of comprehensive risk management information system	1,998,967.92	1,115,949.06
Liuzhou Municipal Supporting Project	1,059,200.92	746,960.92
Commissioning of research and development of capital management system	1,007,547.16	1,007,547.20
Prepayment of investment	0.00	4,700,000.00
Migrant workers' wage deposit	0.00	2,000,000.00
Others	389,066,242.55	712,518,632.18
Total	**4,695,885,008.84**	**5,853,246,546.94**

38. Short-term loans

Category of loan	Closing balance	Opening balance
Pledge loans	2,817,622,519.66	2,722,406,689.53
Mortgage loans	341,000,000.00	804,321,193.92
Guaranteed loans	7,891,537,233.33	7,674,218,017.88
Credit loans	11,312,013,167.48	9,791,554,127.87
Total	**22,362,172,920.47**	**20,992,500,029.20**

39. Borrowings from the Central Bank

Name of lender	Closing balance	Opening balance
Borrowings from the Central Bank	14,518,976,350.00	7,995,672,382.00

40. Borrowings from banks and other financial institutions

Name of lender	Closing balance	Opening balance
Domestic interbank funds	9,542,821,836.22	7,846,248,613.04
Overseas interbank funds	1,499,456,727.00	471,116,395.00
Total	**11,042,278,563.22**	**8,317,365,008.04**

41. Held-for-trading financial liabilities

Item	Closing fair value	Opening fair value
Held-for-trading financial liabilities	1,525,049,827.69	3,929,234,532.72
Including: Trading bonds issued	927,672,402.68	1,323,575,625.72

42. Derivative financial liabilities

Item	Closing balance	Opening balance
Equity derivatives - Equity swaps	133,567,016.64	0.00
Other derivatives - OTC commodity options	26,929,438.80	0.00
Forward foreign exchange settlement and sale for customers	2,892,064.00	2,889,080.00
Equity derivatives - Over-the-counter options business	1,219,166.76	0.00
Other derivatives-OTC futures options	960,485.00	0.00
Equity derivatives-Floor traded options	327,663.22	693,270.00
Total	**165,895,834.42**	**3,582,350.00**

43. Notes payable

Item	Closing balance	Opening balance
Commercial acceptance bills	715,094,551.60	423,680,081.26
Bank acceptance bills	3,440,243,237.88	3,989,603,358.07
L/C	1,456,306,000.00	2,107,792,748.04
Total	**5,611,643,789.48**	**6,521,076,187.37**

44. Accounts payable

(1) Aging of accounts payable

Aging	Closing balance	Opening balance
Within 1 year	6,953,766,030.59	2,835,492,194.10
1-2 years	136,760,226.63	509,780,721.03
2-3 years	95,677,470.95	68,553,670.09
More than 3 years	205,932,055.25	186,521,955.01
Total	**7,392,135,783.42**	**3,600,348,540.23**

(2) Important accounts payable with aging over 1 year

Name of debtor	Closing balance	Reasons for non-repayment
Guangxi Construction Engineering Group NO.5 Construction Engineering Co., Ltd.	107,900,000.00	Not yet settled
Baise City Water Conservancy and Electricity Construction Agency	20,224,317.97	Not yet settled
Nanning Survey and Design Institute Co., Ltd. of China Railway Siyuan Survey and Design Group Co., Ltd.	20,208,883.01	Settled with the progress of the project
Tentative estimated project costs	12,509,117.00	Unsettled land payment
China Energy Construction Group Guangxi Electric Power Design and Research Institute Co., Ltd.	9,201,016.98	Provisional estimate not completed
Guangxi Fanggang Logistics Co., Ltd.	9,122,544.20	Not yet eligible for settlement
Yunbaobao Big Data Industry Development Co., Ltd.	8,418,588.68	Not yet due for agreed payment
Settlement fund of Bajiangkou Hydropower Station Project	6,805,000.00	Should have contributed to the government construction but was registered for impracticability
Guangdong Dianbai Construction Engineering Corporation	5,593,908.05	Quality guarantee deposit
Guangxi Construction Engineering Group Metallurgical Construction Co., Ltd.	5,518,226.38	Not yet settled
China Energy Engineering Group Guangdong Electric Power Engineering Co., Ltd.	4,545,214.77	Settled with the progress of the project
Guang'an YIXIN PHARMA Tech Co., Ltd.	4,500,000.00	Not yet settled
Shanghai Tofflon Science and Technology Co., Ltd.	4,372,000.00	Quality guarantee deposit
Sichuan Yuechi Electric Power Construction Corporation	3,564,707.37	Quality guarantee deposit
Daqing Oilfield Construction Group Co., Ltd.	3,555,849.90	Quality guarantee deposit
Qinzhou Free Trade Port Area Management Committee	2,280,000.00	Guarantee
JUYI Steelpipe Co., Ltd.	2,250,741.24	Quality guarantee deposit
Guangxi Shengfeng Construction Group Co., Ltd.	2,097,271.95	Quality guarantee deposit
Total	**232,667,387.50**	——

45. Advance from customers

(1) Aging of advance from customers

Aging	Closing balance	Opening balance
Within 1 year	82,156,417.61	51,388,538.58
More than 1 year	6,687,472.32	6,271,441.89
Total	**88,843,889.93**	**57,659,980.47**

(2) Important advance from customers with aging over 1 year

Name of debtor	Closing balance	Reasons for outstanding amounts
THE 3rd Building Engineering Co. Ltd of Guangxi Building Engineering GROUP CO	328,494.75	To be settled after confirmation by both parties
Guangxi Construction Group Second Installation Construction Co.,Ltd	250,393.56	To be settled after confirmation by both parties
Nanning Qingxiu Mountain Scenic and Tourist Area Management Committee Organs Trade Union Committee	49,985.10	Not consumed
Napo County Longhe Town Union Committee	19,400.00	Not consumed
Shangsi County Jiaoan Town Central Primary School Trade Union Committee	12,980.00	Not consumed
Huang Jianping	10,095.28	Not yet settled
Total	**671,348.69**	——

46. Contract liabilities

Item	Closing balance	Opening balance
Sales of products received in advance	1,101,810,397.40	298,616,167.31
Sales of petroleum and chemical products received in advance	667,782,942.56	642,892,150.85
Real estate sales received in advance	336,760,681.64	594,206,061.37
Technical service fee received in advance	223,462,743.23	40,677,981.70
Debt received in advance	156,708,850.00	0.00
Natural gas and pipeline transportation services payments received in advance	104,827,420.97	31,052,901.36
Guarantee fee received in advance	72,747,712.48	90,679,286.41
Service fee received in advance	43,189,647.43	43,333,711.55
Land grants received in advance	29,653,513.22	17,071,645.37
Other amounts received in advance	20,677,964.26	11,352,699.73
Engineering services payment received in advance	16,343,016.87	316,285,615.50
Project payments received in advance	10,514,631.82	6,019,272.24
Cash transaction payment received in advance	602,331.50	33,126,554.74
Total	**2,785,081,853.38**	**2,125,314,048.13**

47. Sold and repurchase financial assets

Item	Closing balance	Opening balance
Bonds	19,440,492,003.40	26,339,740,661.03
Income rights of securities margin trading	0.00	400,532,739.72
Total	**19,440,492,003.40**	**26,740,273,400.75**

48. Deposits from customers and interbank

(1) Interbank placement

Item	Closing balance	Opening balance
Domestic interbank deposits	6,071,537,268.00	299,161,041.00
Deposits from other domestic financial institutions	4,341,426,829.00	576,287,908.00
Overseas interbank deposits	3,360,555.00	11,904,460.00
Total	**10,416,324,652.00**	**887,353,409.00**

(2) Accept money deposits

Item	Closing balance	Opening balance
Current deposit	94,937,783,639.40	90,705,422,103.65
- Corporate	66,737,601,854.40	67,357,412,627.65
- Individual	28,200,181,785.00	23,348,009,476.00
Time deposit	90,037,082,641.00	67,116,514,811.00
- Corporate	44,472,608,625.00	28,869,993,107.00
- Individual	45,564,474,016.00	38,246,521,704.00
Other deposits (including outward remittances, remittances outstanding, etc.)	52,351,753,389.00	46,749,588,401.00
Total	**237,326,619,669.40**	**204,571,525,315.65**

49. Funds received as agent of stock exchange

Item	Closing balance	Opening balance
General economic business	16,809,993,085.92	12,564,788,879.31
- Individual	12,135,213,391.94	10,745,628,077.91
Institutions	4,674,779,693.98	1,819,160,801.40
Credit business	1,136,564,261.65	1,041,077,645.89
- Individual	1,067,025,058.53	948,033,633.41
Institutions	69,539,203.12	93,044,012.48
Total	**17,946,557,347.57**	**13,605,866,525.20**

50. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase	Decrease	Closing balance
Short-term employee benefits	1,699,054,678.21	6,671,271,490.86	6,502,125,240.84	1,868,200,928.23
Post-employment benefits-defined contribution plan	56,958,448.47	683,279,466.77	687,965,599.51	52,272,315.73
Dismissal benefits	1,034,770.38	56,066,799.17	26,188,502.06	30,913,067.49
Others	219,296,467.40	221,886,898.44	98,948,004.63	342,235,361.21
Total	**1,976,344,364.46**	**7,632,504,655.24**	**7,315,227,347.04**	**2,293,621,672.66**

(2) Short-term employee benefits

Item	Opening balance	Increase	Decrease	Closing balance
Salary, bonus, allowance and subsidy	1,545,504,240.98	5,516,506,538.75	5,338,889,512.99	1,723,121,266.74
Employee welfare expenses	757,399.51	237,023,962.17	237,509,842.70	271,518.98
Social insurance premium	12,683,469.60	274,325,654.53	280,091,098.85	6,918,025.28
Including: medical insurance premium	6,041,638.45	245,732,582.82	246,546,172.27	5,228,049.00
Work-related injury insurance premium	981,247.81	12,271,933.97	12,291,479.88	961,701.90
Maternity insurance premium	5,307,693.70	3,021,277.03	7,940,666.28	388,304.45
Others	352,889.64	13,299,860.71	13,312,780.42	339,969.93
Housing provident fund	4,725,523.20	390,226,291.45	389,146,011.88	5,805,802.77
Trade union dues and personnel education funds	92,853,020.66	139,988,713.25	138,534,225.79	94,307,508.12
Other short-term employee benefits	42,531,024.26	113,200,330.71	117,954,548.63	37,776,806.34
Total	**1,699,054,678.21**	**6,671,271,490.86**	**6,502,125,240.84**	**1,868,200,928.23**

(3) Defined contribution plan

Item	Opening balance	Increase	Decrease	Closing balance
Basic endowment insurance	13,707,565.25	522,102,252.41	526,305,312.20	9,504,505.46
Unemployment insurance premium	3,013,411.81	16,055,184.52	16,486,032.11	2,582,564.22
Contribution to enterprise annuity	40,237,471.41	145,118,134.59	145,170,359.95	40,185,246.05
Others	0.00	3,895.25	3,895.25	0.00
Total	**56,958,448.47**	**683,279,466.77**	**687,965,599.51**	**52,272,315.73**

(4) Dismissal benefits

Item	Opening balance	Increase	Decrease	Closing balance
Economic compensation for dismissal	1,034,770.38	56,066,799.17	26,188,502.06	30,913,067.49

(5) Others

Item	Opening balance	Increase	Decrease	Closing balance
Deferred long-term compensation	216,617,773.82	179,087,853.51	58,922,564.68	336,783,062.65
Other long-term benefits (Internal retirement)	2,106,883.70	1,109.73	743,422.40	1,364,571.03
Labor costs	571,809.88	42,760,208.22	39,244,290.57	4,087,727.53
Business insurance	0.00	37,726.98	37,726.98	0.00
Total	**219,296,467.40**	**221,886,898.44**	**98,948,004.63**	**342,235,361.21**

51. Taxes and surcharges payable

Item	Opening balance	Accrued	Paid	Closing balance
VAT	482,767,593.05	2,989,208,686.90	2,765,317,309.33	706,658,970.62
Consumption tax	73,769.74	378,039.08	397,975.76	53,833.06
Resource tax	15,444,812.69	218,272,092.76	195,208,272.17	38,508,633.28
Corporate income tax	406,595,690.12	1,964,930,843.88	1,771,881,580.16	599,644,953.84
Urban maintenance and construction tax	22,809,818.55	169,229,395.58	150,184,578.70	41,854,635.43
Property tax	11,663,144.10	99,018,206.83	96,547,573.37	14,133,777.56
Land use tax	9,488,145.23	41,481,074.73	44,875,302.60	6,093,917.36
Individual income tax	44,709,851.14	644,384,329.31	619,977,103.21	69,117,077.24
Educational surtax (including local educational surtax)	20,169,991.72	136,020,168.68	124,849,688.60	31,340,471.80
Water conservancy construction funds (watercourse management fee and flood prevention expense)	60,049,805.82	54,728,648.85	44,756,017.29	70,022,437.38
Price adjustment fund	8,308,510.79	-7,396,728.90	432.49	911,349.40
Land VAT	1,309,923.35	1,140,918.64	2,450,841.99	0.00
Stamp duty	29,839,642.04	170,250,185.83	164,564,359.06	35,525,468.81
Vessel and vehicle use tax	0.00	428,879.22	428,159.22	720.00
Environmental protection tax	2,080,799.89	12,192,479.91	12,210,633.29	2,062,646.51
Other taxes and dues	98,948,333.15	124,258,981.36	154,385,695.64	68,821,618.87
Total	**1,214,259,831.38**	**6,618,526,202.66**	**6,148,035,522.88**	**1,684,750,511.16**

52. Other payables

Item	Closing balance	Opening balance
Interest payable	1,001,708,164.85	1,184,125,840.28
Dividends payable	280,081,874.27	297,290,923.78
Other payables	8,537,999,057.59	12,035,153,425.06
Total	**9,819,789,096.71**	**13,516,570,189.12**

(1) Interest payable

Item	Closing balance	Opening balance
Interest on long-term loans with interest paid by installment and principal repaid on maturity	304,346,144.00	232,615,853.29
Interest on enterprise bonds	649,056,380.39	911,645,698.05
Interest payable for short-term loans	11,334,880.12	14,520,349.49
Interest on intercourse funds payable to the financial institutions	190,652.78	0.00
Financing lease interest	10,525,435.75	14,413,592.18
Interests from sold and repurchase financial assets	27,246.20	73,530.87
Others	26,227,425.61	10,856,816.40
Total	**1,001,708,164.85**	**1,184,125,840.28**

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends of ordinary shares	216,221,985.45	240,124,257.14
Dividends of preference share/ perpetual bonds classified as equity instruments	63,859,888.82	57,166,666.64
Others	0.00	0.00
Total	**280,081,874.27**	**297,290,923.78**

(3) Other payables

1) Other payables by nature

Item	Closing balance	Opening balance
Corporate intercourse funds	4,204,711,107.95	8,450,743,053.40
Margin, deposits, warranty	1,054,699,074.15	941,965,274.68
Entrusted request for payment	779,837,829.58	0.00
Storage funds	421,561,295.07	0.00
Liquidation of transition and suspense payments	378,538,871.00	294,381,069.00
Agency collection and payment	338,299,644.14	330,725,415.00
Accrued expenses	219,307,803.51	166,896,148.21
Unclaimed amounts	181,780,659.00	140,199,189.00

Item	Closing balance	Opening balance
Customer's deposits	167,604,528.29	296,719,920.74
Acquisition and construction of long-term asset payments	129,458,705.00	128,543,700.00
Contract performance payment	127,456,667.40	63,902,043.65
All kind of funds payable	95,470,989.62	94,268,259.70
Execution of payment in lieu	44,143,233.17	0.00
Deferred service fees for intermediate business	23,637,848.00	53,437,233.00
Surrender charges payable	18,871,419.43	14,875,142.00
Bank remittance refund	16,378,836.61	13,661,198.31
Individual intercourse funds	16,069,187.79	17,682,559.83
Social insurance, provident funds	9,393,711.86	14,178,030.04
Fund income rights	0.00	332,500,000.00
Others	310,777,646.02	680,475,188.50
Total	**8,537,999,057.59**	**12,035,153,425.06**

2) Important other payables with aging over 1 year

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
Guangxi Beibu Gulf Investment Group Co., Ltd.	Guangxi Financial Investment Group Co., Ltd	600,000,000.00	1-2 years	Borrowings not yet due
Guangxi Communications Investiment Group Co., Ltd.	Guangxi Financial Investment Group Co., Ltd	600,000,000.00	1-2 years	Borrowings not yet due
Liuzhou Wuling Motors Co., Ltd.	Guangxi Financial Investment Group Co., Ltd	200,000,000.00	1-2 years	Borrowings not yet due
Customer Summary Account Funds	Guangxi Jintou Internet Financial Services Co., Ltd.	167,971,637.64	Within 2 years	Customer investment holdover
Nanning Runzi Enterprise Management Co., Ltd.	Guangxi Guangtou Shimao Kanglv Co., Ltd.	120,255,803.20	Within 2 years	Project construction period, not yet achieved sales return conditions
China Energy Engineering Group Guangdong Electric Power Engineering Co., Ltd.	Guangxi Guixu Energy Development Co., Ltd.	101,603,533.00	1-3 years and above	Not yet settled
Guangxi Hengsheng Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	79,982,303.00	1-2 years	Not yet settled
Guangxi Dongri Construction Engineering Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	77,819,602.27	1-2 years	Not yet settled
Guangxi Tourism Development Group Co., Ltd.	Guangxi Financial Investment Group Co., Ltd	50,000,000.00	1-2 years	Borrowings not yet due
New Power Ceramics Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	29,223,664.05	2-3 years	Not yet settled
Fanya Steel Processing and Logistics Corporation	Guangxi SME Financing Guarantee Co., Ltd.	29,000,000.00	2-3 years	Not yet settled
Guangxi Zhongji Iron and Steel Investment Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	27,505,186.26	1-2 years	Not yet settled
Guangxi Bose Daofulin Wood Industry Development Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	26,584,526.95	1-2 years	Not yet settled
Guangxi Lianzhuang Investment Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	25,000,000.00	1-2 years	Not yet settled
Nanning Survey and Design Institute Co., Ltd. of China	Guangxi Guixu Energy Development Co., Ltd.	21,455,139.80	More than 3 years	Not yet settled

Name of creditor	Name of debtor	Closing balance	Aging	Reasons for non-repayment
Railway Siyuan Survey and Design Group Co., Ltd.				
CINF Engineering Co., Ltd.	Jingxi Huayin Mining Co., Ltd.	20,363,015.00	Within 5 years and above	Quality guarantee
Guangxi Shiyin Agriculture and Forestry Resource Development Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	19,403,132.49	1-2 years	Not yet settled
Guangxi JianZheng Group Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	18,702,019.00	3-4 years	Not yet settled
Guangxi Liuzhou Luzhai Jinli Cement Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	17,919,010.05	2-3 years	Not yet settled
Guangxi Xichen Technology Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	15,015,338.40	1-2 years	Not yet settled
Pingnan Yongping Agricultural Materials Co., Ltd.	Guangxi SME Financing Guarantee Co., Ltd.	12,434,620.19	2-3 years	Not yet settled
Taiqian Yiyuan Investment and Financing Co., Ltd.	Puyang Hengrun Petrochemical Co., Ltd.	10,000,000.00	More than 3 years	Failure to meet payment terms
CINF Engineering Co., Ltd.	Guangxi Huayin Aluminum Co., Ltd.	9,413,655.00	Within 2 years and more than 5 years	Quality guarantee, etc.
Public Resources Transaction Center of Guangxi Zhuang Autonomous Region (Guangxi Zhuang Autonomous Region Government Procurement Center)	Digital Guangxi Group Co., Ltd.	5,514,622.64	1-2 years	Unfinished project
Guangxi Construction Engineering Group NO.5 Construction Engineering Co., Ltd.	Guangxi GIG Qianfeng Electricity Sales Co., Ltd.	4,490,000.00	1-2 years	Warranty and production safety deposit
Guangxi Zhuang Autonomous Region Big Data Development Bureau	Digital Guangxi Group Co., Ltd.	4,288,490.60	1-2 years	Unfinished project
Inspur Software Group Ltd.	Digital Guangxi Group Co., Ltd.	4,110,528.90	1-2 years	Unfinished project
Guangxi Fangchenggang Nuclear Power Co., Ltd.	Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	3,760,000.00	More than 5 years	Failure to meet payment terms
The Eleventh Metallurgical Construction Group Co., Ltd.	Guangxi Huayin Aluminum Co., Ltd.	3,311,654.80	1-4 years	Quality guarantee, etc.
Lengshuijiang Hailian Logistics Co., Ltd.	Guangxi Investment Group Beihai Power Generation Co., Ltd.	3,277,300.00	1-2 years	Failure to meet payment terms
Zhejiang Sanwei Rubber Item Co., Ltd.	Guangxi Huayin Aluminum Co., Ltd.	3,068,027.57	1-4 years	Quality guarantee, etc.
Total	——	**2,311,472,810.81**	——	——

53. Handling charges and commissions payable

Item	Closing balance	Opening balance
Insurance	48,573,494.02	61,817,877.02

54. Reinsurance accounts payable

Item	Closing balance	Opening balance
Within 1 year (including 1 year)	231,629,208.66	177,599,143.85
More than 1 year	83,866,412.20	100,069,000.51
Total	**315,495,620.86**	**277,668,144.36**

55. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term loans due within one year	10,408,197,810.61	9,489,005,734.69
Bonds payable due within one year	12,463,511,097.71	17,581,722,583.55
Long-term payables due within one year	3,737,065,642.16	6,054,233,102.01
Lease liabilities due within one year	381,614,707.24	354,647,834.49
Total	**26,990,389,257.72**	**33,479,609,254.74**

56. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Short-term bonds payable	11,396,889,970.66	11,080,350,010.72
Short-term deferred income	7,515,758.96	6,687,187.52
Output VAT to be transferred	111,909,104.98	50,966,125.79
Unsettled assets profit and loss	162,443.46	761,467.38
Accounts to be settled	12,574,088.00	9,163,305.00
Deposits received	16,745,414.50	19,474,802.00
Claims payable	91,876,798.96	1,788,091.86
Others	76,504,222.09	116,846,419.12
Total	**11,714,177,801.61**	**11,286,037,409.39**

(2) Short-term bonds payable

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
Short-term financing payables	4,784,205,000.00	2021/3/16-2022/3/15	Within 1 year	4,784,205,000.00	3,976,581,075.21
21 Guitouzi CP001	1,500,000,000.00	2021/11/11	12 months	1,500,000,000.00	0.00
21 Guitouzi SCP005	1,500,000,000.00	2021/8/5	9 months	1,500,000,000.00	0.00
21 Guitouzi SCP004	1,000,000,000.00	2021/7/22	6 months	1,000,000,000.00	0.00
21 Guitouzi SCP006	1,000,000,000.00	2021/10/28	9 months	1,000,000,000.00	0.00
21 GIG Energy SCP002	500,000,000.00	2021/8/5	270 days	500,000,000.00	0.00
21 GIG Energy SCP003	500,000,000.00	2021/8/30	270 days	500,000,000.00	0.00
21 GIG Energy SCP004	500,000,000.00	2021/11/29	Within 1 year	500,000,000.00	0.00
20 Guitouzi SCP006	1,300,000,000.00	2020/12/1	6 months	1,300,000,000.00	1,299,480,000.00
20 Guitouzi SCP002	1,000,000,000.00	2020/4/26	9 months	1,000,000,000.00	1,000,000,000.00
20 Guitouzi SCP003	1,000,000,000.00	2020/8/4	9 months	1,000,000,000.00	999,666,666.67
20 Guitouzi SCP004	1,000,000,000.00	2020/11/2	9 months	1,000,000,000.00	999,416,666.67
20 Guitouzi SCP005	500,000,000.00	2020/11/18	9 months	500,000,000.00	500,000,000.00
20 Guitouzi SCP007	450,000,000.00	2020/12/23	2 months	450,000,000.00	449,935,000.00
20 Guitou D1	300,000,000.00	2020/6/17	12 months	300,000,000.00	299,858,490.57
21 Guitouzi SCP001	1,000,000,000.00	2021/1/26	6 months	1,000,000,000.00	0.00
21 Guitouzi SCP003	1,000,000,000.00	2021/5/20	5 months	1,000,000,000.00	0.00
21 Guitouzi SCP002	1,000,400,000.00	2021/3/5	6 months	1,000,400,000.00	0.00
20 GIG Energy SCP002	1,000,000,000.00	2020/11/20	Within 1 year	1,000,000,000.00	1,005,869,315.06
2020 Phase I Debt Financing Proceeds	330,000,000.00	2020/11/27	Within 1 year	330,000,000.00	329,727,973.34
2020 Phase II Debt Financing Proceeds	220,000,000.00	2020/11/27	Within 1 year	220,000,000.00	219,814,823.20
Total	**21,384,605,000.00**			**21,384,605,000.00**	**11,080,350,010.72**

