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This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities or an invitation to enter into any agreement to do any such things, nor is it calculated to invite any offer to acquire, purchase or subscribe for any securities.

This announcement and the listing document referred to herein have been published for information purposes only as required by 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) 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 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.*

*The material contained in this announcement is not for distribution or circulation, directly or indirectly, in or into the United States. This announcement is solely for the purpose of reference and does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein 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. Accordingly, the securities offer are being offered and sold only outside the United States in offshore transaction in compliance with Regulation S under the Securities Act.*

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

GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO., LTD.

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

(the "Issuer")

U.S.$400,000,000 3.50 per cent. Bonds due 2024 ("the Bonds")
(Stock Code: 40716)

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

Please refer to the offering circular dated 3 June 2021 (the "**Offering Circular**") appended hereto in relation to the Bonds. As disclosed in the Offering Circular, the Bonds issued are for purchase by professional investors (as defined in Chapter 37 of the Listing Rules) only and have been listed on the Hong Kong Stock Exchange on that basis.

The Offering Circular does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

11 June 2021

As at the date of this announcement, the directors of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. are SHI Peirong, RONG Zhiyuan, YUAN Dehao, ZHANG Junping, CHEN Dehua, DENG Yusheng, REN Haijun, XU Jun, ZHANG Shuanyin and ZHANG Yingqiao.

IMPORTANT NOTICE

NOT FOR DISTRIBUTION INTO THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the 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 any time you receive any information from the Issuer (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 DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. 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 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 U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS 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.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) 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).

Confirmation of your Representation:

In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must be purchasing the securities outside the United States in an offshore transaction in reliance on Regulation S under the Securities Act. By accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to have represented to the Managers (as defined in the Offering Circular) and the Issuer (as defined in the Offering Circular) (1) that you and any customers you represent are not, and that the electronic mail address that you gave the Issuer and to which this e-mail has been delivered is not, located in the United States and (2) that you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

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 materials relating to any offering of securities described in the Offering Circular do not constitute, and may not be used in connection with, an offer or solicitation by or on behalf of any of the Issuer or the Managers in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Managers or any affiliate of the Managers are licenced brokers or dealers in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the Issuer in such jurisdiction.

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 Managers the Trustee (as defined in the Terms and Conditions), the Agents (as defined in the Terms and Conditions) or any of their respective affiliates, directors, officers, employees, representatives, agents 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 Managers.

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

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.

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

STRICTLY CONFIDENTIAL

甘肅省公路航空旅遊投資集團有限公司
GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO., LTD.

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

U.S.$400,000,000 3.50 per cent. Bonds due 2024
Issue Price: 100.0 per cent.

The U.S.$400,000,000 3.50 per cent. bonds due 2024 (the "**Bonds**") will be issued by Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd.(甘肅省公路航空旅遊投資集團有限公司)(the "**Issuer**" or the "**Company**"), a company incorporated in the People's Republic of China (the "**PRC**") with limited liability. The PRC government (including the Gansu provincial government) is not an obligor and Bondholders shall have no recourse to the PRC government or the Gansu provincial government in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer. See "*Risk Factors – Risks relating to the Bonds – The PRC government has no obligations under the Bonds*".

The Bonds will bear interest on their outstanding principal amount from and including 10 June 2021 at the rate of 3.50 per cent. per annum. Interest on the Bonds will be payable semi-annually in arrear on 10 June and 10 December in each year, commencing on 10 December 2021. Payments on the Bonds will be made free and clear of, and without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the PRC or any political subdivision or any authority therein or thereof having power to tax to the extent described under "*Terms and Conditions of the Bonds – Taxation*".

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.

Pursuant to the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations(國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號))(the "**NDRC Circular**") issued by the National Development and Reform Commission of the PRC or its local counterparts (the "**NDRC**") on 14 September 2015 which came into effect on the same day, the Issuer has registered the issuance of the Bonds with the NDRC and obtained the certificates from NDRC on 16 September 2020 and 9 February 2021 evidencing such registration. The Issuer undertakes under the Terms and Conditions to perform post-issuance registration and filing as applicable to it in relation to the issuance of the Bonds in accordance with, and within the timeframe and in the manner as stipulated by, the laws of the PRC and the administrative measures promulgated by regulatory authorities with competent jurisdiction over the Issuer. See "*PRC Regulations*" beginning on page 102 for details of the registration and filing required under PRC laws and regulations as of the date of this Offering Circular.

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem each Bond at its principal amount on 10 June 2024 (the "**Maturity Date**"). At any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (as defined below) in accordance with Condition 16 *(Notices)* of the Terms and Conditions (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, the Issuer may redeem the Bonds in whole, but not in part, at their principal amount (together with any interest accrued to but excluding the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts (as 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 3 June 2021, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it. At any time following the occurrence of a Change of Control (as defined in the Terms and Conditions), each holder of Bonds (each a "**Bondholder**") will have the right, at such Bondholder's option, to require the Issuer to redeem all, but not some only, of that Bondholder's Bonds on the Put Settlement Date (as defined in the Terms and Conditions) at 101 per cent. of their principal amount, together in each case with accrued interest up to (but excluding) such 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 35.

The Bonds will be issued in denominations 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 9 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. 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*".

S&P Global Ratings ("**S&P**") has assigned a corporate rating of BBB with a stable outlook, and Fitch Ratings Inc. ("**Fitch**") has assigned a corporate rating of BBB+ with a stable outlook, to the Issuer. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

For a description of these and certain further restrictions on offers and sales of the Bonds and distribution of this Offering Circular, see "*Subscription and Sale*".

Application will be made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of 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 Hong Kong Stock Exchange) ("**Professional Investors**") only. This Offering Circular is for distribution to Professional Investors only.

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

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

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) 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).

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 10 June 2021 (the "**Issue Date**") with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**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 Bonds will not be issued in exchange for interests in the Global Certificate.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

BOCOM International	**CEB International**	**Bank of China**	**Nanyang Commercial Bank**

Joint Lead Managers and Joint Bookrunners

Hua Xia Bank Co., Limited Hong Kong Branch	**Industrial Bank Co., Ltd. Hong Kong Branch**	**CCB International**	**China Minsheng Banking Corp., Ltd., Hong Kong Branch**	**ABC International**	**China Everbright Bank Hong Kong Branch**

Offering Circular dated 3 June 2021

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 OR ANY OF ITS 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 Hong Kong Stock Exchange for the purpose of giving information with regard to the Issuer. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirm, 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.

The Issuer, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuer and its subsidiaries (together with the Issuer, the "**Group**") and the Bonds which is material in the context of the issue and offering of the Bonds (including the information which is required by applicable laws and the information which, according to the particular nature of the Issuer and the Bonds, 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 and the rights attaching to the Bonds); (ii) the statements contained in this Offering Circular relating to the Issuer, the Group and the Bonds, 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 and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements relating to the Issuer, the Group, the transaction documents in relation to the Bonds and the Bonds as described in this Offering Circular; (v) 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 therein, in the light of the circumstances under which they were made, not misleading; and (vi) the statistical, industry and market-related data and forward looking statements included in this Offering Circular (if any), are based on or derived or extracted from sources which the Issuer reasonably believes to be accurate and reliable in all material respects.

The Issuer has prepared this Offering Circular solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of BOCOM International Securities Limited, CEB International Capital Corporation Limited, Bank of China Limited, Nanyang Commercial Bank, Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Industrial Bank Co., Ltd. Hong Kong Branch, CCB International Capital Limited, China Minsheng Banking Corp., Ltd, Hong Kong Branch, ABCI Capital Limited and China Everbright Bank Co., Ltd., Hong Kong Branch (together, the "**Managers**"), the Issuer, the Trustee (as defined in the Terms and Conditions) or the Agents (as defined in the Terms and Conditions) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to subscribe for or purchase any of the Bonds. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Managers, the Trustee, the Agents and any of their respective affiliates, directors, officers, employees, representative, agents and advisers and any person who controls any of them to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds, and the circulation of documents relating thereto, in certain jurisdictions including the United States, Switzerland, the Netherlands, the

United Kingdom, Hong Kong, the PRC, Singapore and Japan and to persons connected therewith. For a description of certain further restrictions on offers and sales 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 to give any information or to make any representation concerning the Issuer, the Group or the Bonds 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 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. 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 or the Group since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the 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.

None of the 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 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. Nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the 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. 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 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 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 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.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) 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).

To the fullest extent permitted by law, none of the 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 assume 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 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 or on their behalf in connection with the Issuer or the issue and offering of the Bonds. Each of the Managers, the Trustee and the Agents and each of their respective affiliates, directors, officers, employees, agents, representatives or advisers and 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 Managers, the Trustee or the Agents nor any of their respective affiliates, directors, officers, employees, agents, representatives or advisers nor any person who controls any of them undertakes to review the results of operations, financial condition or affairs of the Issuer 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 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.

The Trustee and the Agents and any of their respective affiliates, directors, officers, employees, representative, agents and advisers and any person who controls any of them shall not be responsible nor have any liability for the recitals, statements, warranties or representations of any other party contained in the Trust Deed, the Agency Agreement or any other document entered into in connection with the Bonds and the Trustee or the Agents and any of their respective affiliates, directors, officers, employees, representative, agents and advisers and any person who controls any of them shall assume the accuracy and correctness thereof, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of the Trust Deed, the Agency Agreement or any such other agreement or document referred to above.

IN CONNECTION WITH THIS OFFERING, ANY OF THE MANAGERS APPOINTED AND ACTING IN ITS CAPACITY AS STABILISING MANAGER (THE "STABILISING MANAGER") OR ANY PERSON(S) ACTING ON BEHALF OF THE STABILISING MANAGER MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND DIRECTIVES, OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE A 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 AND 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 of the Managers and 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 or its 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 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.

Industry and Market Data

Market data and certain industry forecasts used throughout this Offering Circular have been obtained based on internal surveys, market research, public information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed by the Issuer to be reliable and accurate but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the 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 as to the correctness, accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified.

Presentation of Financial Information

This Offering Circular contains consolidated financial information of the Issuer as at and for the years ended 31 December 2018, 2019 and 2020. The consolidated financial information of the Issuer as at and for the year ended 31 December 2018 has been extracted from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2019 (the "**2019 Audited Financial Statements**") included elsewhere in this Offering Circular. The consolidated financial information of the Issuer as at and for the years ended 31 December 2019 and 2020 has been extracted from the audited consolidated financial statements of the Issuer as at and for the year ended and 31 December 2020 (the "**2020 Audited Financial Statements**") included elsewhere in this Offering Circular. The consolidated financial statements as at and for the years ended 31 December 2019 and 2020 were prepared and presented in accordance with the Accounting Standards for Business Enterprises in the PRC (the "**PRC GAAP**") and have been audited by Xigema Certified Public Accountants ("**Xigema**"), the independent certified public accountants of the Issuer in accordance with Auditing Standards for Chinese Certified Public Accountants. Xigema is a member of the Chinese Institute of Certified Public Accountants.

On 30 June 2019, the Issuer acquired control of Baye Construction Group Co., Ltd.（八冶建設集團有限公司）and was regarded as a consolidated subsidiary of the Issuer from this date. Investors may refer to "*VII. Financial statements on merger and consolidation of enterprises – (5) Merger of enterprises under same control*" on pages F-285 to F-286 of the 2020 Audited Financial Statements for further information on the impact of such acquisition on the Issuer's consolidated financial information for the year ended 31 December 2019. The 2019 Audited Financial Statements have not been restated to reflect the impact of this acquisition, and as such, investors should note that the consolidated financial information for the year ended 31 December 2018, which have been extracted from the 2019 Audited Financial Statements, may not be directly comparable to the consolidated financial information for the years ended 31 December 2019 and 2020, which have been extracted from the 2020 Audited Financial Statements. In addition, this Offering Circular does not contain any *pro forma* financial statements to illustrate the impact of the acquisition as if it had occurred on 31 December 2018.

PRC GAAP differs in certain material respects from International Financial Reporting Standards ("**IFRS**"). See "*Summary of Certain Material Differences Between PRC GAAP and IFRS*" for further information.

The 2019 Audited Financial Statements and the 2020 Audited Financial Statements have only been prepared in Chinese, the English translations of which (the "**Financial Statements Translations**") have been prepared and included in this Offering Circular for reference only. Neither the Managers nor their respective affiliates, directors, officers or advisers has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete.

The Issuer publishes its interim financial information from time to time. Such financial information published by the Issuer in the PRC is normally derived from its management accounts and is not audited or reviewed by independent auditors. As such, financial information published in the PRC by the Issuer should not be relied upon by potential purchasers to provide the same quality of information associated with any audited information of the Issuer. In particular, the published financial information as at and for the three months ended 31 March 2021, published by the Issuer in the PRC, has not been audited or reviewed by independent auditors. Other than as stated in "*Description of the Group – Recent Developments*", such financial information is not included in this Offering Circular and should not be relied upon by investors.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

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

This Offering Circular contains translation of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise specified, where financial information in relation to the Issuer has been translated into U.S. dollars, it has been so translated, for convenience only, at the rate of RMB6.5250 to U.S.$1.00 (the noon buying rate in New York City on 31 December 2020 as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York). Further information regarding exchange rate is set forth in "**Exchange Rates**" in this Offering Circular. No representation is made that the Renminbi amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars at any particular rate or at all.

In this Offering Circular, 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.

FORWARD-LOOKING STATEMENTS

The Issuer has 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", "would", "could", "estimate", "expect", "aim", "intend", "may", "plan", "will", 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, revenue and profitability, planned projects and other matters as they relate to the Issuer and/or the 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 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 or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements speak only as of the date of this Offering Circular. The Issuer 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 Group's expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

The factors that could cause the actual results, performances and achievements of the Issuer, the Group or any member of the Group to be materially different include, amongst others:

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

The Issuer does not undertake 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.

TABLE OF CONTENTS

	Page
THE OFFERING	1
SUMMARY FINANCIAL INFORMATION OF THE GROUP	5
RISK FACTORS	9
EXCHANGE RATES	34
TERMS AND CONDITIONS OF THE BONDS	35
SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM	53
USE OF PROCEEDS	55
CAPITALISATION AND INDEBTEDNESS	56
DESCRIPTION OF THE GROUP	57
DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	99
PRC REGULATIONS	102
TAXATION	104
SUBSCRIPTION AND SALE	108
SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS	112
GENERAL INFORMATION	114
INDEX TO FINANCIAL STATEMENTS	F-1

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	Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd (甘肅省公路航空旅遊投資集團有限公司).
The Bonds	U.S.$400,000,000 3.50 per cent. Bonds due 2024.
Issue Price	The Bonds will be issued at 100.0 per cent. of their principal amount.
Form and Denomination.	The Bonds will be issued in registered form in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Issue Date	10 June 2021.
Interest	The Bonds will bear interest on their outstanding principal amount from and including 10 June 2021, at the rate of 3.50 per cent. per annum, payable semi-annually in arrear on 10 June and 10 December in each year, commencing on 10 December 2021.
Maturity Date	10 June 2024.
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.
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	The net proceeds of the issue of the Bonds will be used for the refinancing of existing indebtedness. 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-Default	The Bonds will be subject to a cross-default provision in respect of present or future indebtedness for or in respect of moneys borrowed or raised or any guarantee and/or indemnity thereof of the Issuer or of any of its Principal Subsidiaries which in aggregate equals or exceeds U.S.$80 million or its equivalent. See Condition 9(c) (*Cross-Default*) of the Terms and Conditions.

Taxation	All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of 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 by or within the PRC up to and including the aggregate rate applicable on 3 June 2021 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been received by them had no such withholding or deduction been required. If the Issuer is required to make a deduction or withholding in respect of PRC tax in excess of the Applicable Rate, the Issuer 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 Change of Control	Following the occurrence of a Change of Control, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Bonds at 101 per cent. of their principal amount, together with accrued interest, as further described in Condition 6(c) (*Redemption for Change of Control*) of the Terms and Conditions.
Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued to, but excluding, the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that: (A) the Issuer has or will become obliged to pay Additional Tax Amounts 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 3 June 2021; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

	provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts if a payment in respect of the Bonds was 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 Bondholders 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 and the timing for the performance of applicable post-issuance regulatory filings and registrations) 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	Citicorp International Limited
Principal Paying Agent, Registrar and Transfer Agent.	Citibank, N.A., London 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 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 beneficial interests in the Global Certificate.
Clearance and Settlement	The Bonds have been accepted for clearance through Euroclear and Clearstream with Common Code 234920545 and the ISIN for the Bonds is XS2349205455.
Notices and Payment . . .	So long as the Global Certificate is held on behalf of Euroclear and Clearstream, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system 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	Exclusive jurisdiction of the Hong Kong Courts.
Listing	Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only. Such permission is expected to become effective on or about 11 June 2021. A confirmation of the eligibility for the listing of the Bonds has been received from the Hong Kong Stock Exchange.

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*".
Ratings	S&P has assigned a corporate rating of BBB with a stable outlook, and Fitch has assigned a corporate rating of BBB+ with a stable outlook, to the Issuer. The Bonds are expected to be rated BBB by S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Legal Entity Identifier . .	6354005FD8B3J4OSMC91

SUMMARY FINANCIAL INFORMATION OF THE GROUP

The following tables set forth the summary consolidated financial information of the Group as at and for the years ended 31 December 2018, 2019 and 2020. The consolidated financial information of the Issuer as at and for the year ended 31 December 2018 has been extracted from the 2019 Audited Financial Statements included elsewhere in this Offering Circular, and the consolidated financial information of the Issuer as at and for the years ended 31 December 2019 and 2020 has been extracted from the 2020 Audited Financial Statements included elsewhere in this Offering Circular.

On 30 June 2019, the Issuer acquired control of Baye Construction Group Co., Ltd.（八冶建設集團有限公司）and was regarded as a consolidated subsidiary of the Issuer from this date. Investors may refer to "VII. Financial statements on merger and consolidation of enterprises – (5) Merger of enterprises under same control" on pages F-285 to F-286 of the 2020 Audited Financial Statements for further information on the impact of such acquisition on the Issuer's consolidated financial information for the year ended 31 December 2019. The 2019 Audited Financial Statements have not been restated to reflect the impact of this acquisition, and as such, investors should note that the consolidated financial information for the year ended 31 December 2018, which have been extracted from the 2019 Audited Financial Statements, may not be directly comparable to the consolidated financial information for the years ended 31 December 2019 and 2020, which have been extracted from the 2020 Audited Financial Statements. In addition, this Offering Circular does not contain any pro forma financial statements to illustrate the impact of the acquisition as if it had occurred on 31 December 2018.

The information set out below should be read in conjunction with, and is qualified in its entirety by reference to the 2019 Audited Financial Statements and the 2020 Audited Financial Statements included elsewhere in this Offering Circular.

The 2019 Audited Financial Statements and the 2020 Audited Financial Statements have only been prepared in Chinese, the Financial Statements Translations have been prepared and are included in this Offering Circular for reference only. None of the Managers or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers has independently verified or checked the accuracy of the Financial Statements Translations and can give no assurance that the information contained in the Financial Statements Translations is accurate, truthful or complete.

None of the 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 or warranty, express or implied, regarding the sufficiency of such consolidated financial results for an assessment of, and potential investors must exercise caution when using such data to evaluate the Group's financial condition, results of operations and results.

The 2019 Audited Financial Statements and the 2020 Audited Financial Statements have been prepared and presented in accordance with PRC GAAP and not in accordance with IFRS. PRC GAAP differs in certain material respects from IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "Summary of Significant Differences between PRC GAAP and IFRS".

The Issuer publishes its interim financial information from time to time. Such financial information published by the Issuer in the PRC is normally derived from its management accounts and is not audited or reviewed by independent auditors. As such, financial information published in the PRC by the Issuer should not be relied upon by potential purchasers to provide the same quality of information associated with any audited information of the Issuer. In particular, the published financial information as at and for the three months ended 31 March 2021, published by the Issuer in the PRC, has not been audited or reviewed by independent auditors. Other than as stated in "Description of the Group – Recent Developments", such financial information is not included in this Offering Circular and should not be relied upon by investors.

Consolidated Balance Sheet of the Group

	As at 31 December		
	2018	2019	2020
		(in RMB)	
Current assets:			
Monetary funds	47,880,522,798.54	50,028,727,820.61	51,763,210,386.18
Financial assets measured at fair value and whose changes are included in the current nrofit and loss	37,023,875.86	–	38, 611,110.00
Refundable deposits	124,472,192.60	1,888,934,538.69	1,826,622,491.84
Bills and accounts receivables	3,283,855,245.79	4,934,380,001.87	6,739,087,779.41
Prepayments	14,721,133,892.73	14,455,160,115.00	10,946,469,768.13
Other receivables	13,301,856,708.06	11,471,628,922.71	16,865,506,719.56
Inventories	4,166,960,306.93	7,727,307,806.44	8,953,305,473.40
Non-current assets due within one year	524,534,012.00	785,764,341.09	781,728,051.24
Other current assets	5,501,871,006.81	2,774,827,190.85	2,760,438,335.79
TOTAL CURRENT ASSETS	**89,542,230,039.32**	**94,066,730,737.26**	**100,674,980,115.55**
Non-current assets:			
Loans and payments on behalf	3,851,370,958.07	3,861,651,539.10	3,953,363,616.73
Financial assets available for sale	1,875,950,190.30	2,936,822,831.99	3,236,253,355.43
Held to maturity investments	33,993,772.76	34,553,467.41	32,318,155.94
Long-term receivables	1,793,083,333.67	1,649,612,618.58	840,587,857.64
Long-term equity investments	11,960,099,399.19	9,666,719,996.48	15,387,825,508.70
Investment real estate	495,322,693.10	792,960,109.00	1,306,390,128.58
Fixed assets	173,707,079,627.24	175,684,733,971.96	257,043,596,256.20
Construction in progress	159,893,698,457.76	213,733,508,949.24	227,019,475,241.46
Intangible assets	828,690,641.50	2,385,534,956.68	967,512,759.96
Bearer Biological Asset	–	–	130,000.00
Expense on Research and Development	–	3,563,754.06	917,760.87
Goodwill	51,902,062.37	62,494,847.51	62,494,847.51
Long-term expenses to be apportioned	237,154,990.77	309,333,226.73	533,237,661.63
Deferred income tax assets	101,319,204.04	169,688,566.83	238,792,116.98
Other non-current assets	665,000,000.00	35,357,460.00	35,357,460.00
TOTAL NON-CURRENT ASSETS	**355,494,665,330.77**	**411,326,536,295.57**	**510,658,252,727.63**
TOTAL ASSETS	**445,036,895,370.09**	**505,393,267,032.83**	**611,333,232,843.18**
Current liabilities:			
Short-term loans	6,758,333,100.00	6,202,004,795.00	7,465,597,012.46
Deposits margin	73,000.00	73,000.00	63,000.00
Bills and accounts payable	12,842,112,692.08	16,385,345,442.47	16,948,423,671.86
Accounts received in advance	1,444,615,687.81	2,761,113,872.86	3,409,173,294.18
Wage payable	169,396,323.27	303,599,827.39	356,818,852.74
Taxes payable	353,171,554.52	563,430,015.54	645,146,707.15
Other payables	5,148,625,442.91	4,879,559,139.25	18,041,951,802.92
Unexpired liability deposit	22,802,617.51	42,364,264.06	54,364,369.68
Guarantee compensation	168,634,899.31	205,744,632.58	223,261,139.73
Non-current liabilities due within one year	17,734,296,587.09	20,317,287,427.08	11,909,758,395.37
Other current liabilities	–	–	82,568.81
TOTAL CURRENT LIABILITIES	**44,642,061,904.50**	**51,660,522,416.23**	**59,054,640,814.90**
Non-current liabilities:			
Long-term loans	190,520,158,115.24	214,318,704,056.64	253,136,592,808.16
Bonds payable	32,525,976,382.22	38,747,514,193.44	42,921,740,000.00
Long-term payables	23,369,055,383.38	30,193,082,400.80	35,289,954,797.68
Projected liability	–	–	8,030,315.27
Deferred income	19,254,536.17	76,969,288.40	71,340,563.88
Deferred income tax liabilities	1,813,883.19	10,155,524.40	7,190,257.92
TOTAL NON-CURRENT LIABILITIES	**246,436,258,300.20**	**283,346,425,463.68**	**331,434,848,742.91**
TOTAL LIABILITIES	**291,078,320,204.70**	**335,006,947,879.91**	**390,489,489,557.81**
Owners' equity (or shareholders' equity):			
Paid-in capital	20,000,000,000.00	20,000,000,000.00	20,000,000,000.00
Other equity instrument	–	1,500,000,000.00	13,000,000,000.00
Perpetualdebt	–	1,500,000,000.00	13,000,000,000.00
Capital reserve	112,807,061,336.50	123,832,748,496.96	158,704,420,698.73
Other comprehensive Income	22,811,249.08	21,907,462.13	-7,378,402.80
Reasonable reserve	127,435,515.65	241,308,718.75	286,855,260.44
Surplus reserves	1,426,359,942.41	1,431,393,151.28	1,431,393,151.28
Provision of general risk	47,335,804.13	81,472,135.93	109,632,176.66
Undistributed profit	12,499,754,166.25	12,680,166,492.30	12,261,926,617.78
TOTAL EQUITYy ATTRIBUTABLE TO OWNERS OF PARENT COMPANY	**146,930,758,014.02**	**159,788,996,457.35**	**205,786,849,502.09**
Minority shareholders' equity	7,027,817,151.37	10,597,322,695.57	15,056,893,783.28
Total owners' equity	**153,958,575,165.39**	**170,386,319,152.92**	**220,843,743,285.37**
TOTAL LIABILITIES AND OWNERS' EQUITY	**445,036,895,370.09**	**505,393,267,032.83**	**611,333,232,843.18**

Consolidated Profit Statement

		Year ended 31 December		
		2018	2019	2020
			(in RMB)	
1.	**Total operating income**	97,570,009,237.43	129,732,527,779.97	145,449,267,453.24
	Including: Operating income	97,156,026,687.55	129,141,859,432.73	144,948,593,380.02
	Interest income	176,016,638.66	395,530,232.59	327,610,898.39
	Insurance gained	39,091,942.68	82,786,728.42	106,650,717.21
	Commission charge and commission income	198,873,968.54	112,351,386.23	66,412,457.62
2.	**Total operating costs**	97,607,425,612.60	130,838,883,282.18	148,429,707,166.79
	Including: Operating costs	91,099,615,438.96	122,012,491,356.39	138,693,639,680.39
	Commission charge and commission expense	1,234,294.29	–	–
	Cash surrender value	14,032,457.43	–	–
	Tax and extras	293,086,576.01	407,212,550.89	395,700,885.70
	sales expense	97,810,768.50	149,445,378.70	203,560,496.12
	Administrative expense	1,006,222,793.18	1,370,845,215.06	1,425,482,455.80
	R&D expenses	–	90,331,943.33	211,484,837.45
	Financial expenses	5,095.423,284.23	6,808,556,837.81	7,499,838,811.33
	Including: Interest expenses	5,642,985,599.72	7,463,711,427.69	8,578,586,394.93
	Interest income	723,720,073.99	871,961,673.06	826,509,825.44
	Net exchange loss (gains are listed with"-")	164,583,109.32	188,873,455.25	-353,182,313.85
Plus:	Other income	24,608,182.89	88,630,179.42	1,437,796,883.84
	Investment income (Losses presented by "-")	414,795,062.02	440,398,748.02	342,593,148.26
	Among them: investment income from associates or joint ventures	403,381,986.91	255,276,951.60	253,387,878.47
	Income from changes of fair value (losses are listed with "-")	35,883,875.86	32,030,134.41	38,611,110.00
	Losses of devaluation of asset (losses are listed with "-")	17,255,966.63	-591,082,034.16	-152,977,476.03
	Income from assets disposal (losses are listed with "-")	-20,888,862.30	-7,314,395.72	1,449,715.68
3.	**Operating profit (losses are listed with "-")**	434,237,849.93	-1,143,692,870.24	-1,312,966,331.80
Add:	Non-operating income	51,138,777.31	2,121,448,992.50	1,833,980,884.34
Less:	Non-operating expenses	64,716,719.93	85,872,799.01	54,189,801.47
4.	**Total profit (total loss is listed with "-")**	420,659,907.31	891,883,323.25	466,824,751.07
Less:	Income tax expense	206,206,825.51	351,941,969.48	356,533,419.77
5.	**Net profit (Net loss is listed with "-")**	214,453,081.80	539,941,353.77	110,291,331.30
	Net profit attributable to shareholders of the parent company.	95,717,123.83	430,870,682.17	76,108,015.51
	Minority shareholders' gains and losses	118,735,957.97	109,070,671.60	34,183,315.79
6.	**Net after tax of other combined income**			
	I. net after-tax income attributable to the owner of the parent company	42,194,607.02	-903,786.95	-29,285,864.93
	1. Other combined gains that cannot be reclassified into gains and losses	-392,038.80	–	–
	(a) re-measurement of changes in the set benefit plan	–	–	–
	(b) other comprehensive benefits that cannot be converted into profits and losses under the equity method	-392,038.80	–	–
	2. Other combined gains reclassified into gains and losses	42,586,645.82	-903,786.95	-29,285,864.93
	(a) other combined benefits of transferable profits and losses under the equity method	42,586,645.82	-903,786.95	-22,511,310.63
	(b) changes in fair value of financial assets available for sale	–	–	26,727.30
	(c) reclassification of investments held to maturity as profits and losses of financial assets available for sale	–	–	–
	(d) effective portion of cash flow hedge gains and losses	–	–	–
	(e) conversion of differences in foreign currency financial statements	–	–	-6,801,281.60
	II. net after-tax income attributable to minority shareholders	–	–	58,772.70
7.	**Total comprehensive income**	256,647,688,82	539,037,566.82	81,064,239.07
	Total comprehensive income attributable to owners of the parent	137,911,730.85	108,166,884.65	4,897,450.86
	Total comprehensive income attributable to minority shareholders	118,735,957.97	430,870,682.17	76,166,788.21

Consolidated Cash Flow Statement

		Year ended 31 December		
		2018	2019	2020
			(in RMB)	
1	**CASH FLOW ARISING FROM OPERATING ACTIVITIES:**			
	Cash received from sales of goods and services	107,543,189,820.94	143,016,847,484.93	152,816,411,432.63
	Cash received from the original insurance contract premium	37,628,639.05	119,700,455.71	112,312,170.95
	Cash received from interest, commission charge and commission	769,291,203.00	940,355,752.48	789,663,911.53
	Write-back of tax received	1,665,432.87	11,883,708.34	46,576,876.94
	Other cash received concerning operating activities	13,970,687,098.17	20,725,307,224.15	30,729,817,254.58
	Sub-total of cash inflow arising from operating activities	**122,322,462,194.03**	**164,814,094,625.61**	**184,494,781,646.63**
	Cash for purchasing goods and receiving labor services	103,201,715,985.41	139,110,804,043.63	150,721,968,111.09
	Guaranteed cash payment	28,305,289.69	–	–
	Net increase in customer loans and advances	2,536,666,450.80	254,075,984.44	289,509,072.66
	Cash to pay interest, handling fee and commission	1,234,294.29	4,126,307.98	1,667,905.99
	Cash paid to/for staff and workers	2,315,975,851.59	3,294,392,486.99	3,828,502,394.94
	Taxes paid	1,747,475,772.04	2,009,809,757.80	2,309,192,851.43
	Other cash payments concerning operating activities	8,527,054,406.91	17,512,012,128.20	22,605,589,603.09
	Sub-total of cash outflowfrom operating activities	**118,358,428,050.73**	**162,185,220,709.04**	**179,756,429,939.20**
	Net cash flow arising from operating activities	**3,964,034,143.30**	**2,628,873,916.57**	**4,738,351,707.43**
2.	**CASH FLOW FROM INVESTING ACTIVITIES:**			
	Cash received from recovering investments	42,400,000.00	210,961,352.79	974,600,579.95
	Cash received from investment income	58,151,011.81	334,892,861.96	142,722,232.14
	Net cash received from the sale of fixed assets, intangible assets and other long-term assets	2,196,044.02	2,758,475.64	3,752,993.46
	Net cash received from disposal of subsidiaries and other business units	–	–	3,043,886.30
	Other cash receipts relating to investing activities	33,200,422,763.14	13,113,018,166.24	6,693,272,035.15
	Sub-total of cash inflow from investment activities	**33,303,169,818.97**	**13,661,630,856.63**	**7,817,391,727.00**
	Cash paid to acquire fixed assets, intangible assets and other long-term assets	31,834,903,192.91	41,519,666,724.11	56,459,191,288.26
	Cash paid for investment	3,947,214,963.60	3,200,116,833.85	4,275,475,623.08
	Net cash received from subsidiaries and other units obtained	–	45,915,782.44	127,353,982.00
	Other cash payments relating to investing activities	26,477,304,348.15	8,434,227,894.65	6,157,305,649.44
	Sub-total of cash outflows from investment activities	**62,259,422,504.66**	**53,199,927,235.05**	**67,019,326,542.78**
	Net cash flows arising from investing activities	**-28,956,252,685.69**	**-39,538,296,378.42**	**-59,201,934,815.78**
3.	**CASH FLOWS FROM FINANCING ACTIVITIES:**			
	Absorb cash received from inveslment	8,293,010,600.00	21,877,993,304.14	11,973,318,708.75
	Including: cash received by subsidiary which is invested by minority shareholder	148,093,800.00	7,892,440,072.74	287,139,365.07
	Cash received from loans	68,282,740,717.05	53,610,925,695.00	158,842,295,277.42
	Cash received from issuing bonds	–	12,518,225,866.74	7,290,298,339.36
	Other cash receipts relating to financing activities	5,867,168,615.73	2,101,456,987.00	15,997,355,240.21
	Sub-total of cash inflows from financing activities	**82,442,919,932.78**	**90,108,601,852.88**	**194,103,267,565.74**
	Cash paid for debt repayment	22,652,871,086.52	38,255,468,223.82	118,578,014,176.39
	Cash payments for distribution of dividends or profits and for interest expenses	12,361,587,986.58	13,809,850,799.13	15,474,741,047.63
	Including: dividends or profits distributed by subsidiary to minority shareholder	1,570,415,066.40	23,651,825.50	25,735,430.34
	Other cash payments relating to financing activities	2,017,949,086.44	339,609,312.33	2,759,043,235.62
	Sub-total of cash outflows from financing activities	**37,032,408,159.54**	**52,404,928,335.28**	**136,811,798,459.64**
	Net cash flow arising from financing activities	**45,410,511,773.24**	**37,703,673,517.60**	**57,291,469,106.10**
4.	**EFFECT OF FOREIGN The impact of exchange rate changes on cash and cash equivalents**	35,156,148.73	162,030,740.04	-26,417,564.04
5.	**NET INCREASE IN CASH AND CASH EQUIVALENTS**	20,453,449,379.58	956,281,795.79	2,801,468,433.71
	Plus: Cash and cash equivalents at the beginning of the year	26,574,680,780.60	47,636,473,827.55	48,592,755,623.34
6.	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	47,028,130,160.18	48,592,755,623.34	51,394,224,057.05

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 Group, its business, the market in which the Group operates and the value of the Bonds. Some risks may be unknown to the Issuer 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 and the Group or the value of the Bonds. The Issuer believes that the risk factors described below represent the principal risks inherent in investing in the Bonds, but the ability of the Issuer 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 on information currently available to it or which it is currently unable to anticipate. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Offering Circular.

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

RISKS RELATING TO THE GROUP'S BUSINESSES

The Group's business, financial conditions and results of operations are heavily dependent on the level of economic activity in Gansu Province

The Group's businesses and assets are highly concentrated in Gansu Province. Accordingly, the Group's business, financial condition and results of operations have been and will continue to be heavily dependent on the level of economic activity in Gansu. Gansu has undergone a sustained period of economic development, with an average annual growth in GDP of 8.75 per cent. between 2008 and 2020. These developments have greatly benefited the Group and allowed it to grow during the same period of time. However, there can be no assurance that the level of economic activity in Gansu will continue to grow at the pace that it has achieved in the past, or at all, and it is unclear how economic development in Gansu will be affected by a perceivable slowdown in the growth of the PRC economy, particularly in the recent macroeconomic context of growing U.S.-Sino trade tensions. Also, Gansu's economic size is at the lower end for China while the economic size of the North-Western region where Gansu is located has also experienced below-average growth as compared with other regions in China. Although in 2020 Gansu's GDP saw a yearly increase of 3.9 per cent., if economic activity in Gansu Province slows down, revenue growth from the Group's operations will be limited. In the event of any unfavourable developments, the Group's business, financial condition and results of operations may be adversely affected.

The Group's business operations are heavily influenced by governmental decisions and actions at various levels, over which the Group has no control and may not be in the Group's best interest

The Group collaborates with the PRC Government and its affiliates, in particular the Gansu Provincial Government, in its construction of transportation infrastructure and operations, and civil projects. Many aspects of the Group's business are heavily influenced by government decisions and actions at various levels, including but not limited to, future changes of business strategy of the Group, commencement of new business or termination of any particular business the Group is currently engaged in, and the transfer or divestment of the Group's assets as directed by government. For instance, the entire equity interest held by the Gansu SASAC in GPHTC has been transferred to the Group without consideration, which will expand the Group's highway development business segment capabilities into engineering construction and other related services. In recent years, the scale of highway construction in various

regions in the PRC has continued to increase. In order to improve the efficiency of operation and management, and to realise the optimal allocation and application of resources, local governments in the PRC have gradually increased their efforts to restructure their highway assets. There can be no assurance that the Gansu Provincial Government will not, as part of such efforts, cause assets of the Group to be transferred out of the Group. Depending on the decisions and actions taken by governmental authorities, the Group's business and results of operations could fluctuate to some degree from year to year and may be adversely impacted.

The Group faces risks relating to the consolidation and integration of GPHTC with the Group and may not be able to realise the benefits of the Transfer (as defined below).

The Group faces risks relating to the consolidation and integration of GPHTC with the Group, including the following:

- the Group may incur further costs and encounter unanticipated problems, circumstances, expenses, delays or legal liabilities in connection with the consolidation and integration of GPHTC with the Group;

- the Group may experience problems relating to co-ordination and consolidation of corporate and administrative functions (including internal controls, human resources and financial reporting) and the culture of GPHTC;

- the consolidation and integration of GPHTC may divert management's attention and other resources from the operation of the business;

- the Group may not be able to retain or assimilate key personnel of GPHTC;

- the Group may not be able to achieve the anticipated synergies, strategic purpose or the desired level of operational integration between GPHTC and the Group;

- the businesses of GPHTC may fail to perform as expected and the Group may be required to recognise a significant impairment charge, which may materially and adversely affect its results of operations; and

- the Group may incur and inherit debts and other liabilities, assume potential legal liabilities in respect of the acquired businesses, or incur impairment charges related to goodwill and other intangible assets, any of which could harm the Group's results of operations and financial condition.

The Group believes that it will be able to realise significant operational and financial benefits of the Transfer, including strengthening the Group's capital position and resources, improving efficiencies and lowering operating costs, and enhancing the Group's integrated business model across the highway development business segment. The Group also believes that the Transfer will enable it to further diversify its business operationally and geographically to strengthen its business stability and increase the Group's competitiveness, and allow it to influence the highway development business segment both in the PRC and globally. However, as of the date of the Offering Circular, notwithstanding that GPHTC and its subsidiaries' financial results have been consolidated into the Group and the business registrations in connection with the Transfer have been completed, the integration of business, corporate and administrative functions of GPHTC with the Group is still in progress. The Group may face risks and experience problems relating to the consolidation and integration of GPHTC with the Group, and there is no guarantee that the Group will be able to realise any of the expected benefits of the Transfer.

The Group may be involved in some public interest projects in the future, which may not be commercially viable and, in turn, may have a material and adverse effect on the Group's financial condition and results of operations

The Group is wholly owned by the State-owned Assets Supervision and Administration Commission of Gansu Province. As a state-owned enterprise, it may be required to engage and participate in projects which are principally motivated by public interests in the future, such as representing Gansu Province in participating in the construction of railways which run across Gansu Province, while engaging in the financing, construction and operation of highways as well as other businesses. The public interest projects may not be commercially viable and the Group may not be able to recover its investment or achieve financial returns within commercially desirable time frame, or at all. The Group has received financial allocations and asset injections, in the form of land use rights, cash or other assets, and may receive other financial support from the government for such government-sponsored projects. However, such financial support may not always be available due to the government's liquidity, budgeting priorities and other considerations. In addition, such financial support may not be sufficient to cover the Group's investment. Furthermore, the Group has limited resources, and engagement in such projects may reduce its ability to participate in other profit-generating enterprises. Although the Group was not involved in any public interest projects as at 31 December 2020, there can be no assurance that the Group may not be involved in public interest projects in the future, that such engagement may not be commercially profitable to some extent and that the Group's results of operations, business and financial condition will not be adversely affected as a result.

The Group has received support from the Gansu Provincial Government, including both financial and policy support. The loss or reduction of such support could adversely affect the Group's operations and financial results

The Group receives a broad range of support from the Gansu Provincial Government, including direct financial support in the form of financial allocations and asset injections, and certain preferential policies. For instance, according to the Notice on the Pilot Reform Plan for Five Provincial Enterprises Including the Group (關於印發省公航旅集團等5戶省屬企業改革試點方案的通知) issued by the Gansu Provincial Party Committee and the Gansu Provincial Government, and the other opinions issued by the Gansu Provincial Government on the latest reform plan in relation to state-owned enterprises, the Gansu Provincial Government will continue to strengthen the Group's leading position in the transportation industry and assist the Group to develop into a comprehensive state-owned capital investment company with a complete management system and solid business operations in the transportation, aviation, tourism and financial services segments. However, there can be no assurance that the government will provide additional capital to the Group, or favourable policies will not change in the future. The PRC government is not an obligor and Bondholders shall have no recourse to the PRC government in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer. Any reduction or loss of support from the Gansu Provincial Government, including both financial and policy support, may have an adverse effect on the Group's business, financial condition and results of operations.

The Group has substantial indebtedness and may incur substantial additional indebtedness in the future, which could adversely affect its future strategy and operation

The Group currently has, and will continue to have in the foreseeable future, a substantial amount of indebtedness. The substantial level of existing indebtedness and incurrence of further indebtedness could have important consequences to the Group's business, including:

- limiting the Group's ability to satisfy its obligations on its outstanding debt;
- increasing the Group's vulnerability to adverse general economic and industry conditions;
- requiring the 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;

- adding to the Group's interest exposure as a proportion of its costs of doing business;
- limiting the Group's flexibility in planning for or reacting to changes in its businesses and the industries in which it operates;
- reducing the Group's competitiveness compared with its competitors that have less debt;
- limiting, along with the financial and other restrictive covenants of its indebtedness, amongst other things, its ability to borrow additional funds; and
- increasing the costs of additional financing.

If the Group is unable to comply with the restrictions (including restrictions on the Group's future investments) and covenants in its current or future debt obligations and other agreements, a default under the terms of such agreements may occur. In the event of a default under such agreements, the holders of the debt could terminate their commitments to the Group or its subsidiaries, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be.

Some of the financing arrangements entered into by the Groups and its subsidiaries may contain cross acceleration or cross-default provisions. As a result, a default by the Group or any of its subsidiaries under any of such agreements may cause the acceleration of repayment of not only such debt but also other debts, or result in a default under other debt agreements. If any of these events occur, there can be no assurance that the assets and cash flows of the Group or its subsidiaries would be sufficient to repay in full all of their respective debts as they become due, or that the Group or its subsidiaries would be able to find alternative financing. Even if the Group and its subsidiaries could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Group or its subsidiaries.

Increasing financial expenses of the Group

For the year ended 31 December 2020, the Group's financial expenses amounted to RMB7.5 billion, representing an increase of 10.6 per cent as compared with the year ended 31 December 2019. When the Group's highways under construction are completed and become classified as fixed assets (instead of construction in progress), the relevant interest expenses will be accounted for as financial expense. As the number of highways completed by the Group increases, the financial expenses of the Group will likewise increase. If the Group's revenues and profits do not maintain steady growth in the future, the increase in financial expenses may adversely affect the Group's results of operations and financial condition.

Various factors affect the Group's ability to meet its financial obligations

As at 31 December 2018, 2019 and 2020, the Group's total liabilities were RMB291.1 billion, RMB335.0 billion and RMB390.5 billion, respectively, which entailed substantial financial expenses of RMB5.1 billion, RMB6.8 billion and RMB7.5 billion for the years ended 31 December 2018, 2019 and 2020, respectively. The Group's debt-to-assets ratio is expected to increase in the future owing to the increasing number of construction projects requiring substantial external financing. Various factors affect the Group's ability to meet its financial obligations, including but not limited to its inability to obtain external financing on favourable terms, and the reduced financial injections from the government. The Group's failure to meet its financial obligations in a timely manner may adversely affect its business, results of operations and financial condition.

The Group operates in highly regulated industries

The transportation infrastructure business that the Group operates in is highly regulated. The laws, rules, regulations or policies applicable to transportation infrastructure operated by the Group may be subject to future changes, amendments or uncertainties regarding their interpretation and application. In order to

comply with existing and future laws and regulations, the Group incurs, and expects to continue to incur, substantial costs in obtaining necessary authorisations and in implementing operational changes to fulfil regulatory requirements. Failure to comply with any of these laws, rules, regulations or policies may result in fines, restrictions on the Group's business activities or, in extreme cases, suspension or revocation of the Group's business licences, which could materially and adversely affect the Group's business, financial position, operating results and prospects. In addition, any change or development in laws, rules, regulations or policies, or the interpretation of existing or future laws, rules, regulations or policies, including accounting policies and standards, could have a material and adverse effect on the Group's business, financial position, operating results and prospects.

The Group's business requires significant capital expenditures and the execution of the Group's capital expenditure plans is subject to uncertainty

The Group's core businesses, in particular its highway development business, require substantial capital investment. The Group has historically required, and expects that in the future it will continue to require substantial external financing to fund its capital expenditures through various channels, such as bank and other borrowings, equity financing and debt issuances. The Group generally formulates and updates its capital expenditure and investment plans on an annual basis, taking into account various factors. The Group's capital expenditure plans, however, are subject to a number of factors, some of which are beyond its control, including its ability to generate sufficient cash flows from its operations and the availability and terms of external financing. If the Group is unable to obtain acceptable financing to fund necessary capital expenditures in the future, the results of its operations and its financial condition could be materially and adversely affected. The Group's ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including:

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

The Group has incurred substantial capital expenditures for ongoing projects, such as construction and maintenance of municipal roads and bridges and expressways. These ongoing projects may be subject to delays and cost overruns inherent in the transportation infrastructure, construction and operation business. To date, no material events of this nature have materially and adversely affected the operation of any of the Group's core businesses. In addition, the execution of the Group's capital expenditure plans is subject to uncertainty, and the Group may incur an additional amount of capital expenditure in the future, as a result of which the Group may be confronted with substantial pressures in terms of financing and its capital liquidity.

There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group. As at 31 December 2020, 90.28 per cent. of the Group's total bank loans are secured by pledged assets. Should this proportion increase, the terms on which the Group is able to obtain future financing may be adversely affected. If the Group is unable to obtain financing on a timely basis and at a reasonable cost,

it may not be able to undertake new projects or implement them as planned. This would restrict the Group's ability to grow and, over time, may reduce the quality and reliability of the services the Group provides and adversely affect the Group's business, results of operations and financial condition.

The Group may cease to enjoy preferential tax treatment, tax exemptions and government grants, the loss of which, or a reduction in which, could reduce the Group's profits

The Group is currently entitled to certain preferential corporate tax treatment in relation to its transportation infrastructure construction and operations business. However, there is no assurance that the preferential corporate tax treatment will not be withdrawn or revoked by the PRC Government or become inapplicable before the expiry of the current exemption term. If the Group ceases to enjoy such preferential tax benefits, or if the scope of the preferential treatment is scaled back, then the Group's financial conditions and results of operations may be adversely affected.

The Group may not successfully implement its growth strategy

In implementing its business strategy, the Group will, to some extent, depend on the successful execution of construction projects and operations, obtaining required approvals and continual support from relevant regulatory authorities in the PRC, and the availability and cost of financing. The Group's ability to continue to develop its business will depend on it being able to make full use of favourable opportunities, maintain long-term financial relationships with the banks on commercial and technical terms satisfactory to the Group, and obtain sufficient projects which are commercially advantageous to the Group.

While the Group is experienced in its core business, namely the highway development business, the successful completion of construction projects and operations with respect to any particular project cannot be assured. Each project will also require certain government consents, approvals and support as part of the development process. There can be no assurance as to the timing and completion of any particular investment or arrangement or as to the successful completion of construction and operation. Furthermore, there can be no assurance that the Group's future projects will provide terms that are equivalent to, or as favourable as, the Group's existing projects. Failure to develop new projects with commercially acceptable capital expenditure will materially and adversely affect the Group's business operations and growth prospects.

Revenue from the Group's highway development business may be affected by factors beyond the Group's control

The Group derives revenue from its highway development business. The development and operation of highways may be materially and adversely affected by many factors commonly associated with the development of highway projects that are beyond the Group's control, including shortages of equipment, materials or labour, work stoppages, labour disputes, weather interference, natural disasters, accidents, and unforeseen mechanical, technical, engineering, design, environmental or geological problems, any of which could give rise to delays or cost overruns. Furthermore, the construction of the Group's highways and other ancillary facilities is or will be undertaken by third-party contractors. There can be no assurance that such contractors will be able to complete construction in a timely or cost-effective manner or that the Group will be able to adequately control or monitor the contractors to ensure the quality of such construction.

Construction delays can result in the loss or delayed receipt of revenues, disputes with contractors and payment of damages and penalties by the Group under the relevant construction contracts, an increase in financing costs, or the failure to meet profit and earnings projections. In addition, the failure to complete the construction of the relevant projects according to specification could result in reduced efficiency, higher operating costs and reduced or delayed earnings. Furthermore, the construction of most of the Group's highways and other ancillary facilities is or will be undertaken by third-party contractors. There

can be no assurance that such contractors will be able to complete construction in a timely or cost-effective manner or that the Group will be able to adequately control or monitor the contractors to ensure the quality of such construction projects.

Further, toll collection on any road project is dependent on, amongst other things, the number of paying vehicles using the road, the level of tolls charged, competition from alternative routes, natural disasters and the continued capacity and capability of roads or tunnels for bearing traffic volumes. Traffic volumes and toll revenues may be directly or indirectly affected by factors such as integration with other parts of the city and other road networks, fuel prices, inflation, interest rates, taxation, the quality, proximity and toll rates of alternative tunnels or roads and other competing modes of transport, social stability and other political or economic developments in the PRC. There can be no assurance that future developments in the PRC economy will not adversely affect, directly or indirectly, traffic volumes or the toll revenues derived from the operation of expressway or tunnel projects.

A decrease in revenue in the Group may result in a proportionately higher decrease in its net income

The expenses of the Group's highway development business do not vary proportionately with the number of cars using highways managed by the Group, while revenues generated from the Group's highway construction and operations are typically directly related to the number of cars serviced. The Group may not be able to transfer all of its costs to its customers through higher toll rates or ticket prices. Accordingly, a decrease in revenues may result in a proportionately greater decrease in net income.

A decline in the growth of traffic volume may adversely affect the revenue and earnings of the Group's highway development business

The growth of traffic volume is, directly and indirectly, affected by a number of factors, including the availability, quality, proximity and toll rate differentials of alternative roads, the existence of other means of transportation, including railways and waterways, fuel prices, taxation, environmental regulations and market conditions.

The recent increase in the capacity of railways has impacted the overall highway transportation industry. Widening and expansion works of nearby expressways and local roads, as well as the opening of new roads, will also hinder faster traffic growth on expressways. To the extent that fuel shortages or increasing fuel prices reduce the rate of growth of traffic volume, while the expenditures and costs plan of the Group still depend on the current rate of growth of traffic volume, a decline in the growth of traffic volume may adversely affect the recuperation of the costs of building toll roads, which, in turn, could materially and adversely affect the revenue and earnings of the Group's highway development business.

Competing roads and bridges and alternative modes of transportation may also affect the Group's expressway operations. New competing roads may become operational and divert traffic, and other existing competing roads or modes of transportation may significantly improve their services. There can be no assurance that these will not materially and adversely affect the revenue, results of operations and financial condition of the highway development business of the Group.

The Group's highway revenue is also dependent upon the toll rates set by local government authorities and other factors

Toll rates to be charged by the Group with respect to its expressways in the PRC are set by various local government authorities, although the Group may propose toll rate changes. Such toll rates are determined by the local authorities on a case-by-case basis, taking into consideration factors such as loan repayment terms, the inflation rate, affordability and traffic volume. For certain projects, the government authorities may also consider the shareholders' rate of return on the investments when evaluating whether to allow a higher toll rate. There can be no assurance that any future application for

toll increases by the Group will be granted at all or in a timely manner or, if granted, that it will not be subject to certain conditions. Further, there can be no assurance that the relevant authorities will not request a toll reduction or close any of the existing toll stations. For instance, from May 2017, tolls have no longer been chargeable on second-tier highways, which impacted the Group's revenue from its highway operations business activities.

The PRC Government has announced its intention to reduce toll stations in urban areas which, if implemented in relation to the Group's expressway projects, may adversely affect the operating results of such projects to some extent. In addition, in recent years the PRC Government has introduced some preferential treatment by eliminating toll collection on passenger vehicles with up to seven seats during certain holiday seasons, which has adversely affected the Group's revenue from its expressway business during the relevant periods. Particularly, congestion during holiday seasons, partly as a result of such preferential treatment, has further reduced the traffic volume of vehicles subject to toll collection, which may further adversely affect the Group's revenues from its highway operations business activities.

The Group's highway revenue is subject to fluctuations

The Group's highway revenue is dependent on traffic volumes and toll rates. Highway projects generally have long payback periods, while traffic and toll income are affected by a wide range of factors, including, but not limited to, regional economic development, car ownership, price movement of fuel, highway fee model, weather, changes in modes of travel, competition from newly built highways, and compatibility with the highway system in the region. Also, adjustment of toll rates is subject to approval by the relevant authorities as well as government policies. As such, there is uncertainty in traffic volume and toll revenue generated from existing and newly built highways, which could affect the Group's profitability.

Further, the Group's highway revenue is also subject to the risks of temporary adjustments on holidays as required by government policies. On 24 July 2012, the PRC Government issued the Approval Notice to the Ministry of Transport on the Implementation Plan of Waivers of Toll on Small Vehicles (2012) No. 37 (【2012】37號 《國務院關於批轉交通運輸部等部門重大節假日免收小型客車通行費實施方案的通知》). The Implementation Plan provides that on the statutory holidays during Chinese New Year, Qingming Festival, Labour Day Holidays and National Day Holidays, toll charges on small vehicles (seven-seaters or below) and motorcycles are waived. On 19 September 2012, the Gansu Provincial Government further issued the Gansu Province Implementation Plan of Waivers of Toll on Small Vehicles (2012) No. 109 (【2012】109號 《甘肅省重大節假日免收小型客車通行費實施方案》), which expanded the scope of applicable highways for toll waivers to the airport highway and toll roads managed by local governments in Weiwu, Tianshui and Qingyang. As such, given the highly regulated nature of toll revenues, there can be no assurance that the PRC government would not issue new regulations that may affect adversely the Group's business, financial condition or profitability.

The Group's highway operations may be subject to operational risks

The operation of highways generally involves a low level of operational risk as long as an effective system of internal controls over the collection of toll fees is properly established and appropriate periodic maintenance is carried out. The highway operations of the Group may nonetheless be materially and adversely affected or interrupted by a variety of events, such as major traffic accidents, natural disasters, serious adverse weather conditions and other unforeseen circumstances. If the highway operations are interrupted in whole or in part as a result of such events, the traffic flow and, therefore, the results of operations and financial condition of the Group, may be materially and adversely affected. To date, no material events of this nature have adversely affected the operation of any of the Group's highways.

The Group's right to collect tolls is subject to third-party security interests

The Group has pledged its right to collect tolls from each of the expressways and high-grade highways under its operation to secure its bank borrowings and loans. Such third-party security rights may adversely affect its operational efficiency. If the Group is unable to serve and repay its debts under such loan facilities on a timely basis, the right to collect tolls pleaded to secure the relevant bank loans may be foreclosed and sold by the relevant lenders, which may adversely affect the Group's business, financial condition, results of operations and prospects. Furthermore, an Event of Default under the Terms and Conditions will occur if a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any material part of the undertaking, assets and revenues of the Group.

The Group is exposed to fluctuations in commodity prices and market demand and the commodities trading business may not be profitable

Commodities trading has become an increasingly large segment in terms of the Group's operating income. The Group's commodities trading business mainly engages in the trading of non-ferrous metals such as copper, nickel and zinc. The price of non-ferrous metals can be affected by various factors such as international politics, supply and demand. Since 2020, China's economy has experienced headwinds which have impacted industrial demand for non-ferrous metals. Also, prices of commodities have been driven up due to an increase in factor costs such as input costs and labour costs.

The gross profit margin of the Group's commodities trading segment was 3.22 per cent., 1.88 per cent. and 3.46 per cent. for the years ended 31 December 2018, 2019 and 2020, respectively. However, there can be no assurance that the market price of any of the Group's major non-ferrous metals, tungsten and rare earth minerals will not decline in the future or that such prices will otherwise remain at sufficiently high levels to support the profitability of its commodities trading business. In the event that the Group trades the commodities at a sale price lower than their purchase price, the commodities trading business could generate losses. Such losses could also further expand as the trading volume increases, which may have a material and adverse impact on the Group's financial condition and profitability.

The Group's suppliers and customers in the commodities trading business segment are relatively concentrated

The Group's suppliers and customers in the commodities trading business segment are relatively concentrated. For example, the Group's largest supplier of aluminium ingots, lead ingots and steel accounts for a substantial proportion of the Group's supply of such commodities. For the year ended 31 December 2020, over 50 per cent. of the Group's sales of aluminium ingots, lead ingots and steel were to its five largest customers. As a result of such concentration, the Group's business may be significantly impacted by any adverse event affecting the Group's suppliers or customers. In addition, if the Group's suppliers are unable to meet the Group's business needs, or if the Group is unable to meet its customers' business needs, there can be no assurance that the Group will be able to source commodities from other suitable alternative suppliers, or to sell to other customers on terms commercially favourable to the Group.

The Group is exposed to risks associated with its guarantee services and small loans business

Guarantee services and small loans are important sources of revenue for the Group's financing services business segment.

The balance of guarantees of the Company's subsidiary Gansu Provincial Financing Guarantee Group Co., Ltd.(甘肅省融資擔保集團股份有限公司) as at 31 December 2018, 2019 and 2020 was RMB6.5 billion, RMB9.2 billion and RMB11.0 billion, respectively. For the years ended 31 December 2018, 2019 and 2020, compensation paid in respect of the guarantees amounted to approximately RMB490 million, RMB740 million and RMB800 million, respectively. Any further increase to the amount of compensation may have a material and adverse impact on the Group's financial condition and profitability of the Group's financing services business segment.

The Group's main customers for small loans are small- and medium-size enterprises. As at 31 December 2018, 2019 and 2020, the Group's loans business had a balance of outstanding loans of approximately RMB311 million, RMB173 million and RMB186.1 million, respectively. Small- and medium-size enterprises may be less resilient to risks caused by macroeconomic conditions or otherwise. Any factor that adversely affect the ability of the Group's customers to make repayments will directly affect the profitability of the Group's financing services business segment.

The Group's tourism business is subject to investment risks

The Group's tourism business involves intensive investment of capital with long payback periods. Some of the Group's tourist sites are located in remote areas, which makes it challenging to implement measures to ensure visitors' safety. Despite the development potential of the Group's tourism projects, it is difficult to estimate the future performance of these projects. If the tourism projects fail to generate revenues as expected, the Group's profitability and financial condition may be adversely impacted.

The Group consists of a large number of companies in multiple business lines, and is subject to challenges not found in companies with a single business line

The Group is exposed to risks associated with multiple businesses. The Group is exposed to business, market and regulatory risks relating to different industries and markets, and may from time to time expand its businesses to new industries and markets in which it has limited operating experience. It needs to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in its business.

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

The 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 governmental authorities, which, in turn, would affect its reputation. Such misconduct could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- performing sub-standard construction tasks in a fraudulent manner;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- recommending products, services or transactions that are not suitable for the Group's customers;
- misappropriation of funds;
- conducting transactions that exceed authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;
- engaging in unauthorised or excessive transactions to the detriment of the Group's customers; or
- otherwise not complying with applicable laws or the Group's internal policies and procedures.

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

The Group faces litigation risks in the course of business

The Group's business is subject to the risk of litigation by customers, suppliers, intellectual property rights holders, government agencies and others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. Such litigation, proceedings or actions may arise, in the ordinary course of the Group's business, from claims relating to personal injury, property damage, contractual disputes, environmental issues, non-compliance with laws or regulations or other matters. Non-compliance with laws or regulations may subject the Group to fines, penalties or other sanctions. The outcome of litigation can be difficult to assess or quantify. Plaintiffs in such lawsuits may seek the recovery of large or indeterminate amounts, and the magnitude of potential losses relating to such lawsuits may remain unknown for substantial periods of time. The cost of defending future litigation may be significant and could negatively affect the Group's operating results. There could also be negative publicity associated with litigation regardless of whether the allegations are valid or whether the Group is ultimately found liable. As a result, any significant litigation could adversely affect the Group's business, financial condition, results of operations or liquidity.

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

The success of the Group's business is dependent to a large extent on its ability to attract and retain key personnel who possess in-depth knowledge and understanding of investment, as well as the industries in which the Group invests or operates. These key personnel include members of the Group's senior management, research and development personnel, experienced investment managers and finance professionals, product manufacturing and development personnel, marketing and sales staff, legal professionals, and risk management, information technology and other operational personnel.

Competition for attracting and retaining these individuals is intense. Such competition may require the Group to offer higher compensation and other benefits in order to attract and retain qualified professionals, which could materially and adversely affect the Group's financial condition and results of operations. As a result, the Group may be unable to attract or retain these personnel to achieve its business objectives, and failure to do so could severely disrupt its business and prospects. For example, the Group may not be able to hire enough qualified personnel to support its new investment projects or business expansion. Furthermore, as the Group expands its business or hires new employees, employees may take time to become accustomed to any new standard procedures and consequently may not comply with the standard procedures of any new business in an accurate and timely manner. The occurrence of any of the events discussed above could lead to unexpected losses to the Group and affect its revenue and financial condition. If any of the senior management or other key personnel of the Group joins or establishes a competing business, the Group may lose some of its customers, which may have a material adverse effect on its business.

The Group's business may be affected by an outbreak of any severe contagious disease and occurrence of natural disasters

The Group's business is subject to general economic and social conditions in the PRC. Natural disasters, epidemics and other acts of God which are beyond the Group's control may adversely affect the economy, infrastructure and livelihood of the people in the PRC. Some regions in the PRC are under the threat of earthquake, sandstorm, snowstorm, fire and drought, or epidemics such as the outbreak of pneumonia caused by the coronavirus ("**COVID-19**"), Severe Acute Respiratory Syndrome (SARS), H5N1 avian flu, human swine flu (also known as Influenza A (H1N1)), H7N9 or Middle East

Respiratory Syndrome (MERS). A recurrence of SARS or an outbreak of any other epidemic in the PRC, such as the H5N1, MERS or H7N9 avian flu, may result in a material impact on the Group's businesses, which in turn may adversely affect its financial condition and results of operations.

Since December 2019, the COVID-19 outbreak has caused substantial disruption, and has led to a slowdown, in the PRC economy. Government travel advice and lockdowns have affected the Group by reducing the willingness of people to travel, resulting in lower traffic volumes on the Group's toll roads. Following guidelines from the Ministry of Transport of China and the Government of Gansu Province, the Group had exempted toll fees from 17 February 2020 to 5 May 2020, resulting in a significant decrease in the amount of toll fees that the Group has been able to collect. The Group recorded collections of approximately RMB5,178.3 million for the year ended 31 December 2020, just 79.4% of the corresponding toll fees collected for the year ended 31 December 2019. In addition, the Group's tourism business segment recorded a revenue of RMB200.2 million for the year ended 31 December 2020, representing only 47.6% of the corresponding revenue collected for the year ended 31 December 2019. The Group's commodities trading business segment has also been impacted by fluctuations and decreases in commodity prices in general as a result of the COVID-19 outbreak. Other business segments of the Group such as financial services and general aviation have also been impacted but to a smaller extent. As the situation continues to evolve, the Group will continue to closely monitor the impact of COVID-19 on its business operations and assess its impact on its business operations and prospects. Whilst COVID-19 is substantially under control within the PRC as at the date of this Offering Circular, there can be no assurance that the COVID-19 infection rate would be controlled or that infections would not spike in the future, which might in turn result in future travel advice and lockdowns which might, in turn, have a material and adverse impact on the Group's business operations.

RISKS RELATING TO THE PRC

The majority of the Group's assets are located in the PRC, and substantially all of the Group's revenue is sourced from the PRC. Accordingly, the Group's results of operations, financial position and prospects are subject, to a significant degree, to economic, political and legal developments in the PRC.

PRC economic, political and social conditions, as well as government policies, could affect the Group's business

The economy of the PRC differs from the economies of most developed countries in many respects, including, but not limited to:

- political structure;
- level of government involvement;
- level of development;
- growth rate;
- foreign exchange;
- control of foreign exchange; and
- allocation of resources.

While the PRC economy has grown significantly in the past 30 years, growth has been uneven, both geographically and amongst the various sectors of the economy. The PRC Government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall PRC economy, but may also negatively affect the Group's operations. For example, the Group's financial condition and results of operations may be adversely affected by the PRC Government's control over capital investments or any changes in tax regulations or foreign exchange

controls that are applicable to the Group. The PRC economy has been transitioning from a planned economy to a market-oriented economy. For the past three decades, the PRC Government has implemented economic reform measures emphasising the utilisation of market forces in the development of the PRC economy. Although the Company believes these reforms will have a positive effect on the Group's overall and long-term development, it cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies would have any adverse effect on the Group's current or future business, results of operations or financial condition.

Further, 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. On 23 June 2016, the United Kingdom voted in a national referendum to withdraw from the European Union. On 31 January 2020, the United Kingdom officially exited the European Union ("**Brexit**"). Brexit has also given rise to calls for the governments of other European Union member states to consider withdrawal. The exit of the United Kingdom from the European Union (and such timing or terms of such an exit) could result in significant political, social and macroeconomic uncertainty, including, but not limited to, further decreases in global stock exchange indices, creating negative impact and increasing volatility in the global market. In addition, the U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China. There is no assurance that the trade disputes between China and the United States will be fully resolved. Failure of trade negotiations between the United States and China may lead to additional costs and unexpected consequences on the Guarantor Group's business. These changes in macroeconomic conditions have had, and are expected to continue to have, an adverse impact on the Group's business, financial condition or results of operations.

It may be difficult to enforce any judgments obtained from non-PRC courts against the Group or its directors and senior management who reside in the PRC

The majority of the Group's assets are located within the PRC. In addition, most of the Group's directors and senior management reside within China, and assets of the directors and senior management may also be located within China. As a result, it may not be possible to effect service of process outside China upon most of the Group's directors and senior management, including for matters arising under applicable securities law. A judgment of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with China or if judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requirements. However, China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with many countries, including Japan, the United States and the United Kingdom. Therefore, it may be difficult for investors to enforce any judgments obtained from non-PRC courts against the Group, the Company, any of their respective directors or senior management in the PRC.

The PRC Government's control over foreign currency conversion may limit the Group's foreign exchange transactions

Currently, RMB still cannot be freely converted into any foreign currency, and the conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. It cannot be guaranteed that, under a certain exchange rate, the Group will have sufficient foreign exchange to meet its foreign exchange requirements. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by the Group do not require advance approval from SAFE, but the Group is required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within the PRC that have the requisite licences to carry out foreign exchange business. Foreign exchange transactions under the capital account conducted by the Group, however, must be approved in advance by SAFE or registered with SAFE upon the approval of other competent authorities, including NDRC and MOFCOM.

In addition, any insufficiency of foreign exchange may restrict the Group's ability to obtain sufficient foreign exchange to satisfy any other foreign exchange requirements. If the Group fails to obtain approval from SAFE to convert RMB into any foreign exchange for any of the above purposes, its capital expenditure plans, and even the business, operating results and financial condition of the Group, may be materially adversely affected.

The Group's labour costs may increase for reasons such as the implementation of the PRC Labour Contract Law or inflation in the PRC

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

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

Further, if there is a shortage of labour or for any reason labour costs in the PRC rise significantly, PRC rises significantly, the costs of production of the Group's products are likely to increase. This may in turn affect the selling prices of the products and services, which may then affect the demand for such products and services and thereby adversely affect the Group's sales and financial condition. Increases in the costs of raw materials and other components required for the Group's business operation may cause similar adverse effects, particularly if the Group is unable to identify and employ other appropriate means to reduce the costs. In such circumstances, the profit margin may decrease and the financial results may be adversely affected.

In addition, inflation in the PRC has increased in recent years. Inflation in the PRC increases the costs of both labour and of those raw materials the Group must purchase for production. Rising labour costs may increase the Group's operating costs and partially erode the cost advantage of the Group's PRC-based operations and therefore negatively impact the Group's profitability.

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

The economy of the PRC has experienced rapid growth during 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, China's real GDP growth rate decreased from 10.6 per cent. in 2010 to 2.3 per cent. in 2020 and China's economy is still facing considerable downward pressure. In May 2017, Moody's downgraded China's long-term local currency and foreign currency issuer ratings to A1 from Aa3 and changed the outlook to stable from negative on China's government credit ratings, which highlighted the country's surging debt burden and questioned the government's ability to enact reforms. In September 2017, S&P downgraded China's sovereign credit rating by one increment to AA-, revising its outlook from stable to negative, citing risks of soaring debt. The continuing effects of reform in the PRC and uncertainty in global financial markets due to issues such as Brexit and the recent U.S.-Sino trade tensions may continue to exert an adverse impact on global and PRC economies, resulting in continuing uncertainties for the overall prospects for global and PRC economies this year and beyond. Any slow-down in the PRC economy may create a credit-tightening environment, increase the Group's financing costs, or reduce government subsidies to the Group, resulting in a material adverse effect on its business, results of operations and financial condition.

The payment of dividends by the Issuer's operating subsidiaries in the PRC is subject to restrictions under PRC laws

PRC laws require that dividends be paid only out of net profit, calculated according to PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions. In addition, PRC law requires enterprises to set aside part of their net profit as statutory reserves before distributing the net profit for the current financial year. These statutory reserves are not available for distribution as cash dividends. Since the availability of funds to fund the Issuer's operations and to service its indebtedness depends upon dividends received from these subsidiaries, any legal restrictions on the availability and usage of dividend payments from the Issuer's subsidiaries may affect the Issuer's ability to fund its operations and to service its indebtedness.

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 or the relevant industry

Facts and other statistics in this Offering Circular relating to the PRC, its economy or the relevant industries in which the Group operates have been directly or indirectly derived from official government publications and certain other public industry sources. Although the Group believes that 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 Managers, the Trustee, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives, and, therefore, the Issuer, the Managers, the Trustee, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives 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. Furthermore, 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, 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 THE BONDS

Any failure to complete the relevant filings under the NDRC Circular and the relevant registration under 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

The NDRC issued the NDRC Circular on 14 September 2015, which came into effect on the same day. According to the NDRC Circular, domestic enterprises and their overseas-controlled entities shall procure the registration of any debt securities issued over one year outside the PRC with the NDRC prior to the issue of the securities and notify the particulars of the relevant issues within 10 working days after completion of the issue of the securities. The Issuer obtained the NDRC pre-issuance registration certificates on 16 September 2020 and 9 February 2021. However, there is no clarity on the legal consequences of non-compliance with the post-issue notification requirement under the NDRC Circular. In the worst-case scenario, such non-compliance with the post-issue notification requirement under the NDRC circular may result in it being unlawful for the Issuer to perform or comply with any of its obligations under the Bonds, and the Bonds might be subject to enforcement as provided in Condition 9 (*Events of Default*) of the Terms and Conditions. Potential investors of the Bonds are advised to exercise due caution when making their investment decisions.

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 the local branches of SAFE in accordance with 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 15 working days after execution of the foreign debt agreement(s) and complete such registration in accordance with the Foreign Debt Registration Measures. If the Issuer does not comply with Foreign Debt Registration Measures and related guidelines, it is not completely certain that any judgment in relation to the Bonds will be enforceable as a matter of PRC law in the PRC, the Issuer might be subject to administration penalties, including fines imposed by administrative departments in accordance with Administrative Regulations of the People's Republic of China on Foreign Exchange (《中華人民共和國外匯管理條例》) and the Issuer may not be able to remit the proceeds of the offering into the PRC or make payments on the Bonds outside the PRC.

On 11 January 2017, the PBOC issued the Circular on Implementing Macro-prudential Management of Comprehensive 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 "**Cross Border Financing Circular**"), which came into effect on the same day. To further enlarge the space of cross-border financing activities, facilitating the use of overseas low-cost capital by domestic enterprises and lowering the financing cost of the real economy, the PBOC further improved the framework of the policy on the basis of overall assessment on implementation of the macro-prudential management of cross-border financing. A one-year transitional period has been set for this pilot programme, during which foreign-invested enterprises and foreign-invested financial institutions in the PRC will be required to follow the new Cross-Border Financing Circular or the existing Foreign Debt Registration Measures. After the one-year transitional period, the new Cross-Border Financing Circular will automatically become applicable for foreign-invested financial institutions. The PBOC and SAFE will decide the cross-border financing management mode applicable to foreign-invested enterprises upon the overall assessment on implementation of the new Cross-Border Financing Circular.

The Issuer has been informed by the local counterpart of SAFE that the Issuer would need to follow the Foreign Debt Registration Measures for the purposes of the Bonds. Neither the PBOC nor SAFE has promulgated implementation rules of the Cross-Border Financing Circular as at the date of this Offering Circular. The filing process for the aforesaid selection and the interpretation and enforcement of the Cross-Border Financing Circular thus involve substantial uncertainties due to its recent promulgation and publication.

The Issuer will undertake under the Terms and Conditions to perform post-issuance registration and filing as required by laws and regulations as applicable to it from time to time. failure to complete any applicable registration and filing procedure will not only constitute a breach of the relevant laws and regulations (which may carry administrative penalties), but also constitute an Event of Default pursuant to which the Bonds could be accelerated. In the event of a failure to complete the registration of the Bonds with SAFE, there is no assurance that the Issuer will be able to remit funds from the PRC to repay the principal amount of the Bonds and any accrued interest upon acceleration. While it is possible for the Issuer to obtain funding outside the PRC, it may not be able to do so in a timely manner, or at all.

The Bonds are unsecured obligations

As the Bonds are unsecured obligations of the Issuer, the repayment of the Bonds may be compromised if:

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

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

The PRC Government has no obligations under the Bonds

The PRC Government (including the Gansu provincial government) is not an obligor and Bondholders shall have no recourse to the PRC Government or the Gansu provincial government in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer. This position has been reinforced by the MOF Circular and the Joint Circular. Both Circulars are relatively new, and because of the limited volume of published decisions, the interpretation and enforcement of these laws and regulations involve uncertainties. State-owned Assets Supervision and Administration Commission of Gansu Provincial Government (甘肅省人民政府國有資產監督管理委員會) as the ultimate shareholder of the Issuer only has limited liability in the form of its equity contribution in the Issuer. As such, the PRC Government or the Gansu provincial government does not have any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer as an independent legal person. In addition, any ownership or control by the PRC Government (including the Gansu provincial government) of the Issuer does not necessarily correlate to, or provide any assurance as to, the Issuer's financial condition.

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 is also 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 and the transaction documents 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, Hong Kong courts may require certain additional procedures to be undertaken. Under the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排), 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 on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned. While it is expected that the PRC courts will recognise and enforce a judgment given by Hong Kong courts 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 with 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 holder's ability to initiate a claim outside Hong Kong will be limited. In addition, on 18 January 2019, the Supreme People's Court of China (the "**SPC**") and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region(關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排)(the "**New Arrangement**"). The New Arrangement extends the scope of judicial assistance, and the effective date shall be announced by the SPC and Hong Kong after the SPC has issued the judicial interpretation and Hong Kong has completed relevant procedures.

The Bonds may not be a suitable investment for all investors

The Bonds 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) Bonds are legal investments for it, (b) 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 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 rates and other factors which may affect its investment and the ability to bear the applicable risks.

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 has been made for the listing of the Bonds on the Hong Kong Stock Exchange, 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. None of the Managers is obligated to make a market in the Bonds, and if the Managers do so, they may discontinue such market-making activity at any time in 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.

Investment in the Bonds is subject to exchange rate risks

Investment in the Bonds is subject to exchange rate risks. The value of the U.S. dollar against the Renminbi and other foreign currencies fluctuates and is affected by changes in international political and economic conditions and by many other factors. All payments of interest and principal with respect to the Bonds will be made in U.S. dollars. As a result, the value of these U.S. dollar payments may vary with the prevailing exchange rates in the marketplace. If the value of the U.S. dollar depreciates against the Renminbi or other foreign currencies, the value of a Bondholder's investment in U.S. dollars will decline.

The Issuer will follow the applicable corporate disclosure standards for debt securities listed on the Hong Kong Stock Exchange, which standards may be different from those applicable to companies in certain other countries

The Issuer will be subject to reporting obligations in respect of the Bonds to be listed on the Hong Kong Stock Exchange. The disclosure standards imposed by the Hong Kong Stock Exchange may be different from those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to that to which investors in the Bonds are accustomed.

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 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 government 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 is no assurance that these developments will not occur in the future.

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

The market price of the Bonds may be adversely affected by declines in 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, international financial markets have experienced significant volatility. The recovery from the lows of 2008 and 2009 was uneven and the global economy has continued to face new challenges, including the escalation of the European sovereign debt crisis in 2011 and the slowdown of the Chinese economy since 2012. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies that have been adopted by the central banks and financial authorities of some of the world's leading economies, including the United States. Since early 2018, the PRC and the United States have been engaged in a trade war which may have a material adverse effect on the global and the PRC economies. This has involved the imposition of tariffs

by the United States on certain imported goods from the PRC, and vice versa. While the United States and the PRC reached agreement on the first phase of a trade deal in January 2020, there is uncertainty as to how and whether such deal will be implemented and whether any further agreement will be reached between the two countries at any time or at all. The road map to a comprehensive resolution remains unclear, and what lasting impact the trade war may have on the PRC economy remains uncertain. The adoption and expansion of trade restrictions, the occurrence and escalation of a trade war, or any other government actions related to tariffs, trade agreements or policies have the potential to adversely impact the PRC economy.

In addition, effective 31 January 2020, the United Kingdom has officially exited from the European Union. There remains significant uncertainty as to its impact on the economic conditions of other parts of the world, such as the PRC, including, but not limited to, further decreases in global stock exchange indices, increased foreign exchange volatility and a possible economic downturn involving more countries and regions.

In addition to concerns over the escalating trade disputes between China and the United States and the withdrawal of the United Kingdom from the European Union, there are also concerns over denuclearisation involving North Korea. The development of these disputes and other events in international financial markets in the future may materially and adversely affect the market price of the Bonds.

The Issuer 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 (as defined in the Terms and Conditions), the Issuer may, at the option of any Bondholder, be required to redeem all, but not some only, of such Bondholder's Bonds. On the Maturity Date or if any such 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. The ability to redeem the Bonds on the Maturity Date or in any of such events may also be limited by the terms of other debt instruments. The Issuer's failure to repay, repurchase or redeem tendered Bonds could constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's other indebtedness.

The Bonds will be structurally subordinated to the existing and future indebtedness and other liabilities and commitments of the Issuer's existing and future subsidiaries and effectively subordinated to the Issuer's secured debt to the extent of the value of the collateral securing such indebtedness

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

The Bonds are the Issuer's unsecured obligations and will: (i) rank at least equally in right of payment with all the Issuer's other present and future unsecured and unsubordinated obligations; (ii) be effectively subordinated to all of the Issuer'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 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 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 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.

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

As substantially all of the Group's businesses are conducted, and substantially all of the Group's assets are located, in the PRC, the Group's operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes while prior court decisions can only be cited as reference. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organisation and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system, and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. In particular, because these laws and regulations (including the Circular of the Ministry of Finance on Issues relevant to the Regulation on the Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知·財金[2018]23號)(the "**MOF Circular**") promulgated on 28 March 2018 and which took effect on the same day and the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知)(the "**Joint Circular**") promulgated on 11 May 2018 and which took effect on the same day) are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. In addition, the PRC legal system is based, in part, on government policies and internal rules (some of which are not published on a timely basis, or at all) that may have a retroactive effect. As a result, the Group may not be aware of the Group's violation of these policies and rules until some time after the violation. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

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

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

If 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 Issuer's debt to be accelerated

If the Issuer is unable to comply with the restrictions and covenants in the Bonds, or current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer, 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 of the Issuer contain cross-acceleration or cross-default provisions. As a result, the default by the Issuer under one debt agreement may cause the acceleration of repayment of debt, including the Bonds, or result in a default under its other debt agreements, including the Bonds. If any of these events

occur, there can be no assurance that the Issuer's assets and cash flows would be sufficient to repay all of the Issuer's indebtedness in full, or that it would be able to find alternative financing. Even if the Issuer could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Issuer.

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

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 in 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 holders of the Bonds, and decisions may be made on behalf of all holders of the Bonds that may be adverse to the interests of the individual holders of the Bonds

The Terms and Conditions contain provisions for calling meetings of the holders of the Bonds 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 holders of the Bonds may be adverse to the interests of the individual holders of the Bonds.

The Terms and Conditions also provide that the Trustee may, without the consent of the holders of the Bonds, agree to any modification of the Trust Deed, the Terms and Conditions and/or the Agency Agreement (other than in respect of a reserved matter), which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Bonds and to any modification of the Bonds, the Trust Deed or the Agency Agreement 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, without the consent of the holders of the Bonds, authorise or waive any proposed breach or breach of or any failure to comply with any of the Terms and Conditions or any of the provisions of the Trust Deed or the Agency Agreement (other than a proposed breach, or a breach relating to the subject of certain reserved matters) 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 holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction prior to taking action

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 any actions, steps and/or the initiating of any proceedings pursuant to Condition 13 (*Enforcement*) of the Terms and Conditions), the Trustee may (in its sole discretion) request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes any steps and/or actions and/or institutes proceedings on behalf of Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute proceedings if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or prefunding can be a lengthy process, and may have an 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 such steps and/or actions and/or institute such proceedings, notwithstanding the provision of an indemnity and/or security and/or prefunding to it, in breach of the terms of the Trust Deed (as defined in 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 value-added tax under PRC tax laws

Under the Enterprise Income Tax Law of the PRC (the "**EIT Law**"), which took effect on 1 January 2008, amended on 29 December 2018, and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law to be non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by enterprise holders would be treated as income 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 income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**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.

Pursuant to the EIT Law, the PRC Individual Income Tax Law (the "**IIT Law**"), which took effect on 1 January 2019, and the implementation regulations in relation to both the EIT Law and the IIT Law, PRC income tax at a rate of 10 per cent. or 20 per cent. is normally applicable to PRC-sourced income derived by non-resident enterprises or individuals, respectively, subject to adjustment by applicable treaty. As the Issuer is a PRC resident enterprise for tax purposes, 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).

On 23 March 2016, the MOF and the State Administration of Taxation issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (Caishui [2016] No. 36) ("**Circular 36**"), which introduced a new value-added tax ("**VAT**") from 1 May 2016. VAT is applicable where entities or individuals sell services, intangible assets and real properties within the PRC. The Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges (as described below) on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. Pursuant to the Interim Regulation of the PRC on City Maintenance and Construction Tax (中華人民共和國城市維護建設稅暫行條例(2011修訂)), Interim Provisions on the Collection of Educational Surcharges (徵收教育費附加的暫行規定(2011修訂)), Notice of the Ministry of Finance on the Relevant Matters regarding Unifying the Policies on Local Education Surcharges (財政部關於統一地方教育附加政策有關問題的通知), and the Administrative Measures on the Collection and Utilisation of Local Educational Surcharges in Gansu Province (《甘肅省地方教育附加徵收使用管理辦法》), city maintenance and construction tax, educational surcharges and local educational surcharges will be applicable when the entities and individuals are obliged to pay VAT. The Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside 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 the buyer of Bonds is located inside the PRC. Circular 36, together with other laws and regulations pertaining to VAT, are relatively new, and 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.

The Bonds will be 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 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 (the "**Clearing Systems**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates. The Clearing Systems 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 its 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 has 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.

The Bonds may be redeemed by the Issuer prior to maturity

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving notice as described and in accordance with Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions, at a redemption price equal to their principal amount, together with interest accrued to the date fixed for redemption if, subject to certain conditions, as a result of a change in tax law, the Issuer 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 dates, 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 on a redemption in similar securities. In addition, the Issuer's ability to redeem the Bonds may reduce the market price of the Bonds.

The ratings assigned to the Bonds may be downgraded or withdrawn in the future

The Bonds are expected to be assigned a rating of BBB by S&P. The ratings represent only the opinions of the rating agencies and their assessment of the ability of the Issuer to perform its respective obligations under the Bonds, the Trust Deed and the Agency Agreement and credit risks in determining the likelihood that payments will be made when due under the Bonds. Ratings are not recommendations to buy, sell or hold the Bonds and may be subject to revision, qualification, suspension or reduction, or withdrawn at any time. The Issuer cannot assure investors that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if, in its judgement, circumstances in the future so warrant. Each rating should be evaluated independently of any other rating of the Bonds or other securities of the Issuer (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.

The Issuer may issue additional Bonds in the future

The Issuer may, from time to time, and without prior consultation with the Bondholders, create and issue further securities having the same terms and conditions as the Bonds in all material respects (or in all material respects save for the first payment of interest on them and the timing for the performance of applicable post-issuance regulatory filings and registrations (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.