（Continued）

Name of bond	Issued in this year	Accrual of interest at par value	Premium or discount amortization	Repayment in this year	Other	Closing balance
Short-term financing payables	5,611,292,000.00	203,877,351.08	0.00	4,915,561,423.49	0.00	4,876,189,002.80
21 Guitouzi CP001	1,500,000,000.00	0.00	0.00	0.00	0.00	1,500,000,000.00
21 Guitouzi SCP005	1,500,000,000.00	0.00	-900,000.00	0.00	0.00	1,499,100,000.00
21 Guitouzi SCP004	1,000,000,000.00	0.00	0.00	0.00	0.00	1,000,000,000.00
21 Guitouzi SCP006	1,000,000,000.00	0.00	0.00	0.00	0.00	1,000,000,000.00
21 GIG Energy SCP002	500,000,000.00	9,501,369.86	0.00	0.00	0.00	509,501,369.86
21 GIG Energy SCP003	500,000,000.00	7,076,712.33	0.00	0.00	0.00	507,076,712.33
21 GIG Energy SCP004	500,000,000.00	5,022,885.67	0.00	0.00	0.00	505,022,885.67
20 Guitouzi SCP006	0.00	0.00	520,000.00	1,300,000,000.00	0.00	0.00
20 Guitouzi SCP002	0.00	0.00	0.00	1,000,000,000.00	0.00	0.00
20 Guitouzi SCP003	0.00	0.00	333,333.33	1,000,000,000.00	0.00	0.00
20 Guitouzi SCP004	0.00	0.00	583,333.33	1,000,000,000.00	0.00	0.00
20 Guitouzi SCP005	0.00	0.00	0.00	500,000,000.00	0.00	0.00
20 Guitouzi SCP007	0.00	0.00	65,000.00	450,000,000.00	0.00	0.00
20 Guitou D1	0.00	0.00	141,509.43	300,000,000.00	0.00	0.00
21 Guitouzi SCP001	1,000,000,000.00	0.00	0.00	1,000,000,000.00	0.00	0.00
21 Guitouzi SCP003	1,000,000,000.00	0.00	0.00	1,000,000,000.00	0.00	0.00
21 Guitouzi SCP002	1,000,400,000.00	0.00	0.00	1,000,400,000.00	0.00	0.00
20 GIG Energy SCP002	0.00	0.00	0.00	1,005,869,315.06	0.00	0.00
2020 Phase I Debt Financing Proceeds	0.00	13,736,046.58	272,026.66	343,736,046.58	0.00	0.00
2020 Phase II Debt Financing Proceeds	0.00	9,157,364.38	185,176.80	229,157,364.38	0.00	0.00
Total	**15,111,692,000.00**	**248,371,729.90**	**1,200,379.55**	**15,044,724,149.51**	**0.00**	**11,396,889,970.66**

57. Provision for insurance contracts

(1) Increase or decrease in reserve for insurance contracts

Item	Opening balance	Increase	Decrease				Closing balance
			Compensation	Early cancellation	Other	Total	
Unearned premium reserve	2,061,079,770.18	1,488,720,418.41	44,022,688.56	0.00	1,529,432,730.89	1,573,455,419.45	1,976,344,769.14
Original insurance contracts	2,061,079,770.18	1,488,720,418.41	44,022,688.56	0.00	1,529,432,730.89	1,573,455,419.45	1,976,344,769.14
Reinsurance contracts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserve for outstanding losses	3,316,077,151.37	3,128,126,754.73	2,657,598,606.96	0.00	0.00	2,657,598,606.96	3,786,605,299.14
Original insurance contracts	3,316,077,151.37	3,128,126,754.73	2,657,598,606.96	0.00	0.00	2,657,598,606.96	3,786,605,299.14
Reinsurance contracts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**5,377,156,921.55**	**4,616,847,173.14**	**2,701,621,295.52**	**0.00**	**1,529,432,730.89**	**4,231,054,026.41**	**5,762,950,068.28**

(2) Unexpired term of insurance contract reserve

Item	Closing balance		Opening balance	
	Below 1 year (Including 1 year)	More than 1 year	Below 1 year (Including 1 year)	More than 1 year
Unearned premium reserve	1,434,978,955.12	541,365,814.02	1,011,124,272.63	1,049,955,497.55
Original insurance contracts	1,434,978,955.12	541,365,814.02	1,011,124,272.63	1,049,955,497.55
Reinsurance contracts	0.00	0.00	0.00	0.00
Reserve for outstanding losses	1,178,741,762.72	2,607,863,536.42	1,087,189,100.09	2,228,888,051.28
Original insurance contracts	1,178,741,762.72	2,607,863,536.42	1,086,587,346.41	2,228,888,051.28
Reinsurance contracts	0.00	0.00	601,753.68	0.00
Total	**2,613,720,717.84**	**3,149,229,350.44**	**2,098,313,372.72**	**3,278,843,548.83**

58. Long-term loans

Item	Closing balance	Opening balance
Pledge loans	4,505,944,287.76	6,448,887,416.68
Mortgage loans	858,655,493.18	1,493,169,440.28
Guaranteed loans	22,312,451,465.63	19,334,024,673.76
Credit loans	19,800,994,350.10	16,757,357,369.28
Total	**47,478,045,596.67**	**44,033,438,900.00**
Less: Long-term loans due within one year	10,408,197,810.61	9,489,005,734.69
Including: Pledge loans	1,397,793,975.26	2,350,496,984.73
Mortgage loans	75,703,379.99	351,722,440.28
Guaranteed loans	4,002,438,234.87	4,438,447,532.30
Credit loans	4,932,262,220.49	2,348,338,777.38
Long-term loans due after one year	**37,069,847,786.06**	**34,544,433,165.31**

59. Bonds payable

(1) Classification of bonds payable

Item	Closing balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Interbank certificate of deposit	45,509,639,339.00	0.00	45,509,639,339.00
Ordinary corporate debt	22,282,291,828.59	8,219,424,591.82	14,062,867,236.77
Medium-term notes	11,329,754,794.49	3,929,754,794.49	7,400,000,000.00
Subordinated debt	5,036,062,659.23	0.00	5,036,062,659.23
Ordinary financial debt	10,119,182,192.00	0.00	10,119,182,192.00
Overseas debt	3,168,744,873.65	0.00	3,168,744,873.65
Benefit certificate	1,144,290,958.87	0.00	1,144,290,958.87
Asset securitization	668,571,037.55	314,331,711.40	354,239,326.15
Total	**99,258,537,683.38**	**12,463,511,097.71**	**86,795,026,585.67**

（Continued）

Item	Opening balance		
	Book balance	Less: Balance due within one year	Balance due after one year
Interbank certificate of deposit	44,488,878,959.00	0.00	44,488,878,959.00
Ordinary corporate debt	29,015,226,032.29	14,783,964,029.92	14,231,262,002.37
Medium-term notes	11,328,413,698.62	2,518,413,698.62	8,810,000,000.00
Subordinated debt	6,540,817,306.48	0.00	6,540,817,306.48
Ordinary financial debt	4,564,930,328.00	0.00	4,564,930,328.00
Overseas debt	2,610,000,000.00	0.00	2,610,000,000.00
Benefit certificate	871,751,525.86	0.00	871,751,525.86
Asset securitization	970,616,844.18	279,344,855.01	691,271,989.17
Total	**100,390,634,694.43**	**17,581,722,583.55**	**82,808,912,110.88**

(2) Increase or decrease in bonds payable (excluding preference share, perpetual bonds and other financial instruments that are classified as financial liabilities)

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
Interbank certificate of deposit (Beibu Gulf Bank)	46,030,000,000.00	2021/12/29	1 year	46,030,000,000.00	44,488,878,959.00
Financial bonds (Beibu Gulf Bank)	1,500,000,000.00	2021/04/14	3 years	1,500,000,000.00	4,564,930,328.00
Subordinated bonds(Beibu Gulf Bank)	4,000,000,000.00	2020/08/28	10 years	4,000,000,000.00	4,095,559,563.00
Green financial debt (Beibu Gulf Bank)	4,000,000,000.00	2021/11/09	3 years	4,000,000,000.00	0.00
A19024 GX FN INV B2311(Financial Investment Group)	2,610,000,000.00	2020/11/18	3 years	2,610,000,000.00	2,610,000,000.00
20 Guitou Bond 01	2,000,000,000.00	2020/11/10	5 years	2,000,000,000.00	1,995,449,685.54
Medium-term notes (Financial Investment Group)	1,900,000,000.00	2020/3/23	5 years	1,900,000,000.00	1,900,000,000.00
Sealand Securities Co., Ltd. 2020 Non-public Development and issuance of corporate bonds (Phase III)	1,500,000,000.00	2020/11/11	3 years	1,500,000,000.00	1,509,276,468.69
21 Guitouzi MTN002	1,500,000,000.00	2021/6/17	3 years	1,500,000,000.00	0.00
19 Guitou 01	1,500,000,000.00	2019/3/19	3 years	1,500,000,000.00	1,498,231,132.08
Sealand Securities Co., Ltd. 2020 Non-public Issue of Corporate Bonds (Phase II)	1,250,000,000.00	2020/8/19	3 years	1,250,000,000.00	1,270,660,365.01
Sealand Securities Co., Ltd. 2020 Subordinated Bonds (Phase I)	1,200,000,000.00	2020/3/23	3 years	1,200,000,000.00	1,239,892,269.13
Sealand Securities Co., Ltd. 2020 Non-public Issue of Corporate Bonds (Phase I)	1,200,000,000.00	2020/4/28	3 years	1,200,000,000.00	1,231,364,648.66
Benefit certificate (Sealand Securities)	1,100,000,000.00	2021/3/12	2 years	1,100,000,000.00	871,751,525.86
21 Guitou 03	1,100,000,000.00	2021/9/16	3 years	1,100,000,000.00	0.00
21 Guitou D2	1,100,000,000.00	2021/8/16	1 year	1,100,000,000.00	0.00
19 Guitouzi MTN001	1,000,000,000.00	2019/2/18	3 years	1,000,000,000.00	1,000,000,000.00
19 Guitouzi MTN002	1,000,000,000.00	2019/3/1	3 years	1,000,000,000.00	1,000,000,000.00
19 Guitouzi MTN003	1,000,000,000.00	2019/9/16	3 years	1,000,000,000.00	1,000,000,000.00
20 Guitouzi MTN001	1,000,000,000.00	2020/1/15	3 years	1,000,000,000.00	1,000,000,000.00
20 Guitouzi MTN002	1,000,000,000.00	2020/9/21	3 years	1,000,000,000.00	1,000,000,000.00

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
21 Guitouzi MTN001	1,000,000,000.00	2021/1/6	3 years	1,000,000,000.00	0.00
19 Guishu 01	1,000,000,000.00	2019/8/7	3 years	1,000,000,000.00	997,450,733.76
Sealand Securities Co., Ltd. 2021 Non-public Issue of Corporate Bonds (Phase I)	880,000,000.00	2021/3/26	3 years	880,000,000.00	0.00
21 Guitou 01	900,000,000.00	2021.1.25	3 years	900,000,000.00	0.00
21 Guijin D1	900,000,000.00	2021/4/29	1 year	900,000,000.00	0.00
16 Guitouzi 03 Resale	1,000,000,000.00	2016/8/12	5 years	1,000,000,000.00	0.00
20 Gui debt 01	800,000,000.00	2020/6/24	2+2+1 years	800,000,000.00	800,000,000.00
2020 Phase I Debt Financing Proceeds	800,000,000.00	2021/3/3	4 years	800,000,000.00	0.00
21 Guangneng G1	500,000,000.00	2021/3/5、2021/7/29	3 years、3+2 years	500,000,000.00	0.00
20 Guangneng -2020 Non-public Issue of Corporate Bonds	500,000,000.00	2020/9/24	3 years、3+2 years	500,000,000.00	515,942,465.74
Guangxi ZR Development Group Co., Ltd. 2019 Non-public Issue of Corporate Bonds (Phase I)	500,000,000.00	2019/7/1	3 years	500,000,000.00	513,787,284.18
21 Guangneng 01 Corporate Bond	500,000,000.00	2021/3/5、2021/7/29	3 years、3+2 years	500,000,000.00	0.00
Guangxi ZR Development Group Co., Ltd. 2019 Non-public Issue of Corporate Bonds (Phase II)	500,000,000.00	2019/9/1	3 years	500,000,000.00	508,042,867.21
20 Gui debt 02	510,000,000.00	2020/12/8	2+2+1 years	510,000,000.00	510,000,000.00
20 GIG Energy MTN001	500,000,000.00	2020/5/14	5 years	500,000,000.00	506,897,260.27
20 GIG Energy MTN002	500,000,000.00	2020/11/04	3+2 years	500,000,000.00	502,471,232.88
17 Guijintouzhai（Underwriting of Galaxy Securities）	500,000,000.00	2017/9/13	5+2 years	500,000,000.00	500,000,000.00
Guangxi ZR Development Group Co., Ltd. 2019 Phase I Directed Debt Financing Instrument	470,000,000.00	2019/3/1	3 years	470,000,000.00	496,941,296.59
20 Guitou 01	500,000,000.00	2020/6/17	5 years	500,000,000.00	497,877,358.50
Medium-term notes (Financial Investment Group)	360,000,000.00	2019/12/4	3 years	360,000,000.00	360,000,000.00
Guokai Securities-Guangxi Guidong Electric Electricity Revenue Rights Asset-Backed Special Program Funded Securities-pr Level	950,000,000.00	2020/5/8	3 years	950,000,000.00	970,616,844.18

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
Guokai Securities-Guangxi Guidong Electric Electricity Revenue Rights Asset-Backed Special Program Funded Securities-Guidong Preferred	315,000,000.00	2020/5/8	3 years	315,000,000.00	0.00
2019 Phase II Non-public Corporate Bond（GIG Energy）	350,000,000.00	2019/12/24	3 years	350,000,000.00	348,566,378.23
Guangxi ZR Development Group Co., Ltd. 2019 Phase II Directed Debt Financing Instrument	300,000,000.00	2019/5/1	2+1 years	300,000,000.00	314,306,599.49
Medium-term notes (Financial Investment Group)	300,000,000.00	2019/1/15	3 years	300,000,000.00	300,000,000.00
Medium-term notes (Financial Investment Group)	250,000,000.00	2019/4/15	3 years	250,000,000.00	250,000,000.00
20 Beibu Gulf Insurance 01	250,000,000.00	2020/12/31	10 years	250,000,000.00	249,500,000.00
21 Gui debt 01（177875.SH）	200,000,000.00	2021/10/25	2 years	200,000,000.00	0.00
2019 Phase I Non-public Corporate Bonds	500,000,000.00	2019/4/25	5 years	500,000,000.00	197,913,517.79
16 Guizi 03	1,000,000,000.00	2016/8/12	5 years	1,000,000,000.00	999,245,283.00
16 Guijintouzhai 02（Underwriting of Galaxy Securities）	1,500,000,000.00	2016/11/1	5+2 years	1,500,000,000.00	1,500,000,000.00
16 Guizi 01	1,000,000,000.00	2016/3/16	5 years	1,000,000,000.00	998,444,444.47
16 Guitouzi MTN001	1,500,000,000.00	2016/10/20	5 years	1,500,000,000.00	1,500,000,000.00
18 Guitou 01	1,500,000,000.00	2018/2/7	3 years	1,500,000,000.00	1,500,000,000.00
18 Guitouzi MTN001	1,000,000,000.00	2018/10/10	3 years	1,000,000,000.00	1,000,000,000.00
16 Guitou 01（private placemen）	1,000,000,000.00	2016/1/31	5 years	1,000,000,000.00	619,917,333.34
15 Guijin Bond（Underwriting by China Securities）	4,000,000,000.00	2015/8/21	5+3 years	4,000,000,000.00	362,102,000.00
18 Guijin 01（Underwriting by Boc International）	500,000,000.00	2018/1/29	2+1 years	500,000,000.00	200,000,000.00
18 Guijin 02（Underwriting by Boc International）	500,000,000.00	2018/3/30	1+1+1 years	500,000,000.00	173,000,000.00
18 Guijin 03（Underwriting by Boc International）	1,000,000,000.00	2018/4/26	1+1+1 years	1,000,000,000.00	922,200,000.00
19 Guijin 01（China Merchants Securities）	1,000,000,000.00	2019/1/14	1+1+1 years	1,000,000,000.00	133,000,000.00
19 Guijin 04（China Merchants Securities）	800,000,000.00	2019/3/28	2+1 years	800,000,000.00	800,000,000.00
19 Guijin 05（China Merchants Securities）	600,000,000.00	2019/9/27	2+1 years	600,000,000.00	600,000,000.00

Name of bond	Total par value	Issuing date	Bond period	Issuing amount	Opening balance
20 Guijin D1	2,000,000,000.00	2020/4/28	1 year	2,000,000,000.00	2,000,000,000.00
20 Guijin D2	1,000,000,000.00	2020/5/29	1 year	1,000,000,000.00	1,000,000,000.00
A19008 GX FN INV B2101 (Financial Investment Group)	3,431,500,000.00	2018/1/23	3 years	3,431,500,000.00	3,261,051,375.48
Sealand Securities Co., Ltd.2018 Subordinated Bonds (Phase I)	1,750,000,000.00	2018/12/12	3 years	1,750,000,000.00	1,205,365,474.35
Total	**120,106,500,000.00**	——	——	**120,106,500,000.00**	**100,390,634,694.43**

（Continued）

Name of bond	Issued in this year	Accrued interest at par value	Premium or discount amortization	Repayment in this year	Closing balance	Including：Balance due within one year
Interbank certificate of deposit (Beibu Gulf Bank)	143,569,202,000.00	40,760,380.00	0.00	142,589,202,000.00	45,509,639,339.00	0.00
Financial bonds (Beibu Gulf Bank)	1,500,000,000.00	39,779,535.00	0.00	0.00	6,104,709,863.00	0.00
Subordinated bonds(Beibu Gulf Bank)	0.00	497,423.00	0.00	0.00	4,096,056,986.00	0.00
Green financial debt (Beibu Gulf Bank)	4,000,000,000.00	14,472,329.00	0.00	0.00	4,014,472,329.00	0.00
A19024 GX FN INV B2311(Financial Investment Group)	755,600,000.00	0.00	-19,255,126.35	177,600,000.00	3,168,744,873.65	0.00
20 Guitou Bond 01	0.00	0.00	896,226.41	0.00	1,996,345,911.95	0.00
Medium-term notes (Financial Investment Group)	0.00	0.00	0.00	0.00	1,900,000,000.00	0.00
Sealand Securities Co., Ltd. 2020 Non-public Development and issuance of corporate bonds (Phase III)	0.00	66,900,000.00	23,915.02	66,900,000.00	1,509,300,383.71	0.00
21 Guitouzi MTN002	1,500,000,000.00	0.00	0.00	0.00	1,500,000,000.00	0.00
19 Guitou 01	0.00	0.00	1,415,094.34	0.00	1,499,646,226.42	1,499,646,226.42
Sealand Securities Co., Ltd. 2020 Non-public Issue of Corporate Bonds (Phase II)	0.00	56,000,000.00	19,112.65	56,000,000.00	1,270,679,477.66	0.00
Sealand Securities Co., Ltd. 2020 Subordinated Bonds (Phase I)	0.00	51,600,000.00	113,404.10	51,600,000.00	1,240,005,673.23	0.00
Sealand Securities Co., Ltd. 2020 Non-public Issue of Corporate Bonds (Phase I)	0.00	46,560,000.00	114,313.04	46,560,000.00	1,231,478,961.70	0.00

Name of bond	Issued in this year	Accrued interest at par value	Premium or discount amortization	Repayment in this year	Closing balance	Including：Balance due within one year
Benefit certificate (Sealand Securities)	1,100,000,000.00	56,443,403.96	0.00	883,903,970.95	1,144,290,958.87	0.00
21 Guitou 03	1,100,000,000.00	0.00	-1,556,603.77	0.00	1,098,443,396.23	0.00
21 Guitou D2	1,100,000,000.00	0.00	-3,298,680.00	0.00	1,096,701,320.00	1,096,701,320.00
19 Guitouzi MTN001	0.00	0.00	0.00	0.00	1,000,000,000.00	1,000,000,000.00
19 Guitouzi MTN002	0.00	0.00	0.00	0.00	1,000,000,000.00	1,000,000,000.00
19 Guitouzi MTN003	0.00	0.00	0.00	0.00	1,000,000,000.00	1,000,000,000.00
20 Guitouzi MTN001	0.00	0.00	0.00	0.00	1,000,000,000.00	0.00
20 Guitouzi MTN002	0.00	0.00	0.00	0.00	1,000,000,000.00	0.00
21 Guitouzi MTN001	1,000,000,000.00	0.00	0.00	0.00	1,000,000,000.00	0.00
19 Guishu 01	0.00	0.00	1,559,748.43	0.00	999,010,482.19	998,296,645.71
Sealand Securities Co., Ltd. 2021 Non-public Issue of Corporate Bonds (Phase I)	880,000,000.00	31,164,054.82	-69,424.93	0.00	911,094,629.89	0.00
21 Guitou 01	900,000,000.00	0.00	-861,792.45	0.00	899,138,207.55	0.00
21 Guijin D1	900,000,000.00	0.00	-899,280.00	0.00	899,100,720.00	899,100,720.00
16 Guitouzi 03 Resale	0.00	0.00	895,000,000.00	0.00	895,000,000.00	0.00
20 Gui debt 01	0.00	0.00	-600,000.00	0.00	799,400,000.00	799,400,000.00
2020 Phase I Debt Financing Proceeds	800,000,000.00	35,861,917.81	-5,293,940.53	35,861,917.81	794,706,059.47	0.00
21 Guangneng G1	500,000,000.00	21,563,013.69	0.00	0.00	521,563,013.69	21,563,013.69
20 Guangneng -2020 Non-public Issue of Corporate Bonds	0.00	16,620,547.91	-15,942,465.74	0.00	516,620,547.91	16,620,547.91
Guangxi ZR Development Group Co., Ltd. 2019 Non-public Issue of Corporate Bonds (Phase I)	0.00	32,500,000.00	1,623,863.70	32,500,000.00	515,411,147.88	515,411,147.88
21 Guangneng 01 Corporate Bond	500,000,000.00	10,684,931.51	0.00	0.00	510,684,931.51	10,684,931.51
Guangxi ZR Development Group Co., Ltd. 2019 Non-public Issue of Corporate Bonds (Phase II)	0.00	21,900,000.00	1,605,732.80	21,900,000.00	509,648,600.01	509,648,600.01
20 Gui debt 02	0.00	0.00	-463,125.00	0.00	509,536,875.00	0.00

Name of bond	Issued in this year	Accrued interest at par value	Premium or discount amortization	Repayment in this year	Closing balance	Including：Balance due within one year
20 GIG Energy MTN001	0.00	8,494,520.53	-6,897,260.27	0.00	508,494,520.53	8,494,520.53
20 GIG Energy MTN002	0.00	3,134,246.58	-2,471,232.88	0.00	503,134,246.58	3,134,246.58
17 Guijintouzhai （Underwriting of Galaxy Securities）	0.00	0.00	-1,111,859.96	0.00	498,888,140.04	498,888,140.04
Guangxi ZR Development Group Co., Ltd. 2019 Phase I Directed Debt Financing Instrument	0.00	34,310,000.00	1,412,191.58	34,310,000.00	498,353,488.17	498,353,488.17
20 Guitou 01	0.00	0.00	471,698.12	0.00	498,349,056.62	0.00
Medium-term notes (Financial Investment Group)	0.00	0.00	0.00	0.00	360,000,000.00	360,000,000.00
Guokai Securities-Guangxi Guidong Electric Electricity Revenue Rights Asset-Backed Special Program Funded Securities-pr Level	0.00	25,010,459.45	1,413,995.89	642,801,973.37	354,239,326.15	0.00
Guokai Securities-Guangxi Guidong Electric Electricity Revenue Rights Asset-Backed Special Program Funded Securities-Guidong Preferred	315,020,000.00	0.00	-688,288.60	0.00	314,331,711.40	314,331,711.40
2019 Phase II Non-public Corporate Bond	350,000,000.00	23,800,000.00	-30,225.07	373,068,076.58	349,268,076.58	349,268,076.58
Guangxi ZR Development Group Co., Ltd. 2019 Phase II Directed Debt Financing Instrument	0.00	21,900,000.00	10,381.65	21,900,000.00	314,316,981.14	314,316,981.14
Medium-term notes (Financial Investment Group)	0.00	0.00	0.00	0.00	300,000,000.00	300,000,000.00
Medium-term notes (Financial Investment Group)	0.00	0.00	0.00	0.00	250,000,000.00	250,000,000.00
20 Beibu Gulf Insurance 01	0.00	13,749,999.96	75,471.73	13,749,999.96	249,575,471.73	0.00
21 Gui debt 01（177875.SH）	200,000,000.00	0.00	0.00	0.00	200,000,000.00	0.00
2019 Phase I Non-public Corporate Bonds （GIG Energy）	0.00	34,500,000.00	591,450.99	34,500,000.00	198,504,968.78	0.00
16 Guizi 03	0.00	0.00	-894,743,283.00	0.00	104,502,000.00	104,502,000.00
16 Guijintouzhai 02 （Underwriting of Galaxy Securities）	0.00	0.00	-2,324,797.67	1,420,000,000.00	77,675,202.33	77,675,202.33
16 Guizi 01	0.00	0.00	-980,970,866.66	0.00	17,473,577.81	17,473,577.81
16 Guitouzi MTN001	0.00	0.00	0.00	1,500,000,000.00	0.00	0.00
18 Guitou 01	0.00	0.00	0.00	1,500,000,000.00	0.00	0.00

Name of bond	Issued in this year	Accrued interest at par value	Premium or discount amortization	Repayment in this year	Closing balance	Including：Balance due within one year
18 Guitouzi MTN001	0.00	0.00	0.00	1,000,000,000.00	0.00	0.00
16 Guitou 01（private placemen）	0.00	0.00	0.00	619,917,333.34	0.00	0.00
15 Guijin Bond（Underwriting by China Securities）	0.00	0.00	0.00	362,102,000.00	0.00	0.00
18 Guijin 01（Underwriting by Boc International）	0.00	0.00	0.00	200,000,000.00	0.00	0.00
18 Guijin 02（Underwriting by Boc International）	0.00	0.00	0.00	173,000,000.00	0.00	0.00
18 Guijin 03（Underwriting by Boc International）	0.00	0.00	0.00	922,200,000.00	0.00	0.00
19 Guijin 01（China Merchants Securities）	0.00	0.00	0.00	133,000,000.00	0.00	0.00
19 Guijin 04（China Merchants Securities）	0.00	0.00	0.00	800,000,000.00	0.00	0.00
19 Guijin 05（China Merchants Securities）	0.00	0.00	0.00	600,000,000.00	0.00	0.00
20 Guijin D1	0.00	0.00	0.00	2,000,000,000.00	0.00	0.00
20 Guijin D2	0.00	0.00	0.00	1,000,000,000.00	0.00	0.00
A19008 GX FN INV B2101 (Financial Investment Group)	0.00	0.00	0.00	3,261,051,375.48	0.00	0.00
Sealand Securities Co., Ltd.2018 Subordinated Bonds (Phase I)	0.00	94,449,657.53	109,868.12	1,299,925,000.00	0.00	0.00
Total	**160,969,822,000**	**802,656,420.75**	**-1,031,021,784.31**	**161,873,553,647.49**	**99,258,537,683.38**	**12,463,511,097.71**

60. Lease liabilities

Item	Closing balance	Opening balance
Lease payment amount	1,469,665,200.97	1,468,921,956.33
Less: Unrecognized financing costs	102,715,126.88	100,857,071.27
Other	19,658,998.17	15,376,142.39
Total	**1,386,609,072.26**	**1,383,441,027.45**
Less: reclassification to non-current liabilities due within one year	381,614,707.24	354,647,834.49
Net lease liabilities	**1,004,994,365.02**	**1,028,793,192.96**

61. Long-term payables

Item	Opening balance	Increase	Decrease	Closing balance
Long-term payables	8,049,493,080.60	16,287,099,754.74	9,063,588,618.74	15,273,004,216.60
Special payable	2,123,158,838.17	176,672,534.04	432,783,260.08	1,867,048,112.13
Total	**10,172,651,918.77**	**16,463,772,288.78**	**9,496,371,878.82**	**17,140,052,328.73**

(1)Long- term payables with top ten closing balance

Item	Closing balance	Opening balance
China Cinda Asset Management Co., Ltd.	2,755,000,000.00	3,055,000,000.00
Guangxi Guohong Guojing Trading Co., Ltd.	2,204,600,000.00	0.00
China Huarong Asset Management Co., Ltd.	1,457,075,000.02	657,000,000.00
Huaxia Bank Co., Ltd. Nanning Branch	1,400,000,000.00	0.00
China Xinda Asset Management Co., Ltd. Guangxi Zhuang Autonomous Branch Company	960,000,000.00	0.00
Asset Securitization Item	767,896,800.00	0.00
Puyin Financial Leasing Co., Ltd.	521,342,504.00	87,935,000.00
Debt Financing Plan	500,000,000.00	0.00
Guangxi GIG Asset Management Co., Ltd.	440,000,000.00	0.00
Guangxi Guojing Asset Management Co., Ltd.	399,800,000.00	0.00

(2)Special payable with top ten closing balance

Item	Closing balance	Opening balance
Guarantee fund	1,502,565,335.82	1,745,242,387.58
Special funds for transformation and upgrading project of rural power grid	155,813,712.08	155,813,712.08
Restructuring	37,603,887.26	41,519,069.17
Reserve salt	19,609,638.99	19,609,638.99
Special reserve fund	9,162,681.52	9,162,681.52
Water, electricity, heating and property management	8,916,800.00	8,680,000.00
Research on Ecological Scheduling Technology for Flood Control and Li River Replenishment Reservoir Group in Guilin City	1,437,425.18	1,548,991.18
Water census results development and utilization	1,169,697.59	1,169,697.59
Key technologies for integrated water resources deployment in the Pearl River-Xijiang Economic Zone	908,355.87	981,256.87
Research on Ecological Scheduling Technology for Flood Control and Li River Replenishment Reservoir Group in Guilin City（Phase II）	781,485.26	0.00

62. Long-term employee benefits payable

Item	Opening balance	Increase	Decrease	Closing balance
Dismissal benefits	57,950,025.00	25,416,273.00	36,042,262.00	47,324,036.00

63. Provisions

Item	Closing balance	Opening balance
Disposal costs	5,605,005.20	11,607,478.99
External guarantees	7,374,061.72	6,032,819.66
Pending Litigation	41,356,279.41	1,746,485.52
Bank acceptance bills	15,615,221.00	4,557,972.00
Letter of guarantee	3,566,397.00	3,908,694.00
L/C	12,617,970.00	2,972,779.00
Other	19,411,429.00	6,267,237.00
Total	**105,546,363.33**	**37,093,466.17**

64. Deferred income

Item	Opening balance	Increase	Decrease	Closing balance
Government grants	224,275,545.93	66,842,830.19	39,535,484.54	251,582,891.58
Beiliu demolition and replacement of land	2,770,114.95	0.00	60,192.61	2,709,922.34
Guigang 10 acres of land support funds	26,193,500.00	0.00	0.00	26,193,500.00
Demolition and replacement of land in Guigang	12,988,110.53	0.00	958,242.14	12,029,868.39
Science and Technology Department Research Projects	15,000.00	15,000.00	17,970.00	12,030.00
Pingguo demolition and replacement of buildings on the ground	19,600.00	0.00	0.00	19,600.00
Pingguo demolition and replacement of land	5,278,639.00	0.00	114,900.84	5,163,738.16
Water, electricity, heating and property management	6,860.27	0.00	6,860.27	0.00
Handling fee subsidy	50,721,387.43	8,207,546.90	31,770,415.00	27,158,519.33
Unrealized gain or loss on sale and leaseback	3,260,363.34	0.00	3,260,363.34	0.00
Wuzhou demolition and replacement of land	3,731,447.61	0.00	297,914.16	3,433,533.45
Total	**329,260,569.06**	**75,065,377.09**	**76,022,342.90**	**328,303,603.25**

Government grants：

Government Grants Item	Closing amount included in deferred income	Amount included in current profit or loss	Amount returned in this year
Nanning Biomedical Industry Base	117,650,461.33	0.00	0.00
Central budget investment funds	42,930,000.00	0.00	0.00
Guangxi poverty alleviation and revitalization network project construction	19,095,161.42	904,838.58	0.00
Hezhou Xindu Town Water Supply Project Government Supporting Funds	14,561,479.66	364,683.48	0.00
Comprehensive energy-saving technology renovation project	9,730,000.00	0.00	0.00
Guangxi (national) emergency medical supplies security	6,900,000.00	0.00	0.00
Anti-infection and special specialty drug preparation industrialization production base construction project equipment	3,774,967.31	0.00	0.00
Debao County Finance Bureau development of special bonuses and other resource exploration grants (Gui Gongxin Investment and Finance〔2020〕No. 111)	3,000,000.00	0.00	0.00
Financial City Network Improvement Grant Project Equipment Payment	2,935,606.49	227,272.68	0.00
Compensation for demolition and relocation	2,757,231.66	123,920.88	0.00
Pharmaceutical Infrastructure Phase III Project	2,733,000.00	0.00	0.00
"Five-outlet-one Dish" support fund	2,618,021.97	65,178.84	0.00
Special funds for pollution control and energy saving and carbon reduction	2,491,666.67	8,333.33	0.00
Advanced Manufacturing Technology Standard Validation and Application Project for Thromboxane for Injection	2,450,000.00	0.00	0.00
Changshou Economic and Technological Development Zone Management Committee Industrial Development Funds	2,322,190.50	0.00	0.00
Laibin industry cloud project	2,124,000.00	236,000.00	0.00

Government Grants Item	Closing amount included in deferred income	Amount included in current profit or loss	Amount returned in this year
2021 Information Technology Special Funds	2,032,478.63	0.00	0.00
Autonomous Region Science and Technology Department Grant	2,000,000.00	0.00	0.00
Financial loan interest subsidy	1,607,363.56	8,318,592.35	0.00
District Water Resources Department Raft Road Deficit Fund	1,542,481.21	37,090.56	0.00
200,000 tons/year carbon tetraaromatization project	1,465,834.57	688,880.60	0.00
Solid workshop intelligent transformation project	928,154.15	0.00	0.00
Liuyang city enterprise development subsidies Xiang Cai enterprise refers to [2016] No. 77	712,500.00	0.00	0.00
Vertical logistics and fully aseptic docking advanced technology	539,422.82	0.00	0.00
Debao County Bureau of Industry and Information Technology 2020 Guangxi smart factory demonstration enterprises and digital workshop incentives	500,000.00	0.00	0.00
Esomeprazole Enteric Capsules	337,500.00	0.00	0.00
Aminotransol industrialization project	300,000.00	0.00	0.00
Key technology and clinical study of individualized immunotherapy in the treatment of advanced ovarian cancer	300,000.00	0.00	0.00
Esomeprazole Enteric Capsules production, Quality control automation renovation project	270,000.13	0.00	0.00
New Formulation Plant 2012 Strategic Emerging Industry Development	250,000.00	0.00	0.00
National demonstration base for construction of pharmacovigilance system for pharmaceutical marketing licensees	229,244.80	0.00	0.00
Pectin Adriamycin Injection Key Technology Research Project	146,700.69	0.00	0.00
Strategic emerging industries special guidance funds	129,166.67	0.00	0.00
Amisulpride and Amisulpride Tablets Industrialization Project	109,090.60	0.00	0.00
Gas boiler low-NOx combustion renovation project	83,333.41	0.00	0.00
Cleaner Production Project	25,833.33	0.00	0.00
Total	**251,582,891.58**	**10,974,791.30**	**0.00**

65. Other non-current liabilities

Item	Closing balance	Opening balance
Convertible agreement deposit	501,779,167.00	500,000,000.00
Futures risk reserve	106,042,600.12	92,012,019.98
Agency business liabilities	15,421,223.00	0.00
Dealer discount interest	9,541,286.46	38,296,106.65
Contractual liabilities aged over one year	2,761,903.68	0.00
Subsidized interest income	1,620,676.48	686,118.45
Dealer handling fee	783,538.03	1,622,688.21
Fangchenggang Yuling Bridge Project	0.00	31,002.93
Total	**637,950,394.77**	**632,647,936.22**

66. Paid-in capital

Name of investor	Opening book balance		Increase	Decrease	Closing book balance	
	Investment amount	Percentage (%)			Investment amount	Percentage (%)
State-owned Assets Supervision and Administration Commission of Guangxi Zhuang Autonomous Region	10,000,000,000.00	100.00	13,000,000,000.00	0.00	23,000,000,000.00	100.00

67. Other equity instruments

Issued financial instruments	Opening balance		Increase		Decrease		Closing balance	
	Amount	carrying value	Amount	carrying value	Amount	carrying value	Amount	carrying value
19 Guitouzi MTN004	100,000,000.00	1,000,000,000.00	0.00	0.00	0.00	0.00	100,000,000.00	1,000,000,000.00
20 Guitou Y1	99,889,937.11	998,899,371.10	47,169.82	471,698.16	0.00	0.00	99,937,106.93	999,371,069.26
Yunnan International Trust Renewable Loan	74,000,000.00	740,000,000.00	0.00	0.00	20,000,000.00	200,000,000.00	54,000,000.00	540,000,000.00
Bohai International Trust Loans	50,000,000.00	500,000,000.00	0.00	0.00	0.00	0.00	50,000,000.00	500,000,000.00
21 Gui Guangxi cast set ZR003	0.00	0.00	50,000,000.00	500,000,000.00	0.00	0.00	50,000,000.00	500,000,000.00
Boshi Capital Loan Principal	0.00	0.00	50,000,000.00	500,000,000.00	0.00	0.00	50,000,000.00	500,000,000.00
Bohai International Perpetual Debt Principal	0.00	0.00	49,000,000.00	490,000,000.00	0.00	0.00	49,000,000.00	490,000,000.00
21 Gui Guangxi cast set ZR001	0.00	0.00	20,000,000.00	200,000,000.00	0.00	0.00	20,000,000.00	200,000,000.00
21 Gui Guangxi cast set ZR002	0.00	0.00	20,000,000.00	200,000,000.00	0.00	0.00	20,000,000.00	200,000,000.00
Total	**323,889,937.11**	**3,238,899,371.10**	**189,047,169.82**	**1,890,471,698.16**	**20,000,000.00**	**200,000,000.00**	**492,937,106.93**	**4,929,371,069.26**

68. Capital reserve

Item	Opening balance	Increase	Decrease	Closing balance
Capital (or capital stock) premium	4,387,296,468.02	592,965,248.03	0.00	4,980,261,716.05
Other capital reserve	16,821,821,194.92	5,806,008,921.37	19,861,951,542.63	2,765,878,573.66
Total	**21,209,117,662.94**	**6,398,974,169.40**	**19,861,951,542.63**	**7,746,140,289.71**

Note: The significant changes in capital reserve incurred by the Group during the year were mainly as follows:

1.The Company received a 32.88% equity interest in Guangxi Construction Industry Group Co., Ltd transferred to the Company, increasing capital reserve by RMB 3,410,225,655.74.

2.The Company received a transfer from the Guiding Fund to the Finance Department to increase the capital reserve by RMB 140,000,000.00 from the contribution to the Guangtou Industrial High Quality Development Parent Fund.

3.The equity method accounting for the Company's associates resulted in an increase in capital reserve of RMB 731,655,898.61.

4.The Company received the transfer of shares held in the Sub-Fund from the Guidance Fund, increasing capital reserve by RMB 669,230,133.16.

5.The Company received an allocation from the Guangxi District Financial Department to increase capital reserve by RMB 600,000,000.00 for the strategic restructuring capital of Guangxi Financial Investment Group Co.,Ltd.

6.The guarantee cooperation fund of Guangxi Financial Investment Group Co.,Ltd, a subsidiary of the Company, increased capital reserve by RMB 150,755,045.41.

7. Beibu Gulf Bank implemented the sixth capital increase, in which the Company did not participate, resulting in an increase in capital reserve of RMB 24,898,745.28.

8.The issuance of additional shares by Guidong Electric Power Co., Ltd., a subsidiary of the Company, resulted in an increase in capital reserve of Guangxi GIG Energy Group Co., Ltd. by RMB 207,058,915.12 and an increase in capital reserve by RMB 168,276,780.32 based on the percentage of shareholding.

9. The Company received the allocation of the second tranche of direct equity investment funds in emerging industries from the Guidance Fund to increase capital reserve by RMB 100,000,000.00.

10.The transfer of capital reserve to paid-in capital decreased the capital reserve by RMB 13,000,000,000.00.

11.The Company transferred 100% equity interest in Guangxi Nanning Rongjian Investment Consulting Co., Ltd. to the outside world for no consideration to reduce capital reserve by RMB 3,000,479,798.70.

12.The purchase of Zhengrun Group by Guangxi GIG Energy Group Co., Ltd, a subsidiary of the Company, in 2021 resulted in a decrease in capital reserve of RMB 2,288,947,677.67 and a decrease in capital reserve of RMB 1,860,227,777.64 based on the percentage of shareholding.

13.The increase in the Company's equity interest in Guangxi GIG Energy Group Co., Ltd. resulted in a decrease in capital reserve of RMB 1,531,858,605.19.

14.Guangxi Guangtou New Energy Industry Development Fund Partnership (Limited Partnership), a subsidiary of the Company, increased its capital to the Company, resulting in an increase in capital reserve of RMB 361,367,293.09 and an increase in capital reserve of RMB 293,683,199.09 based on the percentage of shareholding.

15.Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd., a subsidiary of the Company, acquired 49% equity interest in Guangxi Laibin Yinhai Aluminum Industry Co., Ltd.. The difference between the acquisition cost and the minority shareholders' share of net assets of Guangxi Laibin Yinhai Aluminum Industry Co., Ltd. was reduced by capital reserve of RMB 789,952,485.68 (effect of minority shareholders), and the capital reserve was reduced by RMB 127,972. 302.68 based on the percentage of shareholding.

69. Special reserve

Item	Opening balance	Increase	Decrease	Closing balance
Safety production expenses	45,022,852.03	105,504,219.50	103,193,348.20	47,333,723.33

70. Surplus reserve

Item	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	1,194,068,568.44	134,119,615.25	0.00	1,328,188,183.69

71. Retained earnings

Item	Closing balance	Opening balance
Closing balance of prior year	3,691,822,559.22	3,928,750,540.38
Add: Change in accounting policy	-8,857,235,778.03	0.00
Correction of prior period errors	0.00	-15,444,440.54
Others	0.00	0.00
Opening balance of current year	-5,165,413,218.81	3,913,306,099.84
Increase	508,912,660.45	285,645,870.19
Including: Transfer from net profits attributable to the parent company's owners of this period	508,912,660.45	285,645,870.19
Decrease	365,147,002.21	507,129,410.81
Less: surplus reserve withdrawn in this period	134,119,615.25	50,628,502.41
Cash dividends allocated in this period	231,027,386.96	456,500,908.40
Closing balance of current year	-5,021,647,560.57	3,691,822,559.22

72. Operating revenue and operating costs

Item	Current year amount		Prior year amount	
	Income	Cost	Income	Cost
1. Subtotal of main operations	**182,352,278,641.24**	**170,988,628,649.64**	**170,049,621,928.20**	**158,522,355,920.16**
Including: Aluminum industry	116,267,004,049.06	113,550,444,751.04	118,363,162,316.35	116,076,053,838.99
Chemical industry	23,853,266,405.48	22,785,209,862.13	26,072,635,304.63	25,800,319,052.31
Metal trading	16,401,313,645.93	16,373,909,164.53	2,151,192,950.55	2,136,757,600.85
Power	6,635,814,940.62	6,628,947,773.03	5,061,689,429.36	4,285,723,287.52
Insurance operations	3,587,009,235.67	239,995,192.20	3,608,069,127.21	223,365,603.32
Pharmaceuticals	3,112,454,153.23	781,493,705.61	3,416,000,367.19	619,110,710.42
Information data	2,525,073,043.01	2,359,289,515.33	278,694,354.26	212,340,796.27
Coal trading	2,250,831,462.53	2,229,837,211.77	2,557,964,998.01	2,543,897,796.80
Natural gas sales	2,042,499,260.98	2,008,736,319.16	1,423,248,191.18	1,377,211,949.63
Carbon products	1,344,328,435.00	802,113,914.19	975,081,514.55	621,483,574.57
Other	4,332,684,009.73	3,228,651,240.65	6,141,883,374.91	4,626,091,709.48
2. Subtotal other operations	**1,852,640,030.12**	**1,345,891,459.76**	**1,530,872,760.64**	**897,493,762.14**
Including: Spot trading	964,147,989.43	951,937,417.74	626,736,611.01	608,073,717.32
Sales of materials	275,811,839.75	213,213,213.31	166,909,644.90	147,665,923.55
Leasing	144,707,964.55	59,859,756.60	117,341,312.14	49,056,075.49
Interest	131,229,995.51	3,069,840.04	293,499,641.46	0.00
Utilities	64,981,692.33	11,823,967.60	29,567,200.28	15,689,007.51
Waste material disposal	61,351,202.09	18,185,789.63	96,884,521.74	2,714,912.18
Fly ash	43,215,384.37	0.00	22,766,256.66	0.00
Commissioned loans	14,906,804.06	0.00	20,962,175.37	0.00
Processing fee	12,461,302.60	12,142,501.06	1,021,404.09	0.00
Government service fee	5,807,274.11	2,313,889.77	6,271,348.18	1,458,544.97
Other	134,018,581.32	73,345,084.01	148,912,644.81	72,835,581.12
Total	**184,204,918,671.36**	**172,334,520,109.40**	**171,580,494,688.84**	**159,419,849,682.30**

73. Net interest income

Item	Current year amount	Prior year amount
Interest income	**18,222,644,408.27**	**16,263,061,563.50**
Due from banks	769,730,153.49	463,562,302.19
Deposit in the Central Bank	227,805,284.00	220,769,584.00
Loans to banks and other financial institutions	201,074,485.00	98,551,172.00
Loans and advances	11,496,514,250.05	9,800,745,783.58
Including: individual loans and advances	3,982,294,009.46	3,387,070,762.07
Corporate loans and advances	6,681,688,116.59	6,299,172,865.51
Notes discounted	832,532,124.00	114,502,156.00
Redemptory monetary capital for sale	179,148,709.25	340,597,147.39
Bond investments	4,763,993,917.25	2,273,239,025.70
Other	584,377,609.23	3,065,596,548.64
Interest expenditures	**13,671,650,591.00**	**12,173,115,997.36**
Interbank placement	327,356,068.00	125,218,353.00
Borrowings from the Central Bank	252,631,071.00	198,739,583.00
Unloaded funds	749,349,273.86	522,870,630.43
Accept money deposits	5,903,154,905.61	4,871,980,008.00
Sold and repurchase financial assets	608,910,589.72	498,096,001.92
Bond issuance	2,642,393,999.63	2,132,916,261.86
Others	3,187,854,683.18	3,823,295,159.15
Net interest income	**4,550,993,817.27**	**4,089,945,566.14**

74. Earned premium

Item	Current year amount	Prior year amount
Premium income	723,121,175.29	815,945,067.21