Changes in market interest rates may adversely affect the value 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. If Bondholders sell the Bonds they hold before the maturity of such Bonds, they may receive an offer that is less than their investment.

EXCHANGE RATES

RENMINBI

The PBOC sets and publishes on a daily basis a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. On 21 July 2005, the PRC Government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by two per cent. against the U.S. dollar. The PRC Government has since made and in the future may make further adjustments to the exchange rate system. On 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. On 11 August 2015, the PBOC announced to improve the central parity quotations of Renminbi against the U.S. dollar by authorising market-makers to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign exchange as well as changes in major international currency exchange rates. Following the announcement by the PBOC on 11 August 2015, Renminbi depreciated significantly against the U.S. dollar. In 2017, 2018 and the first half of 2019, Renminbi experienced further fluctuation in value against the U.S. dollar. The PRC Government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

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

	Renminbi per U.S. Dollar Noon Buying Rate[1]			
Period	**End**	**Average[2]**	**High**	**Low**
	(CNY per U.S.$1.00)			
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6549	6.9580	6.4480
2017	6.5063	6.7350	6.9575	6.4773
2018	6.8755	6.6090	6.9737	6.2645
2019	6.9618	6.9081	7.1786	6.6822
2020	6.5250	6.9042	6.5208	7.1681
November	6.5760	6.6029	6.6899	6.5556
December	6.5250	6.5393	6.5705	6.5208
2021				
January	6.4282	6.4672	6.4822	6.4282
February	6.4730	6.4601	6.4869	6.4344
March	6.5518	6.5109	6.5716	6.4648
April	6.4749	6.5186	6.5649	6.4710
May (through 14 May)	6.4367	6.4507	6.4749	6.4156

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 rate. Monthly averages have been calculated using the average of the daily rates during the relevant period.

TERMS AND CONDITIONS OF THE BONDS

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

The U.S.$400,000,000 3.50 per cent. bonds due 2024 (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 Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd.(甘肅省公路航空旅遊投資集團有限公司)(the "**Issuer**") are constituted by a trust deed (as amended or supplemented from time to time, the "**Trust Deed**") dated on or about 10 June 2021 (the "**Issue Date**") made between the Issuer and Citicorp International Limited (the "**Trustee**", which expression shall include its successor(s)) as trustee for the holders of the Bonds. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed, which includes the form of the certificates representing the Bonds.

The issue of the Bonds was authorised by resolutions of the board of directors of the Issuer dated 20 January 2021 and the approval of the State Administration of State-owned Assets Commission of Gansu Province dated 14 October 2020 and 2 April 2021.

Copies of the Trust Deed and the agency agreement dated on or about 10 June 2021 (as amended or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, the Trustee, Citibank, N.A., London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include its successor(s)), as registrar (in such capacity, the "**Registrar**", which expression shall include its successor(s)) and as transfer agent (in such capacity, the "**Transfer Agent**", which expression shall include its successor(s)) and any other Agents appointed thereunder are available for inspection at all reasonable times during normal business hours (being between 9:00 a.m. and 3:00 p.m., Monday to Friday excluding public holidays) by the holders (as defined below) of the Bonds following prior written request and satisfactory proof of holding and identity at the principal place of business of the Trustee, being at the Issue Date of the Bonds at 20th Floor, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong and at the specified office of the Principal Paying Agent. References herein to "**Paying Agents**" means any paying agents appointed from time to time pursuant to the Agency Agreement with respect to the Bonds and includes the Principal Paying Agent and any other paying agents appoints from time to time in connection with the Bonds, and "**Agents**" means the Principal Paying Agent, any other Paying Agents, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time pursuant to the Agency Agreement with respect to the Bonds, including their relevant 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 the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. 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 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 may 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**", "**holder of the Bonds**" or, in respect of a Bond, "**holder**" means the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first-named thereof).

*Upon issue, the Bonds will be represented by a global certificate (the "**Global Certificate**") registered in the name of a nominee of, and deposited with, a common depository for Euroclear Bank SA/NV and Clearstream Banking S.A. The Conditions are modified by certain provisions contained in the Global Certificate while any of the Bonds are 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 interest in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

2 STATUS

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable 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 and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds. Each holder shall be entitled to receive only one Certificate in respect of its entire holding of 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 by surrendering the Certificate issued in respect of that Bond, with the form of transfer on the back of the Certificate duly completed and signed, at the specified office of the Registrar or any Transfer Agent with any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed such form of transfer.

In the case of a transfer of only part of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of the Bonds to a person who is already a holder of the Bonds, 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 seven 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) and in Condition 3(e), "**business day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are 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. The Bonds are not issuable in bearer form.

(d) Formalities Free of Charge

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

(e) Closed Periods

No holder may require the transfer of a Bond to be registered (i) during the period of 15 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 15 days ending on (and including) any Record Date (as defined in Condition 7(a)); or (iii) during the period of 15 days prior to (and including) any date on which Bonds may be called for redemption by the Issuer pursuant to Condition 6(b); or (iv) after a Put Exercise Notice has been deposited in respect of any such Bond pursuant to Condition 6(c).

(f) Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds the initial form of which is scheduled to the Agency Agreement. The regulations may be changed 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 (i) will be mailed (free of charge to the Bondholders and at the Issuer's expense) by the Registrar to any Bondholder who requests one in writing and provides proof of holding to the satisfaction of the Registrar and (ii) is available at the specified office of the Registrar for inspection by any Bondholder at all reasonable times during usual business hours following prior written request and proof of holding to the satisfaction of the Registrar.

4 COVENANTS

(a) Negative Pledge

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and the Issuer will ensure that none of its Principal Subsidiaries (other than its Listed Subsidiaries and the Subsidiaries of a Listed Subsidiary) 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 (x) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (y) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

(b) Undertakings relating to regulatory filings

The Issuer undertakes that it will perform such post-issuance registration and filing as applicable to it in relation to the issuance of the Bonds in accordance with, and within the timeframe and in the manner as stipulated by, the laws of the PRC and the administrative measures promulgated by regulatory authorities with competent jurisdiction over the Issuer. Provided that any regulatory authority administering the relevant post-issuance registration or filing procedure issues an official receipt of filing or an official certificate of registration, the Issuer will within 7 days upon receipt of such official receipt or certificate deliver a copy of the same, certified in English by an Authorised Signatory (as defined in the Trust Deed) of the Issuer as being a true and complete copy of the original, together with an English translation to the Trustee (and the Trustee may rely conclusively and without liability to any Bondholder or any other person on the accuracy and completeness of such translation). In any event, within 7 days upon application for any post-issuance registration or submission of any post-issuance filing, the Issuer will deliver to the Trustee a certificate in English (i) signed by an Authorised Signatory of the Issuer certifying that the Issuer has performed such registration and made such filing; and (ii) attaching the documents filed with or submitted to the relevant regulatory authority, each certified by an Authorised Signatory of the Issuer as being a true and complete copy of the original.

(c) Financial Information

So long as any Bond remains outstanding (as defined in the Trust Deed) the Issuer will send to the Trustee with (i) a Compliance Certificate (on which the Trustee may rely conclusively as to such compliance) and a copy of the relevant Audited Financial Reports within 180 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 recognised firm of independent accountants) of the Issuer and its Subsidiaries (if any) and if such statements shall be in the Chinese language, together with an English translation of the same translated by (x) a nationally recognised firm of independent accountants or (y) a professional translation service provider and checked by a nationally recognised firm of independent accountants, together with a certificate signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate; and (ii) a copy of the Unaudited Semi-Annual Management Accounts within 120 days of the end of each Relevant Period prepared on in accordance with PRC GAAP and if such statements shall be in the Chinese language, together with an English translation of the same translated by the Issuer, together with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate.

(d) Definitions

In these Conditions:

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

"**Compliance Certificate**" means a certificate in English of the Issuer signed by any Authorised Signatory of the Issuer that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date (the "**Certification Date**") not more than seven days before the date of the certificate that no Event of Default (as defined in Condition 9) or Potential Event of Default had occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it;

"**Listed Subsidiary**" means, at any time, any Subsidiary of the Issuer the ordinary voting shares of which are at such time listed on any recognised stock exchange;

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

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

"**Principal Subsidiary**" means any Subsidiary of the Issuer:

(a) whose total operating revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total operating revenue, as shown by its latest audited income statement are at least five per cent. of the consolidated total operating revenue as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries; 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 are at least five per cent. of the consolidated operating profit as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer 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 are at least five per cent. of the amount which equals the amount included in the consolidated total assets of the Issuer and its Subsidiaries as shown by the latest audited consolidated balance sheet of the Issuer and its Subsidiaries including, for the avoidance of doubt, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or

(d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer

cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall cease to be a Principal Subsidiary at the date on which the first audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

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 relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer 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 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 any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total operating revenue, operating profit or total assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer;

(iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its 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 the Issuer; and

(iv) if the accounts of any subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, 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.

A certificate signed by one Authorised Signatory of the Issuer stating that, in his/her opinion, a Subsidiary is or is not, or was or was not, a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

"**Relevant Indebtedness**" means any indebtedness incurred 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 market or other securities market (other than indebtedness with a tenor for less than a year);

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

"**Subsidiary**" means, with respect to any person, (a) any corporation, association or other business entity of which more than 50 per cent. of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such person; or (b) any corporation,

association or other business entity which at any time has its accounts consolidated with those of that person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person;

"**Unaudited Semi-Annual Management Accounts**" means semi-annual unaudited and unreviewed management accounts of the Issuer comprising only of a consolidated balance sheet, income statement, cash flow statement and statement of changes in owners' equity of the Issuer; and

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

5 INTEREST

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 3.50 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.$17.5 per Calculation Amount (as defined below) on 10 June and 10 December in each year (each an "**Interest Payment Date**") commencing on 10 December 2021.

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

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed. In these Conditions, 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 10 June 2024 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (which shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with any interest accrued to, but excluding, the date fixed for redemption) if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the 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 3 June 2021, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the giving of any Tax Redemption Notice pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate in English signed by any one Director of the Issuer who is also an Authorised Signatory of the Issuer stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer taking reasonable measures available to it, and (B) an opinion, in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment. The Trustee shall be entitled (but shall not be obliged) to accept and rely 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) without further enquiry and without liability to any Bondholder or any other person, in which event the same shall be conclusive and binding on the Bondholders.

All Bonds in respect of which any notice of redemption is given under this Condition 6(b) shall be redeemed on the date specified in such notice in accordance with this Condition 6(b).

(c) Redemption for Change of Control

Following the occurrence of a Change of Control, the holder of any Bond will have the right (the "**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 at 101 per cent. of their principal amount, together with accrued interest up to (but excluding) the Put Settlement Date. To exercise such Put 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 Change of Control or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the 14th day after the expiry of such period of 30 days as referred to above.

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

Not later than 14 days following the day on which the Issuer becomes aware of a Change of Control, the Issuer shall procure that notice regarding such Change of Control shall be delivered to the Trustee in writing and to the holders (in accordance with Condition 16) stating:

(i) the Put Settlement Date;

(ii) the date of the Change of Control;

(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 their Put Right; and

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

The Trustee and the Agents shall not be required to take any steps to ascertain whether a Change of Control or any event which may lead to the occurrence of a Change of Control has occurred and shall not be responsible for or liable to Bondholders or the Issuer for any loss arising from any failure to do so.

For the purpose of these Conditions:

(A) "**Central People's Government**" means the State Council of the People's Republic of China and its administrative subdivisions and their affiliated national-level ministries, commissions and statutory bodies;

(B) a "**Change of Control**" occurs when:

(i) (x) Gansu SASAC and (y) any other person directly or indirectly Controlled by the PRC State, Central People's Government, Gansu Provincial Government and/or Gansu SASAC, together cease to directly or indirectly hold or own 100 per cent. of the issued share capital of the Issuer; or

(ii) 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, acting together, who is/are not directly or indirectly Controlled by the PRC State, Central People's Government, Gansu Provincial Government and/or Gansu SASAC;

(C) "**Control**" means (i) the ownership or control of more than 50 per cent. of the voting rights of the issued share capital of the relevant person; (ii) the right to appoint and/or remove the majority of the members of the relevant Person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the relevant person; the term "**Controlled**" has meanings correlative to the foregoing;

(D) "**Gansu Provincial Government**" means the provincial government of the Gansu Province of the People's Republic of China or its successor;

(E) "**Gansu SASAC**" means the State Administration of State-owned Assets Commission of Gansu Province or its successor;

(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 board of directors or any other governing board and does not include the Issuer's wholly-owned direct or indirect subsidiaries; and

(G) "**PRC State**" means the People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

(d) Purchase

The Issuer or any of its 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 or any such Subsidiary, shall not entitle the holder to vote at any meetings of the holders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the holders or for the purposes of Condition 9, Condition 12(a) and Condition 13.

(e) Notice of redemption

All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date, in such place and in such manner as specified in such notice in accordance with this Condition 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 and shall not be liable to Bondholders, the Issuer or any other person for not doing so.

(f) Cancellation

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

7 PAYMENTS

(a) Method of Payment

(i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of the Principal Paying Agent or any other Paying Agent if no further payment falls to be made in respect of the Bonds 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 on the due date to the person shown on the Register at the close of business on the fifth Payment Business Day (as defined below) before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Bond shall be made in U.S. dollars by made by transfer to an account in U.S. dollars maintained by the payee with a bank.

(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.

All payments in respect of Bonds represented by 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 Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

(b) Payments subject to Fiscal Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) if applicable, any withholding or deduction required pursuant to an agreement described in Section 147l(b) of the U.S. Internal Revenue Code of 1986 (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

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

(d) Appointment of Agents

The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and their respective specified offices are listed below. The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Bondholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Principal Paying Agent, the Registrar, any Transfer Agent or any of the other Agents and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar with a specified office outside the United Kingdom and (iii) a Transfer Agent. Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Bondholders.

(e) Delay in Payment

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

(f) Non-Payment Business Days

If any date for payment in respect of any Bond is not a business day, the holder shall not be entitled to payment until the next following 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 or Sunday or a public holiday) on which commercial banks and foreign exchange markets are open for business in the place in which the specified office of the Principal Paying Agent is located, the place where payment is to be made by transfer to an account maintained with a bank in U.S. dollars, on which foreign exchange transactions may be carried on in U.S. dollars and in New York City.

8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of 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 by or within the PRC up to and including the aggregate rate applicable on 3 June 2021 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been received by them had no such withholding or deduction been required.

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

(i) **Other connection**: to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the 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 or surrendered (where presentation or surrender 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 presenting or, as the case may be, 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 (if any) and interest shall be deemed also to refer to any Additional Tax Amounts which may be payable under this Condition 8 or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

"**Relevant Date**" in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Bondholders that, upon further surrender, as the case

may be, presentation 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.

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 notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest.

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

(a) **Non-Payment**: there has been a failure to pay (i) the principal of or any premium (if any) on any of the Bonds within seven days after the due date of such payment or (ii) interest on any of the Bonds within 30 days after the due date for such payment; or

(b) **Breach of Other Obligations**: the Issuer does not perform or comply with any one or more of its other obligations under the Bonds or the Trust Deed and such default (i) is in the opinion of the Trustee incapable of remedy or, (ii) if in the opinion of the Trustee capable of remedy, is not remedied within 45 days after the Trustee has given written notice thereof to the Issuer; or

(c) **Cross-Default**: (i) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred in aggregate equals or exceeds U.S.$80.0 million or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates); or

(d) **Enforcement Proceedings**: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any substantial part of the property, assets or revenues of the Issuer or any of its 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 or any of its Principal Subsidiaries on all or substantially all 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 within 45 days; or

(f) **Insolvency**: the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as and when such debts fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all a material part of its debts (or a material part of 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 or any of its Principal Subsidiaries; or

(g) **Winding-up**: an order of any court of competent jurisdiction is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Principal Subsidiaries, or the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustee acting on an Extraordinary Resolution of the Bondholders, (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 and/or its Subsidiaries, (iii) a solvent winding-up of any Principal Subsidiary; or (iv) a disposal on an arm's length basis where the assets resulting from such disposal are vested in the Issuer and/or its Subsidiaries; 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 substantially all of the assets of the Issuer or any of its 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 lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Certificates, the Register 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 to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed; or

(k) **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(g) (both inclusive).

10 PRESCRIPTION

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

11 REPLACEMENT OF CERTIFICATES

If any Certificate is mutilated, defaced or is alleged to have been lost, stole or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar, 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 or the Registrar may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

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

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Trustee or the Issuer 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 and/or the Agency Agreement, including consideration of proposals, *inter alia*, (i) to modify the Maturity Date of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds or (iv) 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 66 per cent., or at any adjourned such meeting not less than 33 per cent., in aggregate principal amount of 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.

(b) Modification, Waiver and Authorisation

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

(c) Entitlement of the Trustee

In connection with the performance and 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 or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

13 ENFORCEMENT

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice, take such actions and/or steps and/or institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed and/or the Bonds, but it need not take any such actions and/or steps and/or institute 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 first have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer 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 and/or any entity related (directly or indirectly) to the Issuer without accounting for any profit.

None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction or request of the Bondholders. The Trustee shall be entitled to rely on any instruction, 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 shall have no obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or whether an Event of Default or a Potential Event of Default has occurred, and shall not be liable to the Bondholders or any other person for not doing so.

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 its exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of an Extraordinary Resolution, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

The Trustee may rely without liability to Bondholders or any other person on any report, confirmation or certificate or any opinion or advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be

entitled to rely on any such report, confirmation, certificate, opinion or advice and, in such event, such report, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Bondholders.

15 FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Bondholders 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 and the timing for the performance of applicable post-issuance regulatory filings and registrations) and so that the same shall be consolidated and form a single series with the outstanding Bonds. Any further securities shall be constituted by a deed supplemental to the Trust Deed. References in these Conditions to the Bonds include (unless the context requires otherwise) any such other securities issued pursuant to this Condition 14 and forming a single series with the Bonds.

16 NOTICES

All notices to the Bondholders shall be (i) mailed to them by uninsured mail 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 Sunday) after the date of mailing and (ii) published in a leading newspaper having general circulation in Asia. 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 Bank SA/NV or Clearstream Banking S.A. or any Alternative Clearing System (as defined in the form of the Global Certificate), notices to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear Bank SA/NV or Clearstream Banking S.A. or such Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.

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, the Trustee and the Agents has irrevocably submitted to the exclusive jurisdiction of the courts of Hong Kong 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

The Issuer has irrevocably appointed The Law Debenture Corporation (H.K.) Limited of Suite 1301, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Hong Kong as its authorised agent to receive service of process in any Proceedings in Hong Kong based on any of the Bonds. If for any reason the Issuer ceases to have such an agent in Hong Kong, it shall as soon as reasonably practicable appoint an agent in Hong Kong to accept service of process on behalf of the Issuer and deliver to the Trustee a copy of the new agent's acceptance of appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) Waiver of Immunity

The Issuer 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 Registered 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**") through which the Bonds are cleared is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer at its own expense 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 this 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 Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

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 Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by such Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Terms and Conditions.

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 evidenced 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 Change of Control*) 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 evidenced by the Global Certificate will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

Cancellation

Cancellation of any Bond by the Issuer following its redemption or purchase by the Issuer or its respective Subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders whereupon the Registrar shall procure the making of an appropriate entry on the Schedule to 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 Issuer estimates that the total gross proceeds from the offering of the Bonds will be U.S.$400.0 million. The gross proceeds will be used for the refinancing of the indebtedness maturing within one year.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the consolidated total indebtedness (both current and non-current portions), total equity and total capitalisation of the Issuer as at 31 December 2020 on an (i) actual basis and (ii) adjusted to give effect to the issue of the Bonds. The summary consolidated financial information below should be read in conjunction with the Issuer's consolidated financial statements and the notes to those statements included elsewhere in this Offering Circular.

	As at 31 December 2020			
	Actual		As adjusted	
	(RMB'000)	*(U.S.$'000)*	*(RMB'000)*	*(U.S.$'000)*
Current indebtedness:				
Non-current liabilities due within one year	11,909,758.4	1,825,250.3	11,909,758.4	1,825,250.3
Short-term loans	7,465,597.0	1,144,152.8	7,465,597.0	1,144,152.8
Total current indebtedness	19,375,355.4	2,969,403.1	19,375,355.4	2,969,403.1
Non-current indebtedness:				
Long-term loans	253,136,592.8	38,794,880.1	253,136,592.8	38,794,880.1
Bonds payable(1)	42,921,740.0	6,578,044.4	42,921,740.0	6,578,044.4
Long-term payables	35,289,954.8	5,408,422.2	35,289,954.8	5,408,422.2
Bonds to be issued	–	–	2,610,000.0	400,000.0
Total non-current indebtedness	331,348,287.6	50,781,346.8	333,958,287.6	51,181,346.8
Total indebtedness(2)	350,723,643.0	53,750,749.9	353,333,643.0	54,150,749.9
Total equity	220,843,743.3	33,845,784.4	220,843,743.3	33,845,784.4
Total capitalisation(3)	571,567,386.3	87,596,534.3	574,177,386.3	87,996,534.3

Notes:

(1) In April 2021, the Group issued notes with the term of three years in the principal amount of RMB1.5 billion with a coupon rate of 4.9%.

(2) Total indebtedness equals the sum of total current indebtedness and total non-current indebtedness.

(3) Total capitalisation represents the sum of total current indebtedness, total non-current indebtedness and total equity.

Except as otherwise disclosed above, there has been no material change in the consolidated capitalisation and indebtedness of the Issuer since 31 December 2020.

DESCRIPTION OF THE GROUP

OVERVIEW

The Company is a large, state-owned enterprise operating in Gansu Province with a registered capital of RMB100 billion. It is the only enterprise authorised by the Gansu Provincial Government to undertake the fundraising, investment, construction, management and operation of transportation infrastructure projects within Gansu Province. Pursuant to the Notice of Pilot Reform Scheme for Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. and Other Provincial Enterprises (《關於印發省公航旅集團等5戶省屬企業改革試點方案的通知》) (the "**Reform Notice**") issued by the General Office of the CPC Gansu Province Committee (甘肅省委辦公廳) in January 2015, the State-owned Assets Supervision and Administration Commission of Gansu Provincial Government (甘肅省人民政府國有資產監督管理委員會)(the "**Gansu SASAC**") is appointed to act as the shareholder of the Company while the Department of Transportation of Gansu Province (甘肅省交通廳) is retained to supervise the day-to-day management of the Company. As at the date of this Offering Circular, the State-owned Assets Supervision and Administration Commission of Gansu Provincial Government is the sole shareholder of the Company. In accordance with the government's general plan for the development of Gansu Province, the missions of the Group are to promote the province-wide transformation and development of highways, general aviation and tourism sectors, invest in and secure financing for public interest projects which generate cash flows, endorse the principles of facilitating the financing and development of projects, carry out the development plan and promote the integration and development of well-diversified businesses. The business portfolio of the Group covers highway development, tourism, commodities trading and other ancillary businesses including financial services, general aviation, logistics and media and communications. As at the date of this Offering Circular, the Group has become a large state-owned enterprise which has developed rapidly, has one of the largest asset bases, very strong financing capacity, a broad business area and strong growth potential in Gansu Province. As at 31 December 2020, the Group operated its business through 119 subsidiaries and 31 equity-invested affiliates. As at 31 December 2018, 2019 and 2020, the consolidated total assets of the Group were RMB445.0 billion, RMB505.4 billion and RMB611.3 billion, respectively; for the years ended 31 December 2018, 2019 and 2020, the total operating income of the Group was RMB97.6 billion, RMB129.7 billion and RMB145.4 billion, respectively; and for the years ended 31 December 2018, 2019 and 2020, the gross profit of the Group were RMB6.5 billion, RMB7.7 billion and RMB6.8 billion, respectively. With strong support from the Gansu Provincial Government, the Group has expanded its business rapidly across its four principal business segments.

Highway development

The Group mainly operates its highway development business segment through the Company itself and its subsidiaries, Gansu Provincial Highway Transport Construction Group Co., Ltd. (甘肅省公路交通建設集團有限公司)("**GPHTC**") (newly consolidated into the Group), Gansu Road Construction Group Management Co., Ltd. (甘肅省公路建設管理集團有限公司), Gansu Luqiao Highway Investment Co., Ltd. (甘肅路橋公路投資有限公司), Gansu Yuanda Highway Group Co., Ltd. (甘肅省遠大路業集團有限公司), GHATG Construction Group Co., Ltd. (甘肅公航旅建設集團有限公司) ("**GHATG Construction Group**"), Gansu Changda Highway Co., Ltd. (甘肅長達路業有限責任公司) and GHATG PetroChina Energy Co., Ltd. (甘肅公航旅中油能源有限責任公司). The Group's highway development business segment consists of investment in the construction of toll roads, namely expressways and high-grade highways, the operation of the toll roads managed by the Group, and related engineering construction services. Since the establishment of the Company, the Group has been engaged in the operation of all government-owned and debt-financed highways (政府還貸性公路) within Gansu Province. With the gradual implementation of the company's PPP project, the expressway network in Gansu Province will gradually increase its complexity, and the national expressway network will have more extensive connections, which will increase the overall flow of traffic in Gansu Province in the future. At the same time, the construction of the PPP projects will further enhance the company's construction capabilities and profitability. As at 31 December 2020, the Group managed 62 expressways which have been completed, are still under construction or are planned for construction, with a total

length of 6,399.20 kilometres, amongst which the Company manages and operates 43 expressways with a total length of 4,501.45 kilometres which are already completed, and 19 expressways with a total length of 1,897.75 kilometres which are still under construction. The Group's subsidiary, GPHTC, is responsible for the construction of a further nine expressways. In 2020, the Group had six expressways opened to the public, including Jingzhong Expressway, Jingzhuang Expressway, Huilao Expressway, Tianyongning County Section and Susha Level 1 Highway. The Group is also involved in the engineering construction business and related services, performed primarily by GPHTC; the introduction of the engineering construction business represents a significant expansion of the Group's business activities, providing the Group with capabilities in the construction of projects such as roads and bridges, and extensive engineering capabilities including highway, bridge, tunnel, roadbeds, groundworks, airport runways, road traffic projects, housing construction engineering consulting and supervision and other related services, and green urban landscaping. The Group has constructed an integrated highway operation model including construction, fundraising, investment, maintenance and management, and actively expands the highway value chain to promote economic development. The Group has significantly contributed to the social and economic development of Gansu Province under the strong support from the government.

As of the date of this Offering Circular, the Group holds multiple major qualifications, including special qualifications for contracting highway construction projects; first class professional qualifications for construction of bridges, tunnels, highways, pavements, road foundations and airport runways; qualifications for highway maintenance; and qualifications in engineering.

The Group generated operating income of approximately RMB6,296.9 million, RMB6,530.2 million and RMB5,178.3 million through its highway toll fees for the years ended 31 December 2018, 2019 and 2020, respectively, representing 6.45%, 5.03% and 3.56% of the Group's total operating incomes for the years ended 31 December 2018, 2019 and 2020, respectively. For more information, see "– *Highway development*".

Commodities trading

The Group mainly operates its commodities trading business through GHATG International Trading Co., Ltd.(甘肅公航旅國際貿易有限公司)and GHATG (Beijing) Co., Ltd.(公航旅(北京)有限公司)by making full use of the brand and capital advantages, focusing on developing bulk commodity trading of non-ferrous metals with the principles of "controllable risks", "structural adjustment", "higher quality", "stronger interconnection" and "performance improvement". The Company mainly chooses large, stated-owned enterprises or listed companies, with good reputation, significant commodity trading experience and a strong resources background, as upstream and downstream commodities trading clients. Examples of the Group's clients include Sinosteel Investment Co., Ltd.(中鋼投資有限公司)and Jinchuan Group International Trading Co., Ltd.(金川集團國際貿易有限公司). Throughout the development of the commodities trading business, the Company has maintained vertically stable long-term co-operative relationships with its upstream providers and downstream commodities trading clients, further reducing its business risk related to its commodities trading section. The Commodities Trading Branch has signed logistics storage agreements or contracts with SIPG Logistics Co., Ltd.(上港集團物流有限公司), CMST Development Co., Ltd.(中儲發展股份有限公司), Shanghai Guochu Logistics Co., Ltd.(上海國儲物流股份有限公司)and other state-owned commodities storage companies, which are fully authorised to manage the distribution of spot logistics, including commodities delivery, storage and logistics, between the Commodities Trading Branch and upstream and downstream clients. For the years ended 31 December 2018, 2019 and 2020, the Group's commodities trading business principally involved electrolytic aluminium, electrolytic nickel, zinc ingots and lead ingots, which in total contributed RMB83,809.5 million, RMB106,377.9 million and RMB119,121.5 million in total operating income, respectively, accounting for approximately 85.9%, 82.0% and 81.9%, respectively, of the Group's total operating income. For more information, see "– *Commodities trading*".

Engineering construction business

The engineering construction business and related services of the Group are mainly operated through GPHTC, a subsidiary consolidated into the Group in 2018, as well as Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. The engineering construction business activities of the Group mainly encompass the construction of projects such as roads and bridges, engineering consulting and supervision and other related services in relation to highways, bridges, tunnels, roadbeds, groundworks, airport runways, housing construction, road traffic projects and green urban landscaping.

The main sources of construction projects available to the Group are the various road administration bureaus and those entities which are engaged in the public tender works available in respect of construction projects domestically within the PRC. GPHTC and its subsidiaries have won relevant project construction tenders through public bidding processes. The Group's projects are highly concentrated in Gansu Province with more than 90% of them being within Gansu Province, with the remaining 10% in Hebei and Shaanxi Provinces.

The engineering construction business contributed RMB6,087.8 million, RMB14,533.7 million and RMB18,890.9 million in operating income for the years ended 31 December 2018, 2019 and 2020, respectively (representing 6.24%, 11.2% and 12.99% of the Group's total operating income for the years ended 31 December 2018, 2019 and 2020, respectively), and RMB1,188.4 million, RMB1,942.0 million and RMB2,211.2 million in gross profit for the years ended 31 December 2018, 2019 and 2020, respectively (representing 18.37%, 25.16% and 32.73% of the Group's total gross profit for the years ended 31 December 2018, 2019 and 2020, respectively). For more information, see "– *Engineering construction business*".

Tourism

The Group mainly operates its tourism business through the Company itself as well as its subsidiaries, Gansu Provincial Tourism Investment Group Co., Ltd.(甘肅省旅遊投資集團有限公司), Three Gorges of Yellow River Tourism Co., Ltd.(黃河三峽旅遊股份有限公司), Gansu Quiqingshan Tourism Co., Ltd.(甘肅貴清山旅遊有限責任公司), Gansu Yanzhishan Culture Tourism Co., Ltd.(甘肅焉支山文化旅遊有限公司), Shandan Royal Racecourse Tourism Co., Ltd.(山丹皇家馬場旅游有限公司), Gansu Liqian Culture Tourism Co., Ltd.(甘肅驪軒文化旅遊責任有限公司), Zhanye Danxia Culture Tourism Co., Ltd.(張掖丹霞文化旅遊股份有限公司), Gansu Tourism (Holding) Company(甘肅旅遊(控股)有限公司), Gansu Silk Road Campsite Co., Ltd(甘肅絲綢之路旅居露營地有限公司), Gansu Overseas Travel Service Co., Ltd.(甘肅海外旅遊總公司), China International Travel Services Gansu Co., Ltd.(甘肅省中國國際旅行社), Gansu Silkroad International Travel Services Co., Ltd.(甘肅絲綢之路國際旅行社有限責任公司), GHATG Transportation Services Co., Ltd.(甘肅公航旅運輸服務有限公司) and Gansu Tourism Research Institute Co., Ltd(甘肅旅遊研究院有限公司). This business segment is further divided into three subsegments, being (i) the management and operation of scenic areas, (ii) the operation of travel agencies, and (iii) the operation of hotels. Since the establishment, the Company has invested RMB3 billion in seven well-known scenic areas, including known scenic areas Zhangye Danxia Scenic Area with 30% annual growth of visitors. As at 31 December 2020, the total assets of the tourism section reached RMB3,592.41 million. For the years ended 31 December 2018, 2019 and 2020, the Group's tourism business generated a total operating income of RMB417.9 million, RMB420.6 million and RMB200.2 million, respectively, representing 0.4%, 0.3% and 0.1% of the Group's total operating income for the years ended 31 December 2018, 2019 and 2020, respectively. For more information, see "– *Tourism*".

The Group also operates the world's largest and oldest Shandan Royal Racecourse, world-renowned Yanzhi Mountain, as well as other high quality tourism resources, including the provincial-level cultural and scenic site, Huanghe Sanxia in Yongjing County, Guiqing Mountain, Zheyang Mountain, and Tianchi Lake in Wen County.

The Group has transformed its scenic areas from the sole-purposed tourism areas into the modern high-end leisure and cultural resorts that integrated tourism, leisure, health, culture and commerce, to enhance its core competitiveness in the tourism industry. The Group plans to further explore and utilise the unique resources of each scenic area, develop the short getaways market, road-trip market, and the RV trip market. Utilising the technology of new media channels, the Group aims to improve the publicity and profitability of the scenic areas.

Other businesses

The Group also carries on a number of ancillary businesses in support of its principal businesses, including financial services, general aviation, logistics and media and communications, amongst others. These ancillary businesses are conducted through various subsidiaries and affiliates of the Group.

The Group's financial service business has gradually grown into a full aspects segment, including services of financing guarantees, small loans, supply chain finance, asset management, pawn business, financial warehousing, private equity funds, financial leasing, commercial factoring and factor transactions. The Group has provided financing support for more than 6,000 enterprises in the Gansu Province. The Group has become an important player in the province in the businesses of financing guarantee and small loans; the Group's subsidiary engaged in supply chain management has become the second largest service provider in the domestic parallel imported automobile industry; the Group has established a factor market service system covering the whole province, with the largest scale of operation in the Northwest. The financial services segment has helped to accelerate other business segments like the highway assets insurance, financial leasing, industry fund, commercial factoring and asset management.

The Group's general aviation business is based on the unique tourism resources of the Gansu Province, and the goal of overcoming the restrictions on the development of tourism in Gansu Province due to the inconvenience of land transportation. The Group's tourism business developed a collection of businesses, including air tourism, short-distance transportation, emergency rescue, simulator experience and drone competitions. The Group has actively participated in the construction of the Hexi Corridor Low-altitude Tourism Demonstration Zone, and successively built airports such as Zhangye Airport, Xiahe Airport, Lanzhou Airport, and Zhongchuan Airport Phase II. The Group also built Gansu's first standardized general aviation airport Zhangye Danxia General Aviation Airport. In 2018, the Group formed a professional air rescue fleet of helicopters.

In 2018, the company established a general aviation joint venture company to carry out aviation emergency rescue, air medical rescue, flight training, police flight and other services. In the flood rescue in Longnan in August 2020, the company immediately mobilized helicopters to transport firefighters and air-dropped disaster relief supplies, and safely transported 75 rescued victims. The rescue was a record-breaking achievement for domestic general aviation companies participating in national rescue operations.

For the years ended 31 December 2018, 2019 and 2020, the Group's other businesses contributed RMB958.0 million, RMB1,870.2 million and RMB2,058.4 million, respectively, to the Group's total operating income, representing approximately 0.98%, 1.44% and 1.41%, respectively, of the Group's total operating income during the corresponding periods.

The table below sets forth the Group's total operating income by business segment for the years ended 31 December 2018, 2019 and 2020:

	Year ended 31 December					
	2018		2019		2020	
	(RMB in millions except percentages)					
Business Segment						
Highway development	6,296.9	6.45%	6,530.2	5.03%	5,178.3	3.56%
Commodities trading	83,809.5	85.9%	106,377.9	82.0%	119,121.5	81.90%
Engineering construction business	6,087.8	6.24%	14,533.7	11.2%	18,890.9	12.99%
Tourism	417.9	0.43%	420.6	0.32%	200.2	0.14%
Other business	958.0	0.98%	1,870.2	1.44%	2,058.4	1.41%
Total	**97,570.0**	**100%**	**129,732.5**	**100%**	**145,499.3**	**100%**

The table below sets forth the Group's gross profit by business segment for the financial years ended 31 December 2018, 2019 and 2020:

	Year ended 31 December					
	2018		2019		2020	
	(RMB in millions, except percentages)					
Business Segment						
Highway development	4,403.1	68.05%	4,491.4	58.18%	3,074.4	45.51%
Commodities trading	208.2	3.22%	145.1	1.88%	234.1	3.46%
Engineering construction business	1,188.4	18.37%	1,942.0	25.16%	2,211.2	32.73%
Tourism	78.5	1.21%	93.7	1.21%	29.7	0.44%
Other business	592.3	9.16%	1,047.7	13.57%	1,206.2	17.86%
Total	**6,470.4**	**100%**	**7,720.0**	**100%**	**6,755.6**	**100%**

RECENT DEVELOPMENT

Consolidation of GPHTC into the Group

Upon the instructions of Gansu Provincial Party Committee and Gansu Provincial People's Government and following from the "Official Reply of Gansu Provincial People's Government on Proposal for Establishment of Gansu Provincial Highway Transport Construction Group Co., Ltd. (Gan Zheng Han [2018] No. 85)(《甘肅省人民政府關於甘肅省公路交通建設集團有限公司組建方案的批復》(甘政函[2018]85 號)) and the Notice of the Gansu SASAC on the financial statements of the merger of Gansu Provincial Highway Transport Construction Group Co., Ltd. into Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. (Gan Guo Zi Fa Chan Quan [2019] No. 59)(《省政府國資委關於甘肅省公路航空旅遊投資集團有限公司合併甘肅省交通建設集團有限公司財務報表的通知》(甘國資產權函[2019]59號)), the entire equity interest held by the Gansu SASAC in GPHTC was transferred to the Group without consideration (the "**Transfer**").

The consolidation of GPHTC into the Group represents a significant expansion in the Group's business activities within the highway development business segment, providing the Group capabilities in the construction of projects such as roads and bridges, extensive engineering capabilities including highway, bridge, tunnel, roadbeds, groundworks, airport runway, road traffic project and housing construction engineering consulting and supervision and other related services, and green urban landscaping. The Transfer strengthens the Group's capability of participating in the entire industrial chain of business activities relating to highway development, consisting of the aspects of financing, investment, construction, management, maintenance, transportation and related services. The engineering construction business primarily operated through GPHTC and GHATG Construction Group contributed RMB6,087.8 million, RMB14,533.7 million and RMB18,890.9 million in total operating income for the years ended 31 December 2018, 2019 and 2020, respectively (representing 6.24%, 11.2% and 12.99% of the Group's total operating income for the years ended 31 December 2018, 2019 and 2020, respectively), and RMB1,188.4 million, RMB1,942.0 million and RMB2,211.2 million in gross profit for the years ended 31 December 2018, 2019 and 2020, respectively (representing 18.37%, 25.16% and 32.73% of the Group's total gross profit for the years ended 31 December 2018, 2019 and 2020, respectively).

The main sources of construction projects available to the Group are the various road administration bureaus and those entities which are engaged in the public tender works available in respect of construction projects domestically within the PRC. GPHTC and its subsidiaries have obtained relevant project construction qualifications through public bidding processes. GPHTC's contracting capacity in respect of engineering construction projects has increased since 2017; these projects are highly concentrated in Gansu Province with more than 90% of its projects being within Gansu Province, with the remaining 10% being distributed between Hebei and Shaanxi Provinces.

Recent outbreak of COVID-19

Since December 2019, the COVID-19 outbreak has caused substantial disruption in the PRC economy and has led to a slowdown in the PRC economy. Government travel advisories and lockdowns have affected the Group by reducing the willingness of people to travel, resulting in lower traffic volumes on the Group's toll roads. Following guidelines from the Ministry of Transport of China and the Government of Gansu Province, the Group had exempted toll fees from 17 February 2020 to 5 May 2020, resulting in a significant decrease in the amount of toll fees that the Group has been able to collect. The Group recorded collections of approximately RMB5,178.3 million for 2020, which represents only 79.3% of the corresponding toll fees collected for 2019. In addition, the Group's tourism business segment has recorded a revenue of only RMB200.2 million for 2020, representing only 47.6% of the corresponding revenue collected for 2019. The Group's commodities trading business segment has also been impacted by fluctuations and decreases in commodity prices in general as a result of the COVID-19 outbreak. Other business segments of the Group such as financial services and general aviation have also been impacted, but to a smaller extent.

As at the date of this Offering Circular, the Group has not experienced any material termination or defaults from its contracting counterparties. In addition, the Group's expressway construction projects have largely resumed since April 2020, and there has been no significant impact on the progress of its expressway projects. In addition, the Company has also received certain operating subsidies from the Transportation Department of the Gansu Provincial government. In addition, given the lower interest rate environment, the Group has also proactively reached out to banks and investors to secure loans and to issue bonds to take advantage of the relatively low cost of funding in the current macroeconomic environment.

As the situation continues to evolve, the Group will continue to closely monitor the impact of COVID-19 on its business operations and assess its impact on its business operations and prospects. Whilst COVID-19 is substantially under control within the PRC as at the date of this Offering Circular, there can be no assurance that the COVID-19 infection rate would be controlled or that infections would not spike in the future, which might in turn result in future travel advisories and lockdowns which might, in turn, have a material and adverse impact on the Group's business operations. See also "*Risk Factors – Risks Relating to the Group's Business – The Group's business may be affected by an outbreak of any severe contagious disease and occurrence of natural disasters*" for more information.

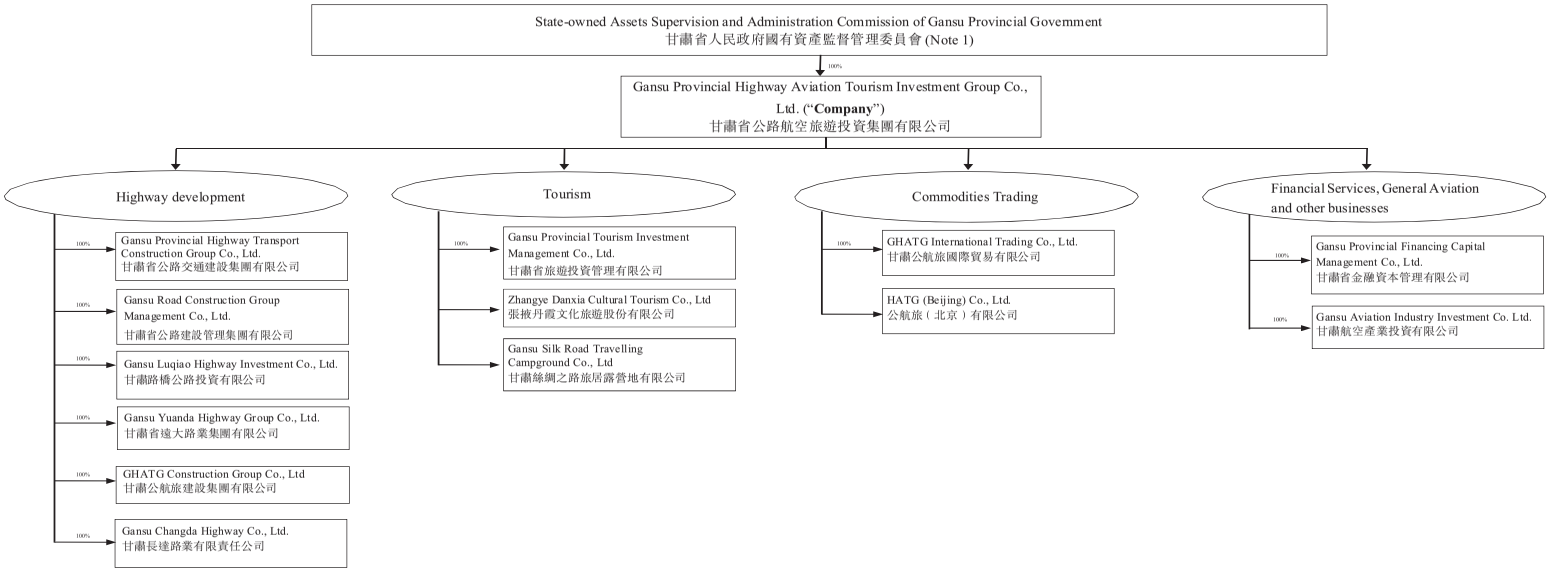
Financial performance for the three months ended 31 March 2021

The Group's financial information as at and for the three months ended 31 March 2021 (the "**March 2021 Financial Results**") discussed below is derived from the Group's internal management accounts for the three months ended 31 March 2021, which have not been audited or reviewed by Xigema or any other independent auditor. Consequently, the March 2021 Financial Results should not be relied upon by potential investors to provide the same quality of information associated with information that has been subject to an audit or a review. None of the 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 or warranty, express or implied, regarding the accuracy, completeness and sufficiency of the March 2021 Financial Results. Potential investors must exercise caution when using such data to evaluate the financial condition and results of operations of the Group. The March 2021 Financial Results should not be taken as an indication of the expected financial condition and results of operations of the Group for the full financial year ending 31 December 2021 or any other future period.

The Group is continuing to recover from the Covid-19 outbreak and, for the three months ended 31 March 2021 as compared to the three months ended 31 March 2020, the Group has experienced a significant increase in operating income, and generated an operating profit and net profit as compared with an operating loss and net loss for the three months ended 31 March 2020. The Group also recorded an increase in operating costs for the three months ended 31 March 2021 as compared to the three months ended 31 March 2020, in line with the increase in operating income. With the increasing operating income, the Group believes its debt paying ability will improve accordingly.

CORPORATE STRUCTURE

The chart below illustrates the simplified corporate structure of the Group, which shows the Company, its sole shareholder, the principal subsidiaries and affiliates operating in all business segments of the Group, and their respective equity interest holding as at 31 December 2020 (unless stated otherwise):



HISTORY AND DEVELOPMENT

The Company is a state-owned enterprise wholly owned by the State-owned Assets Supervision and Administration Commission of Gansu Provincial Government(甘肅省國有資產監督管理委員會). Pursuant to the official document Ganjiaotifa [1999] No. 4(甘交體發[1999]4號) dated April 1999, the Gansu Provincial Transportation Department approved the establishment of the predecessor of the Company, Gansu High-grade Highways Construction and Development Co., Ltd.(甘肅省高等級公路建設開發有限公司) with the aim of developing, operating and managing the operation and maintenance of provincial-level high-grade highways, developing technology, providing consulting services and developing information management systems, which was incorporated with an initial registered capital of RMB1 billion in 1999. On 20 January 2011, the Department of Transportation of Gansu Province transferred some highways and high-grade highways, which were under its operation and management, to the Company. On 21 January 2011, with the approval of the Gansu SASAC, the name of the Company was changed to Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. pursuant to the official document Ganzhenghan [2011] No. 5(甘政函[2011]5號) dated January 2011, and the registered capital of the Company reached RMB20 billion. The rights of the State-owned Assets Supervision and Administration Commission of Gansu Provincial Government as the shareholder in the Company are contained in the Articles of Association of the Company, and the Company is managed in accordance with those articles and with the applicable PRC laws.

The following are a number of the key milestones in the development history of the Group:

1999	The predecessor of the Company, Gansu High-grade Highways Construction and Development Co., Ltd(甘肅省高等級公路建設開發有限公司), was established.
2011	With the approval of the Gansu SASAC, the Company was restructured and its name was changed to Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. The Company successfully completed its first medium term note issue in an aggregate principal amount of RMB8 billion. The registered capital of the Company reached RMB20 billion.
2012	The Company achieved more than RMB10 billion in operational revenue.
2013	The total length of the Company's expressway projects exceeded 3,000 kilometres.
2014	Total assets, realised financing amount and gross profits of the Company all ranked No. 1 amongst provincial enterprise entities in Gansu. The Company achieved the integration of three well-diversified business segments under its business strategy of "Industry and Finance", namely, highway development, tourism and commodities trading, with a primary focus on the highway development segment.
2015	The Company was successfully included as a local state-funded enterprise in the first batch of pilot entity reforms by the Gansu government.

2016 . . . . . By grasping favourable opportunities brought by the relevant government policies and with intensive efforts made in pursuit of improving quality, efficiency and cost-effectiveness, the Company achieved significant breakthroughs in the development of offshore financing operations, general aviation operations and the building of camping sites for travellers as well as in the preparatory work for setting up an insurance company.

2017 . . . . . In 2017, Yellow River Pearl International Hotel was chosen as the main venue for the seventh International Tourism Festival for Dunhuang and Silk Road Journey co-organised by the National Tourism Administration and Gansu Provincial People's Government.

The China Enterprise Confederation and China Enterprise Directors Association announced on 10 September 2017 that the Company was, for the first time, amongst the Top 500 Chinese enterprises, ranking No. 266. The Company ranked No. 98 in terms of assets, No. 3 in the Chinese transportation industry and No. 103 amongst the top 500 Chinese service enterprises. In terms of total assets, the Company ranked No. 71 amongst all Chinese service enterprises in China.

In September 2017, the Company's Chairman, Shi Peirong, was the only representative of a northwest Chinese enterprise invited to attend the 2017 Belt and Road Summit for Regional Cooperation and delivered a speech titled "*Helping the Strategic Implementation of the Belt and Road Initiative by Smoothing the Three-Dimensional Silk Road Transport System*".

In 2017, the Company's Chairman, Shi Peirong, was awarded a May First National Labour Medal and, as a representative of Gansu Province, participated in the May First International Labour Day and the May First Labour Awards Assembly held in Beijing.

The Company's sole shareholder changed from the Department of Transportation of Gansu Province to the State-owned Assets Supervision and Administration Commission of Gansu Provincial Government.

2018 . . . . . During the 2018 China Top 500 Enterprises Summit, the Group was ranked 233rd amongst the top 500 Chinese enterprises listed (an improvement of 33 places compared with the previous year), and ranked second amongst national road transportation enterprises.

In 2018, the Group had expanded into expressway construction within Gansu Province via the PPP model, while maintaining its involvement in the expansion of the national expressway network. By leveraging its advantages and position as a recognised issuer in the domestic and international capital markets, the Group continues to seek strategic investors and has entered into cooperation agreements covering road construction and tourism projects with China Communications Construction Company, Ltd., China Railway Construction Corporation Limited, China Railway Group Limited and China Metallurgical Group Corporation on PPP projects in 12 prefectural cities, including Dingxi, Linxia, Wuwei, Jiuquan, Longnan, Jinchang and Jiayuguan.

	In 2018, the Group entered into a strategic co-operation framework agreement with Shanghai Kingwing General Aviation Co., Ltd ("**Kingwing**"), in which the Group and Kingwing agreed to establish Gansu Public Transportation and General Aviation Co., Ltd.(甘肅公航旅金匯通用航空有限公司), a joint venture company to provide air rescue services and establish helicopter emergency rescue systems in Gansu Province.
2019	The Group ranked 197th amongst the top 500 Chinese enterprises.
2020	On 7 January 2020, the Ministry of Culture and Tourism issued an announcement to formally confirm Zhangye Danxia in Gansu Province as a national 5A scenic area. The Group ranked 172nd amongst the Top 500 Chinese Companies in 2020, ranked second amongst the national road transport companies and ranked 70th amongst the Top 500 Chinese Service Companies in 2020.

The following are a number of key technological breakthroughs achieved by the Group in its development history:

The Company pioneered the use of ventilation systems with "electrostatic precipitators combined with jet impingement(靜電除塵結合射流)" for the Yonggu Highway Wuqiaoling Tunnels Construction Project(永古高速烏鞘嶺隧道群建設), the first application of such systems within China.

The Company ended the lack of highway infrastructure in the Longnan Area(隴南地區) with the completion of the Wuguan Highway(武罐高速公路), which had the highest concentration of bridges and tunnels for its length in Gansu Province, and was the most technically challenging highway construction project in Gansu Province.

The Baoji to Tianshui Highway (Gansu section) was ranked as one of the top 12 national survey and design model projects by the Ministry of Transport of the PRC.

KEY AWARDS

Through standardisation and refining its management systems, the Group has participated in the development of a number of high-quality projects. By virtue of its competitive strengths, outstanding customer service and continued commitment to social responsibility, the Group has received many commendations and earned numerous honours and awards, including the following:

In 2020, the Ministry of Culture and Tourism issued an announcement to formally confirm Zhangye Danxia in Gansu Province as a national 5A scenic area. Zhangye Danxia was added to the UNESCO Global Geopark list. Lanyong First-class Highway Hekou Bridge Project won the 2019-2020 Gansu Provincial Feitian Award for Construction(2019-2020年甘肅省建設工程飛天獎). The Lanzhou Nanraocheng Highway won the 2020-2021 "Lichun Award" issued by the China Highway Construction Association. The Group's Gansu ETC Toll Station Project won the 2021 "Highway Digitalization Award" issued by the China Highway Institute.

In 2019, Gansu Gonghang Tourism Culture Media Co., Ltd. was awarded the honorary title of "Provincial E-commerce Poverty Alleviation Excellent Online Store" by the Gansu Provincial Department of Commerce; Gansu Provincial Highway Construction Management Group Co., Ltd. and Gansu Dalu Industry Co., Ltd. were awarded the "May 1 Labor Award" issued by the Gansu Federation of Trade Unions; and the Lanzhou South Ring Project was awarded the honorary title of "Highway and Water Transport Quality Project Demonstration and Excellent Construction Project" by the Gansu Provincial Department of Transportation.

In 2018, during the 2018 China Top 500 Enterprises Summit, the Group was ranked 233rd amongst the top 500 Chinese enterprises listed (an improvement of 33 places compared with the previous year), and ranked second amongst national road transportation enterprises; the Group won the "*Annual China Transportation Investment Financing – Enterprise with Most Growth Potential*" award (中國交通投資融資年度最具成長性企業); the Group's Jinchang-Alashanyouqi (Ganmeng Area) highway construction project of the Jinwu Expressway extension was awarded the "Li Chun" highway award by the Ministry of Transport; and the Project Huanghe Pearl Hotel won the 2017 Annual Gansu Provincial Feitian Gold Award for Construction.

In 2017, GHATG received the status of vice-presidentship of China Tourism Automobile And Cruise Association; Project Jin'a won the 2016 Annual Gansu Provincial Feitian Gold Award for Construction; Project Lanyong won the 2016 Annual Gansu Provincial Feitian Award for Construction; each of Project Wuguan, Project Leixi and Project Lanyong was named as a National Demonstration Project for Safe Construction Site by the Ministry of Transport; and Project Ten-day (十天項目) won the "2016 Annual Gansu Provincial Feitian Award for Construction (2016年度甘肅省建設工程飛天獎)".

In 2016, Gansu Silkroad Lodging and Camping Co., Ltd. (甘肅絲綢之路旅居露營地有限公司) was named a Recommended Camp Site by the Annual China Camping Industry Festival Committee (中國露營行業年度盛典推薦營地).

In 2015, Project Wuguan (武罐項目) won the "2015 Annual Gansu Provincial Feitian Award for Construction (2015年度甘肅省建設工程飛天獎); and GHATG Financial Services Co., Ltd. (甘肅公航旅金融服務有限公司) was recognised as one of the Top 100 Internet Finance Companies in China (中國互聯網金融行業百強企業) jointly by the MIIT, COFCOM, SASAC and NDRC.

In 2014 and 2015, Project Leixi (雷西項目) won the "2015 Annual Gansu Provincial Feitian Award for Construction (2015年度甘肅省建設工程飛天獎)" and the "2014 Annual Gansu Provincial Feitian Award for Construction (2014年度甘肅省建設工程飛天獎)".

In 2013, 2015 and 2016, both Gansu Luqiao Highways Investment Co., Ltd. (甘肅路橋公路投資有限公司) and Gansu Yuanda Highway Group Co., Ltd. (甘肅省遠大路業集團有限公司) won the Gold Flying Award of Construction in Gansu Province (甘肅省建設工程飛天金獎).

In each year from 2011 to 2016 and in 2018 and 2019, the Company was awarded by the Gansu Provincial Government its the highest accolade in finance activities in Gansu Province, the "Provincial Governor's Financial Prize (省長金融獎)".

COMPETITIVE STRENGTHS

The Company believes that the Group possesses the following competitive strengths:

The Group plays an important role in the Gansu Provincial Government's developmental initiatives.

As the largest wholly state-owned enterprise in Gansu Province in terms of total assets, net assets and gross profits as at 31 December 2020, the Group is the most important enterprise engaged in the investment in and financing of the construction, operation and management of transportation infrastructure in Gansu Province. The Group's operations have contributed significantly to the socioeconomic development of Gansu Province. As at 31 December 2020, the Group's transportation, tourism and ancillary businesses were carried out through 119 subsidiaries and 31 equity-invested affiliates; and the Company is the largest shareholder of Bank of Gansu Inc. (甘肅銀行股份有限公司). As at 31 December 2018, 2019 and 2020, the consolidated total assets of the Group were RMB445.0 billion, RMB505.4 billion and RMB611.3 billion, respectively, while its net assets amounted to approximately RMB153.96 billion, RMB170.4 billion and RMB220.8 billion, respectively. Furthermore, for the years ended 31 December 2018, 2019 and 2020, the total operating income of the Group was

RMB97.6 billion, RMB129.7 billion and RMB145.4 billion, respectively; and for the years ended 31 December 2018 and 2019, the gross profit of the Group were RMB6.5 billion, RMB7.7 billion and RMB6.8 billion, respectively. The Group has consistently ranked the first amongst all state-owned enterprises in Gansu Province in terms of total assets, and continues to grow rapidly. The Group won the "Gansu Provincial Governor's Financial Prize(甘肅省長金融獎)" for six consecutive years from 2011 to 2016 and in 2018 and 2019. The Group is the first enterprise in Gansu Province to have "AAA" corporate credit ratings from three domestic rating agencies, including China Lianhe Credit Rating, Shanghai Brilliance Credit Rating & Investors Service, and Dagong Global Credit Rating. The Group is also one of the highest rated enterprises among transportation companies in western China.

The Group plays an important role in the Gansu Provincial Government's development initiatives. In accordance with the government's initiatives pursuant to the 13th Five-Year Plan, the Group will pioneer the development of transportation infrastructure within Gansu Province, and will take advantage of the funding channels and opportunities in financial markets to raise funds for transportation infrastructure projects. Under the pilot reform scheme prescribed by the Reform Notice, the Company and a number of its subsidiaries will be the testing ground for the reform of state-owned enterprises within Gansu Province. The experience gained by the Group in the modernisation of corporate governance, restructuring and redistribution of state-owned assets, further reform of internal governance, upgrading and transformation of production functions, and changes in operational models, will be replicated and promoted by the Gansu Provincial Government in other state-owned enterprises within the province. The government also envisages the Group becoming an even larger enterprise with greater operational scaling benefits, and having the strongest performance and highest efficiency amongst state-owned enterprises in Gansu Province. The government requires the Group to achieve this aim through implementing reform initiatives designed for the conversion of traditional state-owned enterprises into modern business enterprises, perfecting the Group's corporate governance structure, strengthening incentives for self-development, encouraging creativity and innovation, and diversifying its business portfolio.

The Group has received strong support from both national government and the Gansu Provincial Government.

The Group has benefited from the national government support to Gansu's transportation sector. On 2 May 2010, upon approval by the State Council, the General Office of the State Council issued the Opinions on Further Supporting the Economic and Social Development of Gansu (GB [2010] No. 29) (《關於進一步支持甘肅經濟社會發展的若干意見》), which requires: (i) an increase in investment in infrastructure construction; (ii) an increase in investment in Gansu in respect of the central budget for investment and other central special funds; (iii) the consideration of central investment allowances for major infrastructure construction projects such as transportation in Gansu. On 1 March 2011, the Ministry of Transport and the Gansu Provincial Government signed the Minutes of Thoroughly Implementing the Opinions of the State Council on Supporting Gansu Economic and Social Development and Accelerating Development of Transportation(《貫徹落實國務院支持甘肅經濟社會發展若干意見加快推進交通運輸發展會談紀要》), with the Ministry of Transport indicating that it would intensify its support for the development of transportation in Gansu and offer more powerful support with regard to expressway construction, reconstruction of national and provincial trunk roads and the construction of comprehensive transportation junctions. In 2016, the Ministry of Finance and the Ministry of Transport jointly issued the Notice on Further Specifying the Issues Relating to Local Subsidy Standard for Vehicle Purchase Tax Income and Responsibility Investigation (C.J. [2016] No. 879)(《關於進一步明確車輛購置稅收入補助地方資金補助標準及責任追究有關事項的通知》(財建[2016]879號)), which requires that the capital contribution by the PRC Government for the newly developed highways in Gansu Province would be raised to 50% of project construction and resettlement expenses. On 17 May 2020, the CPC Central Committee and the State Council issued "the Guiding Opinions of the Central Committee of the CPC and the State Council on Promoting the Development of the Western Regions and Forging a New Pattern in the New Era", proposing to strengthen the planning

and construction of infrastructure, strengthen the construction of transportation channels across the East and West, North and South, and expand the regional development. The guiding opinion aims to strengthen the planning and construction of trunk routes in resource and energy development areas.

The Group has received direct managerial support from the Gansu Provincial Government. The Gansu Provincial Government appointed the Gansu SASAC to act as the shareholder of the Company, whereby the Gansu SASAC is in charge of the administration of state-owned assets operated by the Group and the supervision of the Group's major affairs, including the adoption of its articles of association, appointment of its chief financial officer and supervisors, approval of annual budgets and operation plans and appraisal of financial and operation results. The Gansu SASAC authorises the Department of Transportation of Gansu Province as the industry regulatory authority to supervise the management of the Group. The directors and principal officers of the Company are appointed by the Gansu Provincial Government, many of whom were officials of the Department of Transportation of Gansu Province prior to joining the Company. Since 2015, the Ministry of Transportation has funded 50% of construction investment for all expressways developed by the Group under the National Expressway Network Programme.

Furthermore, the Group has benefited from a variety of financial support measures provided by the Gansu Provincial Government. For example:

1. The Gansu Provincial Government injected certain highway assets and transit stations into the Group for its operation pursuant to Memorandum No. 16 of 2010 of the Gansu Provincial Governor's Meeting (《甘肅省人民政府省長辦公會議紀要》(甘政紀[2010]16號)). In support of its development, in particular the operations, of the Group's highway projects, the Gansu Provincial Government has injected over 200 mu (a Chinese unit of land measurement, 1 mu = 666.7 square metres) of land close to important transit stations for the construction of operational service facilities, including fuel stations, parking lots, warehouses, logistics centres, accommodation and restaurants. In support of the Group's tourism business, the Gansu Provincial Government has committed to injecting specific funds of RMB100 million per year into the Group for tourism development.

2. Pursuant to the Reform Notice, the Gansu Provincial Government has granted the Group exclusive rights to provide roadside advertising and operate service facilities along its highways. The government will also cause the equity interest held by it in Gansu Expressway Services Corporation (甘肅高速公路服務公司) and the equity interests held by the Department of Transportation of Gansu Province and its subdivisions in Gansu PetroChina Transport Oil Products Co., Ltd. (甘肅中油交通油品有限公司) and Gansu Shihua Transport Services Co., Ltd. (甘肅實化交通服務有限公司) to be transferred to the Group. The grant of new operational rights and the injection of new subsidiaries are aimed at completing a chain of transport industry infrastructure for the Group.

3. Each level of local government within Gansu Province has granted subsidies to the Group every year. In the years ended 31 December 2018, 2019 and 2020, such subsidies amounted to approximately RMB7.6 billion, RMB12.0 billion and RMB9.0 billion, respectively. In the years ended 31 December 2018, 2019 and 2020, special consideration received from the Gansu Provincial Government amounted to RMB1.15 billion, RMB4.6 billion and RMB6.0 billion, respectively. In 2019, the Group received RMB2.0 billion of operating subsidy from the Transportation Department of Gansu Province. In 2020, the Group received RMB1.7 billion of operating subsidy from the Transportation Department of Gansu Province and RMB1.0 billion of operating subsidy from the Finance Bureau of Gansu Province.

4. Pursuant to Memorandum No. 13 of 2011 of the Gansu Provincial Governor's Meeting(《甘肅省人民政府省長辦公會議紀要》(甘政紀[2011]13號)), the toll road assets of the Group are exempted from provisioning for depreciation. Such exemption freed up the Group's toll road assets, and allows the Group to raise additional financing to repay corporate debts and invest in highway projects.

5. Pursuant to Notice No. 45 of 2012 on the Inclusion of Tolls in the Governmental Fund Budgets (《關於將收費公路車輛通行費納入政府性基金預算的通知》(甘財綜[2012]45號)), all tolls collected from the toll roads managed by the Company have been turned over to the provincial treasury and included in the administration of the governmental fund budgets.

The Group enjoys a stable leading position in the transportation sector in Gansu Province.

As at 31 December 2020, the Group managed 62 expressways which have been completed, are still under construction or are planned for construction, with a total length of 6,399.2 kilometres, amongst which the Company managed and operated 43 expressways with a total length of 4,501.45 kilometres which are already completed, and 19 expressways with a total length of 1,897.745 kilometres which were still under construction. The Group's subsidiary, GPHTC, is responsible for the construction of a further nine expressways. The Group is the leader in the construction and management of expressways within Gansu Province, and is one of the highest rated enterprises amongst transportation companies in Western China. As at the date of this Offering Circular, the Gansu Provincial Government has named the Group as one of six companies that the Gansu Provincial Government aims to develop into "large-scale enterprises with a value above RMB100 billion". The Group is able to leverage the advantages of the geographical location of Gansu province which is located in the centre of the PRC and bordering six provinces. Following the completion of various expressways within Gansu province, expressway connections between provincial capitals of Shaanxi, Gansu, Qinghai, Ningxia and Xinjiang can be achieved. The Group will grasp the opportunities brought about by new initiatives and strategic government policies, such as the West Development Strategy, the Programme of Building National Strength in Transportation, the Belt and Road Initiative, the New Land and Marine Routes for Western Regions and the Ecological Protection of the Yellow River Basin, to further strengthen its leading position in the transportation sector.

In 2016, the Group completed and opened the Baigeda-Mingshui part of Jingxin Expressway and the Lintao-Weiyuan part of Lanhai National Expressway. In December 2018, financed and built by the Company, the first belt expressway in Lanzhou, the Lianhuo National Main Road (G30) Lanzhou South Ring Expressway, was launched with the Xigu Yellow River Bridge being the cable-stayed bridge with the largest span over the Yellow River and the highest tower in northwest China, which is also the first expressway cable-stayed bridge in Gansu province. In 2019, the Company completed the construction of the 133 kilometre-long Longnan section of the Weiyuan-Wudu section of Lanzhou-Haikou Expressway (G75). In 2020, Jingzhong Expressway, Jingzhuang Expressway, Huilao Expressway, Tianyongning County Section and Susha Level 1 Highway (invested and constructed by the Group) were completed and opened. The Dingxi Section of Weiyuan-Wudu Expressway will be open to public except for Muzhailing Tunnel.

Furthermore, the Group benefits from a number of reform initiatives promulgated by the Reform Notice. For instance, initiatives which have been particularly relevant to the Group's transportation-related business activities include the Gansu Provincial Government having granted to the Group exclusive rights to provide service facilities along its highways, and the government causing the equity interest held by it in Gansu Expressway Services Corporation(甘肅高速公路服務公司), the equity interests held by the Department of Transportation of Gansu Province and its subdivisions in Gansu PetroChina Transport Oil Products Co., Ltd.(甘肅中油交通油品有限公司) and Gansu Shihua Transport Services Co., Ltd.(甘肅實化交通服務有限公司) and the equity interest in GPHTC held by Gansu SASAC to be transferred to the Group. The grant of new operational rights and the injection of new subsidiaries are aimed at completing the transport infrastructure for the Group.

The Group strategically focused on highway development accompanied by a diversified portfolio of business.

The Group operates a diverse portfolio of businesses and continues to seek greater diversification in accordance with the Gansu Provincial Government's development initiatives. Since the establishment of the Company, the Group has been gradually diversifying its businesses and developing itself into an integrated large-scale enterprise. While the Group's strategic focus is on its core business of highway development, the Group has extended its operations to tourism, financial services and commodities trading, and will continue to cultivate new businesses such as general aviation and railway construction and operation. In addition to carrying on business operations, the Company is also tasked with a key role by the Gansu Provincial Government to undertake the fundraising, investment, construction, management and operation of transportation infrastructure projects within Gansu Province. Please refer to the subsection headed "*Overview*" for a breakdown of total operating income and gross profit of the Group by business segment for the years ended 31 December 2018, 2019 and 2020.

The Company is tasked with a key role to provide financing for the construction, management and operation of transportation infrastructure projects within Gansu Province. The Company directly injects its funds into the infrastructure projects and actively raises external funds in the capital markets to indirectly invest in the projects. Leveraging its status as an enterprise wholly owned by the Gansu Provincial Government and employing a wide array of financial instruments, the Company has reduced costs for the development of many highway, aviation and tourism infrastructure facilities within Gansu Province due to its good credit record. The Company serves as an important financing vehicle for transportation infrastructure projects within Gansu Province.

Highway development

The highway development segment is the principal business segment of the Group. Toll revenues generated from the operation of toll roads constitute a critical component of the Group's overall operating revenues. As at 31 December 2020, the Group managed 62 expressways which have been completed, are still under construction or are planned for construction with a total length of 6,399.2 kilometres, amongst which the Company managed and operated 43 expressways with a total length of 4,501.45 kilometres which are already completed, and 19 expressways with a total length of 1,897.745 kilometres which were still under construction.

Commodities trading

The commodities trading segment is a well-established ancillary business segment through which the Company has fostered stable relationships with its trading partners. The commodities trading segment is expected to continue to serve as a supplement to the Group's core businesses. The Group mainly operates its commodities trading business through GHATG International Trading Co., Ltd.(甘肅公航旅國際貿易有限公司) and GHATG (Beijing) Co., Ltd.(公航旅(北京)有限公司) by making full use of its brand and capital advantages, focusing on developing bulk commodities trading of non-ferrous metals.

Engineering construction business and related services

The engineering construction business and related services of the Group are mainly performed by GPHTC, a subsidiary consolidated into the Group in 2018, as well as Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. The consolidation of GPHTC into the Group represents a significant expansion of the Group's business activities within the highway development segment. The completion of the consolidation will strengthen the Group's capabilities in participating in the entire industrial chain of business activities relating to highway development, consisting of financing, investment, construction, management, maintenance, transportation and related services.

The engineering construction business activities of the Group mainly encompass the construction of projects such as roads and bridges, engineering consulting and supervision and other related services in respect of highways, bridges, tunnels, roadbeds, groundworks, airport runways, housing construction, road traffic projects and green urban landscaping.

Tourism

A number of scenic areas developed by the Group have become major tourist attractions in Gansu Province. As at 31 December 2020, the Group managed one 5A scenic and six 4A scenic areas in Gansu Province. In 2019 and 2020, the scenic areas managed by the Group received approximately 2.9 million visitors and 1.7 million visitors in total, respectively. In 2019 and 2020, the Zhangye Danxia Scenic Area, which is the most popular and major scenic area managed by the Group, received 2.6 million visitors and 1.6 million visitors in total, respectively.

Other businesses

The Group also engages in a number of ancillary businesses in support of its principal business segments, such as financial services, general aviation business activities, logistics and media and communications:

- Financial services: The financial services segment has experienced steady growth. The Company has been the sole initiator for the establishment of Gansu Provincial Financing Guarantee Group Co., Ltd.（甘肅省融資擔保集團有限公司）and GHATG Municipal Microcredit Co. Ltd.（甘肅公航旅小額貸款股份有限公司）, and has the largest provincial commercial operation scale within Gansu Province.

- General aviation: This business venture of the Group followed the restructuring mandated by the Gansu Provincial Government's pilot reform initiatives for state-owned enterprises. The first Engstrom 480B helicopter, jointly operated by the Company and the China Flight Test Establishment, has already entered commercial operation and is being employed in sightseeing tours of the Group's Zhangye Danxia Scenic Area. In 2016, Zhangye Danxia Airport, the first standard airport for general aviation in Gansu Province, was completed, symbolising a landmark success in the building of general aviation airports in China. In addition, the first Silk Road (Zhangye) International General Aviation Convention was successfully held, which was highly recognised by the provincial party committee as well as the provincial government.

The Group's diverse business operations have enabled the Group to consistently deliver good financial results generally. As at 31 December 2018, 2019 and 2020, the consolidated total assets of the Group were RMB445.0 billion, RMB505.4 billion and RMB611.3 billion, respectively, while its net assets amounted to approximately RMB154.0 billion, RMB170.4 billion and RMB220.8 billion, respectively. Furthermore, for the years ended 31 December 2018, 2019 and 2020, the total operating income of the Group was RMB97.6 billion, RMB129.7 billion and RMB145.4 billion, respectively; and for the years ended 31 December 2018, 2019 and 2020, the gross profit of the Group were RMB6.5 billion, RMB7.7 billion and RMB6.8 billion, respectively.

The Company has a proven record in raising funds and accessing different financing channels.

The Company has employed a variety of financial instruments and financing channels to raise funds

Since its restructuring in 2011, the Company has raised funds in an aggregate amount of approximately RMB400 billion to meet its financing needs in connection with the development of transportation and tourism infrastructure within Gansu Province. The Company has employed a variety of financial instruments and financing channels to raise funds, including, but not limited to, bank loans, medium- and short-term notes, corporate bonds, offshore bonds, private placement notes, financial leases, insurance fund-invested debt securities and National Social Security Fund-invested debt securities.

The Company has long-standing relationships with and is supported by several major PRC commercial banks at their headquarters level

The Company maintains long-standing relationships with major commercial banks in the PRC. The Company is a strategic client of China Development Bank, China Construction Bank, Agricultural Bank of China and Bank of Communications. As at 31 December 2020, the Company had acquired credit from some 21 banks in an aggregate amount of approximately RMB516.5 billion, of which approximately RMB317.6 billion had been drawn down and approximately RMB198.8 billion unused.

As at 31 December 2020, the Company's long-term bank borrowings were mainly provided by Industrial and Commercial Bank of China, China Construction Bank, China Development Bank, China Merchants Bank, Shanghai Pudong Development Bank, China CITIC Bank, Bank of Communications, Agricultural Bank of China, Postal Savings Bank of China, Industrial Bank, The Export-Import Bank of China and China Merchants Bank. The interest rates of historical and existing bank loans of the Group have been determined by reference to the prevailing benchmark rates of comparable maturities with room for downward adjustment. As at 31 December 2020, the long-term bank borrowing maturity profile of the Company consisted of approximately 9.17% of borrowings maturing within three years, 3.97% of borrowings maturing between three and five years, 13.14% of borrowings maturing between five and 10 years, 16.47% of borrowings maturing between 10 and 15 years, and 57.22% of borrowings maturing over 15 years (in each case including the upper limit of the maturity range).

The Company maintains good relationships and cooperates well with a number of national regulatory authorities and commissions, including the National Association of Financial Market Institutional Investors, the National Development and Reform Commission, the China Banking and Insurance Regulatory Commission and the National Council for Social Security Fund. The Company obtained stable financial support from these regulatory authorities.

As at 31 December 2020, the Company had taken on direct financing (excluding bank loans) in an aggregate amount of approximately RMB169.3 billion in support of the Group's development of infrastructure. The table below gives further details of the Company's direct financing (excluding bank loans) as at 31 December 2020:

Approving authority	**Means of direct financing**	**Registered or approved amount**	**Cumulative issued amount**
		(RMB in billions, except for percentage)	
National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會)	Medium-term notes	32	32
	Perpetual medium-term notes	8	6
	Short-term notes	13	13
	Extra short-term notes	10	1
	Private placement notes	14	11.3
Shenzhen Stock Exchanges (深圳交易所)	Non-public corporate bonds	10	6.5
	Non-public renewable corporate bonds	2	2
Shanghai Stock Exchanges (上海交易所)	Non-public renewable corporate bonds	10	1
	Renewable corporate bonds	10	1.2
National Development and Reform Commission (國家發展改革委員會)	Corporate bonds	7.5	7.5
	Offshore bonds	12	14.1
China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)	Financial lease	26.2	22.5
	Insurance Fund Debt Plan	10.2	10.2
Board of Social Security Fund	Social Security Fund	3	3
China Banking and Insurance Regulatory Commission and Administration of Exchange Control (中國銀行保險監督管理委員會和外匯監管局)	Overseas lending secured by domestic guarantee	0.5	0.5

The Company endeavours to broaden its financing channels and obtain financing from innovative sources. In 2015, the Company established a domestic RMB3,000 million perpetual securities and medium-term notes programme and issued RMB1,500 million of such perpetual securities thereunder. In

2016, the Company issued domestic medium-term notes in the amount of RMB5,600 million and USD500 million offshore fixed rate bonds due 2019, which was the first successful offshore issuance of USD-denominated debt securities by a local enterprise in Gansu Province. In 2017, the Company entered into financial leases in the amounts of RMB2,000 million and RMB3,000 million, and issued medium-term notes in the amount of RMB900 million and Euro-denominated notes in an amount equivalent to RMB3,212 million, which was the first successful offshore issuance of Euro-denominated debt securities by a local enterprise in Gansu Province. In 2018, the Company registered with the National Association of Financial Market Institutional Investors to issue RMB1 billion in extra short-term notes and RMB2 billion in medium-term notes with a 365-day tenor. The Company also issued offshore bonds in an aggregate principal amount of USD500 million and entered into onshore financial leases with a value of RMB6 billion. In 2019, the Company raised RMB15.6 billion through the issuance of debt securities domestically in the amount of RMB13.5 billion and the issuance of offshore debt securities in the amount of USD0.3 billion. In 2020, the Company raised capital in the amount of RMB18.34 billion by way of the issuance of public debt securities domestically and onshore financial leases.

The Company endeavours to maintain a gearing ratio (total debts to total assets) of not greater than 75 per cent. Since 2015, the Company has devised four new financing routes in order to adapt to the general slowdown in the PRC economy, namely: (i) in terms of maturity, the Company seeks to shift its focus from short-term financing to long-term financing; (ii) in terms of the nature of financing, the Company seeks to shift its focus from debt financing to equity financing; (iii) in terms of geographical origin, the Company seeks to shift its focus from onshore financing to offshore financing; and (iv) in terms of the cost of funds, the Company seeks to borrow at lower interest rates.

The Company adopts prudent Financial Policies and Objectives

A centralised financial management structure has been implemented by the Company, which has practised the financial management principles of "a unified leadership, centralised management, level-to-level accounting and effective control". The objectives of financial management are to support the Company's development strategy and business objectives, and to conduct planning, controls, accounting, analysis and checking of revenues and expenditures, rationally and lawfully raise and apply funds, effectively utilise various assets, prudently manage the Group's revenues and expenses, strive to minimise costs and improve economic efficiencies.

The Company manages funds in a centralized manner. A fund management leadership group is established by the Company, which is the highest authority in fund management. The financial department is a fund settlement management centre, which exercises its function of fund management under the guidance and supervision of the Company's fund management leadership group and takes charge of handling the Company's cash deposit and withdrawal and bank settlement matters.

In terms of budget accounting, the Company mainly takes into consideration the objectives of investment, financing and business operations in the budget management process, and effectively controls the overall arrangements of investment, financing and business operations through "budget preparing, delivering, implementing adjustment, analysis and evaluation."

The Group has experienced management which is supported by outstanding staff members.

The Group's senior management team and key operating personnel have on average over 25 years of experience in the businesses conducted by the Group, and are knowledgeable about its financial management, government policies and operational management. A number of the Company's directors, supervisors and senior managers have previously served or are concurrently serving as senior officials of various state-owned enterprises and departments of the Gansu Provincial Government. Their strong government backgrounds enable the Group to collaborate with various levels of the Gansu Provincial Government efficiently. Their understanding of the regulatory framework and government policies allows the Group to play a significant role in the transportation infrastructure and tourism sectors within Gansu Province. See the section headed "*Management*" for the biographies of individual directors, supervisors and senior managers.

The Group employs a substantial amount of staff to carry out various business functions and operations. Many of the Group's financial officers, engineers and technicians have received accolades from prestigious institutions within the PRC or Gansu Province. As at 31 December 2020, the Group employed one expert entitled to receive special subsidies by the State Council of the PRC for his outstanding contributions to society; two winners of the "National May 1st Labor Medal"(全國五一勞動獎章); two outstanding experts, three leading experts and two leading accounting experts within Gansu Province; over 44 professor-level senior engineers and over 30 certified public accountants. In addition, approximately 34.5% of the Company's employees hold a master's degree or higher, many of whom are graduates of reputable universities and tertiary institutions within the PRC, including Peking University and Tongji University.

BUSINESS STRATEGIES

By leveraging the Group's competitive strengths, capturing the enormous business opportunities brought by Gansu Provincial Government's developmental initiatives and reforms of state-owned enterprises within Gansu Province, and closely following the government infrastructure investment policies, the Company aims to expand its asset size and operational scale to consolidate its position as one of the foremost enterprises engaged in the investment in and financing of the construction, operation and management of transportation infrastructure in Gansu Province. As the largest wholly state-owned enterprise in Gansu Province, the Company strives to continually promote the development of infrastructure facilities in Gansu Province. Under the guidance of China's 14th plan of five-year national development, the Group aims to transform from a rapid-growing company to a high-quality and high-profit company. The Group will focus on adjusting its internal structures, optimising operations, improving efficiency and eventually achieving business upgrades. Apart from its core business in transportation infrastructure, the Company aims to develop its other businesses such as financing services, general aviation business activities, and logistics and media and communications via strategic investments and extension of existing operations, to realise its objective of multi-segment development. With this objective, the Company aims to create synergies between its business segments and achieve better leverage on its operating resources. As a diversified state-owned capital investment company, the Company intends to build a bricks-and-mortar enterprise with comprehensive systems and industrial facilities in the four segments of highway development, general aviation, travel and financing services, following Gansu Provincial Government's latest guideline on reforms of state-owned enterprises. In addition, as an extension of its government role, the Company aims to provide services of outstanding quality to the government and public while improving the quality of its core businesses. The Company also aims to consolidate resources in relevant industries where it operates, develop ancillary businesses and optimise its business structure. The Company intends to pursue the following strategies to achieve such objectives.

Focus on reinforcement of existing core business advantages, and further development of surrounding business segments to strengthen the synergies within the Group

The Company plays an important role in the Gansu Provincial Government's development initiatives. In line with China's 14th plan of five-year national development, the Company will continue to focus on its business of the investment in and financing of construction, and the management and operation of transportation infrastructure, including highway development, tourism and general aviation, with the goal of strengthening the synergies amongst the Group's different business segments and accelerating its integrated development by strategic investment and business expansion. Under the guidance of China's 14th plan of five-year national development, the Group aims to transform from a rapid-growing company to a high-quality and high-profit enterprise. The Group will focus on adjusting its internal structures, optimising operations and improving efficiency, thereby advancing its business capabilities. The Group has adopted a strategy known as "one strategic positioning, two cycles, three transformations and four layers of planning".

- "One strategic positioning" refers to the overall goal for the Group to become an integrated national transportation investment group.

- "Two cycles" refers to the Group's focus on asset life cycle management and business cycle management.

- "Three transformations" refers to:

  – evolving from a rapid-growth enterprise into one of high-quality assets and sustainable high profitability. As part of the five-year development plan, the Group will focus on improving operation management so as to maximise the return on assets;

  – transformation from engaging primarily in construction investment to further involvement in the operation of transportation infrastructure assets; and

  – transformation to further expand the Group's socially responsible business strategy with an aim of contributing to the national economy.

- "Four layers of planning" refers to

  – firstly, consolidating transportation-related investments. Highways, airports and other transportation-related investments represent core business areas of the Group, and these areas will continue to serve as the solid foundation for future growth and expansion;

  – secondly, consolidating and developing the Group's transportation-related services, including construction services, general aviation operations and tourism-related services;

  – thirdly, expanding its complementary businesses, including commodity trading and financial services. These business segments provide support for the Group's growth and help maintain the Group's financial balance; and

  – fourthly, expansion relying on the core investment business, including property management, logistic and resource management.

Forming social capital consortium with central enterprises, the Group has cooperated in PPP projects with more than 10 prefectures and cities such as Dingxi, Wuwei and Tianshui. Following the completion of the Group's PPP projects, the expressway network in Gansu province will gradually become increasingly sophisticated and will have more links with the national expressway network. In turn, this will improve the overall level of traffic flow in Gansu province in the future. Meanwhile, the construction of PPP projects will further enhance the Group's expertise in construction and its profitability.

The Group aims to build a comprehensive construction industry chain to increase value of its output through the following measures: expanding its role in the upstream and downstream in the highway construction and service industry; promoting the application of graphene-composite rubber-modified asphalt; building a planning and design platform and continually improving its qualifications, brand, talent and technological capabilities.

Under the guidance of China's 14th plan of five-year national development and the Programme of Building National Strength in Transportation, the Group will undertake both traditional construction projects and PPP projects and take the initiative to develop innovative "new infrastructure". The Group will strengthen project management, improve the quality of planning and design and strive to create safe, green and high-quality projects. The Group will focus on developing the road distribution economy, building a comprehensive industry chain, highlighting "transportation + tourism" and "transportation + logistics", building a smart transportation system, scientifically planning expressway connection lines, enhancing the interconnection between cities and road networks and optimising the supply capacity of transportation infrastructure.