75. Income from service charges and commissions

Item	Current year amount	Prior year amount
Handling fees and commission income	**3,015,562,192.46**	**2,527,530,895.79**
-Settlement and clearing fees	110,727,408.00	45,347,145.00
-Agent fees	1,267,047,335.22	1,119,341,700.43
-Banking card fees	108,017,715.00	33,646,222.00
-Advisory and consulting fees	65,803,611.21	65,705,102.58
-Custody and other fiduciary business commissions	976,891,511.98	771,783,066.16
-Others	487,074,611.05	491,707,659.62
—Including：Income from financing-fee	8,138,123.00	11,117,374.00
Income from e-banking	4,505,527.00	3,553,992.00

Item	Current year amount	Prior year amount
Income from investment banking-intermediary business	128,104,262.00	72,975,575.00
Investment banking income-securities underwriting business	322,992,220.44	384,507,836.54
Investment banking income-securities sponsorship business	7,075,471.69	471,698.11
Other fees and commission income	16,259,006.92	2,229,273.41
Other intermediary business income	0.00	10,686,754.00
Agent collection and payment income	0.00	6,165,156.56
Handling fees and commission expenses	**816,025,682.44**	**841,258,139.79**
-handling fees	325,125,085.20	438,439,281.68
-Commission expenses	326,404,374.24	329,887,935.11
-Others	164,496,223.00	72,930,923.00
-Including: Card business commission expenses	39,479,978.00	23,488,162.00
Other commission expenses	125,016,245.00	49,442,761.00
Net income from handling fees and commissions	**2,199,536,510.02**	**1,686,272,756.00**

76. Net payments for insurance claims

(1) Presentation of the payments for insurance claims according to the insurance contracts

Item	Current year amount	Prior year amount
Original insurance contracts	2,460,147,626.54	1,872,236,889.66

(2) Presentation of the payments for insurance claims by content

Item	Current year amount	Prior year amount
Payments for insurance claims	2,460,147,626.54	1,872,236,889.66

77. Net provision for insurance contracts

Item	Current year amount	Prior year amount
Withdrawal of provision for outstanding claims	477,090,994.18	700,114,874.21
Including: Original insurance contracts	129,054,561.07	268,515,884.67
Reinsurance contracts	-410,449.75	-475,900.69
Others	348,446,882.86	432,074,890.23
Others	-48,032,057.26	201,722,895.21
Total	**429,058,936.92**	**901,837,769.42**

78. Cession charges

Item	Current year amount	Prior year amount
Cession charges	5,039,054.88	16,170,793.37

79. Taxes and surcharges

Item	Current year amount	Prior year amount
Consumption tax	378,039.08	128,843.93
Resource tax	218,272,092.76	175,742,438.94
Urban maintenance and construction tax	154,835,859.51	126,147,369.00
Property tax	97,578,502.16	77,828,284.83
Land use tax	43,636,423.43	39,619,967.93
Education surcharge and local education surcharge	124,247,864.91	105,808,681.38
Water resources construction fund (river management fee, flood control fee)	65,270,294.22	-17,127,132.10
Land value-added tax	44,064,577.37	4,942,731.39
Stamp duty	184,760,906.13	160,944,233.13
Vehicle and boat use tax	792,945.52	891,805.45
Arable land occupation tax	0.00	25,242,167.66
Environmental protection tax	12,192,494.88	12,481,880.99
Disability employment guarantee fund	0.00	6,427,412.95
Others	4,648,652.59	735,704.31
Total	**950,678,652.56**	**719,814,389.79**

80. Selling expenses

Item	Current year amount	Prior year amount
Employee benefits	2,494,943,714.36	2,151,848,154.04
Marketing expenses	1,446,605,228.46	2,110,563,585.80
Depreciation	195,360,042.78	63,416,016.77
Warehousing and storage costs	101,551,293.24	109,275,215.90
Travel expenses	82,008,977.84	62,688,623.29
Rental fees	80,785,921.37	171,141,961.59
Electronic equipment running costs	80,516,278.34	61,415,182.70
Amortization expense	79,235,976.67	61,658,116.58
Advertising expenses	60,523,088.65	49,760,237.66
Consulting fees	58,135,919.93	24,779,711.82
Loading and unloading expenses	47,390,301.29	39,391,745.31
Business entertainment expenses	44,519,024.28	37,566,093.22
Labour costs	42,405,724.65	18,326,501.42
Office expenses	40,970,594.45	40,197,003.37
Operating expenses	39,975,386.95	39,765,849.69
Packaging costs	26,985,251.40	36,064,877.67
Communication costs	25,877,916.95	25,262,195.88
Exchange membership annual fee	21,632,587.86	16,906,319.26

Item	Current year amount	Prior year amount
Marketing logistics cost sharing	20,099,088.87	14,718,102.34
Agency fees	17,786,330.39	22,410,056.09
Vehicle usage fees	16,458,795.85	14,349,553.09
Sales and service expenses	16,102,178.31	59,534,292.10
Repair fees	13,422,090.90	11,973,551.64
Insurance fees	583,699.28	502,965.20
Sample and product wear and tear	0.00	1,768,252.36
Exhibition fees	0.00	2,058,968.14
Sales agency fees	0.00	4,802,772.86
Transport costs	0.00	318,787,493.90
Others	663,159,951.12	210,323,693.57
Total	**5,717,035,364.19**	**5,781,257,093.26**

81. General and administrative expenses

Item	Current year amount	Prior year amount
Employee benefits	2,964,031,772.54	2,279,362,983.13
Depreciation	448,240,934.88	237,328,615.12
Repairs and maintenance	288,869,199.56	189,149,433.33
Office expenses	147,184,122.25	186,218,108.96
Amortization of intangible assets	132,616,264.81	128,346,619.92
Consulting fees	67,109,367.81	62,456,453.46
Business entertainment expenses	61,888,201.26	46,036,008.66
Agency fees	61,541,090.49	65,536,714.70
Travel expenses	25,757,961.80	31,942,042.71
Rental expenses	8,114,997.01	179,541,744.94
Insurance costs	7,238,018.69	10,870,279.21
Litigation expenses	6,461,363.19	12,276,843.83
Technology usage fee	4,940,684.04	106,603.77
Conference fees	3,578,527.86	4,121,646.05
Low-value consumables	3,510,770.42	4,555,887.38
Board fees	2,092,911.86	2,303,709.53
Sewage charges	129,852.90	220,464.97
Others	684,037,121.73	488,868,135.11
Total	**4,917,343,163.10**	**3,929,242,294.78**

82. Research and development expenses

(1) Presentation by cost

Item	Current year amount	Prior year amount
Material costs	195,743,543.39	110,895,838.86
Labour costs	146,532,619.80	105,929,473.68
Technical service fees	59,566,277.92	13,676,472.52
Commissioned external research and development fees	57,149,681.86	10,925,685.42
Depreciation	49,605,233.72	44,583,240.73
Inspection fee, test fee	2,182,366.68	5,362,797.43
Fuel costs	1,284,040.68	257,455.20
Amortization of intangible assets	547,339.22	1,051,297.14
Entrusted R&D expenses	491,886.80	0.00
Housing rental fee	438,583.72	0.00
Design fees	283,605.45	62,735.85
Equipment usage fee	5,283.02	5,241,981.80
Test and production costs	1,004.43	5,415,913.90
Equipment commissioning fees	0.00	5,156,588.21
Fudan University Guangtou Research Centre operating expenses	0.00	1,961,165.06
Direct project costs	0.00	3,674,270.17
Patent fees	0.00	1,742,296.31
Transfer from capitalised costs	0.00	49,660,690.31
Others	67,338,782.08	59,328,102.92
Total	**581,170,248.77**	**424,926,005.51**

(2) Presentation by research and development project

Item	Current year amount	Prior year amount
Zhongheng Group R&D Project	197,662,219.86	131,519,651.05
New system development	47,140,235.00	48,296,900.00
2021RD09 Research and Application of Automatic Combustion Adjustment Technology for Boilers in Thermoelectric Power Plants	14,892,594.12	0.00
Formulation optimization study of prebaked anode for aluminum	14,384,816.76	5,520,617.49
Workshop technological improvement	14,170,391.76	4,219,296.42
2021RD08 Technology Development and Application of Automatic Detection and Control System for Fixed Bed Gas Generator in Thermoelectric Power Plant	14,030,668.33	0.00
2021RD07 Research and Application of Bauxite Washing Slurry Paste Stockpiling Technology	12,684,286.47	0.00
2021RD04 Development and Application of Alumina Roasting Furnace Expert System Technology	12,124,307.31	0.00
2021RD03 Development and Application of Alumina Evaporation Process Expert System Technology	11,965,573.98	0.00
Research on new energy-saving and low-emission technology of prebaked anode roaster for aluminum	11,741,768.66	9,714,927.94

Item	Current year amount	Prior year amount
2019RD05 Key technology development and application of energy-saving and high-efficiency alumina crystal decomposition	11,129,198.21	27,926,061.03
Development of low carbon residue prebaked anode preparation method for aluminum electrolysis	10,851,771.14	0.00
2021RD12 Development and Application of Settling Tank Treatment New Technology	10,543,510.45	0.00
Development Prebaked Anode Raw Block Coating New Technology	10,104,803.87	0.00
2021RD06 Research and application of mother liquor floating material reduction technology in alumina plant	9,960,970.31	0.00
2021RD05 Research and application of improving the stability of diluted ore slurry concentration technology	9,050,547.93	0.00
Development of high-efficiency prebaked anode for aluminum electrolytic starter tank	9,024,595.95	0.00
2021RD01 Research and Application of Key Technologies for the Production of Raw Alumina Pulp by Bayer Method	8,996,046.33	0.00
Precasted anode production for aluminum electrolysis calcination process refined Huaihua dosing technology	8,851,906.52	0.00
2021RD11 Research and Application of alumina plant to reduce diluted red mud aluminum to silicon ratio technology	8,571,365.73	0.00
2021RD02 Research and Application of Technology to Improve the Dissolution Rate of Sclerocite Monohydrate by Bayer Method	8,550,519.74	0.00
2021RD10 Research and application of energy-saving technology of multi-breaking and less grinding of electric coal in cogeneration power plant	8,018,487.39	0.00
Roasting furnace insulation technology research and development project	8,008,236.98	8,325,098.95
2021RD13 Research and application of technology to optimize Nk concentration of scrubber system in alumina plant	6,931,406.74	0.00
Agricultural Technology Research	6,731,426.30	382,568.59
2019RD04 Research and demonstration application of low zinc high quality alumina process technology for development of Guangxi bauxite ore	5,645,327.63	14,360,559.97
Financial Investment Group Software Development Project	5,448,391.28	6,864,177.65
A tank-type calciner for the production of post-calcined coke R&D project	5,177,985.11	0.00
Research and development project on the preparation method of calcined coke for the production of prebaked anodes	4,777,643.85	0.00
Others	73,999,245.06	167,796,146.42
Total	**581,170,248.77**	**424,926,005.51**

83. Financial expenses

Item	Current year amount	Prior year amount
Interest expenses	3,447,080,787.52	3,011,221,841.09
Less: interest income	485,983,875.82	550,839,158.43
Net gain on exchange	625,825.03	1,415,754.87
Add: Net loss on exchange	31,071,529.66	7,125,903.21
Other expenditures	119,299,187.17	99,018,244.23
Total	**3,110,841,803.50**	**2,565,111,075.23**

84. Other income

Item	Current year amount	Prior year amount
Financial incentives	101,088,471.76	0.00
Enterprise Development Grant	81,492,150.79	38,870,000.00
Economic Development Incentive Funds	37,452,764.62	5,589,440.00

Item	Current year amount	Prior year amount
Financial leasing industry subsidies	20,157,481.00	0.00
Tax incentives, tax refunds and tax subsidies	16,660,423.13	0.00
Special funds for financial inclusion	15,856,736.00	10,537,600.00
Personal tax handling fee rebate	15,352,485.13	12,046,027.92
Post stability allowances	11,124,903.25	65,273,986.84
Guarantee business subsidy	11,053,000.00	40,946,450.00
Financing Incentives	9,496,926.38	3,753,200.00
Deferred income from Zhongheng Dawang Biological Base Project	6,972,857.20	0.00
R&D Subsidy	6,295,300.00	0.00
Deferred income from Nanning Biomedical Industry Base Project	3,532,758.96	0.00
Deferred income from pharmaceutical phase II and III projects	2,733,000.00	0.00
Financial Enterprise Subsidy	2,719,039.08	0.00
Reward subsidies for the resumption of work and production	1,266,862.07	0.00
Enterprise introduction of insurance funds discount interest	700,000.00	0.00
Shanghai Songjiang Xinqiao Town Economic Zone support fund	0.00	13,350,000.00
Tax rebate	0.00	11,956,601.84
Tax fee remission	0.00	10,836,573.33
Support funds for major industrial projects in the Autonomous Region	0.00	10,000,000.00
Enterprise stamp duty subsidy	0.00	11,952,937.70
Support funds	0.00	9,339,808.34
Withholding tax handling fee	0.00	5,162,352.26
Funds allocated by Nanning Municipal Bureau of Commerce to enterprises for resumption of work and production projects	0.00	7,000,000.00
Subsidy for funding of Kunpeng project	0.00	5,000,000.00
Subsidy for pension insurance	0.00	4,416,403.62
Subsidy for basic electricity bill for resumption of work and production	0.00	4,157,482.76
Government incentives, enterprise rewards and financial subsidies	0.00	9,250,480.07
Subsidy for Guangdong financial enterprises to move into the workplace	0.00	4,089,756.38
Incentive funds for loans involving agriculture and small and micro enterprises	0.00	1,901,900.00
The first batch of cross-border credit financing awards from the District Financial Supervision Administration	0.00	1,380,000.00
Debt financing instruments incentive	0.00	1,000,000.00
Subsidy for Epidemic small and medium enterprises	0.00	1,000,000.00
ABS Issuance incentive	0.00	1,000,000.00
2020 Real Economy Development Award	0.00	1,000,000.00
Others	23,207,236.74	197,315,787.89
Total	**367,162,396.11**	**488,126,788.95**

85. Investment income

Source of investment income	Current year amount	Prior year amount
Gain on long-term equity investments under the equity method	1,891,239,558.54	1,233,132,610.73
Investment income arising on disposal of long-term equity investments	615,114,033.42	77,591,657.57
Investment income earned during the period in which the held-for-trading financial assets were held (as applicable under the new financial standards)	1,798,637,637.65	617,574,437.22
Investment income from disposal of held-for-trading financial assets (new financial standards apply)	689,667,779.24	735,562,099.06
Investment income from investments in other equity instruments during the holding period	149,763,601.01	0.00
Investment income from financial assets at fair value through profit or loss during the period in which they are held	0.00	174,482,765.84
Investment income from disposal of financial assets at fair value through profit or loss	0.00	-16,631,201.26
Investment income from investments held to maturity over the holding period	0.00	56,505,236.50
Investment income from disposal of investments held to maturity	0.00	3,343,424.66
Investment income from available-for-sale financial assets, etc. during the holding period	0.00	956,611,756.96
Investment income from disposal of available-for-sale financial assets	0.00	82,678,207.53
Interest income on debt investments during the holding period (new standard applies)	3,404,486.17	0.00
Interest income during the holding period of other debt investments (as applicable under the new standard)	19,650,760.96	5,494,414.41
Gain on disposal of debt investments (new standard applicable)	469,100,829.70	-45,770,116.39
Gain on disposal of other debt investments (new standard applicable)	61,326,967.18	173,058,558.14
Investment income earned during the period in which other non-current financial assets are held (new financial standards apply)	147,765,170.86	15,000.00
Investment income acquired on disposal of other non-current financial assets (new financial standards apply)	18,839,342.49	0.00
Gain arising from remeasurement of equity interest to fair value upon acquisition of control	0.00	1,411,464.76
Others	-30,076,688.94	-71,639,692.03
Total	**5,834,433,478.28**	**3,983,420,623.70**

86. Gains from changes in fair value

Source of income or loss from change in fair value	Current year amount	Prior year amount
Held-for-trading financial assets (new standard applies)	1,016,567,905.64	165,919,489.73
Financial assets at fair value through profit or loss (old standard applies)	-7,317,096.60	-9,351,879.28
Derivative financial assets	-7,286,046.67	-17,463,664.34
Other non-current financial assets	128,332,202.23	15,479,889.09
Held-for-trading financial liabilities (new standard applies)	-101,954,643.99	-98,393,835.95
Derivative financial liabilities	1,849,406.00	12,725,770.00
Investment properties measured at fair value	1,364,774,511.87	-9,605,204.77
Others	-83,939,818.91	-1,395,550.54
Total	**2,311,026,419.57**	**57,915,013.94**

87. Credit impairment loss

Item	Current year amount	Prior year amount
Bad debt losses	-1,261,407,818.19	86,689,084.43
Impairment loss on credit of debt investments	2,774,409.43	0.00
Impairment loss on other debt investments	-11,147,036.64	-121,297,631.05
Others	-3,215,591,604.16	-397,998,146.77
Total	**-4,485,372,049.56**	**-432,606,693.39**

88. Asset impairment loss

Item	Current year amount	Prior year amount
Bad debt losses	0.00	-486,450,434.60
Loss on decline in value of inventories	-150,602,660.38	73,394,797.91
Impairment loss on available-for-sale financial assets (as applicable under the Old Financial Instruments Standard)	0.00	-143,467,676.10
Impairment loss on contract assets	-66,806.42	0.00
Impairment loss on held-to-maturity investments (as applicable under the Old Financial Instruments Standard)	0.00	-10,000,000.00
Impairment loss on long-term equity investments	-49,797,692.44	-82,443,961.87
Impairment loss on fixed assets	-18,185,332.32	-100,481,854.77
Impairment loss on construction in progress	0.00	-89,657,293.45
Impairment loss on intangible assets	-71,736,004.00	-24,574,430.16
Impairment loss on goodwill	-195,010,144.02	-84,651,952.13
Impairment loss on loans	0.00	-2,065,614,509.16
Others	-68,895,069.00	58,682,155.41
Total	**-554,293,708.58**	**-2,955,265,158.92**

89. Gains from disposal of assets

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Gain on disposal of non-current assets	107,587,880.28	90,694,783.77	107,587,880.28
Including: Gain on disposal of fixed assets	113,421,637.32	70,540,679.35	113,421,637.32
Gain on disposal of intangible assets	945,199.52	23,870,003.93	945,199.52
Gain on disposal of other non-current assets	-6,778,956.56	-3,715,899.51	-6,778,956.56
Gain on exchange of non-monetary assets	23,521,203.07	11,233,807.70	23,521,203.07
Others	-651,610.01	23,768.95	-651,610.01
Total	**130,457,473.34**	**101,952,360.42**	**130,457,473.34**

90. Non-operating income

(1) Details of non-operating income

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Gain on destruction and retirement of non-current assets	5,464,581.81	4,207,902.49	5,464,581.81
Including: Gain on destruction and retirement of fixed assets	794,648.28	285,166.74	794,648.28
Gain on destruction and retirement of intangible assets	672,769.71	0.00	672,769.71
Gain on destruction and retirement of other non-current assets	3,997,163.82	3,922,735.75	3,997,163.82
Gain on debt restructuring	139,600,000.00	0.00	139,600,000.00
Donations received	0.00	1,261,939.90	0.00
Government grants not related to the ordinary activities of the enterprise	9,967,338.45	6,543,324.89	9,967,338.45
Income from liquidated damages, indemnities, fines, etc.	189,086,287.27	33,675,746.26	189,086,287.27
Others	74,442,998.25	103,789,582.13	74,442,998.25
Total	**418,561,205.78**	**149,478,495.67**	**418,561,205.78**

(2) Details of government grants

Item	Current year amount	Prior year amount
Reversal of tax credits to be deducted	5,906,097.17	0.00
Real estate and land hardship tax relief refunds	1,428,462.34	0.00
One-time settlement incentive for entering the core area of Nanning, China's ASEAN financial opening portal	750,000.00	1,010,000.00
200,000 tons/year carbon tetra-configuration project	688,880.60	688,880.60
Nanning High-tech Zone Development Incentive	446,715.17	0.00
Business Development Incentives	366,269.90	0.00
VAT relief for retired soldiers	248,129.99	54,000.01
Guangxi Zhuang Autonomous Region Science and Technology Department high-tech qualification re-identification subsidy	50,000.00	0.00
Baise City Bureau of Industry and Information Technology Spring Festival Sympathy	30,000.00	0.00
Incentive subsidy for recognition of high-tech enterprises	0.00	100,000.00
Government grant gains - one-time incentive income from the Bureau of Statistics	0.00	50,000.00
Special fund for informatization development	0.00	1,000,000.00
Staff living area of Zhaoping Hydropower Plant "three supplies and one industry" charged by the government subsidy	0.00	579,100.00
Wuzhou Human Resources and Social Security Bureau's third batch of social security subsidies for poor families	0.00	61,344.28
Plot support grant	0.00	3,000,000.00
Others	52,783.28	0.00
Total	**9,967,338.45**	**6,543,324.89**

91. Non-operating expenses

Item	Current year amount	Prior year amount	Amount recorded in non-recurring gains and losses during the current period
Losses on destruction and retirement of non-current assets	9,974,740.60	6,015,561.44	9,974,740.60
Including: Loss on destruction and retirement of fixed assets	9,046,657.10	5,524,545.29	9,046,657.10
Losses on destruction and retirement of intangible assets	63,914.89	468,501.08	63,914.89
Loss on destruction and retirement of other non-current assets	864,168.61	22,515.07	864,168.61
External donation expenses	9,432,228.00	47,180,070.99	9,432,228.00
Expenses for breach of contract, indemnity, fines, etc.	103,920,565.96	79,168,173.99	103,920,565.96
Others	118,665,333.42	5,793,001.16	118,665,333.42
Total	**241,992,867.98**	**138,156,807.58**	**241,992,867.98**

92. Income tax expenses

(1)Details of income tax expenses

Item	Current year amount	Prior year amount
Current income tax expenses	1,743,378,284.10	1,446,164,893.18
Adjustment to deferred income tax	-428,960,791.74	-259,884,495.29
Others	-2,147,067.92	30,195,794.76
Total	**1,312,270,424.44**	**1,216,476,192.65**

(2)Adjustment to accounting profits and income tax expenses

Item	Current year amount
Total profits	5,043,328,453.50
Income tax expenses calculated at legal/ applicable tax rate	1,260,832,113.38
Effect of different tax rates applied to subsidiaries	-126,227,135.05
Influence of adjustment to income tax of previous period	37,714,606.06
Influence of non-taxable income	345,520,518.57
Influence of non-deductible costs, expenses and losses	76,085,858.27
Influence from use of deductible losses of the unrecognized deferred tax assets during the previous period	-162,820,573.45
Influence of the deductible temporary difference or deductible losses of the unrecognized deferred tax assets during the current period	-112,837,090.74
Others	-5,997,872.60
Income tax expenses	**1,312,270,424.44**

93. Other comprehensive income attributable to owners of the company

(1) Various items of other comprehensive income and their income tax effects and transfers to profit or loss

Item	Current year amount		
	Pre-tax amount	Income tax	Post-tax net amount
(I) Other comprehensive income that cannot be reclassified into income or loss subsequently	**37,867,111.61**	**9,466,777.90**	**28,400,333.71**
1.Changes from re-measurement of the net liabilities or net assets under the defined benefit plan	0.00	0.00	0.00
2.Portion of other comprehensive income that cannot be reclassified into income or loss under the equity method	0.00	0.00	0.00
3. Changes in fair value of investments of other equity instruments (applicable to new guidelines)	37,867,111.61	9,466,777.90	28,400,333.71
(II) Other comprehensive income that will be reclassified into income or loss subsequently	**260,249,157.77**	**65,078,196.71**	**195,170,961.06**
1. Portion of other comprehensive income in the investee that will subsequently be reclassified into income or loss under the equity method	1,487,990.59	0.00	1,487,990.59
2. Changes in fair value of other debt investments (applicable to new guidelines)	174,374,524.97	43,593,631.24	130,780,893.73
3.Profit or loss from changes in fair value of available-for-sale financial assets (applicable to old guidelines)	0.00	0.00	0.00
4. The amount of financial assets reclassified into other comprehensive income (applicable to new guidelines)	2,600,296.72	650,074.18	1,950,222.54
5. Profit or loss from reclassification of held-to-maturity investments into available-for-sale financial assets (applicable to old guidelines)	0.00	0.00	0.00
6. Reserve for credit impairment of other creditor's rights investment (applicable to new guidelines)	94,834,313.91	23,708,578.48	71,125,735.43
7.Hedging reserve of cash flows (effective portion of profit or loss from cash flow hedging)	0.00	0.00	0.00
8.Difference on translation of foreign currency financial statements	-1,551,619.66	0.00	-1,551,619.66
9.Others	-11,496,348.76	-2,874,087.19	-8,622,261.57
III. Total other comprehensive income	**298,116,269.38**	**74,544,974.61**	**223,571,294.77**