Further explore synergies in our integrated business model to promote the development of the Group's financing services segment

The Company intends to promote the development of the financing services segment by enhancing internal collaboration and implementing integrations to realise synergies. The Company strives to integrate the assets and businesses of its subsidiaries, namely GHATG Lanzhou Municipal Microcredit Co., Ltd.(蘭州市公航旅小額貸款股份有限公司) and Gansu Provincial Financing Guarantee Group Co., Ltd.(甘肅省融資擔保集團股份有限公司), and its equity-invested affiliates, namely Bank of Gansu Inc.(甘肅銀行股份有限公司), Bank of Lanzhou Co., Ltd.(蘭州銀行股份有限公司), China Dragon Securities Co., Ltd.(華龍證券股份有限公司), Gansu Province Equity Exchange Co., Ltd(甘肅省產權交易所股份有限公司) and GHATG Asset Management Co., Ltd.(甘肅公航旅資產管理有限公司), into its first-tier wholly owned subsidiary, Gansu Provincial Financing Capital Management Co., Ltd.(甘肅省金融資本管理有限公司). Gansu Financial Capital Management Co., Ltd.(甘肅省金融資本管理有限公司)("**FCM**") has nine subsidiaries which are wholly owned or controlled by it, and it is engaged in businesses including credit guarantee, small loans, internet finance and asset management. In 2016, in keeping with the Group's overall strategy which aims at creating licences-for-all across the financial segments, FCM has established and continues to set up companies in the financial leasing, pawnbroking, industrial funds and financial warehousing sectors, while the Group also successfully invests in Bank of Lanzhou Co., Ltd.(蘭州銀行股份有限公司) and China Dragon Securities Co., Ltd.(華龍證券股份有限公司). These have initiated the formation of a multi-level financial operation incorporating credit assurance, small loans, internet finance, asset management, pawning, financial warehousing, financial leasing and industrial funds, and have given an impetus to resource-sharing and synergies amongst subsidiaries, as well as to the development of mainstream finance. Upon such integrations, the Company aims to realise the integrated development of its transportation business and financial capital services, which will optimise resource allocation, enhance operating efficiency and improve profitability. The Group believes the synergies in its business model will establish a modern business conglomerate that implements a full value chain of transportation services, full-licence financial services and complete information coverage.

Further promote the general aviation business

Due to its vast and diverse landscape, Gansu Province is one of the most propitious provinces in which to develop general aviation business in China. As one of the companies under the pilot reforms of state-owned enterprises in Gansu Province, the Company will actively promote development of the provincial general aviation business, making full use of its geographic advantage and the business opportunities brought by the reforms. Furthermore, the Company has agreed further cooperation with China Aviation Industry General Aircraft Co., Ltd.(中航通用飛機有限責任公司), a subsidiary of Aviation Industry Corporation of China (AVIC)(中國航空工業集團公司), and AVIC General Aviation Company(中航通用航空公司), choosing Lanzhou, Jinchang and Zhangye as their priority locations for general aviation airport construction. Under the pilot reform scheme prescribed by the Reform Notice, the Company will particularly focus on the transportation segment and the transformation of airports business, and will no longer participate in provincial civil airport construction and operation business in Gansu. In 2016, Zhangye Danxia Airport, the first standard airport for general aviation in Gansu Province, was completed, symbolising a landmark success in the building of general aviation airports in China. In addition, the first Silk Road (Zhangye) International General Aviation Convention was successfully held, which was highly recognised by the provincial party committee as well as the provincial government. In August 2020, Longnan in Southern Gansu experienced serious flooding due to heavy rain, leading to hazards such as debris flows and landslides. Gansu Public Transportation and General Aviation Co., Ltd. participated in the rescue operation on 19 August 2020 by sending helicopters to Longnan, retrieving 75 trapped citizens.

Accelerate project construction and promote the stable development of the commodities trading business, general aviation and other segments

The Group will continue to improve the income-generating capability of its commodities trading business, while expanding various ancillary segments, including general aviation, public media operations, engineering consulting and tourism planning, so as to optimise the layout of integrated functions and strive to improve overall management efficiency and stability of development. In managing the synergies amongst, and the stable development of, the Group's different business segments, the Group will improve the commodities trading business and prioritise major projects which are closely allied with the Company's business of highway development and tourism, and which have a significant influence on the reduction of the costs regarding highway operation and maintenance and the quality control of material, such as commodities trading in asphalt, steel and other building materials.

BUSINESS

Highway development business

The Group mainly operates its highway development business through the Company itself and its subsidiaries GPHTC, Gansu Road Construction Group Management Co., Ltd.(甘肅省公路建設管理集團有限公司), Gansu Luqiao Highway Investment Co., Ltd(甘肅路橋公路投資有限公司), Gansu Yuanda Highway Group Co., Ltd(甘肅省遠大路業集團有限公司), GHATG Construction Group Co., Ltd.(甘肅公航旅建設集團有限公司), Gansu Changda Highway Co., Ltd.(甘肅長達路業有限責任公司)and GHATG PetroChina Energy Co., Ltd.(甘肅公航旅中油能源有限責任公司). The Group has constructed an integrated highway operation model including construction, fundraising, investment, maintenance and management, and actively expands the highway value chain to promote economic development.

Highway investment and operation

Since the establishment of the Company, the Group has been engaged in the investment and, principally, the operation of all government-owned and debt-financed highways(政府還貸性公路)within Gansu Province. The highway development business segment principally consists of the Group's investment in the construction of toll roads, namely expressways and high-grade highways, and the operation of the toll roads managed by the Group. This business segment can be further divided into two main subsegments, namely expressway operation and toll road operations. The majority of the expressways operated by the Group will eventually form part of the national expressway network in China, while the remaining expressways and most of the first-tier and second-tier highways will become trunk roads connecting Gansu with neighbouring provinces or multiple cities within the province. All of the expressways and high-grade highways developed by the Group are toll roads that are developed and operated for profit.

The Group principally participates in the investment in and operation of highways, including expressways, upon obtaining the requisite governmental approvals and appointments in accordance with the national development plan for the highway network. The PRC central government allocates the rights to develop expressways while Gansu Provincial Government allocates the right to develop high-grade highways within Gansu Province. The central government finances highway construction projects by providing funding to the Gansu Provincial Ministry of Finance which, in turn, allocates capital to the Group in accordance with the progress of projects. The Group then invests in and develops the highways in accordance with the schedules prepared by the urban planning and design institute designated by the Group and approved by either the Gansu Provincial Development and Reform Commission and Gansu Provincial Communications Department for high-grade highways, or the relevant authorities for expressways at the state level. The construction of such highways is undertaken by third-party contractors selected through public tender offering procedures, while the Group monitors the costs, quality and progress of such construction. Upon completion of the construction, the Group is responsible for the operation of such highways including instructing the highway bureau to take on the daily maintenance of such highways. The time limit and right to collect tolls are subject to the Group's actual

repayment period of the loans and the necessity of highway administration and maintenance according to the revised draft of the Regulation on the Administration of Toll Roads issued by the Ministry of Transport in July 2015.

As at 31 December 2020, the Group managed 62 expressways which have been completed, are still under construction or are planned for construction with a total length of 6,399.2 kilometres, amongst which the Company managed and operated 43 expressways with a total length of 4,501.45 kilometres which are already completed, and 19 expressways with a total length of 1,897.745 kilometres which were still under construction. The Group's subsidiary, GPHTC, is responsible for the construction of a further nine expressways. The Group generated operating incomes of approximately RMB6,296.9 million, RMB6,530.2 million and RMB5,178.3 million mainly through its highway toll fee for the years ended 31 December 2018, 2019 and 2020, respectively, representing 6.45%, 5.03% and 3.56% of the Group's total operating incomes for the years ended 31 December 2018, 2019 and 2020, respectively.

In 2018, the Company built a number of national key expressway projects, including China's second longest highway tunnel, the 15.2 kilometre-long Muzhailing Extra-long Tunnel.

In 2019, the 133 kilometre-long Longnan section of the Weiyuan-Wudu section of Lanzhou-Haikou Expressway (G75) was complete and launched ahead of schedule; and the Huining-Laojunpo expressway was substantially completed.

In 2020, the Company invested RMB44.1 billion in total in expressway projects.

The table below sets out certain details of all the expressways and high-grade highways operated by the Group as at 31 December 2020:

No	Highway name	Categorisation	Total investment amount	Length	Operational period
			(RMB in 10,000s)	*(kilometres)*	
1	Chankou-Liugouhe Expressway (讒口至柳溝河高速公路)	Expressway, toll road financed by debt	241,474.9	78.3	2002-2022
2	Baiyin-Lanzhou Expressway (白銀至蘭州高速公路)	Expressway, toll road financed by debt	166,955.9	59	2002-2022
3	Airport Expressway (機場高速公路)	Expressway, toll road financed by debt	90,448.7	22.3	2002-2022
4	Gulang-Yongchang Expressway (古浪至永昌高速公路)	Expressway, toll road financed by debt	105,591.4	71	2003-2023
5	Wuwei By-pass Expressway (武威過境高速公路)	Expressway, toll road financed by debt	100,130.3	45.7	2006-2026
6	Shuping-Xujiamo Expressway (樹屏至徐家磨高速公路)	Expressway, toll road financed by debt	53,728	22.9	2005-2025
7	Liugouhe-Zhonghe Expressway (柳溝河至忠和高速公路)	Expressway, toll road financed by debt	135,600	30	2002-2022
8	Yongchang-Shandan Expressway (永昌至山丹高速公路)	Expressway, toll road financed by debt	158,101.6	117.8	2002-2022
9	Jinchang-Yongchang Expressway (金昌至永昌高速公路)	Local highway, toll road financed by debt	73,984.4	37.7	2010-2030
10	Lanzhou-Haishiwan Expressway (蘭州至海石灣高速公路)	Expressway, toll road financed by debt	356,446.1	100.4	2003-2023
11	Shandan-Linze Expressway (山丹至臨澤高速公路)	Expressway, toll road financed by debt	164,759.6	97	2004-2024
12	Lanzhou-Lintao Expressway (蘭州至臨洮高速公路)	Expressway, toll road financed by debt	311,089.2	95	2004-2024
13	Linze-Qingshui Expressway (臨澤至清水高速公路)	Expressway, toll road financed by debt	131,375.5	99.7	2004-2024
14	Liuzhaike-Baiyin Expressway (劉寨柯至白銀高速公路)	Expressway, toll road financed by debt	251,383.2	110.8	2005-2025
15	Qingshui-Jiayuguan Expressway (清水至嘉峪關高速公路)	Expressway, toll road financed by debt	156,805.9	95.9	2006-2026
16	Jiayuguan-Anxi Expressway (嘉峪關至安西高速公路)	Expressway, toll road financed by debt	338,379.1	235.4	2006-2026

No	Highway name	Categorisation	Total investment amount	Length	Operational period
			(RMB in 10,000s)	*(kilometres)*	
17	Baoji-Tianshui Expressway (寶雞至天水高速公路)	Expressway, toll road financed by debt	659,067.3	91.1	2009-2029
18	Kangjiayan-Linxia Expressway (康家崖至臨夏高速公路)	Expressway, toll road financed by debt	209,250.6	80.4	2010-2030
19	Tianshui-Dingxi Expressway (天水至定西高速公路)	Expressway, toll road financed by debt	778,404.2	234.6	2010-2030
20	Pingliang-Dingxi Expressway (平涼至定西高速公路)	Expressway, toll road financed by debt	758,328.3	258	2009-2029
21	Tianshui By-pass Expressway (天水過境高速)	Expressway, toll road financed by debt	222,200	36	2011-2031
22	Xifeng-Changqingqiao-Fengxianglukou Expressway (西峰至長慶橋至鳳翔路口高速公路)	Expressway, toll road financed by debt	325,600	74	2011-2031
23	Yongdeng-Gulang Expressway (永登至古浪高速公路)	Expressway, toll road financed by debt	586,900	145.5	2011-2031
24	Guazhou-Xingxingxia Expressway (瓜州至星星峽高速公路)	Expressway, toll road financed by debt	264,800	157	2012-2022
25	Leijiajiao-Xifeng Expressway (雷家角至西峰高速公路)	Expressway, toll road financed by debt	889,748.2	127	2013-2023
26	Yingpanshui-Shuangta Expressway (營盤水至雙塔高速公路)	Expressway, toll road financed by debt	738,995	157.6	2013-2023
27	Jinchang-Wuwei Expressway (金昌至武威高速公路)	Local highway, toll road financed by debt	312,581	73.4	2013-2023
28	Wudu-Guanzigou Expressway (武都至罐子溝高速公路)	Expressway, toll road financed by debt	1,102,000	130.4	2013-2023
29	Chengxian-Wudu Expressway (成縣至武都高速公路)	Local highway, toll road financed by debt	1,100,000	91	2014-2024
30	Linxia-Hezuo Expressway (臨夏至合作高速公路)	Local highway, toll road financed by debt	888,952	99	2014-2024
31	Huixian (Dashibei)-Tianshui part of Shitian Expressway (十天高速公路徽縣(大石碑)至天水段)	Expressway, toll road financed by debt	2,062,093.8	249.1	2017-2025
32	Jinchang-Alashanyouqi (Ganmeng Area) part of extended Jinchang-Wudu Expressway (金昌至武威高速公路延伸段金昌至阿拉善右旗(甘蒙界)公路)	Local highway, toll road financed by debt	293,399	65.5	2017-2025
33	Lintao-Weiyuan part of Lanhai National Expressway (蘭海國家高速臨洮至渭源段)	Expressway, toll road financed by debt	477,274.8	62.6	2018-2026
34	Baigeda-Mingshui part of Jingxin Expressway (京新高速白疙瘩至明水)	Expressway, toll road financed by debt	697,500	136.7	2017-2037
35	Lianhuo National Main Road Lanzhou South Ring Expressway (連霍國道主幹線蘭州南繞城高速公路)	Expressway, toll road financed by debt	699,655.3	58.3	2019-2021 Trial operation period
36	Guazhou-Dunhuang Highway (瓜州至敦煌快速通道)	Local highway, toll road financed by debt	519,767.5	224.2	2016-2024
37	Lanzhou-Yongjingyanhuang Highway (蘭州至永靖沿黃快速通道)	National/provincial first-tier highway, toll road financed by debt	610,691	48	2017-2025
38	Weiyuan-Wudu part of Lanhai National Expressway (蘭海國家高速渭源至武都段)[1]	Expressway, toll road financed by debt	3,804,149.8	244	Under construction
39	Linxiashuangcheng-Daguojia Expressway (臨夏雙城至達裏加高速)	Local highway, toll road financed by debt	494,322.1	38.3	Under construction
40	Jingtai-Zhongchuan Airport Expressway (景泰至中川機場高速)	Expressway, toll road financed by debt	799,259.3	121.8	Under construction
41	Pingliang-Tianshui Expressway (平涼至天水高速)	Expressway, toll road financed by debt	2,253,750.7	207.3	Under construction
42	Tianshuibao-Luoergou Expressway (甜水堡至羅兒溝高速)	Expressway, toll road financed by debt	3,482,000	295	Under construction
43	Wudu-Jiuzhaigou Expressway (武都至九寨溝高速公路)	Expressway, toll road financed by debt	1,796,100	130.2	Under construction

[1] The Long Nan Part has been in operation, and the operational period of this part is from 2019 to 2039.

No	Highway name	Categorisation	Total investment amount	Length	Operational period
			(RMB in 10,000s)	*(kilometres)*	
44	Jingning-Zhuanglang Expressway (靜甯至莊浪高速公路)	Expressway, toll road financed by debt	814,700	73.2	Under construction
45	Huining-Laojunpo Expressway (會寧至老君坡高速公路)	Expressway, toll road financed by debt	133,900	9.5	Under construction
46	Yuhua Expressway (涇華高速公路)	Expressway, toll road financed by debt	153,600	10.6	Under construction
47	Linxia-Dahejia Highway (臨夏至大河家高速公路)	Expressway, toll road financed by debt	886,200	50.7	Under construction
48	Lanzhou-Aganzhen Highway (蘭州至阿幹鎮公路)	National/provincial first-tier highway, PPP Project	360,000	23.0	Under construction
49	Subei-Shazaoyuan Expressway (肅北至沙棗園高速公路)	National/provincial first-tier highway, PPP Project	109,208	55.9	Under construction
50	Pengda Expressway (彭大高速)	Expressway, PPP Project	1,208,400	91.8	Under construction
51	Dundang Expressway (敦當高速)	Expressway, PPP Project	1,217,900	209.1	Under construction
52	Lianghui Expressway (兩徽高速)	Local expressway, PPP Project	746,000	53.4	Under construction
53	Jinhe Expressway (金河高速)	Local expressway, PPP Project	2,144,000	82	Under construction
54	Qinghe First-Class Highway (清河一級公路)[2]	National/provincial first-tier highway, toll road financed by debt	2,075,100	161.28	Under construction
55	Lingtai-Huating Expressway (靈台至華亭高速公路)	Local expressway, PPP Project	1,264,000	87.7	Under construction
56	Ershiligou-Cheluyaoxian Highway (環縣(二十里溝口)至車路崾峴(甘寧界)公路)	National/provincial first-tier highway, PPP Project	724,600	10	Under construction
57	Wanggeertang-Xiahe Expressway (王格爾塘至夏河高速公路)	National/provincial first-tier highway, toll road financed by debt	683,900	41.5	Under construction
58	Liuyuan-Dunhuang Expressway (柳園至敦煌高速公路)	Local expressway, PPP Project	495,000	116.7	Under construction
59	G215 Mazongshan-Qiaowan Expressway (G215線馬鬃山至橋灣公路工程)	National/provincial first-tier highway, toll road financed by debt	444,600	157.4	Under construction
60	G312 Qidun-Guazhou Expressway (G312線七墩至瓜州公路工程)	National/provincial first-tier highway, toll road financed by debt	276,790	66.27	Under construction
61	Anlin Expressway (安臨高速)	Provincial Expressway, toll road financed by debt	687,821	56.7	Under construction
62	T3 Terminal Connection (T3航站樓連接線)	Provincial Expressway, toll road financed by debt	280,037.64	11.64	Under construction
	Total		**44,095,280.30**	**6,399.20**	

Toll collection

The Gansu Provincial Government has from time to time allocated highway development projects to the Group for investment and operation pursuant to its transport infrastructure administration policies. Upon completion and approval of the report issued by the relevant urban planning and design institute, the Group will be responsible for the further development (such as completing any unfinished construction work or upgrading existing facilities by contracting with third-party contractors), operation and maintenance of the relevant highway. The Group is entitled to retain all revenues generated from operation of the relevant highway for a fixed operational period. The Group has been commissioned by the Gansu Provincial Government to undertake 10 new highway projects with a total investment amounting to approximately RMB200 billion, and a total length of approximately 2,000 kilometres, within the next four years, and essentially all of the planned new highways in line with the 13th Five-Year Plan will be constructed and operated by the Group. See "*Business Strategies*" for further details.

[2] Qinghe First-Class Highway is a PPP project, including G312 Qingshuiyi to Kushuiduan, and S101 Zhongchuan railroad to Huangyangtou Highway.

Mode of toll collection

The Group grants road users access to its toll roads in consideration for tolls paid by the users. Tolls are collected at toll stations located at the entrance or exit of a toll road. The Group collects tolls via electronic toll collection for registered vehicles and traditional manual collection for unregistered vehicles:

Electronic toll collection: This method is applicable to vehicles registered with the Group and equipped with a transponder. The transponder emits personalised signals, which are picked up by signal receptors at a toll station when the vehicle passes through the toll station. The signals will be relayed to the computer network at the toll station, and the computers will calculate the toll according to the applicable toll rate and the distance travelled by the vehicle on the toll road. The toll will be charged to the debit card of the owner of the registered vehicle. The vehicle does not need to stop or slow down when it passes through the toll station. Furthermore, human error can be avoided as the transaction is undertaken by computers.

Manual collection: This method is applicable to unregistered vehicles, which include vehicles originating from other provinces and regions, vehicles driven by occasional users and vehicles without a transponder. The driver of an unregistered vehicle must stop at a collection booth and interact with the toll collector sitting in the booth to pay the toll. The toll collector accepts payment by cash, debit card or value storage cards. Security cameras are installed at each collection booth to monitor the interaction between drivers and toll collectors.

Every day, each toll station aggregates the tolls it has collected and deposits the lump sum amount directly into a centralised toll revenue concentration account (車輛通行費收入歸集專戶) which is held and managed by the toll clearing centre (車輛通行費清分中心) of the Department of Transportation of Gansu Province. The balance on the toll revenue concentration account will pass through the toll accounts (車輛通行費專戶) of the Group collectively under the "unified granting of loans and unified repayment of loans" principle and the Department of Transportation of Gansu Province successively, without any deduction or withholding, until it reaches the account of the Gansu Provincial Treasury Department. The Gansu Provincial Treasury Department will refund the toll revenues to the Company via the Department of Transportation of Gansu Province according to the treasury's budget. Upon receipt of the refunds, the Company will book them as its own toll revenues in accordance with the Accounting Standards for Business Enterprises: Basic Standards (《企業會計準則—基本準則》). Finally, the Company will pay to the Department of Transportation of Gansu Province an amount equivalent to the total of (i) the operation and legal enforcement costs incurred in the course of the operation of the toll roads operated by the Group but held in the name of the Department of Transportation of Gansu Province or its subdivisions, and (ii) the principal and interest amounts falling due under any debt financing for funding the construction of such government-owned toll roads. The Department of Transportation of Gansu Province will reallocate the amount received between itself and its subdivisions and use it for the payment of operation, maintenance and legal enforcement costs as well as the repayment of debts.

Toll rates and toll revenues

Tolls are chargeable on expressways and high-grade highways, which include first-tier highways.

Tolls charged by toll road operators in Gansu Province are heavily regulated. The Group must charge tolls in accordance with the standard toll rates prescribed by laws and regulations as promulgated by the Gansu Provincial Government from time to time. The basic toll rates applicable to all toll roads within Gansu Province are set out in the Gansu Provincial Regulations on the Administration of Toll Roads (甘肅省高速公路管理條例) promulgated by the Gansu Provincial Government on 29 May 2008 (as amended).

On 17 February 2009, the State Council of the PRC approved the Implementation Scheme for the Gradual and Orderly Cancellation of the Tolls for Government-owned Second-tier Highways Financed by Debts(《逐步有序取消政府還貸性二級公路收費實施方案》)jointly issued by the National Development and Reform Commission, the Ministry of Transport and the Ministry of Finance of the PRC. The scheme lays out a nationwide framework for the cancellation of tolls for second-tier highways which are owned by the government and financed by debts(政府還貸性二級公路). The provincial and municipal governments of the western region retain discretion over the continuance or cancellation of tolls for second-tier highways within their respective jurisdictions. Since May 2017, tolls have no longer been chargeable on the second-tier highways owned by the Gansu Provincial Government and financed by debts.

The table below sets out the prevailing basic toll rates for highways within Gansu Province as at 31 December 2020:

Vehicle category	Description of vehicle category	Charging unit	Amount (RMB)
1	Small vehicles (including small passenger cars with 6 seats or fewer, and sport utility vehicles)	RMB per vehicle per kilometre	0.55 (for expressways completed before 2014) and 0.6 (for expressways completed in or after 2014)
2	Passenger cars and trucks with a capacity of 2 tonnes or less		0.9
3	Passenger cars and trucks with a capacity of 2 to 5 tonnes (including 5 tonnes)		1.3
4	Passenger cars and trucks with a capacity of 5 to 10 tonnes (including 10 tonnes)		1.6
5	Lorries with a capacity of 10 to 20 tonnes (including 20 tonnes)		1.8
6	Lorries with a capacity exceeding 20 tonnes		2

Pursuant to the Notice on the Trial Implementation of Tolls on Cargo-carrying Vehicles Chargeable by Weight(《關於收費公路載貨類汽車車輛通行費試行計重收費的通知》)promulgated by the Gansu Provincial Pricing Bureau and the Provincial Department of Finance on 12 May 2009, since 1 June 2009 tolls are chargeable by weight on all vehicles which carry cargoes in excess of the load-bearing capacity of a toll road or its standard excess limit charge. The basic toll rates set out in the above table will continue to apply if the total weight of cargo carried by a vehicle falls within the load-bearing capacity and standard excess limit charge of the relevant toll road. In contrast, if the total weight exceeds the load-bearing capacity of the toll road or its standard excess limit charge, tolls will be charged at the following standard rates: (i) RMB0.1 per tonne per kilometre on closed expressways(封閉式高速公路); and (ii) 70% of the basic toll rates per tonne per kilometre on open toll roads(開放式收費公路)[2]. The toll payable is calculated as follows:

1. In respect of vehicles carrying cargoes in excess of the load-bearing capacity of a toll road but not in excess of its standard excess limit charge:

   (a) the first 10 tonnes of weight and any weight in excess of the load-bearing capacity will be charged at the standard rate; and

   (b) the weight between 10 tonnes and 40 tonnes will be charged at a reduced rate, which is reduced by linear interpolation to 50% of the standard rate for closed expressways, or 80% of the standard rate for open toll roads.

2. In respect of vehicles carrying cargo in excess of the standard excess limit charge of the toll road:

[2] Since May 2017, tolls have no longer been chargeable on second-tier highways owned by the Gansu Provincial Government and financed by debt.

(a) the weight within the standard excess limit will be charged at three times the standard rate; and

(b) the weight above the standard excess limit will be charged at six times the standard rate.

The table below sets out toll revenues from the principal toll roads operated by the Group for the years ended 31 December 2018, 2019 and 2020, respectively:

No	Highway name	For the year ended 31 December		
		2018	2019	2020
			(RMB in 10,000s)	
1	Chankou-LiugouheExpressway (讒口至柳溝河高速公路)	33,632.7	35,417.51	31,239.25
2	Baiyin-Lanzhou Expressway (白銀至蘭州高速公路)	24,301.9	24,482.85	19,869.51
3	Airport Expressway (機場高速公路)	6,075.1	7,322.56	5,622.37
4	Gulang-Yongchang Expressway (古浪至永昌高速公路)	21,827.4	15,249.28	12,685.20
5	Shuping-Xujiamo Expressway (樹屏至徐家磨高速公路)	29,375.4	28,880.61	5,181.24
6	Yongchang-Shandan Expressway (永昌至山丹高速公路)	34,523.5	32,562.13	16,943.29
7	Lanzhou-Haishiwan Expressway (蘭州至海石灣高速公路)	48,641	50,165.33	36,743.18
8	Shandan-Linze Expressway (山丹至臨澤高速公路)	17,225.6	23,451.22	19,987.17
9	Lanzhou-Linyao Expressway (蘭州至臨洮高速公路)	17,924.8	22,046.58	18,679.53
10	Linze-Qingshui Expressway (臨澤至清水高速公路)	16,880.4	14,834.15	11,839.53
11	Liuzhaike-Baiyin Expressway (劉寨柯至白銀高速公路)	22,491.3	20,797.52	19,127.77
12	Qingshui-Jiayuguan Expressway (清水至嘉峪關高速公路)	21,506.8	25,739.44	18,934.75
13	Jiayuguan-Anxi Expressway (嘉峪關至安西高速公路)	39,166.9	28,582.22	17,871.32
14	Baoji-Tianshui Expressway (寶雞至天水高速公路)	16,696.9	18,336.89	21,306.11
15	Kangjiayan-Linxia Expressway (康家崖至臨夏高速公路)	10,843.4	11,674.02	10,187.58
16	Tianshui-Dingxi Expressway (天水至定西高速公路)	34,498.5	31,738.28	23,669.23
17	Pingliang-Dingxi Expressway (平凉至定西高速公路)	74,432.4	86,146.08	67,908.71
18	Tianshui By-pass Expressway (天水過境高速)	4,636.6	4,671.51	3,863.12
19	Xifeng-Changqingqiao-Fengxianglukou Expressway (西峰至長慶橋至鳳翔路口高速公路)	15,710.7	18,790.44	17,637.78
20	Yongdeng-Gulang Expressway (永登至古浪高速公路)	20,643.2	23,113.52	16,772.80
21	Guazhou-Xingxingxia Expressway (瓜州至星星狹高速公路)	10,672	8,521.86	6,973.49
22	Leijiajiao-Xifeng Expressway (雷家角至西峰高速公路)	8,358.9	9,539.10	6,709.68
23	Yingpanshui-Shuangta Expressway (營盤水至雙塔高速公路)	9,964.2	10,955.04	11,890.14
24	Jinchang-Wuwei Expressway (金昌至武威高速公路)	2,759.7	3,097.60	2,504.16
25	Wudu-Guanzigou Expressway (武都至罐子溝高速公路)	17,535	18,289.26	13,451.43
26	Chengxian-Wudu Expressway (成縣至武都高速公路)	15,373.3	13,527.45	9,405.32
27	Linxia-Hezuo Expressway (臨夏至合作高速公路)	7,133	6,521.20	6,208.79
28	Shiyan-Tianshui Expressway (十堰至天水高速公路)	23,461.6	24,077.64	18,775.26

No	Highway name	For the year ended 31 December		
		2018	2019	2020
			(RMB in 10,000s)	
29	Jinchang-Ayouqi Expressway (金昌至阿右旗高速公路)	215.5	217.07	289.43
30	Lanhai National Expressway Linyi to Wuyuan Section (蘭海國家高速臨洮至渭源段)	3,110.2	3,833.42	3,638.80
31	Baigeda – Mingshui Expressway (白疙瘩至明水高速公路)	15,284	14,865.88	9,223.48
32	Nanrancheng Expressway (南繞城高速公路)	26.7	8,915.99	17,377.24
33	Guazhou-Dunhuang Highway (瓜州至敦煌快速通道)	2,870.8	3,183.72	2,036.06
34	Lanyong Expressway (蘭永快速通道)	1,892	2,728.20	2,342.81
35	Weiyuan-Wudu part of Lanhai National Express (蘭海國家高速渭源至武都段)	–	–	7,277.82
36	Liuyuan-Dunhuang Expressway (柳園至敦煌高速公路)	–	–	1,202.04
37	Huining-Laojunpo Expressway (會寧至老君坡高速公路)	–	–	1.99
38	Jingtai-Zhongchuan Expressway (景泰至中川高速公路)	–	–	362.26
39	Liangdang-Huixian Expressway (兩當至徽縣高速公路)	–	–	2,010.35
40	Dunhuang-Dangjinshankou Expressway (敦煌至當金山口高速公路)	–	–	77.46
41	Wuwei By-pass Expressway (武威過境高速)	–	–	–
42	Liugouhe-Zhonghe Expressway (柳溝河至忠和高速公路)	–	–	–
43	Jinchang-Yongchang Expressway (金昌至永昌高速公路)	–	–	–
	Total	**629,691.1**	**652,275.56**	**517,827.45**

(1) Upon extension and reformation, the Fengxiang Lukou-Meijian Highway (鳳翔路口至嵋峴公路) and the Luohandong-Changqingqiao Highway (羅漢洞至長慶橋公路) will be consolidated into the Xichangfeng Expressway (西長鳳高速公路).

(2) Prior to 2010, tolls were collected at separate toll stations on the Liugouhe-Zhonghe Expressway (柳溝河至忠和高速公路) and the Shuping-Xujiamo Expressway (樹屏至徐家磨高速公路). The two toll stations were merged into one in 2010, and the toll revenues from the Shuping-Xujiamo Expressway in 2010 and 2011 were consolidated into the toll revenues from the Liugouhe-Zhonghe Expressway in 2010 and 2011.

(3) Since 2011, toll revenues from the Wuwei By-pass Expressway (武威過境高速) and the Gulang-Yongchang Expressway (古浪至永昌高速公路) have been accounted for being consolidated.

(4) Since the second quarter of 2011, the Xujiamo-Gulang Road (徐家磨至古浪路) has been reformed and consolidated into the Yongdeng-Gulang Expressway (永登至古浪高速公路).

(5) Since 2011, toll revenues from the Jinchang-Yongchang Expressway (金昌至永昌高速公路) and the Yongchang-Shandan Expressway (永昌至山丹高速公路) have been accounted for being consolidated.

Asset maintenance

Upon the completion of construction, the Company authorises a nearby highway bureau to undertake daily maintenance and the costs are deducted from the tolls collected. The relevant highway bureau carries out maintenance regularly to ensure that the Group's toll roads are in good condition for traffic. Typical maintenance work carried out by the highway bureau includes repairs to road surfaces and clearance of drainage. A proposal for maintenance and the budgeting for regular maintenance from the relevant highway bureau are reviewed by the Company's Planning and Development Department (規劃發展部) and jointly approved by the Department of Transportation of Gansu Province and the Provincial Department of Finance. In general, the costs of maintenance of highway assets do not exceed 30% of the

Group's overall toll revenues. With the passage of time, the Group's highways will age and the rate of deterioration of road surfaces will increase. Thus, it is expected that the Group's costs of maintenance will increase, although the Group is exempted from provision for depreciation of such highway assets under Gansu provincial preferential policies. For the years ended 31 December 2018, 2019 and 2020, the maintenance costs of the Group's highway assets were approximately RMB1,893.8 million, RMB2,038.7 million and RMB2,103.9 million, respectively.

The table below sets out the costs of maintenance incurred for the Group's principal highway assets for the years ended 31 December 2018, 2019 and 2020:

No	Highway name	For the year ended 31 December		
		2018	2019	2020
			(RMB in 10,000s)	
1	Wuwei By-pass Expressway (武威過境高速公路)	2,086.7	2,566.92	2,661.23
2	Chankou-Liugouhe Expressway (讒口至柳溝河高速公路)	6,899.9	8,155.70	8,180.33
3	Baiyin-Lanzhou Expressway (白銀至蘭州高速公路)	3,995.2	3,961.33	6,051.52
4	Airport Expressway (機場高速公路)	1,476.1	1,460.92	1,719.40
5	Gulang-Yongchang Expressway (古浪至永昌高速公路)	4,139.6	3,455.17	4,176.02
6	Liugouhe-Zhonghe Expressway (柳溝河至忠和高速公路)	5,972.4	4,838.65	7,348.98
7	Shuping-Xujiamo Expressway (樹屏至徐家磨高速公路)	1,523.6	1,601.20	1,766.82
8	Yongchang-Shandan Expressway (永昌至山丹高速公路)	4,564.3	6,795.42	4,516.38
9	Lanzhou-Haishiwan Expressway (蘭州至海石灣高速公路)	5,852.9	5,916.15	6,230.69
10	Shandan-Linze Expressway (山丹至臨澤高速公路)	4,913.9	5,337.91	5,573.70
11	Lanzhou-Linyao Expressway (蘭州至臨洮高速公路)	6,276.9	6,434.82	8,622.26
12	Linze-Qingshui Expressway (臨澤至清水高速公路)	2,878.5	4,069.67	2,705.25
13	Liuzhaike-Baiyin Expressway (劉寨柯至白銀高速公路)	5,598.1	6,940.96	5,080.73
14	Qingshui- Jiayuguan Expressway (清水至嘉峪關高速公路)	4,919.6	4,788.59	4,343.57
15	Jiayuguan-Anxi Expressway (嘉峪關至安西高速公路)	8,893	9,150.16	5,617.72
16	Baoji-Tianshui Expressway (寶雞至天水高速公路)	9,947.6	10,213.81	11,185.98
17	Jinchang-Yongchang Expressway (金昌至永昌高速公路)	1,749.7	2,265.38	2,077.55
18	Kangjiayan-Linxia Expressway (康家崖至臨夏高速公路)	5,407	5,212.27	5,379.74
19	Tianshui-Dingxi Expressway (天水至定西高速公路)	15,917.8	22,583.72	19,478.53
20	Pingliang-Dingxi Expressway (平凉至定西高速公路)	14,818.3	15,614.16	14,974.46
21	Tianshui By-pass Expressway (天水過境高速)	2,602.6	2,556.39	2,706.69
22	Xifeng-Changqingqiao-Fengxianglukou Expressway (西峰至長慶橋至鳳翔路口高速公路)	6,636.7	6,286.74	5,475.62
23	Yongdeng-Gulang Expressway (永登至古浪高速公路)	8,860.6	8,604.61	8,372.69
24	Guazhou-Xingxingxia Expressway (瓜州至星星狹高速公路)	3,001.1	3,154.80	4,330.05
25	Leijiajiao-Xifeng Expressway (雷家角至西峰高速公路)	3,747.7	3,625.68	5,577.27
26	Yingpanshui-Shuangta Expressway (營盤水至雙塔高速公路)	4,306.3	4,739.20	4,334.20

No	Highway name	For the year ended 31 December		
		2018	2019	2020
			(RMB in 10,000s)	
27	Jinchang-Wuwei Expressway (金昌至武威高速公路)	1,227.6	1,171.43	668.42
28	Wudu-Guanzigou Expressway (武都至罐子溝高速公路)	7,044.6	7,462.17	9,771.14
29	Guazhou-Dunhuang Highway (瓜州至敦煌快速通道)	1,938.1	1,890.26	2,690.61
30	Lanzhou-youngjing Expressway (蘭州至永靖快速通道)	2,601.8	2,722.33	3,101.23
31	Chengxian-Wudu Expressway (成縣至武都高速公路)	4,974.7	5,053.10	6,860.36
32	Linxia-Hezuo Expressway (臨夏至合作高速公路)	5,795.3	5,569.47	6,531.15
33	Huixian (Dashibei) -Tianshui part of Shitian Expressway (十天高速公路徽縣(大石碑)至天水段)	7,677.8	7,827.39	10,305.47
34	Jinchang-Alashanyouqi (Ganmeng Area) part of extended Jinchang-Wudu Expressway (金昌至武威高速公路延伸段金昌至阿拉善右旗(甘蒙界)公路)	1,807.4	1,868.81	677.89
35	Lanhai National Expressway Linyao-weiyuan part (蘭海國家高速臨洮至渭源)	3,205.6	3,552.10	3,750.47
36	Baigeda-Mingshui Expressway (白疙瘩至明水高速公路)	2,670	2,766.22	2,845.66
37	Nanraocheng Expressway (南繞城高速公路)	–	3,660.78	4,699.93
	Total	**189,384.8**	**203,874.40**	**210,389.70**

(1) The Group's costs of maintenance did not include expenditure for major repairs due to natural disasters. Expenditure for major repairs were accounted for as "construction in progress".

Commodities trading business

The Group mainly operates its commodities trading business through GHATG International Trading Co., Ltd.(甘肅公航旅國際貿易有限公司) and GHATG (Beijing) Co., Ltd.(公航旅(北京)有限公司) by making full use of its brand and capital advantages, focusing on developing bulk commodity trading of non-ferrous metals. The Commodities Branch, founded in March 2012, commenced its commodity trading business in November 2012. The Company conducts its commodity trading business with a principle of "marketised operation, controllable risk". It is mainly engaged in the procurement and sale of electrolytic aluminium, electrolytic nickel, zinc ingots and lead ingots, which account for an increasing ratio of the Group's total revenue and a significant element of the Group's total revenue. The vast majority (over 98%) of the commodities trading segment is conducted as an agency business with only a very small amount of business activities operated directly by the Group. This model is meant to heighten the Group's sensitivity to and assessment of market conditions, so as to allow it to accurately grasp commodity prices and improve the speed of its response to market movements. The lower proportion of business activities operated directly by the Group, in addition to strict risk control, may help the Group to reduce the risks brought by commodity price fluctuations. The Group has plans to further expand its commodities trading business and transform its operation model into one of "trade + processing + logistics" with a particular focus on trading of highway construction materials and the optimisation of the highway development industrial chain.

The Company mainly chooses large, stated-owned enterprises or listed companies with good reputations, long-term commodities trading experience and strong resources background as upstream and downstream commodities trading clients, such as Jinchuan Group International Resources Co., Ltd., Western Mining Company Limited, Sinosteel Corporation Limited, Aluminium Corporation of China and Chengdu Huaze Cobalt and Nickel Material Co., Ltd. During the development of the commodities trading business, the Company has maintained vertically stable long-term cooperative relationships with its upstream providers and downstream commodities trading clients, further reducing the business risk of its commodities trading section. Furthermore, the Company has always focused on ensuring capital security

and regulating internal management while developing the commodities trading business. The Company's Commodities Branch has enhanced the management of trading contracts and conducted the business strictly in accordance with the contracts agreed upon. The Commodities Branch has signed logistics storage agreements or contracts with SIPG Logistics Co., Ltd., CMST Development Co. Ltd., Shanghai Guochu Logistics Co., Ltd. and other state-owned commodities storage companies, which are fully authorised to control the distribution of spot logistics, including commodities delivery, storage and logistics, between the Logistics Subsidiary and upstream and downstream clients. The Company has signed strategic cooperation agreements with several large state-owned enterprises, including Jinchuan Group, Qilianshan Cement Group and JISCO, and plans to strengthen cooperation in areas including electric cable supplies in construction, supplies of cement and steel, and the promotion of shared growth, in order to further reduce transportation construction costs in Gansu, improve the quality of construction, and improve corporate efficiency.

The Group's commodities trading business principally involved electrolytic copper, electrolytic nickel, zinc ingots, aluminium ingots, lead ingots, of which 488,600 tonnes of steel, 1,069,000 tonnes of cement, and 83,400 tonnes of asphalt were related to the Group's procurement for the highway development segment as of 31 December 2020 and which in total contributed RMB119,121.5 million in total revenues accounting for approximately 81.90% of the Group's total revenues.

The table below sets forth details of the primary commodities trading business owned and operated by the Group for the years ended 31 December 2018, 2019 and 2020:

		For the year ended 31 December		
Type		**2018**	**2019**	**2020**
Electrolytic Copper	Volume (*10,000 tonnes*)	267.3	417.8	367.5
	Average purchasing price (*RMB10,000 per tonne*)	5	4.7	4.8
	Average selling price (*RMB10,000 per tonne*)	5	4.7	4.8
Electrolytic Nickel	Volume (*10,000 tonnes*)	1.9	0.1	0.9
	Average purchasing price (*RMB10,000 per tonne*)	10.4	13.6	11.7
	Average selling price (*RMB10,000 per tonne*)	10.4	13.6	11.7
Zinc Ingots	Volume (*10,000 tonnes*)	148.2	103.9	105.5
	Average purchasing price (*RMB10,000 per tonne*)	2.4	2.0	1.9
	Average selling price (*RMB10,000 per tonne*)	2.4	2.0	1.9
Aluminium Ingots	Volume (*10,000 tonnes*)	85.2	94.4	368.4
	Average purchasing price (*RMB10,000 per tonne*)	1.4	1.4	1.5
	Average selling price (*RMB10,000 per tonne*)	1.4	1.4	1.5
Lead Ingots	Volume (*10,000 tonnes*)	0	0	0
	Average purchasing price (*RMB10,000 per tonne*)	0	0	0
	Average selling price (*RMB10,000 per tonne*)	0	0	0
Pellets	Volume (*10,000 tonnes*)	0	1.2	29.9
	Average purchasing price *(RMB10,000 per tonne)*	0	0.1	0.1
	Average selling price *(RMB10,000 per tonne)*	0	0.1	0.1
Copper Rod Wire	Volume (*10,000 tonnes*)	0	1.0	0
	Average purchasing price *(RMB10,000 per tonne)*	0	4.9	0
	Average selling price *(RMB10,000 per tonne)*	0	4.9	0
Iron Ore	Volume (*10,000 tonnes*)	0	0	30.2
	Average purchasing price *(RMB10,000 per tonne)*	0	0	0.1
	Average selling price *(RMB10,000 per tonne)*	0	0	0.1
Steel	Volume (*10,000 tonnes*)	37.1	73.2	48.9
	Average purchasing price (*RMB10,000 per tonne*)	0.4	0.4	0.4
	Average selling price (*RMB10,000 per tonne*)	0.5	0.4	0.4
Cement	Volume (*10,000 tonnes*)	40.5	61.8	106.9
	Average purchasing price (*RMB10,000 per tonne*)	0	0	0
	Average selling price (*RMB10,000 per tonne*)	0	0	0
Asphalt	Volume (*10,000 tonnes*)	0	0	8.3
	Average purchasing price *(RMB10,000 per tonne)*	0	0	0.3
	Average selling price (*RMB10,000 per tonne*)	0	0	0.4
Zinc Concentrate	Volume *(10,000 tonnes)*	0	0	9.6
	Average purchasing price *(RMB10,000 per tonne)*	0	0	1.1
	Average selling price *(RMB10,000 per tonne)*	0	0	1.1
Silver	Volume *(10,000 tonnes)*	0	0	70.5
	Average purchasing price *(RMB10,000 per tonne)*	0	0	528.7
	Average selling price *(RMB10,000 per tonne)*	0	0	528.9
Alumina	Volume *(10,000 tonnes)*	0	0	4.1
	Average purchasing price *(RMB10,000 per tonne)*	0	0	0.2

Type	For the year ended 31 December		
	2018	2019	2020
Average selling price *(RMB10,000 per tonne)*	0	0	0.2
Gross income from commodities trading (*RMB million*)	**83,809.5**	**104,379.5**	**119,121.5**

With regard to commodities trading with upstream providers and downstream clients, sources for the procurement of electrolytic copper were quite concentrated, and sales of electrolytic copper accounted for a significant portion of total sales. For the year ended 31 December 2020, the aggregate sales of electrolytic copper to the top five clients was 519,010.83 tonnes, representing approximately 28.25% of total sales; and the aggregate amount of electrolytic copper procured from the top five providers was 515,951.09 tonnes, representing approximately 28.08% of total procurement.

The table below sets forth details of the commodities trading with upstream providers and downstream clients for the year ended 31 December 2020:

Electrolytic Copper	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	208,560.25	11.35%	Client 1	111,279.24	6.06%
	Supplier 2	97,286.88	5.29%	Client 2	112,157.86	6.10%
	Supplier 3	75,882.44	4.13%	Client 3	108,909.56	5.93%
	Supplier 4	67,991.07	3.70%	Client 4	98,557.70	5.36%
	Supplier 5	66,230.45	3.60%	Client 5	88,106.46	4.79%
	Subtotal	**515,951.09**	**28.08%**	**Subtotal**	**519,010.83**	**28.25%**

Zinc Ingots	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	70,216.52	13.32%	Client 1	101,752.83	19.30%
	Supplier 2	59,388.03	11.26%	Client 2	76,196.61	14.45%
	Supplier 3	42,945.50	8.14%	Client 3	55,238.09	10.48%
	Supplier 4	31,728.92	6.02%	Client 4	46,022.91	8.73%
	Supplier 5	27,115.08	5.14%	Client 5	43,117.64	8.18%
	Subtotal	**231,394.05**	**43.88%**	**Subtotal**	**322,328.09**	**61.13%**

Aluminium Ingots	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	202,161.30	10.98%	Client 1	351,285.24	19.07%
	Supplier 2	198,224.23	10.76%	Client 2	260,891.50	14.16%
	Supplier 3	170,966.46	9.28%	Client 3	140,985.40	7.65%
	Supplier 4	148,689.35	8.07%	Client 4	111,585.88	6.06%
	Supplier 5	130,646.03	7.09%	Client 5	100,567.55	5.46%
	Subtotal	**850,687.36**	**46.19%**	**Subtotal**	**965,315.58**	**52.41%**

Pellets	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	149,564.03	100.00%	Client 1	124,189.81	83.03%
				Client 2	25,374.22	16.97%
	Subtotal	**149,564.03**	**100.00%**	**Subtotal**	**124,189.81**	**100.00%**

Iron Ore	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	150,772.21	100.00%	Client 1	25,403.72	16.85%
				Client 2	125,368.49	83.15%
	Subtotal	**150,772.21**	**100.00%**	**Subtotal**	**150,772.21**	**100.00%**

Steel	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	185,986.59	76.14%	Client 1	11,938.51	4.89%
	Supplier 2	31,921.52	13.07%	Client 2	10,936.35	4.48%
	Supplier 3	19,519.78	7.99%	Client 3	10,425.74	4.27%
	Supplier 4	6,849.70	2.80%	Client 4	10,092.88	4.13%
				Client 5	9,097.21	3.72%
	Subtotal	**244,277.58**	**100.00%**	**Subtotal**	**52,490.67**	**21.49%**

Cement	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	51,060.82	9.56%	Client 1	34,429.66	6.45%
	Supplier 2	58,100.32	10.88%	Client 2	45,841.76	8.58%
	Supplier 3	61,641.72	11.54%	Client 3	54,285.71	10.17%
	Supplier 4	65,661.10	12.30%	Client 4	69,621.62	13.04%
	Supplier 5	84,100.50	15.75%	Client 5	97,148.94	18.19%
	Subtotal	**320,564.46**	**60.03%**	**Subtotal**	**301,327.69**	**56.43%**

Asphalt	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	41,691.56	100.00%	Client 1	15,781.00	37.85%
				Client 2	3,725.00	8.93%
				Client 3	5,815.00	13.95%
				Client 4	4,375.00	10.49%
				Client 5	4,395.00	10.54%
	Subtotal	**41,691.56**	**100.00%**	**Subtotal**	**34,091.00**	**81.77%**

Silver	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	35.24	100.00%	Client 1	35.24	100.00%
	Subtotal	**35.24**	**100.00%**	**Subtotal**	**35.24**	**100.00%**

Alumina	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	20,299.62	100.00%	Client 1	20,299.62	100.00%
	Subtotal	**20,299.62**	**100.00%**	**Subtotal**	**20,299.62**	**100.00%**

Electrolytic Nickel	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	3,436.95	77.33%	Client 1	1,853.05	41.69%
	Supplier 2	1,007.56	22.67%	Client 2	1,583.91	35.64%
				Client 3	732.98	16.49%
				Client 4	274.58	6.18%
	Subtotal	**4,444.51**	**100.00%**	**Subtotal**	**4,444.51**	**100.00%**

Zinc Concentrate	Suppliers Name	Procurement Quantity	Percentage of Procurement	Client Name	Sales Volume	Percentage of Sales
		(tonnes)			*(tonnes)*	
	Supplier 1	47,948.50	100.00%	Client 1	40,323.30	84.10%
				Client 2	7,625.20	15.90%
	Subtotal	**47,948.50**	**100.00%**	**Subtotal**	**47,948.50**	**100.00%**

The commodities trading segment is a well-established business through which the Company has fostered stable relationships with its trading partners. The commodities trading segment is expected to continue to serve as an additional income source for the Group to complement its core businesses.

Engineering construction business and related services

The engineering construction business and related services of the Group are mainly performed by GPHTC, a subsidiary consolidated into the Group in 2018, as well as Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. The consolidation of GPHTC into the Group represents a significant expansion in the Group's business activities within the highway development business segment. The completion of the Transfer will strengthen the Group's capability of participating in the entire industrial chain of business activities relating to highway development, consisting of financing, investment, construction, management, maintenance, transportation and related services.

The engineering construction business activities of the Group mainly encompass the construction of projects such as roads and bridges, engineering consulting and supervision and other related services in respect of highways, bridges, tunnels, roadbeds, groundworks, airport runways, housing construction, road traffic projects and green urban landscaping.

As of the date of the Offering Circular, the Group holds multiple major qualifications, including special qualifications for contracting highway construction projects; first class professional qualifications for construction of bridges, tunnels, highways, pavements, road foundations and airport runways; qualifications for highway maintenance; and qualifications in engineering.

The main sources of construction projects available to the Group are the various road administration bureaus and those entities which are engaged in the public tender works available in respect of construction projects domestically within the PRC. GPHTC and its subsidiaries have won relevant project construction tenders through public bidding processes. Since 2018, road construction projects contracted by the Group through GPHTC continued to grow in number and value. The Group's projects are highly concentrated in Gansu Province, with more than 90% of them being within that province, with the remaining 10% being in Hebei and Shaanxi Provinces.

The engineering construction business primarily operated through GPHTC and GHATG Construction Group contributed RMB6,087.8 million, RMB14,533.7 million and RMB18,890.9 million in total operating income for the years ended 31 December 2018, 2019 and 2020, respectively (representing 6.24%, 11.2% and 12.99% of the Group's total operating income for the years ended 31 December 2018, 2019 and 2020, respectively), and RMB1,188.4 million, RMB1,942.0 million and RMB2,211.2 million in gross profit for the years ended 31 December 2018, 2019 and 2020, respectively (representing 18.37%, 25.16% and 32.73% of the Group's total gross profit for the years ended 31 December 2018, 2019 and 2020, respectively).

Tourism business

The Group mainly operates its tourism business through the Company itself as well as its subsidiaries, Gansu Provincial Tourism Investment Management Co., Ltd.(甘肅省旅游投資管理有限公司), Three Gorges of Yellow River Tourism Co., Ltd.(黃河三峽旅遊股份有限公司), Gansu Quiqingshan Tourism Co., Ltd.(甘肅貴清山旅遊有限責任公司), Gansu Yanzhishan Culture Tourism Co., Ltd.(甘肅焉支山文化旅遊有限公司), Shandan Royal Racecourse Tourism Co., Ltd.(山丹皇家馬場旅游有限公司), Gansu LiQian Culture Tourism Co., Ltd.(甘肅驪靬文化旅遊責任有限公司), Zhanye Danxia Culture Tourism Co., Ltd.(張掖丹霞文化旅遊股份有限公司), Gansu Tourism (Holding) Company(甘肅旅遊(控股)有限公司), Gansu Silk Road Campsite Co., Ltd.(甘肅絲綢之路旅居露營地有限公司), Gansu Overseas Travel Service Co., Ltd.(甘肅海外旅遊總公司), China International Travel Services Co., Ltd.(甘肅省中國國際旅行社), Gansu Silkroad International Travel Services Co., Ltd.(甘肅絲綢之路國際旅行社有限責任公司), GHATG Lazikou Culture Tourism Co., Ltd.(甘肅公航旅臘子口文化旅遊有限公司), GHATG Transportation Service Co., Ltd.(甘肅公航旅運輸有限公司) and GHATG Hospitality Management Co., Ltd.(甘肅省公航旅酒店管理有限公司). This business segment can be further divided into three subsegments – the management and operation of scenic areas, operation of travel agencies, and operation of hotels. As at 31 December 2020, the total assets of the tourism section reached RMB3,592.41 million. For the years ended 31 December 2018, 2019 and 2020, the Group received a total operating income from tourism business of RMB417.9 million, RMB420.6 million and RMB200.2 million, respectively, representing 0.4%,0.3% and 0.1% of the Group's total operating income for the years ended 31 December 2018, 2019 and 2020, respectively.

Management and operation of scenic areas

The Group mainly operates its management and operation of scenic areas business through its subsidiaries, principally Gansu Quiqingshan Tourism Co., Ltd. (甘肅貴清山旅遊有限責任公司), Gansu Yanzhishan Culture Tourism Co., Ltd.(甘肅焉支山文化旅遊有限公司), Shandan Royal Racecourse Tourism Co., Ltd.(山丹皇家馬場旅游有限公司), Gansu Liqian Culture Tourism Co., Ltd.(甘肅驪靬文化旅遊責任有限公司) and Zhanye Danxia Culture Tourism Co., Ltd.(張掖丹霞文化旅遊股份有限公司). In cooperation with local governments in Zhangye, Dingxi and Yongjing, amongst others, the Group has acquired and controls Zhangye Danxia, Yanzhi Mountain, Shandan Racecourse, Three Gorges of Yellow River in Yongjing County, Dingxi Guiqing Mountain, Zheyang Mountain, Tianchi Lake in Wen County and other notable locations, aiming to establish high-quality tourism sites. A number of

scenic areas developed by the Group have become major tourist attractions in Gansu Province. Since its establishment, the Company has been actively exploring a business model for integrated development, combining scenic spots with travel agency operations, and has now established an almost complete operation encompassing the operation of scenic locations, travel agency business, hotel operations, passenger transport services and other elements of the industrial chain. As at 31 December 2020, construction of the Guiqing Mountain Tourist Service Centre in Zhang County with a total investment of RMB110 million had been completed and put into service; it is regarded by industry experts as the best of its kind in Western China. As at 31 December 2020, the construction of the Zheyang Mountain Tourist Centre with a total investment of RMB100 million had commenced.

Meanwhile, the Company is also leveraging on its advantages in transportation, tourism resources and travel agency operations in developing new forms of business undertaking, such as drive-in camping, by pooling resources from within Gansu Province and beyond. As at 31 December 2020, five drive-in campsites had been built in Huaqiao (in Kang County), Beihaizi (in Yongchang County), Heisongyi (in Gulang), Zhangye and the Yellow River Three Gorges and these campsites were operating satisfactorily.

The table below sets forth details of the scenic areas owned and operated by the Group for the date indicated:

		For the year ended 31 December					
		2018		2019		2020	
Scenic area name	**Location**	**Average number of visitors**	**Revenue**	**Average number of visitors**	**Revenue**	**Average number of visitors**	**Revenue**
		(number in 10,000s)	*(RMB in millions)*	*(number in 10,000s)*	*(RMB in millions)*	*(number in 10,000s)*	*(RMB in millions)*
Zhangye Danxia（張掖丹霞）	Zhangye, Gansu	193	124	259.0	175.0	160.8	140.66
Yanzhi Mountain（焉支山）	Zhangye, Gansu	4.3	1.8	8.8	4.0	8.2	4.9
Shandan Racecourse（山丹皇家馬場）	Zhangye, Gansu	0	0.4	0.3	0.3	3.0	0.2
Guiqing Mountain（貴清山）	Dingxi, Gansu	3.4	1.5	9.4[(1)]	3.3[(1)]	4.8	1.6
Zheyang Mountain（遮陽山）	Dingxi, Gansu	5	1.8			4.3	1.7
Liqian（驪靽）	Jinchang, Gansu	16.2	0.7	1.7	–	2.6	0.5
Tianchi（天池）	Longnan, Gansu	–	–	1.8	95.4	3.1	1.0
Total		**221.9**	**130.2**	**281.0**	**183.5**	**186.8**	**150.4**

(1) Since 2019, the average number of vistors and the revenue of Guiqing Mountain and Zheyang Mountain has been calculated in total.

The Group owned and managed one 5A and six 4A scenic areas within Gansu province as at 31 December 2020. In 2019 and 2020, the scenic areas managed by the Group received approximately 2.9 million visitors in total and 1.7 million visitors in total, respectively. In 2018, the Zhangye Danxia Scenic Area, which was selected as one of the "Top 10 Geographical Wonders of the World" by National Geographic, and managed by the Group. In 2019, the Zhangye Danxia Scenic Area received the 5A Tourist Attraction rating (the fifth attraction in Gansu province to receive such rating), was named a Global Geopark and received 2.6 million visitors. The Zhangye Danxia Scenic Area has been selected as one of the "Top 10 Geographical Wonders of the World" by National Geographic, and one of the "2018 Chinese Top 20 Scenic Area Brands", one of the best sightseeing places in Asia and one of the first batches of "National Featured Tourism Resorts" by Lonely Planet, a world-renowned tourism guide, and one of the "Most Influential Tourism Brands in China".

Revenues from the tourism segment are emerging as a significant component of the Group's overall operating revenues. Since its establishment, the Company has been actively exploring a business pattern combining integrated development of scenic areas and travel agencies.

In the future, the Group will start from the tourism environment and resource view of ''cultural Gansu'', ''green Gansu'', ''landscape of Gansu'', ''folk of Gansu'' and ''modern Gansu'', and will use the Gansu tourism resource distribution and transportation network, and concentrate on the synergistic construction and joint development of tourism economic zones, core tourism products and beautiful tourism routes, as well as the transportation network and service facilities.

Operation of travel agencies

Following approval by the Gansu Provincial Government, in 2012 the Group took over the three largest travel agencies in Gansu province – Gansu Silkroad International Travel Services Co., Ltd.(甘肅絲綢之路國際旅行社有限責任公司), Gansu Overseas Travel Service Co., Ltd.(甘肅海外旅遊總公司)(''**Overseas Travel**'') and China International Travel Services Co., Ltd.(甘肅省中國國際旅行社) – which are currently controlled and managed by our subsidiary, Gansu Tourism (Holding) Company. Overseas Travel was the only travel agency in Gansu province operating overseas charter flights. In 2014, the Group initiated non-stop charter flight services from Lanzhou to Hong Kong, Taipei, Bangkok, Singapore and Seoul, amongst other destinations. The Company has also invested RMB50 million in 50 luxury tourist buses to provide high-quality, convenient transportation for visitors.

The table below sets forth details of the principal travel agencies owned by the Group and operated by Gansu Tourism (Holding) Company for the date indicated, together with relevant operating statistics:

	For the year ended 31 December 2018			For the year ended 31 December 2019			For the year ended 31 December 2020		
Scenic area name	Travel routes	Average number of visitors	Revenue	Travel routes	Average number of visitors	Revenue	Travel routes	Average number of visitors	Revenue
			(RMB in millions)			*(RMB in millions)*			*(RMB in millions)*
Gansu Tourism (Holding) Company (甘肅旅遊控股有限公司)	- Taiwan	2,815	15.1	- Taiwan	1,822	16.77	- Taiwan	52	0.2
	- Southeast Asia	2,433	11.5	- Southeast Asia	12,559	13.78	- Southeast Asia	1,370	6.98
	- Japan	5,713	34.3	- Japan	5,196	11.89	- Japan	1,027	5.73
	- Europe, America, Australia and Africa	4,060	42.5	- Europe, America, Australia and Africa	4,422	12.83	- Europe, America, Australia and Africa	717	4.59
	- Domestic	38,177	49.7	- Domestic	41,725	45.91	- Domestic	41,725	45.91
	- Provincial	52,979	26.48	- Provincial	–	–	- Provincial	19,205	27.46
	- Domestic Ground Reception	19,297	50.3	- Domestic Ground Reception	2,219	11.95	- Domestic Ground Reception	2,219	11.95
	- Provincial Ground Reception	–	–	- Provincial Ground Reception	7,579	68.35	- Provincial Ground Reception	–	–

Operation of hotels

The Group's invovlement in the operation of hotels is principally through its subsidiary, Gansu Qianlianshan Hotel Co., Ltd.(甘肅祁連山大酒店有限公司), which is a wholly owned subsidiary of the Company. For the years ended 31 December 2018, 2019 and 2020, the revenue of the four-star Qilianshan Hotel was RMB1.3 million, RMB5.4 million and RMB0.4 million, respectively. In 2017, Huanghe Pearl Hotel was chosen as the main venue for the seventh International Tourism Festival for Dunhuang and Silk Road Journey co-organised by the National Tourism Administration and Gansu Provincial People's Government. As at 31 December 2020, the construction of Qilian Pearl Hotel had been completed; the Group has been testing the operation of this project since May 2020.

The table below sets forth details of the Huanghe Pearl Hotel, Qilianshan Hotel and Qilian Pearl Hotel owned and operated by the Group as at the date indicated, together with relevant operating statistics:

Hotel Name	Location	Capacity	For the year 31 December 2020 Occupancy	As at and for the year ended 31 December 2018 Revenue	Total Assets	As at and for the year ended 31 December 2019 Revenue	Total Assets	As at and for the year ended 31 December 2020 Revenue	Total Assets
					(RMB in millions)				
Gansu Qilianshan Hotel Co., Ltd. (甘肅祁連山大酒店有限公司)	Zhangye, Gansu	64 rooms	37%	4.4	73.3	26.6	74.5	0.4	53.8
Huanghe Pearl Hotel (黃河明珠酒店)	Yongjing, Gansu	356 rooms	22%	25.6	983.1	5.4	958.2	16.58	928.39
Qilian Pearl Hotel Co., Ltd. (祁連明珠酒店)	Zhangye, Gansu	278 rooms	27.58%	–	–	–	–	3.95	11.16

Other businesses

The Group also carries on a number of ancillary businesses in support of its principal businesses, including financial services, general aviation, logistics and media and communications. These ancillary businesses are conducted through various subsidiaries and affiliates of the Group. For the years ended 31 December 2018, 2019 and 2020, the Group's other businesses contributed RMB958.0 million, RMB1,870.2 million and RMB2,058.4 million, respectively, to the Group's total revenue, representing approximately 0.98%, 1.44% and 1.41%, respectively, of the Group's total revenue during the corresponding periods.

Financing services

Focusing on the key objectives of "financial services for the real economy, prevention and control of financial risks and deepening of financial reform", the Group has established a comprehensive financing services business which encompasses a wide range of licensed products and services including, among others, financing guarantee, micro-finance, supply chain finance, asset management, pawn business, financial warehousing, private equity funds, financial leasing, commercial factoring and factor trading. The Group has provided financing support for more than 6,000 small to medium-size enterprises.

The Group mainly operates its financing services business through its subsidiaries, Gansu Provincial Financing Guarantee Group Co., Ltd. (甘肅省融資擔保集團股份有限公司) ("**Guarantee Group**"), GHATG Municipal Microcredit Co., Ltd. (公航旅小額貸款股份有限公司) ("**GHATG Microcredit**") and Gansu Province Equity Exchange Co., Ltd. (甘肅省產權交易所股份有限公司). The Guarantee Group was founded in 2012, with registered capital of RMB5 billion and a principal business focusing on various guarantee services and relevant consulting and financial consulting services. As at 31 December 2018, the Guarantee Group was the biggest guarantee company in Gansu Province in terms of operational scale and market share. The Guarantee Group has signed cooperation agreements with 20 provincial bank branches in Gansu province, including the Gansu branches of National Development Bank, Bank of China, China Construction Bank and China Merchants Bank. GHATG Microcredit was founded in 2012 upon the approval of Gansu Provincial Government, with a principal business focus on large revolving loans, secured loans, consumer loans, bridging loans, co-guarantee loans and other credit loan services. The financial services segment has experienced steady growth. Since the establishment of the Guarantee Group, it has provided guarantees for over 5,800 small to medium-size enterprises within Gansu Province, with an aggregate guaranteed amount of approximately RMB39.0 billion. GHATG Microcredit has also recorded steady growth in its turnover, and garnered a good reputation amongst its clients. For the years ended 31 December 2018, 2019 and 2020, the revenues of the Group's financing services businesses contributed RMB546.3 million, RMB744.4 million and RMB615.2 million, respectively.

In August 2015, upon the approval of the Gansu Provincial Government, the Company, as the initiator and largest shareholder, and in collaboration with eight joint venture investors, commenced preparation work for the establishment of China Yellow River Property & Casualty Insurance Co., Ltd. (黃河財產保險股份有限公司) ("**Yellow River Insurance**"), which is the first local insurance company in Gansu Province. On 13 September 2016, the Approval of the China Insurance Regulatory Commission for the

Establishment of Yellow River Property Insurance Co., Ltd.(保監許可[2016]885) was received, bringing closer the formal establishment of the Group's insurance joint venture. Yellow River Insurance commenced operations on 29 December 2017. In January 2018, Bank of Gansu, of which the Group is the largest shareholder, was listed on the Hong Kong Stock Exchange. As of 31 December 2020, Yellow River Insurance has two subsidiaries – in Gansu Province and Beijing – 12 central branches and 28 country-level branches in Gansu Province. Its total assets amount to RMB4.0 billion and its asset-liability ratio is 43.22%.

Gansu Provincial Financial and Capital Management Co., Ltd. has a total of nine subsidiaries wholly owned by it or in which it has controlling interests. In addition to its existing businesses, including the provision of guarantees, small loans, e-finance and asset management operations, the Company has successfully established financial leasing, pawnbroking shops, industrial fund and financial warehousing companies. These businesses commenced in 2016 in line with the overall strategic objective of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. to engage in the full range of operations in the financial segment. Moreover, the Group has also made equity investments in the Bank of Lanzhou Co., Ltd.(蘭州銀行股份有限公司) and China Dragon Securities Co., Ltd(華龍證券股份有限公司). All these efforts are aimed at forming a multiple-tiered system of financial operations composed of the provision of guarantees, small loans, e-finance, property trading, commercial factoring, asset management, pawnbroking shops, financial warehousing, financial leasing and industrial fund operations. The Group strives to improve the sharing of resources amongst its various subsidiaries to enable synergies and the development of mainstream finance operations.

In the future, by advancing financial service supply-side structural reform and exploring the deep potential of supply chain finance, the Group aims to build through this business segment a core financial technology system, optimise its business layout, and improve its quality and performance, allowing the Group to become a sizeable and profitable provincial leader combining finance and industry.

General aviation

The general aviation segment represents a new business venture for the Group following the restructuring mandated by the Gansu Provincial Government's pilot state-owned enterprise reform initiatives. The Company is in discussion with the China Flight Test Establishment(中國飛行試驗研究院), China Aviation Industry General Aircraft Co., Ltd. (中航通用飛機有限責任公司), Eastern General Aviation Corporation Co., Ltd.(東方通用航空有限責任公司) and SGCC General Aviation Co., Ltd.(國網通用航空有限公司) on cooperation in general aviation business. On 23 October 2015, the Company signed a comprehensive, strategic cooperation agreement with China Flight Test Establishment, opening a new business area in Gansu Province of general aviation business. Currently, the first Enstrom 480B helicopter, the result of the cooperation between the Company and the China Flight Test Establishment, has already entered commercial operation and is being employed in sightseeing tours of the Group's Zhangye Danxia Scenic Area. On 26 August 2016, the Group's Zhangye Danxia Airport was put into operation and subsequently hosted the Silk Road (Zhangye) International Aviation Conference. It will be used for a wide range of activities, both commercial and non-commercial, including flying clubs, flight training, agricultural aviation, medical aid, aeroplane tours and industrial aviation, to expand our general aviation business. The Group will continually optimise its general aviation business operating model, expand aviation tourism and sports-related activities – including sightseeing, flight simulation and drone racing – and accelerate investment in this business segment. As at the date of this Offering Circular, the Group is steadily progressing with its general aviation airport development projects in, among others, Qingyang Huachi, Wuwei Minqin, Gannan Maqu, Dingxi Min County, Dinxi Zhang County and Jiuquan Yume. Furthermore, the Group's weather modification drone project recently completed its first test flight and further development and plans for commercialisation are currently ongoing.

Current development

Currently, the Group continues to navigate its business through the increasing challenges of decreasing price, constrained demand and higher operating costs in response to the slowing economy and industry-wide restructuring in China. The Group is promoting the integrated development of its five business segments, being highway development, commodities trading, tourism, and others (including financial services and general aviation businesses) through strategic investment and expansion.

GOVERNMENT REGULATIONS

The operations of the Group are subject to various laws and regulations in the jurisdiction in which it operates. The Group's properties are also subject to routine inspections by government officials with regard to various safety and environmental issues. The Group believes that it is in compliance in all material respects with government regulations currently in effect in the jurisdictions in which it operates. The Group is not aware of significant problems experienced by any member of the Group with respect to compliance with government regulations in relation to its operations which could materially adversely affect its properties or operations, and is not aware of any pending government legislation that might have a material adverse effect on its properties or operations.

INSURANCE

The Group is covered by insurance policies which mainly cover fire, flood, other material damage to property and public liability. The Group believes that its properties are covered with adequate insurance provided by reputable independent insurance companies in the relevant jurisdiction 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 buildings, facilities, equipment or other properties as a result of occurrences such as fire, flood, water damage, explosion, typhoons and other natural disasters or terrorism, or any decline in the 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 Group's financial condition and results of operations.

EMPLOYEES

As at 31 December 2020, the Group had approximately 20,039 employees, amongst which 3,244 employees are employed by the Group and 16,795 employees are employed by the relevant toll stations. As at the date of this Offering Circular, the Group has recruited more than 20 professional technicians with international vision and rich experience in the industries and sectors in which the Group has business operations.

Staff benefits include salaries, provident fund, insurance, medical cover and housing. The Group believes that its employees are critical to its success and is committed to investing in development through continuing education and training, as well as the creation of opportunities for career growth. The Group has not experienced any strikes or disruptions due to labour disputes. The Group considers its relations with its employees to be good.

ENVIRONMENT MATTERS

The Group's operations are subject to various environmental laws. Compliance with such laws has not had, and, to the Group's knowledge, is not expected to have, a material adverse effect upon the Group's capital expenditures, earnings or competitive position. As at the date of this Offering Circular, to the best knowledge of the Group, there are no current litigation, arbitration, administrative proceedings or

claims, whether pending or threatened, in relation to environment matters, which could have a material adverse effect on the financial condition or results of operations of the Group or which are otherwise material in the context of this offering.

LEGAL PROCEEDINGS

As at the date of this Offering Circular, to the best knowledge of the Group, there are no current litigation or arbitration proceedings against it or any of its senior management team members that could have a material adverse effect on its business, financial condition and results of operations.

The biographies of the Company's directors, supervisors and senior management as at the date of this Offering Circular are as follows:

Name	Year of Birth	Titles
Directors		
Mr. SHI Peirong (石培榮)	1962	Chairman of the Board of Directors Vice Secretary of the Party Committee
Mr. RONG Zhiyuan (榮志遠)	1962	Vice Chairman of the Board of Directors Secretary of the Party Committee
Mr. YUAN Dehao (袁得豪)	1970	Director, General Manager Vice Secretary of the Party Committee
Mr. ZHANG Junping (張軍平)	1978	Director Chief Financial Officer
Mr. CHEN Dehua (陳德華)	1980	Director, Vice General Manager
Mr. DENG Yusheng (鄧予生)	1963	Director
Mr. REN Haijun (任海軍)	1971	Director
Mr. XU Jun (徐軍)	1968	Director
Mr. ZHANG Shuanyin (張栓印)	1963	Director
Mr. ZHANG Yingqiao (張應橋)	1969	Director
Supervisors		
Mr. YANG Jianjun (楊建軍)	1968	Supervisor
Mr. WANG Qiang (王強)	1972	Supervisor
Senior Management		
Ms. WU Changhong (吳長虹)	1963	Vice General Manager
Mr. HUANG Zheng (黃錚)	1966	Vice General Manager
Mr. SUN Jinling (孫進玲)	1972	Vice General Manager
Mr. ZHAO Lei (趙磊)	1963	Secretary of Discipline Inspection Commission
Mr. QIAO Xiaobing (喬小兵)	1966	Vice General Manager, Chief Engineer

DIRECTORS

Mr. SHI Peirong is currently the Chairman of the Board of Directors and Vice Secretary of the Party Committee of the Company. He successively served as an officer of the Financial Audit Department, the Deputy Chief of the General Office, the Deputy Chief of the Treasury Office and the Vice Director of the Financial Audit Department in Jinchuan Group (金川集團). He previously served as the Vice Director of the Department of Finance in Gansu Province, the Vice Secretary of the Party Committee and Vice Director of the Transportation Department in Gansu Province. He also acted as the Chief Accountant and Vice General Manager in Jinchuan Group Co., Ltd., the Vice Director of the Department of Finance in Gansu Province, the Vice Secretary of the Party Committee and Vice Director of the Transportation Department in Gansu Province, and the Vice Chairman, General Manager and Vice Secretary of the Party Committee of the Company. Mr. Shi holds an MBA degree from Peking University, and is a senior accountant.

Mr. RONG Zhiyuan is currently the Secretary of the Party Committee and Vice Chairman of the Board of Directors of the Company. Mr. Rong successively served as the Principal Clerk, Deputy Director, Investigator and Deputy Director, Director, Deputy Inspector, Director of the General Office in the Office of Personnel Department in Gansu Province. He previously served as Minister of the Organization Department, Deputy Secretary of Municipal Party Committee and Secretary General of the Municipal Party Committee in Jinchang City. He also served as a Member of the Municipal Standing Committee, Minister of the Organisation Department, Executive Vice Mayor, Deputy Secretary of the Municipal Party Committee and Secretary General of the Municipal Party Committee in Jinchang City. Mr. Rong holds a doctorate degree in Economics.

Mr. YUAN Dehao is currently the Director, General Manager and Vice Secretary of the Party Committee. Mr. Yuan previously acted as the Vice General Manager of the Company, General Manager of Gansu Tourism Investment Management Limited, and as the Clerk, Deputy Principal Clerk, Principal Clerk, and Deputy Consultant in Gansu Provincial Department of Transportation Planning Office. He holds a Master of Engineering Management, and is a senior engineer.

Mr. ZHANG Junping currently is the Director and the Chief Financial Officer of the Company. Mr. Zhang previously served as the Chief of the Funds Section and Chief of the Accounting Section of the Finance Department of Jinchuan Group. He holds a bachelor's degree.

Mr. CHEN Dehua is currently the Director and Vice General Manager of the Company. Mr. Chen previously served at the Finance Department of Gansu Luqiao Construction Group Co., Ltd.(甘肅路橋建設集團有限公司). He holds a doctoral degree from Beijing University of Posts and Telecommunication in management science and business administration and a postdoctoral degree in Finance from the Finance Research Institute of the Ministry of Finance.

Mr. DENG Yusheng is currently a Director of the Company. Mr. Deng has previously served as Chairman and Deputy Party Secretary of Gansu Northwest Copper Processing Co., Ltd. He is currently Party Member and Deputy Director of the Retired Staff Service Centre of Silver Nonferrous Metals Group Co. and at the same time serves as Director of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Mr. Deng is a senior engineer. Mr. Deng holds a master's degree in business management from the Economics Faculty of China Graduate School of Social Sciences.

Mr. REN Haijun is a Director of the Company. He is currently a professor of Lanzhou University School of Economics and a master tutor, and concurrently serves as Director of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Mr. Ren holds a doctoral degree in Economics from Lanzhou University School of Economics.

Mr. XU Jun is a Director (part-time) of the Company. He has previously served as Director of Legal Affairs with Jinchuan Group Co., Ltd. and is currently Party Secretary and Secretary of the Commission for Discipline Inspection with Jinchuan Group Engineering Construction Company. He also serves as Director of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Mr. Xu is an economist. He holds a bachelor's degree in Economic Law from Northwest University of Political Science and Law.

Mr. ZHANG Shuanyin is a Director (part-time) of the Company. He has previously served as Party Branch Secretary and Deputy General Manager of Lanshi Heavy Industries and is currently General Manager and Party Secretary of Lanzhou Lanshi Petroleum Equipment Engineering Co., Ltd. and at the same time serves as Director of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Mr. Zhang is a senior engineer. Mr. Zhang holds a master's degree from Lanzhou University in Business Administration.

Mr. ZHANG Yingqiao is a Director (part-time) of the Company. He has previously served as General Manager of the Sales Department with China Everbright Bank, Lanzhou Branch, and General Manager of the Institutional Business Department with China CITIC Bank. Mr. Zhang is an economist and holds a bachelor's degree in Finance and Banking from Lanzhou Commercial College.

There are no potential conflicts of interest between any duties of the Directors of the Issuer, and their private interests and/or other duties.

SUPERVISORS

Mr. YANG Jianjun is currently a supervisor of the Company. Mr. Yang also acts as the Secretary of the Party Committee and Vice Chairman of the Board of Directors at Gansu Financial Capital Management Co., Ltd. He previously served as the Deputy Head of Finance Office and Deputy Director of Finance Office at Gansu Traffic Scientific Research Co., Ltd., as the Director, Deputy Chief Accountant and Minister of Financial Assets Management at Gansu Traffic Scientific Research Institute Co., Ltd., and a Party Committee Member and Deputy General Manager at Luqiao Gansu Construction Group Co., Ltd. Mr. Yang holds a bachelor's degree, and is a senior accountant.

Mr. WANG Qiang is currently a supervisor and the Deputy Director of the Capital Operation Department of the Company. Mr. Wang previously served as Deputy Director of the Securities Department of Beijing Fangda International Group Co., Ltd. Mr. Wang holds a bachelor's degree. He is a senior accountant, CPA and asset appraiser.

SENIOR MANAGEMENT

Ms. WU Changhong is currently the Deputy General Manager and a member of the Party Committee of the Company. She previously acted as the Deputy Chief, Chief and Vice Director at the Finance Department, and as Director of the Audit Department at Jinchuan Group Co., Ltd. in Gansu Province. Ms. Wu holds a bachelor's degree in Enterprise Management from Gansu Provincial Party School of the Communist Party of China, and is a senior accountant.

Mr. HUANG Zheng is currently the Vice General Manager and a member of the Party Committee of the Company. Mr. Huang previously served as a Clerk at the Southwest Office of China Nonferrous Metals Corporation, as the Deputy Principal Clerk and Principal Clerk at the Enterprise Office of Gansu Provincial Commission for Economic Restructuring, and as the Director of the Planning and Development Office, Deputy Director and Director of the Property Management Office and Director of the Investment Income Management Office at the Gansu Provincial State-owned Assets Supervision and Administration Commission. Mr. Huang holds a bachelor's degree.

Mr. SUN Jinling is currently the Vice General Manager and a member of the Party Committee of the Company. Mr. Huang previously served as the Assistant to the General Manager of the Company, Chairman and Secretary of the Party Committee of Gansu Highway Construction Management Group Co., Ltd. Mr. SUN holds a bachelor's degree, and is a senior engineer.

Mr. ZHAO Lei is currently the Secretary of Discipline Inspection Commission and a member of the Party Committee of the Company. Mr. Zhao previously served as the Discipline Inspection Supervisor of the Party and Clean Government Construction Office of Gansu Provincial Discipline Inspection Commission, Deputy Director of the General Office of the Provincial Discipline Inspection Commission, Chief of the Administrative Division, Discipline Inspection Team Leader of the Provincial Commission for Discipline Inspection and Provincial Supervision Commission. Mr. Zhao holds a bachelor's degree.

Mr. QIAO Xiaobing is currently the Vice General Manager and the Chief Engineer of the Company. Mr. Qiao previously served as the Secretary of the Party Committee and Chairman of the Board of Directors of Gansu Changda Road Industry Co., Ltd.(甘肅長達路業有限責任公司). He has successively served as the Chief Member of the office of Gansu Provincial Transportation Department, Deputy Director of the Construction Management Department of Gansu Provincial Department of Transportation, member and Head of the Party Committee of Gansu Provincial Transportation Infrastructure Engineering Quality Supervision Station, Secretary and Director of the Party Committee of Gansu Provincial Traffic Engineering Quality and Safety Supervision Administration Bureau, and as a member and Chairman of the Party Committee of Gansu Road and Bridge Highway Investment Co., Ltd. Mr. Qiao holds a bachelor's degree.

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.

Record filling and registration

The NDRC Circular relates to the matters as listed below:

- remove the quota review and approval system for the issuance of foreign debts by enterprise, reform and innovate the ways that foreign debts are managed, and implement the administration of record-filing and the registration system. Realise the supervision and administration of the size of foreign debts borrowed on a macro level with the record-filing, registration, and information reporting of the issuance of foreign debts by enterprises;

- before the issuance of foreign debts, enterprises shall first apply to the NDRC for the handling of the record-filing and registration procedures and shall report the information on the issuance to NDRC within 10 working days of completion of each issuance;

- record-filing and registration materials to be submitted by an enterprise for the issuance of foreign debts shall include: application report for the issuance of foreign debt and issuance plan, including the currency, size, interest rate, and maturity of foreign debts, the purpose of the funds raised, back flow of funds, etc. The applicant shall be responsible for the authenticity, legality, and completeness of the application materials and information;

- the NDRC shall decide whether to accept the application for record-filing and registration within 5 working days of receiving it and shall issue a Certificate for Record-filing and Registration of the Issuance of Foreign Debts by Enterprises within 7 working days of accepting the application and within the limit of the total size of foreign debts;

- the issuer of foreign debts shall handle the procedures related to the outflow and inflow of foreign debt funds with the Certificate for Record-filing and Registration according to the regulations. When the limit of the total size of foreign debts is exceeded, the NDRC shall make a public announcement and no longer accept applications for record-filing and registration; and

- if there is a major difference between the actual situation of the foreign debts issued by the enterprises and the situation indicated in the record-filing and registration, an explanation shall be given when reporting relevant information. The NDRC shall enter the poor credit record of an enterprise which maliciously and falsely reports the size of its foreign debts for record-filing and registration into the national credit information platform.

Pursuant to the Foreign Debt Registration Measures and its operating guidelines, effective as at 13 May 2013, issuers of foreign debts are required to register with SAFE. Issuers other than banks and financial departments of the government shall go through registration or record-filing procedures with the local branch of SAFE within 15 working days of entering into the foreign debt agreement(s). If the receipt and payment of funds related to the foreign debt of such issuer is not handled through a domestic bank, the issuer shall, in the event of any change in the amount of money withdrawn, principal and interest payable or outstanding debt, go through relevant record-filing procedures with the local branch of SAFE.

On 11 January 2017, the PBOC issued the Circular of People's Bank of China on the Implementation of the Macro-prudence Management of Cross-border Financing in Full Aperture (《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 "**Cross Border Financing Circular**"), which came into effect on the same day. To further enlarge the space of cross border financing activities, facilitating the using of overseas low-cost capital by domestic enterprises and lowering the financing cost of real

economy, PBOC further improved the framework of policy on the basis of overall assessment on implementation of the macro-prudence management of cross-border financing in full aperture. A one-year transitional period has been set for this pilot program, during which foreign invested enterprise and financial invested financial institution in the PRC will be required to follow the new Cross Border Financing Circular or the existing Foreign Debt Registration Measures. After the one-year transitional period, the new Cross Border Financing Circular will automatically become applicable for foreign invested financial institution. PBOC and SAFE will decide the cross border financing management mode applicable to foreign invested enterprise upon the overall assessment on implementation of new Cross Border Financing Circular. The Issuer has been informed by the local counterpart of SAFE that the Issuer would need to follow the Foreign Debt Registration Measures for the purposes of the Bonds. Neither PBOC or SAFE has promulgated implementation rules of the Cross Border Financing Circular as at the date of this Offering Circular. The filing process for the aforementioned selection, the interpretation and enforcement of the Cross Border Financing Circular thus involve substantial uncertainties due to its recent promulgation and publication. If following the date of this Offering Circular, the Issuer is required to make any reporting or take other steps to comply with the Cross Border Financing Circular, the Issuer will take the necessary steps to comply with such requirements.

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 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 advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2008.

Pursuant to the EIT Law, the IIT Law and the implementation regulations in relation to both the EIT Law and the IIT Law, PRC income tax at a rate of 10 per cent. or 20 per cent. is normally applicable to PRC-source income derived by non-resident enterprises or individuals, respectively, subject to adjustment by applicable treaty. As the Issuer is a PRC resident enterprise for tax purposes, 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 that is 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. 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, 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, under the IIT 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 one year 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 are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the

transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement, 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, the Ministry of Finance and the State Administration of Taxation issued Circular 36, which introduced a new VAT from 1 May 2016. Under Circular 36, VAT is applicable where the entities or individuals sell services, intangible assets and real properties within the PRC. The operating income 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. and certain surcharges on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. And as the withholding agent, the Issuer shall calculate the withholding tax according to the following formula: withholding tax = price paid by the purchaser ÷ (1 + tax rate) × tax rate. Pursuant to Interim Regulation of the PRC on City Maintenance and Construction Tax (中華人民共和國城市維護建設稅暫行條例(2011修訂)), Interim Provisions on the Collection of Educational Surcharges (徵收教育費附加的暫行規定(2011修訂)), Notice of the Ministry of Finance on the Relevant Matters regarding Unifying the Policies on Local Education Surcharges (財政部關於統一地方教育附加政策有關問題的通知) and the Administrative Measures on the Collection and Utilisation of Local Educational Surcharges in Gansu Province (《甘肅省地方教育附加徵收使用管理辦法》), city maintenance and construction tax, educational surcharges and local educational surcharges will be applicable when the entities and individuals are obliged to pay VAT. The Issuer will be obligated to withhold VAT of 6% and certain surcharges on VAT for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. 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 buyers 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".