(continued)

Item	Prior year amount		
	Pre-tax amount	Income tax	Post-tax net amount
(I) Other comprehensive income that cannot be reclassified into income or loss subsequently	**-6,686,702.55**	**-1,671,675.64**	**-5,015,026.91**
1.Changes from re-measurement of the net liabilities or net assets under the defined benefit plan	0.00	0.00	0.00
2.Portion of other comprehensive income that cannot be reclassified into income or loss under the equity method	0.00	0.00	0.00
3. Changes in fair value of investments of other equity instruments (applicable to new guidelines)	-6,686,702.55	-1,671,675.64	-5,015,026.91
(II) Other comprehensive income that will be reclassified into income or loss subsequently	**28,290,747.84**	**-1,524,854.35**	**29,815,602.19**

1. Portion of other comprehensive income in the investee that will subsequently be reclassified into income or loss under the equity method	26,917,880.97	0.00	26,917,880.97
2. Changes in fair value of other debt investments (applicable to new guidelines)	-25,472,552.20	-6,368,138.05	-19,104,414.15
3.Profit or loss from changes in fair value of available-for-sale financial assets (applicable to old guidelines)	-3,304,955.08	-826,238.77	-2,478,716.31
4. The amount of financial assets reclassified into other comprehensive income (applicable to new guidelines)	-727,303.12	-181,825.78	-545,477.34
5. Profit or loss from reclassification of held-to-maturity investments into available-for-sale financial assets (applicable to old guidelines)	0.00	0.00	0.00
6. Reserve for credit impairment of other creditor's rights investment (applicable to new guidelines)	23,405,393.00	5,851,348.25	17,554,044.75
7.Hedging reserve of cash flows (effective portion of profit or loss from cash flow hedging)	10,696,151.24	0.00	10,696,151.24
8.Difference on translation of foreign currency financial statements	-3,223,866.97	0.00	-3,223,866.97
9.Other	0.00	0.00	0.00
III. Total other comprehensive income	**21,604,045.29**	**-3,196,529.99**	**24,800,575.28**

(2) Adjustment to other comprehensive income items

Item	On January 1st,2020	Increase or decrease (decrease indicated with "-")	On January 1st, 2021	Increase or decrease (decrease indicated with "-")	On December 31st, 2021
Other comprehensive income not available for transfer to profit or loss under the equity method	-114,154,369.91	0.00	-114,154,369.91	0.00	-114,154,369.91
Changes in fair value of investments in other equity instruments	72,545,585.19	111,637,330.06	184,182,915.25	398,601,745.81	582,784,661.06
Other comprehensive income available for transfer to profit or loss under the equity method	-1,280,344.52	26,917,880.97	25,637,536.45	1,487,990.59	27,125,527.04
Change in fair value of other debt investments	4,141,209.04	-19,104,414.15	-14,963,205.11	130,780,893.73	115,817,688.62
Gains or losses from changes in fair value of available-for-sale financial assets	-367,722,695.79	-2,478,716.31	-370,201,412.10	-370,201,412.10	-740,402,824.20
Reclassification of financial assets to other comprehensive income	0.00	-545,477.34	-545,477.34	1,950,222.54	1,404,745.20
Provision for credit impairment of other debt investments	2,206,642.46	17,554,044.75	19,760,687.21	71,125,735.43	90,886,422.64
Cash flow hedge reserve (effective	-11,487,463.35	10,696,151.24	-791,312.11	0.00	-791,312.11

Item	On January 1st,2020	Increase or decrease (decrease indicated with "-")	On January 1st, 2021	Increase or decrease (decrease indicated with "-")	On December 31st, 2021
portion of cash flow hedge gains and losses)					
Translation differences on foreign currency financial statements	1,055,614.11	-3,223,866.97	-2,168,252.86	-1,551,619.66	-3,719,872.52
Others	33,604,259.59	0.00	33,604,259.59	-8,622,261.57	24,981,998.02
Total	**-381,091,563.18**	**141,452,932.25**	**-239,638,630.93**	**223,571,294.77**	**-16,067,336.16**

94. Borrowing costs

Items	Capitalization rate	Amount capitalized
Nanning International Cultural Tourism Leisure Cluster Phase I (Guangtou-Dongmeng Health City Project)	6.18	7,585,143.61
Longhuai Spoil Disposal Storage	4.38	5,192,102.52
Natural gas pipeline project of Debao Jingxi branch line in Guangxi	4.80	3,989,724.09
Phase I annual output of 300000 tons aluminum rod project	6.00	1,412,769.97
Natural gas pipeline project of Wuming branch line in Guangxi	4.65	1,360,179.88
Natural gas pipeline project of Luchuan branch line in Guangxi	3.72	977,020.08
Natural gas pipeline project of Hengzhou branch line in Guangxi	4.65	728,888.90
Natural gas pipeline project of Sinopec Nanning Station - Nanning ZhongranMen Station branch line in Guangxi	3.95	709,520.34
Natural gas pipeline project of LuZhai branch line in Guangxi	3.95	579,491.51
Natural gas pipeline project of Xingye branch line in Guangxi	3.48	540,047.52
Natural gas dedicated pipeline project of Guangxi Yulin - Shatian - Bobai branch line (Bobai Branch Line)	3.95	444,256.17
Natural gas pipeline project of Qinbei branch line in Guangxi	3.48	376,692.49
Natural gas pipeline project of YiZhou branch line in Guangxi	4.35	157,375.88
Natural gas dedicated pipeline project 0f Tiandong-Debao-Jingxi branch line in Guangxi	4.35	114,905.96
Natural gas pipeline project of Tianyang branch line in Guangxi	4.35	75,395.41
Natural gas dedicated pipeline project of Guiping branch line in Guangxi	4.35	62,617.01
Natural gas dedicated pipeline project 0f Nanning - Fusui branch line in Guangxi	3.48	58,804.15
Natural gas pipeline project of Yongfu branch line in Guangxi	4.35	15,864.08
Total	—	**24,380,799.57**

95. Foreign currency translation

Item	Current year amount
Exchange differences charged to current profit or loss	-30,445,704.63

96. Lease

(1)Operating leases

Item	Amount
1.Income	696,930,906.96
Lease income	686,035,482.72
Income relating to variable lease payments not charged to lease receipts	10,895,424.24

(2)Financial leased-in assets

1) Leased-in fixed assets (finance lease lessees)

Item	Closing balance	Opening balance
Total original value	**1,493,933,549.10**	**1,673,933,549.10**
Including: Machinery and equipment	1,231,832,817.66	1,411,089,831.68
Others	262,100,731.44	262,843,717.42
Total accumulated depreciation	**624,985,683.68**	**472,125,389.68**
Including: Machinery and equipment	528,834,290.36	386,215,981.26
Others	96,151,393.32	85,909,408.42
Total provision for impairment	**0.00**	**0.00**
Including: Machinery and equipment	0.00	0.00
Others	0.00	0.00
Total carrying value	**868,947,865.42**	**1,201,808,159.42**
Including: Machinery and equipment	702,998,527.30	1,024,873,850.42
Others	165,949,338.12	176,934,309.00

2) Minimum lease payments due in the subsequent years (Finance lease lessees)

Remaining lease term	Minimum lease payment
Within 1 year (including 1 year)	846,228,506.82
1-2 years (inclusive of 2 years)	99,766,327.46
2-3 years (inclusive of 3 years)	68,841,560.82
More than 3 years	0.00
Total	**1,014,836,395.10**

3) Significant operating leases (operating lease lessees)

Remaining lease term	Operating lease amount
Within 1 year (including 1 year)	2,228,812.95
1-2 years (inclusive of 2 years)	1,933,853.96
2-3 years (inclusive of 3 years)	1,153,390.47
More than 3 years	0.00
Total	**5,316,057.38**

4) Lessee (applying the new lease guidelines)

Item	Amount
Interest expense on lease liabilities	10,227,053.88
Short-term lease payments with simplified treatment charged to the cost of the related asset or to current profit or loss	51,357,203.02
Total cash outflows relating to leases	105,073,225.43

97. Consolidated statement of cash flow

(1) Supplementary information of the cash flow statement

Item	Current year amount	Prior year amount
1. Reconciliation of net profits to cash flows from operating activities	——	——
Net profits	3,731,058,029.06	2,824,687,413.53
Add: Loss on impairment of assets	554,293,708.58	2,955,265,158.92
Credit losses	4,485,372,049.56	432,606,693.39
Depreciation of fixed assets, fixed oil and capitalized biological assets	2,063,731,532.00	2,863,669,445.81
Depreciation of right-to-use assets	441,411,561.49	0.00
Amortisation of intangible assets	235,642,861.39	317,710,812.96
Amortisation of long-term deferred expenditures	364,924,243.41	266,471,074.77
Loss on disposal of assets (gains indicated with "-")	-130,457,473.34	-101,952,360.42
Loss on damaged and retired non-current assets (gains indicated with "-")	9,046,657.10	5,524,545.29
Loss on fair value changes (gains indicated with "-")	-2,311,026,419.57	-57,915,013.94
Financial costs (gains indicated with "-")	3,447,080,787.52	3,011,221,841.09
Investment losses (gains indicated with "-")	-5,834,433,478.28	-3,983,420,623.70
Decrease in deferred tax assets (increase indicated with "-")	-604,000,483.52	-962,039,508.65
Increase in deferred tax liabilities (decrease indicated with "-")	158,502,307.33	166,928,217.36
Decrease in inventories (increase indicated with "-")	-1,720,066,236.49	199,019,030.48
Decrease in receivables from operating activities (increase indicated with "-")	-3,949,671,951.80	5,590,271,324.98
Increase in payables from operating activities (decrease indicated with "-")	6,536,088,115.74	-10,276,535,989.04

Item	Current year amount	Prior year amount
Others	0.00	0.00
Net cash flow from operating activities	7,477,495,810.18	3,251,512,062.83
2. Significant non-cash investing and financing activities:	——	——
Conversion of debts into capital	0.00	0.00
Convertible bonds repayable within 1 year	0.00	0.00
Fixed assets acquired under finance lease arrangement	0.00	0.00
3. Changes in cash and cash equivalents:	——	——
Closing balance of cash	46,224,318,616.82	48,164,754,898.04
Less：opening balance of cash	48,164,754,898.04	39,452,812,936.53
Add：closing balance of cash equivalents	14,172,970,843.00	5,315,885,658.00
Less：opening balance of cash equivalents	5,315,885,658.00	5,139,974,245.00
Net increase in cash and cash equivalents	6,916,648,903.78	8,887,853,374.51

(2) Cash and cash equivalents

Item	Closing balance	Opening balance
I. Cash	**46,224,318,616.82**	**48,164,754,898.04**
Including: cash on hand	343,542,069.59	416,965,130.35
Bank deposits available for payment at any time	27,939,395,917.17	18,161,269,869.71
Other monetary funds available for payment at any time	3,319,861,135.09	12,032,029,905.66
Deposits in Central Bank are available for payment at any time	2,728,196,668.23	11,257,596,415.52
Interbank deposits	9,282,251,128.49	4,463,014,150.61
Settlement provisions	2,611,071,698.25	1,833,879,426.19
II. Cash equivalents	**14,172,970,843.00**	**5,315,885,658.00**
Including: bond investments due within 3 months	14,172,970,843.00	5,315,885,658.00
III. Closing balance of cash and cash equivalents	**60,397,289,459.82**	**53,480,640,556.04**

98. Foreign currency monetary items

Item	Closing balance in foreign currencies	Exchange rate	Equivalent RMB amount
Monetary capital	—	—	**264,844,324.50**
Including: USD	38,203,031.26	6.3757	243,571,066.40
EUR	26.11	7.2198	188.51
HKD	26,018,920.73	0.8176	21,273,069.59
Accounts receivable	—	—	**31,950,684.93**
Including: USD	-566,432.69	6.3757	-3,611,404.90
HKD	43,495,706.74	0.8176	35,562,089.83
Short-term loans	—	—	**468,305,005.80**
Including: USD	71,370,000.00	6.3757	455,033,709.00
HKD	1,838,180.67	7.2198	13,271,296.80

Item	Closing balance in foreign currencies	Exchange rate	Equivalent RMB amount
Bonds payable	—	—	**3,168,744,873.66**
Including: USD	497,003,446.47	6.3757	3,168,744,873.66

99. Assets with restricted ownership and use rights

Item	Closing carrying value	Reasons for restrictions
Other debt investments	10,801,253,956.54	Financial assets pledged for pledged repo business, financial assets pledged for bond lending business
Held-for-trading financial assets	7,619,717,248.24	Financial assets pledged for pledged repo business, financial assets transferred over for buy-back repo business, financial assets loaded over for financing and securities financing business, financial assets pledged for bond lending business
Fixed assets	7,009,627,557.41	Mortgage loans, sale-and-leaseback finance leases
Cash and cash equivalents	5,400,043,684.17	Deposit, frozen funds, etc.
Refundable deposits	2,120,209,172.00	Unrefunded deposit
Investment properties	1,687,794,681.00	Mortgage loans
Premiums receivable	250,000,000.00	Pledged loans
Intangible assets	68,672,195.54	Pledged loans
Notes receivable	4,477,999.82	Pledged loans
Total	**34,961,796,494.72**	

IX. Contingent events

1.The Group's pending litigation and arbitration formation as at December 31st 2021

(1) As at December 31st, 2021, among the pending litigation cases of Guangxi Beibu Gulf Bank Co., Ltd. (hereinafter referred to as "Beibu Gulf Bank") and its branches, there were 588 cases in which Beibu Gulf Bank was the plaintiff, involving a principal amount of RMB 1,131,776,800; and there were 14 cases in which Beibu Gulf Bank was the defendant, involving a principal amount of RMB 1,457,799,00. Among them, 28 litigation cases with a subject matter of over RMB10 million were outstanding, involving a total amount of RMB 658,492,700; and 560 litigation cases with a subject matter of less than RMB10 million were outstanding, involving a total amount of RMB 473,284,100. The management of the Beibu Gulf Bank is of the view that the final outcome of the adjudication and enforcement of these matters will not have a significant impact on the financial position or results of operations of the Beibu Gulf Bank.

(2) On February 8th, 2021, Liuzhou Tableware Disinfection Center (General Partnership) (hereinafter referred to as "Liuzhou Disinfection Centre") filed a lawsuit with the People's Court of Liubei District, Liuzhou City, Guangxi Zhuang Autonomous Region in relation to a dispute over a lease contract, requesting Guangxi Liuzhou Power Generation Co., Ltd. to pay various direct economic

losses, the cost of relocating its employees and the difference in the cost of water, electricity and steam in excess of the contract, totaling RMB 12,698,453.57. These include various direct economic losses of RMB 10,844,242.00, employee relocation expenses of RMB 732,456.00 and the difference in the cost of utilities in excess of the contracted expenses of RMB 1,121,755.57. As at the reporting date, the people's Court of Liubei District, Liuzhou City, Guangxi Zhuang Autonomous Region has not made a judgment in the first instance.

(3) On July 12th, 2021, the plaintiff Qin Jiawu filed a lawsuit with the Nanning Intermediate People's Court, arguing that the defendant Guangxi Guangtou Energy Group Co., Ltd. (hereinafter referred to as "Guangtou Energy") for the construction of the Guangxi Hongshui River Qiaogong Hydropower Station Hydroelectric Project, which led to the rise of the water level of the river and the misappropriation of the plaintiff's mine, and that there was a causal relationship between the government's order to close the plaintiff's mine and its earlier loss, and requested Guangtou Energy to pay compensation of RMB 31.99 million. As at the reporting date, Nanning Intermediate People's Court had not made a judgment.

(4) As at December 31st, 2021, Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd. was involved in one pending litigation for settlement of the construction price, which was filed by Sinopec Petroleum Engineering & Construction Shengli Corporation against the Company in Beiliu City People's Court (Case No. (2021) G0981 Civil First Instance No. 6200, Trial Judge Deng Shuijin) for payment of RMB 24,569,466.75 for the construction work and overdue interest of RMB 1,788, 930.17, totaling RMB26,358,396.92. Due to the significant amount involved in the case, an external third - party professional institution was required to verify the settlement price of the project. Therefore, the litigation process is long and protracted, and it is not yet possible to determine the actual amount to be paid and compensated by Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd. and the estimated liability has not been recognized for the time being.

(5) Guangxi Yongsheng Petrochemical Co., Ltd. (hereinafter referred to as "Guangxi Yongsheng Company") filed a lawsuit with and was accepted by the Cangzhou Intermediate People's Court in Cangzhou, Hebei Province in relation to a dispute over a sales and purchase contract with Cangzhou Construction Investment Modern Logistics Co., Ltd. (hereinafter referred to as "Cangzhou Logistics Company"). The court made a first-instance judgment after the trial, and Guangxi Yongsheng Company won the lawsuit. Due to dissatisfaction with the judgment of first instance, both Guangxi

Yongsheng and Cangzhou Construction appealed to the Hogh People's Court of Hebei Province against the first instance judgment and were accepted. The court held a hearing and made the second instance judgment, rejecting the appeal and upholding the original judgment. The final judgment came into effect and Guangxi Yongsheng Company applied for enforcement, and the court ruled in September 2020 to end this enforcement procedure as the executee had no property to enforce. During the reporting period, Guangxi Yongsheng Company submitted an application to the People's Court for the bankruptcy liquidation of Cangzhou Logistics Company, which was rejected by the Court, and Guangxi Yongsheng Company has now filed an appeal.

Guangxi Yongsheng Company filed a lawsuit with the Guangxi Qinzhou Intermediate People's Court over a contract dispute with Guangxi Nanning Taixiegan Trading Co., Ltd (hereinafter referred to as "Taixiegan Company") and was accepted. In October 2016, the court held a hearing and made a final judgment in favour of Guangxi Yongsheng Company. In January 2018, Guangxi Yongsheng Company submitted an application for enforcement to the People's Court, but as no enforceable property could be found, Guangxi Yongsheng applied to the court in August 2018 to add the shareholders of one of the executors, Fangchenggang Xinrun Petrochemical Co., Ltd. (hereinafter referred to as "Xinrun Petrochemical") as the subject of enforcement. As the debts had not yet been settled, Guangxi Yongsheng Company applied to the court for the bankruptcy liquidation of Taixiegan Company, and the court ruled that the application was accepted during the reporting period. Xinrun Petrochemical Company has been ruled by the court to be reorganised in bankruptcy and Guangxi Yongsheng Company has declared its claims to the administrator of Xinrun Petrochemical Company.

Guangxi Yongsheng Company sued Maoming Mingyou Trading Co., Ltd. (hereinafter referred to as " Mingyou Trading Company") and the relevant guarantor in a dispute over a sales and purchase contract was adjudicated by the court, and the judgment of first instance was revoked and sent back to People's Court of Maonan District, Maoming City,Guangdong Province for retrial. The court held a hearing in September 2020 and the second hearing via the internet in June 202, ruling in favour of Guangxi Yongsheng Company in July 2021, and the defendant appealed against the retrial of the first instance decision; Guangxi Yongsheng Company sued one of the guarantors, Hong Kong citizen Jian Shaoqiang, requesting the court to order Jian Shaoqiang to be jointly and severally liable for the debt of Mingyou Trading Trading Company to Guangxi Yongsheng Company, and the present action is suspended due to the aforesaid retrial.

Guangxi Yongsheng Company filed a lawsuit with the People's Court of Nanning Xixiangtang in relation to a dispute over the sale and purchase contract with CNOOC Guangxi Energy Co., Ltd. (hereinafter referred to as " CNOOC Guangxi Company"), and the court ruled to dismiss Guangxi Yongsheng Company's lawsuit. Unsatisfied with the above ruling, Guangxi Yongsheng Company has filed an appeal with the Nanning Intermediate People's Court, which ruled that the appeal was rejected and the original decision was upheld. CNOOC Guangxi entered into bankruptcy liquidation proceedings and in September 2020, Guangxi Yongsheng Company filed a claim confirmation suit with the court and was accepted, and the court has ruled to confirm Guangxi Yongsheng Company's claim.

(6) Sichuan Xidian Power Design Co., Ltd.

The case of the guarantee contract dispute between Sichuan Xidian Power Design Co., Ltd. (hereinafter referred to as "Xidian Power Company") and Shanghai Aineng Power Engineering Co., Ltd. (hereinafter referred to as "Shanghai Aineng Company") was adjudicated by the Chengdu Intermediate People's Court of Sichuan Province. After the first trial, Xidian Power Company filed an appeal to the Sichuan High People's Court and was accepted, and the court heard the case and made the second trial judgment in favour of Xidian Power Company. The plaintiff, Shanghai Aineng Company, applied for arbitration with the China International Economic and Trade Arbitration Commission (CIETAC) in January 2020 and sued the court based on the Award, requiring that the guarantor, Xidian Power Company, to bear joint and several guarantee liability. The court hearing was held in March 2022 and the court ruled in favour of Xidian Power Company by dismissing the plaintiff's claim in its entirety.

(7) Guangxi Wuzhou Zhongheng Group Co., Ltd. has won the case against Dhs Pharmaceutical Co., Ltd., Daxinganling Lingonberry Boreal Biotech Co., Ltd. and Yao Dekun in a dispute over equity transfer. The Wuzhou Intermediate People's Court ruled that the defendants, Dhs Pharmaceutical Co., Ltd., Daxinganling Lingonberry Boreal Biotech Co., Ltd. and Yao Dekun, should jointly pay the principal amount of RMB 35,722,532.18 and interest to Zhongheng Group (Interest calculation: based on RMB 35,722,532.18, calculated at 6% per annum from January 30th 2017 until the date of full settlement), the defendant Dhs Pharmaceutical Co., Ltd., Daxinganling Lingonberry Boreal Biotech Co., Ltd. and Yao Dekun shall jointly pay the plaintiff Guangxi Wuzhou Zhongheng Group Co., Ltd. RMB 440,000.00 in legal fees.

Guangxi Wuzhou Zhongheng Group Co., Ltd. filed an application for compulsory enforcement with the Wuzhou Intermediate People's Court, on October 16th, 2018 the Wuzhou Intermediate People's Court accepted the execution application and commenced the evaluation and auction procedures for the assets of the other party seized in the previous period. On January 17th, 2019, the executee, Dhs Pharmaceutical Company, applied to the Wuzhou Intermediate People's Court to suspend the execution of the case on the grounds that the formation process of the debt in dispute was suspected to be a criminal offence, as identified by the Wuzhou Intermediate People's Court, the Qiqihar Public Security Bureau decided to open an investigation into the case of Xu Shuqing's personal suspicion of misappropriation of funds on December 17th, 2018. On March 1st, 2019, the Wuzhou Intermediate People's Court issued an enforcement ruling on the case, ruling that the execution of the case was suspended on the grounds that the Qiqihar Public Security Bureau had opened a criminal investigation into the facts involved in the case and that the facts confirmed in the case would directly affect the nature, validity and liability of the case. As at the date of approval of this financial report, the execution of the criminal case of Xu Shuqing's alleged misappropriation of funds by the Qiqihar Public Security Bureau has not been investigated and is suspended.

(8) Pending litigation between Chongqing Lummy Pharmaceutical Co., Ltd. (hereinafter referred to as "Lummy Pharmaceutical") and Changchun Haiyue Pharmaceutical Co., Ltd. (hereinafter referred to as "Changchun Haiyue")

1）Pending appeals in the second trial between the Company and Changchun Haiyue

Lummy Pharmaceutical's wholly-owned subsidiary Lummy Pharmaceuticals and Changchun Haiyue entered into “the Tadalafil Tablets China License Agreement” (hereinafter referred to as "License Agreement"). In the course of performing the agreement, a major dispute arose between Lummy Pharmaceuticals and Changchun Haiyue regarding the exclusive sales agency right. In order to safeguard its legitimate rights and interests, Lummy Pharmaceutical filed a lawsuit with the Changchun Intermediate People's Court in relation to the agreement dispute, and the Changchun Intermediate People's Court issued a notice of acceptance of the case on May 7th, 2020. In June 2020, Changchun Haiyue had filed a counter-claim with the Changchun Intermediate People's Court in relation to the agreement dispute case in which Lummy Pharmaceutical had originally filed a lawsuit. on September 4th, 2020, Lummy Pharmaceuticals applied to the court to increase its claim.

After a trial by the Changchun Intermediate People's Court of Jilin Province, a "Civil Judgment" No. (2020) J01 Civil First Instance No.491 was issued on September 30th, 2021, which ruled as follows:

① Dissolution of "the Tadalafil Tablets China License Agreement" between the Plaintiff (Counterclaim Defendant) Lummy Pharmaceuticals and the Defendant (Counterclaim Plaintiff) Changchun Haiyue;

② The defendant (Counterclaim plaintiff) Changchun Haiyue returned to the plaintiff (Counterclaim defendant) 37.5 million for the transfer of the sales rights of Lummy Pharmaceuticals;

③ The plaintiff (Counterclaim defendant), Lummy Pharmaceuticals to compensate the defendant (Counterclaim plaintiff), Changchun Haiyue for damages of RMB 37.5 million for loss of interest available;

④ The dismissal of the other claims of the plaintiff (Counterclaim defendant), Lummy Pharmaceuticals;

⑤ The other counterclaims of the defendant (plaintiff in the counterclaim), Changchun Haiyue, are dismissed.

The costs of the case were RMB 291,800.00 and RMB 5,000.00 for preservation, which were borne by the plaintiff (Counterclaim defendant) Lummy Pharmaceuticals; RMB 411,110.50 for the counter-suit (RMB 822,221.00 was actually paid in advance), RMB 5,000.00 for preservation and RMB 50,000.00 for appraisal, which were borne by the defendant (Counterclaim plaintiff) Changchun Haiyue and returned to RMB 411,110.50 for the case acceptance fee of the defendant (Counterclaim plaintiff) Changchun Haiyue.

Both Lummy Pharmaceutical and Changchun Haiyue appealed to the Jilin Provincial High People's Court on November 15th, 2021 and November 1st, 2021 respectively as they were not satisfied with the first instance judgement, including:

① Lummy Pharmaceutical's claim: the third item of the civil judgment No. (2020) J01 Civil First Instance No. 491 made by the Changchun Intermediate People's Court be reversed in accordance with the law, and the appellant be ordered not to return RMB 37,500,000.00 for the loss of available benefits in accordance with the law; the costs of the first and second trial and the costs of preservation be borne by the appellee.

② Changchun Haiyue's claim: the second item of the civil judgment No. (2020) J01 Civil First Instance No. 491 made by the Changchun Intermediate People's Court is reversed in accordance with the law, and the appellant is ordered not to return RMB 37,500,000.00 for the transfer of the sale right in accordance with the law.

As at the date of the report, the second trial of the case had not yet been formally heard due to the epidemic and the judgment result of the second trial is still uncertain. However, based on the principle of prudence, the Zhongheng Group has provisionally recognized a net loss of RMB 35,377,357.50 in full based on the judgment result of the first trial.

2） New pending appeals filed by Changchun Haiyue

Changchun Haiyue filed an appeal with the Changchun New Area People's Court in January 2022, requesting the People's Court to order Lummy Pharmaceutical and Lummy Pharmaceuticals to pay Changchun Haiyue the sales amount of RMB51,457,500.00 for the sale of the grant.

In February 2022, Lummy Pharmaceutical received (2022) J0193 Civil First Instance No. 85 “Civil Ruling”, “Civil Complaint” and other legal documents from Changchun New Area People's Court, in which Lummy Pharmaceutical's bank deposits deposited with Hua Xia Bank Co., Ltd. at Chongqing Liangjiang Jinkai Branch were frozen at RMB 51,457,500.00 as a result of the “Civil Ruling”. As at the date of this report, the trial of the case has not yet commenced. The bank deposits of Lummy Pharmaceutical in Chongqing Liangjiang Jinkai Branch of Hua Xia Bank Co., Ltd. was frozen at RMB 51457500.00 due to the “Civil Ruling”. As at the date of this report, the trial of the case has not yet commenced.

Lummy Pharmaceutical believes that the dispute involved in this case is a dispute between Changchun Haiyue and Lummy Pharmaceuticals over the Purchase and Sale Contract entered into in the course of the performance of the “Tadalafil Tablets China License Agreement”, the subject of the contract is Haiyue Pharmaceutical and Lummy Pharmaceuticals, and Lummy Pharmaceutical is not a counterparty to the contract; and all transactions conducted by Lummy Pharmaceuticals are genuine transactions with commercial substance and there are no irregularities in sales. Therefore, the Company believes that there is no contingent loss for the Company.

(9) Guohai Securities Co., Ltd. is involved in part of the litigation case as a defendant. As at the date of this report, the Company has conducted a prudent analysis of the litigation case in accordance with the requirements of the Accounting Standards for Business Enterprises, and in

conjunction with relevant litigation documents and lawyers' opinions and other information, and has estimated the expected probable loss on the basis of the best estimate and recognized a projected liability of RMB 30.2478 million.2.Contingent liabilities arising from other matters of the Group as at December 31st, 2021

As at December 31st, 2021, the following assets were pledged and guaranteed by the Guangxi Wuzhou Zhongheng Group Co., Ltd. to obtain bank borrowings and bank guarantee commitments:

Commitment entity	Committed entity	Commitment of pledged or guaranteed assets		Closing deposit	Commitment matters
		Asset content	carrying value		
Lai Mei Pharmaceutical	Nanan Sub-branch, ICBC	Lummy Pharmaceutical 2 patents	N/A	4,236,925.00	Pledge guarantee for the Company's loan of RMB 80 million with the Bank and guarantee for the payment of technology transfer fee of EUR 500,000 for Chengdu Golden Star
Hunan Kangyuan	Everbright Bank Chongqing Branch	Hunan Kanyuan Liuyang Plant and Land	27,127,864.38	——	Pledge guarantee for the Lummy Pharmaceutical's line of credit of RMB 12,000.00 million with the Bank

3. Apart from the existence of the above contingencies, the Group has no other material contingent events as at December 31st, 2021.

X.Events after the statement of financial position

1.Guangxi Wuzhou Zhongheng Group Co., Ltd.

（1） Explanation of after statement of financial position

1) Statement of Litigation Matters of Dhs Pharmaceutical Co., Ltd.

In January 2019, the company received a notice of appeal from the Qiqihar Intermediate People's Court of Heilongjiang Province [(2019) H02 Civil First Instance 17]. Dhs Pharmaceutical Co., Ltd. (hereinafter referred to as " Dhs Pharmaceutical") filed a lawsuit against Qiqihar Zhongheng Group Co., Ltd. (the company is a wholly-owned subsidiary of the former major shareholder Guangxi Zhongheng Industry Co., Ltd., which is not related to the listed company Zhongheng Group) and Zhongheng Group as a defendant to the Qiqihar People's Intermediate Court of Heilongjiang Province for a dispute over construction project construction contract. Dhs Pharmaceutical requested that the defendant be ordered to pay RMB 63,802,835.00 for the construction and equipment. The Qiqihar Intermediate People's Court of Heilongjiang Province held hearings on August 6th 2019 and October 31st 2019 respectively, and on January 6th 2020, the Company received the *Civil Judgment* [(2019)

H02 Civil First Instance No. 17], in which the People's Court ruled as follows:

①The defendant Qiqihar Wuzhou Zhongheng Co., Ltd. shall pay the plaintiff Dhs Pharmaceutical Co., Ltd. compensation of RMB 19,607,837.55 within ten days after the entry into force of this judgment, and return project payment of RMB 4,883,313.35 to the plaintiff Dhs Pharmaceutical Co., Ltd.;

② The defendant Guangxi Wuzhou Zhongheng Group Co., Ltd. is jointly and severally liable for the above obligations of the defendant Qiqihar Wuzhou Zhongheng Co., Ltd.;

③The other claims of the plaintiff, Dhs Pharmaceutical Co., Ltd. are dismissed.

Upon receipt of the above judgment, the Company has filed an appeal to the Qiqihar Intermediate People's Court on January 15th, 2020.

On October 28th, 2020, the High People's Court of Heilongjiang Province held a hearing on the case. Subsequently, Zhongheng Group received a civil ruling of the second instance in this case, ruling that the original verdict was reversed and remanded for retrial.

The Qiqihar Intermediate Court formed a separate panel, applied ordinary procedures in accordance with the law and held the trial in open session. On September 16th 2021, the Company received the *Civil Mediation Letter* No. (2021) H02 Civil First Instance No. 82 from Qiqihar Intermediate Court, during the trial of the case, through mediation conducted by Qiqihar Intermediate Court, the parties voluntarily reached the following agreement: Qiqihar Zhongheng Group Co., Ltd. to pay RMB 4,000,000.00 to Dhs Pharmaceutical Co., Ltd. within seven working days and RMB 8,000,000.00 to Dhs Pharmaceutical Co., Ltd. for non-compliance with the applicable penalties within seven working days (except for reasons attributable to Dhs Pharmaceutical Co., Ltd.); Guangxi Wuzhou Zhongheng Group Co., Ltd. is not liable in this case; Qiqihar Zhongheng Group Co., Ltd. and Dhs Pharmaceutical Co., Ltd. have no further economic disputes and will not pursue legal responsibility for each other. The litigation costs of RMB 82,127.88 shall be borne by Qiqihar Zhongheng Group Co., Ltd. and shall be paid to Dhs Pharmaceutical Co., Ltd.

The above agreement, which does not violate the relevant legal provisions, is confirmed by the Qiqihar Intermediate Court. This mediation shall have legal effect upon signature by the parties.

Litigation matters between the Company and Changchun Haiyue Pharmaceutical Co.Ltd.

2) For details, see "X. 1. New pending appeals filed by Changchun Haiyue" in this report.

Apart from the above after-balance sheet events, the Group has no other significant after-balance sheet events.

XI. Others

None.

XII. Related parties and related party transactions

1. Related party relationships

(1) Controlling shareholders and ultimate controlling party

Name of Controlling shareholders and ultimate controlling party	Place of incorporation	Nature of business	Registered capital	Shareholding ratio of the parent company in the Company (%)	Voting ratio of the parent company in the Company (%)
State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region	Guangxi, Nanning	Government departments	——	100.00	100.00

(2) Subsidiaries

See Note VII. Business Combinations and Consolidated Financial Statements Disclosures in this note for further details.

(3) Joint ventures and associates

Information on the Group's joint ventures and associates is detailed in the relevant information disclosed in note VIII. 24. to this note on long-term equity investments.

(4) Other related parties

Name of other related parties	Relationship with the Company
Wuzhou Export-oriented Industrial Park Development Co., Ltd.	Associated company subsidiaries
Chongqing Tungsten Stone Equity Investment Fund Management Center (limited Partnership)	Associated company subsidiaries
Hunan Mio Medical Technology Co., Ltd.	Associated company subsidiaries
Hunan Huipan Medical Technology Co., Ltd.	Associated company subsidiaries
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	Associated company subsidiaries
Hunan Xinkangyu Consulting Service Co., Ltd.	Associated company subsidiaries
Tibet Jian'an Pharmaceutical Chain Co., Ltd.	Associated company subsidiaries
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	Associated company subsidiaries
Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	Associated company subsidiaries
Guangxi Hezhou Power Supply Co., Ltd.	Associated company subsidiaries
Guangxi Laibin Guangtou New Materials Co., Ltd.	Associated company subsidiaries
Guangxi Digital Economy Ecological Industry Co., Ltd.	Associated company subsidiaries
Guangxi Baise Yinhai Power Supply Co., Ltd.	Associated company subsidiaries
Guangxi Guangtou New Materials Group Co., Ltd.	Associated company subsidiaries

Name of other related parties	Relationship with the Company
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Associated company subsidiaries
Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	Associated company subsidiaries
Guizhou Xinyi Power Development Co., Ltd.	Associated company subsidiaries
Guangxi Fangchenggang Nuclear Power Co., Ltd.	Associated company subsidiaries
Datang Yantan Hydropower Generation Co., Ltd.	Associated company subsidiaries
Guangxi Huasheng New Materials Co., Ltd.	Associated company subsidiaries
Guangxi Guimao Electric Power Co., Ltd.	Associated company subsidiaries
Guangxi Baise Yinhai Power Supply Co., Ltd.	Associated company subsidiaries
Crowe Life Insurance Co., Ltd.	Associated company subsidiaries
Guangxi Chaochao New Material Co., Ltd.	Associated company subsidiaries
Guangxi Jicon Electronics Technology Co., Ltd.	Associated company subsidiaries
Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	Associated company subsidiaries
Wuzhou Digital Technology Industry Group Co., Ltd.	Associated company subsidiaries
Yunbaobao Big Data Industry Development Co., Ltd.	Associated company subsidiaries
Guangxi Gradient Technology Co., Ltd.	Associated company subsidiaries
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	Associated company subsidiaries
Guangxi Talent Cloud IT Co., Ltd.	Associated company subsidiaries
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	Associated company subsidiaries
Guangxi Digital Certification Co., Ltd.	Associated company subsidiaries
Guangxi Digital Guangrun Technology Co., Ltd.	Associated company subsidiaries
Guangxi Shuguang Maiyue Technology Co., Ltd.	Associated company subsidiaries
Guangxi Shuguang Baode Information Technology Co., Ltd.	Associated company subsidiaries
CT-UNITE	Associated company subsidiaries
Guangxi Minshang Stone Industry Development Co., Ltd.	Associated company subsidiaries
Guangxi Hezhou Shengli Electric Power Co., Ltd.	Associated company subsidiaries
Guangxi Guofu Innovation Equity Investment Fund Managemen Co., Ltd.	Associated company subsidiaries
Changsha Gradient Information Technology Co., Ltd.	Associated company subsidiaries
Tianshengqiao Grade I Hydropower Development Co., Ltd.	Associated company subsidiaries
Fujian Wuyi Automobile Manufacturing Co., Ltd.	Associated company subsidiaries
Puyang Hengrun Investment Management Co., Ltd.	Associated company subsidiaries
Associates of Guohai Securities Co., Ltd.	Associated company subsidiaries
Joint ventures of Guohai Securities Co., Ltd.	Joint venture subsidiaries
Guangxi Construction Industrialization Co., Ltd.	Significant participations in companies
Guangxi Zhengrun New Material Technology Co., Ltd.	Significant participations in companies
Guangxi Southern Aluminium Processing Co., Ltd.	Significant participations in companies
Jointown Pharmaceutical Group Co., Ltd.	Important upstream and downstream companies
Nanning Zhongran City Gas Development Co., Ltd.	Important upstream and downstream companies
Guangxi Power Grid Co., Ltd.	Important upstream and downstream companies

Name of other related parties	Relationship with the Company
China Datang Group Co., Ltd.	Controlling shareholders of significant participating companies
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	Companies in which the supervisors of Guohai Securities Co., Ltd. are senior managers
Guangxi Honggui Asset Operation (Group) Co., Ltd.	A director of Guohai Securities Co., Ltd. who has been out of office for less than 12 months as a senior manager of the company
Guangxi Rong Gui Logistics Group Co., Ltd.	Shareholders holding more than 5% of the shares
Sichuan Power Transmission and Transformation Construction Co., Ltd.	Subsidiaries of minority shareholders of subsidiaries

2. Related party transactions

(1) Related party transactions to purchase and sell commodities, and provide and accept labor services

1)Statement of purchases of goods/acceptance of services

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount		Prior year amount	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	Procurement of promotional services	Market price	0.00	0.00	900,000.00	0.00
Hunan Xinkangyu Consulting Service Co., Ltd.	Procurement of promotional services	Market price	0.00	0.00	888,779.88	0.00
Crowe Life Insurance Co., Ltd.	Insurance services	Market price	40,879.44	0.02	0.00	0.00
Guangxi Gradient Technology Co., Ltd.	Equipment purchase	Market price	18,189,724.42	5.43	0.00	0.00
Guangxi Shuguang Baode Information Technology Co., Ltd.	Equipment purchase	Market price	299,850,958.23	89.59	0.00	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	Equipment purchase	Market price	7,328,790.11	2.19	0.00	0.00
Guangxi Digital Guoxin Security Technology Service Co., Ltd.	Equipment purchase	Market price	1,925,755.52	0.58	0.00	0.00

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Current year amount		Prior year amount	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
CT-UNITE	Equipment purchase	Market price	4,602,119.31	1.37	0.00	0.00
Yunbaobao Big Data Industry Development Co., Ltd.	Equipment purchase	Market price	2,804,855.32	0.84	0.00	0.00
Guangxi Minshang Stone Industry Development Co., Ltd.	Procurement of roadside stones	Market price	0.00	0.00	2,300,884.96	100.00
Guangxi Hezhou Shengli Electric Power Co., Ltd.	Procurement of electricity, related transactions	Market price	0.00	0.00	11,411,199.73	0.17

2) Statement of sale of goods/provision of services

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Closing balance		Opening balance	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
Hunan Huipan Medical Technology Co., Ltd.	Sale of goods	Market price	1,695,951.29	6.65	3,716,952.20	0.00
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	Sale of goods	Market price	2,600,000.00	10.19	4,706.42	0.00
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	Fee income from securities economic operations	Market price	21,036.78	0.00	38,567.00	0.00
Guangxi Rong Gui Logistics Group Co., Ltd.	Fee income from securities economic operations	Market price	6,716.04	0.00	165,032.94	0.00
Guangxi Guohai Yuchai Jintou Venture Capital Partnership (Limited Partnership)	Fee income from securities economic operations	Market price	43,807.80	0.00	0.00	0.00

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Closing balance		Opening balance	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
Guangxi Southern Aluminium Processing Co., Ltd.	Fee income from futures brokerage operations	Market price	4.34	0.00	43.19	0.00
Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	Fee income from futures brokerage operations	Market price	47.97	0.00	0.00	0.00
Guangxi Honggui Asset Operation (Group) Co., Ltd.	Financial advisory income	Market price	188,679.25	0.01	0.00	0.00
Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	Income from underwriting operations	Market price	0.00	0.00	2,241,509.43	0.09
Jointown Pharmaceutical Group Co., Ltd.	Investment income	Market price	177,728.00	0.00	0.00	0.00
Joint ventures of Guohai Securities Co., Ltd.	Fee income from fund management operations	Market price	621,064.86	0.02	0.00	0.00
Associates of Guohai Securities Co., Ltd.	Fee income from fund management operations	Market price	10,564,981.05	0.35	3,709,043.85	0.15
Guangxi Baise Yinhai Power Supply Co., Ltd.	Interest income	Market price	0.00	0.00	3,446,622.44	0.02
Guangxi Guangtou New Materials Group Co., Ltd.	Interest income	Market price	7,399,879.46	0.04	181,603.77	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	Interest income	Market price	7,947,169.84	0.04	0.00	0.00
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Other services and labour	Market price	188.68	0.00	0.00	0.00
Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	Other services and labour	Market price	566.04	0.00	0.00	0.00
Guangxi Laibin Guangtou New Materials Co., Ltd.	Other services and labour	Market price	188.68	0.00	0.00	0.00
Crowe Life Insurance Co., Ltd. Guangxi Branch	Insurance premiums	Market price	204,256.93	0.00	0.00	0.00

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Closing balance		Opening balance	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
Guangxi Zhengrun New Material Technology Co., Ltd.	Sale of goods	Market price	0.00	0.00	18,198,093.24	0.79
Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	Sale of goods	Market price	0.00	0.00	819,360.46	0.04
Guangxi Jicon Electronics Technology Co., Ltd.	Sale of goods	Market price	0.00	0.00	1,578,767.93	0.07
Guangxi Chaochao New Material Co., Ltd.	Sale of goods	Market price	0.00	0.00	170,584.49	0.01
Guangxi Guangtou New Materials Group Co., Ltd.	Magnesium ingots	Market price	0.00	0.00	7,285,991.14	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	Aluminium ingots	Market price	0.00	0.00	118,392,594.18	0.00
Guangxi Gradient Technology Co., Ltd.	Information data and services	Market price	1,924,380.52	0.08	0.00	0.00
Guangxi Digital Economy Ecological Industry Co., Ltd.	Information data and services	Market price	24,533,139.88	0.97	0.00	0.00
Wuzhou Digital Technology Industry Group Co., Ltd.	Information data and services	Market price	8,582,783.05	0.34	0.00	0.00
Guangxi Shuguang Maiyue Technology Co., Ltd.	Information data and services	Market price	425,089.81	0.02	0.00	0.00
Guangxi Shuguang Rihai IOT Technology Co., Ltd.	Information data and services	Market price	442,477.88	0.02	0.00	0.00
Yunbaobao Big Data Industry Development Co., Ltd.	Information data and services	Market price	395,057.61	0.02	0.00	0.00
Guangxi Talent Cloud IT Co., Ltd.	Information data and services	Market price	113,207.54	0.00	0.00	0.00
Guangxi Southern Aluminium Processing Co., Ltd.	Information data and services	Market price	30,674,825.52	1.21	1,822,903.81	0.02

Related parties	Content of related party transaction	Pricing policy and decision-making procedures	Closing balance		Opening balance	
			Amount	As a proportion of the value of similar transactions (%)	Amount	As a proportion of the value of similar transactions (%)
Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	Information data and services	Market price	505,660.38	0.02	0.00	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	Information data and services	Market price	14,373,423.77	0.57	0.00	0.00
Guangxi Guofu Innovation Equity Investment Fund Managemen Co., Ltd.	Rental	Market price	0.00	0.00	634,009.10	0.54
Changsha Gradient Information Technology Co., Ltd.	Meals	Market price	0.00	0.00	3,679.24	0.65
Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	Selling of electricity	Market price	0.00	0.00	158,350,354.84	6.85
Sichuan Power Transmission and Transformation Construction Co., Ltd.	Electricity design	Market price	0.00	0.00	4,415,094.34	4.54
Puyang Hengrun Investment Management Co., Ltd.	Sale of oil products	Market price	0.00	0.00	42,419,206.83	1.83

(2) Related party funds borrowing and lending

Name of related party	Amount	Start date	Expiry date	Note
Lending:				
Guangxi Laibin Guangtou New Materials Co., Ltd.	150,000,000.00	2021-12-21	2024-12-21	Operating borrowings
Guangxi Digital Economy Ecological Industry Co., Ltd.	300,000,000.00	2021-4-22	2041-4-22	Special government bond funding

(3) Related leases

The Group as lessor

Name of the lessee	Types of leased assets	Lease income recognised during the period	Lease income recognised in the prior period
Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	House buildings	74,285.72	43,333.34
Hunan Mio Medical Technology Co., Ltd.	House buildings	17,375.53	207,600.00

(4) Related party guarantees

Guarantor	Secured party	Guarantee amount	Guarantee commencement date	Guarantee due date	Has the guarantee been fulfilled completely
Guangxi Investment Group Co., Ltd.	Tianshengqiao Grade I Hydropower Development Co., Ltd.	69,381,000.00	1993	2025	No
Guangxi Investment Group Co., Ltd.	China Datang Group Co., Ltd.	179,769,000.00	2012-10-1	2022-10-1	No
Guangxi Investment Group Co., Ltd.	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	1,969,356,400.00	2012-10-31	2024-12-29	No
Guangxi Investment Group Co., Ltd.	Guangxi Guangtou New Materials Group Co., Ltd.	345,000,000.00	2021-3-31	2027-3-11	No
Guangxi Investment Group Co., Ltd.	Guangxi Southern Aluminium Processing Co., Ltd.	2,395,000,000.00	2020-8-27	2026-11-17	No
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	322,360,000.00	2012-10-31	2024-8-30	No
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Guangxi Southern Aluminium Processing Co., Ltd.	1,874,924,700.00	2019-10-31	2026-3-13	No
Digital Guangxi Group Co., Ltd.	Guangxi Digital Economy Ecological Industry Co., Ltd.	27,450,000.00	2021-8-26	2022-10-9	No
Digital Guangxi Group Co., Ltd.	Guangxi Shuguang Baode Information Technology Co., Ltd.	16,170,000.00	2021-8-18	2022-8-18	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	59,000,000.00	2021-3-10	2022-3-10	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Zhengrun New Material Technology Co., Ltd.	68,100,000.00	2020-10-30	2024-5-27	No
Guangxi ZR Development Group Co., Ltd.	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	197,528,800.00	2020-10-13	2023-10-5	No
Guangxi Guidong Electric Power Co., Ltd.	Guangxi Construction Industrialization Co., Ltd.	27,800,000.00	2019-10-8	2029-10-7	No