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 holders of the Bonds 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:

(i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

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

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

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax 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 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. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Bonds.

SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with the Managers dated 3 June 2021 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to sell to the Managers, and the 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.

	Principal amount of the Bonds to be subscribed
	U.S.$
BOCOM International Securities Limited	80,000,000
CEB International Capital Corporation Limited	32,000,000
Bank of China Limited	32,000,000
Nanyang Commercial Bank, Limited	8,000,000
Hua Xia Bank Co., Limited Hong Kong Branch	79,000,000
Industrial Bank Co., Ltd. Hong Kong Branch	79,000,000
CCB International Capital Limited	40,000,000
China Minsheng Banking Corp., Ltd, Hong Kong Branch	40,000,000
ABCI Capital Limited	5,000,000
China Everbright Bank Co., Ltd., Hong Kong Branch	5,000,000
Total	400,000,000

The Subscription Agreement provides that the 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 Managers are subject to certain conditions precedent, and entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Managers and certain of their respective subsidiaries or affiliates have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with, the Issuer and/or its subsidiaries, from time to time, for which they have received customary fees and expenses. The Managers and their respective subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer and/or its subsidiaries in the ordinary course of business.

In connection with the offering of the Bonds, the Managers and/or their respective affiliate(s) may act as an investor for its own account and may take up Bonds in the offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer and may offer or sell such securities or other investments otherwise than in connection with the offering. Accordingly, references herein to the Bonds being offered should be read as including any offering of the Bonds to the Managers and/or their respective affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers or their respective affiliates may purchase the Bonds for its own account or for the accounts of their customers and enter into transactions, including credit derivative, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of ours or our subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds).

In connection with the issue of the Bonds, any of the Managers appointed and acting in its capacity as a Stabilising Manager or any person acting on behalf of the Stabilising Manager may, to the extent permitted by applicable laws and regulations, over-allot the Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail, but in so doing, the Stabilising Manager or any person acting on behalf of the Stabilising Manager shall act

as principal and not as agent of the Issuer. However, there is no assurance that the Stabilising Manager or any person acting on behalf of the Stabilising 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 Bonds is made and, if begun, may be ended at any time, and 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 loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Stabilising Manager.

General

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

No action has been or will be taken in any jurisdiction by the Issuer or the 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 or the 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 or the Managers. If a jurisdiction requires that an offering of Bonds be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the Managers or such affiliate on behalf of the Issuer in such jurisdiction.

United States

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

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

United Kingdom

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

(a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Hong Kong

Each of the 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 (Chapter 571 of the Laws 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 (Chapter 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance; 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 in 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 thereunder.

The People's Republic of China

Each of the 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 securities laws of the PRC.

Singapore

Each of the Managers has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Managers has represented, warranted and agreed that it has not offered or sold any Bonds or caused such Bonds to be made the subject of an invitation for subscription or purchase, and will not offer or sell such Bonds or cause such 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 such 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 (Chapter 289 of Singapore) (the "**SFA**") pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interests (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person as defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

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**") and, accordingly, each of the Managers has represented, warranted 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 2019 Audited Financial Statements and the 2020 Audited Financial Statements, the English versions of which included in this Offering Circular, have been prepared and presented in accordance with PRC GAAP.

PRC GAAP are substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. The following is a general summary of certain differences between PRC GAAP and IFRS on recognition and presentation as applicable to the Group. The Group 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 Group, 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.

Accordingly, no assurance is provided that the following summary of differences between PRC GAAP and IFRS is complete. In making an investment decision, each investor must rely upon its own examination of the Group, the terms of the offering and other disclosure contained herein. Each investor should consult its own professional advisers 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.

Reversal of an impairment loss

Under PRC GAAP, once an impairment loss is recognised for a long-term asset (including fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period. Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill 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.

Related Party Disclosures

Under PRC GAAP, government-related entities are not treated as related parties. Under IFRS, government-related entities are still treated as related parties.

Government Grant

Under PRC GAAP, an assets-related government grant is only required to be recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset. However, under IFRS, such assets-related government grants are allowed to be presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Under PRC GAAP, the relocation compensation for public interests is required to be recognised as special payables. The income from compensation attributable to losses of fixed assets and intangible assets, related expenses, losses from production suspension incurred during the relocation and reconstruction period and purchases of assets after the relocation 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 and loss.

Fixed assets and intangible assets

Under PRC GAAP, only the cost model is allowed. Under IFRS, an entity can choose either the cost model or the revaluation model as its accounting policy.

Available-for-sale financial assets

Under PRC GAAP, an enterprise shall measure available-for-sale financial assets at their fair values. If the available-for-sale financial assets do not have a quoted market price in an active market and whose fair value cannot be reliably measured, cost model shall be applied. Under IFRS, available-for-sale financial assets shall be measured at fair value.

GENERAL INFORMATION

1. **Clearing System:** The Bonds have been accepted for clearance through Euroclear and Clearstream under Common Code 234920545 and the ISIN for the Bonds is XS2349205455. The Issuer's Legal Entity Identifier code is 6354005FD8B3J4OSMC91.

2. **Authorisations:** The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Bonds, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by board resolutions of the Issuer dated 20 January 2021 and the approval of the State Administration of State-owned Assets Commission of Gansu Province dated 14 October 2020 and 2 April 2021. PRC counsels to the Issuer and PRC counsels to the Managers have advised that no other approvals or consents are required from any regulatory authorities or other relevant authorities in the PRC for the Issuer to issue the Bonds except for the filings and registrations described in "PRC Regulations".

3. **No Material and Adverse Change:** Except as otherwise disclosed in this Offering Circular, there has been no material adverse change in the financial condition, prospects, results of operations or business of the Group since 31 December 2020.

4. **Litigation:** None of the Issuer or any member of the Group has been involved in any governmental, legal or arbitration proceedings, including such proceedings which are pending or threatened of which the Issuer or Group is aware, during the last twelve months, which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer, or the Group.

5. **Available Documents:** Copies of (i) the Issuer's constitutional documents, (ii) 2019 Audited Financial Statements, (iii) 2020 Audited Financial Statements, (iv) the Trust Deed, and (v) the Agency Agreement relating to the Bonds (provided that items (i) – (iii) have been provided to the Trustee or the Principal Paying Agent, as the case may be) in physical form will be available for inspection from the Issue Date upon prior written request and satisfactory proof of holding and identity at the principal office of the Trustee and at the specified office of the Principal Paying Agent from time to time, at all reasonable times during normal business hours (being 9:00 a.m. to 3:00 p.m., from Monday to Friday excluding public holidays), so long as any Bonds is outstanding.

6. **Financial Statements:** The 2019 Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by Xigema as stated in its report dated 9 June 2020. The 2020 Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by Xigema as stated in its report dated 28 April 2021.

   The 2019 Audited Financial Statements and the 2020 Audited Financial Statements have only been prepared in Chinese. The Financial Statements Translations have been prepared and included in this Offering Circular for reference only. Neither the Managers nor their respective affiliates, directors, officers or advisers has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete.

7. **Listing of Bonds:** Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only. Such permission is expected to become effective on or about 11 June 2021. A confirmation of eligibility for the listing of the Bonds has been received from the Hong Kong Stock Exchange.

INDEX TO FINANCIAL STATEMENTS

English translation of the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2019

Auditor's Audited Report F-2

Consolidated Balance Sheet F-4

Consolidated Profit Statement F-6

Consolidated Statement of Cash Flows F-7

Consolidated Statement of Changes in Owners' Equity F-8

Parent Company's Statement of Financial Position F-10

Parent Company's Profit Statement F-12

Parent Company's Cash Flow Statement F-13

Statement of Changes in Owners' Equity F-14

Notes to the Financial Statements F-16

English translation of the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2020

Auditor's Audited Report F-188

Consolidated Balance Sheet F-192

Consolidated Profit Statement F-194

Consolidated Cash Flow Statement F-195

Consolidated Statement of Changes in Owners' Equity F-196

Parent Company's Balance Sheet F-198

Parent Company's Profit Statement F-200

Parent Company's Cash Flow Statement F-201

Statement of Changes in Owners' Equity F-202

Notes to the Financial Statements F-204

Xigema Cpas (Special General Partnership)

XI KUAISHEN ZI NO. [2020] 2110

AUDITOR'S REPORT

To Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd.,

I. Audit's Opinion

We have audited the financial statements of Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd., (hereinafter referred to as the Company), which included the consolidated balance sheet as of 31 December 2019, the consolidated statement of income, the consolidated statement of cash flow and the consolidated statement of changes in equity of the Company for Current Year ended 31 December 2019, together with the relevant notes thereto.

In our opinion, the financial statements have been prepared in accordance with Accounting Standards for Business Enterprises and presented fairly, in all material respects, the consolidated and Parent Company's financial position as at 31 December 2019 and the consolidated and Parent Company's results of operations and consolidated and Parent Company's cash flows for the year of 2019.

II. Basis for audit opinions

We conducted this audit under the requirements of the Auditing Standards of the Certified Public Accountant of the PRC. The section headed —Certified Public Accountant's responsibility for audit of financial statementll in the audit report has further clarified our responsibilities under these standards. Pursuant to the code of professional conduct as certified public accountant in the PRC, we are independent of the Company and have performed other responsibility as required by our professional ethics. We believe that the audit evidence obtained by us is sufficient and adequate, which provides foundation for us to issue audit opinion.

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

The management of the Company (hereinafter referred to as the management) is responsible for the preparation of the financial statements that give a true and fair view in accordance with Accounting Standards for Business Enterprises and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

IV. Responsibilities of the auditor for thc financial statements

Our objective 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 issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement will always be found in the audit performed in accordance with China Standards on

Auditing for Certified Public Accountants. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the CAS,we exercise professional judgment and maintain 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 error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.

4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists,we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate,to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation,structure and content of financial statements (including disclosures), and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for audit opinion.

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

Xigema Cpas (Special General Partnership)

Chinese Certified Public Accountant:

Chinese Certified Public Accountant:

9 June 2020

The report is written in Chinese and translated into English.Both languages are equally authentic. In the event of any discrepancies, the Chinese version shall prevail.

Consolidated balance sheet

Table 01

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. Currency: CNY

Assets	Note	2019/12/31	2018/12/31
Current assets:			
Monetary funds	VIII 1	49,323,360,884.15	47,880,522,798.54
Financial assets measured at fair value and whose changes are included in the current profit and loss	VIII 2		37,023,875.86
Refundable deposits	VIII 3	1,888,934,538.69	124,472,192.60
Note receivable	VIII 4	132,743,471.65	18,830,926.78
Accounts receivable	VIII 5	3,660,337,217.14	3,265,024,319.01
Prepayments	VIII 6	14,351,133,210.03	14,721,133,892.73
Other receivables	VIII 7	11,430,114,393.34	13,301,856,708.06
Inventories	VIII 8	5,881,513,568.69	4,166,960,306.93
Assets Held-for-sale	VIII 9		
Non-current assets due within one year	VIII 10	785,764,341.09	524,534,012.00
Other current assets		2,834,296,788.17	5,501,871,006.81
Total current assets		90,288,198,412.95	89,542,230,039.32
Non-current assets			
Loans and payments on behalf	VIII 11	3,861,651,539.10	3,851,370,958.07
Finance asset available for sales	VIII 12	2,935,063,490.09	1,875,950,190.30
Held to maturity investments	VIII 13	34,553,467.41	33,993,772.76
Long-term receivables	VIII 14	1,649,612,618.58	1,793,083,333.67
Long-term equity investment	VIII 15	9,562,319,222.64	11,960,099,399.19
Investment real estate	VIII 16	757,929,379.00	495,322,693.10
Fixed assets	VIII 17	174,512,125,769.85	173,707,079,627.24
Construction in progress	VIII 18	213,623,711,311.59	159,893,698,457.76
Productive biological assets			
oil and gas asset			
Intangible assets	VIII 19	2,228,802,262.49	828,690,641.50
Expense on Research and Development	VIII 20	3,563,754.06	
Goodwill	VIII 21	62,494,847.51	51,902,062.37
Long-term expenses to be apportioned	VIII 22	295,684,230.38	237,154,990.77
Deferred income tax asset	VIII 23	159,328,944.71	101,319,204.04
Other non-current assets	VIII 24	35,000,000.00	665,000,000.00
Total non-current assets		409,721,840,837.41	355,494,665,330.77
Total assets		500,010,039,250.36	445,036,895,370.09

Legal Representative:: Chief Accountant: Person in charge of accounting institute :

Consolidated balance sheet (Continued)

Table 01

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. Currency: CNY

Liabilities and owner's equity (or shareholders' equity)	Note	2019/12/31	2018/12/31
Current liabilities:			
Short-term loan	VIII 25	5,456,004,795.00	6,758,333,100.00
Financial liabilities measured at fair value and whose changes are included in the current profit and loss			
Deposit margin	VIII 26	73,000.00	73,000.00
Note payable	VIII 27	1,533,813,953.05	453,237,000.00
Accounts payable	VIII 28	13,491,824,655.97	12,388,875,692.08
Accounts received in advance	VIII 29	2,592,002,892.31	1,444,615,687.81
Wage payable	VIII 30	209,273,609.73	169,396,323.27
Taxes payable	VIII 31	415,550,678.89	353,171,554.52
Other payables	VIII 32	3,688,130,882.62	5,148,625,442.91
Unexpired liability deposit	VIII 33	42,364,264.06	22,802,617.51
Guarantee compensation	VIII 34	205,744,632.58	168,634,899.31
Holding liabilities for sale			
Non-current liabilities due within one year	VIII 35	20,317,287,427.08	17,734,296,587.09
Other current liabilities			
Total current liabilities		47,952,070,791.29	44,642,061,904.50
Non-current liabilities:			
Long term loan	VIII 36	213,692,464,056.64	190,520,158,115.24
Bonds payable	VIII 37	38,747,514,193.44	32,525,976,382.22
Of which: preferred stock			
Perpetual debt			
Long-term payables	VIII 38	30,193,082,400.80	23,369,055,383.38
Estimated liabilities			
Deferred income	VIII 39	76,969,288.40	19,254,536.17
Deferred income tax liabilities	VIII 23	10,155,524.40	1,813,883.19
Other non-current liabilities			
Total non-current liabilities		282,720,185,463.68	246,436,258,300.20
Total Liabilities		330,672,256,254.97	291,078,320,204.70
Owners' equity:			
Paid-in capital	VIII 40	20,000,000,000.00	20,000,000,000.00
Other equity instruments	VIII 41	1,500,000,000.00	
Of which: preferred stock			
Perpetual debt		1,500,000,000.00	
Capital reserve	VIII 42	123,556,634,562.41	112,807,061,336.50
Less: treasury shares			
Other comprehensive income		21,907,462.13	22,811,249.08
Reasonable reserve	VIII 43	116,473,947.13	127,435,515.65
Surplus reserve	VIII 44	1,431,393,151.28	1,426,359,942.41
Provision of general risk	VIII 45	81,472,135.93	47,335,804.13
undistributed profit	VIII 46	13,005,321,279.04	12,499,754,166.25
Total equity attributable to owners of parent company		159,713,202,537.92	146,930,758,014.02
Minority shareholders' equity		9,624,580,457.47	7,027,817,151.37
Total owner's equity		169,337,782,995.39	153,958,575,165.39
Total Liabilities and Owner's Equity		500,010,039,250.36	445,036,895,370.09
Legal Representative:	Chief Accountant:	Controller:	

Consolidated Profit Statement

Table 02

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Currency: CNY

Item	Note	Current Amount	Amount of last period
I. Total operating income		123,747,974,027.64	97,570,009,237.43
Including:operating income	VIII 47	123,157,305,680.40	97,156,026,687.55
Interest income		395,530,232.59	176,016,638.66
Insurance gained		82,786,728.42	39,091,942.68
Commission charge and commission incomee		112,351,386.23	198,873,968.54
II. Total operating cost		125,276,776,728.01	97,585,347,313.80
Including: : Operating costs	VIII 47	116,359,500,671.25	91,099,615,438.96
Interest expense			
Commission charge and commission expense			1,234,294.29
Cash surrender value			14,032,457.43
Net amount of expense of compensation			
Net amount of withdrawal of insurance contract reserve			
Bonus expense of guaranteeslip			
Reinsurance expense			
Tax and extras		360,311,740.18	293,086,576.01
sales expense	VIII 48	142,668,977.01	97,810,768.50
Administrative expense	VIII 48	1,167,051,488.12	1,006,222,793.18
R&D expenses	VIII 49	84,206,609.33	
Financial expenses	VIII 48	6,754,546,464.19	5,095,423,284.23
Including: interest expense		7,390,633,913.90	5,642,985,599.72
Interest income		849,090,256.65	723,720,073.99
Net exchange loss (gains are listed with "-")		188,899,461.81	164,583,109.32
Plus: other income	VIII 50	31,348,440.27	24,608,182.89
Investment income (losses are listed with "-")	VIII 51	439,873,808.80	414,795,062.02
Among them: investment income from associates and joint ventures		255,276,951.60	403,381,986.91
Exchange gains (losses are listed with "-")			
Income from change of fair value (losses are listed with "-")	VIII 52	32,030,134.41	35,883,875.86
Losses of devaluation of asset (losses are listed with "-")	VIII 53	-368,953,875.08	17,255,966.63
Income from assets disposal(losses are listed with "-")	VIII 54	-8,638,374.71	-20,888,862.30
III. Operating profit (losses are listed with "-")		-994,651,788.75	434,237,849.93
Add: non-operating income	VIII 55	2,117,183,453.15	51,138,777.31
Less: Non-operating expenses	VIII 56	82,153,935.28	64,716,719.93
IV. Total profit (total loss is listed with "-")		1,040,377,729.12	420,659,907.31
Less: income tax expense	VIII 57	330,842,488.92	206,206,825.51
V. Net profit (net loss is listed with "-")		709,535,240.20	214,453,081.80
1. Classification by business continuity			
1.1 Net profit from continuing operations (net loss is listed with "-")		709,535,240.20	214,453,081.80
1.2 Net profit from discontinuation of operation (net loss is listed with "-")			
2. Classification by ownership			
2.1. Minority shareholders' gains and losses		110,059,556.06	118,735,957.97
2.2 Net profit attributable to shareholders of the parent company		599,475,684.14	95,717,123.83
VI. Net after-tax of other comprehensive income			
1. Net after-tax amount of other comprehensive income attributable to the owner of the parent company	VIII 58	-903,786.95	42,194,607.02
1.1 Other comprehensive income that cannot be reclassified into profit or loss	VIII 58		-392,038.80
1.11 Re-measure the change amount of the defined benefit plan			
1.12 Other comprehensive income that cannot be transferred to profit or loss under the equity method			-392,038.80
1.2 Other comprehensive income that will be reclassified into profit or loss	VIII 58	-903,786.95	42,586,645.82
1.21 Other comprehensive income convertible to profit or loss under the equity method		-903,786.95	42,586,645.82
1.22 Profit and loss from changes in fair value of available-for-sale financial assets			
1.23 Reclassification of held-to-maturity investments as available-for-sale financial assets			
1.24 Effective part of cash flow hedging gains and losses			
1.25 Foreign currency financial statement translation difference			
2. Net after-tax amount of other comprehensive income attributable to minority shareholders			
VII. Total Comprehensive Income		708,631,453.25	256,647,688.82
Total comprehensive income attributable to owners of the parent		598,571,897.19	137,911,730.85
Total comprehensive income attributable to minority shareholders		110,059,556.06	118,735,957.97
VIII. Earnings per share			
8.1 Basic earnings per share			
8.2 Diluted earnings per share			
Legal Representative:	Chief Accountant:	Controller:	

Consolidated Statement of Cash Flows

Table 03

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Currency: CNY

Item	Note	Current Amount	Amount of last period
I. Cash flow arising from operating activities:			
Cash received from sales of goods and services		137,079,693,747.66	107,543,189,820.94
Cash received from the original insurance contract premium		119,700,455.71	37,628,639.05
Cash received from interest, commission charge and commission		940,355,752.48	769,291,203.00
Write-back of tax received		11,934,091.62	1,665,432.87
Other cash received concerning operating activities		19,490,822,118.85	13,970,687,098.17
Subtotal of cash inflow arising from operating activities		157,642,506,166.32	122,322,462,194.03
Cash for purchasing goods and receiving labor services		134,466,366,919.31	103,201,715,985.41
Guaranteed cash payment			28,305,289.69
Net increase in customer loans and advances		254,075,984.44	2,536,666,450.80
Cash to pay interest, handling fee and commission		4,126,307.98	1,234,294.29
Cash paid to/for staff and workers		2,940,717,974.94	2,315,975,851.59
taxes paid		1,753,292,291.26	1,747,475,772.04
Other cash paid concerning operating activities		15,334,229,902.83	8,527,054,406.91
Subtotal of cash outflow from operating activities		154,752,809,380.76	118,358,428,050.73
Net cash flowarising from operating activities		2,889,696,785.56	3,964,034,143.30
II. Cash flow from investment activities:			
Cash received fromrecovering investment		204,961,352.79	42,400,000.00
Cash received from investment income		271,593,214.07	58,151,011.81
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1,355,237.69	2,196,044.02
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities		12,009,549,506.53	33,200,422,763.14
Subtotal of cash inflow from investment activities		12,487,459,311.08	33,303,169,818.97
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		41,126,400,507.09	31,834,903,192.91
Cash paid for investment		2,734,008,081.45	3,947,214,963.60
Net cash received from subsidiaries and other units obtained		154,093,095.15	
Other cash paid relating to investing activities		8,433,596,670.17	26,477,304,348.15
Subtotal of cash outflows from investment activities		52,448,098,353.86	62,259,422,504.66
Net cash flows arising from investing activities		-39,960,639,042.78	-28,956,252,685.69
III. Cash flow from arising financing activities:			
Absorb cash received from investment		14,464,387,827.74	8,293,010,600.00
Including: Subsidiaries absorb cash received from minority shareholders' investments		351,376,072.74	148,093,800.00
cash received from loans		60,130,925,695.00	68,282,740,717.05
Cash received from issuing bonds		12,518,225,866.74	
Receive other cash related to financing activities		2,102,456,987.00	5,867,168,615.73
Subtotal of cash inflows from financing activities		89,215,996,376.48	82,442,919,932.78
Cash paid for debt repayment		37,456,880,223.82	22,652,871,086.52
Cash paid for distribution of dividends, profits or interest payments		13,654,229,011.77	12,361,587,986.58
Including: dividends and profits paid by subsidiaries to minority shareholders		23,651,825.50	1,570,415,066.40
Payment of other cash related to financing activities		336,717,097.01	2,017,949,086.44
Subtotal of cash outflows from financing activities		51,447,826,332.60	37,032,408,159.54
Net cash flow arising from financing activities		37,768,170,043.88	45,410,511,773.24
IV. The impact of exchange rate changes on cash and cash equivalents		162,030,740.04	35,156,148.73
V. Net increase in cash and cash equivalents		859,258,526.70	20,453,449,379.58
Plus: balance of cash and cash equivalents at the beginning of the period		47,028,130,160.18	26,574,680,780.60
VI. Balance of cash and cash equivalents at the end of the period		47,887,388,686.88	47,028,130,160.18
Legal Representative:	Chief Accountant:	Controller:	

Consolidated Statement of Changes in Owners' Equity

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd.

Table 04

Currency: CNY

Item	Amount of this year										
	Equity attributable to equity holders									Minority shareholders' equity	Total owner's equity
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Reasonable reserve	Surplus reserve	general risk preparation	undistributed profit	Subtotal		
I. Balance at the end of last year	20,000,000,000.00		112,807,061,336.50	22,811,249.08	127,435,515.65	1,426,359,942.41	47,335,804.13	12,499,754,166.25	146,930,758,014.02	7,027,817,151.37	153,958,575,165.39
Plus: changes in accounting policies											
Early error correction											
other											
II. Balance at the beginning of the year	20,000,000,000.00		112,807,061,336.50	22,811,249.08	127,435,515.65	1,426,359,942.41	47,335,804.13	12,499,754,166.25	146,930,758,014.02	7,027,817,151.37	153,958,575,165.39
III. The amount of increase and decrease of this year (the decrease is listed with "-")		1,500,000,000.00	10,749,573,225.91	-903,786.95	-10,961,568.52	5,033,208.87	34,136,331.80	505,567,112.79	12,782,444,523.90	2,596,763,306.10	15,379,207,830.00
3.1 Total comprehensive income				-903,786.95				599,475,684.14	598,571,897.19	110,059,556.06	708,631,453.25
3.2 Owner's investment and reduction of capital		1,500,000,000.00	10,749,573,225.91						12,249,573,225.91	2,514,191,559.91	14,763,764,785.82
3.21 Common stock invested by the owner			7,942,305,221.45						7,942,305,221.45	2,552,010,910.89	10,494,316,132.34
3.22 Capital invested by holders of other equity instruments											
3.23 Amount of share payment included in owner's equity											
3.24 Other		1,500,000,000.00	2,807,268,004.46						4,307,268,004.46	-37,819,350.98	4,269,448,653.48
3.3 Withdrawal and use of special reserves					-10,961,568.52				-10,961,568.52	1,895,373.96	-9,066,194.56
3.31 Withdraw					122,167,732.80				122,167,732.80	2,566,483.97	124,734,216.77
3.32 Use in this issue					133,129,301.32				133,129,301.32	671,110.01	133,800,411.33
3.4 Profit distribution						5,033,208.87	34,136,331.80	-93,908,571.35	-54,739,030.68	-29,383,183.83	-84,122,214.51
3.41 Withdrawal of surplus reserves						5,033,208.87		-5,033,208.87			
3.42 Withdraw general risk reserves							32,957,843.39	-32,957,843.39			
3.43 Distribution to owners (or shareholders)								-55,917,519.09	-55,917,519.09	-29,383,183.83	-85,300,702.92
3.44 Other							1,178,488.41		1,178,488.41		1,178,488.41
3.5 Internal carry-over of owner's equity											
3.51 Capital reserve converted to capital (or share capital)											
3.52 Turning surplus reserve into capital (or share capital)											
3.53 Surplus reserve to make up for losses											
3.54 Set benefit plan change amount carry forward retained earnings											
3.55 Other comprehensive income carry forward retained earnings											
6. Other											
IV. Balance at the end of the year	20,000,000,000.00	1,500,000,000.00	123,556,634,562.41	21,907,462.13	116,473,947.13	1,431,393,151.28	81,472,135.93	13,005,321,279.04	159,713,202,537.92	9,624,580,457.47	169,337,782,995.39

Legal Representative: Chief Accountant: Controller:

Consolidated Statement of Changes in Owners' Equity

Prepared by:Gansu Provincial Highway Aviation Tourism

Table 04

Currency: CNY

Item	Equity attributable to equity holders										
	Equity attributable to equity holders									Minority shareholders' equity	Total owner's equity
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Reasonable reserve	Surplus reserve	general risk preparation	undistributed profit	Subtotal		
I. Balance at the end of last year	20,000,000,000.00		73,230,750,864.28	-19,383,357.94	1,687,494.19	1,426,359,942.41	24,470,151.24	12,663,814,422.19	107,327,699,516.37	4,118,446,933.16	111,446,146,449.53
Plus: changes in accounting policies											
Early error correction											
other											
II. Balance at the beginning of the year	20,000,000,000.00		73,230,750,864.28	-19,383,357.94	1,687,494.19	1,426,359,942.41	24,470,151.24	12,663,814,422.19	107,327,699,516.37	4,118,446,933.16	111,446,146,449.53
III. The amount of increase and decrease of this year (the decrease is listed with "-")			39,576,310,472.22	42,194,607.02	125,748,021.46		22,865,652.89	-164,060,255.94	39,603,058,497.65	2,909,370,218.21	42,512,428,715.86
3.1 Total comprehensive income				42,194,607.02				95,717,123.83	137,911,730.85	118,735,957.97	256,647,688.82
3.2 Owner's investment and reduction of capital			39,576,310,472.22						39,576,310,472.22	2,805,198,178.34	42,381,508,650.56
3.21 Common stock invested by the owner			39,757,018,301.63						39,757,018,301.63	2,805,198,178.34	42,562,216,479.97
3.22 Capital invested by holders of other equity instruments											
3.23 Amount of share payment included in owner's equity											
3.24 Other			-180,707,829.41						-180,707,829.41		-180,707,829.41
3.3 Withdrawal and use of special reserves					125,748,021.46				125,748,021.46	360,081.90	126,108,103.36
3.31 Withdraw					276,595,655.66				276,595,655.66	602,829.95	277,198,485.61
3.32 Use in this issue					150,847,634.20				150,847,634.20	242,748.05	151,090,382.25
3.4 Profit distribution							22,865,652.89	-259,777,379.77	-236,911,726.88	-14,924,000.00	-251,835,726.88
3.41 Withdrawal of surplus reserves											
3.42 Withdraw general risk reserves							22,865,652.89	-22,865,652.89			
3.43 Distribution to owners (or shareholders)								-236,911,726.88	-236,911,726.88	-14,924,000.00	-251,835,726.88
3.44 Other											
3.5 Internal carry-over of owner's equity											
3.51 Capital reserve converted to capital (or share capital)											
3.52 Turning surplus reserve into capital (or share capital)											
3.53 Surplus reserve to make up for losses											
3.54 Set benefit plan change amount carry forward retained earnings											
3.55 Other comprehensive income carry forward retained earnings											
6. Other											
IV. Balance at the end of the year	20,000,000,000.00		112,807,061,336.50	22,811,249.08	127,435,515.65	1,426,359,942.41	47,335,804.13	12,499,754,166.25	146,930,758,014.02	7,027,817,151.37	153,958,575,165.39

Legal Representative: Chief Accountant: Controller:

Parent Company' s Statement of Financial Position

Table 01

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. Currency: CNY

Assets	Note	2019/12/31	2018/12/31
Current assets:			
Monetary funds		32,432,803,739.52	29,383,921,711.68
Financial assets measured at fair value and whose changes are included in the current profit and loss			37,023,875.86
Refundable deposits			
Note receivable			
Accounts receivable	XIII 1	10,343,943.14	55,086,004.88
Prepayments		9,671,363,011.05	11,463,243,258.16
Other receivables	XIII 2	9,051,993,557.14	5,357,174,837.36
Inventories		18,094.14	277,039,971.43
Assets Held-for-sale			
Non-current assets due within one year			
Other current assets		1,487,181,952.08	5,070,163,667.50
Total current assets		52,653,704,297.07	51,643,653,326.87
Non-current assets			
Loans and payments on behalf			
Finance asset available for sales		1,196,183,205.29	1,196,183,205.29
Held to maturity investments			
Long-term receivables		271,000,000.00	306,000,000.00
Long-term equity investment	XIII 3	54,747,630,799.87	47,368,208,710.34
Investment real estate			
Fixed assets		170,381,887,157.98	170,204,023,009.45
Construction in progress		161,559,810,844.47	123,443,950,511.81
Productive biological assets			
oil and gas asset			
Intangible assets		1,812,493.43	2,490,383.63
Expense on Research and Development			
Goodwill			
Long-term expenses to be apportioned		97,323,548.53	6,353,097.08
Deferred income tax asset		212.50	1,032,008.33
Other non-current assets			
Total non-current assets		388,255,648,262.07	342,528,240,925.93
Total assets		440,909,352,559.14	394,171,894,252.80

Legal Representative:: Chief Accountant: Person in charge of accounting institute :

Consolidated balance sheet (Continued)

Table 01

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. Currency: CNY

Liabilities and owner's equity (or shareholders' equity)	Note	2019/12/31	2018/12/31
Current liabilities:			
Short-term loan			
Financial liabilities measured at fair value and whose changes are included in the current profit and loss		1,800,000,000.00	3,300,000,000.00
Deposit margin			
Note payable			
Accounts payable			
Accounts received in advance		9,318,320,128.50	8,596,834,787.43
Wage payable		747,113.84	51,060,604.00
Taxes payable		5,158,857.23	7,696,920.83
Other payables		111,539,049.79	145,174,355.76
Unexpired liability deposit		11,341,366,057.00	11,370,525,614.96
Guarantee compensation			
Holding liabilities for sale			
Non-current liabilities due within one year			
Other current liabilities		20,210,567,887.53	17,470,072,407.13
Total current liabilities		42,787,699,093.89	40,941,364,690.11
Non-current liabilities:			
Long term loan		189,520,443,111.55	166,959,304,063.09
Bonds payable		35,870,589,471.22	32,525,976,382.22
Of which: preferred stock			
Perpetual debt			
Long-term payables		24,749,469,838.30	19,941,138,735.21
Estimated liabilities			
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		250,140,502,421.07	219,426,419,180.52
Total Liabilities		292,928,201,514.96	260,367,783,870.63
Paid-in capital		20,000,000,000.00	20,000,000,000.00
Other equity instruments		1,500,000,000.00	
Of which: preferred stock			
Perpetual debt		1,500,000,000.00	
Capital reserve		113,419,814,043.24	100,789,905,823.55
Less: treasury shares			
Other comprehensive income		19,611,602.72	22,811,249.08
Special reserves			
Surplus reserve		1,431,393,151.28	1,426,359,942.41
general risk preparation			
undistributed profit		11,610,332,246.94	11,565,033,367.13
Total equity attributable to owners of parent company		147,981,151,044.18	133,804,110,382.17
Minority shareholders' equity			
Total owner's equity		147,981,151,044.18	133,804,110,382.17
Total Liabilities and Owner's Equity		440,909,352,559.14	394,171,894,252.80

Legal Representative: Chief Accountant: Controller:

Consolidated Profit Statement

Table 02

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. Currency: CNY

Item	Note	Current Amount	Amount of last period
I. Total operating income	VIII 4	14,806,680,600.49	14,750,480,424.81
Including:operating income		14,806,680,600.49	14,750,480,424.81
Interest income			
Insurance gained			
Commission charge and commission incomce			
II. Total operating cost		17,257,498,847.62	15,679,773,790.41
Including: : Operating costs	VIII 4	10,116,709,671.04	10,290,089,048.58
Interest expense			
Commission charge and commission expense			
Cash surrender value			
Net amount of expense of compensation			
Net amount of withdrawal of insurance contract reserve			
Bonus expense of guaranteeslip			
Reinsurance expense			
Tax and extras		198,464,577.00	194,418,882.10
sales expense		549,891.90	512,311.60
Administrative expense		100,733,983.41	71,362,423.98
R&D expenses			
Financial expenses		6,841,040,724.27	5,123,391,124.15
Including: interest expense		7,115,200,311.89	5,431,333,157.74
Interest income		467,274,063.90	473,916,553.87
Net exchange loss (gains are listed with "-")		191,651,585.86	164,415,537.33
Plus: other income		5,073,289.13	11,306,077.73
Investment income (losses are listed with "-")	VIII 5	477,211,293.01	417,634,455.01
Among them: investment income from associates and joint ventures		203,253,999.74	368,997,647.43
Exchange gains (losses are listed with "-")			
Income from change of fair value (losses are listed with "-")		32,030,134.41	35,883,875.86
Losses of devaluation of asset (losses are listed with "-")		367,482.06	-987,812.62
Income from assets disposal(losses are listed with "-")			
III. Operating profit (losses are listed with "-")		-1,936,136,048.52	-465,456,769.62
Plus: non-operating income		2,000,010,000.61	140,700.02
Less: Non-operating expenses		9,838,153.47	4,883,189.19
IV. Total profit (total loss is listed with "-")		54,035,798.62	-470,199,258.79
Deduct: income tax expense		3,703,709.94	1,896,645.16
V. Net profit (net loss is listed with "-")		50,332,088.68	-472,095,903.95
(1) Net profit from continuing operations (net loss is listed with "-")		50,332,088.68	-472,095,903.95
(2) Net profit from discontinuation of operation (net loss is listed with "-")			
VI. Net after-tax of other comprehensive income		-3,199,646.36	42,194,607.02
(1) Other comprehensive income that cannot be reclassified into profit or loss			-392,038.80
1. Re-measure the set amount of benefit plan changes			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			-392,038.80
(2) Other comprehensive income that will be reclassified into profit or loss		-3,199,646.36	42,586,645.82
1. Other comprehensive income convertible to profit or loss under the equity method		-3,199,646.36	42,586,645.82
2. Profit and loss from changes in fair value of available-for-sale financial assets			
3. Reclassification of held-to-maturity investments as available-for-sale financial assets			
4. Effective part of cash flow hedging gains and losses			
5. Foreign currency financial statement translation difference			
VII. Total Comprehensive Income		47,132,442.32	-429,901,296.93
VIII. Earnings per share			
(1) Basic earnings per share			
(2) Diluted earnings per share			

Legal Representative: Chief Accountant: Controller:

Consolidated Statement of Cash Flows

Table 03

Prepared by:Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. Currency: CNY

Item	Note	Current Amount	Amount of last period
I. Cash flow arising from operating activities:			
Cash received from sales of goods and services		15,190,514,663.21	15,955,994,414.00
Cash received from the original insurance contract premium			
Cash received from interest, commission charge and commission			
Write-back of tax received		64,397.00	
Other cash received concerning operating activities		7,330,229,254.83	2,679,115,970.34
Subtotal of cash inflow arising from operating activities		22,520,808,315.04	18,635,110,384.34
Cash for purchasing goods and receiving labor services		9,760,489,183.46	10,473,904,915.29
Guaranteed cash payment			
Net increase in customer loans and advances			
Cash to pay interest, handling fee and commission			
Cash paid to/for staff and workers		1,223,566,272.98	1,098,316,537.81
taxes paid		718,288,240.75	695,794,603.07
Other cash paid concerning operating activities		9,467,354,629.58	1,047,862,856.96
Subtotal of cash outflow from operating activities		21,169,698,326.77	13,315,878,913.13
Net cash flowarising from operating activities		1,351,109,988.27	5,319,231,471.21
II. Cash flow from investment activities:			
Cash received fromrecovering investment		192,908,400.00	40,000,000.00
Cash received from investment income		248,563,290.25	24,592,491.13
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities		11,415,020,396.46	21,620,504,312.50
Subtotal of cash inflow from investment activities		11,856,492,086.71	21,685,096,803.63
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		29,293,660,688.78	25,368,322,583.57
Cash paid for investment		5,649,011,796.80	9,796,169,700.00
Net cash received from subsidiaries and other units obtained			
Other cash paid relating to investing activities		8,064,714,270.03	24,713,073,610.00
Subtotal of cash outflows from investment activities		43,007,386,755.61	59,877,565,893.57
Net cash flows arising from investing activities		-31,150,894,668.90	-38,192,469,089.94
III. Cash flow from arising financing activities:			
Absorb cash received from investment		11,984,000,000.00	7,595,440,000.00
Including: Subsidiaries absorb cash received from minority shareholders' investments			
cash received from loans		43,566,147,900.00	58,366,648,855.55
Cash received from issuing bonds		12,518,225,866.74	
Receive other cash related to financing activities		1,500,000,000.00	3,427,503,572.04
Subtotal of cash inflows from financing activities		69,568,373,766.74	69,389,592,427.59
Cash paid for debt repayment		24,136,450,725.86	17,615,563,933.43
Cash paid for distribution of dividends, profits or interest payments		12,585,111,518.03	10,976,956,861.81
Including: dividends and profits paid by subsidiaries to minority shareholders			
Payment of other cash related to financing activities		336,376,494.61	571,657,142.86
Subtotal of cash outflows from financing activities		37,057,938,738.50	29,164,177,938.10
Net cash flow arising from financing activities		32,510,435,028.24	40,225,414,489.49
IV. The impact of exchange rate changes on cash and cash equivalents		160,591,680.23	35,171,698.79
V. Net increase in cash and cash equivalents		2,871,242,027.84	7,387,348,569.55
Plus: balance of cash and cash equivalents at the beginning of the period		28,781,561,711.68	21,394,213,142.13
VI. Balance of cash and cash equivalents at the end of the period		31,652,803,739.52	28,781,561,711.68

Legal Representative: Chief Accountant: Controller:

Consolidated Statement of Changes in Owners' Equity

Prepared by:Gansu Provincial Highway Aviation Tourism

Table 04

Currency: CNY

Item	Amount of this year									
	Equity attributable to equity holders									Minority shareholders' equity
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserves	Surplus reserve	general risk preparation	undistributed profit	Subtotal	
I. Balance at the end of last year	20,000,000,000.00		100,789,905,823.55	22,811,249.08		1,426,359,942.41		11,565,033,367.13		133,804,110,382.17
Plus: changes in accounting policies										
Early error correction										
other										
II. Balance at the beginning of the year	20,000,000,000.00		100,789,905,823.55	22,811,249.08		1,426,359,942.41		11,565,033,367.13		133,804,110,382.17
III. The amount of increase and decrease of this year (the decrease is listed with "-")		1,500,000,000.00	12,629,908,219.69	-3,199,646.36		5,033,208.87		45,298,879.81		14,177,040,662.01
3.1 Total comprehensive income				-3,199,646.36				50,332,088.68		47,132,442.32
3.2 Owner's investment and reduction of capital		1,500,000,000.00	11,984,000,000.00							11,984,000,000.00
3.21 Common stock invested by the owner			11,984,000,000.00							11,984,000,000.00
3.22 Capital invested by holders of other equity instruments										
3.23 Amount of share payment included in owner's equity										
3.24 Other		1,500,000,000.00								
3.3 Withdrawal and use of special reserves										
3.31 Withdraw										
3.32 Use in this issue										
3.4 Profit distribution						5,033,208.87		-5,033,208.87		
3.41 Withdrawal of surplus reserves						5,033,208.87		-5,033,208.87		
3.42 Withdraw general risk reserves										
3.43 Distribution to owners (or shareholders)										
3.44 Other										
3.5 Internal carry-over of owner's equity			645,908,219.69							2,145,908,219.69
3.51 Capital reserve converted to capital (or share capital)										
3.52 Turning surplus reserve into capital (or share capital)										
3.53 Surplus reserve to make up for losses										
3.54 Set benefit plan change amount carry forward retained earnings										
3.55 Other comprehensive income carry forward retained earnings										
6. Other			645,908,219.69							2,145,908,219.69
IV. Balance at the end of the year	20,000,000,000.00	1,500,000,000.00	113,419,814,043.24	19,611,602.72		1,431,393,151.28		11,610,332,246.94		147,981,151,044.18

Legal Representative: Chief Accountant: Controller:

Consolidated Statement of Changes in Owners' Equity

Prepared by:Gansu Provincial Highway Aviation Tourism

Table 04

Currency: CNY

Item	Equity attributable to equity holders									
	Equity attributable to equity holders									Minority shareholders' equity
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserves	Surplus reserve	general risk preparation	undistributed profit	Subtotal	
I. Balance at the end of last year	20,000,000,000.00		69,652,320,687.98	-19,383,357.94		1,426,359,942.41		12,223,072,171.08		103,282,369,443.53
Plus: changes in accounting policies										
Early error correction										
other										
II. Balance at the beginning of the year	20,000,000,000.00		69,652,320,687.98	-19,383,357.94		1,426,359,942.41		12,223,072,171.08		103,282,369,443.53
III. The amount of increase and decrease of this year (the decrease is listed with "-")			31,137,585,135.57	42,194,607.02				-658,038,803.95		30,521,740,938.64
3.1 Total comprehensive income				42,194,607.02				-472,095,903.95		-429,901,296.93
3.2 Owner's investment and reduction of capital			31,137,585,135.57							31,137,585,135.57
3.21 Common stock invested by the owner			31,229,343,239.14							31,229,343,239.14
3.22 Capital invested by holders of other equity instruments										
3.23 Amount of share payment included in owner's equity										
3.24 Other			-91,758,103.57							-91,758,103.57
3.3 Withdrawal and use of special reserves										
3.31 Withdraw										
3.32 Use in this issue										
3.4 Profit distribution								-185,942,900.00		-185,942,900.00
3.41 Withdrawal of surplus reserves										
3.42 Withdraw general risk reserves										
3.43 Distribution to owners (or shareholders)								-185,942,900.00		-185,942,900.00
3.44 Other										
3.5 Internal carry-over of owner's equity										
3.51 Capital reserve converted to capital (or share capital)										
3.52 Turning surplus reserve into capital (or share capital)										
3.53 Surplus reserve to make up for losses										
3.54 Set benefit plan change amount carry forward retained earnings										
3.55 Other comprehensive income carry forward retained earnings										
6. Other										
IV. Balance at the end of the year	20,000,000,000.00		100,789,905,823.55	22,811,249.08		1,426,359,942.41		11,565,033,367.13		133,804,110,382.17

Legal Representative: Chief Accountant: Controller:

Notes to the Financial Statements

(All amounts are expressed, unless otherwise stated, in Renminbi (CNY).)

I Company Profile

Gansu Provincial Highway Aviation Tourism Investment Group Co.,Ltd. (The Company) is a state-owned company which was established and changed its registration according to the approval " Gansu Provincial People's Government on the establishment of Gansu Highway Aviation Tourism Investment Group Co.,Ltd.of approval"(Gan Zheng Han[2011]No.5). The Company was established and registered as Gansu Provincial Highway Construction And Development Co.,Ltd. (Highway Construction Company)on December 24, 1999. As a limited liability company, the Company was invested by Engineering department of Gansu Provincial Transport Bureau and Gansu Hengda Development Co.,Ltd. and registered in the Gansu Provincial Administration for Industry and Commerce. On January 13, 2011, Engineering Department of Gansu Provincial Transport Bureau transferred 98% stake in Highway Construction Company to Gansu Provincial Transport Bureau freely according to"[2011] No.1:The Decision On The Free Transfer Of Stated-Owned Stake in Highway Construction Company"issued by Gansu Provincial Transport Bureau. On January 11, 2011, Gansu Hengda Development Co.,Ltd. and Gansu Provincial Transport Bureau signed a capital transfer agreement which stated that Gansu Hengda Development transferred its 2% stake of Highway Construction Company freely to Gansu Provincial Transport Bureau. On January 10, 2011, Highway Construction Company held its first meeting of shareholders in 2011 and passed the resolutions concerning the changes of shareholders and articles of association which were put on file. After the change, Highway Construction Company became a wholly State-owned company and changed its name as Gansu Provincial Highway Aviation Turism investment Group Co.,Ltd. On January 24, 2011, the Company was registered in Gansu Province Administration for Industry and Commerce. The Company's Unified Social Credit Code is 91620000712756631E. The registered address of the Company is No. 1716, Nanchang Road, Chengguan District, Lanzhou, Gansu Province. The legal representative is Mr.Shi Peirong. The registered capital is RMB 100 billion, and the enterprise type is a limited liability company (wholly state-owned).

The business scope covers: Operating state-owned assets management with authorization; responsible for investment and financing, operation and management of provincial highway, civil aviation airports and material tourism projects; construction and operation of transport ancillary facilities.Cultural tourism resources, project development, construction and operation management; construction project construction, contracting, supervision, testing, consulting and engineering project management; investment management banking, securities, insurance, guarantee, fund and other financial services; real estate commerce, logistics warehousing, Cultural media, Internet of Things services and international economic and technological cooperation; hotel construction, management and services; industrial investment. (If the above stated items are involved administrative licensing and qualifications, the Company shall operate with valid license and qualification certificate)

II Basis for preparation of the financial statements

2.1 Basis for preparation

The financial statements were prepared on an ongoing basis, according to transactions and events that actually occurred,and in accordance with China accounting Standards for Enterprises-Basic Standards(issued and revised by Ministry of Finance of PRC), as well as 42 Specific Accounting Standards, and Application Guide of Accounting Standards for Enterprises, Explanation of Accounting Standards for Enterprises and other relevant provisions (referred to as"Accounting Standards for Enterprises") issued and revised on and after February 15,2006.

According to the provisions of the minutes of the office meeting of the governor of Gansu Provincial People's Government (Gan Zhengji [2011] No. 13), the company does not temporarily depreciate the roads where the tolls are repaid.

2.2 Continue to operate

The company has no issues affecting the ability to continue operations, and it is expected that it will have the ability to continue operations in the next twelve months. The financial statements of the company will be prepared on the assumption of continuing operations.

III Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements are prepared in compliance with the Accounting Standards for Business Enterprises and truly and completely present the financial positions of the Company as at 31 December 2019 and of its financial performance and cash flows for the year then ended.

IV Significant Accounting Principles and Accounting Estimates

4.1 Accounting year

The Company's accounting periods are presented as accounting year and interim accounting period. The interim accounting period represents the reporting period that is shorter than the accounting year. The accounting year of the Company is from 1 January to 31 December.

4.2 Functional currency

Yuan (CNY) is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose CNY as their functional currency

4.3 Accounting basis and valuation principle.

The Company follows the accrual basis of accounting. Except for some financial instruments, the financial statements are valued at historical cost. Impairment of Assets Reserves is allocated once such impairment happens.

4.4 Business combination

Business combination refers to a transaction or an event under which two or more separate enterprises combine into one reporting body. Business combinations are classified into business combinations involving enterprises under common control and business combinations involving enterprises not under common control.

4.41 Business combination involving entities under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination,and that control is not transitory. For a business combination involving enterprises under common control, the party that, on the combination date, obtains control of another enterprise participating in the combination is the absorbing party,while that other enterprise participating in the combination is a party being absorbed. Combination date is the date on which the absorbing party effectively obtains control of the party being absorbed.

The assets and liabilities obtained are measured at the carrying amounts as recorded by the enterprise being combined at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of consideration paid for the combination (or the total face value of shares issued) is adjusted to the capital premium (or share premium) in the capital reserve. If the balance of the capital premium (or share premium) is insufficient, any excess is adjusted to retained earnings.

The cost of a combination incurred by the absorbing party includes any costs directly attributable to the combination shall be recognized as an expense through profit or loss for the current period when incurred.

4.42 Business combination involving entities not under common control

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties both

before and after the business combination. For a business combination not involving enterprises under common control, the party that, on the acquisition date, obtains control of another enterprise participating in the combination is the acquirer, while that other enterprise participating in the combination is the acquiree. Acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

For a business combination not involving enterprise under common control, the combination cost including the sum of fair value, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services etc. and other associated administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred. The transaction cost arose from issuing of equity securities or liability securities shall be Initially recognized as equity securities or liability securities. The contingent consideration related to the combination shall be booked as combination cost at the fair value at the acquisition date. If, within the 12 months after acquisition, additional information can prove the existence of related information at acquisition date and the contingent consideration need to be adjusted, goodwill can be adjusted. Combination cost of the acquirer's interest and identifiable net assets of the acquirer acquired through the business combination shall be measured by the fair value at the acquisition date. Where the cost arising from the business combination exceeds the fair value on the acquisition date of the acquiree's

identifiable net assets,the difference is recognized as goodwill. Where the cost arising from the business combination is less than the fair value of the acquiree's identifiable net assets, the measurement on the fair value of various identifiable assets, liabilities and contingent liabilities acquired from the acquirees will be reviewed first and the difference is recognized in profit or loss for the current period in the event the cost arising from the business combination by the acquirer is still less than the fair value of the acquiree's identifiable net assets after review.

Where the deductible temporary differences obtained by the acquirer from the acquirees are not recognized due to the failure to satisfy the recognition conditions of deferred tax assets on the acquisition date, the relevant deferred tax assets will be recognized and the goodwill will be decreased at the same time and, in case the goodwill is insufficient,the excess is recognized in the profit or loss for the current period if there arises any new or further indication within 12 months after the acquisition date that the relevant circumstances have already existed on the acquisition date and the economic benefits arising from the deductible temporary differences of the acquirees on the acquisition date may be realized; apart from the above circumstances, the deferred income tax assets related to business combination are recognized in the profit or loss for the current period.

For the business combination involving enterprises not under common control realised through several transactions, it is to determine whether such transactions are"a basket of transactions"in accordance with the standards on"a basket of transactions"specified in the Notice of the Ministry of Finance on Issuing Interpretation No.5 of the Accounting Standards for Business Enterprises(Cai Kuai 2012 No. 19) and in Article 51 of Accounting Standards for Business Enterprises No.33-Consolidated Financial Statements(note IV 5(2)). In case such transactions are"a basket of transactions', the accounting treatment will be made with reference to the above paragraphs and note IV 12 (Long term equity investments); and in case such transactions are not"a basket of transactions', separate finance

statements and consolidated financial statements will be subject to different ways of accounting treatment.

In the separate financial statements, the initial investment cost of the investment is the sum of the carrying amount of the equity investment of the acquirees held before the acquisition date and the additional investment cost on the acquisition date; in respect of any other comprehensive income attributable to the equity interest in the acquiree prior to the acquisition date, other comprehensive income is accounted for on the same accounting treatment as direct disposal of relevant asset or liability by the acquiree at the time of disposal (i.e.to be transferred to investment income for the period, except for the changes arising from re-measuring net assets or net liabilities of defined benefit plan using the equity method attributable to the acquiree).

In the consolidated financial statements,the equity of the acquirees held before the acquisition date is re-measured at the fair value of the equity on the acquisition date and the differences between the fair value and the carrying amount are recognized in the investment income for the current period; in respect of any other comprehensive income attributable to the equity interest in the acquiree held prior to the acquisition date,other comprehensive income is accounted for on the same accounting treatment as direct disposal of relevant asset or liability by the acquiree (i.e.to be transferred to investment income at the acquisition date, except for the changes arising from re-measuring net assets or net liabilities of defined benefit plan using the equity method attributable to the acquiree) is transferred to investment income in the period of the acquisition date.

4.5 Preparation of the consolidated financial statements

4.51 The scope of consolidation

The scope of consolidation for the consolidated financial statements is determined on the basis of control. Control means the Company has exposures or rights to variable returns from its involvement with the investee and the ability to affect those returns through power over such investee. The scope of consolidation ineludes the Company and all of the subsidiaries. Subsidiary is an enterprise or entity under the control of the Company.

Once the change in the relevant facts and circumstances leading to the definition of the relevant elements involved in the control of the change,the Company will be re-evaluated.

4.52 Preparation of the consolidated financial statements

The Company includes the subsidiary into the scope of consolidation from the date when it acquires the actual control over the net assets and production and operation decisions of the subsidiary; and excludes the subsidiary from the scope of consolidation from the date when it loses the actual control. For the subsidiary subject to disposal, the operating results and cash flows after the acquisition date and prior to the disposal date are included in the consolidated income statement and consolidated cash flow statement as appropriate; and in case of any subsidiary disposed of in the current period, the opening balance of the consolidated balance sheet is not restated. For the acquisition of subsidiaries through a business combination involving enterprises not under common control, the operating result and cash flow upon the acquisition date are also included in the consolidated income statement and consolidated cash flow statement and the opening balances and the comparative figures in consolidated financial statements are not restated. For the acquisition of subsidiaries through a business combination involving enterprises under common control, the operating result and cash flow from the beginning of reporting period when the subsidiary is acquired to the date of business combination are also included in the consolidated income statement and consolidated cash flow statement as appropriate. The comparative figures in consolidated financial statements are also restated.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Where a subsidiary is acquired during the reporting period through a business combination not under common control, the financial statements of the subsidiary are adjusted based on the fair value of the identifiable assets of the acquired subsidiary on the acquisition date.

Intra-Group balances and transactions,and any unrealised profit or loss arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements.

The shareholders'equity of the subsidiaries and the share in the net profit or loss for the current period other than the Company's share are separately presented under the shareholders' interests and net profits in the consolidated financial statements as the non-controlling shareholders interests and profit or loss attributable to non-controlling shareholders. The portion in the net profit or loss of the subsidiary for the current period attributable to the non-controlling shareholders interests is presented under the"profit or loss attributable to non-controlling shareholders"in the net profits of the consolidated income statement. Where the loss of the subsidiary undertaken by the non-controlling shareholders exceeds non-controlling shareholders' share in the opening balance of shareholders' equity of the subsidiary of the period, the

excess is allocated against the non-controlling interests. Where the Company loses its control over the original subsidiary due to the disposal of some equity investment or other reasons, the remaining equity is re-measured at its fair value on the date when the Company loses its control. The different between the sum of the consideration acquired due to the disposal of the equity and the fair value of the remaining equity and the Company's share in the net assets of the original subsidiary calculated on an on-going basis from the acquisition date based on the original shareholding proportion is recognized in the investment income for the current period when the control is lost. Other comprehensive income in relation to the subsidiary are accounted on the same basis as the investee when control cease (i.e.except for changes due to net liabilities or net assets from such investee's re-measured defined benefits plan,the rest are reclassified as investmen income during the period). After that, the remaining equity is subject to subsequent measurement in accordance with such rules as the"Accounting Standards for Business Enterprises No. 2-Long-term Equity Investment"and the"Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments".Please see note IV 12 (Long-term equity investment) and note IV 8 (Financial Instruments) for details.

Where the Company disposes of the equity investment in the subsidiary through several transactions until the Company loses control, it shall be determined whether such transactions are a basket of transactions. Where the terms, conditions and economic impacts of various transactions involved in the disposal of the equity investment in the subsidiary satisfy one or several of the following circumstances, such several transactions shall be normally deemed as a basket of transactions in accounting treatment:

(1). Such transactions are entered into simultaneously or upon the consideration of the mutual impacts; (2). No complete commercial result will be realized without such transactions as a whole; (3). The occurrence of one transaction depends on the occurrence of at least another transaction; (4). One transaction is not economical independently but economical together with other transactions. In case no basket of transactions is constituted,each transaction is subject to the accounting treatment separately based on the applicable principles stipulated in"Partial disposal of the long-term equity investment in subsidiaries without losing control"(note IV 12 (2) 4) and"Lose of control over original subsidiaries due to the disposal of partial equity investment or other reasons"(above paragraph) as the case may be. Where such transactions constitute a basket of transactions, such transactions are together subject to the accounting treatment as a transaction of disposal subsidiaries and losing control; provided that the difference between the consideration of each disposal and the Company's share in the net assets of the subsidiary corresponding to the investment disposal before the loss of the control is recognized as the other comprehensive income and carried forward to the profit or loss for the current period when the control is lost.

4.6. Cash and cash equivalents

Cash and cash equivalents of the Company comprise cash on hand, bank deposits available for payment at any time and those investments that are short-term (to be matured within three months at the time of acquisition), and highly liquid investments held by the Company which are readily convertible into known amounts of cash and which are subject to insignificant risk of value change.

4.7 Foreign exchange

4.7.1 Translation in foreign exchange transactions

The foreign currency transactions that occurred in the company are converted into the amount of the bookkeeping standard currency at the spot exchange rate on the transaction day (usually the middle price of the foreign exchange exchange rate announced by the People's Bank of China on the day of the transaction), but the foreign currency exchange occurred by the company Business or transactions involving foreign currency exchange shall be converted into the amount of the recording standard currency at the exchange rate actually adopted.

4.7.2 Translation of monetary foreign currency and non-monetary foreign currency

At the balance sheet date, foreign currency monetary items are translated using the spot exchange rate at the balance sheet date. All the exchange differences thus resulted are taken to profit or loss, except for (1)

those relating to foreign currency borrowings specifically for construction and acquisition of qualifying assets, which are capitalized in accordance with the principle of capitalization of borrowing costs; (2) hedging accounting, the exchange difference related to hedging instruments for the purpose of net oversea operating investment is recorded in the comprehensive income till the date of disposal and recognized in profit or loss of the period;exchange difference from changes of other account balance of foreign currency monetary items; (3) the available-for-sale monetary items denominated in foreign currency are recognized in the profit or loss for the currency period except for such foreign exchange differences arising from the other changes in the balance other than amortized cost that will be recognized in the other comprehensive income.

Non-monetary foreign currency items measured at historical cost shall still be translated at the spot exchange rate prevailing on the transaction date, and the amount denominated in the functional currency is not changed. Non-monetary foreign currency items measured at fair value are translated at the spot exchange rate prevailing at the date when the fair values are determined. The exchange difference thus resulted are recognized in profit or loss for the current period or as other comprehensive income.

4.8 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.Financial assets and financial liabilities are initially measured at fair value. For financial assets and financial liabilities measured at fair value and changes recorded in current profit and loss, relevant transaction costs are directly accounted in profit and loss. For other financial assets and financial liabilities,relevant transaction costs are accounted in initially recognized amount

4.8.1 Determination of financial assets and liabilities'fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing market participants in an arm's length transaction at the measurement date. For financial assets or financial liabilities where there is an active market,the fair value is determined by reference to quoted price in the active market. The quoted price in the active market is the price easily to be obtained on a regular basis from exchanges, brokers, industrial associations, pricing institutions and other similar organizations and represents the actual price of the market transaction in the fair transaction. If no active market exists for a financial instrument, a valuation technique is used to establish the fair value. Such valuation techniques include referring to the price adopted by the parties trading knowingly and voluntarily in the latest market transaction, referring to the current fair value of the other financial instruments of substantially the same type, the discounted future cash flow and the option pricing model.

4.8.2 Classification,recognition and measurement of financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. On initial recognition, the Company's financial assets are classified as financial assets at fair value though profit or loss, held-to maturity investments,loans and receivables and available-for-trade financial assets.

1) Financial assets at fair value through profit or loss:

Such financial assets include financial assets held for trading and financial assets designated at fair value through profit or loss.

Financial assets held for trading refer to the financial assets satisfying any of the following conditions: A.the purpose of acquiring the financial asset is to sell it in a recent period;B.the financial asset is a part of the identifiable financial instrument portfolio under centralized management and there is objective evidence indicating that the Company manages this portfolio by a way to gain profits in a short period recently; C.the financial asset is derivatives, except those designated as derivatives of effective hedges instrument,derivatives under financial guarantee contracts and derivatives linked to the equity instruments investments that are not quoted in an active market and of which the fair value cannot be reliably measured and to be settled through delivery of such equity instruments.

The financial assets satisfying any of the following conditions may be designated as financial assets at fair value through profit or loss upon initial recognition: A.such designation may eliminate or apparently reduce the inconsistency in the recognition or measurement of the relevant gains or losses caused by the different basis of measurement of the financial asset; B.it has been specified in the official written documents of the Company on risk management or investment strategies that the financial assets portfolio or the portfolio of financial assets and financial liabilities to which the financial asset belongs is managed and evaluated and reported to key managers at the fair value.

The financial assets at fair value through profit or loss are subsequently measured at the fair value. The gains or losses arising from the change in fair value and the dividends and interests income related to the financial instruments are recognized in the profit or loss for the current period.

2) Held-to-maturity investments

Held-to-maturity investments refer to the non-derivative financial assets with fixed maturity date and fixed or identifiable recovery amount and which the Company explicitly intends and is capable to hold to maturity.

Held-to-maturity investments are subsequently measured at the amortized cost using the effective interest rate method.The gains or losses arising from de-recognition, impairment or amortization are recognized in profit or loss for the current period.

The effective interest rate method refers to the method by which the amortized cost and interest income or expenses in different periods of the financial assets or financial liabilities (including a portfolio of financial assets or financial liabilities) are calculated at the effective interest rate. The effective interest rate is the interest rate adopted to transfer the future cash flow derived from the financial assets or financial liabilities in the expected existence period or an applicable shorter period to the current carrying amount of the financial assets or financial liabilities.

In calculating the effective interest rate, the Company considers the estimated future cash flow based on all the contractual terms applicable to the financial assets or financial liabilities (not taking future credit loss into consideration) and considers the various charges, transactions costs and discounts or premium paid or received between the parties to the contracts applicable to the financial assets or financial liabilities and constituting a part of the effective interest rate.

3) Loans and receivables

Loans and receivables refer to the non-derivative financial assets without quoted price in the active market and fixed or identifiable recoverable amount. The financial assets classified by the Company as loans and receivables include bills receivables,accounts receivables, interest receivables, dividends receivables and other receivables.

Loans and receivables are subsequently measured at the amortized cost using the effective interest rate method. The gains or losses arising from de-recognition, impairment or amortisation are recognized in profit or loss for the current period.

4) Available-for-sale financial assets

Available-for-sale financial assets refer to the non-derivative financial assets designated as available for sale at the time of initiation recognition and the financial assets other than financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments.

The ending cost of available-for-sale debt instrument investments is recognized at amortized cost,i.e. the initially recognized amount less the repaid principal, and then plus or less the accumulated amortisation amount arising from the amortisation of the difference between the initially recognized amount and the amount on the maturity date using the effective interest rate method, and then further less the impairment loss already incurred. The ending cost of available-for-sale equity instrument investments is the initial acquisition cost.

Available-for-sale financial assets are subsequently measured at fair value. The gains or losses arising from the change in fair value are recognized as other comprehensive income and carried forward to the profit or loss for the current period upon de-recognition except for impairment loss,and exchange differences of monetary financial assets in foreign currency related to amortized cost which are recognized in the profit or loss for the current period. However, for derivatives that are linked to equity instruments for which there are no quoted price in active market or the fair value of the underlying equity instruments cannot be measured reliably and the derivative have to be settled by delivering the underlying equity instrument are subsequently measured by costs.

For the available-for-sale financial assets, the interests acquired during the holding period and the cash dividends declared by the investee are recognized in the investment income.

4.8.3 Impairment of financial assets

In addition to the financial assets measured at fair value and whose changes are included in the current profit and loss, the company checks the book value of other financial assets on each balance sheet date. If there is objective evidence showing that the financial assets are impaired, the deduction is made.

The Company carries out individual impairment test on the financial assets with significant amount on individual basis; and carries out individual impairment test or impairment test together with the portfolio of the financial assets with similar credit risks on the financial assets without significant amount on individual basis. For those not impaired in individual impairment test (including the financial assets with and without significant amount on individual basis), the Company carries out impairment test on such assets together with the portfolio of the financial assets with similar credit risks. The financial assets impaired in individual impairment test are not subject to the impairment test together with the portfolio of the financial assets with similar credit risks.

1) Impairment on held-to maturity investment and loans and receivables

The carrying amount of the financial assets measured at cost or amortized cost is written down to the present value of the estimated future cash flow and the written-down amount is recognized as the impairment loss in the profit or loss for the current period.The originally recognized impairment loss is reversed if there is objective evidence that the value of the financial assets has been recovered and the recovery can be linked objectively to an event occurring after the impairment loss was recognized. The carrying amount of the financial assets upon the reversal of the impairment loss will not exceed the amortised cost of the financial assets on the reversal date as if no impairment loss provision had been made.

2) Impairment loss on available-for-trade financial assets

When an available-for-sale financial asset is impaired,the accumulated loss arising from the decline in fair value that had been recognized directly in capital reserve is reclassified to profit or loss for the current period. The reclassified accumulated loss is the balance of the initial acquisition cost less the recovered principal, the amortisation amount, the current fair value and the impairment loss originally recognized in the profit or loss.

An impairment loss is reversed and the impairment loss in the available-for-sale equity instrument investment is reversed as the other comprehensive income and the impairment loss in the available-for-sale debt instrument is reversed in the profit or loss for the current period if there is any objective evidence that there is a favourable change in the estimates used to determine the recoverable amount and the change can be linked objectively to an event occurring after the impairment loss was recognized.

The impairment loss of the equity instrument investments that are not quoted in an active market and their fair value cannot be reliably measured or the derivative financial assets linked to such equity instrument and to be settled through the delivery of such equity instrument will not be reversed.

4.8.4 Recognition basis and measurement methods of transfer of financial assets

The financial assets satisfying any of the following conditions are de-recognized: ① The contractual right to receive the cash flow of the financial assets is terminated; ② The financial assets have been transferred and almost all of the risks and rewards of ownership of the financial assets have been transferred to the transferee; ③ The financial assets have been transferred and the enterprise waives the control over the financial assets although it has neither transferred nor reserved almost all of the risks and rewards of ownership of the financial assets. Although the enterprise neither transferred nor retained almost all the risks and rewards of ownership of financial assets, it gave up control of the financial assets.

If the enterprise has neither transferred nor retained almost all the risks and rewards of ownership of financial assets, and has not given up control of the financial assets, the relevant financial assets shall be recognized according to the degree of continued involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly. The degree of continued involvement in the transferred financial assets refers to the level of risk that the financial asset value exposes the company to.

Where the overall transfer of the financial assets satisfies the conditions of de-recognition, the carrying amount of the transferred financial assets and the difference between the consideration received from the transfer and the sum of the accumulated changes in the fair value of the originally recognized other comprehensive income are recognized in the profit or loss for the current period.

Where the partial transfer of the financial assets satisfies the conditions of de-recognition, the carrying amount of the transferred financial assets is allocated between the de-recognized portion and the not de-recognized portion at the corresponding fair value, and the difference between the consideration received from the transfer and the sum of the accumulated changes in the fair value of the originally recognized other comprehensive income allocated to the de-recognized portion and the above mentioned allocated carrying amount are recognized in the profit or loss for the current period.

Where the Company transfers by endorsement the financial assets sold with the right of recourse or the financial assets held by it, it shall be determined that whether almost all the risks and rewards of ownership of the financial assets have been transferred. Where almost all the risks and rewards of ownership of the financial assets have been transferred to the transferee, the financial assets are derecognized; where almost all the risks and rewards of ownership of the financial assets have been reserved, the financial assets are not de-recognized; and where almost all the risks and rewards of ownership of the financial assets have been neither transferred nor reserved, it shall be determined whether the enterprise reserves control over the assets and the accounting treatment will be carried out based on the above mentioned principles.

4.8.5 Classification and measurement of financial liabilities

Upon initial recognition,financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities. Upon initial recognition, financial liabilities are measured at fair value. For the financial liabilities at fair value through profit or loss, the relevant transaction costs are directly recognized in profit or loss for the current period; and for the other financial liabilities, the relevant transactions are included in initial recognition.

1) Financial liabilities measured by the fair value and the changes recorded in profit or loss

The conditions for the financial liabilities to be classified as the financial liabilities held for trading and the financial liabilities designated to be measured at fair value through profit or loss upon initial recognition are the same as the conditions for the financial assets to be classified as the financial assets held for trading and the financial assets designated to be measured at fair value through profit or loss upon initial recognition.

The financial liabilities at fair value through profit or loss are subsequently measured at the fair value. The gains or losses arising from the change in fair value and the dividends and interests expenses related to the financial instruments are recognized in the profit or loss for the current period.

2) Other financial liabilities

Derivative financial liabilities that are linked to equity instruments that have no quoted price in an active market and whose fair value cannot be reliably measured and that must be settled by delivery of the equity instrument are subsequently measured at cost. Other financial liabilities are subsequently measured at amortized cost using the actual interest rate method. Gains or losses arising from derecognition or amortization are included in the current profit and loss.

3) Financial Guarantee Contract

The financial guarantee contracts other than the financial liabilities at fair value through profit or loss or the loan commitments other than the loan at fair value through profit or loss and granted at an interest rate lower than the market rate are initially recognized at fair value and then subsequently measured at the amount determined in accordance with the Accounting Standards for Business Enterprises No.13 — Contingencies and the balance of the initially recognized amount less the accumulated amortisation amount determined in accordance with the Accounting Standards for Business Enterprises No.14- Income, whichever is the higher.

4.8.6 Derecognition of financial liabilities

The financial liabilities may not be de-recognized in whole or in part unless and until the present obligations of the financial liabilities are discharged in whole or in part.Where the Company (the debtor) concludes agreements with the creditors to replace the existing financial liabilities with the new financial liabilities and the contractual terms for the new financial liabilities and the existing financial liabilities are materially the same, the existing financial liabilities are de-recognized and the new financial liabilities are recognized at the same time.

Where the financial liabilities are de-recognized in whole or in part, the difference between the carrying amount of the de-recognized portion and the consideration so paid (including the transferred non-monetary assets or the assumed new financial liabilities) is recognized in profit or loss for the current period.

4.8.7 Derivatives and embedded derivatives

Derivatives are measured at fair value at the signing date of underlying contract on initial recognition, and are subsequently measured at fair value. Changes in the fair value of derivatives are accounted into the profit or loss for the period.

For combined instruments contain embedded derivatives which are not designated as financial assets or financial liabilities at fair value through profit or loss,and the embedded derivative and the main contract does not have a material relation in terms of risk and economic attributes, and when an individual instrument which is the same as the embedded derivative can be defined as derivative, the embedded derivative shall be separated from the combined instrument and treated as an individual derivative. If the embedded derivative cannot be separately measured at acquisition or subsequent balance sheet date, the combined instrument shall be designated as financial assets or financial liabilities at fair value through profit or loss.

4.8.8 Offsetting financial assets and financial liabilities

When the Company has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities,and intends either to settle on a net basis,or to realise the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet.Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

4.8.9 Equity instruments

Equity instruments refer to the contracts proving the ownership of the remaining equities in the assets of the Company upon the deduction of all the liabilities. Change to share equity is accounted when the Company issue (including refinance), buyback, sell or cancel equity instrument. The consideration received from the issue of the equity instruments increases the shareholders' equity upon the deduction of the transaction costs.

The allocations made by the Company to the holders of equity instruments (excluding stock dividends) decrease shareholders' equity. The Company does not recognise the change in the fair value of equity instruments.

4.9 Loans and payments on behalf

4.9.1 Classification of loans

The loans made by the Company include mortgages, pledge loans, credit loans, entrusted loans, etc.

Loans are made in line with market condition, and the value of a loan is initially recognized as the sum of loan principal and transaction fee related to the loan issued. Interest accrued during the loan period is calculated by using actual interest rate which is determined when the loan is issued. During the loan period or a shorter period applied, actual interest rate remains unchanged.

4.9.2 Recognition of provision for loan-loss

The Company conducts comprehensive reviews on loan principal periodically. According to "the Trial Measures for the Management of Micro-credit Companies in Gansu" and "the Guidelines on the Operational Risk Management of Commercial Banks", as well as in the consideration of operation conditions, the Company estimates loan loss and potential risk and classify the loan as"Normal",

" Attention", "Substandard", "Doubtful" and"Loss", of which the last three items are combined as " non-performing loans".

The proportion of normal loan, attention loan, substandard loan, doubtful loan and loss loan is listed as follows:

Risk level	Proportion for Provision(%)
Normal class	0.00
Attention class	2.00
Subclass	25.00
Suspicious	50.00
Loss category	100.00

4.9.3 Entrusted loans

Entrusted loans are loans that are provided by the company from legal sources and transferred to the general deposit account of the entrusted bank. The entrusted bank issues, supervises the use and assists in the recovery of loan business based on the loan object, purpose, amount, term, interest rate, etc. determined by the principal.

For the entrusted loans within the contract period, if the borrower's production and operation are normal within the loan period, and the loan interest is paid on time, no provision for impairment will be made. Within the loan period, the loan unit cannot pay the loan interest on time. The financial status of the loan unit should be analyzed. If there is solid evidence that the loan is impaired, the impairment provision should be made.

The company shall make a prudent analysis of the overdue entrusted loans in accordance with the status of the overdue entrusted loans (collateral), the borrower's production and operation conditions, and the borrower's willingness to repay the loan. At the end of the year, 1% of the overdue entrusted loan amount is withdrawn from the entrusted loan impairment provision.

If the value of the entrusted loan with provision for impairment is restored, it shall be transferred back within the scope of the provision for impairment.

4.10 Receivable

Receivable includes accounts receivable and other receivables.

4.10.1 Recognition and measurement of bad debt provision

1) Recognition and measurement of bad debt provision for individually significant accounts receivable

The Company considers amounts of more than 10% of the balance of receivables and over RMB 5 million as individually significant.

The Company assesses individually significant receivables for impairment on individual basis, financial assets which are not impaired on individual basis will be assessed for impairment collectively with a portfolio of financial assets which share similar credit risk characteristics. For receivables that are individually impaired, the receivable will not be assessed for impairment collectively with a portfolio of financial assets which share similar credit risk characteristics.

2) Grouping basis and method of provision on receivables that are subject to provision for bad debts collectively on credit risk characteristics:

A. Basis for determining the credit risk portfolio

The Company classifies its individually insignificant accounts receivable in accordance with similarity and relevance of their credit risk. These credit risks usually reflect the ability of debtor in repaying all debts due based on the contracted terms of relevant assets, and are related to the forecast on future cash flows of asset under assessment.

The basis for determining different combinations:

Item	Basis for determining the combination
Aging portfolio	The company uses aging as a combination of credit risk characteristics for receivables that are not significant in individual amounts
Association combination	According to the equity relationship, the group of related parties is divided.
Renewable receivables	The company pays the repayment of the insured customers who meet the conditions for renewal of the loan in advance before the maturity of the loan as renewal receivable
Claims receivable	The company will use the underwriting customer's loan that has expired but does not have the ability to repay, and the guarantee company will pay the amount as the receivables.
Factoring receivables	The company will pay the factoring business principal as factoring receivables

B. Recognition and measurement of bad debt provision according to credit risk characteristics

When an impairment test is performed by means of a group, bad debt provision will be assessed and ascertained according to the structure of the group of accounts receivable and similar credit risk characteristics (debtors' ability to settle outstanding amounts based on contracted terms), taking into account historical experience of losses, prevailing economic condition and losses that are expected to incur in the group of accounts receivable.

Provision for different portfolios:

Item	Accrual method
Combination 1: Aging combination	Combined accrual of bad debt provision using aging analysis
Combination 2: Associative combination	Separate test, no signs of impairment, no provision for bad debts

Combination 3: Renewable receivables	Combined accrual of bad debt provision using aging analysis
Portfolio 4: Receivables receivable	Separate test, no signs of impairment, no provision for bad debts
Portfolio 5: Factoring receivables	No provision for bad debts

Group 1 Bad debt provision for Aging portfolios

Aging	Account receivable accrual ratio (%)	Other receivable accrual ratio (%)
Within 1 year (including 1 year, the same below)	0.00-5.00	0.00-5.00
1-2 years	5.00-10.00	5.00-10.00
2-3 years	20.00-30.00	20.00-30.00
3-4 years	50.00	50.00
4-5 years	80.00	80.00
More than 5 years	100.00	100.00

Group 3 Bad debt provision for Receivables on renewal of loan

The loan repayment made by the Company before falling due on behalf of underwriters who meet the requirements of loan renewal shall be recognized as receivables on renewal of loan. The Company can keep providing loan guarantee to underwriters who will repay receivables on renewal of loan when acquiring new loans.

The company makes provision for bad debts according to the aging analysis method for renewable receivables, and the proportion shall be as follows:

Aging	Proportion for Provision(%)
1-6 months	0.00
6-12 months	3.00
12 months-18 months	4.00
18 months-24 months	5.00
24 months-30 months	6.00
30 months-36 months	7.00

Group 4 Bad debt provision for Receivables on behalf

The company withdraws and uses three reserves in accordance with the relevant provisions of the financing guarantee industry, namely the unexpired liability reserve, guarantee compensation liability reserve and general risk reserve, and no longer withdraws the provision for impairment of receivables.

Group 5. Provision for impairment of factor receivables

According to the provisions of the "Finance Management System of Commercial Aviation Factoring (Shenzhen) Co., Ltd.", the company withdraws the factoring risk reserve for the factoring received, which is used to assume the financing factoring is overdue, bad debts or unavailable Foreseeed risks, factoring receivables no longer make provision for bad debts.

3) Receivables with amounts that are not individually significant but subject to separate assessment for provision for bad debts:

For receivables with a single amount that is not significant, but a single provision for bad debt provision, the reasons and methods for single provision for bad debt provision should be disclosed. For example, the company conducts a separate impairment test for receivables with a single amount that is not significant

but has the following characteristics. If there is objective evidence that it has been impaired, the current value of its future cash flow is lower than its book value The difference, confirm the impairment loss, and accrue bad debt provision.

4.10.2 Reversal of bad debt provision for accounts receivable and other receivables

The originally recognized impairment loss is reversed and reclassified in profit or loss for current period if there is any objective evidence that the value of the receivables has been recovered and the recovery can be linked objectively to an event occurring after the impairment loss was recognized. The carrying amount upon the reversal will not exceed the amortised cost of the receivables on the reversal date as if no impairment loss provision had been made.

When the Company transfers the accounts receivable to the financial institutions without recourse, the difference between the proceeds received from the transaction and their carrying amounts and the related taxes is recognized in profit or loss for the current period.

4.10.3. Recognition standard and accrual method of long-term loan receivable loan loss provision

According to the laws and regulations of the "Gansu Public Aviation Travel Finance Leasing Co., Ltd. Financial Management System" and "Guidelines for Operational Risk Management of Commercial Banks", and the evaluation of customer leasing projects by the company's risk management department, according to the estimated loss and potential risks of the loan, The loans are divided into five categories: normal, attention, subordinate, suspicious and loss. Among them, the last three categories are collectively called non-performing loans.

The proportion of the company's normal, concerned, substandard, suspicious, and loss loans for the provision of loan losses is as follows:

Item	Long-term receivable accrual ratio (%)
Normal lease project	1.00
Concern rental projects	2.00
Sub-class lease project	25.00
Suspicious rental projects	50.00
Loss-type leasing projects	100.00

Note: For the loss provisions of sub-class lease projects and suspicious lease projects, the provision ratio can fluctuate by 20%.

4.11 Inventories

4.11.1 Classifications of inventories

Inventories include raw materials, revolving materials, finished products, work in progress and construction of products.

4.11.2 Valuation method for inventory acquisition and dispatch

Inventories are recorded at actual costs on acquisition.Cost of inventories comprises purchase cost,overhead and other cost. Cost of consuming and delivery of inventories is determined by using weighted average method.

4.11.3 Basis for determining net realizable values of inventories and method for making provision for decline in the value of inventories

Net realizable value is determined based on the estimated selling price in the ordinary course of business,less the estimated cost to completion and estimated costs necessary to make the sale and related taxes.The assessment on the net realizable value of inventories shall be made based on concrete evidence obtained, the purpose of holding inventories and the effect of subsequent events.

At balance sheet date, inventories are stated at the lower of cost and net realizable value. Provision for decline in the value of inventories is made when the carrying amounts of inventories are over than net realizable value. Amount of provision for ls determined at the excess amount of the carrying amounts of an inventory item over its net realizable value. When an inventory is impaired, if the factors that give rise to the provision previously do not exist anymore which result in a net realizable value of the inventory higher than its cost, the original provision should be reversed and recognized in Profit or Loss in the current period.

4.11.4 The inventory system is a perpetual inventory system.

4.11.5 Amortization method of packaging materials and low-value consumables is one-off amortization method.

Low-value consumables are amortized by one-time amortization method when they are used; packaging materials are amortized by one-time amortization method when they are used.

4.11.6 Amortization method of working materials

Turnover materials adopt the amortization method of half and half.

4.12 Long-term equity investments

Long-term equity investments refer to the investments with control, joint control or significant influence over the investees. The long-term equity investments without control, joint control or significant influence over the investees are accounted for held-for-sale financial assets or financial assets measured at fair value through Profit or Loss(relevant accounting policies referred to Note 4.8

Financial Instruments).

Joint control refers to the shared control over an invested entity by the relative arrangement, and agreement must be reached by the control sharing parties before any activity under the arrangement. Significant influence refers to the right the Company has to join in the decision making process for financial and business operation policies of the invested entity, while unable to control or jointly control with other parties over such decision makings.

4.12.1 Recognition of cost of investment

The initial cost of long-term equity investments arising from business combination under common control is determined as the book value of the acquiree in the ultimate holding's consolidated financial statements at combination date.The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed shall be adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess shall be adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investments shall be the book value of the acquiree in the ultimate holding's consolidated financial statements at combination date.For a business combination realized by two or more transactions of exchange and ultimately under the same control, different accounting methods are adopted by the criteria of whether those transactions are classified as"a bundle of transactions"or not. If yes, all exchange transactions are deemed as one transaction in order to get control of the invested entity and are dealt with the relative accounting method. If not, the initial investment cost of the long-term equity investments shall be the book value of the acquiree in the ultimate holding's consolidated financial statements at combination date regards the share of the book value of the controlling party's equity of the merged enterprise as the initial cost of the long-term equity investment on the date of merger. Difference between the initial cost of the long-term equity investment and the sum of book value of long-term equity investment before acquisition and new consideration paid for the share in the invested entity on the date of merger shall be adjusted to capital reserve. If the balance of capital reserve is not sufficient,any excess shall be adjusted to retained earnings. For the other comprehensive income arising from equity investments which are accounted for equity method or recognized as available-for-sale financial assets, no accounting treatment is required.

For a long-term equity investment obtained through a business combination involving entities not under common control, the cost of business combination is recognized as the initial cost of long-term equity investments at combination date. The cost of business combination includes the sum of assets paid by the acquirer, liabilities incurred or undertaken and the fair value of equity securities issued. For a business combination realized by two or more transactions of exchange and ultimately not under the same control, different accounting methods are adopted by the criteria of whether those transactions are classified as"a bundle of transactions"or not.If yes,individual exchange transaction is deemed as one transaction which purpose is to get control of the invested entity and is dealt with the relative accounting method. If not, the initial cost of long-term equity investments is the sum of the original book value of the equity investment of the invested entity and new increased cost of investment and accounted by cost method, For the other comprehensive income arising from equity investments which are accounted for equity method originally, no accounting treatment is required. For long-term equity investments which are classified as available-for-sale financial asset, the difference between its fair value and book value and the accumulative changes in fair value which was recorded in the other comprehensive income will be taken into Profit or Loss for the current period.

Transaction costs such as audit fee, legal service fee, consultancy fee and other relevant costs incurred by the acquirer for the purpose of business combination are recognized in Profit or Loss.