(5) Co-investment with shareholders

Co-investor	Relationships	Name of the investee fund	Main operations of the investee fund
Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	Companies in which the supervisors of Guohai Securities Co., Ltd. are senior managers	Zhuzhou Guohai Guochuang Qianjin Pharmaceutical Venture Capital Partnership (L.P.)	Engaged in venture capital, unlisted equity investments and related advisory services

(Continued)

Paid - up amount of the investee funds	Total assets of the investee fund	Net assets of the investee fund	Net profits of the investee fund
37,700.00	37,790.48	37,787.53	87.53

3. Balances of related party transactions

(1) Items receivable

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Hunan Huipan Medical Technology Co., Ltd.	20,400.00	0.00	20,400.00	0.00
Accounts receivable	Joint ventures of Guohai Securities Co., Ltd.	17,232.88	0.00	0.00	0.00
Accounts receivable	Associates of Guohai Securities Co., Ltd.	1,910,031.34	0.00	303,082.20	0.00
Accounts receivable	Guangxi Zhengrun New Material Technology Co., Ltd.	0.00	0.00	24,111,214.34	0.00
Accounts receivable	Guangxi Chaochao New Material Co., Ltd.	0.00	0.00	3,223,020.63	0.00
Accounts receivable	Guangxi Jicon Electronics Technology Co., Ltd.	0.00	0.00	728,666.91	0.00
Accounts receivable	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	0.00	0.00	169,200.50	0.00
Accounts receivable	Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	0.00	0.00	7,531,655.45	0.00
Accounts receivable	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	0.00	0.00	315,240,298.47	0.00
Accounts receivable	Guangxi Laibin Guangtou New Materials Co., Ltd.	0.00	0.00	41,837,476.56	0.00
Accounts receivable	Guangxi Digital Economy Ecological Industry Co., Ltd.	3,491,275.26	0.00	0.00	0.00
Accounts receivable	Wuzhou Digital Technology Industry Group Co., Ltd.	16,211,780.45	0.00	0.00	0.00
Accounts receivable	Guangxi Gradient Technology Co., Ltd.	1,716,750.00	0.00	0.00	0.00
Accounts receivable	Guangxi Digital Economy Ecological Industry Co., Ltd.	2,869,387.75	0.00	0.00	0.00
Accounts receivable	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	500,000.00	0.00	3,936,323.00	0.00
Accounts receivable	Guangxi Southern Aluminium Processing Co., Ltd.	668,715.04	0.00	945,000.00	0.00
Accounts receivable	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	143,396.23	0.00	0.00	0.00
Accounts receivable	Wuzhou Digital Technology Industry Group Co., Ltd.	4,706,548.98	0.00	0.00	0.00
Accounts receivable	Guangxi Guangtou New Materials Group Co., Ltd.	936,573.16	0.00	0.00	0.00

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	0.00	0.00	101,756,381.74	0.00
Accounts receivable	Sichuan Power Transmission and Transformation Construction Co., Ltd.	0.00	0.00	4,195,000.00	0.00
Accounts receivable	Guangxi GIG Asset Management Co., Ltd.	0.00	0.00	430,000,000.00	10,757,828.85
Notes receivable	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	0.00	0.00	10,000,000.00	0.00
Other receivables	Tibet Jian'an Pharmaceutical Chain Co., Ltd.	0.00	0.00	450,000.00	0.00
Other receivables	Chongqing Tungsten Stone Equity Investment Fund Management Center (limited Partnership)	0.00	0.00	80,000.00	0.00
Other receivables	Nanning Zhongran City Gas Development Co., Ltd.	8,000.00	0.00	8,000.00	0.00
Other receivables	Associates of Guohai Securities Co., Ltd.	2,263,888.51	0.00	2,263,888.51	0.00
Other receivables	Guizhou Xinyi Power Development Co., Ltd.	38,276.83	0.00	38,276.83	0.00
Other receivables	Crowe Life Insurance Co., Ltd. Guangxi Branch	0.00	0.00	23,600.00	0.00
Other receivables	Guangxi Fangchenggang Nuclear Power Co., Ltd.	17,127.60	0.00	17,127.60	0.00
Other receivables	Datang Yantan Hydropower Generation Co., Ltd.	3,131.48	0.00	3,131.48	0.00
Other receivables	Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	2,880.00	0.00	2,880.00	0.00
Other receivables	Guangxi Guangtou New Materials Group Co., Ltd.	4,747.36	0.00	0.00	0.00
Other receivables	Guangxi Huasheng New Materials Co., Ltd.	862.15	0.00	0.00	0.00
Other receivables	Shang Yongjun	0.00	0.00	27,800,000.00	0.00
Other receivables	Guangxi Water Conservancy and Electric Power Group Co., Ltd.	0.00	0.00	3,451,069.08	0.00
Other receivables	Chongqing Tongyuan Energy Technology Co., Ltd.	0.00	0.00	190,869.92	0.00
Other receivables	Guangxi Zhengrun New Material Technology Co., Ltd.	0.00	0.00	1,035,450,301.33	0.00
Other receivables	Guangxi Zhengrun Sunlight High Purity Aluminium Technology Co., Ltd.	0.00	0.00	40,167,858.40	0.00
Other receivables	Guangxi Jicon Electronics Technology Co., Ltd.	0.00	0.00	24,275,926.26	0.00
Other receivables	Guangxi Laibin Guangyin Sanying Aluminum Co., Ltd.	0.00	0.00	43,983,820.01	0.00
Other receivables	Wuzhou Digital Technology Industry Group Co., Ltd.	349,790.00	0.00	0.00	0.00
Other receivables	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	25,000.00	0.00	0.00	0.00
Other receivables	Guangxi Hezhou Guidong Electronic Technology Co., Ltd.	0.00	0.00	617,374.00	0.00
Other receivables	Guangxi Southern Aluminium Processing Co., Ltd.	0.00	0.00	459,000,000.00	0.00
Dividend receivable	Guangxi Guimao Electric Power Co., Ltd.	360,000.00	0.00	604,457.31	0.00
Interest receivable	Guangxi Baise Yinhai Power Supply Co., Ltd.	35,850,832.08	0.00	680,166.65	0.00
Interest receivable	Guangxi Digital Economy Ecological Industry Co., Ltd.	2,045,333.34	0.00	0.00	0.00
Prepayments	Guangxi Digital Guangrun Technology Co., Ltd.	16,007,218.55	0.00	0.00	0.00

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Prepayments	Guangxi Digital Certification Co., Ltd.	3,171,575.21	0.00	0.00	0.00
Prepayments	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	2,106,049.96	0.00	0.00	0.00
Prepayments	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	896,359.91	0.00	0.00	0.00
Prepayments	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	70,000.00	0.00	0.00	0.00
Prepayments	Guangxi Minshang Stone Industry Development Co., Ltd.	0.00	0.00	2,600,000.00	0.00
Prepayments	Sichuan Power Transmission and Transformation Construction Co., Ltd.	0.00	0.00	2,071,935.43	0.00

(2) Items payable

Item	Related party	Closing balance	Opening balance
Accounts payable	Wuzhou Digital Technology Industry Group Co., Ltd.	1,877,577.00	0.00
Accounts payable	Yunbaobao Big Data Industry Development Co., Ltd.	12,305,116.50	0.00
Accounts payable	Guangxi Gradient Technology Co., Ltd.	4,683,692.49	0.00
Accounts payable	Guangxi Shuguang Rihai IOT Technology Co., Ltd.	4,206,425.58	0.00
Accounts payable	Guangxi Talent Cloud IT Co., Ltd.	401,924.63	0.00
Accounts payable	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	577,264.39	0.00
Receipts in advance	Guangxi Southern Aluminium Processing Co., Ltd.	0.00	7,257,798.55
Receipts in advance	Guangxi Guangtou New Materials Group Co., Ltd.	0.00	286,833.39
Receipts in advance	Guangxi Liuzhou Yinhai Aluminium Industry Co., Ltd.	0.00	891,228.17
Receipts in advance	Guangxi Guofu Innovation Equity Investment Fund Managemen Co., Ltd.	0.00	143,572.50
Contract liabilities	Joint ventures of Guohai Securities Co., Ltd.	2,069,718.20	0.00
Contract liabilities	Associates of Guohai Securities Co., Ltd.	2,347,190.01	937,972.60
Other payables	Wuzhou Export-oriented Industrial Park Development Co., Ltd.	17,710.69	17,710.69
Other payables	Hunan Xinkangyu Consulting Service Co., Ltd.	0.00	166,492.77
Other payables	Chongqing Lummy Shanghe Pharmaceutical Technology Co., Ltd.	400,000.00	0.00
Other payables	Crowe Life Insurance Co., Ltd.	1,329.78	1,329.78
Other payables	Guangxi Chaochao New Material Co., Ltd.	0.00	100,555.10
Other payables	Guangxi Gradient Technology Co., Ltd.	1,297,004.43	0.00
Other payables	Guangxi Digital Guoxin Security Technology Service Co., Ltd.	77,800.00	37,110.00
Other payables	Guangxi Digital Certification Co., Ltd.	306,944.00	0.00
Other payables	Sichuan Power Transmission and Transformation Construction Co., Ltd.	0.00	6,775,080.75
Other payables	Fujian Wuyi Automobile Manufacturing Co., Ltd.	0.00	9,549,900.37
Other payables	Guangxi Hezhou Shengli Electric Power Co., Ltd.	0.00	8,520,440.94
Other payables	Guangxi Guofu Innovation Equity Investment Fund Managemen Co., Ltd.	0.00	143,572.50

(3) Other items

Items	Related party	Closing balance	Opening balance
Held-for-trading financial assets	Qiu Yu	416,644,888.97	0.00
Held-for-trading financial assets	Jointown Pharmaceutical Group Co., Ltd.	0.00	13,108,554.15
Agency securities trading	Guangxi Power Grid Co., Ltd.	362.06	360.77
Agency securities trading	Guangxi Rong Gui Logistics Group Co., Ltd.	3,852.84	3,107.18
Agency securities trading	Zhuzhou City State-Owned Assets Investment Holding Group Co., Ltd.	4,497,440.55	3,092,913.63
	Guangxi Hezhou Power Supply Co., Ltd.	156,485.18	0.00

XIII. Notes to the parent company's principal financial statement items

1. Accounts receivable

(1) Disclosure of accounts receivable by method of provision for bad debts

Type	Closing balance					Opening balance				
	Book balance		Provision for bad debts		carrying value	Book balance		Provision for bad debts		carrying value
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)		Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Accounts receivable with provision for bad debts based on a combination of credit risk characteristics	46,941,976.51	100.00	5,605,609.55	11.94	41,336,366.96	47,964,293.63	100.00	5,567,996.20	11.61	42,396,297.43
Including: normal risk portfolio	6,404,558.79	13.64	5,605,609.55	87.53	798,949.24	6,404,558.79	13.35	5,567,996.20	86.94	836,562.59
Low risk portfolio	40,537,417.72	86.36	0.00	0.00	40,537,417.72	41,559,734.84	86.65	0.00	0.00	41,559,734.84
Total	**46,941,976.51**	**100.00**	**5,605,609.55**	**11.94**	**41,336,366.96**	**47,964,293.63**	**100.00**	**5,567,996.20**	**11.61**	**42,396,297.43**

Disclosure of other accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	3,201,351.97	1,478,549.28
1-2 years	1,247,975.92	5,347,249.27
2-3 years	2,423,790.33	0.00
3-4 years	0.00	1,492,205.14
4-5 years	1,468,205.14	2,269,997.44
Above 5 years	38,600,653.15	37,376,292.50
Subtotal	**46,941,976.51**	**47,964,293.63**
Less: provision for bad debts	5,605,609.55	5,567,996.20
Total	**41,336,366.96**	**42,396,297.43**

(2) Accounts receivable with provision for bad debts based on a combination of credit risk characteristics

1) Aging portfolio

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
3-4 years	0.00	0.00	0.00	942,205.14	14.71	105,642.55
4-5 years	942,205.14	14.71	143,255.90	0.00	0.00	0.00
Above 5 years	5,462,353.65	85.29	5,462,353.65	5,462,353.65	85.29	5,462,353.65
Total	**6,404,558.79**	**100.00**	**5,605,609.55**	**6,404,558.79**	**100.00**	**5,567,996.20**

2) Other portfolios

Name of portfolios	Closing balance			Opening balance		
	Book balance	Accrual rate (%)	Provision for bad debts	Book balance	Accrual rate (%)	Provision for bad debts
Low risk portfolio	40,537,417.72	0.00	0.00	41,559,734.84	0.00	0.00

3) Accounts receivable of the top five closing balances collected by arrears

Name of debtor	Book balance	Percentage among total accounts receivable (%)	Provision for bad debts
Hong Kong Guifa Finance Co., Ltd.	35,562,089.83	75.76	0.00
Panzhou City delivery project (Phase 1 delivery)	5,462,353.65	11.64	5,462,353.65
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	3,069,631.88	6.54	0.00
Bihua Property Management Co., Ltd., Guangxi Investment Group	1,247,975.92	2.66	0.00
Vienna clubhouse	942,205.14	2.01	143,255.90
Total	**46,284,256.42**	**98.60**	**5,605,609.55**

2. Other receivables

Item	Closing balance	Opening balance
Interest receivable	7,968,159.18	5,357,533.59
Dividends receivable	18,227,647.08	21,997,396.89
Other receivables	8,242,350,453.26	8,723,017,261.58
Total	**8,268,546,259.52**	**8,750,372,192.06**

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Others	7,968,159.18	5,357,533.59

2) Significant overdue interest

Borrower	Closing balance	Overdue (months)	Reasons for overdue	Whether impairment has occurred and the basis for its determination
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	212,678,248.50	12	Insolvency	Impairment has occurred
Guangxi Baise Yinhai Power Supply Co., Ltd.	35,850,832.08	12	Insolvency	Impairment has occurred
Guangxi Baise Yinhai Power Supply Co., Ltd.	680,166.65	12	Insolvency	Impairment has occurred
Total	**249,209,247.23**	—	—	—

3) Dividends receivable

Item	Closing balance	Opening balance	Reasons for non-recovery
Dividends receivable with aging within 1 year	360,000.00	604,457.31	——
Including: Guangxi Guimao Electric Power Co., Ltd.	360,000.00	604,457.31	Appointment for receipt time not yet due
Dividends receivable with aging over 1 year	17,867,647.08	21,392,939.58	——
Including: Guangxi Wuzhou Zhongheng Group Co., Ltd.	17,867,647.08	21,392,939.58	Borrowing pledges
Total	**18,227,647.08**	**21,997,396.89**	——

3. Other receivables

Disclosure of other receivables by method of provision for bad debts

Type	Closing balance					Opening balance				
	Book balance		Provision for bad debts		carrying value	Book balance		Provision for bad debts		carrying value
	Amount	Proportion (%)	Amount	Expected credit loss ratio (%)		Amount	Proportion (%)	Amount	Expected credit loss ratio (%)	
Other receivables for which provision for bad debts is made on individual basis	1,129,610,759.97	12.04	1,129,610,759.97	100.00	0.00	1,129,610,759.97	11.45	1,129,610,759.97	100.00	0.00
Other receivables for which provision for bad debts is made on the basis of a combination of credit risk characteristics	8,255,312,477.98	87.96	12,962,024.72	0.16	8,242,350,453.26	8,735,797,081.98	88.55	12,779,820.40	0.15	8,723,017,261.58
Including: normal risk portfolio	14,026,495.38	0.15	12,962,024.72	92.41	1,064,470.66	18,104,882.26	0.18	12,779,820.40	70.59	5,325,061.86
Low risk portfolio	8,241,285,982.60	87.81	0.00	0.00	8,241,285,982.60	8,717,692,199.72	88.37	0.00	0.00	8,717,692,199.72
Total	**9,384,923,237.95**	**100.00**	**1,142,572,784.69**	**12.17**	**8,242,350,453.26**	**9,865,407,841.95**	**100.00**	**1,142,390,580.37**	**11.58**	**8,723,017,261.58**

Disclosure of other accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (included)	8,224,148,950.09	7,785,745,036.48
1-2 years	9,197,309.20	364,711,707.64
2-3 years	442,285.48	26,476,813.13
3-4 years	25,469,587.75	891,392,808.85
4-5 years	333,856,415.38	553,880,709.66
Above 5 years	791,808,690.05	243,200,766.19
Subtotal	**9,384,923,237.95**	**9,865,407,841.95**
Less: provision for bad debts	1,142,572,784.69	1,142,390,580.37
Total	**8,242,350,453.26**	**8,723,017,261.58**

3) Other receivables with a separate provision for bad debts at the end of the year

Name of debtor	Book balance	Provision for bad debts	Aging	Accrual rate (%)	Reasons for accrual
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	832,310,759.97	832,310,759.97	2-5 years and above	100.00	Insolvency of the loan
Guangxi Baise Yinhai Power Supply Co., Ltd.	295,000,000.00	295,000,000.00	Above 5 years	100.00	Insolvency of the loan
Guangxi Baise Yinhai Power Supply Co., Ltd.	2,300,000.00	2,300,000.00	Above 5 years	100.00	Insolvency of the loan
Total	**1,129,610,759.97**	**1,129,610,759.97**	—	—	—

Provision for bad debts on other receivables

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses (no credit impairment) for the entire duration	Expected credit losses (credit impairment has occurred) throughout the entire duration	
Opening balance	0.00	12,779,820.40	1,129,610,759.97	1,142,390,580.37
Balance at the beginning of year	——	——	——	——
--Transferred to Stage 2	0.00	0.00	0.00	0.00
Accrual during the year	0.00	184,502.54	0.00	184,502.54
Reversal during the year	0.00	2,298.22	0.00	2,298.22
Closing balance	**0.00**	**12,962,024.72**	**1,129,610,759.97**	**1,142,572,784.69**

The movement in the book balance of other receivables is as follows

Book balance	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses (no credit impairment) for the entire duration	Expected credit losses (credit impairment has occurred) throughout the entire duration	
Opening balance	0.00	8,735,797,081.98	1,129,610,759.97	9,865,407,841.95
Balance at the beginning of year	——	——	——	——
--Transferred to Stage 2	0.00	0.00	0.00	0.00
Increase in the year	0.00	883,968,848.07	0.00	883,968,848.07
Derecognised during the year	0.00	1,364,453,452.07	0.00	1,364,453,452.07
Closing balance	**0.00**	**8,255,312,477.98**	**1,129,610,759.97**	**9,384,923,237.95**

4) Other accounts receivable of the top five ending balances collected by arrears

Name of debtor	Nature of account	Book balance	Aging	As a percentage of total other receivables 2020 (%)	Provision for bad debts
Guangxi Financial Investment Group Co., Ltd	Short-term corporate claims	5,600,000,000.00	Within 1 year	59.67	0.00
Guangxi Guangtou Energy Group Co., Ltd.	Transfer of equity, short-term corporate claims, current accounts	1,353,832,036.41	Within 1 year	14.43	0.00
Guangxi Luzhai Chemical Fertilizer Co., Ltd.	Short-term corporate claims	832,310,759.97	Above 2 years	8.87	832,310,759.97
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Short-term corporate claims	500,000,000.00	Within 1 year	5.33	0.00
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	Transfer of equity, short-term corporate claims, current accounts	409,809,563.74	Within 1 year	4.37	0.00
Total	——	**8,695,952,360.12**	——	**92.67**	**832,310,759.97**

4. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase	Decrease	Closing balance
Investments in subsidiaries	54,099,371,681.72	7,791,405,421.55	14,239,684,743.41	47,651,092,359.86
Investments in associates	13,374,308,194.18	6,855,202,481.11	2,002,420,452.89	18,227,090,222.40
Subtotal	67,473,679,875.90	14,646,607,902.66	16,242,105,196.30	65,878,182,582.26
Less: Provision for impairment of long-term equity investments	10,000,000.00	0.00	0.00	10,000,000.00
Total	**67,463,679,875.90**	**14,646,607,902.66**	**16,242,105,196.30**	**65,868,182,582.26**

(2) Breakdown of long-term equity investments

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Total	**74,748,543,620.34**	**67,473,679,875.90**	**12,823,441,862.75**	**15,658,504,218.40**	**1,090,022,150.71**	**1,487,990.59**
I. Subsidiaries	**58,846,368,653.41**	**54,099,371,681.72**	**7,791,405,421.55**	**14,239,684,743.41**	**0.00**	**0.00**
Guangxi Financial Investment Group Co., Ltd	15,322,627,498.94	13,597,127,498.94	1,725,500,000.00	0.00	0.00	0.00
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	8,589,116,754.41	8,589,116,754.41	0.00	0.00	0.00	0.00
Guangxi Guangtou Energy Group Co., Ltd.	7,966,192,455.17	6,307,431,754.58	1,658,760,700.59	0.00	0.00	0.00
Guangxi Huasheng Group Liaoping Agricultural Development Co., Ltd.	5,887,107,727.84	5,887,107,727.84	0.00	5,887,107,727.84	0.00	0.00
Guangxi Wuzhou Zhongheng Group Co., Ltd.	4,589,763,550.34	4,195,756,453.08	394,007,097.26	0.00	0.00	0.00
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	4,111,593,600.00	4,111,593,600.00	0.00	0.00	0.00	0.00
Guohai Securities Co., Ltd.	2,655,262,988.27	2,655,262,988.27	0.00	0.00	0.00	0.00
Guangxi Investment Group Financial Holding Co., Ltd.	221,090,679.45	2,166,688,658.59	0.00	1,945,597,979.14	0.00	0.00
Guangxi ZR Development Group Co., Ltd.	1,736,337,417.01	1,736,337,417.01	0.00	1,736,337,417.01	0.00	0.00
Guangxi Investment Capital Management Group Co., Ltd.	281,746,274.54	966,056,745.26	414,500,000.00	1,098,810,470.72	0.00	0.00
Guangxi Salt Industry Group Co., Ltd.	868,058,792.90	868,058,792.90	0.00	0.00	0.00	0.00
Guangxi Guangtou Jianguang One Industrial Investment Partnership (Limited Partnership)	750,000,000.00	750,000,000.00	0.00	0.00	0.00	0.00
Digital Guangxi Group Co., Ltd.	919,142,700.00	644,317,700.00	274,825,000.00	0.00	0.00	0.00
Guangxi Laibin Yinhai Aluminum Industry Co., Ltd.	566,251,350.00	566,251,350.00	0.00	566,251,350.00	0.00	0.00
Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd.	529,264,438.25	529,264,438.25	0.00	0.00	0.00	0.00
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	174,000,000.00	174,000,000.00	0.00	0.00	0.00	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Beibu Gulf Bank Co., Ltd.	100,000,000.00	100,000,000.00	0.00	0.00	0.00	0.00
Guangxi South China Technology Exchange	99,711,201.27	99,711,201.27	0.00	0.00	0.00	0.00
Hong Kong Guifa Finance Co., Ltd.	74,169,480.00	74,169,480.00	0.00	0.00	0.00	0.00
Guangxi Investment Group Consulting Co., Ltd.	30,000,000.00	30,000,000.00	0.00	0.00	0.00	0.00
Guangxi Guangtou Lingang Industry Co., Ltd.	25,500,000.00	25,500,000.00	0.00	0.00	0.00	0.00
Guangxi Zhuangmei E-commerce Co., Ltd.	19,759,121.32	19,759,121.32	0.00	0.00	0.00	0.00
Guangxi Investment Group Technology Co., Ltd.	5,100,000.00	5,100,000.00	0.00	5,100,000.00	0.00	0.00
Bihua Property Management Co., Ltd., Guangxi Investment Group	760,000.00	760,000.00	0.00	0.00	0.00	0.00
Guangxi Nanning Financing, Construction,Investment and Consulting Co., Ltd.	3,000,479,798.70	0.00	3,000,479,798.70	3,000,479,798.70	0.00	0.00
Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	318,832,825.00	0.00	318,832,825.00	0.00	0.00	0.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	4,500,000.00	0.00	4,500,000.00	0.00	0.00	0.00
II. Associates	**15,902,174,966.93**	**13,374,308,194.18**	**5,032,036,441.20**	**1,418,819,474.99**	**1,090,022,150.71**	**1,487,990.59**
Guangxi Guiguan Electric Power Co., Ltd.	5,153,063,512.34	6,541,664,581.81	0.00	0.00	302,516,714.17	4,943,014.63
Guangxi Guangtou Jiaoyin Equity Investment Fund Management Center (Limited Partnership)	1,418,819,474.99	1,418,819,474.99	0.00	1,418,819,474.99	0.00	0.00
Tianshengqiao Grade I Hydropower Development Co., Ltd.	1,074,470,226.72	1,090,095,895.34	0.00	0.00	55,643,837.07	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	952,000,000.00	1,008,091,204.03	136,000,000.00	0.00	-4,258,158.54	0.00
Datang Yantan Hydropower Generation Co., Ltd.	417,917,949.09	908,256,952.49	0.00	0.00	96,933,343.25	0.00
Guangxi Guiguan Kaitou Power Co., Ltd.	360,000,000.00	684,631,929.55	0.00	0.00	110,416,569.61	0.00
Guangxi Huasheng New Materials Co., Ltd.	679,489,200.00	686,384,707.94	0.00	0.00	490,547,573.93	0.00