For other equity investments acquired other than through a business combination, the investment shall be initially recognized at cost, the cost should be accounted for on the basis of actual purchase price, fair value of the issued equity securities, agreed price of investment contract or agreement, fair value or book value of non-monetary assets or the fair value of the long-term equity investments according to its acquisition way. The costs directly attributable to the acquisition of long-term equity investments, taxes or other necessary expenses are also included in the cost of investment. For long-term equity investments have significant influences, or conduct joint control over the invested entity without constituting control by adding investment, its cost of investment is the sum of fair value of original equity investment according to <Accounting Standard for Business Enterprises No. 22-Recognition and measurement of financial instruments>and new increased cost of investment.

4.12.2 Subsequent measurement and recognition of profit and loss

For long-term equity investments which have joint control (except joint operation) or significant influence over investee, equity method is adopted;long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements.

1) Long-term equity investment by cost method

Under the cost method,a long-term equity investment is measured at initial investment cost. Except for cash dividends or profits declared but not yet paid that are included in the price or consideration actually paid upon acquisition of the long-term equity investment, investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

2) Long-term equity investment by equity method

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Company's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Company's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognized in Profit or Loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Company recognizes its investment income and other comprehensive income separately according to the proportion of the net Profit or Loss and other comprehensive income of the investee for the period, and adjusts its book value of long-term equity investment; Book value of the long-term equity investments will be decreased accordingly when investees announce to distribute profits or the proportion of cash dividend; For the Changes to shareholders'equity other than net Profit or Loss, other comprehensive income and profit distribution, carrying amount of long-term equity investment is adjusted and recorded as capital reserve. The proportion of net profit of the investee is

recognized after adjustment on the basis of fair value of all recognizable assets of investee on acquisition. Accounting policies and accounting period of the investee are adjusted to conform to the Company's relative regulations and investment income and other comprehensive income are recognized accordingly. For transactions between the Company and its associates and joint ventures which are not constituting business transactions by transferring or selling assets, relative unrealized Profit or Loss on internal transactions attributable to the Company proportion are offset, and investment income is recognized on this basis. However, if such realized loss on internal transactions is classified as loss on decline in value of asset transferred, the loss is not offset. If assets transferred are classified as business transactions, fair value of the asset transferred are recognized as initial cost of investment, and the difference between initial cost of investment and book value of assets transferred are fully into the current Profit or Loss. If the investor obtains long-term equity investment without control over the investee. The difference between consideration of assets sold to associate or joint venture and book value of the asset are taken in full amount into the current Profit or Loss if transactions are classified as a business transaction. If assets purchased from associate and joint venture are classified as business transactions, full amount is recognized into Profit or Loss according to the regulations in <Accounting Standard for Business Enterprise No.20-Business Combination>.

The Company discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the company's net investment in the investee is reduced to zero. If the Company has incurred obligations to assume additional losses of the investee, a provision is recognized according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Company resumes recognizing its share of those profits only after its share of the profits exceeds the share of losses not recognized.

For long-term equity investments in associates and joint ventures which had been held by the Company before its first time adoption of Accounting Standards for Business Enterprises, where the initial investment cost of a long-term equity investment exceeds the Company's interest in the investee's net assets at the time of acquisition, the excess is amortized and is recognized in profit or loss on a straight line basis over the original remaining life.

3) Acquisition of minority interest

When preparing consolidated financial statements, the difference of the net assets between the increased long-term equity investments arising from acquiring non-controlling interests and the revised shareholdings based on the acquisition date of the subsidiaries will be adjusted to the capital reserve. Retained earnings will be adjusted if the difference exceeds capital reserve.

4) Disposal of long-term equity investment

In the consolidated financial statements, the difference between the proceeds from disposal of long-term equity investments and net assets of the subsidiaries will be adjusted to the shareholder's equity if the parent does not lose control, otherwise refers to ' Note 4.5.2" Preparation of consolidated financial statements.

For the other condition of the long-term equity investment, the difference between the book value and the considerations received from the disposal of share will through the profit and loss immediately.

If the long-term equity investment is measured at equity method, and the remaining equity are accounted for by using equity method after the disposal, the other comprehensive income originally accounted into shareholders'equity will be accounted on the same basis as the invested entity while disposing relative asset or liability according to its proportion. Shareholders'equity recognized by the invested entity due to change to such item other than net profit/or loss, other comprehensive income or profit distribution, are accounted into the current Profit or Loss.

If the long-term equity investment is measured at cost method, and the remaining equity is accounted for by using cost method after the disposal, the same basis as the invested entity while disposing relative asset or liability is used for the other comprehensive income recognized using equity method before the investment, or recognized by the regulations of financial instrument recognition and measurement,and

such income will be transferred to the current Profit or Loss proportionately. Changes to shareholders' equity other than those caused by net Profit or Loss, other comprehensive income or profit distribution will be taken into the current Profit or Loss.

For the remaining share equity after partial disposal which cause the Company to lose control over the invested entity, equity method will be used and adjustment of the remaining share equity is made as if they are adjusted by the same method upon acquisition; if the remaining equity after disposal doesn't enable the Company to exercise joint control or significant influences over the invested entity, the difference between fair value on the date of losing control and book value will be taken into the current Profit or Loss according to the regulations of recognition and measurement of financial instrument. For the other comprehensive income recognized by equity method or by financial instruments recognition and measurement before the Company takes control of the invested entity, the same basis of the invested entity while disposing relative asset or liability will be adopted by the Company when the Company loses control over the investee; Other changes to shareholders' equity in the net asset of invested entity recognized by equity method, other than net Profit or Loss, other comprehensive income and profit distribution, will be recorded into Profit or Loss. If the remaining equity is measured at equity method, other comprehensive income and other shareholders' equity will be carried proportionately; Other comprehensive income and other shareholders' equity will be carried in full amount if the remaining share equity is accounted for according to financial Instrument recognition and measurement.

The remaining share equity after partial disposal that cause the Company to lose joint control or significant influences over the invested entity are accounted by financial instrument recognition and measurement, difference between fair value of such equity on the date of losing control or significant influence and book value will be taken into the current Profit or Loss. Other comprehensive income recognized when using equity method for the previous share equity investment will be accounted using the same basis as the invested entity while disposing the relative asset or liability, full amount of shareholders' equity recognized by other change to shareholders' equity other than net Profit or Loss, other comprehensive income or profit distribution will be taken into investment income for the period when equity method stops being adopted.

When the Company loses control over the invested entity through two or more disposing transactions, if such transactions are classified as"a bundle of transactions",they will be accounted as one transaction of control-losing asset disposal,difference between each amount of disposal and book value of relative share equity will be recognized as other comprehensive income first, and accumulated amounts will be taken into the current Profit or Loss when the control is lost.

4.12.3 The confirmation standard and method for the impairment provision of long-term equity investment.

Please see note 4.20(Impairment of non-fixed non-financial assets

4.13 Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, which include leased land use rights, land use rights held for sale after appreciation and leased buildings.

Investment properties are subsequently accounted for using the cost model.

Investment properties are initially measured at cost.If there is possible inflow of economic benefits related to the properties and the cost may be reliably measured, the subsequent expenses related to investment properties are recognized in the cost of the investment properties. The other subsequent expenses are recognized in the profit or loss for the current period at the time of occurrence.

Investment properties are subsequently accounted for using the cost model, and are depreciated or amortised in accordance with the depreciation or amortisation policies for buildings or land use rights.

Please see note 4.20 (Impairment of non-fixed non-financial assets) for the impairment test and provision for impairment on investment properties.

Where the properties for private use or inventories are converted to investment properties or vice versa, the carrying amount prior to the conversion is recognized as the entry value after conversion.

Where the investment properties are disposed of or perpetually not used and it is expected that no economic benefits may arise from such disposal, the investment properties are de-recognized. When an investment property is sold, transferred, discarded, damaged or destroyed, the amount of disposal proceeds less the carrying amount of the property and relevant taxes is recognized as gain on disposal in the profit or loss for the current period.

4.14 Fixed assets

4.14.1 Recognition criteria for fixed assets

Fixed assets refers to the tangible assets that are held for the sake of producing commodities, rendering labor service, renting or business management and their useful life is in excess of one fiscal year. Fixed assets only in the economic benefits associated with it will flow to the Company and the cost can be measured reliably only are confirmed. Fixed assets are initially measured based on cost and taking into account the impact of expected abandonment costs.

4.14.2 Classification, valuation method and depreciation method of fixed assets

Fixed assets are depreciated using the straight-line method over their estimated useful lives from the month following the month when they are available for intended use.The estimated useful lives, residual values and annual depreciation rates of each class of fixed assets are as follows:

Fixed asset class	Depreciation period	Estimated net salvage rate(%)	Annual depreciation rate(%)	Depreciation method
Highway products				No accrual
houses and buildings	20-50	1.00-3.00	1.98-4.85	Average method of years
Professional setting	5	3.00	19.40	Average method of years
Equipment	10	3	9.7%	Equipment
Transportation Equipment	8-10	3.00	9.70-12.13	Average method of years
Office equipment and other equipment	3-5	3.00	19.40-32.33	Average method of years

No deprecation is recognized on the highway road according to No. 13 [2011] Notice issued Gansu People's Government Estimated net residual values refer to the amount obtained by the Company from the disposal of the asset less the expected costs to sell on the assumption that the expected useful life of the fixed asset has expired and the asset is in the condition expected to exist when its useful life expire.

4.14.3 Impairment test and impairment on fixed assets

For Impairment test and impairment on fixed assets,please refer to Note IV 20 (Impairment of non-fixed non-financial assets)

4.14.4 Basis for identification of fixed assets held under a finance lease and its measurement

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is a finance lease, the ownership of the asset may or may not be transferred. The same depreciation policy is same as fixed assets owned by the Company. When a leased asset can be reasonably determined that its ownership will be transferred at the end of the lease term, it is depreciated over the period of expected use; otherwise, the leased asset is depreciated over the shorter period of the lease term and the period of expected use.

4.14.5 Other instructions

Subsequent expenditures related to fixed assets shall be included in the cost of fixed assets and derecognition is replaced by the book value, if the relevant economic benefits are likely to flow in and its cost can be measured reliably. Other subsequent expenditure will be taken into the current Profit or Loss when incurred.

The margin, which fixed assets' disposal revenues from sale, transfer, scrap or damage deduct the book value and related taxes should be accounted into the current Profit or Loss.

The Company reviews the lives of the fixed assets,estimated residual values and depreciation method at least once at the end of each year. If a change incurred,it will be accounted as a change in accounting estimate.

4.15 Construction in progress

Construction in progress is measured at actual cost, including various construction expenditures during the construction, the capitalization of borrowing costs before their intended use and other related expenses. When construction in progress is ready for its intended use, all actual costs incurred are transferred into fixed assets.

Please see note 4.20 (Impairment of non-fixed non-financial assets) for the impairment test and provision for impairment on construction in progress.

4.16 Borrowing costs

Borrowing costs include loan interests,discount or premium amortization, ancillary expenses and the exchange differences related to the principal and interest on foreign currency borrowings. Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset is capitalized as part of the cost of the asset, borrowing costs are started to be capitalized when expenditures for the qualifying asset have been incurred, borrowing costs have been incurred and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalization ceases when the qualifying assets are ready for its intended use or at a state that is saleable. Other borrowing costs are recognized as expenses in current profit or loss.

Borrowing costs arising from specific borrowings is capitalized after deducting any interest income earned from depositing the unused specific borrowings in the banks or any investment income arising on the temporary investment of those borrowings. For general borrowings, the amount of borrowing costs eligible for capitalization is determined by applying the weighted average effective interest rate of general borrowings, to the weighted average of the excess amount of cumulative expenditures on the asset over the amount of specific borrowings. The capitalization rate is calculated based on the weighted average effective interest rate.

During the capitalization period, exchange differences related to specific borrowings denominated in foreign currency are capitalized as part of the cost of the qualifying asset. Exchange differences related to general borrowings denominated in foreign currency are recognized in current profit or loss.

Qualifying assets represent fixed assets,investment properties and inventories that are required substantive time period for acquisition, construction or production to become ready for their intended use or sale. Capitalization of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

4.17 Intangible assets

4.17.1 Confirmation and valuation method of intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance owned or controlled by the Company.

Intangible assets are initially stated at cost. Expenditure related to intangible assets are recognized as cost of intangible assets if it is probable that future economic benefits attributable to the asset will flow to the

Company and the amount of cost can be measured reliably. Otherwise, the costs are expensed in profit or loss as incurred.

Land use rights acquired are usually accounted for as intangible assets. Cost of self-constructed buildings and structures and the relevant land use rights are separately accounted for as fixed assets and Intangible assets. If the buildings and structures are acquired, the consideration for acquisition shall be apportioned between land use rights and buildings, if the consideration cannot be apportioned reasonably; both the land use rights and buildings are accounted for as fixed assets.

4.17.2 The amortization of intangible assets

Intangible assets with finite useful lives are amortized at cost less residual value and accumulated impairment using the straight-line method over their useful lives since it is ready for use.Intangible assets with infinite useful life would not be amortized.

For an intangible asset with a finite useful life, the useful life and amortization method are reviewed at the end of each year. Relevant adjustment will be regarded as a change in accounting estimates. In addition, intangible asset with an infinite useful life are reviewed, if there are objective evidence that the economic benefit derived from the intangible asset is finite, then the life of that intangible asset would be estimated and it would be amortized in accordance with the accounting policies in relation to intangible assets with finite useful life.

4.17.3 Research and development expenditures

The expenditure on an internal research and development project is classified into expenditure on the research phase and expenditure on the development phase. Expenditures on the research phase refer to the costs incurred for original and planned investigations undertaken with the prospect of gaining new scientific or technical knowledge and understanding for further development activities. There is great uncertainty as to whether research in progress can move onto development phase and whether intangible assets can be created at the end of the development phase. Expenditures on the development phase refer to the cost incurred for the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products or processes before the start of commercial production or use. The development phase is the application of the result of the research phase with the entity capable to demonstrate the feasibility of creating new products or new technologies.

Expenditure on the research phase is recognized in profit or loss in the period in which it is incurred.

Expenditure on the development phase is capitalized as intangible assets only if all of the following conditions are satisfied, expenditure on the development phase which cannot meet all of the following conditions is recognized in current profit or loss:

① The technical feasibility of completing the intangible asset so that it will be available for use or for sale;

② The intention to complete the intangible asset and use or sell it;

③ The intangible asset will generate future economic benefits,including proving that the products produced by using the intangible assets have markets or the intangible assets have markets. If the intangible assets will be used internally, the intangible assets are proved useful;

④ The availability of adequate technical,financial and other resources to complete the development and to use or sell the intangible assets;

⑤ The expenditures attributable to such intangible assets during its development can be reliably measured.

Where it is impossible to differentiate the expenditures on the research phase and the expenditures on the development phase,all the research and development expenditures are recognized in profit or loss for the current period.

4.17.4 Impairment test and provision for impairment on intangible assets

Please see note IV 20 Impairment of non-fixed non-financial assets for the impairment test and provision for impairment on intangible assets.

4.18 Pledged assets

The pledged assets are initially determined at their fair value, and the difference between the fair value and the relevant loan principal and the confirmed interest and impairment provisions is booked into the current profit and loss. At balance sheet date, if the book value lower than the net realizable value, the provision shall be calculated and included in the impairment loss of assets.

4.19. Long-term deferred expenses

Long-term deferred expenses are the various expenses already incurred but to be amortized over one year in the reporting period and the subsequent amortization periods.

4.20. Impairment of Non-fixed Non-financial Assets

For fixed assets, construction in progress, intangible assets with limited useful life, investment properties measured using cost model, long-term equity investment in subsidiaries, joint ventures and associates and other non-fixed non-financial assets, the Company inspects the possibility of impairment of such assets on each balance sheet date, and if there is evidence of such impairment, the Company shall estimate the recoverable amount and conduct impairment test.Goodwill, intangible assets with indefinite useful life and intangible assets not ready for the intended use are subject to impairment test in each year regardless of the possibility of impairment.

Where the impairment test indicates that the recoverable amount of the asset is lower than its carrying amount, the provision for impairment is made based on the difference and recognized in impairment loss. The recoverable amount is the net amount of the fair value of the asset less the costs to sell or the present value of the estimated future cash flow expected to derive from the asset, whichever is the higher. The fair value of the asset is determined based on the price under the sale agreement in the fair transaction; or, in case of no sale agreement but an active market for the asset, the buyer's offer of the asset; or, in case of no sale agreement and no active market for the asset, the available best information. The costs to sell include the legal costs, taxes and charges, transportation costs and direct costs incurred by the asset to reach the condition ready for its intended use, which are related to the disposal of the asset. The present value of the estimated future cash flow of the asset is determined based on the estimated future cash flow expected to derive from the asset in the course of holding and use and at the time of final disposal after discounted at an appropriate discount rate. The provision for impairment on the asset is calculated and determined on an item-by-item basis. Where it is difficult to estimate the recoverable amount of an individual asset, the Company determines the recoverable amount of the asset group to which the asset belongs. The asset group is the minimum set of asset group that may generate cash inflow.

The accounting amount of the goodwill separately presented in the financial statements is allocated to the asset groups or the sets of asset groups expected to benefit from the synergy effect of business combination at the time of impairment test. Where the test result indicates that the recoverable amount of the asset groups or the sets of asset groups containing the allocated goodwill is lower than their carrying amount, the Company determines the corresponding impairment loss. The amount of the impairment loss is to offset the carrying amount of the goodwill allocated to the asset groups or the sets of asset groups in the first place, and then to offset the carrying amount of all the other assets in the proportion of the carrying amount of all the other assets except goodwill.

Once the above mentioned impairment loss of the asset is recognized, the recovered portion of the value will not be reversed in the subsequent periods.

4.21 Refundable deposits

The guarantee deposit is restricted cash in accordance with the requirements and proportions recorded in the agreement signed with the bank which providing guaranty business, when the Company conducts guarantee business.

4.22 Guarantee deposit

The Company's guarantee deposit is received from guarantee in accordance with guarantee contract. If the duty of guarantee is terminated, the Company will return related deposit or incurred losses, the guarantee deposit will offset the losses, when the guarantee contract is expired.

4.23 Employee Benefits

Employee benefits are the remuneration or compensation paid by The Company in various forms for obtaining the services provided by employees or terminating employment relationship, including short-term remuneration, compensation for loss of office, severance package and other long-term employee benefits.

Short-term remuneration includes wage, bonus, allowances and subsidies, employee welfare expenditures, medical insurance expenditures, maternity insurance expenditures, work injury insurance expenditures, housing accumulation fund expenditures, labor union expenditures and employee education expenses,non-monetary welfare, etc. In the accounting period when employees provide services to The Company, The Company recognizes the relative Short-term remuneration incurred as liabilities, in the profit or loss or relevant asset cost for the current period. Where employee welfare is non-monetary welfare,it shall be measured at fair value.

Compensation for loss of office mainly comprises of defined provision plan, which include basic endowment insurance,unemployment insurance and annuity. The relative amounts payable will be accounted for in the relative cost of asset or the current Profit or Loss. The Company's defined benefit plan is described according to the actual situation. The Company hires independent actuaries based on the expected cumulative unit credit method, using unbiased and mutually consistent estimates of the actuarial assumptions with demographic variables and financial variables, measures obligations arising from benefit plans, and establishes the relevant obligations of the home period. At the balance sheet date,The Company will set benefit plan obligations generated by the present value, and the current service cost is recognized in profit or loss.

The relative employee compensation liabilities due to cancellation of labor relationship are recognized and taken into the current Profit or Loss, when The Company cancels the labor relationship with any employee prior to the expiration of the relevant labor contract, or brings forward any compensation proposal for the purpose of encouraging the employee to accept a layoff, on the earlier date between the date that Company cannot withdraw the relative compensation, or date that The Company recognize reconstruction of cost involving payment of compensation for the cancellation of the labor relationship with the employee.

Internal retirement plan adopts the same principles as the above mentioned compensation for the cancellation of the labor relationship with the employee. The Company accounts for the wage and social insurance payables incurred from the date the relative employee cease services to the Company to his/her date of expected retirement to the internally retired employee into the current Profit or Loss (i.e.severance package), when requirements for recognition of provision are met.

For the other long-term employee compensation meeting criteria of defined provision plan, relative defined plan accounting policies will be adopted; otherwise policies of defined benefit plan will be adopted.

4.25 Estimated liabilities

4.25.1 Recognition criteria for estimated liabilities

If the obligation related to contingent matters also meets the following conditions, the company recognizes it as an estimated liability: the obligation is a current obligation undertaken by the enterprise; the performance of the obligation is likely to cause economic benefits to flow out of the enterprise; the amount of the obligation can be reliably Measurement.

The company's current obligations such as mine disposal and environmental governance due to coal mining are likely to result in the outflow of economic benefits. When the amount of this obligation can be reliably measured, it is recognized as an estimated liability.

4.25.2 Measurement method of estimated liabilities

The booked amount of the estimated liability is the best estimate of the expenses required to clear the liability. If there is an amount range for the required expenditure, the best estimate should be determined based on the average of the upper and lower limits of the range; if there is no amount range for the required expenditure, the best estimate should be determined as follows:

When a contingent matter involves a single item, the best estimate is determined according to the most likely amount;

When a contingent matter involves multiple projects, the best estimate is calculated and determined based on various possible amounts and their probability of occurrence.

If all or part of the expenses required to pay off the estimated liabilities are expected to be compensated by a third party or other party, the compensation amount can only be recognized as an asset when it is basically confirmed that it can be received. The confirmed compensation amount should not exceed the book value of the estimated estimated liabilities.

4.25 Revenue

4.25.1 Revenue from sales of goods

Revenue is recognized when the significant risks and rewards of ownership of goods have been transferred by the Company to the buyer, and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and when it is probable that the economic benefits will flow to the Company and the amount of revenue and costs can be measured reliably.

4.25.2 Revenue from renderiug of service

Revenue arising from rendering of services is recognized on the balance date using the percentage of completion method when the outcome of the services rendered can be reliably estimated. The percentage of completion of the services rendered is calculated by dividing the cost to date by the budgeted total cost.

The stage of completion of the transaction is determined according to the progress of work performed by the following methods: ① The amount of revenue can be measured reliably; ② The economic benefits will flow to the Company; ③ The stage of completion can be measured reliably; ④ The cost incurred and will incur can be measured reliably.

Where outcome of rendering of services cannot be estimated reliably at the balance sheet date, the revenue is determined as follows: If the costs incurred are expected to be recoverable, revenues are recognized as costs incurred, and an equivalent amount is charged as service cost. If the costs incurred are not expected to be recoverable, the costs incurred are recognized in profit or loss for the current period and no service revenue is recognizcd.

4.24.3 Royalty Revenue

According to the contract or agreement, the revenue is recognized on an accrual basis.

4.24.4 Interest Income

The amount of interest revenue should be measured and confirmed in accordance with the length of time for which the enterprise's cash is used by others and the actual interest rate.

4.24.5 Guarantee business income

① The guarantee fee income derives from the guarantee contract and assumes liabilities accordingly. Guarantee fee income will be recognized when economic benefit related to guarantee contract will inflow to the Company, and net income can be measured accurately. The guarantee fee income is calculated as the amount of charges to guaranteed party specified in the contract. When the guarantee fee is a lump-sum payment, the whole payment shall be recognized as guarantee fee income. Guarantee fee received before the contract becomes effective shall be recognized as liability and accounted as guarantee

fee in advance. When meeting the above criteria, guarantee fee in advance will be recognized as guarantee fee income. When the contract becomes effective, and guaranteed party repays major debt being guaranteed in advance, resulting in return to guarantee party part of the guarantee fee, downward adjustment will be made to guarantee fee income, based on the actual amount returned.

② Transaction Fee income

The transaction fee income shall be recognized when the relevant service is completed, and measured according to the amount of fees charged as specified in the contract.

③ Review fee income.

To be recognized in accordance with the income recognition criteria, and measured according to the amount of receivables specified in the contract. The revenue shall be recognized when it meets with revenue policy and guarantee contract.

④ Debt collection income

After the loan has been repaid by the Company on behalf of the guaranteed party,debt collection fee income shall be recognized when debt collection fee exceeds the difference between repayment of the loan under a guarantee contract and relevant expense incurred,including fund possession fee, default penalty, service fee related to disposal of pledged asset and fees incurred during debt collection process; debt collection fee income shall be recognized when collecting the debt,and measured in accordance with the difference between the amount of actual collection over the repaid amount by the Company and relevant expense incurred.

4.26 Construction contract

When the results of the construction contract can be reliably estimated, the contract revenue and contract costs are confirmed on the balance sheet date according to the percentage of completion method.

The reliable estimation of the results of the construction contract means that at the same time: ① The total contract revenue can be measured reliably; ② The economic benefits related to the contract are likely to flow into the enterprise; ③ The actual contract costs incurred can be clearly distinguished and measured reliably; ④ The contract The completion schedule and the costs still incurred to complete the contract can be reliably determined.

If the result of the construction contract cannot be estimated reliably, but the contract costs can be recovered, the contract revenue is recognized based on the actual contract costs that can be recovered, and the contract costs are recognized as contract expenses in the period in which they occur; if the contract costs cannot be recovered, It is immediately recognized as contract expenses, and contract revenue is not recognized. If the uncertain factors that make the results of the construction contract unreliable no longer exist, the income and expenses related to the construction contract shall be determined according to the percentage of completion method.

If the estimated total contract cost exceeds the total contract revenue, the estimated loss shall be recognized as current expenses.

The accumulated costs incurred in the contract under construction, the accumulated recognized gross profit (loss) and the settled price are listed in the balance sheet as the net amount after offset. The sum of the accumulated cost of the contract under construction and the accumulated confirmed gross profit (loss) exceeding the settled price is listed as inventory; the price settled by the contract under construction exceeds the accumulated cost and accumulated confirmed gross profit (The portion of the sum of losses) is presented as advance receipts.

4.27 Government Grants

Government grant is the monetary assets and the non-monetary assets obtained by the Company from the government free of charge, excluding the capital invested by the government as an owner. Government grant is classified into government grant related to assets and government grant related to income. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or

receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognized immediately in profit or loss for the period.

When government grants are received in the form of monetary assets, they are measured at the amount received or receivable. Government grants are measured according to the amount receivable shall also comply with the following conditions: (1) grants receivable of government departments issued a document entitled have been confirmed, or could reasonably be estimated in accordance with the relevant provisions of its own official release of financial resources management approach, and the expected amount of a material uncertainty which does not exist; (2) it is based on the local financial sector to be officially released and financial support for the project and its financial fund management approach voluntarily disclosed in accordance with the provisions of "Regulations on Disclosure Government Information", and the management approach should be (inclusive of any compliance business conditions may apply), and not specifically formulated for specific businesses; (3) related grants approval has been clearly committed the deadline, and is financed by the proceeds of a corresponding budget as a guarantee,so that will be received within the prescribed period with the a reasonable assurance; (4) according to the specific circumstances of the Company and the subsidy matter, should satisfy the other conditions (if any).

Asset-related government grant is recognized as deferred income and is amortized evenly in profit or loss over the useful lives of related assets. For government grants related to income, where the grant is a compensation for related expenses or losses to be incurred by the Company in the subsequent periods, the grant shall be recognized as deferred income, and recognized in profit or loss in the periods in which the related costs are recognized; where the grant is a compensation for related expenses or loss already incurred by the Company, the grant shall be recognized immediately in profit or loss for the current year. Government subsidies including both assets-related parts and income-related parts should be treated separately. If it is difficult to separate,the government subsidies as a whole will be classified as income-related government grants.

Government subsidies related to the daily activities of the company are included in other income according to the substance of the economic business; government subsidies not related to daily activities are included in non-operating income and expenditure.

When the government grant previously recognized are needed to be repaid, the carrying amount of deferred income in relation to the government grant shall be reversed, when the amount of repayment exceeds the carrying amount of deferred income,the excess shall be recognized in profit or loss.

4.28 Leases

A financial lease is a lease that substantially transfers all risks and rewards related to the ownership of assets, and its ownership may or may not be transferred eventually. Leases other than finance leases are operating leases.

Leasing business that meets one or more of the following criteria is usually a financial lease: ① When the lease term expires, the ownership of the leased asset is transferred to the lessee. ② The lessee has the option to purchase the leased asset, and the purchase price concluded is expected to be much lower than the fair value of the leased asset when the option is exercised. Therefore, it can be reasonably determined that the lessee will exercise this option on the lease start date. ③ Even if the ownership of the asset is not transferred, the lease period accounts for most of the useful life of the leased asset. ④ The current value of the lessee's minimum lease payment on the lease start date is almost equivalent to the fair value of the leased asset on the lease start date; the lessor's current value of the minimum lease receipt on the lease start date is almost equivalent to the fair value of the leased asset on the lease start date value. ⑤ The leased assets are of a special nature and only the lessee can use them without major renovation.

4.28.1 The Company as a lessee in operating lease

The rental expenses of operating leases are included in the cost of relevant assets or the current profit and loss on a straight-line basis in each period of the lease period. The initial direct costs are included in the current profit and loss. Contingent rent is included in the current profit and loss when it actually occurs.

4.28.2 The Company as a lessor in operating lease

Rental income from operating leases is recognized as profit or loss for the current period using the straight-line method for each period of the lease period. The initial direct expenses with a large amount are capitalized when incurred, and are included in the current profit and loss in installments on the same basis as the confirmed rental income throughout the lease period; other initial direct expenses with a small amount are included in the current profit and loss when incurred. Contingent rent is included in the current profit and loss when it actually occurs.

4.28.3 The Company as a lessee in finance lease

For assets leased by financial leasing, the lower of the fair value of the leased asset on the lease start date and the present value of the minimum lease payment as the booked value of the leased asset on the start date of the lease period, the minimum lease payment As the book value of long-term payables, the difference is regarded as unrecognized financing expenses. In addition, the initial direct costs attributable to the leased project that occurred during the lease negotiation and the signing of the lease contract are also included in the value of the leased asset. The amount of the minimum lease payment after deducting unrecognized financing expenses is listed as long-term liabilities and long-term liabilities due within one year.

Unrecognized financing expenses are calculated and recognized during the lease period using the actual interest rate method to recognize the current financing expenses. Contingent rent is included in the current profit and loss when it actually occurs.

4.28.4 The Company as a lessor in finance lease

For assets leased by means of financial leasing, on the start date of the lease period, the sum of the minimum lease receipt and the initial direct cost at the start date of the lease shall be taken as the accounting value of the financial lease receivable, and the unguaranteed residual value shall be recorded; The difference between the sum of the amount, initial direct cost and unguaranteed residual value and the sum of its present value is recognized as unrealized financing income. The amount of finance lease receivables after deducting unrealized financing income is listed as long-term claims and long-term claims due within one year.

The unrealized financing income shall be calculated and recognized during the lease period using the actual interest rate method to recognize the current financing income. Contingent rent is included in the current profit and loss when it actually occurs.

4.29 Holding assets for sale

4.29.1. Divided into the basis for holding for sale

The company recognizes the components (or non-current assets) that meet the following conditions at the same time as categories held for sale:

① According to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under current conditions;

② The sale is very likely to happen, that is, the enterprise has made a decision on a sale plan and obtained a confirmed purchase commitment, and it is expected that the sale will be completed within one year. If the relevant regulations require approval by the relevant authority of the enterprise or the regulatory authority before it can be sold, it should have been approved.

The confirmed purchase commitment refers to the legally binding purchase agreement signed between the enterprise and other parties. The agreement contains important terms such as transaction price, time and strict penalty for breach of contract, which makes the agreement unlikely to be significantly adjusted or revoked. .

4.29.2. Accounting treatment method for holding for sale

When the company initially measures or re-measures the non-current assets held for sale or the disposal group on the balance sheet date, if the book value is higher than the net value of the fair value minus the selling expenses, the book value is reduced to the fair value minus The net amount after de-selling expenses, the amount written down is recognized as an asset impairment loss, which is included in the current profit and loss, and at the same time, the provision for impairment of assets held for sale is provided. If the net value of the fair value of non-current assets held for sale minus selling expenses is increased on the subsequent balance sheet date, the previously written down amount will be restored and the asset impairment loss recognized after being classified as held for sale The amount is reversed internally, and the reversed amount is included in the current profit and loss. Asset impairment losses recognized before being classified as held for sale cannot be reversed.

For the amount of asset impairment losses recognized by the disposal group held for sale, first deduct the book value of goodwill in the disposal group, and then deduct the book value in proportion to the proportion of the book value of each non-current asset in the disposal group value. The subsequent reverse amount of the asset impairment loss confirmed by the disposal group held for sale will be increased in proportion to the book value of each non-current asset except goodwill in the disposal group.

Non-current assets held for sale or non-current assets in the disposal group are not depreciated or amortized, and interest and other expenses of liabilities in the disposal group held for sale continue to be recognized.

When the company terminates the confirmation of the non-current assets held for sale or the disposal group, the unrecognized gains or losses are included in the current profit and loss.

When a non-current asset or a disposal group no longer meets the classification criteria for holding a category for sale and no longer continues to be classified as a category for holding for sale or a non-current asset is removed from a disposal group holding for sale, the following two Which measurement is lower:

① The book value before being classified as held for sale, the adjusted amount of depreciation, amortization or impairment that should be recognized under the assumption that it is not classified as held for sale;

② Recoverable amount.

When an enterprise terminates the confirmation of the non-current assets held for sale or the disposal group, the unrecognized gains or losses shall be included in the current profit and loss.

4.29.3. If the company loses eontrol of the subsidiary due to the sale of the investment in the subsidiary, etc., regardless of whether the company retains part of the equity investment after the sale, when the investment in the subsidiary to be sold meets the criteria for holding the category for sale, In the parent company's individual financial statements, the investment in subsidiaries is classified as held for sale, and in the consolidated financial statements, all subsidiaries' assets and liabilities are classified as held for sale.

4.30 Special reserves

The company and its subsidiaries, in accordance with the relevant provisions of the [2012] Circular No. 16 issued by the Ministry of Finance and the State Administration of Work Safety, draw safety production expenses at 1.5% of the construction revenue of mechanical and electrical engineering. When the safety production expenses are withdrawn, the cost of related products is included in the account of "special reserve".

When the extracted safety production costs are used within the prescribed range, if they are expense expenditures, they will be directly deducted from the special reserves; if fixed assets are formed, the expenses incurred through the collection of the "construction in progress" subject will be available for use after the completion of the safety project It is confirmed as a fixed asset at the time of status; at the same time, the special reserve is written off according to the cost of forming the fixed asset, and the

accumulated depreciation of the same amount is confirmed. The fixed assets will no longer be depreciated in future periods.

4.31 General risk preparation

According to the Administrative Measures for the Provision of Reserves of Financial Enterprises issued by Lanzhou HATG Microcredit Co.,Ltd,a subsidiary of The Company,recognizes general risk provision on risky assets on top of provision for asset impairment,in order to make up potential unidentified risks. Since 2017, general risk provision has been calculated as 0.5%of the closing balance of risky asset when estimated loan loss exceeds provision for loan loss recognized. No general risk provision shall be recognized when general risk provision recognized equals to 1.5%of the reaming balance of risky asset.

Gansu Financing and Guaranty Group Co.,Ltd,a subsidiary of The Company, recognizes general risk provision by 10%of net profit.

4.32 Deferred tax assets and deferred tax liabillties

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those item that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws,deferred tax assets and liabilities are recognized using the balance sheet liability method.

For the temporary differences arising from the initial recognition of goodwill and the initial recognition of assets or liabilities arising from transactions that are neither a business combination nor an accounting profit or taxable income (or deductible loss) at the time of the merger, deferred income tax liabilities are not recognized. In addition, taxable temporary differences related to investments in subsidiaries, associates and joint ventures, if the Company can control the timing of the reversal of temporary differences, and the temporary differences are unlikely to be reversed in the foreseeable future; the deferred income tax liabilities are not recognized. In addition to the above exceptions, the Company recognizes all other deferred income tax liabilities arising from taxable temporary differences.

Deductible temporary differences relating to neither the initial recognition of assets or liabilities arising neither from a business combination nor in the event of an accounting profit or taxable income (or deductible loss), are not recognized as deferred tax assets. In addition, deductible temporary differences related to investments in subsidiaries, associates and joint ventures, if temporary differences are not likely to be reversed in the foreseeable future or are not likely to be available in the future for deductible, relevant deferred income tax assets are not recognized. Except for the above-mentioned exceptions, the Company recognizes deferred income tax assets arising from other deductible temporary differences to the extent that it is probable that taxable income will be used to offset the deductible temporary differences.

Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realized or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

V.Significant changes In accounting policies and accounting estimates

5.1 Changes in accounting policies

According to the "Notice on Revising and Printing the Format of General Enterprise Financial Statements for 2019" (Caihui [2019] No. 6) issued by the Ministry of Finance in April 2019, the company will follow the general enterprise financial statement format for 2019 (applicable to those that have not yet been

implemented) New financial standards, new income standards and new leasing standards companies) prepared financial statements and retroactively adjusted the 2019 comparable data: (1) The original "bills receivable and accounts receivable" items were split into "bills receivable" and "Accounts receivable" item; (2) The original "Bills payable and accounts payable" items were split into "Bills payable" and "Accounts payable" items; the above adjustments are only part of the financial statements for 2019 and the comparative period The presentation of changes has no impact on the company's net profit and owner's equity.

The company prepared financial statements in accordance with the regulations, and adjusted the opening financial statement data accordingly. The details of the financial statement items are as follows:

Before adjustment		After adjustment	
Report items	Amount	Report items	Amount
Bills and accounts receivable	3,283,855,245.79	bill receivable	18,830,926.78
		Accounts receivable	3,265,024,319.01
Bills payable and accounts payable	12,842,112,692.08	Bills payable	453,237,000.00
		accounts payable	12,388,875,692.08

5.2 Change of accounting estimates

During the reporting period, the company had no significant changes in accounting estimates that should be disclosed.

5.3 Significant corrections of errors in the prior periods

During the reporting period, the company had no important corrections for previous errors.

VI. Taxation

1) The main taxes and tax rates

According to the Announcement of the General Administration of Taxation of the Ministry of Finance

Tax type	Specific tax rate
VAT	Taxable income is calculated at 3%, 5%, 6%, 10%, 16%, 13%, 9% of the output tax, and the VAT is calculated based on the difference after deducting the input tax allowed for the current period.
Urban maintenance and construction tax	Calculated according to 7% and 5% of the turnover tax actually paid.
Educational surcharge	3% of the actual turnover tax paid.
Local education surcharge	Calculated at 2% of the turnover tax actually paid.
corporate income tax	15%, 20% and 25% of the taxable income.

and the General Administration of Customs on Deepening the VAT Reform (No. 39 of 2019), VAT general taxpayers have VAT taxable sales or imported goods, which originally applied to 16%. The taxable sales of value-added tax at a rate of 10% will be adjusted to 13% and 9% from April 1, 2019. The company has implemented the relevant provisions of the announcement.

The details of companies that implement corporate income tax rates of 15% and 20% are as follows:

Full name of company	Corporate income tax rate
Gansu Public Aviation Travel Graphene Technology Development Co., Ltd.	15%
Zhangye Danxia Cultural Tourism Co., Ltd.	15%
Gansu Public Aviation Travel Lili Cultural Tourism Co., Ltd.	15%
Gansu Tourism (Holdings) Co., Ltd.	15%
Shandan Royal Racecourse Tourism Co., Ltd.	15%
Gansu Yanzhishan Cultural Tourism Co., Ltd.	15%
Gansu Guiqingshan Tourism Co., Ltd.	15%
Gansu Public Aviation Travel Finance Leasing Co., Ltd.	15%
Gansu Financing Guarantee Group Dingxi Co., Ltd.	15%
Gansu Finance Guarantee Group Lanzhou New District Co., Ltd.	15%
Gansu Provincial Property Exchange Co., Ltd.	15%
Gansu Public Aviation Travel Financial Services Co., Ltd.	15%
Gansu Public Aviation Travel Pawn Co., Ltd.	15%
Gansu Public Aviation Travel Culture Media Co., Ltd.	15%
Gansu Luqiao Construction Group Co., Ltd.	15%
Gansu Public Aviation Brigade Engineering Consulting Co., Ltd.	15%
Gansu Expressway Service Co., Ltd.	15%
Gansu New Netcom Technology Information Co., Ltd.	15%
Gansu Luqiao Construction Group Co., Ltd.	15%
Gansu Luqiao Feiyu Transportation Facilities Co., Ltd.	15%
Gansu Luqiao Third Highway Engineering Co., Ltd.	15%
Gansu Luqiao Fourth Highway Engineering Co., Ltd.	15%
Gansu Wuhuan Highway Engineering Co., Ltd.	15%
Gansu Borui Transportation Heavy Equipment Manufacturing Co., Ltd.	15%
Gansu Zhiyuan Road and Bridge Equipment Material Co., Ltd.	15%
Gansu Zhitong Technology Engineering Inspection and Consulting Co., Ltd.	15%
Gansu Luqiao Construction Group Maintenance Technology Co., Ltd.	15%
Gansu Huayun Environmental Construction Engineering Co., Ltd.	15%

Full name of company	Corporate income tax rate
Gansu Highway Engineering Quality Test and Inspection Center Co., Ltd.	15%
Gansu Transportation Research Institute Group Co., Ltd.	15%
Gansu Public Aviation Brigade Ecological Environmental Protection Technology Co., Ltd.	20%
Gansu Public Aviation Brigade Engineering Technology Service Co., Ltd.	20%
Zhangye Danxia Smart Travel Co., Ltd.	20%
Gansu Public Aviation Travel Self-driving Tourism Co., Ltd.	20%
Gansu West International Conference and Exhibition Co., Ltd.	20%
Gansu Public Aviation Travel Car Rental Co., Ltd.	20%
Gansu Tourism Research Institute Co., Ltd.	20%
Gansu Xinruifeng Investment Co., Ltd.	20%
Lanzhou New District United Property Management Service Co., Ltd.	20%
Lanzhou International Commodity Auction Co., Ltd.	20%
Tianshui United Element Market Service Co., Ltd.	20%
Pingliang United Property Service Co., Ltd.	20%
Jiuquan United Property Management Service Co., Ltd.	20%
Dingxi Property Rights Market Service Co., Ltd.	20%
Longnan City Property Rights Market Service Co., Ltd.	20%
Baiyin City Property Rights Market Service Co., Ltd.	20%
Gannan Prefecture Property Rights Market Service Co., Ltd.	20%
Wuwei Property Rights Market Service Co., Ltd.	20%
Public Aviation Travel (Shenzhen) Investment Holdings Co., Ltd.	20%
Gansu Fuxiang Property Management Co., Ltd.	20%
Gansu Overseas Tourism Co., Ltd.	20%
Gansu China International Travel Service Co., Ltd.	20%
Gansu Provincial Public Aviation Brigade Star Research Service Co., Ltd.	20%
Gansu Hongke Bridge Tunnel Engineering Technology Co., Ltd.	20%
Gansu Zhitong Yunxiang Transportation Technology Co., Ltd.	20%
Gansu Road and Bridge Engineering Inspection Co., Ltd.	20%

2) Tax concessions and government approvals

According to the regulations in Caishui [2011] No. 58 on "from January 1, 2011 to December 31, 2020, the encouraged enterprises located in the western region shall levy an income tax at a reduced rate of 15%", the company's subsidiaries Gansu Public Aviation Travel Graphene Technology Development Co., Ltd., Zhangye Danxia Cultural Tourism Co., Ltd., Gansu Public Aviation Travel Lili Cultural Tourism Co., Ltd., Gansu Tourism (Holdings) Co., Ltd., Shandan Royal Racecourse Tourism Co., Ltd., Gansu Yanzhishan Cultural Tourism Co., Ltd., Gansu Guiqingshan Tourism Co., Ltd., Gansu Public Aviation Travel Finance Leasing Co., Ltd., Gansu Provincial Finance Guarantee Group Dingxi Co., Ltd., Gansu Provincial Finance Guarantee Group Lanzhou New District Co., Ltd., Gansu Provincial Property Exchange Co., Ltd., Gansu Public Aviation Travel Financial Services Co., Ltd., Gansu Public Aviation Travel Pawn Co., Ltd., Gansu Public Aviation Travel Cultural Media Co., Ltd., Gansu Road and Bridge Construction Group Co., Ltd., Gansu Huayun Environmental Construction Engineering Co., Ltd., Gansu Province Highway Engineering Quality Testing and Inspection Center Co., Ltd. applies an income tax rate of 15% this year.

According to the "Notice of the State Administration of Taxation on Deepening the Implementation of Relevant Tax Policies for the Western Development Strategy" (Cai Shui [2012] No. 12) and the "Gansu Provincial Local Taxation Bureau's Implementation of the Corporate Income Tax Value Added Tax, Business Tax, and Consumption Tax in the Western Development Notice of Taxable Issues (Gandhi Shuihan [2012] No. 136), Article 1 stipulates: Before the publication of the Catalogue of Encouraging Industries in the Western Region, all those who enjoy the preferential tax policies for the development of the Western Region before the approval in 2010 Enterprises can continue to pay or prepay corporate income tax at the rate of 15% after reporting to the municipal and state-level local tax authorities for filing. Gansu Luqiao Feiyu Transportation Facilities Co., Ltd., Gansu Luqiao Third Highway Engineering Co., Ltd., Gansu Luqiao Fourth Highway Engineering Co., Ltd., Gansu Wuhuan Highway Engineering Co., Ltd., Gansu Borui Transportation Heavy Equipment Manufacturing Co., Ltd., and Gansu Zhiyuan Road & Bridge Equipment Materials Co., Ltd. are subject to an income tax rate of 15% for the year.

According to the Notice of the Gansu Provincial Department of Science and Technology, Gansu Provincial Department of Finance, Gansu State Administration of Taxation, and Gansu Provincial Local Taxation Bureau on the announcement of the list of high-tech enterprises that Gansu Province plans to identify in 2011 (Gangaoke [2011] No. 34), The company's subsidiary Gansu Zhitong Technology Engineering Inspection and Consulting Co., Ltd. and Gansu Luqiao Construction Group Maintenance Technology Co., Ltd. are recognized as high-tech enterprises, which are in accordance with Article 28 of the "Enterprise Income Tax Law of the People's Republic of China" and the "Enterprise Income Tax Law of the People's Republic of China". Article 93 of the Implementation Regulations stipulates that enterprise income tax shall be levied at a reduced rate of 15%.

According to the second paragraph of Article 28 of the Decree of the President of the People's Republic of China No. 63 of the "Enterprise Income Tax Law of the People's Republic of China", Gansu Provincial Institute of Transportation Science and Technology Group Co., Ltd. meets the needs of the state's key high-tech enterprises, which is reduced by 15%. Tax rate levies corporate income tax.

According to the "Notice on the Implementation of the Inclusive Tax Relief Policy for Small and Micro Enterprises" (Cai Shui [2019] No. 13) of the Ministry of Finance, the company's subsidiaries Gansu Public Aviation Travel Ecological Environmental Protection Technology Co., Ltd. and Gansu Public Aviation Travel Engineering Technology Services Limited Liability Company, Zhangye Danxia Wisdom Tourism Co., Ltd., Gansu Public Aviation Travel Self-driving Tourism Co., Ltd., Gansu Western International Conference and Exhibition Co., Ltd., Gansu Public Aviation Travel Car Rental Co., Ltd., Gansu Tourism Research Institute Co., Ltd., Gansu Xinruifeng Investment Co., Ltd., Lanzhou New District United Property Management Service Co., Ltd., Lanzhou International Commodity Auction Co., Ltd., Tianshui United Element Market Service Co., Ltd., Pingliang United Property Service Co., Ltd., Jiuquan City United Property Management Service Co., Ltd. Company, Longnan City Property Rights Element Market Service Co., Ltd., Baiyin City Property Rights Element Market Service Co., Ltd., Gannan Prefecture Property Rights Element Market Service Co., Ltd., Wuwei Property Rights Element Market Service Co., Ltd., Public Aviation Travel (Shenzhen) Investment Holdings Co., Ltd., Gansu Fu

Xiang Property Management Co., Ltd., Gansu Overseas Tourism Co., Ltd., Gansu China International Travel Service Co., Ltd., Gansu Provincial Aviation Travel Star Research Service Co., Ltd., Gansu Hongke Bridge Tunnel Engineering Technology Co., Ltd., Gansu Zhitong Yunxiang Transportation Technology Co., Ltd. and Gansu Luqiao Engineering Inspection Co., Ltd., the portion of the annual taxable income of not more than 1 million yuan shall be reduced to 25% of the taxable income, and the enterprise income tax shall be paid at the rate of 20%; for the annual taxable income The portion of 1 million yuan but not more than 3 million yuan is reduced to 50% of the taxable income and is 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 and the General Administration of Customs on Deepening the VAT Reform (2019 No. 39), from April 1, 2019 to December 31, 2021, production and living services are allowed The taxpayer will add 10% to the input tax deductible in the current period and deduct the tax payable (hereinafter referred to as the additional deduction policy). According to the Announcement of the State Administration of Taxation of the Ministry of Finance on the clarification of the VAT plus deduction policy for life services (No. 87 of 2019), life services are permitted from October 1, 2019 to December 31, 2021. The taxpayer of the industry shall add 15% to the input tax deductible in the current period and deduct the taxable amount (hereinafter referred to as the 15% deduction policy). The company's subsidiaries Zhangye Danxia Cultural Tourism Co., Ltd., Zhangye Danxia Scenic Area Public Transportation Co., Ltd., Gansu Overseas Tourism Co., Ltd., Gansu China International Travel Service Co., Ltd., Gansu Silk Road Tourism Service Co., Ltd., Lanzhou International Commodity Auction Co., Ltd. Liability companies, Gansu Provincial Property Exchange Co., Ltd., and Gansu Public Aviation Travel Pearl Hotel Co., Ltd. enjoy the preferential policies.

VII. Business combination and consolidation financial statements (amount unit: RMB)

7.1 Sub-enterprise situation

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
1	Gansu Tourism Investment Group Management Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Tourism investment	1,331,539,237.38	100.00	1,311,919,237.38	Investment establishment
2	Zhangye Danxia Cultural Tourism Co., Ltd.	First class	Domestic non-financial sub-enterprises	Zhangye	Zhangye	tourism	215,390,000.00	65.00	100,002,500.00	Investment establishment
3	Gansu Silk Road Travelling Campsite Co., Ltd.	First class	Domestic non-financial sub-enterprises	Longnan	Longnan	tourism	457,993,670.56	100.00	457,993,670.56	Investment establishment
4	Gansu Provincial Aviation Hotel Management Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Business services	92,000,000.00	100.00	92,000,000.00	Investment establishment
5	Gansu Gonghang Real Estate Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Real estate	670,000,000.00	90.00	650,000,000.00	Investment establishment
6	Gansu Aviation Industry Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Aviation industry	1,200,000,000.00	100.00	1,200,000,000.00	Investment establishment
7	Gansu Public Aviation Travel Culture Media Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Culture Media	100,000,000.00	100.00	100,000,000.00	Investment establishment
8	Gansu Public Aviation Travel Construction Group Co., Ltd. (former highway investment)	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Transportation	1,513,363,863.64	100.00	1,513,363,863.64	Investment establishment
9	Gansu Yuanda Road Industry Group Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway construction and maintenance	20,000,000.00	100.00	19,964,142.88	Transfer to assets
10	Gansu Highway Construction Management	First class	Domestic non-financial sub-enterpris	Lan'Zhou City	Lan'Zhou City	Highway construction and	98,000,000.00	52.73	295,152,661.64	Transfer to assets

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Group Co., Ltd.		es			maintenance				
11	Gansu Luqiao Highway Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway construction and maintenance	100,000,000.00	100.00	110,728,109.03	Transfer to assets
12	Gansu Dadao Road Industry Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway construction and maintenance	50,000,000.00	100.00	36,915,751.35	Transfer to assets
13	Gansu Public Aviation Travel PetroChina Energy Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale trade	49,900,000.00	51.00	29,040,000.00	Investment establishment
14	Gansu Public Aviation Brigade General Aviation Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Air transport industry	500,000.00	100.00	500,000.00	Investment establishment
15	Gansu Public Aviation Brigade (Zhangye) Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Business services	75,400,000.00	100.00	75,400,000.00	Investment establishment
16	Gansu Public Aviation Travel Tianma Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Wuwei	Wuwei	Real estate	965,193,013.33	100.00	872,144,013.33	Investment establishment
17	Gansu Public Aviation Brigade (Wuwei) Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Wuwei	Wuwei	Real estate	20,000,000.00	100.00	20,000,000.00	Investment establishment
18	Gansu Public Aviation Travel Group (Baiyin) Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Baiyin	Baiyin	Business services		100.00		Investment establishment
19	Gansu Public Aviation Travel	First class	Domestic non-financial	Longnan	Longnan	Business services	100,000,000.00	100.00	100,000,000.00	Investment establishm

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Group (Longnan) Investment Co., Ltd.		sub-enterprises							ent
20	Gansu Public Aviation Brigade (Tianshui) Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Tianshui	Tianshui	Business services		100.00		Investment establishment
21	Gansu Public Aviation Travel Group (Hong Kong) Co., Ltd.	First class	Overseas non-financial sub-enterprises	Hong Kong	Hong Kong	Business services	90,462,040.43	100.00	90,462,040.43	Investment establishment
22	Gansu Financial Capital Management Co., Ltd.	First class	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial management	5,000,000,000.00	100.00	10,981,045,000.00	Investment establishment
23	Gansu Public Aviation Travel International Trade Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Gansu province	Wholesale trade	500,000,000.00	100.00	500,000,000.00	Investment establishment
24	Gansu Public Aviation Brigade (Linxia) Development Co., Ltd.	First class	Domestic non-financial sub-enterprises	Linxiazhou	Linxiazhou	Business services	228,000,000.00	100.00	228,000,000.00	Investment establishment
25	Public Aviation Brigade (Beijing) Co., Ltd.	First class	Domestic non-financial sub-enterprises	Beijing	Beijing	Business services	548,000,000.00	100.00	548,000,000.00	Investment establishment
26	Gansu Public Aviation Travel (Jiajia) Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Jiayuguan	Jiayuguan	Business services		100.00		Investment establishment
27	Gansu Public Aviation Travel Susha Highway Management Co., Ltd.	First class	Domestic non-financial sub-enterprises	Jiuquan	Jiuquan	Road transportation	27,014,000.00	79.00	21,341,000.00	Investment establishment
38	Gansu Public Aviation Travel (Jinchang)	First class	Domestic non-financial sub-enterpris	Jinchang	Jinchang	Business services	3,000,000.00	100.00	3,000,000.00	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Investment Co., Ltd.		es							
29	Gansu Public Aviation Travel Historical District Construction Investment Co., Ltd.	First class	Domestic non-financial sub-enterprises	Wuwei	Wuwei	Business services	524,681,030.00	100.00	524,681,030.00	Investment establishment
30	Gansu Public Aviation Brigade Lan'a Highway Management Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Road transportation	756,271,380.00	71.34	539,524,002.00	Investment establishment
31	Gansu Yuanfeng Traffic Engineering Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	manufacturing	101,600,000.00	100.00	103,000,000.00	Investment establishment
32	Gansu Public Aviation Travel Road Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Transportation, warehousing and postal services	601,000,000.00	100.00	602,633,438.50	Investment establishment
33	Gansu Dongfang Fire Engineering Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Construction industry	80,000,000.00	100.00	83,000,000.00	Investment establishment
34	Gansu Rongcheng Construction Engineering Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Construction industry	300,000,000.00	100.00	303,200,000.00	Investment establishment
35	Gansu Public Aviation Brigade Ecological Environmental Protection Technology Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade	30,000,000.00	100.00	30,000,000.00	Investment establishment
36	Gansu Public Aviation Travel Graphene Technology	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade	42,216,519.88	51.00	21,530,425.14	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Development Co., Ltd.									
37	Gansu Public Aviation Brigade Engineering Technology Service Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Scientific research and technical services		100.00		Investment establishment
38	Gansu Zhihuitong Electronics Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade	50,000,000.00	100.00	50,000,000.00	Investment establishment
39	Zhangye Danxia Scenic Area Public Transportation Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Transportation, warehousing and postal services	6,000,000.00	100.00	6,000,000.00	Investment establishment
40	Zhangye Danxia Smart Travel Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Business services	6,000,000.00	67.00	4,020,000.00	Investment establishment
41	Gansu Public Aviation Brigade Sangke Grassland Traveling Campsite Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Gannan	Gannan	Accommodation and catering		95.68		Investment establishment
42	Gansu Public Aviation Travel Lili Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Jinchang	Jinchang	Water conservancy, environment and public facilities management	75,000,000.00	100.00	75,000,000.00	Investment establishment
43	Gansu Public Aviation Travel Culture Education Technology Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade	1,000,000.00	51.00	510,000.00	Investment establishment
44	Gansu Public Aviation Travel Self-driving	Second level	Domestic non-financial sub-enterpris	Lan'Zhou City	Lan'Zhou City	Business services	4,000,000.00	100.00	4,000,000.00	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Tourism Co., Ltd.		es							
45	Gansu Public Aviation Travel Heisongyi Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Wuwei	Wuwei	Business services	6,000,000.00	65.33	3,920,000.00	Investment establishment
46	Gansu Airline Hotel Qilian Hotel Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Business services		100.00		Investment establishment
47	Gansu Tourism (Holdings) Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Business services	13,000,000.00	100.00	13,000,000.00	Investment establishment
48	Gansu Public Aviation Travel Service Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Transportation, warehousing and postal services	95,776,329.44	100.00	95,776,329.44	Investment establishment
49	Gansu Tourism Research Institute Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Resident services, repairs and other service industries	2,000,000.00	100.00	2,000,000.00	Investment establishment
50	Shandan Royal Racecourse Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Business services	30,000,000.00	80.00	24,000,000.00	Investment establishment
51	Gansu Yanzhishan Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Business services	50,000,000.00	70.00	35,000,000.00	Investment establishment
52	Yellow River Three Gorges Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Linxiazhou	Linxiazhou	Resident services, repairs and other service industries	150,000,000.00	100.00	150,000,000.00	Investment establishment
53	Maijishan Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterpris	Tianshui	Tianshui	Business services	100,000,000.00	100.00	99,000,000.00	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
			es							
54	Yellow River Shilin Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Baiyin	Baiyin	Culture, sports and entertainment	100,000,000.00	100.00	100,000,000.00	Investment establishment
55	Gansu Public Aviation Travel Lazikou Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Gannan	Gannan	Accommodation and catering	10,000,000.00	100.00	10,000,000.00	Investment establishment
56	Gansu Guiqingshan Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Dingxi City	Dingxi City	Resident services, repairs and other service industries	42,857,100.00	70.00	30,000,000.00	Investment establishment
57	Gansu Public Aviation Travel Tianchi Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Longnan	Longnan	Business services	210,000,000.00	100.00	210,000,000.00	Investment establishment
58	Qilian Mountain Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhangye	Zhangye	Water conservancy, environment and public facilities management	140,000,000.00	100.00	140,000,000.00	Investment establishment
59	Gansu Public Aviation Travel Dongxiang Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Linxiazhou	Linxiazhou	Business services		100.00		Industrial and commercial registration, unbuilt accounting
60	Gansu Public Aviation Hotel Shouyangshan Cultural Tourism Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Dingxi City	Dingxi City	Accommodation and catering		70.00		Industrial and commercial registration, unbuilt accounting

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
61	Gansu Public Aviation Travel Finance Leasing Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Business services	1,975,454,853.00	100.00	2,018,500,000.00	Investment establishment
62	Gansu Finance Guarantee Group Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	5,000,000,000.00	100.00	4,893,861,214.50	Investment establishment
63	Air Travel Supply Chain Management (Shenzhen) Co., Ltd.	Second level	Domestic financial sub-enterprise	Shenzhen	Shenzhen	Information transmission, software and information technology services	10,000,000.00	100.00	10,000,000.00	Investment establishment
64	Gansu Xinruifeng Investment Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	6,000,000.00	80.00	87,640,000.00	Investment establishment
65	Silk Road Public Aviation Travel Investment Management Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Business services	20,400,000.00	50.98	10,400,000.00	Investment establishment
66	Gansu Modern Service Industry Venture Capital Fund Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	250,000,000.00	80.00	200,000,000.00	Investment establishment
67	Gansu Public Aviation Travel Financial Warehousing Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	644,434,923.00	100.00	659,282,500.00	Investment establishment
68	Gansu Public Aviation Travel Fund Management Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	13,000,000.00	100.00	13,000,000.00	Investment establishment
69	Gansu Public Aviation Travel Asset Management Co.,	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Business services	800,000,000.00	100.00	800,000,000.00	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Ltd.									
70	Gansu Public Aviation Travel Financial Services Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	30,780,000.00	68.23	22,134,600.00	Investment establishment
71	Gansu Public Aviation Travel Microfinance Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	2,000,000,000.00	98.88	2,143,481,759.41	Investment establishment
72	Commercial Aviation Factoring (Shenzhen) Co., Ltd.	Second level	Domestic financial sub-enterprise	Shenzhen	Shenzhen	Business services	50,000,000.00	100.00	50,000,000.00	Investment establishment
73	Gansu Public Aviation Travel Pawn Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	200,000,000.00	99.50	212,500,000.00	Investment establishment
74	Public Aviation Travel Insurance Brokers Co., Ltd.	Second level	Domestic financial sub-enterprise	Lan'Zhou City	Lan'Zhou City	Financial industry	50,000,000.00	51.00	25,500,000.00	Investment establishment
75	Yumen County Economic Development Fund (Limited Partnership)	Second level	Domestic financial sub-enterprise	Jiuquan	Jiuquan	Financial industry	100,000,000.00	69.80	69,800,000.00	Investment establishment
76	Dingxi City SDIC SME Development Fund (Limited Partnership)	Second level	Domestic financial sub-enterprise	Dingxi City	Dingxi City	Financial industry	200,000,000.00	70.00	140,000,000.00	Investment establishment
77	Gansu Dongfang Seed Trade Center Co., Ltd.	Second level	Domestic financial sub-enterprise	Zhangye	Zhangye	Financial industry	30,000,000.00	51.00	15,300,000.00	Investment establishment
78	Gansu Public Aviation Travel Credit	Second level	Domestic financial sub-enterpris	Lan'Zhou City	Lan'Zhou City	Business services		100.00		Industrial and commercia

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Information Co., Ltd.		e							I registratio n, unbuilt accounting
79	Public Aviation Brigade (Lanzhou New District) International Trade Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade	100,000,000.00	100.00	100,000,000.00	Investment establishm ent
80	Zhangye Danxia General Airport Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Zhangye	Zhangye	Transportation , warehousing and postal services	15,000,000.00	100.00	15,000,000.00	Investment establishm ent
81	Gansu Airport Operation Management Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Lan'Zhou City	Lan'Zhou City	Transportation , warehousing and postal services		100.00	-	Investment establishm ent
82	Gansu Air Travel Huachi Nanliang General Airport Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Qingyang	Qingyang	Transportation , warehousing and postal services	70,000,000.00	100.00	70,000,000.00	Investment establishm ent
83	Gansu Silk Road Aviation Sports Club Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Zhangye	Zhangye	Culture, sports and entertainment	5,000,000.00	100.00	5,000,000.00	Investment establishm ent
84	Gansu Public Aviation Brigade UAV Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Lan'Zhou City	Lan'Zhou City	Wholesale and retail trade		100.00		Industrial and commercia I registratio n, unbuilt accounting
85	Gansu Qilianshan Hotel Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Zhangye	Zhangye	Accommodati on and catering	60,000,000.00	100.00	60,000,000.00	Investment establishm ent
86	Gansu Deyuan Real Estate Development Co., Ltd.	Second level	Domestic non-financial sub-enterpris es	Lan'Zhou City	Lan'Zhou City	Real estate	100,000,000.00	100.00	100,000,000.00	Investment establishm ent

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
87	Gansu Public Aviation Travel Yiyuan Real Estate Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Tianshui	Tianshui	Real estate	80,000,000.00	100.00	80,000,000.00	Investment establishment
88	Gansu Public Aviation Travel Pearl Hotel Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Linxiazhou	Linxiazhou	Accommodation and catering	208,000,000.00	100.00	208,000,000.00	Investment establishment
89	Public Aviation Brigade (Shanghai) Supply Chain Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Shanghai	Shanghai	Business services	58,000,000.00	100.00	58,000,000.00	Investment establishment
90	Public Aviation Brigade (Zhejiang Free Trade Zone) Supply Chain Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Zhejiang Province	Zhoushan	Business services		100.00		Investment establishment
91	Public Aviation Travel (Shenzhen) Investment Holdings Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Shenzhen	Shenzhen	Business services		100.00		Investment establishment
92	Gansu Fuxiang Property Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Real estate	1,000,000.00	100.00	1,000,000.00	Investment establishment
93	Public Aviation Brigade (Belarus)	Second level	Overseas non-financial sub-enterprises	Belarus	Belarus	Business services	29,115,040.00	100.00	35,591,700.00	Investment establishment
94	Gansu Highway Transportation Construction Group Co., Ltd.	First class	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Civil engineering construction	50,000,000.00	100.00	23,633,903,239.14	Non-identical control business combination
95	Gansu Beixian Expressway Project Management Co.,	Second level	Domestic non-financial sub-enterprises	Wuwei	Wuwei	Highway engineering construction		100.00		Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
	Ltd.									
96	Gansu Silk Road Post (Xuanquanzhi) Cultural Development Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Jiuquan	Jiuquan	Cultural relics and intangible cultural heritage protection	2,550,000.0	65.00	2,550,000.00	Investment establishment
97	Gansu Guazhou Qiaowan Transportation Logistics Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Jiuquan	Jiuquan	Container logistics, cold chain logistics, warehousing and distribution, handling and handling, road general cargo transportation	3,000,000.00	100.00	3,000,000.00	Investment establishment
98	Gansu Guazhou Liuyuan Traffic Stone Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Jiuquan	Jiuquan	Mining, processing and sales of minerals; processing and sales of gravel	27,000,000.00	100.00	18,000,000.00	Investment establishment
99	Gansu Erche Advanced Highway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Investment, design, construction, operation, maintenance and transfer of highway projects	532,892,900.00	64.01	183,109,500.00	Free transfer
100	Gansu Jiaotong Construction Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Construction, operation, development and management of highways, national and provincial trunk road	202,196,675.41	100.00	202,196,675.41	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
						projects				
101	Gansu Public Aviation Brigade Engineering Consulting Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway auxiliary services	10,000,000.00	60.00	6,000,000.00	Business combination under the same control
102	Gansu Public Aviation Brigade Highway Maintenance Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway maintenance and management		100.00		Free transfer
103	Gansu Highway Development Group Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Highway construction, highway maintenance, construction installation	796,638,887.29	100.00	796,638,887.29	Free transfer
104	Gansu Transportation Materials Trading Group Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Wholesale of gasoline and diesel (closed cup flash point ≤60°C)	382,657,893.12	100.00	382,657,893.12	Integration and reorganization
105	Gansu Transportation Service Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	consultation service	162,076,658.84	100.00	162,076,658.84	Business combination under the same control
106	Gansu Luqiao Construction Group Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Traffic engineering construction	500,000,000.00	100.00	1,067,769,603.97	Business combination under the same control
107	Gansu Transportation Research Institute Group Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Engineering and technology research and experimental development	5,400,000.00	100.00	15,331,938.65	Business combination under the same control

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
108	Gansu Expressway Service Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Operation management, value-added and value-preserving services for operating assets of expressways in the province	25,000,000.00	100.00	84,581,750.24	Free transfer
109	Gansu Highway Transportation Service Center Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Road passenger transport	15,105,601.49	100.00	90,579,387.15	Business combination under the same control
110	Gansu Jiaotong CNPC Energy Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Operation and management of highway service area	3,000,000.00	51.00	1,530,000.00	Investment establishment
111	Gansu Qinghe Expressway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Investment	500,000,000.00	18.33	201,500,000.00	Investment establishment
112	Gansu Jinhe Expressway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Project investment, engineering construction	693,010,000.00	4.85	276,123,632.00	Investment establishment
113	Gansu Dundang Expressway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Jiuquan	Jiuquan	Investment, design, construction and construction of the Dunhuang-Dangjin Mountain Pass Highway Project	50,000,000.00	27.76	1,000,000,000.00	Investment establishment

No.	Company Name	level	type of enterprise	Registration	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Investment	How to get it
114	Gansu Pengda Expressway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Pingliang City	Pingliang City	Investment, design and construction of PPP project of Pengda Expressway Project	50,000,000.00	51.00	200,000,000.00	Investment establishment
115	Gansu Jiaotong Investment Fund Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Entrusted management of private equity investment funds, project investment and consulting	30,000,000.00	100.00	35,000,000.00	Investment establishment
116	Gansu New Netcom Technology Information Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Lan'Zhou City	Lan'Zhou City	Computer Service Industry	39,800,000.00	100.00	22,907,668.42	Business combinations not under common control
117	Gansu Linghua Expressway Project Management Co., Ltd.	Second level	Domestic non-financial sub-enterprises	Pingliang City	Pingliang City	Investment, design, construction, operation and management of Linghua Expressway Project	51,154,350.00	30.97		Investment establishment

Note:

① Gansu Provincial Highway Investment Management Co., Ltd., a former subsidiary, was renamed Gansu Public Aviation Travel Construction Group Co., Ltd.

②Gansu Public Aviation Brigade Engineering Consulting Co., Ltd. and Gansu Public Aviation Brigade Highway Maintenance Co., Ltd. are not managed as first-level subsidiaries in this period (included in second-level subsidiaries).

7.2 The situation of important non-wholly-owned subsidiaries

7.21. Minority shareholders

No.	Company Name	Minority shareholding ratio (%)	Current profit or loss attributable to minority shareholders	Dividends paid to minority shareholders in the current period	Cumulative minority shareholders' equity at the end of the period
1	Gansu Public Aviation Travel Microfinance Co., Ltd.	1.12	1,033,662.74		26,663,455.12
2	Gansu Xinruifeng Investment Co., Ltd.	20	43,777,114.93	4,525,512.60	128,570,601.75
3	Gansu Public Aviation Travel PetroChina Energy Co., Ltd.	49	2,315,345.30	301,633.34	31,073,102.93
4	Zhangye Danxia Cultural Tourism Co., Ltd.	35	20,263,432.37		117,257,434.09

7.22. Main financial information

Item	Gansu Public Aviation Travel Microfinance Co., Ltd.		Gansu Xinruifeng Investment Co., Ltd.	
	Current period	Previous issue	Current period	Previous issue
Current assets	513,298,030.95	444,847,460.58	764,297,634.85	280,914,059.91
Non-current assets	2,013,898,271.54	1,871,134,561.96	39,344,652.09	32,170,777.76
Total assets	2,527,196,302.49	2,315,982,022.54	803,642,286.94	313,084,837.67
Current liabilities	146,530,669.15	27,607,702.79	583,404,436.47	159,495,670.80
Non-current liabilities				130,114.63
Total Liabilities	146,530,669.15	27,607,702.79	583,404,436.47	159,625,785.43
Operating income	220,467,446.43	126,561,602.46	96,326,446.19	96,868,282.95
Net profit	92,291,313.59	107,431,441.08	73,136,276.45	73,163,879.85
Total comprehensive income	92,291,313.59	107,431,441.08	73,136,276.45	73,163,879.85

Item	Gansu Public Aviation Travel Microfinance Co., Ltd.		Gansu Xinruifeng Investment Co., Ltd.	
	Current period	Previous issue	Current period	Previous issue
Cash flow from operating activities	-25,993,598.70	-903,996,540.96	497,960,975.21	106,901,061.52

(Continued)

Item	Gansu Public Aviation Travel PetroChina Energy Co., Ltd.		Zhangye Danxia Cultural Tourism Co., Ltd.	
	Current period	Previous issue	Current period	Previous issue
Current assets	75,228,436.76	89,997,406.68	117,912,686.97	107,019,613.42
Non-current assets	39,431,057.77	9,201,238.19	420,505,850.34	433,709,744.84
Total assets	114,659,494.53	99,198,644.87	538,418,537.31	540,729,358.26
Current liabilities	51,244,998.76	39,893,765.33	39,242,834.88	87,704,591.32
Non-current liabilities			162,121,726.42	173,978,550.97
Total Liabilities	51,244,998.76	39,893,765.33	201,364,561.30	261,683,142.29
Operating income	232,464,820.24	159,056,359.41	183,885,801.82	161,322,500.57
Net profit	4,725,194.50	2,003,686.76	56,506,961.49	58,311,951.49
Total comprehensive income	4,725,194.50	2,003,686.76	56,506,961.49	58,311,951.49
Cash flow from operating activities	-8,982,712.30	-3,768,095.75	54,648,749.75	78,632,992.27

7.3 Atomic companies no longer included in the scope of consolidation during the reporting period

There are no atomic companies that are no longer included in the scope of consolidation in this period.

7.4 Subjects newly included in the scope of consolidation during the reporting period

No.	Company Name	Net assets at the end of the period	Net profit for the period	Nature of control
1	Gansu Public Aviation Travel Graphene Technology Development Co., Ltd.	46,669,974.84	2,181,554.54	Holding subsidiary
2	Gansu Public Aviation Brigade Engineering Technology Service Co., Ltd.	291,782.12	291,782.12	Wholly-owned subsidiary
3	Gansu Zhihuitong Electronics Co., Ltd.	53,576,317.69	3,576,317.69	Wholly-owned subsidiary
4	Gansu Public Aviation Travel Self-driving Tourism Co., Ltd.	4,141,226.16	141,226.16	Holding subsidiary
5	Gansu Public Aviation Travel Heisongyi Cultural Tourism Co., Ltd.	5,999,803.20	-196.80	Holding subsidiary
6	Gansu Airline Hotel Qilian Hotel Management Co., Ltd.	-8,465.58	-8,465.58	Wholly-owned subsidiary
7	Gansu Provincial Public Aviation Brigade Star Research Service Co., Ltd.	2,000,000.00		Wholly-owned subsidiary
8	Gansu Yanzhishan Passenger Transport Co., Ltd.	1,960,151.97	-39,848.03	Wholly-owned subsidiary
9	Baiyin City Property Rights Market Service Co., Ltd.	987,013.10	-12,986.90	Holding subsidiary
10	Gannan Prefecture Property Rights Market Service Co., Ltd.	1,407,282.51	407,282.51	Holding subsidiary
11	Wuwei Property Rights Market Service Co., Ltd.	1,309,923.97	309,923.97	Holding subsidiary
12	Gansu Public Aviation Brigade Lan'a Highway Management Co., Ltd.	756,271,380.00		Holding subsidiary
13	Gansu Public Aviation Travel Yiyuan Real Estate Co., Ltd.	79,983,207.08	-16,792.92	Holding subsidiary
14	Public Aviation Brigade (Zhejiang Free Trade Zone) Supply Chain Management Co., Ltd.	517,745.67	517,745.67	Wholly-owned subsidiary
15	Air Travel Supply Chain Management (Shenzhen) Co., Ltd.	5,431.92	5,431.92	Wholly-owned subsidiary
16	Gansu Fuxiang Property Management Co., Ltd.	1,436,667.50	36,652.12	Holding subsidiary
17	Gansu Public Aviation Travel (Jiajia) Investment Co., Ltd.	-129,295.52	-129,295.52	Wholly-owned subsidiary
18	Gansu Public Aviation Travel Susha Highway Management Co., Ltd.	27,014,000.00		Holding subsidiary

No.	Company Name	Net assets at the end of the period	Net profit for the period	Nature of control
19	Gansu Public Aviation Travel (Jinchang) Investment Co., Ltd.	2,406,599.58	-593,400.42	Wholly-owned subsidiary
20	Gansu Public Aviation Travel Historical District Construction Investment Co., Ltd.	524,613,808.92	-67,221.08	Holding subsidiary
21	Gansu Public Aviation Brigade UAV Co., Ltd.			Industrial and commercial registration, unbuilt accounting
22	Gansu Public Aviation Travel Dongxiang Cultural Tourism Co., Ltd.			Industrial and commercial registration, unbuilt accounting
23	Gansu Public Aviation Hotel Shouyangshan Cultural Tourism Co., Ltd.			Industrial and commercial registration, unbuilt accounting
24	Gansu Public Aviation Travel Credit Information Co., Ltd.			Industrial and commercial registration, unbuilt accounting
25	Gansu Guazhou Liuyuan Traffic Stone Co., Ltd.	27,013,099.24	13,099.24	Holding subsidiary
26	Gansu Guazhou Qiaowan Transportation Logistics Co., Ltd.	2,935,398.68	-64,601.32	Holding subsidiary
27	Gansu Silk Road Post Station (Xuanquanzhi) Cultural Development Co., Ltd.	3,244,268.92	-5,731.08	Holding subsidiary
28	Gansu Beixian Expressway Project Management Co., Ltd.			Holding subsidiary
29	Gansu Linghua Expressway Project Management Co., Ltd.	51,154,350.00		Holding subsidiary

7.5 Business combinations not under common control

7.51. Business combinations under different control that occurred this year

Name of the purchased party	Timing of equity acquisition	Equity acquisition cost	Shareholding ratio	Equity acquisition method	Purchase date	Basis for determining the purchase date	The income of the purchased party from the date of purchase to the end of the year	Net profit of the purchased party from the date of purchase to the end of the year

Dingxi Huazhong Real Estate Development Co., Ltd.	January 1, 2019	12,000,000.00	100.00	Business combinations not under common control	January 1, 2019	Gain control		-1,554.77
Sany Heavy Industry Gansu Mixing Equipment Co., Ltd.	January 1, 2019	38,242,451.15	100.00	Business combinations not under common control	January 1, 2019	Gain control	1,881,904.76	-4,562,486.50

7.52. Merger cost and goodwill

Item	Current period	Previous issue
Merger cost		
-cash	12,000,000.00	32,914,544.41
—Fair value of non-cash assets		5,327,906.74
—Fair value of debt issued or assumed		
—Fair value of equity securities issued		
—Contingent fair value		
—The fair value of the equity held before the purchase date on the purchase date		
-other		
Total combined cost	12,000,000.00	38,242,451.15
Less: fair value share of identifiable net assets obtained	1,407,214.86	63,271,659.05
The amount of goodwill/merger cost is less than the fair value share of the identifiable net assets obtained	10,592,785.14	-25,029,207.90

7.53. The main reason for the formation of large amount of goodwill

Note: According to the document of "Approval of Hongda Jiade Company's Proposed Acquisition of Dingxi Huazhong Real Estate Development Co., Ltd." on November 5, 2018, Gansu Luqiao Hongda Real Estate Development Co., Ltd. (Ganlu Hongdafa [2018] No. 67), Agreed to acquire the entire share capital of Dingxi Huazhong Real Estate Development Co., Ltd. as a wholly-owned subsidiary of Gansu Hongda Jiade Property Management Co., Ltd., a subsidiary of Gansu Road and Bridge Construction Group Co., Ltd., a subsidiary of Public Transportation Construction Group, to be included in the scope of its 2019 financial report.

The merger cost of Gansu Hongda Jiade Property Management Co., Ltd. to Dingxi Huazhong Real Estate Development Co., Ltd. is RMB 12,000,000.00, and the identifiable fair value of net assets of Dingxi Huazhong Real Estate Development Co., Ltd. is RMB 1,407,214.86. The merger cost is greater than the fair value of identifiable net assets of RMB 10,592,785.14 and is included in goodwill.

VIII. Notes on the main items of the consolidated financial statements

8.1 Monetary funds

8.11. Details of monetary funds

Item	Ending balance	Balance at the end of the previous year
cash in stock	2,128,172.93	1,051,212.44
Bank savings	47,380,487,779.51	47,569,592,223.68
Other monetary fund	1,940,744,931.71	309,879,362.42
Total	49,323,360,884.15	47,880,522,798.54

Of which: the total amount deposited abroad	103,042,815.39	129,440,612.68

Note: Other monetary funds are risk reserve, bank acceptance draft deposit and guarantee deposit. As of December 31, 2019, the restricted monetary funds were time deposits in bank deposits and other monetary funds used for guarantees, and the amount was 1,435,972,197.27 yuan; the amount of money deposited by the company overseas was 103,042,815.39 yuan.

8.12. Details of restricted monetary funds are as follows:

Item	Ending balance	Balance at the end of the previous year
Risk reserve		5,000,000.00
Term deposit for guarantee	28,000,000.00	3,000,000.00
Bank acceptance draft deposit	486,092,041.31	241,232,638.36
Guarantee deposit	666,759.00	800,000.00
Foreign exchange trading margin		52,360,000.00
Regular deposit	780,000,000.00	550,000,000.00
Security deposit	141,213,396.96	
Total	1,435,972,197.27	852,392,638.36

8.2 Financial assets measured at fair value and their changes are included in the current profit and loss

Item	Ending balance	Balance at the end of the previous year
Designated financial assets measured at fair value and whose changes are included in the current profit and loss		37,023,875.86
Among them: others		37,023,875.86
Total		37,023,875.86

8.3 Refundable deposits

Account age	Ending balance		Balance at the end of the previous year	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	1,818,483,996.49	96.27	70,858,347.78	56.93
1-2 years	22,387,386.26	1.19	53,613,844.82	43.07
2-3 years	48,063,155.94	2.54		

Total	1,888,934,538.69	100.00	124,472,192.60	100.00

8.4 Bill receivable

8.41. Disclosure of bill receivable

Species	Ending balance	Balance at the end of the previous year
Bank acceptance bill	132,743,471.65	18,830,926.78
trade acceptance draft		
Total	132,743,471.65	18,830,926.78

8.42. Notes receivable pledged at the end of the reporting period

Item	Pledged deposit at the end of the period
Bank acceptance note	119,570,000.00
Commercial acceptance note	
Total	119,570,000.00

① Details of notes receivable pledged by the company at the end of the period:

Pledge unit	Bill type	Pledged deposit at the end of the period	Ticket issuing unit	Ticketing date (y/m/d)	expiry date (y/m/d)	Remarks
Industrial Bank Lanzhou Branch	Bank acceptance bill	4,570,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	

Pledge unit	Bill type	Pledged deposit at the end of the period	Ticket issuing unit	Ticketing date (y/m/d)	expiry date (y/m/d)	Rem arks
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Industrial Bank Lanzhou Branch	Bank acceptance bill	5,000,000.00	Shanghai Quanan Trading Co., Ltd.	2019-1-10	2020-1-10	
Total	--	119,570,000.00	--	--	--	

8.43. Bills receivable endorsed or discounted and not yet due on the balance sheet date

Species	Termination confirmation amount at the end of the period	Amount not confirmed at the end of the period
Bank acceptance bill	20,000,000.00	
Total	20,000,000.00	

8.44. During the reporting period, there were no bills converted into accounts receivable due to the issuer's failure to perform the contract.

8.5 accounts receivable

8.51 Classified disclosure of accounts receivable

Species	Ending balance				
	book amount		Bad debt provision		book value
	Amount	proportion (%)	Amount	proportion (%)	
Accounts receivable with significant single amount and single provision for bad debt provision	98,474,245.26	2.25	98,474,245.26	100.00	
Account receivable withdrawing bad debt provision according to credit risk characteristic combination	4,264,936,888.10	97.64	604,599,670.96	14.18	3,660,337,217.14
Among them: Combination 1: Aging combination	3,831,666,945.45	87.72	604,599,670.96	15.78	3,227,067,274.49

Combination 2: Associative combination					
Combination 3: Factors receivable	433,269,942.65	9.92			433,269,942.65
Although the single amount is not significant, the single account receivable for bad debt provision	4,939,280.70	0.11	4,939,280.70	100.00	
Total	4,368,350,414.06	100.00	708,013,196.92	16.21	3,660,337,217.14

(Continued)

Species	Ending balance				
	book amount		Bad debt provision		book value
	Amount	proportion (%)	Amount	proportion (%)	
Accounts receivable with significant single amount and single provision for bad debt provision	92,418,659.79	2.41	92,418,659.79	100.00	
Account receivable withdrawing bad debt provision according to credit risk characteristic combination	3,741,688,552.22	97.59	476,664,233.21	12.74	3,265,024,319.01
Among them: Combination 1: Aging combination	3,741,688,552.22	97.59	476,664,233.21	12.74	3,265,024,319.01
Combination 2: Associative combination					
Combination 3: Factors receivable					
Although the single amount is not significant, the single account receivable for bad debt provision					
Total	3,834,107,212.01	100.00	569,082,893.00	14.84	3,265,024,319.01

8.52 Accounts receivable with significant single amount at the end of the period and single provision for bad debt provision

Debtor name	Book value at the end of the period	Bad debt provision	Withdrawal ratio (%)	Reason for accrual Low probability of recovery Checked and cannot be recovered
Gannan Highway Bureau of Gansu Province	10,468,754.59	10,468,754.59	100.00	Reason for accrual Low probability of recovery Checked and cannot be recovered
Zhejiang Jiayue Petrochemical Co., Ltd.	88,005,490.67	88,005,490.67	100.00	Reason for accrual Low probability of recovery Checked and cannot be recovered
Total	98,474,245.26	98,474,245.26	--	--

8.53 Account receivable withdrawing bad debt provision according to credit risk characteristic combination

① Account receivables for bad debts prepared by aging analysis method

Account age	Ending balance		Balance at the end of the previous year	
	book amount	Bad debt provision	book amount	Bad debt provision

	Amount	proportion (%)		Amount	proportion (%)	
Within 1 year (including 1 year)	2,165,155,691.46	56.51	51,371,974.26	1,760,481,055.18	47.05	56,034,822.19
1-2 years (including 2 years)	687,961,222.69	17.95	68,269,708.48	1,301,217,380.42	34.78	129,468,273.81
2-3 years (including 3 years)	416,904,213.16	10.88	125,071,263.95	396,164,179.67	10.59	118,849,253.90
3-4 years (including 4 years)	354,077,551.52	9.24	177,038,775.76	197,517,812.25	5.28	98,758,906.13
4-5 years (including 5 years)	123,601,590.54	3.23	98,881,272.43	63,775,737.59	1.70	51,020,590.07
More than 5 years	83,966,676.08	2.19	83,966,676.08	22,532,387.11	0.60	22,532,387.11
Total	3,831,666,945.45	100.00	604,599,670.96	3,741,688,552.22	100.00	476,664,233.21

8.54 Although the single amount at the end of the period is not significant, but the single account receivable for bad debt provision

Debtor name	Book value at the end of the period	Bad debt provision	Withdrawal ratio (%)	Reason for accrual
Three Signs of Tianshui Crossing of Six Armed Police Traffic Detachment	680,075.80	680,075.80	100.00	Low probability of recovery
Tianshui Highway Section	274,713.56	274,713.56	100.00	Low probability of recovery
Dingxi Highway General Section	10,570.00	10,570.00	100.00	Low probability of recovery
Gansu Provincial Highway Bureau	101,171.34	101,171.34	100.00	Low probability of recovery
Jingning County Golden Fruit Industry Co., Ltd.	3,872,750.00	3,872,750.00	100.00	Low probability of recovery
Total	4,939,280.70	4,939,280.70	--	--

8.55 Condition of bad debts recovered or reversed at the end of the period

Debtor name	Reversing or recovering the amount	The accumulative amount of bad debt reserve accumulated before transfer back or recovery	Reasons and methods for reversal or withdrawal
Jingning County Golden Fruit Industry Co., Ltd.	500,000.00	4,372,750.00	Cash back
Total	500,000.00	4,372,750.00	--

8.56 Important accounts receivable actually written off at the end of the period

Debtor name	Nature of accounts receivable	Write-off amount	Reason for write-off	Verification procedures performed	Whether due to related party transactions
Willow Highway Administration	Engineering	125,000.00	Aging over 10 years	Report to the group for approval	no

Debtor name	Nature of accounts receivable	Write-off amount	Reason for write-off	Verification procedures performed	Whether due to related party transactions
The sixth contract section of the Provincial Engineering Corporation	Engineering	849,736.91	Aging over 10 years	Report to the group for approval	no
Third Contract Section of Lanzhou General Section	Engineering	306,639.46	Aging over 10 years	Report to the group for approval	no
Gansu Changqing Greening Engineering Co., Ltd.	Engineering	199,970.09	Aging over 10 years	Report to the group for approval	no
Gansu Wuwei Tongda Company	Engineering	100,000.00	Aging over 10 years	Report to the group for approval	no
Anxi to Xingxingxia highway civil engineering AX6 bid	Lease payment	366,038.98	The company paid the six-star fee for Guaxing.	Report to the superior for approval	no
Baiyin East Service Area	Engineering	106,410.00	Aging over 10 years	Report to the group for approval	no
Total	--	2,053,795.44	--	--	--

8.57 The top five accounts receivable collected by the arrears at the end of the period

Debtor name	Ending balance	Percentage of total accounts receivable (%)	Bad debt provision
Lanzhou New District Investment Holdings Co., Ltd.	190,000,000.00	5.19	
Zhejiang Jiayue Petrochemical Co., Ltd.	88,005,490.67	2.40	88,005,490.67
China Railway Bridge Bureau Group Co., Ltd.	82,312,524.83	2.25	
China Railway 17th Bureau Group Co., Ltd.	65,660,774.79	1.79	
Lugang Group Co., Ltd.	63,431,133.27	1.73	
Total	489,409,923.56	13.36	88,005,490.67

8.58 At the end of the reporting period, there are no accounts receivable derecognized by the transfer of financial assets.