Investee	Investment costs	Opening balance	Increase or decrease			
			Additional investments	Reduced investments	Investment income recognized under equity method	Adjustment to other comprehensive income
Guangxi Guangtou New Materials Group Co., Ltd.	525,092,448.05	465,047,412.82	0.00	0.00	-40,993,086.22	0.00
Crowe Life Insurance Co., Ltd.	300,000,000.00	261,443,153.17	285,714,285.46	0.00	-30,901,868.04	-3,397,653.02
Aluminum Power Jinhai Co., Ltd.	191,000,000.00	185,364,074.93	0.00	0.00	219,620.22	0.00
Guizhou Xinyi Power Development Co., Ltd.	210,000,000.00	114,508,807.11	0.00	0.00	-65,299,858.43	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	10,000,000.00	10,000,000.00	0.00	0.00	0.00	0.00
Guangxi Construction Industry Group Co., Ltd.	3,410,225,655.74	0.00	3,410,225,655.74	0.00	175,197,463.69	-57,371.02
Guangxi Hezhou Investment Group Co., Ltd.	246,280,000.00	0.00	246,280,000.00	0.00	0.00	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	953,816,500.00	0.00	953,816,500.00	0.00	0.00	0.00

(Continued)

Investee	Increase or decrease in the year				Closing balance	Closing balance of impairment loss allowance
	Other equity changes	Cash dividend or profit announced to be declared	Accrual of depreciation reserve	Others		
Total	**731,655,898.61**	**583,600,977.90**	**0.00**	**0.00**	**65,878,182,582.26**	**10,000,000.00**
I. Subsidiaries	**0.00**	**0.00**	**0.00**	**0.00**	**47,651,092,359.86**	**0.00**
Guangxi Financial Investment Group Co., Ltd	0.00	0.00	0.00	0.00	15,322,627,498.94	0.00
Guangxi Guangtou Yinhai Aluminium Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	8,589,116,754.41	0.00
Guangxi Guangtou Energy Group Co., Ltd.	0.00	0.00	0.00	0.00	7,966,192,455.17	0.00
Guangxi Huasheng Group Liaoping Agricultural Development Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Wuzhou Zhongheng Group Co., Ltd.	0.00	0.00	0.00	0.00	4,589,763,550.34	0.00

Investee	Increase or decrease in the year				Closing balance	Closing balance of impairment loss allowance
	Other equity changes	Cash dividend or profit announced to be declared	Accrual of depreciation reserve	Others		
Guangxi Guangtou Pharmaceutical and Health Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	4,111,593,600.00	0.00
Guohai Securities Co., Ltd.	0.00	0.00	0.00	0.00	2,655,262,988.27	0.00
Guangxi Investment Group Financial Holding Co., Ltd.	0.00	0.00	0.00	0.00	221,090,679.45	0.00
Guangxi ZR Development Group Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Investment Capital Management Group Co., Ltd.	0.00	0.00	0.00	0.00	281,746,274.54	0.00
Guangxi Salt Industry Group Co., Ltd.	0.00	0.00	0.00	0.00	868,058,792.90	0.00
Guangxi Guangtou Jianguang One Industrial Investment Partnership (Limited Partnership)	0.00	0.00	0.00	0.00	750,000,000.00	0.00
Digital Guangxi Group Co., Ltd.	0.00	0.00	0.00	0.00	919,142,700.00	0.00
Guangxi Laibin Yinhai Aluminum Industry Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Guangxi Guangtou Natural Gas Pipeline Network Co., Ltd.	0.00	0.00	0.00	0.00	529,264,438.25	0.00
Guangxi Beibu Gulf Equity Exchange Co., Ltd.	0.00	0.00	0.00	0.00	174,000,000.00	0.00
Guangxi Beibu Gulf Bank Co., Ltd.	0.00	0.00	0.00	0.00	100,000,000.00	0.00
Guangxi South China Technology Exchange	0.00	0.00	0.00	0.00	99,711,201.27	0.00
Hong Kong Guifa Finance Co., Ltd.	0.00	0.00	0.00	0.00	74,169,480.00	0.00
Guangxi Investment Group Consulting Co., Ltd.	0.00	0.00	0.00	0.00	30,000,000.00	0.00
Guangxi Guangtou Lingang Industry Co., Ltd.	0.00	0.00	0.00	0.00	25,500,000.00	0.00
Guangxi Zhuangmei E-commerce Co., Ltd.	0.00	0.00	0.00	0.00	19,759,121.32	0.00
Guangxi Investment Group Technology Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Bihua Property Management Co., Ltd., Guangxi Investment Group	0.00	0.00	0.00	0.00	760,000.00	0.00
Guangxi Nanning Financing, Construction,Investment and Consulting Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00

Investee	Increase or decrease in the year				Closing balance	Closing balance of impairment loss allowance
	Other equity changes	Cash dividend or profit announced to be declared	Accrual of depreciation reserve	Others		
Guangxi Zhuang Autonomous Region Water Conservancy and Electricity Survey and Design Institute Co., Ltd.	0.00	0.00	0.00	0.00	318,832,825.00	0.00
Guangxi Guangtou Intelligent Service Group Co., Ltd.	0.00	0.00	0.00	0.00	4,500,000.00	0.00
II. Associates	**731,655,898.61**	**583,600,977.90**	**0.00**	**0.00**	**18,227,090,222.40**	**10,000,000.00**
Guangxi Guiguan Electric Power Co., Ltd.	-69,294,438.45	334,096,158.65	0.00	0.00	6,445,733,713.51	0.00
Guangxi Guangtou Jiaoyin Equity Investment Fund Management Center (Limited Partnership)	0.00	0.00	0.00	0.00	0.00	0.00
Tianshengqiao Grade I Hydropower Development Co., Ltd.	0.00	40,240,842.92	0.00	0.00	1,105,498,889.49	0.00
Guangxi Datengxia Gorge Water Conservancy Development Co., Ltd.	574,838,000.00	0.00	0.00	0.00	1,714,671,045.49	0.00
Datang Yantan Hydropower Generation Co., Ltd.	0.00	108,165,410.05	0.00	0.00	897,024,885.69	0.00
Guangxi Guiguan Kaitou Power Co., Ltd.	0.00	101,098,566.28	0.00	0.00	693,949,932.88	0.00
Guangxi Huasheng New Materials Co., Ltd.	0.00	0.00	0.00	0.00	1,176,932,281.87	0.00
Guangxi Guangtou New Materials Group Co., Ltd.	4,064,236.71	0.00	0.00	0.00	428,118,563.31	0.00
Crowe Life Insurance Co., Ltd.	126,857,142.78	0.00	0.00	0.00	639,715,060.35	0.00
Aluminum Power Jinhai Co., Ltd.	0.00	0.00	0.00	0.00	185,583,695.15	0.00
Guizhou Xinyi Power Development Co., Ltd.	0.00	0.00	0.00	0.00	49,208,948.68	0.00
Guangxi Baise Yinhai Power Supply Co., Ltd.	0.00	0.00	0.00	0.00	10,000,000.00	10,000,000.00
Guangxi Construction Industry Group Co., Ltd.	95,190,957.57	0.00	0.00	0.00	3,680,556,705.98	0.00
Guangxi Hezhou Investment Group Co., Ltd.	0.00	0.00	0.00	0.00	246,280,000.00	0.00
Guangxi Hezhou Guanghe Kechuang Investment Center (Limited Partnership)	0.00	0.00	0.00	0.00	953,816,500.00	0.00

(3) Operating revenue and operating costs

Item	Current year amount		Prior year amount	
	Income	Cost	Income	Cost
1. Subtotal of main operations	**0.00**	**0.00**	**0.00**	**0.00**
2. Subtotal of other operations	**426,593,494.59**	**218,431.64**	**496,418,105.83**	**586,259.92**
Interest	388,665,421.70	0.00	460,564,809.74	0.00
Leasing	36,525,092.53	218,431.64	34,483,495.06	586,259.92
Consulting income	955,165.78	0.00	1,135,623.34	0.00
Handling fees	443,246.05	0.00	221,808.13	0.00
Income from head office staff car	2,339.45	0.00	6,766.96	0.00
Other sales revenue	2,229.08	0.00	5,602.60	0.00
Total	**426,593,494.59**	**218,431.64**	**496,418,105.83**	**586,259.92**

(4) Investment income

Sources of investment income	Current year amount	Prior year amount
Investment income from long-term equity investments under the equity method	1,090,022,150.71	599,210,526.44
Investment income from long-term equity investments accounted for under the cost method	946,218,363.41	339,788,270.48
Investment income arising on disposal of long-term equity investments	837,112,684.29	743,704,621.68
Investment income earned in the period in which held-for-trading financial assets are held (as applicable under the new FRS)	4,341,200.76	0.00
Investment income from disposal of held-for-trading financial assets (as applicable under the new FRS)	401,462.55	0.00
Investment income from financial assets at fair value through profit or loss during the period in which they are held	0.00	1,741,539.54
Investment income from disposal of financial assets at fair value through profit or loss	0.00	3,054.85
Investment income from held-to-maturity investments during the holding period	0.00	4,711,449.99
Investment income from available-for-sale financial asset	0.00	2,044,457.31
Investment income from disposal of available-for-sale financial assets	0.00	0.00
Others	0.00	0.00
Total	**2,878,095,861.72**	**1,691,203,920.29**

(5) Supplementary information of the parent company's cash flow statement

Item	Current year amount	Prior year amount
1. Reconciliation of net profits to cash flows from operating activities	——	——
Net profits	1,341,196,152.49	506,285,024.06
Add: Loss on impairment of assets	0.00	690,523.02
Credit impairment losses (new financial standards)	3,485,885.71	0.00
Depreciation of fixed assets, fixed oil and capitalized biological assets	4,389,351.99	5,104,716.23
Amortisation of intangible assets	1,307,786.02	1,537,309.75
Amortisation of long-term deferred expenditures	90,075,943.39	139,473.96
Loss on disposal of assets (gains indicated with "-")	-283,070.77	-99,412.17
Loss on damaged and retired non-current assets (gains indicated with "-")	78,644.00	0.00

Item	Current year amount	Prior year amount
Loss on fair value changes (gains indicated with "-")	-55,168,078.56	14,144,563.00
Financial costs (gains indicated with "-")	1,852,455,813.44	1,651,850,985.47
Investment losses (gains indicated with "-")	-2,878,095,861.72	-1,691,203,920.29
Decrease in deferred tax assets (increase indicated with "-")	593,487.17	21,980,580.36
Increase in deferred tax liabilities (decrease indicated with "-")	12,509,675.00	987,848.75
Decrease in inventories (increase indicated with "-")	0.00	0.00
Decrease in receivables from operating activities (increase indicated with "-")	478,079,696.98	-2,267,438,181.62
Increase in payables from operating activities (decrease indicated with "-")	-1,661,923,134.92	3,495,028,806.89
Others	0.00	0.00
Net cash flow from operating activities	-811,297,709.78	1,739,008,317.41
2. Significant non-cash investing and financing activities:	——	——
Conversion of debts into capital	0.00	0.00
Convertible bonds repayable within 1 year	0.00	0.00
Fixed assets acquired under finance lease arrangement	0.00	0.00
3. Changes in cash and cash equivalents:	——	——
Closing balance of cash	4,538,891,693.03	4,283,438,404.18
Less：opening balance of cash	4,283,438,404.18	1,734,300,765.34
Add：closing balance of cash equivalents	0.00	0.00
Less：opening balance of cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	255,453,288.85	2,549,137,638.84

XIV. Other disclosures required under the relevant financial accounting system

1.Assets and liabilities after deduction of banking services assets and payments for agency purchases and sales of securities

As at the end of the year, the Group's total assets amounted to RMB 669,047,706,983.21, after deducting RMB 369,003,769,186.34 for assets in banking services and agency securities trading, the Company's total assets amounted to RMB 300,043,937,796.87, the Company's total liabilities amounted to RMB 553,028,777,871.53, after deducting RMB 349,302,618,118.02 for liabilities in banking services and agency securities trading, the Company's total liabilities amounted to RMB 203,726,159,753.51.

2.Guangxi Wuzhou Zhongheng Group Co., Ltd.

(1) Significant assets not yet titled

According to the agreement signed between Lummy Pharmaceuticals and Chongqing Science and Technology Finance Group Co., Ltd. (formerly Chongqing Science and Technology Assets Holding Co., Ltd.) on September 20th, 2007, Lummy Pharmaceutical purchased the 12-16 floors of Tower B of the

Chongqing Institute of Applied Technology (renamed Chongqing Institute of Science and Technology) from Chongqing Science and Technology Finance Group Co. The total price is estimated to be RMB 12,242.5 million, with a down payment of RMB 4.97 million to be made by Lummy Pharmaceutical after the signing of the contract in 2007 and the balance of RMB 7,450.5 million to be paid in instalments during the period 2008-2010, with the purchase price to be refunded more or less after the final account is apportioned according to the total construction costs. Lummy Pharmaceutical has used the office building as office space for the Group's Finance, Securities and Administration Departments and its subsidiary, Lummy Pharmaceuticals. It has been provisionally estimated as a fixed asset for financial purposes and depreciated. As the relevant procedures of the building have not yet been handed over by Chongqing Science and Technology Finance Group Co., Ltd. to Chongqing Academy of Science and Technology, the relevant title certificate has not yet been processed and the balance of RMB 7,450,000 for the purchase of the building has not yet been paid by Lummy Pharmaceutical.

(2) The case of Lummy Pharmaceutical against Chongqing Xintong Medical Information Service Co., Ltd. and Long Hongyuan

On March 28th, 2019, Lummy Pharmaceutical filed a lawsuit with Chongqing Nanan District People's Court, requesting that Chongqing Xintong Medical Information Service Co., Ltd. (hereinafter referred to as Xintong Medical) be ordered to return the investment earnest money of RMB 16 million and the loss of capital occupation of RMB 2.73 million, and that Long Hongyuan provide joint and several liability for the above claims. The investment earnest money that Xintong Medical should return to Zhongheng Group is the investment earnest money paid by Yunnan Lummy (which has been cancelled), a subsidiary of Zhongheng Group, according to the investment letter of intent signed with Xintong Medical, and according to the agreement of the letter of intent, if the transaction is terminated, Xintong Medical should return the investment earnest money. Subsequently, Yunnan Lummy assigned the rights and obligations under the investment letter of intent to the Company in general, and after the termination of the transaction, Lummy Pharmaceutical failed to collect the money after repeated reminders, so it filed the lawsuit.

According to the judgment of the Chongqing Nan'an District People's Court on August 27th, 2019, *No. (2019) Y0108 Civil First Instance Civil Judgment No. 8608*, the defendant Chongqing Xintong

Medical Information Service Co., Ltd. shall return Zhongheng Group the earnest money of RMB 16 million and the loss of capital occupation within ten days from the effective date of the judgment. As at December 31st, 2020, Lummy Pharmaceutical had not received the said amount and in view of the financial position of the other party, Lummy Pharmaceutical had made a bad debt provision of RMB 16 million for the claim.

(3)Proposed disposal of equity interests in subsidiaries

After consideration at the Nineteenth meeting of the Fifth Board of Directors of Lummy Pharmaceutical in 2021, it was agreed that Lummy Pharmaceutical intends to sign the *Capital Increase and Subscription Agreement of Chengdu Jinxing Jiankang Pharmaceutical Co., Ltd.* with Sanum-Kehlbeck GmbH & Co.KG (hereinafter referred to as "German Sanum Company") and Chengdu Yaoyun Pharmaceutical Technology Co., Ltd. (hereinafter referred to as "Yaoyun Pharmaceutical") and waive the right to preferential subscription of capital contribution. The capital increase made by Yaoyun Pharmaceutical to Jinxing Pharmaceutical amounted to RMB 112,810,271.79, of which RMB 28,349,358.97 was credited to the registered capital of Jinxing Pharmaceutical and the balance of the capital increase amounted to RMB 84,460,912.82 was credited to the capital reserve of Jinxing Pharmaceutical. As at the reporting date, the *Capital Increase and Subscription Agreement of Chengdu Jinxing Jiankang Pharmaceutical Co., Ltd.* has not yet been signed.

(4) Hunan Kangyuan Contracting

At the Twelfth Meeting of the Fifth Session of the Board of Directors and the Ninth Meeting of the Fifth Session of the Supervisory Board held on February 5th, 2021, respectively, Lummy Pharmaceutical considered and passed the *Proposal on the Signing of the Contractual Operation Agreement*, agreeing to the signing of the *Contract Management Agreement* among Lummy Pharmaceuticals, wholly-owned subsidiary Hunan Kangyuan and Hunan Erdinger Technology Co., Ltd. (hereinafter referred to as "Erdinger"), under which Erdinger will implement the overall contract management of Hunan Kangyuan for an initial term of 3 years. During the contracting period, Hunan Kangyuan will receive a net contract fee of RMB 12 million per year from Erdinger, regardless of the profit or loss of Hunan Kangyuan and any profit or loss incurred will be enjoyed or borne by Erdinger. The consolidated financial statements for the current period do not include the new profit or loss

and assets and liabilities arising from the contracted operations of Erdinger.

(5) Significant asset disposal

Zhongheng Group held the Eleventh meeting of the Eighth Session of the Board of Directors on June 25th, 2018, and the meeting considered and passed the *Proposal of Zhongheng Group on the Proposed Public Listing of the Transfer of 100% Equity Interest in its Holding Sub-subsidiary Zhaoqing Zhongheng Pharmaceutical Co., Ltd.* and *Proposal of Zhongheng Group on the Proposed Public Listing of the Transfer of 100% Equity Interest in its Holding Sub-subsidiary Zhaoqing Zhongheng Double Coins Industrial Co., Ltd.*; Zhongheng Group held the Second Extraordinary General Meeting of 2018 on 25 July, and the meeting considered and approved the *Proposal of Zhongheng Group on the Proposed Public Listing and Transfer of 100% Equity of its Holding Sub-subsidiary Zhongheng Pharmaceutical Co., Ltd.* Agreed to the transfer of 100% equity interest in Zhaoqing Zhongheng Pharmaceutical and 100% equity interest in Zhaoqing Zhongheng Double Coins held by the Company by way of public listing. On November 30th, 2018, a 100% equity bundle transfer of subsidiaries Zhaoqing Zhongheng Pharmaceutical and Zhaoqing Zhongheng Double Coins was announced on the Beibu Gulf Property Rights Exchange, with a total of 413 days of listing, which was aborted due to failure to solicit interested parties to pick up the shares. In order to optimize the asset structure of the Company and promote the sustainable development of the enterprise, the Company intends not to transfer 100% of the equity interests of its controlling sub-subsidiary, Zhaoqing Zhongheng Pharmaceutical Company Limited and Zhaoqing Zhongheng Double Coins Industrial Company Limited, through public listing, but through the government's acquisition of land use rights and other assets of the above two sub-subsidiaries.

The details are as follows: Zhaoqing Zhongheng Pharmaceutical and Zhaoqing Zhongheng Double Coins, the controlling sub-subsidiary of the Company, intend to hand over the land use rights, above-ground construction (structures), equipment and other assets located in the west of Jianshe Road and north of Jiangjun Street in Zhaoqing High-Tech Zone, Guangdong, with a total area of 335,557.56 m^2 (Land Use Right Certificate: Zhaoqing Fu State-owned Land [2013] No. 0080011) and the west of Jianshe Road and south of the extension of Keiji Street in Luohu Area of Zhaoqing High-Tech Zone, with a total area of 288,971.21 m^2 (Land Use Right Certificate: Zhaoqing Fu State-owned Land [2013] No. 0080019) to Zhaoqing High-tech Zone Land Reserve Centre for storage. The

proposed compensation price for the storage is RMB 75,970,400, of which RMB 748,922,500 is compensation for the storage of Zhaoqing Zhongheng Pharmaceutical Co., Ltd.

The assets in storage are as follows: 1. Parcel 1 is located in the west of Jianshe Road and north of Jiangjun Street in Zhaoqing High-tech Zone, with a total area of 335,557.56 m^2. the land use right certificate number is: Zhaoqing Fu State-owned Land [2013] No. 0080011, and the land use is industrial land. 2. Parcel 2 is located in the west of Jianshe Road and south of the extension of Keji Street in Luohu Area of Zhaoqing High-tech Zone, with a total area of 288,971.21 m^2, the land use right certificate number is: Zhaoqing Fu State-owned Land [2013] No. 0080019, and the land use is industrial land. The above-mentioned 2parcels have been developed and constructed, including 9 dormitory buildings, 2 workshops, 1 administrative office building, 1 canteen and activity centre, 1 sewage treatment station. Except for one of the workshops (workshop 7#) for which no real estate right certificate has been applied for, all have been applied for and obtained real estate right certificates or real estate right certificates, and other temporary buildings and structures have been built, with machinery and equipment, office equipment, etc. inside the buildings. The ownership of other buildings, structures and other above-ground attachments within the scope of the above-mentioned land to be stored, which have not been registered as property rights, will also revert to the Zhaoqing High-tech Zone Land Reserve Centre with the transfer of the right to use the land to be stored. The ownership status of the above-stored land and above-ground buildings and structures are clear, free from mortgages, pledges and any other restrictions on transfer, and are not involved in litigation, arbitration matters or judicial measures such as seizure or freezing, and there are no other circumstances that prevent the transfer of ownership. Zhaoqing High-tech Zone Land Storage Centre, Zhaoqing Zhongheng Pharmaceutical and Zhaoqing Zhongheng Double Coins jointly commissioned Shenzhen Guozhonglian Asset Evaluation Land Real Estate Cost Consulting Co., Ltd.to conduct an appraisal of the assets such as land use rights and the buildings (structures) and equipment on the ground that were taken into storage with December 31st, 2020 as the appraisal base date, and the net appraised value was RMB 75,970,400, of which the net appraised value of the assets of Zhaoqing Zhongheng Pharmaceutical Co.Ltd. was RMB 748,922,500.

As at December 31st, 2021, Zhaoqing Pharmaceutical Company Limited has delivered all the disposed assets to Zhaoqing High-Tech Industrial Development Zone Land Reserve Centre and has

received payment (30%) of RMB 224,676,750.00 for the disposal of assets from Zhaoqing High-Tech Industrial Development Zone Land Reserve Centre, leaving an outstanding balance of RMB 524,245,750.00.

XV.Approval of the financial statement

The financial statements for the year 2021 of the Group have been approved by the Company.

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Guangxi Investment Group Co., Ltd.
April 15th, 2022

The notes to the financial statements on page 17 to this page shall be signed by the following responsible persons

Director of the Company:	Chief accountant:	Director of Department of Accounting:
Signature:	Signature:	Signature:

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