8.59 During the reporting period, there was no transfer of accounts receivable, such as securitization, factoring, etc., and continued to be involved in the amount of assets and liabilities formed.

8.6 Prepayment

8.61 Prepaid accounts are listed by age

Account age	Ending balance		Balance at the end of the previous year	
	Amount	proportion (%)	Amount	proportion (%)
Within 1 year (including 1 year)	6,867,315,689.88	47.85	7,220,135,121.33	49.05
1-2 years (including 2 years)	2,352,650,830.04	16.39	3,678,706,547.95	24.99

2-3 years (including 3 years)	3,395,001,368.56	23.66	2,571,575,255.65	17.47
over 3 years	1,736,165,321.55	12.10	1,250,716,967.80	8.49
Total	14,351,133,210.03	100.00	14,721,133,892.73	100.00

8.62 Large prepayments with aging over 1 year

Creditor unit	Debt unit	Ending balance	Aging	Reason for unsettled
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	Gansu Provincial Highway Administration	1,578,734,920.85	1-2 years, 2-3 years, 3-4 years	Overhaul project engineering measurement not confirmed
	Gansu Provincial Highway Administration	604,673,074.23	2-3 years, 3-4 years	ETC engineering measurement of highway is not confirmed
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	Dingxi Municipal Transportation Bureau	120,000,000.00	1-2 years	Prepaid land transfer fees
	Qingyang Municipal People's Government	105,027,306.00	2-3 years	Expressway engineering measurement is not confirmed
	China Railway Tunnel Group Second Co., Ltd.	104,140,927.59	1-2 years, 2-3 years	Expressway engineering measurement is not confirmed
Gansu Tourism Investment Group Co., Ltd.	Tianshui Yingchuan New City Dongke New City Development and Construction Co., Ltd.	95,000,000.00	1-2 years, 2-3 years	Expressway engineering measurement is not confirmed
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	China Communications Fourth Highway Engineering Bureau Co., Ltd.	84,645,772.05	1-2 years, 2-3 years	Expressway engineering measurement is not confirmed
Total		2,692,222,000.72	--	

8.63 The prepayments of the top five of the ending amount collected by prepaid objects

Debtor name	Ending balance	Percentage of total accounts receivable (%)	Bad debt provision
Gansu Provincial Highway Administration	1,674,919,406.20	11.67	
Gansu Provincial Department of Transportation	1,587,291,517.60	11.06	
Gansu Provincial Highway Administration	655,558,239.66	4.57	
China Railway 5th Bureau Group Co., Ltd.	497,203,191.00	3.46	
China Communications Road and Bridge Construction Co., Ltd.	347,765,891.00	2.42	
Total	4,762,738,245.46	33.18	

8.7 Other receivables

Item	Ending balance	Balance at the end of the previous year
Interest receivable	48,406,406.48	72,119,178.34
Dividend receivable	64,572,133.69	240,133.69
Other receivables	11,317,135,853.17	13,229,497,396.03
Total	11,430,114,393.34	13,301,856,708.06

8.71 Interest receivable

① Classification of interest receivable

Item	Ending balance	Balance at the end of the previous year
Time deposit	68,818.75	1,675,203.54
Trust financing	48,337,587.73	70,443,974.80
Total	48,406,406.48	72,119,178.34
Bad debt provision		
Net amount	48,406,406.48	72,119,178.34

② There is no significant overdue interest at the end of the reporting period.

8.72 Dividends receivable

Project (or invested unit)	Ending balance	Balance at the end of the previous year
Gansu Pu Win-Win Transportation Transformation Development Fund (Limited Partnership)	51,000,000.00	
Gansu Huayun Environmental Construction Engineering Co., Ltd.	240,133.69	240,133.69
Gansu Ziguang Intelligent Transportation and Control Technology Co., Ltd.	13,132,000.00	
Gansu Yilong Asphalt Co., Ltd.	200,000.00	
Total	64,572,133.69	240,133.69

8.73 Other receivables

Species	Ending balance				
	Book amount		Bad debt provision		Book value
	Amount	proportion (%)	Amount	proportion (%)	
Other receivables with significant single amount and single provision for bad debt provision	9,640,447,070.80	83.44	23,205,111.53	0.24	9,617,241,959.27
Other receivables withdrawing bad debt provision according to	1,906,801,815.95	16.50	206,907,922.05	10.85	1,699,893,893.90

Species	Ending balance				
	Book amount		Bad debt provision		Book value
	Amount	proportion (%)	Amount	proportion (%)	
the combination of credit risk characteristics					
Among them: Combination 1: Aging combination	1,512,480,647.72	13.09	203,629,726.71	13.46	1,308,850,921.01
Combination 2: Associative combination					
Combination 3: Receivables receivable	232,563,996.67	2.01	3,278,195.34	1.41	229,285,801.33
Portfolio 4: Guaranteed compensation	161,757,171.56	1.40			161,757,171.56
Although the single amount is not significant, but other single receivables for bad debt provision	6,791,660.17	0.06	6,791,660.17	100.00	
Total	11,554,040,546.92	100.00	236,904,693.75	2.05	11,317,135,853.17

(Continued)

Species	Balance at the end of the previous year				
	Book amount		Bad debt provision		Book value
	Amount	proportion (%)	Amount	proportion (%)	
Other receivables with significant single amount and single provision for bad debt provision	12,234,106,708.48	91.60	2,407,844.87	0.02	12,231,698,863.61
Other receivables withdrawing bad debt provision according to the combination of credit risk characteristics	1,120,833,116.44	8.39	123,034,584.02	10.98	997,798,532.42
Among them: Combination 1: Aging combination	860,195,853.95	6.44	120,922,965.92	14.06	739,272,888.03
Combination 2: Associative combination					
Combination 3: Receivables receivable	121,867,121.64	0.91	2,111,618.10	1.73	119,755,503.54
Portfolio 4: Guaranteed compensation	138,770,140.85	1.04			138,770,140.85
Although the single amount is not significant, but other single receivables for bad debt provision	450,000.00	0.01	450,000.00	100.00	
Total	13,355,389,824.92	100.00	125,892,428.89	0.94	13,229,497,396.03

① Other receivables with significant single amount at the end of the period and single provision for bad debt provision

Debtor name	Book value at the end of the period	Bad debt provision	Withdrawal ratio (%)	Reason for accrual

Debtor name	Book value at the end of the period	Bad debt provision	Withdrawal ratio (%)	Reason for accrual
Gansu Airport Investment Management Co., Ltd.	1,454,139,974.74			No bad debts are expected
Dunhuang Tourism Co., Ltd.	15,000,000.00			Investment funds are not expected to be bad debts
Gansu Provincial Department of Transportation	6,840,181,889.68			The nature of the payment is the advance payment for the project and tolls, and no bad debts are expected to occur
Baiyin New Century Hotel	14,151,111.53	14,151,111.53	100.00	Construction costs cannot be recovered
Gansu Jiuquan Highway Administration	9,054,000.00	9,054,000.00	100.00	Not expected to be recovered
Gansu Provincial Highway Bureau	1,307,920,094.85			Rural road project, no bad debts expected
Total	9,640,447,070.80	23,205,111.53	--	--

② According to the combination of credit risk characteristics, other receivables for bad debt provision

A. Use the aging analysis method to accrue other receivables for bad debt provision

Account age	Ending balance			Balance at the end of the previous year		
	Book amount		Bad debt provision	Book amount		Bad debt provision
	Amount	proportion (%)		Amount	proportion (%)	
Within 1 year (including 1 year)	908,518,517.00	60.07	25,645,847.04	446,842,813.01	51.95	21,892,966.76
1-2 years (including 2 years)	251,975,334.39	16.66	25,098,599.76	246,548,816.53	28.66	24,575,771.97
2-3 years (including 3 years)	212,984,927.85	14.08	63,840,618.99	95,762,523.84	11.13	28,681,443.75
3-4 years (including 4 years)	87,340,065.91	5.77	43,670,032.96	42,868,433.71	4.98	21,434,216.87
4-5 years (including 5 years)	31,435,873.07	2.08	25,148,698.46	19,173,501.45	2.23	15,338,801.16
More than 5 years	20,225,929.50	1.34	20,225,929.50	8,999,765.41	1.05	8,999,765.41
Total	1,512,480,647.72	100.00	203,629,726.71	860,195,853.95	100.00	120,922,965.92

B. Aging analysis of receivables in other receivables

Combination name	Ending balance		Balance at the end of the previous year			
	book amount	Proportion (%)	Bad debt provision	book amount	Proportion (%)	Bad debt provision
1-6 months	142,105,376.64	61.10		58,545,439.29	48.04	
7-12 months	60,504,634.94	26.02	1,815,139.05	46,242,245.26	37.94	1,387,267.37
13-18 months	11,648,432.00	5.01	465,937.28	13,002,112.08	10.67	518,484.48

Combination name	Ending balance		Balance at the end of the previous year			
	book amount	Proportion (%)	Bad debt provision	book amount	Proportion (%)	Bad debt provision
19-24 months	13,194,937.95	5.67	659,746.90	4,077,325.01	3.35	205,866.25
24-30 months	2,037,094.22	0.88	122,225.65			
31-36 months	3,073,520.92	1.32	215,146.46			
Total	232,563,996.67	100.00	3,278,195.34	121,867,121.64	100.00	2,111,618.10

C. Aging analysis of guarantee compensation in other receivables

Combination name	Ending balance			Balance at the end of the previous year		
	book amount	Proportion (%)	Bad debt provision	book amount	Proportion (%)	Bad debt provision
Within 1 year	71,149,229.69	43.98		47,175,232.53	33.99	
1-2 years	35,737,189.75	22.09		57,655,106.72	41.55	
2-3 years	37,570,610.88	23.23		29,462,127.60	21.23	
3-4 years	12,822,467.24	7.93		4,173,013.20	3.01	
4-5 years	4,173,013.20	2.58		304,660.80	0.22	
More than 5 years	304,660.80	0.19				
Total	161,757,171.56	100.00		138,770,140.85	100.00	

③ Although the single amount at the end of the period is not significant, other receivables for single provision for bad debt provision

Debtor name	Ending balance	Bad debt provision	Aging	Withdrawal ratio (%)	Reason for accrual
Gansu Electromechanical Equipment Trading Company	1,392,217.42	1,392,217.42	over 3 years	100.00	Low probability of recovery
Zhangye City Land and Resources Bureau	1,000,000.00	1,000,000.00	over 3 years	100.00	Low probability of recovery
Zhou Xiangang	2,407,844.87	2,407,844.87	More than 5 years	100.00	Insolvency
Gansu Dalu Road Company	1,991,597.88	1,991,597.88	More than 5 years	100.00	Not expected to be recovered
Total	6,791,660.17	6,791,660.17	--	--	--

④ There is no bad debt provision for recovery or reversal at the end of the period.

⑤ Important other receivables actually written off at the end of the period

Debtor name	Nature of other receivables	Write-off amount	Reason for write-off	Verification procedures performed	Whether due to related party transactions
Pingding Project Management Office	loan	349,779.76	Aging over 10 years	Report to the group for approval	no
Gansu Tiandi Road and Bridge Company	loan	400,000.00	Aging over 10 years	Report to the group for approval	no
Liubai Road Project Construction Office	loan	738,731.10	Aging over 10 years	Report to the group for approval	no
Yuanping mechanized road maintenance	loan	171,163.09	Aging over 10 years	Report to the group for approval	no
Express Building	loan	300,000.00	Aging over 10 years	Report to the group for approval	no
Investment Office	loan	500,000.00	Aging over 10 years	Report to the group for approval	no
Gansu Changqing Greening Engineering Co., Ltd.	loan	597,789.00	Aging over 10 years	Report to the group for approval	no
Total	--	3,057,462.95	--	--	--

⑥ Other receivables in the top five of the ending balance collected by the arrears

Debtor name	Nature of payment	Ending balance	Aging	Percentage of total other receivables (%)	Bad debt provision
Gansu Provincial Department of Transportation	Advance payment, tolls	6,840,181,889.68	Within 1 year, 2-3 years	60.44	
Gansu Airport Investment Management Co., Ltd.	loan	1,454,139,974.74	Within 1 year, 2-3 years, 3-4 years, more than 5 years	12.85	
Gansu Provincial Highway Bureau	Replacement project	1,307,920,094.85	2-3 years	11.56	
Gansu Radio and Television Network Co., Ltd. Limited	loan	100,000,000.00	Within 1 year	0.88	5,000,000.00
the company	Margin	100,000,000.00	2-3 years	0.88	30,000,000.00
Industrial Financial Leasing Co., Ltd.	--	9,802,241,959.27	--	86.61	35,000,000.00

⑦ There were no other receivables derecognized by the transfer of financial assets during the reporting period.

⑧ No other receivables were transferred during the reporting period, such as securitization and factoring, and continued to be involved in the amount of assets and liabilities formed.

⑨ No other receivables involving government subsidies during the reporting period.

8.8 stock

8.81. Inventory classification

Item	Ending balance		
	Book amount	Falling price reserve	Book value
Raw materials	1,065,159,842.80		1,065,159,842.80
Homemade semi-finished products and work in progress	415,646,862.40		415,646,862.40
Stock goods (finished products)	1,228,806,375.00	763,052.93	1,228,043,322.07
Turnover materials (packaging, low-value consumables, etc.)	133,632,232.74		133,632,232.74
release products	149,995,864.39		149,995,864.39
Products under development	611,957,583.72		611,957,583.72
Engineering construction	250,718,421.97		250,718,421.97
Expendable biological assets	4,914.00		4,914.00
Completed unsettled assets formed by construction contracts	2,083,370,969.39	57,016,444.79	2,026,354,524.60
other			
Total	5,939,293,066.41	57,779,497.72	5,881,513,568.69

(Continued)

Item	Balance at the end of the previous year		
	Book amount	Falling price reserve	Book value
Raw materials	244,557,644.01		244,557,644.01
Homemade semi-finished products and work in progress	46,332,602.90		46,332,602.90
Stock goods (finished products)	929,041,006.43	8,618,837.63	920,422,168.80
Turnover materials (packaging, low-value consumables, etc.)	120,287,055.49		120,287,055.49
release products	94,993,415.60		94,993,415.60
Products under development	431,880,243.27		431,880,243.27
Engineering construction	2,446,880,359.14	141,567,865.28	2,305,312,493.86
Expendable biological assets			
Completed unsettled assets formed by construction contracts			
other	3,174,683.00		3,174,683.00
Total	4,317,147,009.84	150,186,702.91	4,166,960,306.93

8.82 The completed and unsettled assets formed by the construction contract at the end of the period

Item	Ending balance
Accumulated cost	36,071,637,528.33
Accumulated gross profit	1,496,672,855.27
Less: estimated loss	45,940,349.48
Amount settled	35,496,015,509.52
Completed unsettled assets formed by construction contracts	2,026,354,524.60

8.9 Non-current assets due within one year

Item	Ending balance	Balance at the end of the previous year
Finance lease payments due within one year	785,764,341.09	524,534,012.00
Total	785,764,341.09	524,534,012.00

8.10 Other current assets

Item	Ending balance	Balance at the end of the previous year
Input tax to be deducted/prepaid VAT	953,542,867.87	477,864,945.90
Advance income tax	2,834,397.17	1,949,833.28
Prepayment of other taxes	582,479.42	689,785.60
Financial product	1,877,337,043.71	5,021,287,973.98
Pending property gains and losses		78,468.05
Total	2,834,296,788.17	5,501,871,006.81

8.11 Loans and advances

8.11.1. Distribution of loans by individuals and businesses

Item	Ending balance	Balance at the end of the previous year
personal loan	406,536,759.09	491,084,599.73
Corporate loan	3,684,151,017.18	3,449,487,786.47
Total loans	4,090,687,776.27	3,940,572,386.20
Less: loan loss provision	229,036,237.17	89,201,428.13
Loan book value	3,861,651,539.10	3,851,370,958.07

8.11.2 Distribution of loans by guarantee

Item	Ending balance	Balance at the end of the previous year
Mortgage	2,221,078,309.83	2,081,241,209.34
Credit Loans	1,606,729.81	3,022,111.02
Entrusted Loan	1,627,230,857.70	1,714,743,285.31
Pledge loan	240,771,878.93	141,565,780.53
Total loans	4,090,687,776.27	3,940,572,386.20
Less: loan loss provision	229,036,237.17	89,201,428.13
Loan book value	3,861,651,539.10	3,851,370,958.07

8.11.3 Overdue loan

Item	Ending balance				
	1 to 90 days overdue (including 90 days)	Overdue 90 days to 360 days (including 360 days)	Overdue 360 days to 3 years (including 3 years)	Overdue for more than 3 years	Total
Collateral loan	10,933,097.09	111,861,052.49	43,040,657.06	12,147,803.72	177,982,610.36
Of which: mortgage	10,933,097.09	111,861,052.49	43,040,657.06	12,147,803.72	177,982,610.36
Pledge loan					
Entrusted Loan	103,234,952.99	203,656,254.13	16,992,266.36	14,934,020.70	338,817,494.18
Total	114,168,050.08	315,517,306.62	60,032,923.42	27,081,824.42	516,800,104.54

(Continued)

Item	Balance at the end of the previous year				
	1 to 90 days overdue (including 90 days)	Overdue 90 days to 360 days (including 360 days)	Overdue 360 days to 3 years (including 3 years)	Overdue for more than 3 years	Total
Collateral loan	75,119,200.00	142,862,078.20	42,393,571.39	3,741,658.31	264,116,507.90
Of which: mortgage	21,500,000.00	138,379,628.00	41,414,906.06	3,741,658.31	205,036,192.37
Pledge loan	53,619,200.00	4,482,450.20	978,665.33		59,080,315.53
Entrusted Loan	6,900,000.00	25,400,000.00	9,934,020.70	5,100,000.00	47,334,020.70
Total	82,019,200.00	168,262,078.20	52,327,592.09	8,841,658.31	311,450,528.60

8.11.4 Loan loss provision

Item	Ending balance		Balance at the end of the previous year	
	Single item	combination	Single item	combination
Amount at the beginning of the year		89,201,428.13		76,651,129.66
Accrued this year		139,834,809.04		12,550,298.47
Amount at the end of the year		229,036,237.17		89,201,428.13

8.12 Available for sale financial assets

8.12.1. Financial assets available for sale

Item	Ending balance		
	book amount	Provision for impairment	Book value
Available-for-sale debt instruments			
Available-for-sale equity instruments	2,935,063,490.09		2,935,063,490.09
Of which: measured at fair value			
Measured by cost	2,935,063,490.09		2,935,063,490.09
other			
Total	2,935,063,490.09		2,935,063,490.09

(Continued)

Item	Balance at the end of the previous year		
	book amount	Provision for impairment	Book value
Available-for-sale debt instruments			
Available-for-sale equity instruments	1,875,950,190.30		1,875,950,190.30
Of which: measured at fair value			
Measured by cost	1,875,950,190.30		1,875,950,190.30
other			
Total	1,875,950,190.30		1,875,950,190.30

8.12.2 Details of financial assets available for sale

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Beijing Jincheng High-tech Venture Capital Investment Management Co., Ltd.	1,100,000.00			1,100,000.00

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Gansu Jincheng New Third Board Equity Investment Fund Partnership	12,798,200.00			12,798,200.00
CDB Jingcheng (Beijing) Investment Fund Co., Ltd.	200,000,000.00			200,000,000.00
Lanzhou Bank Co., Ltd.	280,000,000.00			280,000,000.00
Gansu Xinyi Real Estate Development Co., Ltd.	7,800,000.00			7,800,000.00
Hualong Securities Co., Ltd.	1,046,193,193.29			1,046,193,193.29
Gansu Xinlu Traffic Engineering Company	400,000.00		400,000.00	
Gansu Asset Management Co., Ltd.	200,000,000.00			200,000,000.00
Gansu Jinhechi Ecological Tourism Brewing Co., Ltd.	30,000,000.00			30,000,000.00
Gansu Chinese Medicine Trading Center Co., Ltd.	40,000,000.00			40,000,000.00
Beijing Golden Vest Property Rights Network Trading Center	538,797.01			538,797.01
Gansu Equity Exchange Center Co., Ltd.	5,000,000.00			5,000,000.00
Gansu Renweifeng Pharmaceutical Co., Ltd.	30,020,000.00			30,020,000.00
Yumen Tianhong Chemical Co., Ltd.	20,000,000.00			20,000,000.00
Gansu Yuansheng Road and Bridge Engineering Co., Ltd.	2,000,000.00			2,000,000.00
Gansu Xindong Property Management Co., Ltd.	100,000.00			100,000.00
Gansu Jinlitong Carbon Material Technology Co., Ltd.		20,020,000.00		20,020,000.00
Dingxi High Strength Fastener Co., Ltd.		39,951,000.00		39,951,000.00
Gansu Tianqing Hotel Management Co., Ltd.		40,040,000.00		40,040,000.00
Gansu Public Transport Construction Poverty Alleviation Development Fund (Limited Partnership)		10,100,000.00		10,100,000.00
Gansu Yilong Asphalt Co., Ltd.		1,000,000.00		1,000,000.00
Gansu Province Road Transport Enterprise Association		1,400,000.00		1,400,000.00
Gansu Transportation Industry Investment Fund (Limited Partnership)		451,502,299.79		451,502,299.79
Gansu Silk Road Transportation Development Fund Management Co., Ltd.		2,000,000.00		2,000,000.00
Gansu Transportation Investment Fund (Limited Partnership)		5,000,000.00		5,000,000.00
Gansu Lianghui Transportation Investment Fund Partnership Enterprise (Limited Partnership)		99,800,000.00		99,800,000.00
Gansu Public Transport Highway Investment Fund (Limited Partnership)		384,900,000.00		384,900,000.00
Gansu Nongken Poverty Alleviation Project Investment Co., Ltd.		3,000,000.00		3,000,000.00
Gansu Huashun Transportation Technology Consulting Co., Ltd.		800,000.00		800,000.00
Total	1,875,950,190.30	1,059,513,299.79	400,000.00	2,935,063,490.09

8.13 Held to maturity investments

8.13.1. Holding to maturity investment

Item	Ending balance		
	book amount	Provision for impairment	Book value
Available-for-sale debt instruments	34,553,467.41		34,553,467.41
Available-for-sale equity instruments			
other			
Less: Impairment reserve for holding to maturity investment			
Total	34,553,467.41		34,553,467.41

(Continued)

Item	Balance at the end of the previous year		
	book amount	Provision for impairment	Book value
Available-for-sale debt instruments	33,993,772.76		33,993,772.76
Available-for-sale equity instruments			
other			
Less: Impairment reserve for holding to maturity investment			
Total	33,993,772.76		33,993,772.76

8.13.2 There were no important held-to-maturity investments at the end of the reporting period.

8.13.3 Held-to-maturity investments without reclassification during the reporting period.

8.14 Long-term receivables

8.14.1 Long-term receivables

Item	Ending balance		
	Book amount	Bad debt provision	Book value
Finance lease payment	2,233,121,439.18	78,104,770.92	2,155,016,668.26
Of which: unrealized financing income	-278,076,102.00		-278,076,102.00
Finance lease deposit	271,000,000.00		271,000,000.00
BT project government unpaid repurchase	9,360,291.41		
Subtotal	2,513,481,730.59	78,104,770.92	2,435,376,959.67

Item	Ending balance		
	Book amount	Bad debt provision	Book value
Less: non-current assets due within one year	785,764,341.09		785,764,341.09
Total	1,727,717,389.50	78,104,770.92	1,649,612,618.58

(Continued)

Item	Balance at the end of the previous year		
	Book amount	Bad debt provision	Book value
Finance lease payment	1,973,092,151.03	19,667,899.92	1,953,424,251.11
Of which: unrealized financing income	-252,424,261.52		-252,424,261.52
Finance lease deposit	306,000,000.00		306,000,000.00
BT project government unpaid repurchase	58,193,094.56		58,193,094.56
Subtotal	2,337,285,245.59	19,667,899.92	2,317,617,345.67
Less: non-current assets due within one year	524,534,012.00		524,534,012.00
Total	1,812,751,233.59	19,667,899.92	1,793,083,333.67

8.14.2 There were no long-term receivables derecognized due to the transfer of financial assets this year.

8.14.3 There is no transfer of long-term receivables and continued involvement in the amount of assets and liabilities formed.

8.15 Long-term equity investment

8.15.1 Classification of long-term equity investments

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Investment in joint ventures	16,601,171.38	17,938,692.66	16,973,346.37	17,566,517.67
Investment in associates	11,947,751,035.49	2,390,319,821.04	4,787,486,393.54	9,550,584,462.99
Other equity investments				
Subtotal	11,964,352,206.87	2,408,258,513.70	4,804,459,739.91	9,568,150,980.66
Less: Long-term equity investment impairment provision	4,252,807.68	1,578,950.34		5,831,758.02
Total	11,960,099,399.19	2,406,679,563.36	4,804,459,739.91	9,562,319,222.64

8.15.2 Long-term equity investment details

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Total	7,080,479,485.61	11,960,099,399.19	1,474,063,868.77	12,105,013.57	255,276,951.60	-3,611,656.36	645,929,249.69	161,704,387.79	1,578,950.34	-4,594,050,238.55	9,562,319,222.64	5,831,758.02
1. Joint venture	2,940,000.00	16,601,171.38			17,938,692.66			16,973,346.37			17,566,517.67	
Gansu Shihua Transportation Service Co., Ltd.	1,470,000.00	1,456,468.95			4,053,074.99			3,989,543.94			1,520,000.00	
Gansu Zhongyou Transportation Oil Products Co., Ltd.	1,470,000.00	15,144,702.43			13,885,617.67			12,983,802.43			16,046,517.67	
2. Associated enterprises	7,077,539,485.61	11,943,498,227.81	1,474,063,868.77	12,105,013.57	237,338,258.94	-3,611,656.36	645,929,249.69	144,731,041.42	1,578,950.34	-4,594,050,238.55	9,544,752,704.97	5,831,758.02
Gansu Qilian Wine Industry Co., Ltd.	30,000,000.00	16,091,914.23			510,628.36						16,602,542.59	
Lanzhou Anning Chengtou Real Estate Development Co., Ltd.	20,000,000.00	50,037,852.75			41,880.60						50,079,713.35	

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Gansu Yuanzheng Shanshui Sports Cultural Industry Development Co., Ltd.	400,000.00	178,950.34							178,950.34			341,758.02
Gansu Bank Co., Ltd.	1,568,576,512.00	2,897,741,652.42	222,197,085.00		93,522,943.90	-5,146,004.90	262,664.70	128,536,541.42			3,080,041,799.70	
Yellow River Property Insurance Co., Ltd.	500,000,000.00	474,617,354.91			-10,611,915.00	1,650,317.54					465,655,757.45	
Lanzhou New District Fund Management Co., Ltd.	3,000,000.00	2,822,224.53			-44,604.46						2,777,620.07	
Gansu New Supply and Marketing Logistics Service Co., Ltd.	12,250,000.00	12,105,013.57		12,105,013.57								
Gansu Pan American General Aviation Co., Ltd.	24,500,000.00	11,999,405.56	12,500,000.00		-788,806.67						23,710,598.89	
Gansu Financial Holding Group Co., Ltd.	3,000,000,000.00	3,015,362,998.91			155,407,031.96		645,666,584.99				3,816,436,615.86	
Gansu Public Aviation Travel Tongding Expressway Management Co., Ltd.	603,539,100.00	235,776,312.01	367,762,787.99								603,539,100.00	
Gansu Public Aviation Brigade Dinglin Expressway Management Co., Ltd.	453,785,000.00	175,642,881.65	278,142,118.35								453,785,000.00	
Gansu Highway Aviation Longzhang Expressway Management Co., Ltd.	369,837,000.00	144,265,917.73	225,571,082.27								369,837,000.00	
Gansu Longyun Industrial Group Co., Ltd.	2,500,000.00	2,500,000.00									2,500,000.00	
Gansu Huashun Transportation Technology Consulting Co., Ltd.	400,000.00	800,000.00								-800,000.00		
Lanzhou Public Passenger Bus Station	2,000,000.00											2,000,000.00
Silver Bus Station	520,000.00											520,000.00
Xiyun Group	510,000.00	510,000.00									510,000.00	
Gannan Automobile Transportation Company	530,000.00											530,000.00

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Jiayuguan Bus Station	520,000.00											520,000.00
Tianshui Motor Transport Corporation	520,000.00	520,000.00									520,000.00	
Gansu Huida Group Linxia Bus Terminal	520,000.00	520,000.00									520,000.00	
Wuwei Automobile Transportation Group	520,000.00											520,000.00
Lanyun Group	1,600,000.00	1,600,000.00									1,600,000.00	
Gansu Eastern Transportation Group Corporation	520,000.00	520,000.00									520,000.00	
Gansu Jiuquan Automobile Transportation Corporation	520,000.00	520,000.00									520,000.00	
Gansu Dingxi Transportation Group Corporation	520,000.00	520,000.00									520,000.00	
Gansu Public Road Passenger Transportation Network Ticketing Operation Service Center Co., Ltd.	19,000,000.00	18,573,886.10			-79,198.12						18,494,687.98	
Gansu One Card Information Technology Service Co., Ltd.	2,000,000.00	1,684,019.12			-136,484.03						1,547,535.09	
Gansu Yilong Asphalt Co., Ltd.	1,000,000.00	1,000,000.00								-1,000,000.00		
Gansu Zigiang Intelligent Transportation and Control Technology Co., Ltd.	9,800,000.00	41,022,400.56			8,696,387.61			16,194,500.00			33,524,288.17	
Gansu Lianghui Transportation Investment Fund Partnership Enterprise (Limited Partnership)		99,800,000.00								-99,800,000.00		
Dunhuang International Hotel Co., Ltd.	200,000,000.00	190,578,811.26									190,578,811.26	
Gansu Silk Road Transportation Development Fund Management Co., Ltd.		2,000,000.00								-2,000,000.00		
Gansu Transportation Industry Investment Fund (Limited Partnership) Partnership	750,000.00	450,750,000.00								-450,750,000.00		

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Gansu Jiaotong Construction Poverty Alleviation Development Fund (Limited Partnership)	2,000,000.00	9,100,000.00								-9,100,000.00		
Gansu Transportation Investment Fund (Limited Partnership)		5,000,000.00								-5,000,000.00		
Gansu Transportation Investment Management Co., Ltd.		4,041,694,778.55								-4,041,694,778.55		
Unit to be converted	16,936,313.61	16,936,313.61									16,936,313.61	
Wuwei Highway Section	500,000.00	500,000.00								-500,000.00		
Provincial Highway Transportation Service Center	2,500,000.00	2,500,000.00								-2,500,000.00		
Lanzhou New Multidimensional Survey and Design Engineering Co., Ltd.	200,000.00	200,000.00			-60,452.00						139,548.00	
Gansu Province Road Transport Enterprise Association	1,400,000.00	1,400,000.00								-1,400,000.00		
Hengshun travel agency company	6,024,959.06	6,024,959.06								-6,024,959.06		
Gansu Hengxiang Highway Material Supply and Marketing Co., Ltd.	5,891,931.44	5,891,931.44								-5,891,931.44		
Gansu Hengya Clothing Co., Ltd.	1,688,669.50	1,688,669.50								-1,688,669.50		
Gansu Hengfa Highway Advertising Co., Ltd.	1,500,000.00	1,500,000.00								-1,500,000.00		
Gansu Foxiang Property Management Co., Ltd.	1,000,000.00	1,000,000.00								-1,000,000.00		
Jinlong (Hong Kong) Investment Co., Ltd.	61,880,000.00		61,880,000.00		-535,744.03	-115,969.00					61,228,286.97	
Gansu Public Aviation Travel Tianzhuang Expressway Management Co., Ltd.	72,380,000.00		72,380,000.00								72,380,000.00	
Gansu General Aviation Brigade Jinhui General Aviation Co., Ltd.	73,500,000.00		73,500,000.00		-8,583,409.18						64,916,590.82	

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Gansu Transportation Planning Survey and Design Institute Co., Ltd.			87,172,800.00								87,172,800.00	
Gansu Xinglong Advanced Equipment Manufacturing Venture Capital Co., Ltd.			50,000,000.00								50,000,000.00	
Gansu Public Aviation Travel Graphene Technology Development Co., Ltd.			22,957,995.16								22,957,995.16	
Gansu Tooling Industry and Trade Development Co., Ltd.										35,200,100.00	35,200,100.00	
Gansu Electromechanical Equipment Trading Company									1,400,000.00	1,400,000.00	-	1,400,000.00

8.15.3 Key financial information of important associates

Item	Current period	Previous issue
	Lanzhou Anning Chengtou Real Estate Development Co., Ltd.	Lanzhou Anning Chengtou Real Estate Development Co., Ltd.
Current assets	300,225,917.44	294,606,393.94
Non-current assets	126,114.43	141,073.43
Total assets	300,352,031.87	294,747,467.37
Current liabilities	84,856.47	61,946.83
Non-current liabilities	214,091,200.00	216,600,000.00
Total Liabilities	214,176,056.47	216,661,946.83
Net assets	86,175,975.40	78,085,520.54
Net asset share calculated as shareholding ratio	50,079,713.35	50,037,832.75

Item	Current period	Previous issue
	Lanzhou Anning Chengtou Real Estate Development Co., Ltd.	Lanzhou Anning Chengtou Real Estate Development Co., Ltd.
Adjustment matters		
Book value of equity investment in associates	50,079,713.35	50,037,832.75
Fair value of publicly quoted equity investments		
Operating income		
Financial expenses	-200,432.78	-128,958.15
Income tax expense	41,834.55	95,238.90
Net profit	90,454.86	27,153.87
Other comprehensive income		
Total comprehensive income	90,454.86	27,153.87
Dividends received from associates by the company this year		

（Continued）

Item	Current period	Previous issue
	Gansu Bank Co., Ltd.	Gansu Bank Co., Ltd.
Assets	335,044,485,000.00	328,594,463,659.01
Debt	310,355,483,000.00	303,374,780,000.00
Net assets	24,689,002,000.00	25,219,683,659.01
Net asset share calculated as shareholding ratio	3,080,041,799.70	2,897,741,652.42

Item	Current period	Previous issue
	Gansu Bank Co., Ltd.	Gansu Bank Co., Ltd.
Adjustment matters		
Book value of equity investment in associates	3,080,041,799.70	2,897,741,652.42
Fair value of publicly quoted equity investments		
Operating income	7,233,322,000.00	15,327,061,000.00
Financial expenses		
Income tax expense	53,393,000.00	1,198,164,000.00
Net profit	511,374,000.00	3,439,644,000.00
Other comprehensive income	-41,201,000.00	245,313,000.00
Total comprehensive income	470,173,000.00	3,684,957,000.00
Dividends received from associates by the company this year	118,261,183.05	

8.16 Investment real estate

8.16.1.Investment real estate measured by cost model

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Total original book value	514,313,711.17	289,005,674.46		803,319,385.63
Including: houses, buildings	514,313,711.17	289,005,674.46		803,319,385.63
Land use rights				
2. Total accumulated depreciation (amortization)	18,991,018.07	28,554,544.12	2,155,555.56	45,390,006.63
Including: houses, buildings	18,991,018.07	28,554,544.12	2,155,555.56	45,390,006.63
Land use rights				
3. Total net book value	495,322,693.10			757,929,379.00
Including: houses, buildings	495,322,693.10			757,929,379.00
Land use rights				
4. Total accumulated amount of impairment provision				
Including: houses, buildings				
Land use rights				
V. Total book value	495,322,693.10			757,929,379.00
Including: houses, buildings	495,322,693.10			757,929,379.00
Land use rights				

8.16.2.Status of investment real estate without property rights certificate

Item	Book value at the end of the period	Reasons for failure to complete the title certificate
Lanzhou New District Public Aviation Brigade Building	85,946,835.93	Signed online, in process
Changye Jinzuo 7-storey office building	16,831,200.00	Signed online, in process
42nd Floor of Building 4 of "Famous City Plaza"	38,980,796.19	Signed online, in process
Shop on the first floor of Haoxin Building, Qingyang	11,796,942.49	House ownership certificate is being processed
Changye Jinzuo 21-storey office building	16,363,666.67	Signed online, in process
38-39 Floor, Office Building, Lanzhou Center	74,525,521.74	Signed online, in process
56 parking spaces in the center of Lanzhou	11,200,000.00	56 underground parking spaces, contract signed
Maple Leaf International Building 9 Unit 1 20-23	98,986,752.60	Signed online, in process
2-2212, 2-2312, 2-2412, 2-2511, 2-261, "Wisdom MINI" International Building, No. 489 Tanjianzi, Chengguan District, Lanzhou City	5,028,400.00	Signed online, in process

30 parking spaces in Changye Golden Seat	10,000,000.00	Signed online, in process
Changye Jinzuo 18-20 storey, 25-27 storey office building	99,384,228.57	Except for the 18th floor, it has been signed online and is being processed
Changye Jinzuo 8-12 storey office building	84,156,000.00	Signed online, in process
Maple Leaf International Building 9 Unit 20-23 Floor New Area	9,828,609.52	Signed online, in process
Total	563,028,953.71	--

8.17 Fixed assets

Item	Book value at the end of the period	Book value at the end of last year
Fixed assets	174,511,779,962.43	173,705,397,325.88
Fixed assets cleanup	345,807.42	1,682,301.36
Total	174,512,125,769.85	173,707,079,627.24

8.17.1 Fixed assets

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Total original hook value	175,257,262,819.82	1,427,307,291.29	386,507,119.04	176,298,062,992.07
Among them: road products	169,909,898,222.74	202,998,757.57		170,112,896,980.31
houses and buildings	1,302,082,976.82	686,917,142.81	210,728,234.86	1,778,271,884.77
Professional setting	250,043,735.34	16,753,942.82		266,797,678.16
mechanical equipment	1,182,974,818.92	177,799,931.91	58,001,466.96	1,302,773,283.87
Means of transportation	591,161,785.85	421,560,212.62	64,011,158.31	948,710,840.16
Office and other equipment	435,820,194.68	103,213,202.49	53,766,258.91	485,267,138.26
Estimated transfer of construction in progress	1,502,327,698.67	-182,000,586.25		1,320,327,112.42
Land assets	82,953,386.80	64,687.32		83,018,074.12
2. Total accumulated depreciation	1,551,865,493.94	353,953,611.65	119,536,075.95	1,786,283,029.64
Among them: road products				
houses and buildings	190,562,934.84	109,515,816.83	20,143,129.18	279,935,622.49
Professional setting	177,829,323.79	20,443,165.42		198,272,489.21
mechanical equipment	549,826,266.92	121,602,021.30	43,465,160.36	627,963,127.86
Means of transportation	336,251,813.49	57,081,477.01	32,253,099.37	361,080,191.13
Office and other equipment	268,324,169.56	55,107,308.25	23,610,007.04	299,821,470.77
Estimated transfer of construction in progress	28,294,532.30	-9,813,403.40		18,481,128.90

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Land assets	776,453.04	17,226.24	64,680.00	728,999.28
3. Total net book value	173,705,397,325.88			174,511,779,962.43
Among them: road products	169,909,898,222.74			170,112,896,980.31
houses and buildings	1,111,520,041.98			1,498,336,262.28
Professional setting	72,214,411.55			68,525,188.95
mechanical equipment	633,148,552.00			674,810,156.01
Means of transportation	254,909,972.36			587,630,649.03
Office and other equipment	167,496,025.12			185,445,667.49
Estimated transfer of construction in progress	1,474,033,166.37			1,301,845,983.52
Land assets	82,176,933.76			82,289,074.84
4. Total impairment provision				
Among them: road products				
houses and buildings				
Professional setting				
mechanical equipment				
Means of transportation				
Office and other equipment				
Estimated transfer of construction in progress				
Land assets				
V. Total book value	173,705,397,325.88			174,511,779,962.43
Among them: road products	169,909,898,222.74			170,112,896,980.31
houses and buildings	1,111,520,041.98			1,498,336,262.28
Professional setting	72,214,411.55			68,525,188.95
mechanical equipment	633,148,552.00			674,810,156.01
Means of transportation	254,909,972.36			587,630,649.03
Office and other equipment	167,496,025.12			185,445,667.49
Estimated transfer of construction in progress	1,474,033,166.37			1,301,845,983.52
Land assets	82,176,933.76			82,289,074.84

① No fixed assets temporarily idle.

② Fixed assets without property rights certificate

Item	Book value at the end of the period	Reasons for failure to complete the title certificate
Yongjing Office Building	3,190,400.00	Problems left over by history, property rights have not been handled
Zhangye Binhe New District Project	191,206,389.83	In process
Guiqingshan Tourist Service Building	88,221,392.66	In process
Shade Mountain Tourist Service Building	42,145,203.96	In process
Zhangye Danxia Tourist Service Building	126,878,337.81	In process
Yuruyi Office Building	3,287,656.73	Not yet processed
Jade Ruyi Parking	1,466,539.73	Not yet processed
Zhangye Yanzhishan Tourist Service Building	7,192,250.02	In process
Tourist Service Building of Zhangye Shandan Royal Racecourse	7,010,517.18	In process
Yellow River Pearl Hotel	753,325,962.91	In process
Changba RV Campground Project in Kang County, Gansu Province	31,770,902.01	In process
Beihaizi Shazao Forest Landscape Project in Yongchang County	23,914,212.53	In process
Total	1,279,609,765.37	--

8.17.2.Fixed assets cleanup

Item	Book value at the end of the period	Book value at the end of last tear	Reason for transfer to cleanup
Scrap and clean up of fixed assets	345,807.42	1,682,301.36	Damaged scrap, no use value
Total	345,807.42	1,682,301.36	--

8.18 Construction in progress

8.18.1. Construction in progress

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Lanzhou (New City) to Yongjing Expressway Project along the Yellow River	6,358,623,437.01		6,358,623,437.01
Shiyan to Tianshui Expressway Huixian to Tianshui Section	22,077,439,596.75		22,077,439,596.75
Lintao-Weiyuan Section of Lanhai Expressway	5,580,708,987.58		5,580,708,987.58
Pimples from Jingxin Expressway to Mingshui	5,264,446,419.65		5,264,446,419.65
Lanzhou Ring Expressway Project	11,406,944,850.36		11,406,944,850.36
Linhe Expressway Project	9,470,432,713.19		9,470,432,713.19

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Weiwu Expressway Project	24,253,144,624.89		24,253,144,624.89
Jingtai-Zhongchuan Airport Highway Project	6,236,651,636.28		6,236,651,636.28
Linxia Shuangcheng-Dariga Expressway Project	3,054,850,921.34		3,054,850,921.34
Pingliang-Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	12,844,924,078.02		12,844,924,078.02
Yinchuan to Baise National Highway Sweetwater Fort via Qingcheng to Yonghe Section Project	18,455,755,475.03		18,455,755,475.03
Wudu to Jiuzhaigou Expressway Project	5,540,291,233.61		5,540,291,233.61
S314 Line Guazhou to Dunhuang Expressway (continuous construction)	876,525,762.44		876,525,762.44
Jingning-Zhuanglang Expressway Project	5,254,444,556.62		5,254,444,556.62
Huining to Laojunpo Expressway Project	989,406,622.84		989,406,622.84
Hesai Expressway Project	1,002,285.53		1,002,285.53
Sailang Expressway Project	427,405.38		427,405.38
Gansu Province Luohandong to Dingxi highway (excluding Ningxia section) flood repair project	83,400,609.47		83,400,609.47
Tianding Maintenance and Improvement Project (Phase I)	133,252,037.97		133,252,037.97
Jinghua Expressway Project	851,893,915.56		851,893,915.56
Dangchang to Diebu Highway	2,295,984,506.89		2,295,984,506.89
Jingzhou Highway	764,279,066.67		764,279,066.67
Hanjiahe to Shuiquan Highway	284,686,541.66		284,686,541.66
Inner Highway	509,271,742.47		509,271,742.47
Gaxiu to Maqu Highway	661,756,814.58		661,756,814.58
Cooperation to Yeliguan Highway	1,512,542,039.47		1,512,542,039.47
Linxia to Dahejia Highway	726,619,421.53		726,619,421.53
Lintao to Hezheng Highway	673,221,603.58		673,221,603.58
Luomen-Li County Highway	614,148,615.49		614,148,615.49
Xiahe to Xiahe Airport Highway	576,703,364.37		576,703,364.37
Yemuxia Tunnel to Link Highway	215,743,288.94		215,743,288.94
Dachuan to Zheqiao Highway	2,229,715,488.50		2,229,715,488.50
Huachi Newcastle to Nanliang Highway	681,102,746.54		681,102,746.54

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Pingliang Transit Highway	455,518,805.75		455,518,805.75
Zhuanglang to Zhangjiachuan to Tianshui Highway	1,639,518,925.63		1,639,518,925.63
Liwu Road	539,026,666.48		539,026,666.48
Overhaul project	6,055,996,127.86		6,055,996,127.86
Indirect expenses	342,004,121.48		342,004,121.48
General Airport Engineering Project	46,918,572.31		46,918,572.31
Tourism project	552,090,321.36		552,090,321.36
Storage base enclosure structure	233,528,674.56		233,528,674.56
Business Management Information Platform	243,370.20		243,370.20
Core system software	0.00		0.00
T3 terminal building connection line project	80,003,450.73		80,003,450.73
Linxia to Dahejia Expressway Construction Project	878,024,243.75		878,024,243.75
Cancellation of highway toll station at provincial border	750,070,330.99		750,070,330.99
Information project	9,095,374.67		9,095,374.67
Gansu Seed Exchange Agricultural Products E-commerce Trading System Construction Project	1,377,917.50		1,377,917.50
Patent copyright, etc.	153,269.66		153,269.66
Warranty system software	34,392.46		34,392.46
Tianjin Software Development	50,754.71		50,754.71
Lixian Sandstone Material Project	270,138.49		270,138.49
Subei to Shazaoyuan Highway Project	1,626,355.04		1,626,355.04
Wuwei Historical Street Construction and Protection Project	503,968,313.62		503,968,313.62
Lanzhou-Agan Town Highway Project	519,518,618.24		519,518,618.24
Huining to Tongwei project			
Gulang Golden Triangle to Fengle Project	544,553,552.75		544,553,552.75
Qingshuiyi to Kushui, Zhonghe to Hekou			
Diebu to Jiuzhaigou Highway			
S101 Line Zhongchuan Railway to Huangyangtou Project	70,470,025.22		70,470,025.22

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Great Wall Station Service Area Upgrade Project	84,583,668.33		84,583,668.33
Qijiashan to Hanjiacha Project	1,586,128.95		1,586,128.95
Baiyindong Service Area Upgrade Project	64,510,525.46		64,510,525.46
Taishi Service Area Upgrade Project	64,357,237.90		64,357,237.90
Zhouqu Lijie to Sichuan Yonghe Project	114,485,341.65		114,485,341.65
Qingyang Huan County Overrun Monitoring Station			
Jingyuan to Huining Project	1,743,557,586.93		1,743,557,586.93
Pingliang to Jieshipu Project	255,353,558.07		255,353,558.07
Diebu to Sichuan Ruoergai project	271,768,398.31		271,768,398.31
Dingyuan to Hanjiacha Project	456,885,895.12		456,885,895.12
Baiyin to Lanzhou Project	305,257,091.18		305,257,091.18
Jiangguohe to Diebu Project	51,784,790.08		51,784,790.08
Liuyuan to Xingxingxia			
Fengxiang Intersection to Pingliang East Project	681,236,297.80		681,236,297.80
Recreation to Zhuoni Project	1,482,633,170.96		1,482,633,170.96
Maqu to Qinghai Jiuzhi Project	598,625,453.11		598,625,453.11
Longxi to Lintao section project	679,641,051.37		679,641,051.37
Project from Banqiao to Xiaoyuan	892,901,419.61		892,901,419.61
Highway Project from Zhouqu Fengdi to Daigu Temple	1,278,784,762.07		1,278,784,762.07
Highway Project from Jinya to Hekou (Zhangjiatai) Section of G309 Line	217,553,552.25		217,553,552.25
Liangdang to Huixian Project	148,510,227.41		148,510,227.41
Dundang Expressway Construction Project	4,487,428,105.60		4,487,428,105.60
G85 Pengyang (Ganning border) to Pingliang to Daqiaocun (Ganshan border) section project	6,384,725,183.99		6,384,725,183.99
Renovation of warehouse of transportation service center			
Lanzhou New District Passenger Terminal Project	136,569,760.88		136,569,760.88
Examination room renovation	4,197,579.92		4,197,579.92
Office building	338,956.00		338,956.00

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Color steel room	544,280.00		544,280.00
Maintenance company Lanzhou New District Industrial Park	125,618,943.84		125,618,943.84
Office Building of Asphalt Depot, Tianshui Company, Maintenance Company			
Asphalt storage of maintenance company Tianshui Company			
Four company office building decoration			
Comprehensive management system upgrade project	2,277,973.50		2,277,973.50
Gansu Liudun Expressway Project Co., Ltd. G215 National Highway Construction and Installation Project	3,531,784,246.21		3,531,784,246.21
Qinglan Expressway takes over the service area upgrade project	54,010,187.46		54,010,187.46
Drying plant	1,172,539.78		1,172,539.78
Accrued interest on the capitalization of accrued items			
G248 Line Baxiasi to Huguan Highway Project	1,915,835.26		1,915,835.26
S38 Line Wanggertang to Xiahe (Sangke) Highway Project	2,197,309,063.61		2,197,309,063.61
Hongda Office Building Decoration			
Luqiao Building Third Floor Maintenance and Renovation Project	5,216,635.05		5,216,635.05
Yuanlong Office Building Decoration	2,198,218.78		2,198,218.78
Mante Office Building Renovation Project	125,618,943.84		125,618,943.84
Smart Transportation Industrial Park Construction	82,973,610.78		82,973,610.78
About the highway project from Huanxian County (Shililikoukou) to Cheluweixian (Ganning Border) on G341			
National and provincial mainline service area construction projects	2,412,699.06		2,412,699.06
Service area public service improvement project (RV station)	3,267,499.83		3,267,499.83
National and provincial trunk toll station reconstruction and expansion project	10,599,816.37		10,599,816.37
Guazhou Parking Area Newly Built Staff Dormitory Project	515,845.38		515,845.38
Yongchang Service Area Boiler Environmental Protection Upgrading Project	189,636.37		189,636.37
Transformer capacity expansion project in Zhangye service area	129,893.20		129,893.20
Import and export project transformation			
Dangda (Yuanlong) Company has built shops, color steel house shops and related expenses	3,773,549.34		3,773,549.34
Gansu Changmo Highway Test and Inspection Company rock wool board warehouse and color steel canopy construction			

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Gansu Changmo Highway Test and Inspection Company Test House Construction	82,973,610.78		82,973,610.78
Longzhong High-tech Highway Maintenance Accounting Co., Ltd. Office Building and Production Building Project			
Baiyin New Century Road Industry Co., Ltd. East District Material Plant Construction	1,450,437.45		1,450,437.45
Unblocking Project of Formed Village	12,477,240,000.00		12,477,240,000.00
HD video conference system			
Gansu National Regional Highway Traffic Emergency Equipment Material Reserve Center Project Management Office Construction and Installation Project Investment	102,138,406.55		102,138,406.55
Investment in construction and installation of 4 reconstruction projects in Hexi area of G312 line	2,034,400,496.52		2,034,400,496.52
Construction Project of Jiuquan Highway Exhibition Hall	18,216,011.43		18,216,011.43
Civil engineering and renovation costs of the renovation project of Jiusclu Hotel	19,159,476.62		19,159,476.62
Guangtong Highway-Administrative Bureau Comprehensive Information Platform	591,000.00		591,000.00
Guangtong Highway-Production Control Center of the Administration	1,063,641.00		1,063,641.00
Guangtong Highway-Administration Fixed Video Access Project	803,376.40		803,376.40
Guangtong Highway-Administrative Agency Visualization Project	200,000.00		200,000.00
Guangtong Highway-VPN Network Conference Room Maintenance Project	297,922.80		297,922.80
Guangtong Highway-Su'ao Monitoring and Relocation Project	17,400.00		17,400.00
Guangtong Highway-Integrated wiring and fixed video access project	132,914.00		132,914.00
Guangtong Highway-Engine Management Contract and Visual Scheduling Project Contract	422,590.00		422,590.00
Secondary road facility equipment renovation project	4,229,245.71		4,229,245.71
Anmen service area sewage treatment system upgrade project	2,178,503.22		2,178,503.22
Tongwei Service Area	876,782.51		876,782.51
Maying Service Area	211,058.16		211,058.16
Qin'an Service Area	159,156.23		159,156.23
Transformer capacity expansion project in Yongchang service area	128,545.45		128,545.45
Lanzhou North Service Area New Warehouse Project	1,174,311.94		1,174,311.94
Video Surveillance, Upgrade and New Video Conference System Project of Expressway Service Area in Gansu Province	16,037.74		16,037.74
Sewage treatment system upgrade project in Zhangye service area	2,840,926.75		2,840,926.75
Reconstruction and expansion of Wujialing service area of national and provincial trunk toll stations	3,800.00		3,800.00

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Reconstruction and expansion of Daoyiyi service area of national and provincial trunk toll stations	3,800.00		3,800.00
Warehouse renovation	1,209,964.00		1,209,964.00
Lanzhou New District Highway Passenger Transport East Station Project	2,949,831.55		2,949,831.55
Import and export road reconstruction project	6,830,699.08		6,830,699.08
Facilities construction and maintenance project	22,131.83		22,131.83
Two-car high-grade highway project	999,411,875.49		999,411,875.49
S28 Line Lingtai to Huating Expressway Project Phase I	22,615,184.86		22,615,184.86
G312 Line Shanghai to Horgos Highway Qingshuiyi to Kushui Section Highway Project	136,616,841.41		136,616,841.41
Construction of Liuzhou plant in Guazhou	535,540.00		535,540.00
Beixian Project	380,143.38		380,143.38
Gansu Communications Construction Group Co., Ltd.	469,543,051.12		469,543,051.12
Mainangshan to Qiaowan Project	84,157,807.26		84,157,807.26
Lanzhou-Haikou Expressway Lanzhou Section Long Slope Treatment Project	128,765,013.66		128,765,013.66
Qidun to Guazhou Section Project	40,424,705.30		40,424,705.30
Rehabilitation and reconstruction of Jiangdingya landslide in Nanyu Township, Zhouqu County	58,656,214.76		58,656,214.76
Gannan Project Management Office	2,658,280.78		2,658,280.78
Wuwei Beixian Highway Engineering Co., Ltd.	355,917.42		355,917.42
Two emblem project	6,706,035,004.60		6,706,035,004.60
Sany Heavy Industry Gansu Mixing Plant Infrastructure	43,599,999.99		43,599,999.99
175 cubic meter storage tank in Jiayuguan asphalt warehouse	82,899.02		82,899.02
Jiayuguan Asphalt Storage 2500 cubic meters storage tank	270,313.53		270,313.53
Luqiao Building 11th floor staff activity room overall renovation project	837,671.89		837,671.89
Luqiao Building Maintenance and Renovation Project	8,735,012.45		8,735,012.45
Sany Heavy Factory Building Installation	37,039,647.15		37,039,647.15
G327 Line Lianyungang to Guyuan Highway Zhenyuan to Wangzuizi (Ganningjie) Section Construction and Installation Project Investment	52,826,713.72		52,826,713.72
Jiuquan Highway Exhibition Hall Construction Project Phase II	10,200,755.25		10,200,755.25
Gansu Hengjie Road and Bridge Maintenance Technology Co., Ltd. Office Building Decoration	302,361.61		302,361.61

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Hengjie-Lanlin renovation project SG-4 contract section project manager department	2,449,816.54		2,449,816.54
Plant and office building of Gansu Henghe Shengchuang Technology Co., Ltd.	651,123.02		651,123.02
Total	213,623,711,311.59		213,623,711,311.59

(Continued)

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Lanzhou (New City) to Yongjing Expressway Project along the Yellow River	6,352,636,931.08		6,352,636,931.08
Shiyan to Tianshui Expressway Huixian to Tianshui Section	21,997,535,107.70		21,997,535,107.70
Lintao-Weiyuan Section of Lanhai Expressway	5,308,895,783.99		5,308,895,783.99
Pimples from Jingxin Expressway to Mingshui	5,006,919,935.48		5,006,919,935.48
Lanzhou Ring Expressway Project	10,308,508,200.71		10,308,508,200.71
Linhe Expressway Project	9,431,642,102.18		9,431,642,102.18
Weiwu Expressway Project	18,122,416,173.98		18,122,416,173.98
Jingtai-Zhongchuan Airport Highway Project	3,123,101,284.96		3,123,101,284.96
Linxia Shuangcheng-Dariga Expressway Project	1,735,622,431.62		1,735,622,431.62
Pingliang-Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	7,752,439,635.13		7,752,439,635.13
Yinchuan to Baise National Highway Sweetwater Fort via Qingcheng to Yonghe Section Project	8,700,021,700.82		8,700,021,700.82
Wudu to Jiuzhaigou Expressway Project	1,399,445,660.82		1,399,445,660.82
S314 Line Guazhou to Dunhuang Expressway (continuous construction)	816,345,376.70		816,345,376.70
Jingning-Zhuanglang Expressway Project	2,728,875,277.41		2,728,875,277.41
Huining to Laojunpo Expressway Project	515,927,399.87		515,927,399.87
Hesai Expressway Project	566,661.99		566,661.99
Sailang Expressway Project	272,452.32		272,452.32
Gansu Province Luohandong to Dingxi highway (excluding Ningxia section) flood repair project	55,619,068.79		55,619,068.79
Tianding Maintenance and Improvement Project (Phase I)	93,786,503.25		93,786,503.25
Jinghua Expressway Project	337,888,984.36		337,888,984.36
Dangchang to Diebu Highway	2,292,211,200.88		2,292,211,200.88
Jingzhou Highway	764,279,066.67		764,279,066.67
Hanjiahe to Shuiquan Highway	284,988,541.66		284,988,541.66
Inner Highway	509,023,695.47		509,023,695.47

Item	Ending balance		
	Book amount	Provision for inpairment	Book value
Gaxiu to Maqu Highway	661,760,414.86		661,760,414.86
Cooperation to Yeliguan Highway	1,484,154,429.60		1,484,154,429.60
Linxia to Dahejia Highway	730,137,330.48		730,137,330.48
Lintao to Hezheng Highway	674,469,009.97		674,469,009.97
Luomen-Li County Highway	610,698,434.49		610,698,434.49
Xiahe to Xiahe Airport Highway	576,136,534.07		576,136,534.07
Yemuxia Tunnel to Link Highway	215,631,288.94		215,631,288.94
Dachuan to Zheqiao Highway	2,135,689,290.93		2,135,689,290.93
Huachi Newcastle to Nanliang Highway	669,184,319.73		669,184,319.73
Pingliang Transit Highway	455,518,805.75		455,518,805.75
Zhuanglang to Zhangjiachuan to Tianshui Highway	1,639,582,574.12		1,639,582,574.12
Liwu Road	523,959,328.69		523,959,328.69
Overhaul project	5,253,710,598.02		5,253,710,598.02
Indirect expenses	18,547,581.47		18,547,581.47
General Airport Engineering Project	39,433,030.40		39,433,030.40
Tourism project	128,793,937.76		128,793,937.76
Storage base enclosure structure	10,186,488.26		10,186,488.26
Business Management Information Platform	167,487.18		167,487.18
Core system software	1,426,415.09		1,426,415.09
Huining to Tongwei project	1,085,844.23		1,085,844.23
Gulang Golden Triangle to Fengle	450,384,932.49		450,384,932.49
Qingshuiyi to Kushui, Zhonghe to Hekou	143,941,606.87		143,941,606.87
Diebu to Jiuzhaigou Highway	1,168,499.27		1,168,499.27
S101 Line Zhongchuan Railway to Huangyangtou	7,403,991.45		7,403,991.45
Upgrade and reconstruction of the Great Wall Station service area	81,512,514.82		81,512,514.82
Qijiashan to Hanjiacha	1,579,294.89		1,579,294.89
Baiyindong Service Area Upgrading Project	55,012,996.59		55,012,996.59
Taishi service area upgrade project	47,690,369.94		47,690,369.94
Zhouqu Lijie to Sichuan Yonghe	94,396,523.66		94,396,523.66
Qingyang Huan County Overrun Monitoring Station	7,137.92		7,137.92
Jingyuan to Huining	1,602,416,506.34		1,602,416,506.34

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Pingliang to Jieshipu	211,185,453.53		211,185,453.53
Diebu to Ruoergai, Sichuan	160,462,267.81		160,462,267.81
Dingyuan to Hanjiacha Project	410,464,476.65		410,464,476.65
Silver to Lanzhou	303,804,623.67		303,804,623.67
Jiangguohe to Diebu	36,236,351.01		36,236,351.01
Liuyuan to Xingxingxia	451,614,668.04		451,614,668.04
Fengxiang intersection to Pingliang East	458,463,082.03		458,463,082.03
Recreation to Zhuoni	1,053,735,863.36		1,053,735,863.36
Maqu to Jiuqing, Qinghai	562,115,908.95		562,115,908.95
Longxi to Lintao section	450,549,717.19		450,549,717.19
Section from Banqiao to Xiaoyuanzi	721,143,346.27		721,143,346.27
Highway from Zhouqu Peak to Daigu Temple	676,424,945.08		676,424,945.08
Jinya to Hekou	100,834,624.36		100,834,624.36
Liangdang to Huixian Project	5,203,353,138.43		5,203,353,138.43
Dunhuang to Dangjinshankou Expressway	2,185,885,685.83		2,185,885,685.83
Pengda Expressway	4,405,384,756.51		4,405,384,756.51
Renovation of warehouse of transportation service center	1,209,964.00		1,209,964.00
Lanzhou New District Passenger Terminal	130,059,125.50		130,059,125.50
Examination room renovation	4,197,579.92		4,197,579.92
Office building	338,956.00		338,956.00
Color steel room	544,280.00		544,280.00
Maintenance company Lanzhou New District Industrial Park	92,156,174.72		92,156,174.72
Office Building of Asphalt Depot, Tianshui Company, Maintenance Company	1,134,844.13		1,134,844.13
Asphalt storage of maintenance company Tianshui Company	16,163,068.58		16,163,068.58
Four company office building decoration	31,106.00		31,106.00
Comprehensive management system upgrade	2,164,107.50		2,164,107.50
G215 National Highway Project	1,547,103,836.08		1,547,103,836.08
Qinglan Expressway takes over the service area upgrade project	48,478,503.52		48,478,503.52
Drying plant	394,297.66		394,297.66
Accrued interest on the capitalization of accrued items	14,834,637.37		14,834,637.37
G248 Line Baxiasi to Huguan Highway Project	1,039,290.33		1,039,290.33

Item	Ending balance		
	Book amount	Provision for impairment	Book value
S38 Line Wanggertang to Xiahe (Sangke) Highway Project	411,093,682.43		411,093,682.43
Hongda Office Building Decoration	1,593,646.23		1,593,646.23
Luqiao Building Third Floor Maintenance and Renovation Project	5,216,635.05		5,216,635.05
Yuanlong Office Building Decoration	2,072,582.53		2,072,582.53
Mante Office Building Renovation Project	964,326.45		964,326.45
Smart Transportation Industrial Park Construction	4,824,250.74		4,824,250.74
About the highway project from Huanxian County (Shililikoukou) to Cheluweixian (Ganning Border) on G341	2,253,418.66		2,253,418.66
National and provincial mainline service area construction projects	5,443,103.98		5,443,103.98
Service area public service improvement project (RV station)	45,742.35		45,742.35
National and provincial trunk toll station reconstruction and expansion project	274,213.69		274,213.69
Guazhou Parking Area Newly Built Staff Dormitory Project	450,397.18		450,397.18
Boiler environmental protection upgrade project in service area	189,636.37		189,636.37
Service area transformer capacity expansion project	258,438.65		258,438.65
Import and export project transformation	4,674,713.66		4,674,713.66
Dangda (Yuanlong) Company has built shops, color steel house shops and related expenses	3,781,370.33		3,781,370.33
Construction of rock wool board warehouse and color steel canopy	125,355.34		125,355.34
Test house construction	300,093.11		300,093.11
Office and production housing projects	2,306,866.50		2,306,866.50
Leveling of Baiyin East Stockyard	1,025,000.00		1,025,000.00
Unblocking Project of Formed Village	12,477,240,000.00		12,477,240,000.00
HD video conference system	4,274,838.00		4,274,838.00
Gansu National Regional Highway Traffic Emergency Equipment Material Reserve Center	101,251,206.38		101,251,206.38
4 reconstruction projects in Hexi area	1,606,730,735.48		1,606,730,735.48
Jiuquan Highway Exhibition Hall Project	28,416,766.68		28,416,766.68
Renovation project of Jiuselu Hotel	19,159,476.62		19,159,476.62
Authority Comprehensive Information Platform	591,000.00		591,000.00
Production Control Center of the Administration	1,063,641.00		1,063,641.00
Administration's fixed video aecess project	803,376.40		803,376.40
The Administration's Locomotive Dispatch Visualization Project	200,000.00		200,000.00
VPN network meeting room maintenance project	297,922.80		297,922.80
Sua's monitoring and relocation project	17,400.00		17,400.00

Item	Ending balance		
	Book amount	Provision for impairment	Book value
Integrated wiring and fixed video access project	132,914.00		132,914.00
Engineering contract for vehicle management and visual dispatching project	360,331.00		360,331.00
Total	159,893,698,457.76		159,893,698,457.76

8.18.2.Changes in important projects under construction this year

project name	Budget (ten thousand yuan)	Balance at the end of the previous year	Increase this year	Amount transferred to fixed assets this year	Other reductions this year	Ending balance
Lanzhou (New City) to Yongjing Expressway Project along the Yellow River	610,691.82	6,352,636,931.08	5,986,505.93			6,358,623,437.01
Shiyan to Tianshui Expressway Huixian to Tianshui Section	2,062,093.79	21,997,535,107.70	79,904,489.05			22,077,439,596.75
Lintao-Weiyuan Section of Lanhai Expressway	476,979.99	5,308,895,783.99	271,813,203.59			5,580,708,987.58
Pimples from Jingxin Expressway to Mingshui	611,356.00	5,006,919,935.48	257,526,484.17			5,264,446,419.65
(Jinchang to Ayouqi (Ganmengjie) Expressway)	211,831.00					
Lanzhou Ring Expressway Project	1,182,935.16	10,308,508,200.71	1,098,436,649.65			11,406,944,850.36
Linhe Expressway Project	888,952.00	9,431,642,102.18	38,790,611.01			9,470,432,713.19
Weiwu Expressway Project	3,804,149.81	18,122,416,173.98	6,130,728,450.91			24,253,144,624.89
Jingtai-Zhongchuan Airport Highway Project	781,662.97	3,123,101,284.96	3,113,550,351.32			6,236,651,636.28
Linxia Shuangcheng-Dariga Expressway Project	477,376.87	1,735,622,431.62	1,319,228,489.72			3,054,850,921.34
Pingliang-Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	2,253,750.74	7,752,439,635.13	5,092,484,442.89			12,844,924,078.02
Yinchuan to Baise National Highway Sweetwater Fort via Qingcheng to Yonghe Section Project	3,492,956.75	8,700,021,700.82	9,755,733,774.21			18,455,755,475.03
Wudu to Jiuzhaigou Expressway Project	1,760,159.00	1,399,445,660.82	4,140,845,572.79			5,540,291,233.61
S314 Line Guazhou to Dunhuang Expressway (continuous construction)	94,137.00	816,345,376.70	60,180,385.74			876,525,762.44

project name	Budget (ten thousand yuan)	Balance at the end of the previous year	Increase this year	Amount transferred to fixed assets this year	Other reductions this year	Ending balance
Jingning-Zhuanglang Expressway Project	777,901.00	2,728,875,277.41	2,525,569,279.21			5,254,444,556.62
Huining to Laojunpo Expressway Project	128,451.00	515,927,399.87	473,479,222.97			989,406,622.84
Hesai Expressway Project	1,200,000.00	566,661.99	435,623.54			1,002,285.53
Sailang Expressway Project	792,000.00	272,452.32	154,953.06			427,405.38
Gansu Province Luohandong to Dingxi highway (excluding Ningxia section) flood repair project	9,999.15	55,619,068.79	27,781,540.68			83,400,609.47
Tianding Maintenance and Improvement Project (Phase I)	11,675.65	93,786,503.25	39,465,534.72			133,252,037.97
Jinghua Expressway Project	158,063.90	337,888,984.36	514,004,931.20			851,893,915.56
Dangchang to Diebu Highway	241,788.00	2,292,211,200.88	3,773,306.01			2,295,984,506.89
Jingzhou Highway	76,771.06	764,279,066.67				764,279,066.67
Hanjiahe to Shuiquan Highway	34,500.00	284,988,541.66	-302,000.00			284,686,541.66
Inner Highway	51,564.47	509,023,695.47	248,047.00			509,271,742.47
Gaxiu to Maqu Highway	53,746.00	661,760,414.86	-3600.28			661,756,814.58
Cooperation to Yeliguan Highway	149,034.22	1,484,154,429.60	28,387,609.87			1,512,542,039.47
Linxia to Dahejia Highway	74,069.78	730,137,330.48	84,085.00		3,601,993.95	726,619,421.53
Lintao to Hezheng Highway	69,058.15	674,469,009.97	-1247406.39			673,221,603.58
Luomen-Li County Highway	55,000.00	610,698,434.49	3,450,181.00			614,148,615.49
Xiahe to Xiahe Airport Highway	54,500.00	576,136,534.07	566,830.30			576,703,364.37
Yemuxia Tunnel to Link Highway	14,990.97	215,631,288.94	112,000.00			215,743,288.94
Dachuan to Zheqiao Highway	153,277.00	2,135,689,290.93	94,026,197.57			2,229,715,488.50
Huachi Newcastle to Nanliang Highway	69,773.00	669,184,319.73	11,918,426.81			681,102,746.54
Pingliang Transit Highway	46,031.00	455,518,805.75				455,518,805.75
Zhuanglang to Zhangjiachuan to Tianshui Highway	144,348.00	1,639,582,574.12	-63,648.49			1,639,518,925.63
Liwu Road	48,235.75	523,959,328.69	15,067,337.79			539,026,666.48
Overhaul project		5,253,710,598.02	802,285,529.84			6,055,996,127.86
Indirect expenses		18,547,581.47	5,794,193,554.84		5,470,737,014.83	342,004,121.48

project name	Budget (ten thousand yuan)	Balance at the end of the previous year	Increase this year	Amount transferred to fixed assets this year	Other reductions this year	Ending balance
General Airport Engineering Project	16,807.82	39,433,030.40	7,485,541.91			46,918,572.31
Tourism project		128,793,937.76	464,496,287.38	36,769,371.08	4,430,532.70	552,090,321.36
Storage base enclosure structure	149,400.00	10,186,488.26	223,342,186.30			233,528,674.56
Business Management Information Platform	61.10	167,487.18	75,883.02			243,370.20
Core system software	252.00	1,426,415.09	808,490.57	2,234,905.66		
T3 terminal building connection line project	280,037.64		80,003,450.73			80,003,450.73
Linxia to Dahejia Expressway Construction Project	983,829.75		878,024,243.75			878,024,243.75
Cancellation of highway toll station at provincial border	187,081.34		750,070,330.99			750,070,330.99
Information project			9,095,374.67			9,095,374.67
Gansu Seed Exchange Agricultural Products E-commerce Trading System Construction Project	292.00		1,377,917.50			1,377,917.50
Intellectual property software copyright design and registration agency fee	8.80		51,121.08			51,121.08
VIS design of "Xiaolongbao", LOGO design of "An Yidian" and agency fee	10.21		102,148.58			102,148.58
Warranty system software			34,392.46			34,392.46
Tianjin Software Development			50,754.71			50,754.71
Lixian Sandstone Material Project			270,138.49			270,138.49
Subei to Shazaoyuan Highway Project	109,208.59		1,626,355.04			1,626,355.04
Wuwei Historical Street Construction and Protection Project	374,908.36		503,968,313.62			503,968,313.62
Lanzhou-Agan Town Highway Project	360,058.54		519,518,618.24			519,518,618.24
The unblocking project of the public institution organizing village	1,247,724.00	12,477,240,000.00				12,477,240,000.00
Two emblem project	743,337.78	5,086,686,159.91	1,619,348,844.69			6,706,035,004.60

project name	Budget (ten thousand yuan)	Balance at the end of the previous year	Increase this year	Amount transferred to fixed assets this year	Other reductions this year	Ending balance
G85 Pengyang (Ganning border) to Pingliang to Daqiaocun (Ganshan border) section project	1,203,500.00	4,405,384,756.51	1,994,215,785.77		14,875,358.68	6,384,725,183.60
Gansu Liudun Expressway Project Co., Ltd. G215 National Highway Construction and Installation Project	386,921.61	1,342,238,931.73	1,798,474,189.38			3,140,713,121.11
Total	--	146,779,706,325.80	50,551,037,316.11	39,004,276.74	5,493,644,900.16	191,798,094,465.01

(Continued)

project name	The proportion of cumulative investment in the project to the budget (%)	project progress(%)	Accumulated interest capitalization	Including: the amount of interest capitalization this year	Interest capitalization rate this year (%)	Sources of funds
Lanzhou (New City) to Yongjing Expressway Project along the Yellow River	104.12	100.00	1,692,579,519.06		4.90	State capital, loans
Shiyan to Tianshui Expressway Huixian to Tianshui Section	107.06	100.00	4,963,724,890.43		4.90	State capital, loans
Lintao-Weiyuan Section of Lanhai Expressway	117.00	100.00	1,352,389,742.70	305,220,328.77	4.90	State capital, loans
Pimples from Jingxin Expressway to Mingshui	86.11	86.11	900,588,989.27	223,514,716.54	4.90	State capital, loans
(Jinchang to Ayouqi (Ganmengjie) Expressway)			202,039,877.40			State capital, loans
Lanzhou Ring Expressway Project	96.43	96.43	2,102,690,219.57	625,203,498.50	4.90	State capital, loans
Linhe Expressway Project	106.53	100.00	1,687,031,437.75		4.90	State capital, loans
Weiwu Expressway Project	63.75	63.75	2,787,452,515.78	1,107,863,948.36	4.90	State capital, loans
Jingtai-Zhongchuan Airport Highway Project	79.79	79.79	637,673,431.04	308,925,515.66	4.90	State capital, loans
Linxia Shuangcheng-Dariga Expressway Project	63.99	63.99	342,977,584.88	178,763,096.31	4.90	State capital, loans
Pingliang-Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	56.99	56.99	938,670,286.87	490,913,716.95	4.90	State capital, loans
Yinchuan to Baise National Highway Sweetwater Fort via Qingcheng to Yonghe Section Project	52.84	52.84	1,806,539,365.18	826,402,258.52	4.90	State capital, loans
Wudu to Jiuzhaigou Expressway Project	31.48	31.48	486,609,058.80	332,794,003.81	4.90	State capital, loans

project name	The proportion of cumulative investment in the project to the budget (%)	project progress(%)	Accumulated interest capitalization	Including: the amount of interest capitalization this year	Interest capitalization rate this year (%)	Sources of funds
S314 Line Guazhou to Dunhuang Expressway (continuous construction)	93.11	93.11	168,542,580.95	57,332,691.70	4.90	State capital, loans
Jingning-Zhuanglang Expressway Project	67.55	67.55	612,189,775.82	346,004,924.51	4.90	State capital, loans
Huining to Laojunpo Expressway Project	77.03	77.03	102,488,311.33	59,121,586.72	4.90	State capital, loans
Hesai Expressway Project	0.01	0.01	1,002,285.53	435,623.54	4.90	State capital, loans
Sailang Expressway Project	0.01	0.01	427,405.38	154,953.06	4.90	State capital, loans
Gansu Province Luohandong to Dingxi highway (excluding Ningxia section) flood repair project	83.41	83.41	8,835,920.45	5,245,278.13	4.90	State capital, loans
Tianding Maintenance and Improvement Project (Phase I)	114.13	100.00	22,933,125.67	15,923,391.33	4.90	State capital, loans
Jinghua Expressway Project	53.90	53.90	84,505,626.05	54,411,485.38	4.90	State capital, loans
Dangchang to Diebu Highway	94.96	94.96	284,542,158.24			State capital, loans
Jingzhou Highway	99.55	99.55	67,891,531.11			State capital, loans
Hanjiahe to Shuiquan Highway	82.52	82.52	12,359,903.20			State capital, loans
Inner Highway	98.76	98.76	33,500,110.57			State capital, loans
Gaxiu to Maqu Highway	123.13	100.00	112,710,990.85			State capital, loans
Cooperation to Yeliguan Highway	101.49	100.00	109,158,953.22			State capital, loans
Linxia to Dahejia Highway	98.10	98.10	44,511,612.89			State capital, loans
Lintao to Hezheng Highway	97.49	97.49	46,572,551.00			State capital, loans
Luomen-Li County Highway	111.66	100.00	27,463,494.12			State capital, loans
Xiahe to Xiahe Airport Highway	105.82	100.00	31,004,254.76			State capital, loans
Yemuxia Tunnel to Link Highway	143.92	100.00	32,555,255.79			State capital, loans
Dachuan to Zheqiao Highway	145.47	100.00	269,701,300.48			State capital, loans
Huachi Newcastle to Nanliang Highway	97.62	97.62	34,326,151.10			State capital, loans
Pingliang Transit Highway	98.96	98.96	67,464,589.29			State capital, loans
Zhuanglang to Zhangjiachuan to Tianshui Highway	113.58	100.00	142,990,911.95			State capital, loans
Liwu Road	111.75	100.00	60,483,547.74			State capital, loans
Overhaul project						State capital, loans

project name	The proportion of cumulative investment in the project to the budget (%)	project progress(%)	Accumulated interest capitalization	Including: the amount of interest capitalization this year	Interest capitalization rate this year (%)	Sources of funds
Indirect expenses						State capital, loans
General Airport Engineering Project	27.91	27.91				Self-raised by the enterprise
Tourism project						Enterprise self-raised, loan
Storage base enclosure structure	15.63	15.63				Self-raised by the enterprise
Business Management Information Platform	39.83	39.83				Self-raised by the enterprise
Core system software						Self-raised by the enterprise
T3 terminal building connection line project	2.86	2.86	16,016,615.87	16,016,615.87		State capital, loans
Linxia to Dahejia Expressway Construction Project	8.92	8.92	41,056,038.13	41,056,038.13		State capital, loans
Cancellation of highway toll station at provincial border	40.09	40.09	13,428,716.71	13,428,716.71		State capital, loans
Information project						Self-raised by the enterprise
Gansu Seed Exchange Agricultural Products E-commerce Trading System Construction Project	47.19	47.19				Self-raised by the enterprise
Intellectual property software copyright design and registration agency fee	58.09	58.09				Self-raised by the enterprise
VIS design of "Xiaolongbao", LOGO design of "An Yidian" and agency fee	100.05	100.00				Self-raised by the enterprise
Warranty system software						Self-raised by the enterprise
Tianjin Software Development						Self-raised by the enterprise
Lixian Sandstone Material Project						Self-raised by the enterprise
Subei to Shazaoyuan Highway Project	0.15	0.15				State capital, loans
Wuwei Historical Street Construction and Protection Project	13.44	13.44				Self-raised by the enterprise
Lanzhou-Agan Town Highway Project	14.43	14.43	538,888.89	538,888.89		State capital, loans
Unblocking Project of Formed Village	100.00	100.00				other sources
Two emblem project	90.21	90.21	371,685,170.22	93,305,990.91	47.87	Capital plus bank loans

project name	The proportion of cumulative investment in the project to the budget (%)	project progress(%)	Accumulated interest capitalization	Including: the amount of interest capitalization this year	Interest capitalization rate this year (%)	Sources of funds
G85 Pengyang (Ganning border) to Pingliang to Daqiaocun (Ganshan border) section project	52.80	52.80	766,909,773.48	245,386,883.01	100.00	Internal borrowing, infrastructure investment
Gansu Liudun Expressway Project Co., Ltd. G215 National Highway Construction and Installation Project	81.00	81.00				Capital injection and loans
Total	--	--	23,488,764,469.52	5,347,964,151.31	--	--

8.19 Intangible assets

8.19.1.Classification of intangible assets

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Total original price	881,194,862.11	1,471,125,250.20	1,945,673.00	2,350,374,439.31
Among them: land use rights	796,464,058.54	1,445,105,504.83	914,795.23	2,240,654,768.14
Franchise	28,000,000.00			28,000,000.00
Software	15,183,904.96	15,627,004.31	153,084.45	30,657,824.82
Trademark right	294,018.86			294,018.86
patent	17,561,552.37	447,076.26	383,371.69	17,625,256.94
Unpatented technology	23,444,179.54	9,482,022.94	471,239.55	32,454,962.93
Copyright	8,737.86	463,641.86	23,182.08	449,197.64
other	238,409.98			238,409.98
2. Total accumulated amortization	52,504,220.61	69,493,015.33	425,059.12	121,572,176.82
Among them: land use rights	23,345,746.15	52,013,234.41	26,137.00	75,332,843.56
Franchise	3,126,666.89			3,126,666.89
Software	3,348,993.38	4,591,152.57	7,991.38	7,932,154.57
Trademark right	11,412.36	1,100.00		12,512.36
patent	6,757,160.06	1,652,810.97	63,851.46	8,346,119.57
Unpatented technology	15,749,388.91	11,165,218.86	327,079.28	26,587,528.49
Copyright	6,917.46	1,820.40		8,737.86
other	157,935.40	67,678.12		225,613.52
3. Total amount of impairment provision				

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Among them: land use rights				
Franchise				
Software				
Trademark right				
patent				
Unpatented technology				
Copyright				
other				
4. Total book value	828,690,641.50			2,228,802,262.49
Among them: land use rights	773,118,312.39			2,165,321,924.58
Franchise	24,873,333.11			24,873,333.11
Software	11,834,911.58			22,725,670.25
Trademark right	282,606.50			281,506.50
patent	10,804,392.31			9,279,137.37
Unpatented technology	7,694,790.63			5,867,434.44
Copyright	1,820.40			440,459.78
other	80,474.58			12,796.46

Note: At the end of the reporting period, there were no intangible assets with limited ownership, such as mortgages and pledges.

8.19.2. Status of land use rights without property rights certificate

Item	Book value at the end of the period	Reasons for failure to complete the title certificate
Land use rights in scenic spots	5,699,792.44	Not yet processed
Land in Yanzhishan Scenic Area	1,167,833.13	In process
Kangxian Huaqiao RV Campground Land	8,075,919.36	In process
Land use rights of 32# and 41# in Maijishan District, Tianshui City, owned by Maijishan Tourism Co., Ltd.	129,340,285.00	In process
Land use right of No. 1 Taolin Road, Anning West Road Street, Anning District, owned by Gansu Yuanda Road Industry Group Co., Ltd.	20,000,000.00	Problems left over by history, property rights have not been handled
Total	164,283,829.93	--

8.20 Development expenditure

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	other	
Research on R&D and Application Technology of Modified Asphalt Based on Gobi Environmental Requirements		26,423,027.42			26,423,027.42		
Research on Application Technology of Wide Temperature SBS Modified Asphalt in Gobi Desert		14,473,137.34			14,473,137.34		
Research on Key Technology of Construction of Cement-stabilized Crushed Stone Base with Dense Skeleton in Gobi Area		11,166,922.62			11,166,922.62		
Research and Application of Processing Parameters of Rubber Asphalt Based on Raw Material Characteristics		6,218,041.35			6,218,041.35		
Smart site cloud management platform		5,454,745.46			5,454,745.46		
Study on the concrete curing technology and durability in extremely dry desert area		2,575,585.65			2,575,585.65		
Pilot Project of Expressway Smart Service Area in Gansu Province		2,125,364.91			2,125,364.91		
Electronic patrol and patrol system in Gansu expressway service area		1,393,215.73			1,393,215.73		
Highway maintenance decision-making and data analysis platform		1,000,579.81			1,000,579.81		
Application Research of C50 Low Carbon Green Concrete in Bridge Engineering		986,689.96			986,689.96		
Research on Key Construction Techniques for Improving Structural Performance of Composite Curved Beam Bridge with Corrugated Webs		930,859.21			930,859.21		
Research on Long-term Serviceability and Durability of Highway Subgrade in Saline Soil Area		890,229.66			890,229.66		
Open Fund Project		769,096.91			769,096.91		
OA System of Gansu Expressway Service Co., Ltd.		732,822.28			732,822.28		
Research on Key Technical Indexes of Highway Concrete Structure Durability Design and Construction Control		719,739.89			719,739.89		
R & D Center		701,223.73			701,223.73		
Research on Application Technology of Machine-made Sand in Concrete		599,089.92			599,089.92		
Research and Application of Drainage Asphalt Concrete Bridge Deck Pavement		536,476.61			536,476.61		
Research on Application of Concrete Maintenance Release Agent Technology		523,398.53			523,398.53		
Study on the construction of on-site exposed field and the durability of road materials under extreme drought and desert conditions		517,564.29			517,564.29		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	oth er	
Application Research of Digital Refractometer in the Determination of Solid Content of Liquid Admixture		508,877.06			508,877.06		
Highway Maintenance Decision Support Technology and Data Analysis System Development		502,221.32		15,388.30	486,833.02		
Research on Key Technology of Construction of Liujiaxia Bridge		471,698.11			471,698.11		
Analysis of Strengthening Effect of Prestressed Concrete Continuous Rigid Frame Bridge Based on External Prestressing		342,155.00			342,155.00		
Research on R&D and Application Technology of Geocell Based on Emergency Needs		300,397.34			300,397.34		
Research on Test Methods of Concrete Shrinkage and Expansion		293,622.25			293,622.25		
Intelligent spraying system for curing concrete		280,747.79			280,747.79		
Industry R&D Center (Infrastructure Construction of New District Industrial Park)		266,288.17			266,288.17		
Research on Air Dust and Acid Gas Purification Technology During Underground Engineering Construction		233,732.56			233,732.56		
Research and Application of Environmental Monitoring Technology for Expressways in Hexi Region of Gansu Province		224,927.60			224,927.60		
Research on the Statistical Monitoring and Evaluation System of Energy Conservation and Emission Reduction of Transportation in Gansu Province		185,779.83			185,779.83		
Grouting density test		161,398.86			161,398.86		
Composite high-efficiency ultrafine powder grouting material		143,360.10			143,360.10		
Rapid Repair of Phosphate in Low Temperature Environment in Alpine Region		137,617.88			137,617.88		
Application of Modified Huangmosha in Foundation Treatment of Collapsible Loess and Saline Soil Area		119,950.86			119,950.86		
Functionalized graphene technology for modified asphalt		101,087.38			101,087.38		
Research on base reinforcement technology of large-section loess tunnel		80,000.00			80,000.00		
Development, Production and Application of Low Viscosity Rubber Compound Reverse Asphalt		79,111.38			79,111.38		
Study on practical technology of ready-mixed high performance concrete		72,902.56			72,902.56		
Highway Maintenance Decision Support Technology and Data Analysis System Development		60,240.39			60,240.39		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	other	
Development and application of assembled temporary support structure for large-section highway loess tunnel		58,749.20			58,749.20		
Experimental Study on Static Load Anchor Performance of Highway Bridge Anchors		56,968.28			56,968.28		
Treatment Technique of Water Leakage in Highway Tunnel		43,924.82			43,924.82		
Invention patent bonus		40,000.00			40,000.00		
Construction method reward		38,000.00			38,000.00		
Research on Key Technology of Development and Application of Rapid Repair Material for Casting Asphalt Pavement at Normal Temperature		35,922.16			35,922.16		
Construction Technology of Circulating Treatment of Bored Pile		35,000.00			35,000.00		
Automatic detection and control device for concrete impermeability test		34,281.00			34,281.00		
Construction method of cold-extruded sleeve connection for the second lining of highway tunnel		34,000.00			34,000.00		
Research on sky-sky intelligent road disease detection and monitoring and equipment application technology		32,823.02			32,823.02		
Multifunctional water-based release agent		30,000.00			30,000.00		
Gansu Bridge Engineering Research Center		24,658.08			24,658.08		
Prevention and treatment technology of Dongrong disease of expressway tunnel in high altitude cold area		24,598.81			24,598.81		
Research on Quality Inspection of Bridge Prestressed Hole Grouting and Prestressed Testing Method and Evaluation System under Anchor		21,051.20			21,051.20		
Application and demonstration of graphene oxide/graphene reinforced SBS modified asphalt pavement		19,417.48			19,417.48		
Water-based marking		18,220.36			18,220.36		
Research and Application of Environmental Detection Technology of Expressway in Longnan Mountain Area of Gansu		16,077.67			16,077.67		
Patent agency fee		15,325.25			15,325.25		
Highway Engineering Test and Inspection Integrated Management System V1.0		14,514.51			14,514.51		
Application Research of C50 Low Carbon Green Concrete in Bridge Engineering		13,773.58			13,773.58		
Defects and improvement of loess strength test		13,300.00			13,300.00		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	oth er	
A portable on-site detector for I-shaped steel cross-sectional size		12,421.00			12,421.00		
Application Study on Non-destructive Testing Technology of Grouting Compactness of Bridge Prestressed Holes		12,382.05			12,382.05		
Industry R&D Center (Patent)		12,325.47			12,325.47		
Application Research of Dynamic Flat Plate Method (EVD) in Highway Subgrade Dynamic Modulus Modulus Detection		11,376.83			11,376.83		
Research on Dry-wet Cycle and Device of Loess		10,663.00			10,663.00		
Opening and closing column health shed		10,660.00			10,660.00		
Study on cracks in lining of loess tunnel		10,650.00			10,650.00		
Superposed winter pier post health tube		10,120.00			10,120.00		
Standard constant temperature and humidity curing box		10,090.00			10,090.00		
Core cutting sample preparation equipment for engineering quality inspection		10,090.00			10,090.00		
Undisturbed soil sampling device for highway engineering		10,090.00			10,090.00		
Study on Treatment Technology of Water Inrush from Gaolou Mountain in Wujiu Expressway		10,043.70			10,043.70		
Discussion on the defects of the direct shear test of loess		10,000.00			10,000.00		
Annual patent fee		8,020.00			8,020.00		
Research on Application of Vibration Stirring and Wide Ultra-thick Technology in Cement Stabilized Crushed Stone Base Course		7,882.23			7,882.23		
Highway Concrete Engineering Refractive Index Method for Detecting Solid Content of Water Reducing Agent		7,866.00			7,866.00		
QC topic "Testing and Evaluation of Dynamic Performance of Steel-Concrete Composite Bridge Structures"		7,517.73			7,517.73		
Annual patent fee		7,280.00			7,280.00		
Development of Highway Engineering Quality Inspection Management Information System		6,680.00			6,680.00		
The Research Value of the Historical Value of the Belt and Road Qinzhi Road to the Development of Modern Transportation		5,850.00			5,850.00		
Construction method inspection fee		5,825.24			5,825.24		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	other	
Subgrade CO2 Static Blasting Technology		4,927.18			4,927.18		
Eye charging device around tunnel blasting		4,854.36			4,854.36		
Research on Subgrade Stability Control Technology of Weiwu Expressway		4,500.00			4,500.00		
Low temperature resistant concrete isolating agent		4,400.00			4,400.00		
Concrete constant temperature and humidity control system		4,000.00			4,000.00		
Asphalt heater with high efficiency, energy saving and environmental protection for experiment		3,450.00			3,450.00		
Glass fiber mortar for filling blast holes and preparation method thereof		3,450.00			3,450.00		
Peripheral eye depth and shallow interphase drilling structure controlled by tunnel blasting over-under-excavation		2,949.06			2,949.06		
Bridge deck concrete curing device for highway engineering bridge construction		2,523.00			2,523.00		
Research on Ultrasonic Method to Detect Concrete Crack Depth		2,506.00			2,506.00		
QC project results		2,500.00			2,500.00		
Green environmental protection drilling core decontamination device for highway pavement		2,500.00			2,500.00		
Folding ruler for highway detection		2,500.00			2,500.00		
Cement hardening test observation device		2,500.00			2,500.00		
Cement hardening strength testing device		2,500.00			2,500.00		
Device for quantitatively adding cement admixture		2,500.00			2,500.00		
Blast hole plug for portable vibration damping and soundproofing tunnel		2,352.57			2,352.57		
Bridge grouting anchor head sealing method		2,100.00			2,100.00		
A portable tool box for highway engineering experiment detection		2,095.00			2,095.00		
A portable optical automatic measuring instrument for subgrade rebound and deflection		2,000.00			2,000.00		
Anti-secondary impact device of bump road sign impact resistance tester		2,000.00			2,000.00		
Steel Strand Straightness Measuring Instrument		2,000.00			2,000.00		
Steel elongation measuring platform		2,000.00			2,000.00		
Technical Regulations for Integrity Testing of Large-diameter Super-Long Piles in Gansu Province		2,000.00			2,000.00		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	oth er	
Research on Thickness Control Technology of Pier Pillar Protective Layer		1,637.00			1,637.00		
Test method for measuring water content by microwave method		1,368.00			1,368.00		
Device for efficiently preparing sample of mechanical properties of waterproof board		1,205.00			1,205.00		
Anchor, clamp assembly ring supporting pad		1,205.00			1,205.00		
Test prestressing tendon-anchor and clamp assembly ring supporting pad		1,205.00			1,205.00		
Environmentally friendly low-alkali free CL-accelerator		1,200.00			1,200.00		
Spray health machine		1,200.00			1,200.00		
Rich in diving high slope water control and anti-skid structure patent		1,200.00			1,200.00		
Self-propelled fan-shaped stand for drilling with hydraulic drilling rig		1,200.00			1,200.00		
Bridge edge protection		1,200.00			1,200.00		
Wedge track		1,200.00			1,200.00		
Cement-based high-performance anchoring agent		1,000.00			1,000.00		
Super-strong composite anchoring agent		1,000.00			1,000.00		
Tunnel two-lined concrete maintenance integrated bench		945.00			945.00		
Digging digger		900.00			900.00		
Hot melt marking paint melting device		900.00			900.00		
Pneumatic spray can brush moulding machine		900.00			900.00		
Automatic continuous steel test piece distance gauge		900.00			900.00		
Test and Testing Equipment Management System V1.0		873.79			873.79		
Bending test device for hole grouting test piece		860.00			860.00		
Study on the mechanical properties of geosynthetics prepared by laser cutting		800.00			800.00		
Environment-friendly low-alkali no Cl quick setting agent		776.70			776.70		
Environmental protection and efficient grouting agent		776.70			776.70		
Superposed winter pier post health tube		776.70			776.70		
Opening and closing column health shed		776.70			776.70		
Environmental protection multifunctional grouting agent		776.70			776.70		

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	other	
Removable box beam base		630.00			630.00		
Construction Technology for Precise Positioning of Reserving Steel Bars in Tunnel Arch		600.00			600.00		
Guide for the detection and evaluation of the thickness of the steel bar protective layer by electromagnetic induction		500.00			500.00		
Environmental protection and efficient grouting agent		360.00			360.00		
Environmental protection multifunctional grouting agent		360.00			360.00		
A shaped bench		360.00			360.00		
In-situ test regulations for highway foundations in Gansu Province		200.00			200.00		
Device for efficiently preparing mechanical properties of geotextile		200.00			200.00		
Application scheme of cement configuration low carbon C50 concrete		200.00			200.00		
Highway engineering aggregate robustness test box		180.00			180.00		
Highway engineering compression test device		90.00			90.00		
Radar detection and operation platform during tunnel construction		270.00		208.22	61.78		
Jingzhuang project BIM consulting services		1,084,905.66		1,084,905.66			
Slope monitoring		769,812.56					769,812.56
R&D of the initial lining arch for the tunnel of self-propelled hydraulic trolley		672,795.13					672,795.13
Highway engineering site inspection and completion management system (self-raised)		466,019.42					466,019.42
Highway engineering test and inspection management system (self-raised)		436,893.20					436,893.20
Research on R&D and Application Technology of Geocell Based on Emergency Needs		323,906.47					323,906.47
Highway Engineering Structure Safety Health Monitoring Management System		287,184.46					287,184.46
Experimental research on quality control and material performance of machine-made sand concrete		176,000.00					176,000.00
Study on the Applicability of Graphene Composite Rubber Modified Asphalt in Gansu Province		175,275.96					175,275.96
Research and Development of Aggregate Grading and Intelligent Testing and Management System for Granules Based on Computer Vision		136,800.00					136,800.00
Highway Engineering Test and Inspection Equipment Management System		116,504.86					116,504.86

Item	Balance at the end of the previous year	Increase in this period		Decrease this year			Ending balance
		Internal development expenditure	Other	Confirmed as intangible assets	Transfer to current profit and loss	other	
Instrument and equipment usage fee			962.00				962.00
Achievement evaluation fee			1,600.00				1,600.00
Total		88,868,303.57	2,562.00	1,100,502.18	84,206,609.33		3,563,754.06

8.21.1. Goodwill

8.21.1. Book value of goodwill

The name of the investee or the formation of goodwill	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Gansu Yuanfeng Traffic Engineering Co., Ltd.	1,486,183.21			1,486,183.21
Gansu Dongfang Fire Engineering Co., Ltd.	2,998,493.59			2,998,493.59
Gansu Rongcheng Construction Engineering Co., Ltd.	3,518,467.60			3,518,467.60
Gansu Xinruifeng Investment Co., Ltd.	43,898,917.97			43,898,917.97
Dingxi Huazhong Real Estate Development Co., Ltd.		10,592,785.14		10,592,785.14
Total	51,902,062.37	10,592,785.14		62,494,847.51

Note: At the end of the period, there was an increase of RMB 10,592,785.14 due to business combinations not under the same control.

8.22 Long-term prepaid expenses

Item	Balance at the end of the previous year	Increase this year	Amortization amount this year	Other reductions	Ending balance	Other reasons for reduction
Long-term operating lease expenses	5,647,799.49	26,649,774.34	8,082,090.70		24,215,483.13	
Asset decoration	9,083,056.33	10,697,982.64	5,179,775.39		14,601,263.58	
Temporary facilities	153,826,898.90	129,404,505.27	186,020,782.92		97,210,621.25	
Insurance premium	4,276.67		4,276.67			
Fixed asset repair	9,947,790.12	4,793,436.43	4,901,949.38		9,839,277.17	
Information Engineering	82,207.94	3,730,655.85	35,494.92		3,777,368.87	
Finance lease handling fee	42,312,000.00	97,371,047.05	18,091,899.35		139,683,047.05	
other	16,250,961.32	13,649,451.55	5,451,344.19		6,357,169.33	
Total	237,154,990.77	286,296,853.13	227,767,613.52		295,684,230.38	

8.23 Deferred income tax assets and deferred income tax liabilities

8.23.1. Deferred income tax assets and deferred income tax liabilities are not shown in net amount after offset

① Deferred income tax assets and deferred income tax liabilities have been confirmed

Item	Ending balance		Balance at the end of the previous year	
	Deferred income tax assets/liabilities	Deductible/taxable temporary differences	Deferred income tax assets/liabilities	Deductible/taxable temporary differences
1. Deferred income tax assets	159,328,944.71	727,496,355.41	101,319,204.04	534,102,587.62
Various asset impairment provisions	116,357,115.17	553,958,433.26	79,337,768.30	390,442,477.34
Accrued unpaid performance salary	500.00	2,000.00	9,654.25	46,617.01
Welfare fees and employee education expenses exceeded the provisions of the tax law			97,201.24	388,804.96
Guarantee compensation preparation	42,971,329.54	173,535,922.15	21,874,580.25	143,224,688.31
Deductible loss				
other				
2. Deferred income tax liabilities	10,155,524.40	58,948,891.07	1,813,883.19	12,100,889.04
Appreciation of fixed assets	8,692,128.74	57,485,495.41	130,114.63	875,765.31
other	1,463,395.66	1,463,395.66	1,683,768.56	11,225,123.73

8.24 Other non-current assets

Item	Ending balance	Balance at the end of the previous year
Prepaid land transfer fee	35,000,000.00	635,000,000.00
Prepaid equity		30,000,000.00
Total	35,000,000.00	665,000,000.00

8.25 Short-term loan

8.25.1. Classification of short-term loans

Item	Ending balance	Balance at the end of the previous year
Credit loan	3,971,694,795.00	5,130,973,100.00
Mortgage loan	90,310,000.00	360,000.00
loan for sure	1,394,000,000.00	1,227,000,000.00
Pledged loan		400,000,000.00
Total	5,456,004,795.00	6,758,333,100.00

8.25.2.There were no short-term loans that were overdue during the reporting period.

8.26 Deposit margin

Item	Ending balance	Balance at the end of the previous year
Receive a deposit	73,000.00	73,000.00
Total	73,000.00	73,000.00

8.27 Bills payable

Species	Ending balance	Balance at the end of the previous year
trade acceptance draft		
Bank acceptance bill	1,533,813,953.05	453,237,000.00
Total	1,533,813,953.05	453,237,000.00

Note: At the end of the reporting period, there were no bills payable due and unpaid.

8.28 Accounts payable

8.28.1.Aging of accounts payable

Account age	Ending balance	Balance at the end of the previous year
Within 1 year (including 1 year)	9,844,217,936.72	7,013,332,597.04
1-2 years (including 2 years)	2,516,645,357.77	2,734,175,892.66
2-3 years (including 3 years)	873,209,906.42	883,868,974.87
over 3 years	257,751,455.06	1,757,498,227.51
Total	13,491,824,655.97	12,388,875,692.08

8.28.2.Important accounts payable aged over 1 year

Name of creditor unit	Ending balance	Reasons for non-payment
China Communications First Highway Engineering Bureau Co., Ltd.	85,114,561.56	Warranty and wage guarantee for migrant workers
CCCC Second Navigation Engineering Bureau Co., Ltd.	66,966,055.34	Warranty and wage guarantee for migrant workers
China Railway 21st Bureau Third Engineering Company	58,110,115.92	Payment deadline not reached in contract
China Railway 11th Bureau Group Co., Ltd.	52,590,153.00	Payment deadline not reached in contract
China Railway 17th Bureau Group Co., Ltd.	45,298,951.00	Payment deadline not reached in contract
China Railway 23rd Bureau Group Co., Ltd.	44,521,818.06	Payment deadline not reached in contract
China Communications Second Highway Engineering Bureau Co., Ltd.	39,312,247.15	Payment deadline not reached in contract
Winbond Construction Investment Group Co., Ltd.	36,411,729.00	Warranty 3%, wage guarantee for some migrant workers
China Railway Seventh Bureau Group Co., Ltd.	29,678,430.00	Payment deadline not reached in contract
Total	458,004,061.03	--

8.29 Advance receipts

8.29.1. Ageing of advance receipts

Account age	Ending balance	Balance at the end of the previous year
Within 1 year	1,841,953,106.52	994,356,316.35
1 to 2 years	745,842,423.92	446,244,693.83
2 to 3 years	1,182,025.70	96,440.68
over 3 years	3,025,336.17	3,918,236.95
Total	2,592,002,892.31	1,444,615,687.81

8.29.2.Important advance receipts with aging over 1 year at the end of the period

Name of creditor unit	Ending balance	Uncarried reasons
Gansu Provincial Communications Department Engineering Office	11,533,172.34	Not yet settled
Gansu Provincial Highway Construction Development Co., Ltd.	11,000,000.00	The owner does not measure and does not recognize income
Pingliang City Urban and Rural Construction Bureau (Urban Road Maintenance)	4,371,247.37	Unsettlement
Yunnan Trading Group Highway Construction Co., Ltd.	2,784,017.00	The other party's unit has not been settled, the invoice has not been issued, and the income has not been confirmed
Lanzhou Highway Administration of Gansu Province	1,815,494.00	VAT invoices have not been issued
Gansu Construction Engineering Trading Co., Ltd.	1,400,000.00	Not shipped
China Energy Construction Group Northwest Power Construction Engineering Co., Ltd.	1,217,737.75	Not yet settled
Total	34,121,668.46	--

8.30 Staff payable

8.30.1. List of employee payable

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Short-term salary	155,551,058.72	3,556,110,254.60	3,515,030,005.85	196,631,307.47
Second, post-employment benefits-set a withdrawal plan	13,845,264.55	148,132,996.33	149,335,958.62	12,642,302.26
3. Dismissal benefits		56,970.26	56,970.26	
4. Other benefits due within one year				
V. Other				
Total	169,396,323.27	3,704,300,221.19	3,664,422,934.73	209,273,609.73

8.30.2.Short-term salary list

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Wages, bonuses, allowances and subsidies	128,691,251.40	3,263,313,207.96	3,223,455,908.07	168,548,551.29

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
2. Employee benefits	4,397,945.50	116,723,804.88	117,815,556.36	3,306,194.02
3. Social insurance premium	1,051,631.73	59,257,447.13	57,770,497.29	2,538,581.57
Of which: medical insurance premium	905,906.21	51,758,954.94	50,290,783.05	2,374,078.10
Industrial injury insurance	51,992.88	2,786,577.04	2,889,481.75	-50,911.83
Maternity insurance premium	93,732.64	4,105,769.63	4,030,986.97	168,515.30
Other insurance premiums	-	606,145.52	559,245.52	46,900.00
4. Housing Provident Fund	11,799,577.95	86,785,987.71	84,630,102.47	13,955,463.19
5. Trade union funds and employee education funds	9,610,652.14	30,029,806.92	31,357,941.66	8,282,517.40
6. Short-term paid absence				
7. Other short-term remuneration				
Total	155,551,058.72	3,556,110,254.60	3,515,030,005.85	196,631,307.47

8.30.3.Set up the withdrawal plan list

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Basic Pension Insurance	1,387,321.24	110,749,613.16	110,769,996.48	1,366,937.92
2. Unemployment insurance premium	349,955.71	4,508,813.05	4,503,962.20	354,806.56
3. Enterprise annuity payment	12,107,987.60	32,874,570.12	34,061,999.94	10,920,557.78
Total	13,845,264.55	148,132,996.33	149,335,958.62	12,642,302.26

8.30.4.Dismissal benefits

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Compensation for termination of labor relationship		56,970.26	56,970.26	
2. Retreat compensation				
Total		56,970.26	56,970.26	

8.31 Taxes payable

Item	Ending balance	Balance at the end of the previous year
Value added tax	71,174,914.11	45,036,762.87
corporate income tax	214,967,889.83	140,455,158.26
Urban maintenance and construction tax	2,142,704.45	2,604,227.76
Educational surcharge	1,009,867.87	1,462,963.81

Item	Ending balance	Balance at the end of the previous year
Local education surcharge	586,293.26	649,206.22
Price control fund	340.60	843.61
Withholding personal income tax	7,398,930.23	10,380,735.66
property tax	421,760.15	2,837,548.91
land holding tax	144,046.79	231,893.06
Stamp duty	8,338,617.96	2,970,767.61
Cultural construction business expenses		201,183.78
Water conservancy fund		6,379.92
Withholding and paying Jianan VAT	99,151,827.05	131,012,295.64
Withholding and paying Jianan VAT surcharge	7,446,157.83	12,025,549.29
Withholding other taxes	872,625.82	875,886.01
Land value added tax	1,782,253.88	1,762,736.71
Business tax	82,528.85	657,415.40
vehicle usage tax	1,503.84	
other	28,416.37	
Total	415,550,678.89	353,171,554.52

8.32 Other payables

Item	Ending balance	Balance at the end of the previous year
Interest payable	1,096,699,576.65	1,368,906,062.47
Dividend payable	27,062,554.13	14,589,495.25
Other payables	2,564,368,751.84	3,765,129,885.19
Total	3,688,130,882.62	5,148,625,442.91

8.32.1.Interest payable

Item	Ending balance	Balance at the end of the previous year
Interest on long-term borrowings due in installments	285,487,016.78	189,480,478.79
Corporate bond interest	565,364,729.28	907,286,676.41
Interest payable on short-term loans	7,982,228.80	21,999,640.78
Long-term payable interest payable in installments	237,865,601.79	250,139,266.49
Total	1,096,699,576.65	1,368,906,062.47

Note: The company has no significant interest that has been overdue.

8.32.2. Dividends payable

① List dividends payable by nature

Item	Ending balance	Balance at the end of the previous year
Common stock dividend	27,062,554.13	14,589,495.25
Total	27,062,554.13	14,589,495.25

8.32.3. Other payables

① List other payables according to the nature of the payment

Item	Ending balance	Balance at the end of the previous year
Current payment	1,554,071,095.53	3,251,619,588.51
Deposits and security deposits	846,570,909.50	479,628,920.57
Withholding	28,776,586.15	19,337,858.33
Equipment and engineering	2,514,536.88	
Rent to be paid	13,454,564.66	
To be paid	20,007,596.90	
Other	98,973,462.22	14,543,517.78
Total	2,564,368,751.84	3,765,129,885.19

② Important other payables aged over 1 year

Name of creditor unit	Ending balance	Reasons for non-payment
Gansu Provincial Department of Finance	70,000,000.00	Engineering Warranty
Jiugang Group Lanzhou Judong Real Estate Development Co., Ltd.	50,760,000.00	Deposits and security deposits
Silver Highway Authority	19,629,750.69	Tight funds
Shaanxi Jingda Petrochemical Equipment Engineering Co., Ltd.	19,031,580.00	Current payment
Huixian Transportation Bureau	15,451,817.72	Margin
Shaanxi Tourism Group Yan'an Cultural Tourism Industry Investment Co., Ltd.	10,000,000.00	Margin
Ningxia Dadi Circulation Development Co., Ltd.	10,000,000.00	Margin
Gannan Highway Administration	8,122,277.17	Withholding unpaid pension insurance
Tianshui Highway Section	7,803,999.42	Margin
Jiayuguan Highway Bureau of Gansu Province	7,054,357.89	Margin
Total	217,853,782.89	--

8.33 Unexpired liability deposit

Item	Ending balance	Balance at the end of the previous year	Remarks
Unexpired liability reserve	42,364,264.06	22,802,617.51	
Total	42,364,264.06	22,802,617.51	

8.34 Guarantee compensation

Item	Ending balance	Balance at the end of the previous year	Remarks
Guarantee compensation reserve	195,989,833.15	168,634,899.31	
Financing factoring risk reserve	9,754,799.43		
Total	205,744,632.58	168,634,899.31	

8.35 Non-current liabilities due within one year

Item	Ending balance	Balance at the end of the previous year
Long-term loans due within one year	8,501,040,000.00	7,056,090,018.00
Bonds due within one year	9,295,581,000.00	8,639,800,000.00
Long-term payables due within one year	2,520,666,427.08	2,038,406,569.09
Total	20,317,287,427.08	17,734,296,587.09

8.36 Long-term loans

8.36.1. Classification of long-term loans

Type of loan	Ending balance	Balance at the end of the previous year	Year-end interest rate range
Pledged loan	206,977,061,785.67	172,507,018,267.28	
Mortgage loan	1,537,949,373.36	531,176,273.15	
loan for sure	159,008,570.40	211,008,570.40	
Credit loan	13,519,484,327.21	24,327,045,022.41	
Subtotal	222,193,504,056.64	197,576,248,133.24	
Less: part due within one year	8,501,040,000.00	7,056,090,018.00	
Total	213,692,464,056.64	190,520,158,115.24	

Note: Guaranteed loan is a guarantee provided by China Development Bank Co., Ltd. for the company.

8.36.2. At the end of the reporting period, there were no long-term loans that were due and outstanding.

8.37 Bonds payable

8.37.1. Bonds payable

Item	Ending balance	Balance at the end of the previous year

Item	Ending balance	Balance at the end of the previous year
Medium-term notes	21,984,524,722.22	20,130,000,000.00
corporate debt	4,957,794,000.00	4,957,794,000.00
Non-public targeted debt financing instruments	3,000,000,000.00	6,000,000,000.00
Issuing USD bonds abroad	5,581,115,661.04	6,867,683,572.04
Issuing Euro bonds abroad	3,197,260,810.18	3,210,298,810.18
Corporate debt	9,322,400,000.00	
Subtotal	48,043,095,193.44	41,165,776,382.22
Less: part due within one year	9,295,581,000.00	8,639,800,000.00
Total	38,747,514,193.44	32,525,976,382.22

8.37.2. Changes in bonds payable

Bond name	Face value	issue date	Bond maturity	Issuing amount	Balance at the end of the previous year
2012 Phase I Medium Term Notes	2,200,000,000.00	2012-1-16	7	2,200,000,000.00	2,200,000,000.00
2012 Second Medium-Term Note	2,000,000,000.00	2012-9-21	5+5	2,000,000,000.00	2,000,000,000.00
2013 Midterm	3,000,000,000.00	2013-3-27	5+5	3,000,000,000.00	2,930,000,000.00
2014 second medium-term notes	2,000,000,000.00	2014-10-17	7	2,000,000,000.00	2,000,000,000.00
2014 third period medium-term notes	1,000,000,000.00	2014-11-17	7	1,000,000,000.00	1,000,000,000.00
2015 second medium-term notes	2,000,000,000.00	2015-11-21	7	2,000,000,000.00	2,000,000,000.00
2016 First Medium-Term Note	2,000,000,000.00	2016-3-18	7	2,000,000,000.00	2,000,000,000.00
2016 Second Medium-Term Note	3,000,000,000.00	2016-6-28	7	3,000,000,000.00	3,000,000,000.00
2017 first medium-term note	900,000,000.00	2017-8-11	5	900,000,000.00	900,000,000.00
Vote (perpetual debt)	1,500,000,000.00	2015-10-19	5+N	1,500,000,000.00	1,500,000,000.00
Vote (perpetual debt)	600,000,000.00	2015-11-29	5+N	600,000,000.00	600,000,000.00
2019 China Development Bank Phase I Mid-Year Ticket	1,000,000,000.00	2019-3-6	5	1,000,000,000.00	
2019 Industrial Bank's second midterm ticket	500,000,000.00	2019-3-15	3+N	500,000,000.00	
2019 China Development Bank Midterm Voting	1,000,000,000.00	2019-11-27	5	1,000,000,000.00	
2019 Industrial Bank's third batch of mid-term votes	1,000,000,000.00	2019-12-25	3+N	1,000,000,000.00	
2014 first phase corporate bonds	2,500,000,000.00	2014-2-25	6	2,500,000,000.00	2,457,794,000.00
2014 second corporate bond	2,500,000,000.00	2014-11-28	7	2,500,000,000.00	2,500,000,000.00
2014 second phase of non-public targeted debt financing	1,500,000,000.00	2014-6-5	5	1,500,000,000.00	1,500,000,000.00

Bond name	Face value	issue date	Bond maturity	Issuing amount	Balance at the end of the previous year
instruments					
2014 third period of non-public targeted debt financing tools	1,500,000,000.00	2014-10-22	5	1,500,000,000.00	1,500,000,000.00
2015 first phase of non-public targeted debt financing instruments	1,500,000,000.00	2015-3-25	5	1,500,000,000.00	1,500,000,000.00
2015 second phase of non-public targeted debt financing instruments	1,500,000,000.00	2015-12-1	5	1,500,000,000.00	1,500,000,000.00
2016 issuance of US dollar debt abroad	3,439,800,000.00	2016-11-18	3	3,429,927,774.00	3,431,600,000.00
2017 first euro debt	3,195,581,000.00	2017-12-7	3	3,188,486,810.18	3,210,298,810.18
2018 issuance of US dollar debt abroad	2,377,970,000.00	2018-8-2	3	2,361,990,041.60	2,386,140,041.60
2018 issuance of US dollar debt abroad	1,045,050,000.00	2018-11-1	3	1,065,513,530.44	1,049,943,530.44
2019 first dollar bond	2,060,910,000.00	2019-7-5	3	2,060,910,000.00	
2019 China CITIC Bank's first renewable corporate bond	1,200,000,000.00	2019-3-29	3	1,200,000,000.00	
2019 China CITIC Bank Second Renewable Corporate Bond	800,000,000.00	2019-6-4	3	800,000,000.00	
Non-public issuance of corporate bonds in 2019 (first period)	1,500,000,000.00	2019-6-27	3	1,500,000,000.00	
Non-public issuance of corporate bonds in 2019 (second period)	3,000,000,000.00	2019-10-31	3	3,000,000,000.00	
Non-public issuance of corporate bonds in 2019 (third period)	2,000,000,000.00	2019-12-13	5	2,000,000,000.00	
Gansu Provincial Highway Transportation Construction Group Co., Ltd. Non-public issuance of corporate bonds in 2019 (Phase 1)	800,000,000.00	2019-6-4	5 (3+2)	800,000,000.00	
Gansu Provincial Communications Construction Group Co., Ltd.'s first phase of mid-term notes in 2019	1,000,000,000.00	2019-1-18	3	1,000,000,000.00	
Gansu Provincial Highway and Transportation Construction Group Co., Ltd. 2019 second-term medium-term notes	1,000,000,000.00	2019-9-3	5	1,000,000,000.00	
Subtotal	58,119,311,000.00	1,454,122.00	--	58,106,828,156.22	41,165,776,382.22
Less: partial amount due within one year	9,295,581,000.00				8,639,800,000.00
2012 Phase I Medium Term Notes					2,200,000,000.00
The second private placement in 2014 (the second non-public targeted debt financing tool in 2014)					1,500,000,000.00
The third private placement in 2014 (PPN002) (the third private non-public debt financing tool in 2014)					1,500,000,000.00
2016 issuance of US dollar debt abroad					3,439,800,000.00

Bond name	Face value	issue date	Bond maturity	Issuing amount	Balance at the end of the previous year
Total	48,823,730,000.00	1,454,122.00	--	58,106,828,156.22	32,525,976,382.22

(Continued)

Bond name	Issued this year	Accrued interest at face value	Repay this year	Exchange gains and losses	Ending balance
2012 Phase I Medium Term Notes		7,203,342.47	2,200,000,000.00		
2012 Second Medium-Term Note		131,600,000.00			2,000,000,000.00
2013 Midterm		181,660,000.00			2,930,000,000.00
2014 second medium-term notes		117,000,000.00			2,000,000,000.00
2014 third period medium-term notes		58,000,000.00			1,000,000,000.00
2015 second medium-term notes		92,200,000.00			2,000,000,000.00
2016 First Medium-Term Note		75,200,000.00			2,000,000,000.00
2016 Second Medium-Term Note		118,500,000.00			3,000,000,000.00
2017 first medium-term note		49,410,000.00			900,000,000.00
Vote (perpetual debt)		73,800,000.00			1,500,000,000.00
Vote (perpetual debt)		24,720,000.00			600,000,000.00
2019 China Development Bank Phase I Mid-Year Ticket	1,000,000,000.00	36,410,958.90			1,000,000,000.00
2019 Industrial Bank's second midterm ticket	500,000,000.00	22,000,000.00	500,000,000.00		
2019 China Development Bank Midterm Voting	1,000,000,000.00	4,017,808.22			1,000,000,000.00
2019 Industrial Bank's third batch of mid-term votes	1,000,000,000.00	878,356.16	1,000,000,000.00		
2014 first phase corporate bonds		172,045,580.00			2,457,794,000.00
2014 second corporate bond		146,250,000.00			2,500,000,000.00
2014 second phase of non-public targeted debt financing instruments		48,723,287.67	1,500,000,000.00		
2014 third period of non-public targeted debt financing tools		78,801,369.86	1,500,000,000.00		
2015 first phase of non-public targeted debt financing instruments		90,000,000.00			1,500,000,000.00
2015 second phase of non-public targeted debt financing instruments		64,500,000.00			1,500,000,000.00
2016 issuance of US dollar debt abroad		91,036,898.63	3,439,800,000.00	8,200,000.00	
2017 first euro debt		59,757,364.70		-13,038,000.00	3,197,260,810.18
2018 issuance of US dollar debt abroad		148,623,125.00		39,550,000.00	2,425,690,041.60

Bond name	Issued this year	Accrued interest at face value	Repay this year	Exchange gains and losses	Ending balance
2018 issuance of US dollar debt abroad		65,315,625.00		16,950,000.00	1,066,893,530.44
2019 first dollar bond	2,060,910,000.00	39,433,960.11		27,622,089.00	2,088,532,089.00
2019 China CITIC Bank's first renewable corporate bond	1,200,000,000.00	57,580,273.97			1,200,000,000.00
2019 China CITIC Bank Second Renewable Corporate Bond	800,000,000.00	28,210,410.96			800,000,000.00
Non-public issuance of corporate bonds in 2019 (first period)	1,500,000,000.00	34,612,602.74			1,500,000,000.00
Non-public issuance of corporate bonds in 2019 (second period)	3,000,000,000.00	21,912,328.77			3,000,000,000.00
Non-public issuance of corporate bonds in 2019 (third period)	2,000,000,000.00	4,330,958.90			2,000,000,000.00
Gansu Provincial Highway Transportation Construction Group Co., Ltd. Non-public issuance of corporate bonds in 2019 (Phase 1)	800,000,000.00	22,400,000.00			800,000,000.00
Gansu Provincial Communications Construction Group Co., Ltd.'s first phase of mid-term notes in 2019	1,000,000,000.00	40,038,055.56			1,000,000,000.00
Gansu Provincial Highway and Transportation Construction Group Co., Ltd. 2019 second-term medium-term notes	1,000,000,000.00	14,486,666.66			1,000,000,000.00
Subtotal	16,860,910,000.00	2,220,658,974.29	10,139,800,000.00	79,284,089.00	48,043,095,193.44
Less: partial amount due within one year		411,022,944.70		-13,038,000.00	9,295,581,000.00
Vote (perpetual debt)		24,720,000.00			600,000,000.00
2014 first phase corporate bonds		172,045,580.00			2,500,000,000.00
2015 first phase of non-public targeted debt financing instruments		90,000,000.00			1,500,000,000.00
2015 second phase of non-public targeted debt financing instruments		64,500,000.00			1,500,000,000.00
2017 first euro debt		59,757,364.70		-13,038,000.00	3,195,581,000.00
Total	16,860,910,000.00	1,732,711,307.37	10,139,800,000.00	92,322,089.00	38,747,514,193.44

8.38 Long-term payables

Item	Ending balance	Balance at the end of the previous year
Long-term payables	27,637,206,915.90	23,224,649,551.99
Special payables	2,555,875,484.90	144,405,831.39

Item	Ending balance	Balance at the end of the previous year
Total	30,193,082,400.80	23,369,055,383.38

8.38.1.Long-term payables

Item	Ending balance	Balance at the end of the previous year
CDB Finance Lease Payment	1,803,800,000.00	1,196,800,000.00
Gansu Expressway Debt Investment Plan	400,000,000.00	800,000,000.00
CCB Financial Leasing	1,143,854,087.57	542,743,729.81
China Merchants Bank Financial Leasing	2,820,572,701.11	3,098,987,844.55
Taiping Petrochemical Financial Leasing Co., Ltd.	733,999,999.99	858,757,142.86
Kunlun Financial Leasing Co., Ltd.	1,523,000,000.00	1,695,687,500.00
Industrial Financial Leasing Co., Ltd.	1,460,800,000.00	1,643,400,000.00
Gansu Transportation Project Bond Investment Plan	1,900,000,000.00	1,900,000,000.00
Ping An Gansu Referendum Bond Investment Plan	3,000,000,000.00	3,000,000,000.00
Tianwu Changwei International Finance Lease		522,538,000.00
Gan referendum Weiwu debt investment plan	1,300,000,000.00	1,300,000,000.00
Bank of Communications Finance Lease	893,189,937.11	999,952,064.37
Government-specific bonds	8,750,000,000.00	4,150,000,000.00
Housing turnover fund	281,616.62	256,491.34
Retention fee for restructuring	160,856.14	5,352,201.38
Entrepreneurship support funds	1,000,000.00	1,000,000.00
Equipment purchase	1,346,999.14	342,398.00
Industrial Financial Leasing Co., Ltd.		2,000,000,000.00
Taiping Petrochemical Financial Leasing Co., Ltd.		386,414,258.53
China Merchants Bank Financial Leasing Co., Ltd.		497,217,192.54
Ping An International Financial Leasing (Tianjin) Co., Ltd.		397,047,574.05
ICBC Financial Leasing Co., Ltd.	1,425,000,000.05	
Public Transportation Construction Group Financial Leasing	2,765,791,381.38	
Assets adjustment and capital adjustment	2,931,445.55	
other	232,144,318.32	266,559,723.65
Subtotal	30,157,873,342.98	25,263,056,121.08

Item	Ending balance	Balance at the end of the previous year
Less: Partial ending amount due within one year	2,520,666,427.08	2,038,406,569.09
Total	27,637,206,915.90	23,224,649,551.99

8.38.2.Special payables

Item	Ending balance	Balance at the end of the previous year
Risk compensation	60,624,830.95	60,407,456.16
Gansu Province major preliminary project fees		12,000,000.00
World Bank Project Special Funding	7,200,000.00	3,454,842.75
Yaner Bay Freight Yard Project	10,298,000.00	10,298,000.00
Express Passenger Station Project	10,000,000.00	10,000,000.00
New District Passenger Station Project	40,000,000.00	38,500,000.00
Subsidy Fund for Beautiful Village Model Village of Cultural Tourism Department	2,000,000.00	
Innovative talent support funds	110,000.00	110,000.00
Research on Highway Construction Technology and Quality Control in Collapsible Loess Area	94,612.00	94,612.00
Research on Vibration Stirring and Wide Ultra-thick Technology in Cement Stabilized Crushed Stone Base Course		9,952.62
Research on Subgrade Stability Control Technology of Weiwu Expressway	100,000.00	100,000.00
Geotechnical reinforced material road technology and engineering application	9,328.45	9,328.45
Research on Crack Control Technology of Prefabricated Highway Box Girder in Dry and Cold Area under Large Temperature Difference in Gansu Province	156,648.67	300,000.00
Research on base reinforcement technology of large-section loess tunnel	59,779.83	65,119.83
Development and application of super SBS modified asphalt	190,785.00	190,785.00
Gansu Xinyuntong Hotel Co., Ltd. upfront operating fee	31,500.00	31,500.00
Road center R&D funds	500,000.00	500,000.00
The government allocated import and export reconstruction funds		7,209,234.58
Postal Savings Fund		1,125,000.00
Construction and Integration Project	3,000,000.00	
S38 Line Wanggertang to Xiahe (Sangke) Highway Project	600,000,000.00	
Fengxiang Intersection to Pingliang East Project	40,000,000.00	
Recreation to Zhuoni Project	100,000,000.00	
Longxi to Lintao section project	26,500,000.00	

Item	Ending balance	Balance at the end of the previous year
Highway Project from Zhouqu Fengdi to Daigu Temple	100,000,000.00	
Mamangshan to Qiaowan Project	602,500,000.00	
Qidun to Guazhou Section Project	602,500,000.00	
Jiangdingya Landslide Water Damage Project in Nanyu Township, Zhouqu County	50,000,000.00	
Lanzhou-Haikou Expressway Project	300,000,000.00	
Total	2,555,875,484.90	144,405,831.39

Note: The increase in risk compensation is the interest generated by the risk compensation paid into the company by the Lanzhou New District Management Committee and the People's Government of Yuzhong County; the increase in funds for major projects in the previous period is due to the special allocation of the Gansu Provincial Development and Reform Commission for the management of major projects. And development special funds; the increase in the World Bank loan management special appropriation is the special funds allocated by the Gansu Foreign Loan Management Committee for the World Bank loan project expenditure special funds.

8.39 Deferred income

Item	Balance at the end of the previous year	Increase this year	Decrease this year		Ending balance
			Included in profit or loss	Return	
Zhangye Danxia Scenic Area 23#, 24# Land Sale Gold Return-Zhang Zhengfa [2012] No. 50	5,674,349.07		375,657.20		5,298,691.87
Linze County Tourism Bureau Exemplary Tourism Toilet Subsidy Fund	420,433.34	100,000.00	40,794.45		479,638.89
Project subsidy	1,200,000.00		120,000.00		1,080,000.00
Subsidy for cage football field of Beihaizi Shazaolin Forest Camping Park	398,244.33		57,577.56		340,666.77
The second batch of special funds for the development of SMEs	11,420,000.00	4,890,000.00			16,310,000.00
Gansu Provincial Tourism Development Commission Winter Travel Subsidy	141,509.43		141,509.43		
government subsidy		31,003,648.23	53,648.23		30,950,000.00
Appropriation for the reconstruction of secondary road facilities and equipment		1,200,000.00			1,200,000.00
Financial appropriation		11,376,457.65			11,376,457.65
Intellectual Property Advantage Enterprise Award		200,000.00	8,666.70		191,333.30
Application Research of Phosphate Rapid Repair Material in Low Temperature Environment in Alpine Region		100,000.00			100,000.00
Geotechnical reinforced material road technology and engineering application		642,500.00			642,500.00

Item	Balance at the end of the previous year	Increase this year	Decrease this year		Ending balance
			Included in profit or loss	Return	
Land subsidy		9,458,333.29	458,333.37		8,999,999.92
Total	19,254,536.17	58,970,939.17	1,256,186.94		76,969,288.40

8.40 Paid-up capital

Investor name	Balance at the end of the previous year		Increase this year	Decrease this year	Ending balance	
	investment amount	The proportion(%)			investment amount	The proportion(%)
Gansu Provincial People's Government State-owned Assets Supervision and Administration Commission	20,000,000,000.00	100.00			20,000,000,000.00	100.00
Total	20,000,000,000.00	100.00			20,000,000,000.00	100.00

8.41 Other equity instruments

项　目	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
优先股				
永续债		1,500,000,000.00		1,500,000,000.00
其他				
合　计		1,500,000,000.00		1,500,000,000.00

Other equity instruments are perpetual bonds issued this year.

8.42 Capital reserve

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
1. Capital (or equity) premium				
2. Other capital reserves	112,807,061,336.50	14,791,268,004.46	4,041,694,778.55	123,556,634,562.41
Total	112,807,061,336.50	14,791,268,004.46	4,041,694,778.55	123,556,634,562.41

Note: (1) The capital reserve increased by 14,145,338,754.77 yuan, mainly due to the funding input received by the Gansu Provincial Department of Transportation; the capital reserve increased by 645,929,249.69 yuan, mainly due to equity method accounting for changes in the equity of the invested unit. (2) The capital reserve decreased by 4,041,694,778.55 yuan, which was the reduction of long-term equity investment in Gansu Communications Investment Management Co., Ltd. in this period.

8.43 Special reserve

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance	Remarks

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance	Remarks
Safe production costs	127,435,515.65	122,167,732.80	133,129,301.32	116,473,947.13	
Total	127,435,515.65	122,167,732.80	133,129,301.32	116,473,947.13	

8.44 Surplus reserve

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance	Reasons for change and basis
Statutory Surplus Provident Fund	1,426,359,942.41	5,033,208.87		1,431,393,151.28	Withdraw at 10% of net profit
Arbitrary Surplus Provident Fund					
Total	1,426,359,942.41	5,033,208.87		1,431,393,151.28	--

8.45 General risk preparation

Withdrawal ratio	Ending balance	Balance at the end of the previous year
0.50% of the amount of risk assets at the end of the period	25,664,392.29	13,893,613.56
10.00% of net profit	55,807,743.64	33,442,190.57
Total	81,472,135.93	47,335,804.13

8.46 Undistributed profit

Item	Ending balance	Balance at the end of the previous year
Amount at the end of the previous period	12,499,754,166.25	12,663,814,422.19
Add: Other		
Amount at the beginning of the current period	12,499,754,166.25	12,663,814,422.19
Increase in the current period	599,475,684.14	95,717,123.83
Including: Net profit transferred into this period	599,475,684.14	95,717,123.83
Other adjustment factors		
Current reduction	93,908,571.35	259,777,379.77
Among them: the number of surplus reserves withdrawn in the current period	5,033,208.87	
Withdraw general risk reserves in this period	32,957,843.39	22,865,652.89
Number of cash dividends distributed in the current period	55,917,519.09	236,911,726.88
Capital increase		
Other reduction		
Amount at the end of the current period	13,005,321,279.04	12,499,754,166.25

Note: Please refer to Note VIII (Forty-Five) General Risk Preparation for details of the company's general risk preparation.

8.47 Operating income and operating costs

Item	Current Amount	
	Income	Cost
Subtotal of main business	122,677,382,303.29	116,159,690,799.48
Including: trade income	106,377,863,839.15	106,232,740,050.67
Toll income	6,522,755,488.48	2,038,743,987.06
Oil revenue	224,334,351.33	212,383,108.96
Tourism income	420,598,070.53	326,856,618.17
Aviation income	20,312,050.94	15,891,719.70
Construction revenue	78,841,090.40	79,863,150.77
Engineering consulting services	1,802,879.59	110,568.86
Finance lease income	134,942,998.47	
Asphalt sales and commissioned processing revenue	87,704,300.77	80,120,487.13
Fund management	17,097,794.76	
Project Settlement	7,170,090,255.71	5,802,928,534.65
Sales	1,114,469,012.12	984,187,584.60
Test test	248,652,905.70	226,025,491.28
Survey and design services	33,510,237.72	29,312,808.92
Technical Services	30,512,041.14	18,204,844.72
Supervision business	56,305,086.53	48,422,374.42
consultation service	26,558,654.66	10,634,078.90
other	111,031,245.29	53,265,390.67
Subtotal of other businesses	479,923,377.11	199,809,871.77
Among them: others	479,923,377.11	199,809,871.77
Total	123,157,305,680.40	116,359,500,671.25

(Continued)

Item	Amount of last period	
	Income	Cost
Subtotal of main business	96,896,760,180.99	90,879,088,835.62
Including: trade income	83,809,456,683.69	83,601,296,341.64

Toll income	6,296,911,300.04	1,893,846,716.69
Oil revenue	152,183,174.21	142,812,733.44
Tourism income	417,881,598.25	339,427,115.71
Aviation income	222,083.05	2,349,533.41
Construction revenue	5,124,258,173.60	4,097,920,691.64
Highway maintenance	19,205,231.41	7,126,536.36
Engineering consulting services	414,266,498.75	325,140,230.54
Finance lease income	132,317,197.59	
Sales	529,775,221.53	469,168,936.19
Research and development	283,018.87	
Subtotal of other businesses	259,266,506.56	220,526,603.34
Among them: others	259,266,506.56	220,526,603.34
Total	97,156,026,687.55	91,099,615,438.96

8.48 Sales expenses, management expenses, financial expenses

8.48.1. Selling expenses

Item	Current Amount	Amount of last period
employee's salary	71,204,400.38	53,924,609.67
Advertising fee	10,376,092.94	5,897,421.21
Transfer and transfer fees	4,775,150.76	4,014,235.39
Office expenses	5,503,803.51	12,375,234.00
Intermediary service fees	612,753.71	1,135,411.88
Asset depreciation and amortization charges	815,389.23	36,423.54
Lease repair fee	11,685,360.37	973,424.13
Shipping fee	15,113,865.76	8,448,639.30
Operating expenses	1,798,240.12	2,236,322.20
Sales service fee	2,525,783.17	
Consulting fee	1,560,187.79	
other	16,697,949.27	8,769,047.18
Total	142,668,977.01	97,810,768.50

8.48.2.Management costs

Item	Current Amount	Amount of last period
employee's salary	637,519,793.68	615,801,044.29
Asset depreciation and amortization fee	138,997,068.27	89,236,186.40
Water conservancy fund and taxes	500,896.71	112,657.23
Administrative and other expenses	157,640,057.94	88,431,097.68
Repair rental property fee	79,055,934.84	70,714,274.38
Intermediary service fees	18,263,678.26	31,629,343.56
Advertising fee	8,737,642.88	3,594,556.84
Labor service fee	21,098,986.23	12,106,615.50
Insurance greening dress fee	54,083,512.04	2,289,055.19
Business Hospitality	1,960,457.01	1,310,172.42
Consulting fee	20,852,501.59	14,923,456.68
Litigation costs	5,925,009.49	
Shipping fee	1,590,781.93	
Start-up amortization	3,183,144.60	
Test and inspection fee		47,715,606.74
Other	17,642,022.65	28,358,726.27
Total	1,167,051,488.12	1,006,222,793.18

8.48.3.Financial expenses

Item	Current Amount	Amount of last period
Interest expense	7,390,633,913.90	5,642,985,599.72
Less: interest income	849,090,256.65	723,720,073.99
Exchange gains		
Exchange losses	188,899,461.81	164,583,109.32
Handling fee and issuance fee	23,196,477.71	11,574,649.18
Financing fee	906,867.42	
Total	6,754,546,464.19	5,095,423,284.23

8.49 R&D expenses

Item	Current Amount	Amount of last period
Research on R&D and Application Technology of Modified Asphalt Based on Gobi Environmental Requirements	26,423,027.42	

Item	Current Amount	Amount of last period
Research on Application Technology of Wide Temperature SBS Modified Asphalt in Gobi Desert	14,473,137.34	
Research on Key Technology of Construction of Cement-stabilized Crushed Stone Base with Dense Skeleton in Gobi Area	11,166,922.62	
Research and Application of Processing Parameters of Rubber Asphalt Based on Raw Material Characteristics	6,218,041.35	
Smart site cloud management platform	5,454,745.46	
Study on the concrete curing technology and durability in extremely dry desert area	2,575,585.65	
Pilot Project of Expressway Smart Service Area in Gansu Province	2,125,364.91	
Electronic patrol and patrol system in Gansu expressway service area	1,393,215.73	
Application Research of C50 Low Carbon Green Concrete in Bridge Engineering	986,689.96	
Research on Key Construction Techniques for Improving Structural Performance of Composite Curved Beam Bridges with Bending Webs (Self-raised)	930,859.21	
Research on Long-term Serviceability and Durability of Highway Subgrade in Saline Soil Area	890,229.66	
Open Fund Project	769,096.91	
Construction project of highway maintenance decision-making and data analysis platform	1,000,579.81	
OA System of Gansu Expressway Service Co., Ltd.	732,822.28	
Research on Key Technical Indexes of Highway Concrete Structure Durability Design and Construction Control	719,739.89	
R & D Center Headquarters	701,223.73	
Research on Application Technology of Machine-made Sand in Concrete	599,089.92	
Research and Application of Drainage Asphalt Concrete Bridge Deck Pavement	536,476.61	
Research on Application of Concrete Maintenance Release Agent Technology	523,398.53	
Study on the construction of on-site exposed field and the durability of road materials under extreme drought and desert conditions	517,564.29	
Application Research of Digital Refractometer in the Determination of Solid Content of Liquid Admixture	508,877.06	
Highway Maintenance Decision Support Technology and Data Analysis System Development	486,833.02	
Research on Key Technology of Construction of Liujiaxia Bridge	471,698.11	
Analysis of Strengthening Effect of Prestressed Concrete Continuous Rigid Frame Bridge Based on External Prestressing	342,155.00	
Research on R&D and Application Technology of Geocell Based on Emergency Needs	300,397.34	
Research on Test Methods of Concrete Shrinkage and Expansion	293,622.25	
Intelligent spraying system for curing concrete	280,747.79	
Industry R&D Center (Infrastructure Construction of New District Industrial Park)	266,288.17	

Item	Current Amount	Amount of last period
Research on Air Dust and Acid Gas Purification Technology During Underground Engineering Construction	233,732.56	
Research and Application of Environmental Monitoring Technology for Expressways in Hexi Region of Gansu Province	224,927.60	
Research on the Statistical Monitoring and Evaluation System of Energy Conservation and Emission Reduction of Transportation in Gansu Province	185,779.83	
Grouting density test	161,398.86	
Composite high-efficiency ultrafine powder grouting material	143,360.10	
Rapid Repair of Phosphate in Low Temperature Environment in Alpine Region	137,617.88	
Application of Modified Huangmosha in Foundation Treatment of Collapsible Loess and Saline Soil Area	119,950.86	
Functionalized graphene technology for modified asphalt	101,087.38	
Research on base reinforcement technology of large-section loess tunnel	80,000.00	
Development, Production and Application of Low Viscosity Rubber Compound Reverse Asphalt	79,111.38	
Study on practical technology of ready-mixed high performance concrete	72,902.56	
Highway Maintenance Decision Support Technology and Data Analysis System Development	60,240.39	
Development and application of assembled temporary support structure for large-section highway loess tunnel	58,749.20	
Experimental Study on Static Load Anchor Performance of Highway Bridge Anchors	56,968.28	
Treatment Technique of Water Leakage in Highway Tunnel	43,924.82	
Invention patent bonus	40,000.00	
Construction method reward	38,000.00	
Research on Key Technology of Development and Application of Rapid Repair Material for Casting Asphalt Pavement at Normal Temperature	35,922.16	
Construction Technology of Circulating Treatment of Bored Pile	35,000.00	
Automatic detection and control device for concrete impermeability test	34,281.00	
Construction method of cold-extruded sleeve connection for the second lining of highway tunnel	34,000.00	
Research on sky-sky intelligent road disease detection and monitoring and equipment application technology	32,823.02	
Multifunctional water-based release agent	30,000.00	
Gansu Bridge Engineering Research Center	24,658.08	
Prevention and treatment technology of Dongrong disease of expressway tunnel in high altitude cold area	24,598.81	
Research on Quality Inspection of Bridge Prestressed Hole Grouting and Prestressed Testing Method and Evaluation System under Anchor	21,051.20	
Application and demonstration of graphene oxide/graphene reinforced SBS modified asphalt pavement	19,417.48	

Item	Current Amount	Amount of last period
Water-based marking	18,220.36	
Research and Application of Environmental Detection Technology of Expressway in Longnan Mountain Area of Gansu	16,077.67	
Patent agency fee	15,325.25	
Highway Engineering Test and Inspection Integrated Management System V1.0	14,514.51	
Application Research of C50 Low Carbon Green Concrete in Bridge Engineering	13,773.58	
Defects and improvement of loess strength test	13,300.00	
Portable I-shaped steel cross-sectional size on-site detector	12,421.00	
Industry R&D Center (Patent)	12,325.47	
Application Research of Dynamic Flat Plate Method (EVD) in Highway Subgrade Dynamic Modulus Modulus Detection	11,376.83	
Research on Dry-wet Cycle and Device of Loess	10,663.00	
Opening and closing column health shed	10,660.00	
Study on cracks in lining of loess tunnel	10,650.00	
Superimposed winter pier column health tube	10,120.00	
Undisturbed soil sampling device for highway engineering	10,090.00	
Core cutting sample preparation equipment for engineering quality inspection	10,090.00	
Standard constant temperature and humidity curing box	10,090.00	
Study on Treatment Technology of Water Inrush from Gaolou Mountain in Wujiu Expressway	10,043.70	
Discussion on the defects of the direct shear test of loess	10,000.00	
Application Study on Non-destructive Testing Technology of Grouting Compactness of Bridge Prestressed Holes	12,382.05	
Annual patent fee	8,020.00	
Research on Application of Vibration Stirring and Wide Ultra-thick Technology in Cement Stabilized Crushed Stone Base Course	7,882.23	
Highway Concrete Engineering Refractive Index Method for Detecting Solid Content of Water Reducing Agent	7,866.00	
QC topic "Testing and Evaluation of Dynamic Performance of Steel-Concrete Composite Bridge Structures"	7,517.73	
Development of Highway Engineering Quality Inspection Management Information System	6,680.00	
The Research Value of the Historical Value of the Belt and Road Qinzhi Road to the Development of Modern Transportation	5,850.00	
Construction method inspection fee	5,825.24	
Annual patent fee	7,280.00	

Item	Current Amount	Amount of last period
Subgrade CO2 Static Blasting Technology	4,927.18	
Eye charging device around tunnel blasting	4,854.36	
Research on Subgrade Stability Control Technology of Weiwu Expressway	4,500.00	
Low temperature resistant concrete isolating agent	4,400.00	
Concrete constant temperature and humidity control system	4,000.00	
Glass fiber mortar for filling blast holes and preparation method thereof	3,450.00	
High-efficiency, energy-saving and environment-friendly asphalt heater for experiment	3,450.00	
Peripheral eye-deep and shallow-drilled hole structure controlled by tunnel blasting over-under-excavation	2,949.06	
Bridge deck concrete curing device for highway engineering bridge construction	2,523.00	
Research on Ultrasonic Method to Detect Concrete Crack Depth	2,506.00	
Cement admixture quantitative addition device	2,500.00	
Cement hardening strength testing device	2,500.00	
Cement hardening test observation device	2,500.00	
Folding ruler for highway inspection	2,500.00	
Road surface green environment-friendly drilling core decontamination device	2,500.00	
QC Project Achievement Award	2,500.00	
Blasting hole plug for portable vibration damping and soundproofing tunnel	2,352.57	
Bridge grouting anchor head sealing method	2,100.00	
Portable highway engineering experiment detection toolbox	2,095.00	
Technical Regulations for Integrity Testing of Large-diameter Super-Long Piles in Gansu Province	2,000.00	
Steel elongation measuring platform	2,000.00	
Steel Strand Straightness Measuring Instrument	2,000.00	
Anti-secondary impact device of bump road sign impact resistance tester	2,000.00	
Lightweight subgrade rebound deflection optical automatic measuring instrument	2,000.00	
Research on Thickness Control Technology of Pier Pillar Protective Layer	1,637.00	
Test method for measuring water content by microwave method	1,368.00	
Test prestressing tendons-anchors, fixture assembly ring-shaped support pad	1,205.00	
Anchor, clamp assembly ring supporting pad	1,205.00	

Item	Current Amount	Amount of last period
Efficient device for preparing mechanical property sample of waterproof board	1,205.00	
Wedge track	1,200.00	
Bridge edge protection	1,200.00	
Self-propelled fan-shaped stand for drilling with hydraulic drilling rig	1,200.00	
Rich in diving high slope water control and anti-skid structure patent	1,200.00	
Spray health machine	1,200.00	
Environmentally friendly low-alkali free CL-accelerator	1,200.00	
Super strong compound anchoring agent	1,000.00	
Cement-based high-performance anchoring agent	1,000.00	
Tunnel second lining concrete maintenance integrated bench	945.00	
Automatic continuous steel test piece distance gauge	900.00	
Pneumatic spray can brush moulding machine	900.00	
Hot melt marking paint melting device	900.00	
Digging digger	900.00	
Test and Testing Equipment Management System V1.0	873.79	
Bending test device for hole grouting test piece	860.00	
Study on the mechanical properties of geosynthetics prepared by laser cutting	800.00	
Opening and closing column health shed	776.70	
Superimposed winter pier column health tube	776.70	
Environmental protection and efficient grouting agent	776.70	
Environment-friendly low-alkali no Cl quick setting agent	776.70	
Environmental protection multifunctional grouting agent	776.70	
Removable box beam base	630.00	
Construction Technology for Precise Positioning of Reserving Steel Bars in Tunnel Arch	600.00	
Guide for the detection and evaluation of the thickness of the steel bar protective layer by electromagnetic induction	500.00	
Stereotypes	360.00	
Environmental protection multifunctional grouting agent	360.00	
Environmental protection and efficient grouting agent	360.00	

Item	Current Amount	Amount of last period
Application scheme of cement configuration low carbon C50 concrete	200.00	
Device for efficiently preparing mechanical properties of geotextile	200.00	
In-situ test regulations for highway foundations in Gansu Province	200.00	
Highway engineering aggregate robustness test box	180.00	
Highway engineering compression test device	90.00	
Radar detection and operation platform during tunnel construction	61.78	
Total	84,206,609.33	

8.50 Other income

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
Subsidy funds for construction of tourist attractions	449,794.45	15,233.32	449,794.45
Lanzhou Commerce Bureau Support Fund	5,612,900.00		5,612,900.00
Tourism land project construction land repayment	375,657.20	150,317.50	375,657.20
New District Industrial Development Support Incentive Fund		11,188,100.00	
Cage football field in Beihaizi Shazaolin Park	57,577.56	57,577.56	57,577.56
Civil Aviation Airport Group's route subsidies in the fourth quarter of 2017		920,000.00	
The fourth batch of foreign trade and economic project funds in Gansu Province in 2017-the promotion of service trade development projects		150,000.00	
Tax refund	117,301.90	432,476.78	117,301.90
Tax incentive funds	16,982,611.27	368,400.00	16,982,611.27
2017 service industry ceiling storage subsidy funds		20,000.00	
Withholding tax refund fee income	5,135,949.86	11,306,077.73	5,135,949.86
Tax incentives	1,234,068.70		1,234,068.70
Gansu Provincial Tourism Development Committee Winter Tourism Subsidy	141,509.43		141,509.43
Lanzhou New District Civil Affairs and Social Security Bureau Social Insurance Subsidy	7,482.90		7,482.90
Chongming District Finance Bureau Enterprise Support Fund	953,587.00		953,587.00
Project subsidy	120,000.00		120,000.00
Linze County Emergency Management Bureau Safety Production Responsibility Demonstration Enterprise Award Fund	40,000.00		40,000.00
Outstanding Contribution Award of Linze County Centralized Payment Center	120,000.00		120,000.00

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
Total	31,348,440.27	24,608,182.89	31,348,440.27

8.51 Investment income

8.51.1. Details of investment income

Source of investment income	Current Amount	Amount of last period
Long-term equity investment income calculated by equity method	255,276,951.60	403,381,986.91
Investment income obtained from available-for-sale financial assets, etc.	21,493,731.91	9,081,155.91
Disposal of investment income from long-term equity investment	-52,060.78	
other	163,155,186.07	2,331,919.20
Total	439,873,808.80	414,795,062.02

8.52 Gains from changes in fair value

Item	Current Amount	Amount of last period
Transactional financial assets (new standards apply)		
Financial assets measured at fair value and their changes included in the current profit and loss (old standards apply)	32,030,134.41	35,883,875.86
Derivative financial assets		
Transactional financial liabilities (new standard applies)		
Financial liabilities measured at fair value and whose changes are included in the current profit and loss (old standards apply)		
Derivative financial liabilities		
Investment real estate measured at fair value		
other		
Total	32,030,134.41	35,883,875.86

8.53 Asset impairment loss

Item	Current Amount	Amount of last period
Bad debt loss	-319,947,320.89	16,757,665.81
Inventory loss	92,407,205.19	17,138,599.29
Long-term equity investment impairment losses	-1,578,950.34	-4,090,000.00
other	-139,834,809.04	-12,550,298.47
Total	-368,953,875.08	17,255,966.63

8.54 Asset disposal income

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
Gains on disposal of fixed assets (losses are listed with "-")	-8,638,374.71	-20,887,895.46	-8,638,374.71
Gains (or losses) in exchange for non-monetary assets		-966.84	
Total	-8,638,374.71	-20,888,862.30	-8,638,374.71

8.55 Non-operating Income

8.55.1. Non-operating income categories

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
Non-current assets damage and scrap gains	4,194,005.03	7,651,355.47	4,194,005.03
Government subsidies not related to the daily activities of the enterprise (see table below for details)	2,004,554,695.88	22,651,129.99	2,004,554,695.88
Accept donation		164,309.80	
Liquidated damages	30,270.00	145,800.00	30,270.00
Fine income	2,543,371.77	5,003,983.86	2,543,371.77
Land acquisition compensation	45,836,980.48	4,740,344.28	45,836,980.48
Profitable	7,268,434.29		7,268,434.29
Other relief income	3,386.70		3,386.70
Write off	26,237,628.69		26,237,628.69
Reward income	14,099,251.41		14,099,251.41
other	12,415,428.90	10,781,853.91	12,415,428.90
Total	2,117,183,453.15	51,138,777.31	2,117,183,453.15

8.55.2.Government subsidy details

Item	Current Amount	Amount of last period
Subsidy for the operation of the Ministry of Transport	2,000,000,000.00	
other	4,554,695.88	22,651,129.99
Total	2,004,554,695.88	22,651,129.99

8.56 Non-operating expenses

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
Non-current assets damage	934,091.64	34,220,620.75	934,091.64

Item	Current Amount	Amount of last period	Amount included in non-recurring gains and losses for the year
External donation	10,998,708.59	5,788,827.75	10,998,708.59
Fine expenditure	18,051,474.74	13,362,975.98	18,051,474.74
Loss	932,059.48	5,668,132.65	932,059.48
other expenses	44,322,910.35	3,875,153.33	44,322,910.35
Losses from debt restructuring			
Very loss	143.74		143.74
Asset retirement and damage losses	12,747.95		12,747.95
Compensation, liquidated damages and fines	6,901,798.79		6,901,798.79
Unrecoverable money		1,801,009.47	
Total	82,153,935.28	64,716,719.93	82,153,935.28

8.57 Income tax expense

8.57.1. Income tax expense table

Item	Current Amount	Amount of last period
Current income tax expense	380,510,588.38	213,251,739.40
Deferred income tax expenses	-49,668,099.46	-7,044,913.89
Total	330,842,488.92	206,206,825.51

8.57.2.Accounting profit and income tax expense adjustment process

Item	Current amount
The total profit	1,040,377,729.12
Income tax expense calculated at an appropriate/applicable tax rate	260,094,432.28
The impact of applying different tax rates to subsidiaries	-6,996,984.37
Adjust the impact of previous income taxes	-11,101,855.47
The impact of non-taxable income	-722,195.49
The impact of non-deductible costs, expenses and losses	14,657,369.06
Impact of deductible losses on unrecognized deferred income tax assets prior to use	-1,737,663.32
The impact of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the current period	76,649,386.23
other	
Income tax expense	330,842,488.92

8.58 Other comprehensive income

8.58.1. Other comprehensive income items and their impact on income tax and transfer to profit or loss

Item	Current Amount	Amount of last period
	Net after tax	Net after tax
1. Other comprehensive income that cannot be reclassified into profit or loss in the future		-392,038.80
1. Shares under the equity method in other comprehensive income that the investee cannot reclassify into profit or loss		-392,038.80
2. Other comprehensive income that will be reclassified into profit or loss in the future	-903,786.95	42,586,645.82
1. The share of other comprehensive income that will be reclassified into profit or loss under the equity method	-903,786.95	42,586,645.82
Less: Other comprehensive income included in the previous period is transferred to profit or loss for the current period		
3. Total other comprehensive income	-903,786.95	42,194,607.02

8.58.2.Adjustment of other comprehensive income items

Item	Other comprehensive income that cannot be transferred to profit or loss under the equity method	Changes in fair value of other equity instrument investments	Changes in fair value of the company's own credit risk	Other comprehensive income convertible to profit or loss under the equity method	Changes in fair value of other debt investments	Subtotal
1. Amount at the beginning of 2018	-114,393.29			-19,268,964.65		-19,383,357.94
2. The amount of changes in 2018 (decrease is listed with "-")	-392,038.80			42,586,645.82		42,194,607.02
3. Amount at the beginning of 2019	-506,432.09			23,317,681.17		22,811,249.08
4. The amount of changes in 2019 (decrease is listed with "-")				-903,786.95		-903,786.95
V. Amount at the end of 2019	-506,432.09			22,413,894.22		21,907,462.13

8.59 Lease

8.59.1. Finance lease (lessor)

Lease financing lease assets minimum lease receipts in subsequent years

Remaining lease term	Minimum lease collection
Within 1 year (including 1 year)	923,821,744.36
Within 1 year and within 2 years (including 2 years)	732,174,651.92
Within 2 years and within 3 years (including 3 years)	434,563,469.06

Remaining lease term	Minimum lease collection
over 3 years	351,067,307.81
Total	2,441,627,173.15

Note: The amount of unrecognized financing income at the end of the reporting period was 242,077,577.40 yuan.

8.59.2. Operating lease (lessor)

Operating lease leased asset class	Ending balance	Balance at the end of the previous year
Investment real estate-buildings	653,071,106.73	470,322,431.54
mechanical equipment		65,271,444.12
Means of transportation	187,200,941.39	4,065,559.54
Total	840,272,048.12	539,659,435.20

8.59.3. Finance lease (lessee)

① The main occurrence of the company is the sale and leaseback financial leasing business. For the main terms of the sale and leaseback transactions and contracts, see Note (60) The main terms of the lease and sale and leaseback transactions and contracts.

② Minimum lease payment to be paid in subsequent years

Remaining lease term	Minimum lease payment
Within 1 year (including 1 year)	2,486,994,244.66
Within 1 year and within 2 years (including 2 years)	2,113,227,499.57
Within 2 years and within 3 years (including 3 years)	1,751,677,350.52
over 3 years	8,732,216,272.07
Total	15,084,115,366.82

Note: The amount of unconfirmed financing expenses at the end of the reporting period was RMB 2,611,984,356.27.

8.59.4. Main terms of sale and leaseback transactions and contracts

① The Company and Bank of Communications Financial Leasing Co., Ltd. carried out two leaseback financial lease businesses, as follows:

The objects of sale and leaseback financing lease are all the bridge and tunnel facilities in the WG19 and WG20 contract sections of the Wudu to Guanzigou section of the Lanzhou-Haikou National Highway, the lease period is 120 months, and the lease start and end dates are from June 15, 2017 to 2027 On May 15, 2015, when the lease term expired, the nominal price of the company's repurehased assets was 1 yuan, the lease

principal was 700 million yuan, the minimum lease payment was 873,225,478.60 yuan, the lease deposit was 210 million yuan, and the lease service fee was 238,000 yuan ;

The sale and leaseback financial leasing subject matter is all bridge and tunnel facilities in the WG16 contract section of the Lanzhou-Haikou National Expressway Wudu-Guanzigou section. The lease period is 120 months, and the lease start and end dates are from June 15, 2017 to 2027. On the 15th of the month, the lease term expires, the company's nominal price of repurchased assets is 1 yuan, the lease principal is 500 million yuan, the minimum lease payment is 623,732,484.80 yuan, the lease deposit is 15 million yuan, and the lease service fee is 1700 million yuan;

As of December 31, 2019, the company's long-term payable financial lease payment of Bank of Communications Financial Leasing Co., Ltd. was 1,047,870,574.38 yuan, of which unrecognized financing expenses were 154,680,637.27 yuan.

⑧ The company and CMB Financial Leasing Co., Ltd. have launched two sales and leaseback financial leasing businesses, as follows:

The object of the sale and leaseback financing lease is in the WG7, WG8, WG9, WG10, WG11, WG13, WG14, WG15, WG17, WG18 contract section of the Lanzhou to Haikou National Highway Wudu (Liangshui) to Canzigou (Ganchuanjie) section For the bridges, highway tunnels, etc., the lease term is 180 months. When the lease term expires, the nominal price of the company's asset repurchase is 1 yuan. The payment is made in 3 times, including: the start and end of the lease is from June 9, 2017 to March 9, 2032, the lease principal is 2 billion yuan, the minimum lease payment is 2,709,480,887.70 yuan, and the lease handling fee is 207 million yuan; The starting and ending date is from March 1, 2018 to December 1, 2032, the lease principal is 1 billion yuan, the minimum lease payment is 666,070,805.70 yuan, and the lease handling fee is 97,500,000.00 yuan; the starting and ending date of the lease is April 3, 2018 to On January 3, 2033, the lease principal was 1 billion yuan, the minimum lease payment was 666,070,805.70 yuan, and the lease handling fee was 97,500,000.00 yuan;

The object of the sale and leaseback financing lease is the ten-day expressway ST14, ST15, ST17 (including highway tunnel bridges), the lease period is 84 months, and the lease start and end dates are from September 30, 2015 to March 20, 2022. After the lease term expires, the nominal price of the company's repurchased assets is 100 yuan; the lease principal is 1 billion yuan, and the minimum lease payment is 1,160,301,428.62 yuan;

As of December 31, 2019, the company's long-term payables to China Merchants Financial Leasing Co., Ltd.'s financial lease payments were 3,816,050,472.75 yuan, of which unrecognized financing expenses were 826,477,771.64 yuan.

⑨ The Company and Guoyin Financial Leasing Co., Ltd. have carried out two leaseback financial leasing businesses, as follows:

The objects of sale and leaseback financing lease are the fixed assets such as pavement assets and supporting facilities of Wuwei Transit Section of Lianhuo Expressway (the starting point is [K2473+987] and the ending point is [K2521+440]), and the lease period is 108 Monthly, the lease start and end dates are from December 20, 2015 to December 24, 2026. When the lease period expires, the nominal price of the company's repurchased assets is 1,000 yuan; the lease principal is 800 million yuan, and the minimum lease payment is 1,047,520,241.44 RMB, with a rental deposit of 120 million yuan;

The object of the sale and leaseback financial lease is the pavement and supporting facilities assets of the Yongchang-Shandan Expressway, and the pledge guarantee is established with the toll right (account receivable) of the Yongchang-Shandan Expressway. The lease term is 180 months, and the lease start and end dates are from December 15, 2019 to December 15, 2034. When the lease term expires, the nominal price of the company's repurchased assets is 100.00 yuan; the lease principal is 1 billion yuan, and the minimum lease is lease The payment amount is RMB 1,300,290,013.33, and the lease fee is RMB 155,500,000;

As of December 31, 2019, the company's long-term payables to the Bank of China Financial Leasing Co., Ltd. financial lease payment of 2,224,659,530.52 yuan, of which unrecognized financing costs of 420,859,530.52 yuan.

④ The company and CCB Financial Leasing Co., Ltd. carried out two leaseback financing lease business

The object of the sale and leaseback financing lease is the pavement and supporting facilities assets of Liu Zhaike to Baiyin Expressway. The lease period is 84 months. The lease start and end dates are from April 21, 2014 to January 21, 2021. The lease period expires. The nominal price of the company's asset repurchase is 1 yuan; the lease principal is 1.5 billion yuan, the minimum lease payment is 1,822,579,400.60 yuan, the lease deposit is 150 million yuan, and the lease handling fee is 9.75 million yuan;

The object of the sale and leaseback finance lease is the pavement and ancillary facilities assets of the Qingshui-Jiayuguan Expressway, and the pledge guarantee is set up with the toll right of the Qingshui-Jiayuguan Expressway (and the receivables based on these tolls). The lease term is 60 months, and the lease start and end dates are from January 20, 2019 to January 20, 2025. When the lease term expires, the nominal price of the company's asset repurchase is 1 yuan; the lease principal is 1 billion yuan, and the minimum lease is lease The payment amount is RMB 1,149,070,250.00, and the rental fee is RMB 60,850,000;

As of December 31, 2019, the company's long-term payable financing lease of CCB Financial Leasing Co., Ltd. was 1,262,469,106.78 yuan, of which unrecognized financing expenses were 118,615,019.21 yuan.

⑤ The company and Xingye Financial Leasing Co., Ltd. carry out the sale and leaseback financial leasing business. The object of the sale and leaseback financial lease is the fixed assets of Lanhai Expressway (Lintao to Weiyuan Section) and its ancillary facilities. The lease period is 120 months. The start and end dates of the lease are from January 29, 2018 to January 29, 2028. When the lease period expires, the company's

retention purchase price is RMB 10,000; the lease principal is RMB 2,000,000,000.00 and the minimum lease payment is RMB 2,467,496,750.00.

As of December 31, 2019, the company's long-term payables to Industrial Finance Leasing Co., Ltd. were 1,904,302,250.00 yuan in financial lease payments, of which unrecognized financing expenses were 304,302,250.00 yuan.

⑥ The company and Kunlun Financial Leasing Co., Ltd. launched two sale and leaseback financial leasing businesses

The sale and leaseback finance lease object is part of the road surface assets of Baoji to Tianshui Expressway of Lianhuo National Road and its ancillary facilities. The lease period is 120 months, and the lease start and end dates are from March 29, 2018 to March 29, 2028, Upon the expiration of the lease term, the company's retention purchase price is RMB 1; the lease principal is RMB 500,000,000.00, and the minimum lease payment is RMB 614,887,850.00.

The sale and leaseback financial leasing subject matter is part of the pavement assets and auxiliary facilities of Baoji to Tianshui Expressway, the main line of Lianhuo National Road. The lease period is 120 months, and the lease start and end dates are from April 4, 2018 to April 4, 2028. Upon the expiration of the lease term, the company's retention purchase price is RMB 1; the lease principal is RMB 1,500,000,000.00 and the minimum lease payment is RMB 1,844,573,716.67.

As of December 31, 2019, the company's long-term payables to Kunlun Financial Leasing Co., Ltd. were 2,000,427,238.89 yuan for financial leases, of which 325,427,238.89 yuan was not recognized for financing expenses.

⑦ The company and Taiping Petrochemical Financial Leasing Co., Ltd. carry out the sale and leaseback financial leasing business. The object of the sale and leaseback financial lease is part of the road surface assets of Linze to Qingshui Expressway and its ancillary facilities. The lease period is 84 months, and the lease starts and ends From September 26, 2018 to September 26, 2025, when the lease term expires, the company's reserved purchase price is RMB 100; the lease principal is RMB 1,000,000,000.00, and the minimum lease payment is RMB 1,157,220,486.11.

As of December 31, 2019, the company had long-term payables of Taiping Petrochemical Financial Leasing Co., Ltd.'s financial lease payment of 885,451,160.71 yuan, of which unrecognized financing costs of 99,736,875.00 yuan.

⑧ The company and ICBC Financial Leasing Co., Ltd. carry out the sale and leaseback financial leasing business. The objects of the sale and leaseback financial lease are the civil engineering, pavement engineering and mechanical and electrical engineering of the Niujie to Tianshui section of the main line of Lianhuo Expressway from Baoji to Tianshui Expressway, The lease period is 120 months, and the lease start and end dates are from March 15, 2019 to March 15, 2029. When the lease period expires, the nominal price of the

company's asset repurchase is 1 yuan; the lease principal is 1.5 billion yuan, and the minimum lease is lease The payment amount is RMB 1,889,376,457.56 yuan, and the lease handling fee is RMB 45 million yuan;

As of December 31, 2019, the company's long-term payables to ICBC Financial Leasing Co., Ltd. were RMB 1,779,259,790.94, including unrecognized financing expenses of RMB 354,259,791.89.

8.60 Consolidated cash flow statement

8.60.1. Information on adjusting net profit to cash flow from operating activities by indirect method

additional materials	Current Amount	Amount of last period
1. Adjust net profit to cash flow from operating activities:		
Net profit	709,535,240.20	214,453,081.80
Add: asset impairment provision	368,953,875.08	-17,255,966.63
Depreciation of fixed assets, depreciation of investment real estate	363,619,950.86	372,037,175.77
Amortization of intangible assets	35,845,084.78	30,396,594.85
Amortization of long-term deferred expenses	227,767,613.52	183,972,278.05
Disposal of fixed assets, intangible assets and other long-term assets (gains are listed with "-")	8,638,374.71	51,127,418.09
Loss of scrapping fixed assets (gains are listed with "-")	-3,259,913.39	-3,666,582.62
Loss from changes in fair value (gains are listed with "-")	-32,030,134.41	-35,883,875.86
Financial expenses (the income is listed with "-")	7,417,502,635.67	5,642,985,599.72
Investment loss (gains are listed with "-")	-439,873,808.80	-414,795,062.02
Decrease in deferred income tax assets (increase is indicated by "-")	-58,009,740.67	-8,680,102.43
Deferred income tax liabilities increase (decrease is listed with "-")	8,341,641.21	1,635,188.54
Decrease in inventory (increase is indicated by "-")	-1,622,146,056.57	-1,802,861,267.53
Decrease of business receivable items (increase is listed with "-")	-6,796,703,177.80	-32,828,515,079.39
Increase in operational payable items (decrease is listed with "-")	2,701,515,201.17	32,579,084,742.96
other		
Net cash flow from operating activities	2,889,696,785.56	3,964,034,143.30
2. Major investment and financing activities that do not involve cash receipts and expenditures:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Financing leased fixed assets		
3. Net changes in cash and cash equivalents:		

additional materials	Current Amount	Amount of last period
Cash closing amount	47,887,388,686.88	47,028,130,160.18
Less: opening amount of cash	47,028,130,160.18	26,574,680,780.60
Plus: the ending amount of cash equivalents		
Less: opening amount of cash equivalents		
Net increase in cash and cash equivalents	859,258,526.70	20,453,449,379.58

8.60.2.Composition of cash and cash equivalents

Item	Ending balance	Balance at the end of the previous year
1. Cash	47,887,388,686.88	47,028,130,160.18
Of which: cash in stock	2,128,172.93	1,051,212.44
Bank deposits ready for payment	47,380,487,779.51	46,839,592,223.68
Other monetary funds that can be used for payment at any time	504,772,734.44	187,486,724.06
Deposits with central bank available for payment		
Deposit interbank funds		
Interbank funds		
2. Cash equivalents		
Of which: bond investment due within 3 months		
3. The amount of cash and cash equivalents at the end of the year	47,887,388,686.88	47,028,130,160.18
Of which: the parent company or subsidiaries within the group use restricted cash and cash equivalents		

8.61 Foreign currency monetary items

Item	Amount of foreign currency at the end of the year	Converted exchange rate	Year-end converted RMB amount
Money funds			
Of which: USD	9,128,857.70	6.9762	63,684,736.95
EUR	45,152.65	7.8155	352,890.54
Hong Kong dollar	343,802.23	0.8958	307,971.16
ruble	10,323,990.34	3.1832	32,863,326.05
Interest receivable			
Of which: USD	268,568.31	6.9762	1,873,586.23
Other current assets			

Item	Amount of foreign currency at the end of the year	Converted exchange rate	Year-end converted RMB amount
Of which: USD	11,085,840.96	6.9762	77,337,043.71
Bonds payable			
Of which: USD	800,000,000.00	6.9762	5,580,960,000.00
EUR	410,000,000.00	7.8155	3,204,355,000.00

8.62 Assets with restricted ownership and use rights

Item	Book value at the end of the period	Restricted cause	Remarks
Money funds	1,435,972,197.27	For details, see Note VIII. (1) 2	
accounts receivable	405,990,000.00	Pledged loan	
bill receivable	119,570,000.00	Pledged loan	
Construction in progress	161,237,476,943.96	Pledged loans, financial leasing	
Fixed assets in secondary roads and highways	126,465,020,155.58	Pledged loans, financial leasing	

IX Contingent matters

As of December 31, 2019, the company has no major contingencies that need to be disclosed.

X Events after the balance sheet date

As of the date of issuance of this financial statement, the company did not have any event after the balance sheet date that needs to be disclosed.

XI Related party relationships and transactions

11.1 The actual controller of the company

Name of the actual controller of the company	The actual controller's shareholding ratio of the company (%)	The proportion of voting rights of the actual controller of the company to the enterprise (%)
Gansu Provincial People's Government State-owned Assets Supervision and Administration Commission	100.00	100.00

11.2 The company's subsidiaries

For details, please refer to Note VII. Business combinations and consolidated financial statements.

11.3 The company's joint ventures and associates

For details, please refer to Note VIII (15) Long-term Equity Investment.

11.4 Other related parties

Related party name	Relationship with the company
Shenzhen Expressway Engineering Consulting Co., Ltd.	Shareholders of the company's subsidiaries
Lanzhou New District Investment Holdings Co., Ltd.	Shareholders of the company's subsidiaries
Gansu Baolu Engineering Construction Co., Ltd.	Shareholders of the company's subsidiaries

Related party name	Relationship with the company
Shanghai Jinhui General Aviation Co., Ltd.	Shareholders of the company's associates
Zhangye Shanshui Cultural Tourism Co., Ltd.	Shareholders of the company's subsidiaries
Zhangye Colorful Mountain Tourism Co., Ltd.	Shareholders of the company's subsidiaries
Shaanxi Juntu Culture and Tourism Technology Co., Ltd.	Shareholders of the company's subsidiaries

11.5 Related Party Transactions

11.51 Provision of labor services

Related party name	Current Amount		Amount of last period	
	Amount	proportion(%)	Amount	proportion(%)
Shenzhen Expressway Engineering Consulting Co., Ltd.			5,116,273.26	18.28
Lanzhou New District Investment Holdings Co., Ltd.	4,167.00			

11.52 Provision of funds (loans)

Related party name	Current Amount		Amount of last period	
	Loan amount	Loan interest	Loan amount	Loan interest
Gansu Baolu Engineering Construction Co., Ltd.			3,000,000.00	183,174.53
Lanzhou New District Investment Holdings Co., Ltd.	400,000,000.00	17,438,617.89	150,000,000.00	7,895,365.72

Note: Gansu Baolu Engineering Construction Co., Ltd. has no loans in 2019.

③ Operating lease

Related party name	Current Amount		Amount of last period	
	Amount	proportion(%)	Amount	proportion(%)
Gansu General Aviation Brigade Jinhui General Aviation Co., Ltd.	2,026,178.22			
Shanghai Jinhui General Aviation Co., Ltd.	5,921,371.47			

11.6 Amounts due from related parties

Item	Ending balance		Balance at the end of the previous year	
	Amount	Proportion of amount (%)	Amount	Proportion of amount (%)
accounts receivable				
Shenzhen Expressway Engineering Consulting Co., Ltd.	765,007.68	0.02	2,663,133.24	15.33
Yellow River Property Insurance Co., Ltd.	13,399.00			
Lanzhou New District Investment Holdings Co., Ltd.	190,000,000.00	4.35		
Total	190,778,406.68	4.37	2,663,133.24	15.33

Item	Ending balance		Balance at the end of the previous year	
	Amount	Proportion of amount (%)	Amount	Proportion of amount (%)
Prepayments				
Shaanxi Juntu Culture and Tourism Technology Co., Ltd.			137,550.00	91.02
Gansu Provincial Department of Transportation	1,587,291,517.60	11.06		
Yellow River Property Insurance Co., Ltd.	842,614.85	0.01		
Total	1,588,134,132.45	11.07	137,550.00	91.02
Other receivables				
Gansu Provincial Department of Transportation	6,840,181,889.68	59.20	7,394,731,848.16	55.37
Yellow River Property Insurance Co., Ltd.	16,599.08		85,236,286.75	1.45
Total	6,840,198,488.76	59.20	7,479,968,134.91	56.82
accounts payable				
Zhangye Colorful Mountain Tourism Co., Ltd.	285,367.30		62,552.33	0.16
Yellow River Property Insurance Co., Ltd.	46,788.50			
Shenzhen Expressway Engineering Consulting Co., Ltd.	1,812,747.00	0.01		
Total	2,144,902.80	0.01	62,552.33	0.16
Advance receipts				
Yellow River Property Insurance Co., Ltd.	3,000.00			
Total	3,000.00			
Other payables				
Zhangye Colorful Mountain Tourism Co., Ltd.			5,400,000.00	14.05
Zhangye Shanshui Cultural Tourism Co., Ltd.			5,100,000.00	13.27
Yellow River Property Insurance Co., Ltd.	57,863.96			
Total	57,863.96		10,500,000.00	27.32
Dividend payable				
Shenzhen Expressway Engineering Consulting Co., Ltd.	2,424,000.00	9.91	2,424,000.00	40.00
Total	2,424,000.00	9.91	2,424,000.00	40.00

XII Other important matters that need to be explained

According to the requirements of the General Office of the State Council on the Notice on Forwarding the Implementation Plan for the Gradually and Orderly Cancellation of the Toll-Relevant Highway Toll

Repayment by the National Development and Reform Commission, the Ministry of Transport, and the Ministry of Finance, Gansu Province has Stop government repayment of secondary road tolls. As of December 31, 2019, the company's secondary road assets have a book value of 52.078 billion yuan, according to the Ministry of Finance, the Ministry of Transportation and the National Development and Reform Commission issued the "Administrative Measures for Canceling the Government's Secondary Loan toll Subsidies for Secondary Highway Tolls" (Caijian [2009] No. 490), the central government will subsidize the localities in accordance with the implementation of the government's repayment of second-level highway tolls and the corresponding subsidy standards in accordance with the provinces (autonomous regions and municipalities). The central government exercises capping control over the subsidy funds arranged in various regions. The subsidy ratio is 40% in the eastern region, 50% in the central region, and 60% in the western region. All localities should set up corresponding cancellation of government repayment of secondary road toll toll matching funds, and coordinate with the central government's subsidy funds to make arrangements for the use of government to ensure that the cancellation of government repayment of secondary road tolls work steadily and orderly.

XIII main project financial statement notes

13.1 Accounts receivable

13.1.1 Classified disclosure of accounts receivable

Species	Ending balance				
	Book amount		Bad debt provision		book value
	Amount	proportion(%)	Amount	proportion(%)	
Accounts receivable with significant single amount and single provision for bad debt provision					
Account receivable withdrawing bad debt provision according to credit risk characteristic combination	10,344,443.14	100.00	500.00		10,343,943.14
Among them: Combination 1: Aging combination	10,000.00	0.10	500.00	5.00	9,500.00
Combination 2: Associative combination	10,334,443.14	99.90			10,334,443.14
Although the single amount is not significant, but the single item bad debt provision receivables					
Total	10,344,443.14	100.00	500.00		10,343,943.14

(Continued)

Species	Balance at the end of the previous year				
	Book amount		Bad debt provision		Book value
	Amount	proportion(%)	Amount	proportion(%)	
Accounts receivable with significant single amount and single provision for					

bad debt provision					
Account receivable withdrawing bad debt provision according to credit risk characteristic combination	57,985,268.30	100.00	2,899,263.42	5.00	55,086,004.88
Among them: Combination 1: Aging combination	57,985,268.30	100.00	2,899,263.42	5.00	55,086,004.88
Combination 2: Associative combination					
Although the single amount is not significant, but the single item bad debt provision receivables					
Total	57,985,268.30	100.00	2,899,263.42	5.00	55,086,004.88

① At the end of the reporting period, there were no accounts receivable with significant single amount and single provision for bad debt provision.

② Accounts receivable for bad debt provision based on the combination of credit risk characteristics

A. Accounts receivable using the aging analysis method for bad debt provision

Account age	Ending balance			Balance at the end of the previous year	
	Book amount		Bad debt provision	Book amount	
	Amount	proportion(%)		Amount	proportion(%)
Within 1 year	10,000.00	100.00	500.00	57,985,268.30	100.00
Total	10,000.00	100.00	500.00	57,985,268.30	100.00

Account age	Ending balance			Balance at the end of the previous year		
	Book amount		Bad debt provision	Book amount		
	Amount	proportion(%)		Amount	proportion(%)	

③ At the end of the reporting period, there is no account receivable that is not significant but has a single provision for bad debt provision.

④ In the report period, there was no bad debt preparation for recovery or reversal.

⑤ There was no actual receivables written off during the reporting period.

⑥ The top five accounts receivable by Ending balance collected by the arrears

Debtor name	Book value at the end of the period	Percentage of total accounts receivable (%)	Bad debt provision
Gansu Luqiao Highway Investment Co., Ltd. (Southern Ring Road Project)	10,320,949.36	99.77	
Gansu Luqiao Highway Investment Co., Ltd. (Shuangda Project)	13,493.78	0.13	
Gansu Luqiao Highway Investment Co., Ltd. (Linda Project)	10,000.00	0.10	
Total	10,344,443.14	100.00	

⑦ There were no accounts receivable derecognized by the transfer of financial assets during the reporting period.

⑧ There was no transfer of accounts receivable during the reporting period, such as securitization and factoring, and continued to be involved in the amount of assets and liabilities formed.

13.2 Other receivables

Item	Ending balance	Balance at the end of the previous year
Interest receivable	41,418,683.63	72,119,178.34
Dividend receivable	54,636,000.00	23,136,000.00
Other receivables	8,955,938,873.51	5,261,919,659.02
Total	9,051,993,557.14	5,357,174,837.36

12.1. Interest receivable

① Classification of interest receivable

Item	Ending balance	Balance at the end of the previous year
Time deposit		1,675,203.54
Trust financing	41,418,683.63	70,443,974.80
Total	41,418,683.63	72,119,178.34
Bad debt provision		
Net amount	41,418,683.63	72,119,178.34

② No overdue interest

12.2. Dividends receivable

Project (or invested unit)	Ending balance	Balance at the end of the previous year
Gansu Public Aviation Brigade Engineering Consulting Co., Ltd.	3,636,000.00	3,636,000.00
Zhangye Danxia Cultural Tourism Co., Ltd.		19,500,000.00
Gansu Pu Win-Win Transportation Transformation Development Fund (Limited Partnership)	51,000,000.00	
Total	54,636,000.00	23,136,000.00

① Important dividend receivables aged over 1 year:

Project (or invested unit)	Ending balance	Aging	Reasons for not recovering	Whether the impairment occurred and its judgment basis
Gansu Public Aviation Brigade Engineering Consulting Co., Ltd.	3,636,000.00	1-2 years	Unsettlement	no
Total	3,636,000.00	--	--	--

12.3. Other receivables

Species	Ending balance				
	Book amount		Bad debt provision		Book value
	Amount	proportion (%)	Amount	proportion (%)	
Other receivables with significant single amount and single provision for bad debt provision	2,391,506,891.39	26.64			2,391,506,891.39
Other receivables withdrawing bad debt provision according to the combination of credit risk characteristics	6,587,147,355.43	73.36	22,715,373.31	0.34	6,564,431,982.12
Combination 1: Aging combination	155,381,961.46	1.73	22,715,373.31	14.62	132,666,588.15
Combination 2: Combination of related parties	6,431,765,393.97	71.63			6,431,765,393.97
Although the single amount is not significant, but the single item bad debt provision receivables					

Species	Ending balance				
	Book amount		Bad debt provision		Book value
	Amount	proportion (%)	Amount	proportion (%)	
Total	8,978,654,246.82	100.00	22,715,373.31	0.25	8,955,938,873.51

(Continued)

Species	Ending balance				
	Book amount		Bad debt provision		
	Amount	proportion (%)	Amount	proportion (%)	
Other receivables with significant single amount and single provision for bad debt provision	1,617,220,237.85	30.64			
Other receivables withdrawing bad debt provision according to the combination of credit risk characteristics	3,660,759,979.79	69.36	16,060,558.62	0.44	
Combination 1: Aging combination	87,213,696.22	1.65	16,060,558.62	18.42	

Species	Ending balance			
	Book amount		Bad debt provision	
	Amount	proportion (%)	Amount	proportion (%)
Combination 2: Combination of related parties	3,573,546,283.57	67.71		
Although the single amount is not significant, but the single item bad debt provision receivables				
Total	5,277,980,217.64	100.00	16,060,558.62	0.30

① Other receivables with significant single amount at the end of the period and single provision for bad debt provision

Debtor name	Book value at the end of the period	Bad debt provision	Aging	Withdrawal ratio	Reason for accrual
Gansu Airport Investment Management Co., Ltd.	1,454,139,974.74		Within 1 year, 2-3 years, 3-4 years, more than 5 years		Borrowing, borrowing interest is not expected to incur bad debts
Dunhuang Tourism Co., Ltd.	15,000,000.00		More than 5 years		No bad debts are expected for the investment
Gansu Provincial Department of Transportation	922,366,916.65		Within 1 year, 2-3 years		Finances have not returned tolls and no bad debts are

Debtor name	Book value at the end of the period	Bad debt provision	Aging	Withdrawal ratio	Reason for accrual
					expected
Total	2,391,506,891.39		--		--

⑫ According to the combination of credit risk characteristics, other receivables for bad debt provision

A. Use the aging analysis method to accrue other receivables for bad debt provision

Account age	Ending balance			Balance at the end of the previous year		
	Book amount		Bad debt provision	Book amount		Bad debt provision
	Amount	proportion (%)		Amount	proportion (%)	
Within 1 year (including 1 year)	111,323,867.82	71.65	5,566,193.38	25,360,341.65	29.08	1,268,017.08
1-2 years (including 2 years)	3,657,100.50	2.35	365,710.05	30,805,947.92	35.32	3,080,594.79
2-3 years (including 3 years)	22,043,349.70	14.19	6,613,004.91	22,159,512.62	25.41	6,647,853.78
3-4 years (including 4 years)	15,900,360.54	10.23	7,950,180.27	7,615,602.13	8.73	3,807,801.07
4-5 years (including 5 years)	1,184,991.00	0.76	947,992.80	80,000.00	0.09	64,000.00
More than 5 years	1,272,291.90	0.82	1,272,291.90	1,192,291.90	1.37	1,192,291.90
Total	155,381,961.46	100.00	22,715,373.31	87,213,696.22	100.00	16,060,558.62

⑬ At the end of the reporting period, there are no other receivables whose individual amount is not significant but single provision for bad debt provision.

⑭ In the report period, there was no bad debt provision for recovery or reversal.

⑮ No other receivables actually written off during the reporting period.

⑯ Other receivables in the top five of the Ending balance collected by the arrears

Debtor name	Nature of payment	Book value at the end of the period	Aging	Percentage of total other receivables (%)	Bad debt provision
Gansu Public Aviation Travel International Trade Co., Ltd.	Current payment	1,500,000,000.00	Within 1 year, 1-2 years	16.71	
Gansu Airport Investment Management Co., Ltd.	loan	1,454,139,976.74	More than 5 years	16.20	
Gansu Financial Capital Management Co., Ltd.	Current payment	1,100,000,000.00	Within 1 year, 1-2 years	12.25	
Gansu Public Aviation Travel Tianma Investment Co., Ltd.	Current payment	1,050,000,000.00	Within 1 year	11.69	
Gansu Provincial Department of Transportation (tolls)	toll fee	922,366,916.65	Within 1 year	10.27	
Total	--	6,026,506,893.39	--	67.12	

⑰ There were no other receivables derecognized by the transfer of financial assets during the reporting period.

⑥ No other receivables were transferred during the reporting period, such as securitization and factoring, and continued to be involved in the amount of assets and liabilities formed.

12.3 Long-term equity investment

12.3.1. Classification of long-term equity investments

Item	Balance at the end of the previous year	Increase this year	Decrease this year	Ending balance
Investment in subsidiaries	40,409,095,550.48	5,691,708,381.46	45,723,670.56	46,055,080,261.38
Investment in joint ventures				
Investment in associates	6,959,113,159.86	1,851,698,561.68	118,261,183.05	8,692,550,538.49
Subtotal	47,368,208,710.34	7,543,406,943.14	163,984,853.61	54,747,630,799.87
Less: Long-term equity investment impairment provision				
Total	47,368,208,710.34	7,543,406,943.14	163,984,853.61	54,747,630,799.87

12.3.2. Details of long-term equity investments

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Total	48,339,889,142.89	47,368,208,710.34	6,697,444,370.07	45,723,670.56	203,253,999.74	-3,199,646.36	645,908,219.69	118,261,183.05			54,747,630,799.87	
1. Subsidiaries	41,902,088,615.89	40,409,095,550.48	5,691,708,381.46	45,723,670.56							46,055,080,261.38	
Gansu Tourism Investment Management Co., Ltd.	1,307,642,907.94	1,307,642,907.94	20,000,000.00	15,723,670.56							1,311,919,237.38	
Gansu Highway Investment Management Co., Ltd.	739,200,000.00	741,833,438.50	771,530,425.14								1,513,363,863.64	
Gansu Public Aviation Travel Culture Media Co., Ltd.	100,000,000.00	100,000,000.00									100,000,000.00	
Gansu Finance Guarantee Group Co., Ltd.	60,000,000.00	60,000,000.00									60,000,000.00	
Gansu Gonghang Real Estate Co., Ltd.	570,000,000.00	570,000,000.00	80,000,000.00								650,000,000.00	
Gansu Public Aviation Travel International Trade Co., Ltd.	500,000,000.00	500,000,000.00									500,000,000.00	
Gansu Financial Capital Management Co., Ltd.	8,868,845,000.00	8,868,845,000.00	2,112,200,000.00								10,981,045,000.00	
Gansu Luqiao Highway Investment Co., Ltd.	110,728,109.03	110,728,109.03									110,728,109.03	
Gansu Highway Construction Management Group Co., Ltd.	190,152,661.64	190,152,661.64	105,000,000.00								295,152,661.64	
Gansu Dadao Road Industry Co., Ltd.	36,915,751.35	36,915,751.35									36,915,751.35	
Gansu Yuanda Road Industry Group Co., Ltd.	19,964,142.88	19,964,142.88									19,964,142.88	
China-China Win-Win Public Aviation Travel Contract Special Fund	1,960,000,000.00	1,960,000,000.00		30,000,000.00							1,930,000,000.00	

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
No. 1												
Gansu Aviation Industry Investment Co., Ltd.	500,000,000.00	500,000,000.00	700,000,000.00								1,200,000,000.00	
Gansu Modern Service Industry Venture Capital Fund Co., Ltd.	10,000,000.00	10,000,000.00									10,000,000.00	
Gansu Public Aviation Brigade PetroChina Energy Co., Ltd.	29,040,000.00	29,040,000.00									29,040,000.00	
Gansu Provincial Aviation Hotel Management Co., Ltd.	92,000,000.00	92,000,000.00									92,000,000.00	
Zhangye Danxia Cultural Tourism Co., Ltd.	100,002,500.00	100,002,500.00									100,002,500.00	
Gansu Silk Road Travelling Campsite Co., Ltd.	260,350,000.00	260,350,000.00	197,643,670.56								457,993,670.56	
Gansu Public Aviation Brigade General Aviation Co., Ltd.	500,000.00	500,000.00									500,000.00	
Gansu Public Aviation Travel Group (Hong Kong) Co., Ltd.	57,200,000.00	57,200,000.00	33,262,040.43								90,462,040.43	
Gansu Public Aviation Brigade (Linxia) Development Co., Ltd.	228,000,000.00	228,000,000.00									228,000,000.00	
Public Aviation Brigade (Beijing) Co., Ltd.	348,000,000.00	348,000,000.00	200,000,000.00								548,000,000.00	
Gansu Public Aviation Travel Tianma Investment Co., Ltd.	658,017,800.00	658,017,800.00	214,126,213.33								872,144,013.33	
Gansu Public Aviation Brigade (Zhangye) Investment Co., Ltd.	26,000,000.00	26,000,000.00	49,400,000.00								75,400,000.00	

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Gansu Communications Construction Group Co., Ltd.	25,129,529,743.05	23,633,903,239.14									23,633,903,239.14	
Gansu Public Aviation Brigade (Wuwei) Investment Co., Ltd.			20,000,000.00								20,000,000.00	
Gansu Public Aviation Travel Group (Longnan) Investment Co., Ltd.			100,000,000.00								100,000,000.00	
Gansu Public Aviation Travel Susha Highway Management Co., Ltd.			21,341,000.00								21,341,000.00	
Gansu Public Aviation Travel (Jinchang) Investment Co., Ltd.			3,000,000.00								3,000,000.00	
Gansu Public Aviation Travel Historical District Construction Investment Co., Ltd.			524,681,030.00								524,681,030.00	
Gansu Public Aviation Brigade Lan'a Highway Management Co., Ltd.			539,524,002.00								539,524,002.00	
2. Associated enterprises	6,437,800,527.00	6,959,113,159.86	1,005,735,988.61		203,253,999.74	-3,199,646.36	645,908,219.69	118,261,183.05			8,692,550,538.49	
Gansu Qilian Wine Industry Co., Ltd.	30,000,000.00	16,091,914.23			510,628.36						16,602,542.59	
Yellow River Property Insurance Co., Ltd.	500,000,000.00	474,617,354.91			-10,611,915.00	1,650,317.54					465,655,757.45	
Gansu Public Aviation Travel Tongding Expressway Management Co., Ltd.	603,539,100.00	235,776,312.01	367,762,787.99								603,539,100.00	
Gansu Public Aviation Brigade Dinglin Expressway Management Co., Ltd.	453,785,000.00	175,642,881.64	278,142,118.35								453,785,000.00	

Invested unit	cost of investment	Balance at the end of the previous year	Changes in the current period								Ending balance	Amount at the end of the impairment period
			Additional investment	Reduce investment	Investment profit and loss recognized under the equity method	Other comprehensive income adjustment	Other equity changes	Declare cash dividends or profits	Provision for impairment	other		
Gansu Highway Aviation Longzhang Expressway Management Co., Ltd.	369,837,000.00	144,265,917.74	225,571,082.27								369,837,000.00	
Gansu Financial Holding Group Co., Ltd.	3,000,000,000.00	3,015,362,998.91			155,407,031.96		645,666,584.99				3,816,436,615.86	
Jinlong (Hong Kong) Investment Co., Ltd.	61,880,000.00		61,880,000.00		-535,744.03	-115,969.00					61,228,286.97	
Gansu Public Aviation Travel Tianzhuang Expressway Management Co., Ltd.	72,380,000.00		72,380,000.00								72,380,000.00	
Gansu Bank Co., Ltd.	1,346,379,427.00	2,897,355,780.42			58,483,998.45	-4,733,994.90	241,634.70	118,261,183.05			2,833,086,235.62	

12.4 Operating income and operating costs

Details of operating income

Item	Current Amount	
	Income	Cost
Subtotal of main business	14,603,422,547.74	10,116,709,643.54
Including: trade income	8,079,726,120.26	8,076,907,482.76
Toll income	6,522,755,488.48	2,038,743,987.06
other	940,939.00	1,058,173.72
Subtotal of other businesses	203,258,052.75	27.50
Among them: others	203,258,052.75	27.50
Total	14,806,680,600.49	10,116,709,671.04

(Continued)

Item	Amount of last period	
	Income	Cost
Subtotal of main business	14,695,777,341.51	10,290,089,048.58
Including: trade income	8,397,960,122.00	8,395,331,961.27
Toll income	6,296,911,300.04	1,893,846,716.69
other	905,919.47	910,370.62
Subtotal of other businesses	54,703,083.30	
Among them: others	54,703,083.30	
Total	14,750,480,424.81	10,290,089,048.58

12.5 Investment income

12.5.1. Details of investment income

Source of investment income	Current Amount	Amount of last period
Long-term equity investment income calculated by equity method	203,253,999.74	368,997,647.43
Investment income of available-for-sale financial assets during the holding period	11,563,543.31	20,347,895.86
Subsidiary dividends	313,944.92	27,380,595.27
Financial management		908,316.45
other	262,079,805.04	
Total	477,211,293.01	417,634,455.01

12.5.2. There are no major restrictions on the repatriation of investment income of the company during the reporting period.

12.6 Cash Flow Statement

12.6.1. Information on adjusting net profit to cash flow from operating activities by indirect method

additional materials	Current Amount	Amount of last period
1. Adjust net profit to cash flow from operating activities		
Net profit	50,332,088.68	-472,095,903.95
Add: asset impairment provision	-367,482.06	987,812.62
Depreciation of fixed assets	38,855,311.89	48,586,307.83
Amortization of intangible assets	677,890.20	322,197.01
Amortization of long-term deferred expenses	18,091,899.35	
Disposal of fixed assets, intangible assets and other long-term assets (gains are listed with "-")		
Loss of scrapping fixed assets (gains are listed with "-")		
Loss from changes in fair value (gains are listed with "-")	-32,030,134.41	-35,883,875.86
Financial expenses (the income is listed with "-")	7,293,854,689.47	5,459,392,357.74
Investment loss (gains are listed with "-")	-477,211,293.01	-417,634,455.01
Decrease in deferred income tax assets (increase is indicated by "-")	1,031,795.83	-1,031,658.33
Deferred income tax liabilities increase (decrease is listed with "-")		
Decrease in inventory (increase is indicated by "-")	277,021,877.29	-128,899,219.55
Decrease of business receivable items (increase is listed with "-")	-3,756,632,631.78	-24,955,227,717.07
Increase in operational payable items (decrease is listed with "-")	-2,062,514,023.18	25,820,715,625.78
other		
Net cash flow from operating activities	1,351,109,988.27	5,319,231,471.21
2. Major investment and financing activities that do not involve cash receipts and expenditures:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Financing leased fixed assets		
3. Net changes in cash and cash equivalents:		
Cash closing amount	31,652,803,739.52	28,781,561,711.68
Less: opening amount of cash	28,781,561,711.68	21,394,213,142.13

additional materials	Current Amount	Amount of last period
Plus: the ending amount of cash equivalents		
Less: opening amount of cash equivalents		
Net increase in cash and cash equivalents	2,871,242,027.84	7,387,348,569.55

12.6.2. Composition of cash and cash equivalents

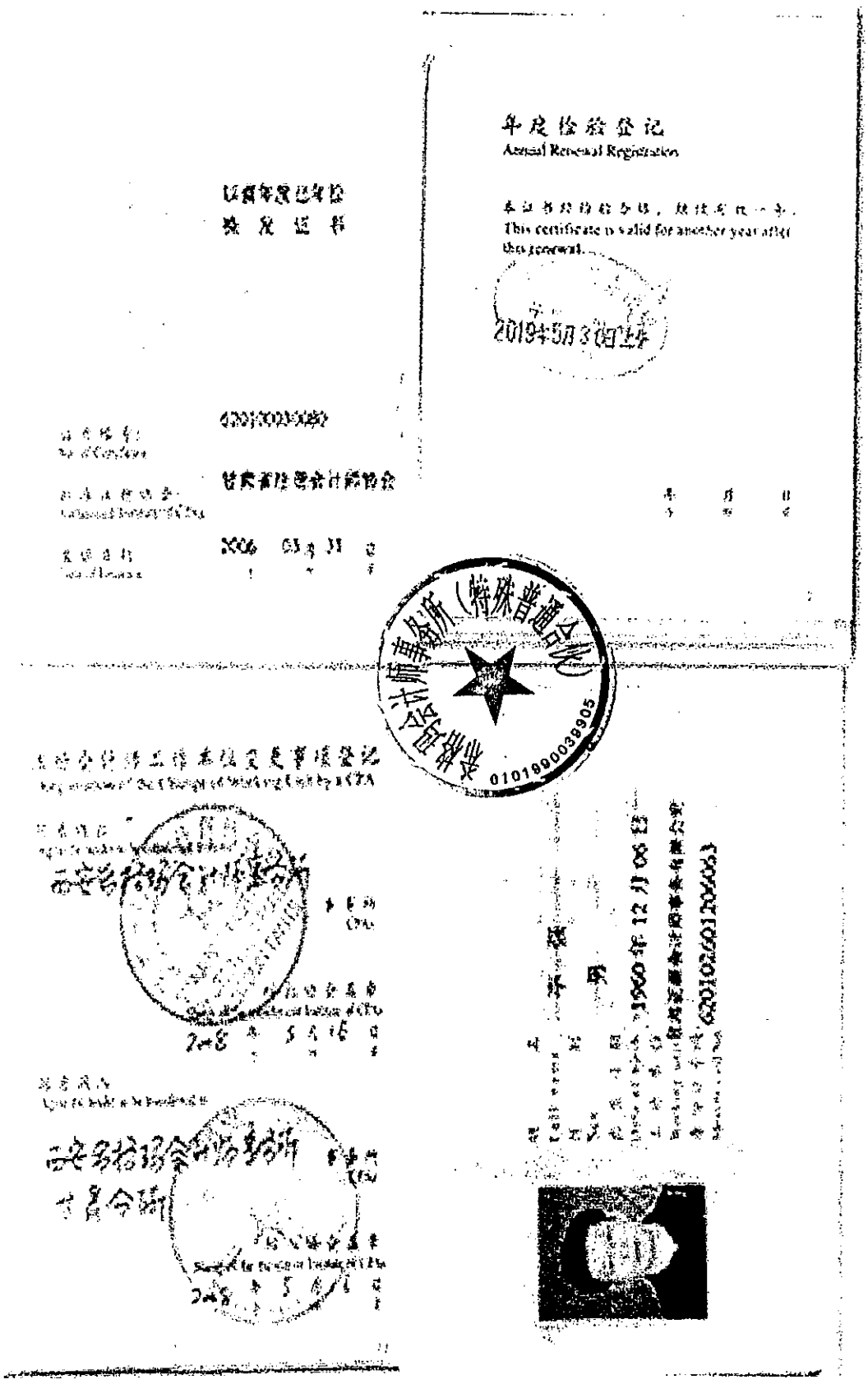
Item	Ending balance	Balance at the end of the previous year
1. Cash	31,652,803,739.52	28,781,561,711.68
Of which: cash in stock	16,437.73	131,810.97
Bank deposits ready for payment	31,652,787,301.79	28,781,429,900.71
Other monetary funds that can be used for payment at any time		
Deposits with central bank available for payment		
Deposit interbank funds		
Interbank funds		
2. Cash equivalents		
Of which: bond investment due within 3 months		
3. The amount of cash and cash equivalents at the end of the year	31,652,803,739.52	28,781,561,711.68

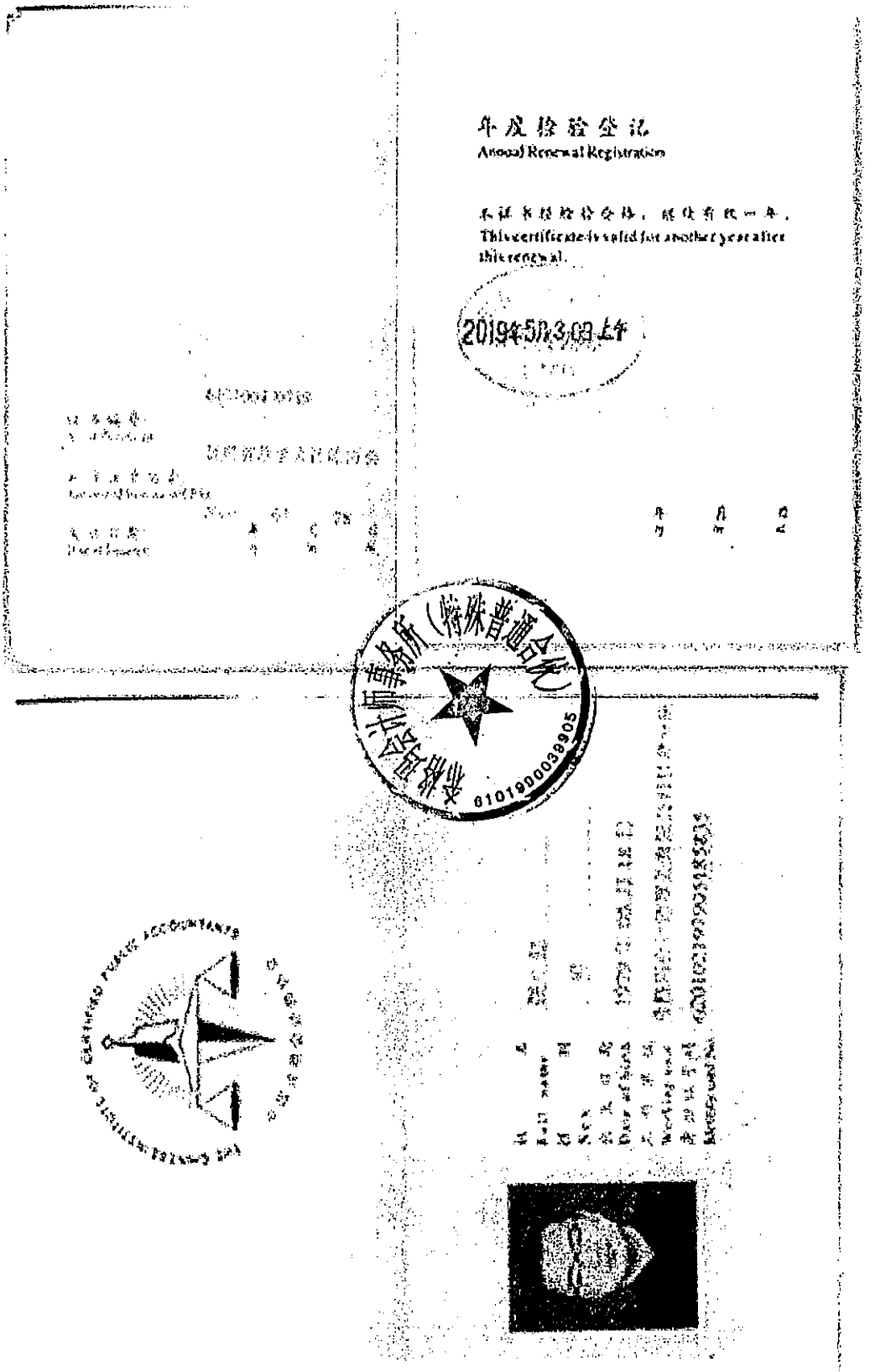
XIV Approval of financial statements

This financial statement has been approved by the board of directors of the company.

Gansu Highway Aviation Tourism Investment Group Co., Ltd.

June 9, 2020


年度检验登记
Annual Renewal Registration
2019年5月3日止
1960年12月08日


年度检验登记
Annual Renewal Registration
本证书经检验合格，延续有效一年。
This certificate is valid for another year after this renewal.
2019年5月3日
特殊普通合伙
0101900039905

统一社会信用代码

91610136073401691X2

营业执照

（副 本）(10-1)

扫描二维码登录"国家企业信用信息公示系统"了解更多登记、备案、许可、监管信息

名　　称　希格玛会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　吕桦 曹爱民 （吕桦 曹爱民）

经营范围　许可经营项目：审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。一般经营项目：（未取得专项许可的项目除外）

成立日期　2013年06月28日

合伙期限　长期

主要经营场所　陕西省西安市浐灞生态区浐灞大道一号外事大厦六层

登记机关

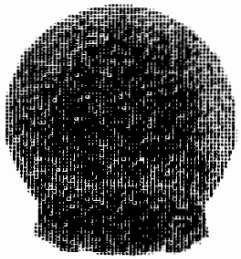
2020年03月10日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过国家信用公示系统报送公示年度报告。

国家市场监督管理总局监制

F-182



会计师事务所
执业证书

名　　称：希格玛会计师事务所（特殊普通合伙）

首席合伙人：吕桦

主任会计师：

经营场所：陕西省西安市浐灞生态区浐灞大道一号外事大厦六层

组织形式：合伙制（特殊普通合伙）

执业证书编号：61010047

批准执业文号：陕财办会〔2013〕28号

批准执业日期：2013年6月27日

证书序号：0006585

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：陕西省财政厅

2018 年 11 月 30 日

中华人民共和国财政部制

证书序号：000379

会计师事务所
证券、期货相关业务许可证

经财政部、中国证券监督管理委员会审查，批准

希格玛会计师事务所（特殊普通合伙）

执行证券、期货相关业务。

首席合伙人：吕桦

证书号：31　　发证时间：二〇二一年十月二十九日

证书有效期至：二〇二一年十月二十九日

F-184

Gansu provincial highway aviation tourism investment group co.,ltd

2020 Audited Financial Statements

Xigema audit (2021)NO.1860

防伪条形码：

029202104000006

防伪编号：029202104000006

报告文号：希会审字(2021)1860号

委托单位：甘肃省人民政府国有资产监督管理委员会

事务所名称：希格玛会计师事务所（特殊普通合伙）

报告日期：2021-04-28

报备时间：2021-04-22 09:49

签名注册会计师：李强

强红懿

甘肃省公路航空旅游投资集团有限公司

2020年度审计报告

事务所名称：希格玛会计师事务所（特殊普通合伙）

事务所电话：18693271722

传　　真：029-88275912

通讯地址：西安市浐灞生态区浐灞大道一号外事大厦六层

电子邮件：office@xigema.com

事务所网址：http://www.xigema.com

扫描二维码查询报告真伪

如对上述报备资料有疑问的,请与甘肃省注册会计师协会联系。

防伪查询电话号码：0931-8899808

防伪查询网址：http://www.gsicpa.net

Contents

I. Audit report..... (1-4)

II. Financial statements

1.Consolidated balance sheet..... (5-6)

2. Consolidated profit statement..... (7)

3. Consolidated statement of cash flows.....(8)

4. Consolidated owner's equity change table..... (9-10)

5. Parent company balance sheet..... (11-12)

6. Parent company profit statement.....(13)

7. Statement of cash flows of parent companies..... (14)

8. Statement of changes in the owner's equity of the parent company.....(15-16)

III Notes to the financial statements.....(17-230)

IV. Copy of certificate

1. Certificate of qualification of certified public accountant

2. Business license of accounting firm

3. Certificate of practice of accounting firm

Xigema Cpas(Special General Partnership)

Xigema audit (2021)No.1860

Audit Report

Gansu Provincial Highway Aviation Tourism Investment Group Co.:

I. Audit opinion

We have audited the financial statements of Gansu Provincial Highway Aviation Tourism Investment Group Limited (hereinafter referred to as your company), which comprise the consolidated and parent company balance sheets as of December 31, 2020, the consolidated and parent company income statements, the consolidated and parent company cash flow statements, the consolidated and parent company statements of changes in owners' equity for the year 2020, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and parent company financial position as of December 31, 2020, and the consolidated and parent company results of operations and cash flows for the year 2020, prepared in accordance with the provisions of the Accounting Standards for Business Enterprises.

II. Basis for forming an audit opinion

We performed our audit in accordance with PRC CPA auditing standards. Our responsibilities under these standards are further described in the section of the auditor's report entitled "The CPA's Responsibility for the Audit of the Financial Statements". We are independent of your company and have fulfilled our other responsibilities in respect of professional ethics in accordance with the Code of Ethics for Certified Public Accountants in the PRC. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the audit opinion.

III. Management's and governance's responsibility for the financial statements

Your management (hereinafter referred to as management) is responsible for the preparation of financial statements that give a fair view in accordance with accounting standards for business enterprises and for designing, implementing and maintaining such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing your company's ability to continue as a going concern, disclosing matters relating to going concern (where applicable) and applying the going concern assumption unless management plans to liquidate your company, discontinue operations or has no other realistic alternative.

Governance is responsible for overseeing your company's financial reporting process.

IV. Responsibilities of Certified Public Accountants for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing an audit opinion. Reasonable assurance is a high level of assurance, but it does not provide assurance that an audit performed in accordance with auditing standards will always detect a material misstatement when one exists. Misstatements may be due to fraud or error and are generally considered to be material if there is a reasonable expectation that, individually or in the aggregate, the misstatement could have affected the economic decisions made by users of the financial statements based on the financial statements.

In performing our audit work in accordance with auditing standards, we use professional judgement and maintain professional scepticism. At the same time, we perform the following.

(i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures to address those risks, and obtain sufficient appropriate audit evidence to form the basis of an audit opinion. The risk of failure to detect a material misstatement due to fraud is higher than the risk of failure to detect a material misstatement due to error because fraud may involve collusion, forgery, intentional omissions, misrepresentation or override of internal controls.

(ii) To 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 an opinion on the effectiveness of internal control.

(iii) Evaluate the appropriateness of management's selection of accounting policies and the reasonableness of the accounting estimates and related disclosures made.

(iv) Draw conclusions about the appropriateness of management's use of the going concern assumption. Also, based on the audit evidence obtained, draw conclusions as to whether there are significant uncertainties about matters or circumstances that may cast significant doubt about your company's ability to continue as a going concern. If we conclude that a material uncertainty exists, auditing standards require that we draw the attention of users of the statements to the relevant disclosures in the financial statements in our audit report; if the disclosures are inadequate, we should express a non-unqualified opinion. Our conclusion is based on the information available to us as at the date of the audit report. However, future events or circumstances may cause your company to be unable to

continue as a going concern

(v) Evaluate the overall presentation, structure and content of the financial statements and evaluate whether the financial statements present fairly the relevant transactions and events.

(vi) Obtain sufficient and appropriate audit evidence about the financial information of the entities or operations in your company to express an audit opinion on the financial statements. We are responsible for directing, supervising and performing the audit of the Company and accept full responsibility for the audit opinion.

We communicate with governance on matters such as the planned audit scope, timing and significant audit findings, including communication of internal control weaknesses of concern identified during our audit.

Sigma Accountants (Special General Partnership)

Chinese Certified Public Accountants:

Xi'an, China

Chinese Certified Public Accountants:

April 28th, 2021

Consolidated balance sheet

Rendezvous 01 form

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd.

31st Dec, 2020

Unit: yuan

Capital property	Notes	Closing balance	Balance at the end of last year
Current assets:			
Monetary funds	Ⅷ-1	51,763,210,386.18	50,028,727,820.61
Financial assets measured at fair value and whose changes are included in the profits and losses of the current period	Ⅷ-2	38,611,110.00	
Deposit deposit	Ⅷ-3	1,826,622,491.84	1,888,934,538.69
Bill receivable	Ⅷ-4	390,381,279.77	311,579,260.14
Accounts receivable	Ⅷ-5	6,348,706,499.64	4,622,800,741.73
Advance payment	Ⅷ-6	10,946,469,768.13	14,455,160,115.00
Other receivables	Ⅷ-7	16,865,506,719.56	11,471,628,922.71
Stock	Ⅷ-8	8,953,305,473.40	7,727,307,806.44
Holding assets for sale			
Non current assets due within one year	Ⅷ-9	781,728,051.24	785,764,341.09
Other current assets	Ⅷ-10	2,760,438,335.79	2,774,827,190.85
Total current assets		100,674,980,115.55	94,066,730,737.26
Non-current assets:			
Issuance of loans and advances	Ⅷ-11	3,953,363,616.73	3,861,651,539.10
Available for sale of financial assets	Ⅷ-12	3,236,253,355.43	2,936,822,831.99
Investment held to maturity	Ⅷ-13	32,318,155.94	34,553,467.41
Long-term receivables	Ⅷ-14	840,587,857.64	1,649,612,618.58
Long-term equity investment	Ⅷ-15	15,387,825,508.70	9,666,719,996.48
Investment real estate	Ⅷ-16	1,306,390,128.58	792,960,109.00
Fixed assets	Ⅷ-17	257,043,596,256.20	175,684,733,971.96
Construction in progress	Ⅷ-18	227,019,475,241.46	213,733,508,949.24
Productive biological assets	Ⅷ-19	130,000.00	
Oil and gas assets			
Intangible assets	Ⅷ-20	967,512,759.96	2,385,534,956.68
Development expenditure	Ⅷ-21	917,760.87	3,563,754.06
goodwill	Ⅷ-22	62,494,847.51	62,494,847.51
Long-term expenses to be amortized	Ⅷ-23	533,237,661.63	309,333,226.73
Deferred income tax assets	Ⅷ-24	238,792,116.98	169,688,566.83
Other non-current assets	Ⅷ-25	35,357,460.00	35,357,460.00
Total non-current assets		510,658,252,727.63	411,326,536,295.57
Total assets		611,333,232,843.18	505,393,267,032.86

person in charge of the unit: Responsible person in charge of accounting work: Head of accounting institution:

Consolidated balance sheet (continued)

Rendezvous 01 form

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. | 31st Dec, 2020 | Unit: yuan

Liabilities and owner's equity (or shareholder's equity)	Notes	Closing balance	Balance at the end of last year
Current liabilities:			
Short-term loan	Ⅷ-26	7,465,597,012.46	6,202,004,795.00
Financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period			
Deposit deposit	Ⅷ-27	63,000.00	73,000.00
Bill payable	Ⅷ-28	409,008,530.77	1,533,813,953.05
Accounts payable	Ⅷ-29	16,539,415,141.09	14,851,531,489.42
Advance receipt	Ⅷ-30	3,409,173,294.18	2,761,113,872.86
Pay payable to staff and workers	Ⅷ-31	356,818,852.74	303,599,827.39
Taxes and fees should be paid	Ⅷ-32	645,146,707.15	563,430,015.54
Other accounts payable	Ⅷ-33	18,041,951,802.92	4,879,559,139.25
Undue liability bond	Ⅷ-34	54,364,369.68	42,364,264.06
Guarantee indemnity bond	Ⅷ-35	223,261,139.73	205,744,632.58
Holding liabilities for sale			
Non-current liabilities due within one year	Ⅷ-36	11,909,758,395.37	20,317,287,427.08
Other current liabilities	Ⅷ-37	82,568.81	
Total current liabilities		59,054,640,814.90	51,660,522,416.23
Non-current liabilities:			
Long-term loan	Ⅷ-38	253,136,592,808.16	214,318,704,056.64
Bonds payable	Ⅷ-39	42,921,740,000.00	38,747,514,193.44
Of which: preferred stock			
Sustainable debt			
Long-term payable	Ⅷ-40	35,289,954,797.68	30,193,082,400.80
Projected liability	Ⅷ-41	8,030,315.27	
Deferred income	Ⅷ-42	71,340,563.88	76,969,288.40
Deferred income tax liability	Ⅷ-24	7,190,257.92	10,155,524.40
Other non-current liabilities			
Total non-current liabilities		331,434,848,742.91	283,346,425,463.68
Total liabilities		390,489,489,557.81	335,006,947,879.91
Owner's equity:			
Paid-in capital	Ⅷ-43	20,000,000,000.00	20,000,000,000.00
Other instruments of interest	Ⅷ-44	13,000,000,000.00	1,500,000,000.00
Of which: preferred stock			
Sustainable debt		13,000,000,000.00	1,500,000,000.00
Capital reserve	Ⅷ-45	158,704,420,698.73	123,832,748,496.96
Less: inventory Unit			
Other combined benefits		-7,378,402.80	21,907,462.13
Special reserve	Ⅷ-46	286,855,260.44	241,308,718.75
Surplus reserve	Ⅷ-47	1,431,393,151.28	1,431,393,151.28
General risk preparation	Ⅷ-48	109,632,176.66	81,472,135.93
Undistributed profit	Ⅷ-49	12,261,926,617.78	12,680,166,492.30
Total equity belonging to the owner of the parent company		205,786,849,502.09	159,788,996,457.35
Minority shareholders' rights and interests		15,056,893,783.28	10,597,322,695.57
Total owner's equity		220,843,743,285.37	170,386,319,152.92
Total liabilities and owner's equity		611,333,232,843.18	505,393,267,032.83

Responsible person in charge of the unit: 梁有培印 | Responsible person in charge of accounting work: 王军印军 | Head of accounting institution: 东振印振

Consolidated Income Statement

Rendezvous table 02

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. Year 2020 Unit: yuan

Item	Notes	Current amount	Prior period amount
I. Total operating income		145,449,267,453.24	129,732,527,779.97
Of which: operating income	VII-50	144,948,593,380.02	129,141,859,432.73
Interest income		327,610,898.39	395,530,232.59
Premium earned		106,650,717.21	82,786,728.42
Fees and commission income		66,412,457.62	112,351,386.23
II. Total operating costs		148,429,707,166.79	130,838,883,282.18
Among them: operating cost	VII-50	138,693,639,680.39	122,012,491,356.39
Interest expenditure			
Handling fees and commission expenses			
Refund of insurance			
Net payment of expenditure			
Withdrawal of net reserve for insurance contracts			
Policy dividend expenditure			
Reinsurance cost			
Taxes and additions	VII-51	395,700,885.70	407,212,550.89
selling expenses	VII-52	203,560,496.12	149,445,378.70
Management expenses	VII-52	1,425,482,455.80	1,370,845,215.06
Research and development expenses	VII-53	211,484,837.45	90,331,943.33
Financial expenses	VII-52	7,499,838,811.33	6,808,556,837.81
Of which: interest costs		8,578,586,394.93	7,463,711,427.69
Interest income		826,509,825.44	871,961,673.06
Net exchange loss (proceeds are marked as "-")		-353,182,313.85	188,873,455.25
Add: other benefits	VII-54	1,437,796,883.84	88,630,179.42
Return on investment (loss marked with "-")	VII-55	342,593,148.26	440,398,748.02
Among them: investment income on joint ventures and joint ventures		253,387,878.47	255,276,951.60
Exchange gains (losses marked with "-")			
Income from changes in fair value (loss marked with "-")	VII-56	38,611,110.00	32,030,134.41
Loss of impairment of assets (loss marked with "-")	VII-57	-152,977,476.03	-591,082,034.16
Proceeds from asset disposal (losses marked with "-")	VII-58	1,449,715.68	-7,314,395.72
III. Operating profit (loss marked by "-")		-1,312,966,331.80	-1,143,692,870.24
Add: out-of-business income	VII-59	1,833,980,884.34	2,121,448,992.50
Less: non-operating expenditure	VII-60	54,189,801.47	85,872,799.01
IV. Total profits (total losses marked with "-")		466,824,751.07	891,883,323.25
Less: income tax expenses	VII-61	356,533,419.77	351,941,969.48
V. net profit (net loss marked by "-")		110,291,331.30	539,941,353.77
(I) Classification by business continuity			
1. Net profit from continuing operations (net loss as "-")		110,291,331.30	539,941,353.77
2. Net profit from termination of operation (net loss as "-")			
(II) Classification by ownership			
1. Net profit attributable to shareholders of the parent company		76,108,015.51	430,870,682.17
2. Profit and loss of minority shareholders		34,183,315.79	109,070,671.60
VI. Net after tax of other combined income			
(i) net after-tax income attributable to the owner of the parent company	VII-62	-29,285,864.93	-903,786.95
1. Other combined gains that cannot be reclassified into gains and losses	VII-62		
(1) re-measurement of changes in the set benefit plan			
(2) other comprehensive benefits that cannot be converted into profits and losses under the equity method			
2. Other combined gains reclassified into gains and losses	VII-62	-29,285,864.93	-903,786.95
(1) other combined benefits of transferable profits and losses under the equity method		-22,511,310.63	-903,786.95
(II) changes in fair value of financial assets available for sale		26,727.30	
(III) reclassification of investments held to maturity as profits and losses of financial assets available for sale			
(IV) effective portion of cash flow hedge gains and losses			
(v) conversion of differences in foreign currency financial statements		-6,801,281.60	
(II) net after-tax income attributable to minority shareholders		58,772.70	
VII. Total combined income		81,064,239.07	539,037,566.82
Total combined income belonging to the owner of the parent company		4,897,450.86	108,166,884.65
Total combined income attributable to minority shareholders		76,166,788.21	430,870,682.17
VIII. Earnings per share			
(I) basic earnings per share			
(II) diluted earnings per share			

Legal person in charge of the unit: Responsible person in charge of accounting work: Head of accounting institution:

Consolidated Cash Flow Statement

Rendezvous table 03

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. Year 2020 Unit: yuan

Items	Notes	Current amount	Prior period amount
I. Cash flows from operating activities:			
Cash received from the sale of goods and the provision of services		152,816,411,432.63	143,016,847,484.93
Cash received from the premium of the original insurance contract		112,312,170.95	119,700,455.71
Cash for interest, handling and commission		789,663,911.53	940,355,752.48
Refund of taxes and fees received		46,576,876.94	11,883,708.34
Receipt of other cash related to operating activities		30,729,817,254.58	20,725,307,224.15
Subtotal, cash inflows from operating activities		184,494,781,646.63	164,814,094,625.61
Cash for the purchase of goods and services		150,721,968,111.09	139,110,804,043.63
Cash paid by guarantee indemnity			
Net increase in customer loans and advances		289,509,072.66	254,075,984.44
Cash for payment of interest, handling fees and commissions		1,667,905.99	4,126,307.98
Cash paid to and for employees		3,828,502,394.94	3,294,392,486.99
Taxes and fees paid		2,309,192,851.43	2,009,809,757.80
Payment of other cash related to operating activities		22,605,589,603.09	17,512,012,128.20
Subtotal cash outflows from operating activities		179,756,429,939.20	162,185,220,709.04
Net cash flow from operating activities		4,738,351,707.43	2,628,873,916.57
II. Cash flows from investment activities:			
Recovery of cash received from investments		974,600,579.95	210,961,352.79
Cash received for return on investment		142,722,232.14	334,892,861.96
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		3,752,993.46	2,758,475.64
Disposal of net cash received by subsidiaries and other business units		3,043,886.30	
Other cash related to investment activities received		6,693,272,035.15	13,113,018,166.24
Subtotal, cash inflows from investment activities		7,817,391,727.00	13,661,630,856.63
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		56,459,191,288.26	41,519,666,724.11
Cash paid by investments		4,275,475,623.08	3,200,116,833.85
Net cash paid by subsidiaries and other business units		127,353,982.00	45,915,782.44
Payment of other cash related to investment activities		6,157,305,649.44	8,434,227,894.65
Subtotal cash outflows from investment activities		67,019,326,542.78	53,199,927,235.05
Net cash flows from investment activities		-59,201,934,815.78	-39,538,296,378.42
III. Cash flows from fund-raising activities:			
Absorption of cash received from investments		11,973,318,708.75	21,877,993,304.14
Of which: subsidiaries absorb cash received by minority shareholders' investments		287,139,365.07	7,892,440,072.74
Cash received from loans		158,842,295,277.42	53,610,925,695.00
Cash received in the issuance of bonds		7,290,298,339.36	12,518,225,866.74
Other cash received related to fund-raising activities		15,997,355,240.21	2,101,456,987.00
Subtotal, cash inflows to fund-raising activities		194,103,267,565.74	90,108,601,852.88
Cash paid for debt service		118,578,014,176.39	38,255,468,223.82
Cash paid for dividends, profits, or interest payments		15,474,741,047.63	13,809,850,799.13
Among them: dividends and profits paid by subsidiaries to minority shareholders		25,735,430.34	23,651,825.50
Payment of other cash related to financing activities		2,759,043,235.62	339,609,312.33
Subtotal cash outflows from fund-raising activities		136,811,798,459.64	52,404,928,335.28
Net cash flows from fund-raising activities		57,291,469,106.10	37,703,673,517.60
IV. Impact of exchange rate changes on cash and cash equivalents		-26,417,564.04	162,030,740.04
V. net increase in cash and cash equivalents		2,801,468,433.71	956,281,795.79
Add: cash and cash equivalents balance at the beginning of the period		48,592,755,623.34	47,636,473,827.55
VI. Cash and cash equivalents balance at the end of the period		51,394,224,057.05	48,592,755,623.34

person in charge of the un[illegible] Responsible person in charge of accounting work: [illegible] Head of accounting ins[illegible]

Consolidated statement of changes in owner's equity

Rendezvous table 04

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. | Year 2020 | Unit: yuan

Item	Amount of this year												
	Belong to the owner's equity of the parent company											Minority shareholders' rights and interests	Total owner's equity
	Paid-in capital	Other instruments of interest			Capital reserve	Other combined benefits	Special reserve	Surplus reserve	General risk preparation	Undistributed profit	Subtotal		
		Preferred stock	Sustainable debt	Others									
I. Balance at the end of the previous year	20,000,000,000.00		1,500,000,000.00		123,832,748,496.96	21,907,462.13	241,308,718.75	1,431,393,151.28	81,472,135.93	12,680,166,492.30	159,788,996,457.35	10,597,322,695.57	170,386,319,152.92
Add: accounting policy changes													
Prior error correction													
Others													
II. Balance at the beginning of the year	20,000,000,000.00		1,500,000,000.00		123,832,748,496.96	21,907,462.13	241,308,718.75	1,431,393,151.28	81,472,135.93	12,680,166,492.30	159,788,996,457.35	10,597,322,695.57	170,386,319,152.92
III. Increase or decrease in the amount of change this year (the decrease is marked with the "-" number).)			11,500,000,000.00		34,871,672,201.77	-29,285,864.93	45,546,541.69		28,160,040.73	-418,239,874.52	45,997,853,044.74	4,459,571,087.71	50,457,424,132.45
(I) Total combined income						-29,285,864.93				76,108,015.51	46,822,150.58	34,242,088.49	81,064,239.07
(II) Input and reduction of capital by owners			11,500,000,000.00		34,871,672,201.77						46,371,672,201.77	4,505,844,676.51	50,877,516,878.28
1. Common stock invested by the owner					6,521,450,000.00						6,521,450,000.00	4,573,915,048.07	11,095,365,048.07
2. Investment capital of holders of other equity instruments			11,500,000,000.00								11,500,000,000.00		11,500,000,000.00
3. The amount of share payment included in the owner's equity.													
4. Others					28,350,222,201.77						28,350,222,201.77	-68,070,371.56	28,282,151,830.21
(III) withdrawal and use of special reserves							45,546,541.69				45,546,541.69	704,834.05	46,251,375.74
1. Current extraction							296,367,753.58				296,367,753.58	2,976,810.36	299,344,563.94
2. Use in this period							250,821,211.89				250,821,211.89	2,271,976.31	253,093,188.20
(IV) profit distribution									28,160,040.73	-494,347,890.03	-466,187,849.30	-81,220,511.34	-547,408,360.64
1. Extraction of surplus reserve													
2. Extraction of general risk preparation									28,160,040.73	-28,160,040.73			
3. Distribution of owners (or shareholders)										-466,187,849.30	-466,187,849.30	-81,220,511.34	-547,408,360.64
4. Others													
(V) Internal carry-over of owner's equity													
1. Transfer of capital reserve to increase capital (or equity)													
2. Conversion of surplus reserve to increased capital (or equity)													
3. Surplus reserve to make up for loss													
4. Set the change in the benefit plan to carry forward the retained income													
5. Other composite income carry-over retained income													
6. Other													
IV. Balance at the end of the year	20,000,000,000.00		13,000,000,000.00		158,704,420,698.73	-7,378,402.80	286,855,260.44	1,431,393,151.28	109,632,176.66	12,261,926,617.78	205,786,849,502.09	15,056,893,783.28	220,843,743,285.37

Person in charge of the unit: 荣石印培 | Responsible person in charge of accounting work: 印军 | Head of accounting institution: 印振

Consolidated statement of changes in owner's equity (continued)

Rendezvous table 04

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. | Year 2020 | Unit: yuan

	Amount last year												
	Belong to the owner's equity of the parent company											Minority shareholders' rights and interests	Total owner's equity
	Paid-in capital	Other instruments of interest: Preferred stock	Other instruments of interest: Sustainable debt	Other instruments of interest: Others	Capital reserve	Other combined benefits	Special reserve	Surplus reserve	General risk preparation	Undistributed profit	Subtotal		
I. Balance at the end of the previous year	20,000,000,000.00				112,605,805,391.79	22,811,249.08	252,270,287.27	1,426,359,942.41	47,335,804.13	12,362,807,581.48	146,717,390,256.16	7,027,817,151.37	153,745,207,407.53
Add: accounting policy changes													
Prior error correction													
Others													
II. Balance at the beginning of the year	20,000,000,000.00				112,605,805,391.79	22,811,249.08	252,270,287.27	1,426,359,942.41	47,335,804.13	12,362,807,581.48	146,717,390,256.16	7,027,817,151.37	153,745,207,407.53
III. Increase or decrease in the amount of change this year (the decrease is marked with the "-" number).)			1,500,000,000.00		11,226,943,105.17	-903,786.95	-10,961,568.52	5,033,208.87	34,136,331.80	317,358,910.82	13,071,606,201.19	3,569,505,544.20	16,641,111,745.39
(I) Total combined income						-903,786.95				430,870,682.17	429,966,895.22	109,070,671.60	539,037,566.82
(II) Input and reduction of capital by owners			1,500,000,000.00		11,226,943,105.17						12,726,943,105.17	3,487,922,682.47	16,214,865,787.64
1. Common stock invested by the owner					8,420,056,446.29						8,420,056,446.29	3,568,318,683.03	11,988,375,129.32
2. Investment capital of holders of other equity instruments			1,500,000,000.00								1,500,000,000.00		1,500,000,000.00
3. The amount of share payment included in the owner's equity.													
4. Others					2,806,886,658.88						2,806,886,658.88	-80,396,000.56	2,726,490,658.32
(III) withdrawal and use of special reserves							-10,961,568.52				-10,961,568.52	1,895,373.96	-9,066,194.56
1. Current extraction							122,167,732.80				122,167,732.80	2,566,483.97	124,734,216.77
2. Use in this period							133,129,301.32				133,129,301.32	671,110.01	133,800,411.33
(IV) profit distribution								5,033,208.87	34,136,331.80	-113,511,771.35	-74,342,230.68	-29,383,183.83	-103,725,414.51
1. Extraction of surplus reserve								5,033,208.87		-5,033,208.87			
2. Extraction of general risk preparation									32,957,843.39	-32,957,843.39			
3. Distribution of owners (or shareholders)										-75,520,719.09	-75,520,719.09	-29,383,183.83	-104,903,902.92
4. Others									1,178,488.41		1,178,488.41		1,178,488.41
(V) Internal curry-over of owner's equity													
1. Transfer of capital reserve to increase capital (or equity)													
2. Conversion of surplus reserve to increased capital (or equity)													
3. Surplus reserve to make up for loss													
4. Set the change in the benefit plan to carry forward the retained income													
5. Other composite income curry-over retained income													
6. Other													
IV. Balance at the end of the year	20,000,000,000.00		1,500,000,000.00		123,832,748,496.96	21,907,462,542.75		1,431,393,151.28	81,472,135.93	12,680,166,492.30	159,788,995,197.35	7,597,322,695.57	170,386,319,152.92

person in charge of the unit: 梁石印培 | Responsible person in charge of accounting work: 张军印 | Head of accounting institution: 印振

Parent company balance sheet

Table 01

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd.

31st Dec, 2020

Unit: yuan

Capital property	Notes	Closing balance	Balance at the end of last year
Current assets:			
Monetary funds		34,608,636,400.08	32,432,803,739.52
Financial assets measured at fair value and whose changes are included in the profits and losses of the current period		38,611,110.00	
Deposit deposit			
Bill receivable			
Accounts receivable	XIII-1	74,377,842.43	10,343,943.14
Advance payment		6,697,067,333.21	9,671,363,011.05
Other receivables	XIII-2	12,816,231,850.22	9,051,993,557.14
Stock		12,160.70	18,094.14
Holding assets for sale			
Non current assets due within one year			
Other current assets		1,524,380,656.41	1,487,181,952.08
Total current assets		55,759,317,353.05	52,653,704,297.07
Non-current assets:			
Issuance of loans and advances			
Available for sale of financial assets		1,156,475,602.95	1,196,183,205.29
Investment held to maturity			
Long-term receivables		100,441,104.69	271,000,000.00
Long-term equity investment	XIII-3	62,160,181,909.80	54,747,630,799.87
Investment real estate			
Fixed assets		251,315,183,714.41	170,381,887,157.98
Construction in progress		148,259,968,559.07	161,559,810,844.47
Productive biological assets			
Oil and gas assets			
Intangible assets		2,919,533.18	1,812,493.43
Development expenditure			
goodwill			
Long-term expenses to be amortized		226,677,813.84	97,323,548.53
Deferred income tax assets		25.00	212.50
Other non-current assets			
Total non-current assets		463,221,848,262.94	388,255,648,262.07
Total assets		518,981,165,615.99	440,909,352,559.14

Responsible person in charge of the unit: 宋培印

Responsible person in charge of accounting work: 张军印

Head of accounting institution: 东振印

Parent Company balance sheet (continued)

Table 01

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. | 31st Dec, 2020 | Unit: yuan

Liabilities and owner's equity (or shareholder's equity)	Notes	Closing balance	Balance at the end of last year
Current liabilities:			
Short-term loan		2,400,000,000.00	1,800,000,000.00
Financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period			
Deposit deposit			
Bill payable			
Accounts payable		9,079,988,651.76	9,318,320,128.50
Advance receipt		5,321,472.94	747,113.84
Pay payable to staff and workers		27,206,414.33	5,158,857.23
Taxes and fees should be paid		148,032,421.21	111,539,049.79
Other accounts payable		23,277,331,634.55	11,341,366,057.00
Undue liability bond			
Guarantee indemnity bond			
Holding liabilities for sale			
Non-current liabilities due within one year		11,906,828,471.89	20,210,567,887.53
Other current liabilities			
Total current liabilities		46,844,709,066.68	42,787,699,093.89
Non-current liabilities:			
Long-term loan		221,224,922,963.50	189,520,443,111.55
Bonds payable		36,521,740,000.00	35,870,589,471.22
Of which: preferred stock			
Sustainable debt			
Long-term payable		31,825,899,067.40	24,749,469,838.30
Projected liability			
Deferred income			
Deferred income tax liability			
Other non-current liabilities			
Total non-current liabilities		289,572,562,030.90	250,140,502,421.07
Total liabilities		336,417,271,097.58	292,928,201,514.96
Owner's equity:			
Paid-in capital		20,000,000,000.00	20,000,000,000.00
Other instruments of interest		12,000,000,000.00	1,500,000,000.00
Of which: preferred stock			
Sustainable debt		12,000,000,000.00	1,500,000,000.00
Capital reserve		138,245,967,677.05	113,218,558,098.53
Less: inventory Unit			
Other combined benefits		25,757,756.04	19,611,602.72
Special reserve			
Surplus reserve		1,431,393,151.28	1,431,393,151.28
General risk preparation			
Undistributed profit		10,860,775,934.04	11,811,588,191.65
Total equity belonging to the owner of the parent company		182,563,894,518.41	147,981,151,044.18
Minority shareholders' rights and interests			
Total owner's equity		182,563,894,518.41	147,981,151,044.18
Total liabilities and owner's equity		518,981,165,615.99	440,909,352,559.14

person in charge of the un[illegible] | Responsible person in charge of accounting work: [illegible] | Head of accounting institution: [illegible]

Parent company profit statement

Table 02

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. Year 2020 Unit: yuan

Item	Notes	Current amount	Prior period amount
I. Total operating income	XIII-4	7,332,805,342.34	14,806,680,600.49
Of which: operating income		7,332,805,342.34	14,806,680,600.49
Interest income			
Premium earned			
Fees and commission income			
II. Total operating costs		11,164,742,654.71	17,257,498,847.62
Among them: operating cost	XIII-4	3,947,244,356.23	10,116,709,671.04
Interest expenditure			
Handling fees and commission expenses			
Refund of insurance			
Net payment of expenditure			
Withdrawal of net reserve for insurance contracts			
Policy dividend expenditure			
Reinsurance cost			
Taxes and additions		165,967,956.72	198,464,577.00
Sales expense		101,930.43	549,891.90
Management expenses		82,463,794.75	100,733,983.41
Research and development expenses			
Financial expenses		6,968,964,616.58	6,841,040,724.27
Of which: interest costs		7,698,888,008.29	7,115,200,311.89
Interest income		542,186,770.91	467,274,063.90
Net exchange loss (proceeds are marked as "-")		-357,336,571.39	191,651,585.86
Add: other benefits		1,013,598,025.45	5,073,289.13
Return on investment (loss marked with "-")	XIII-5	416,959,932.83	477,211,293.01
Among them: investment income on joint ventures and joint ventures		267,495,569.98	203,253,999.74
Exchange gains (losses marked with "-")			
Income from changes in fair value (loss marked with "-")		38,611,110.00	32,030,134.41
Loss of impairment of assets		-11,299,188.10	367,482.06
Proceeds from asset disposal (losses marked with "-")			
III. Operating profit (loss marked by "-")		-2,374,067,432.19	-1,936,136,048.52
Add: out-of-business income		1,787,291,769.03	2,000,010,000.61
Less: non-operating expenditure		3,257,660.00	9,838,153.47
IV. Total profits (total losses marked with "-")		-590,033,323.16	54,035,798.62
Less: income tax expenses		1,299,441.23	3,703,709.94
V. net profit (net loss marked by "-")		-591,332,764.39	50,332,088.68
(I) net profit from continuing operations (net loss is marked as "-")		-591,332,764.39	50,332,088.68
(II) net profit from termination of operation (net loss marked with "-")			
VI. Net after tax of other combined income		6,146,153.32	-3,199,646.36
(I) other combined gains that cannot be reclassified into gains and losses			
1. Recalculate the change in the set benefit plan			
2. Other comprehensive benefits that cannot be converted into profits and losses under the equity method			
(II) other combined gains reclassified into gains and losses		6,146,153.32	-3,199,646.36
1. Other comprehensive benefits of transferable profits and losses under the equity method		6,146,153.32	-3,199,646.36
2. Profit or loss on changes in fair value of financial assets available for sale			
3. Reclassify investments held to maturity as profits and losses on financial assets available for sale			
4. Effective part of cash flow hedge gains and losses			
5. Foreign currency financial statements converted into differences			
VII. Total combined income		-585,186,611.07	47,132,442.32
VIII. Earnings per share			
(I) basic earnings per share			
(II) diluted earnings per share			

Legal representative: 蔡石印培 Responsible person in charge of accounting work: 张军印军 Head of accounting institution: 东秋印振

Statement of cash flows of parent companies

Table 03

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. Year 2020 Unit: yuan

Item	Notes	Current amount	Prior period amount
I. Cash flows from operating activities:			
Cash received from the sale of goods and the provision of services		6,933,697,226.48	15,190,514,663.21
Cash received from the premium of the original insurance contract			
Cash for interest, handling and commission			
Refund of taxes and fees received			64,397.00
Receipt of other cash related to operating activities		15,587,846,421.02	7,330,229,254.83
Subtotal, cash inflows from operating activities		22,521,543,647.50	22,520,808,315.04
Cash for the purchase of goods and services		3,276,002,735.01	9,760,489,183.46
Cash paid by guarantee indemnity			
Net increase in customer loans and advances			
Cash for payment of interest, handling fees and commissions			
Cash paid to and for employees		1,609,231,027.46	1,223,566,272.98
Taxes and fees paid		664,006,469.04	718,288,240.75
Payment of other cash related to operating activities		12,723,422,244.18	9,467,354,629.58
Subtotal cash outflows from operating activities		18,272,662,475.69	21,169,698,326.77
Net cash flow from operating activities		4,248,881,171.81	1,351,109,988.27
II. Cash flows from investment activities:			
Recovery of cash received from investments		678,514,533.34	192,908,400.00
Cash received for return on investment		197,573,810.51	248,563,290.25
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets			
Disposal of net cash received by subsidiaries and other business units		388,574.79	
Other cash related to investment activities received		5,733,692,925.67	11,415,020,396.46
Subtotal, cash inflows from investment activities		6,610,169,844.31	11,856,492,086.71
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		35,531,960,048.24	29,293,660,688.78
Cash paid by investments		5,299,983,878.84	5,649,011,796.80
Net cash paid by subsidiaries and other business units			
Payment of other cash related to investment activities		5,670,000,766.68	8,064,714,270.03
Subtotal cash outflows from investment activities		46,501,944,693.76	43,007,386,755.61
Net cash flows from investment activities		-39,891,774,849.45	-31,150,894,668.90
III. Cash flows from fund-raising activities:			
Absorption of cash received from investments		6,523,250,000.00	11,984,000,000.00
Of which: subsidiaries absorb cash received by minority shareholders' investments			
Cash received from loans		130,066,439,447.39	43,566,147,900.00
Cash received in the issuance of bonds		7,290,298,339.36	12,518,225,866.74
Other cash received related to fund-raising activities		6,538,751,509.29	1,500,000,000.00
Subtotal, cash inflows to fund-raising activities		150,418,739,296.04	69,568,373,766.74
Cash paid for debt service		97,541,159,463.39	24,136,450,725.86
Cash paid for dividends, profits, or interest payments		14,016,142,834.96	12,585,111,518.03
Among them: dividends and profits paid by subsidiaries to minority shareholders			
Payment of other cash related to fund-raising activities		370,826,630.62	336,376,494.61
Subtotal cash outflows from fund-raising activities		111,928,128,928.97	37,057,938,738.50
Net cash flows from fund-raising activities		38,490,610,367.07	32,510,435,028.24
IV. Impact of exchange rate changes on cash and cash equivalents		-21,884,028.87	160,591,680.23
V. net increase in cash and cash equivalents		2,825,832,660.56	2,871,242,027.84
Add: cash and cash equivalents balance at the beginning of the period		31,652,803,739.52	28,781,561,711.68
VI. Cash and cash equivalents balance at the end of the period		[illegible]6,636,400.08	31,652,803,739.52

person in charge of the unit: Responsible person in charge of accounting work: Head of accounting institutions:

Statement of changes in the owner's equity of the parent company

Table 04

Establishment Unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. | Year 2020 | Unit: yuan

	Current Year Amount											
	Belong to the owner's equity of the parent company										Minority shareholders' rights and interests	Total owner's equity
	Paid-in capital	Other instruments of interest			Capital reserve	Other combined benefits	Special reserve	Surplus reserve	General risk preparation	Undistributed profit		
		Preferred stock	Sustainable debt	Others								
I. Balance at the end of the previous year	20,000,000,000.00		1,500,000,000.00		113,218,558,098.53	19,611,602.72		1,431,393,151.28		11,811,588,191.65		147,981,151,044.18
Add: accounting policy changes												
Prior error correction												
Others												
II. Balance at the beginning of the year	20,000,000,000.00		1,500,000,000.00		113,218,558,098.53	19,611,602.72		1,431,393,151.28		11,811,588,191.65		147,981,151,044.18
III. Increase or decrease in the amount of change this year (the decrease is marked with the "-" number)			10,500,000,000.00		25,027,409,578.52	6,146,153.32				-950,812,257.61		34,582,743,474.23
(I) Total combined income						6,146,153.32				-591,332,764.39		-585,186,611.07
(II) Input and reduction of capital by owners			10,500,000,000.00		25,027,409,578.52							35,527,409,578.52
1. Common stock invested by the owner					6,521,450,000.00							6,521,450,000.00
2. Investment capital of holders of other equity instruments			10,500,000,000.00									10,500,000,000.00
3. The amount of share payment included in the owner's equity.												
4. Others					18,505,959,578.52							18,505,959,578.52
(III) withdrawal and use of special reserves												
1. Current extraction												
2. Use in this period												
(IV) profit distribution										-359,479,493.22		-359,479,493.22
1. Extraction of surplus reserve												
2. Extraction of general risk preparation												
3. Distribution of owners (or shareholders)										-359,479,493.22		-359,479,493.22
4. Others												
(V) Internal carry-over of owner's equity												
1. Transfer of capital reserve to increase capital (or equity)												
2. Conversion of surplus reserve to increased capital (or equity)												
3. Surplus reserve to make up for loss												
4. Set the change in the benefit plan to carry forward the retained income												
5. Other composite income carry-over retained income												
6. Others												
IV. Balance at the end of the year	20,000,000,000.00		12,000,000,000.00		138,245,967,677.05	25,757,756.04		1,431,393,151.28		10,860,775,934.04		182,563,894,518.41

Person in charge of the unit: 荣石印培

Responsible person in charge of accounting work: 印军

Head of accounting institution: 东振印

Statement of changes in the owner's equity of the parent company (Continued)

Table 04

Establishment unit: Gansu Highway Aviation Tourism Investment Group Co., Ltd. Year 2020 Unit: yuan

Item	Prior Year Amount											
	Belong to the owner's equity of the parent company										Minority shareholders' rights and interests	Total owner's equity
	Paid-in capital	Other instruments of interest			Capital reserve	Other combined benefits	Special reserve	Surplus reserve	General risk preparation	Undistributed profit		
		Preferred stock	Sustainable debt	Others								
I. Balance at the end of the previous year	20,000,000,000.00				100,588,649,878.84	22,811,249.08		1,426,359,942.41		11,766,289,311.84		132,804,110,382.17
Add: accounting policy changes												
Prior error correction												
Others												
II. Balance at the beginning of the year	20,000,000,000.00				100,588,649,878.84	22,811,249.08		1,426,359,942.41		11,766,289,311.84		132,804,110,382.17
III. Increase or decrease in the amount of change this year (the decrease is marked with the "-" number)			1,500,000,000.00		12,629,908,219.69	-3,199,646.36		5,033,208.87		45,298,879.81		14,177,040,662.01
(I) Total combined income						-3,199,646.36				50,332,088.68		47,132,442.32
(II) input and reduction of capital by owners			1,500,000,000.00		12,629,908,219.69							14,129,908,219.69
1. Common stock invested by the owner					11,984,000,000.00							11,984,000,000.00
2. Investment capital of holders of other equity instruments			1,500,000,000.00									1,500,000,000.00
3. The amount of share payment included in the owner's equity.												
4. Others					645,908,219.69							645,908,219.69
(III) withdrawal and use of special reserves												
1. Current extraction												
2. Use in this period												
(IV) profit distribution								5,033,208.87		-5,033,208.87		
1. Extraction of surplus reserve								5,033,208.87		-5,033,208.87		
2. Extraction of general risk preparation												
3. Distribution of owners (or shareholders)												
4. Others												
(5) Internal carry-over of owner's equity												
1. Transfer of capital reserve to increase capital (or equity)												
2. Conversion of surplus reserve to increased capital (or equity)												
3. Surplus reserve to make up for loss												
4. Set the change in the benefit plan to carry forward the retained income												
5. Other composite income carry-over retained income												
6. Others												
IV. Balance at the end of the year	20,000,000,000.00		1,500,000,000.00		113,218,558,098.53	19,611,602.72		1,431,393,151.28		11,811,588,191.65		147,981,151,044.18

Person in charge of the unit: 荣右印培 Responsible person in charge of accounting work: 王永印军 Head of accounting institution: 东永振印

Notes to the Financial Statements

(Amounts in RMB unless otherwise stated)

I. Basic information about the enterprise

(hereinafter referred to as "the Company" or "the Company") is a wholly state-owned company established by the Gansu Provincial People's Government through the approval of the document "Reply of Gansu Provincial People's Government on the Establishment of Gansu Provincial Highway and Aviation Tourism Investment Group Limited" (Gan Zheng Xin [2011] No. 5). (hereinafter referred to as "the Company" or "the Company") was established as a wholly state-owned company by way of change, as approved by the document "Gansu Provincial People's Government on the Establishment of Gansu Provincial Highway and Aviation Tourism Investment Group Co. (hereinafter referred to as: High Road Company) was established on 24 December 1999 as a limited liability company jointly funded by the Engineering Department of Gansu Provincial Department of Transport and Gansu Hengda Industrial Development Company Limited and registered by the Administration for Industry and Commerce of Gansu Province. On 13 January 2011, the Agency of the Gansu Provincial Department of Transport transferred 98 per cent of its stake in the High Road Company to the Gansu Provincial Department of Transport, in accordance with the document of the Gansu Provincial Department of Transport [2011] No. 1, "decision on the transfer of State-owned contributions from Gansu High-grade Highway Construction and Development Co., Ltd.". On January 11, 2011, Gansu Hengda Industrial Development Co., Ltd. signed a capital transfer agreement with the Gansu Provincial Department of Transportation, transferring 2% of its stake in Gaolu Company to the Gansu Provincial Department of Transport free of charge. On January 10, 2011, Gaolu Company held its first shareholders' meeting in 2011, and decided to change its shareholders, articles of association and filing. After the change, Gaolu Company became a wholly state-owned company. At the same time, it applied to change the name of the company into Gansu Highway Aviation Tourism Investment Group Co., Ltd., and changed its registration with Gansu Provincial Administration for Industry and Commerce on January 24, 2011. The unified social credit code number of the company is 916200007127566E. Registered address 1716 Nanchang Road, Chengguan District, Lanzhou City, Gansu Province, legal representative Shi Peirong, registered capital of RMB 100 billion, the type of enterprise is a limited liability company (wholly state-owned). Scope of business: authorizing the operation and management of state-owned assets; responsible for the investment and financing, construction, operation and management of highway, aviation, local railway and other transportation infrastructure and related industries; cultural tourism resources, project

development, construction and management; construction, contracting, supervision, inspection, consultation and project management of construction projects; investment management banking, securities, insurance, guarantee, fund and other financial business; Real estate trade, logistics warehousing, cultural media, Internet of things services and international economic and technical cooperation; hotel construction, management and services; industrial investment. (projects that must be approved in accordance with the law can only be operated with the approval of the relevant departments.))

II. Basis for the preparation of financial statements

(1) basis for preparation

The financial statements of the company are based on the assumption of continuity of operation and are based on the transactions and events that actually occur It is prepared in accordance with the basic Standards for Enterprise Accounting issued by the Ministry of Finance (promulgated by decree No. 33 of the Ministry of Finance and amended by decree No. 76 of the Ministry of Finance), 42 specific accounting standards promulgated and revised on and after February 15, 2006, guidelines for the application of enterprise accounting standards, interpretation of enterprise accounting standards and other relevant provisions (hereinafter referred to as "Enterprise Accounting Standards").

In accordance with the provisions of the minutes of the office meeting of the Governor of the Gansu Provincial people's Government (Gan Zhengji [2011] No. 13), the company shall not take into account depreciation on the roads where the tolls and loans are repaid for the time being.

(2) continuous operation

The company has no impact on the ability to continue to operate, and is expected to have the ability to do so in the next 12 months. The financial statements of the company are prepared on the basis of the assumption that the company will continue to operate.

III. Statement of compliance with enterprise accounting standards

This financial statement conforms to the requirements of enterprise accounting standards and truly and completely reflects the financial position of the company as at December 31, 2020 and the operating results and cash flow in 2020.

IV. Important accounting policies and accounting estimates

(1) Accounting period

The company's accounting period is divided into annual and interim, accounting interim refers to the reporting period shorter than a complete fiscal year. The fiscal year of the

Company shall be the Gregorian calendar year, that is, from January 1 to December 31 of each year.

(2) Currency of account

RMB is the currency in the main economic environment in which the Company and its domestic subsidiaries operate, and the Company and its domestic subsidiaries use RMB as the standard currency for accounting. The currency used by the Company in the preparation of this financial statements is RMB.

(3) Basis of accounting and valuation principles

According to the relevant provisions of enterprise accounting standards, the company's accounting is based on accrual basis. With the exception of some financial instruments, the present financial statements are based on historical costs. If impairment occurs in the asset, the corresponding impairment provision shall be made in accordance with the relevant provisions.

(4) merger of enterprises

Enterprise merger refers to the transaction or event in which two or more separate enterprises are merged into one reporting subject. Enterprise merger is divided into enterprise merger under the same control and enterprise merger under the same control.

1. Merger of enterprises under the same control

The enterprises participating in the merger are subject to the same party or the same multi-party final control before and after the merger, and the control is not temporary, which is the merger of the enterprise under the same control. If an enterprise under the same control merges, the party that acquires control over other participating enterprises on the date of merger shall be the merging party, and the other enterprises participating in the merger shall be the merged party. The date of merger refers to the date on which the merging party actually acquires control over the merged party.

The assets and liabilities acquired by the merging Party shall be measured at the book value of the merged Party as at the date of the merger. The difference between the book value of the net assets acquired by the merging party and the combined consideration book value paid (or the total face value of the issued shares), and adjusts the capital reserve (equity premium) If the capital reserve (equity premium) is not sufficient to offset, adjust the retained income.

For the purpose of carrying out the direct expenses incurred by the merger of the enterprise, the merged party shall be included in the profits and losses of the current period at the time of its occurrence.

2. Enterprise merger not under the same control

Enterprises that participate in a merger are not ultimately controlled by the same party or parties before and after the merger, and are not under the same control. If an enterprise is not under the same control, the party that gains control over the other participating enterprises on the date of purchase is the purchaser and the other participating enterprises are the buyer. The purchase date is the date on which the buyer actually acquired control over the buyer.

For an enterprise merger under different control, the cost of the merger includes the assets paid, liabilities incurred or incurred by the purchaser in order to gain control over the buyer, and fair value of the equity securities issued by the purchaser on the date of purchase, and the intermediary costs incurred for the enterprise merger, such as auditing, legal services, evaluation and consultation, as well as other management fees, are charged to the current profit and loss when incurredTransaction costs of equity or debt securities issued by the purchaser as a combined consideration are included in the initial recognized amount of equity or debt securities. If the contingent consideration involved is included in the consolidated cost at its fair value at the date of purchase, and if there is new or further evidence of the existing situation at the date of purchase within 12 months of purchase, if there is a need to adjust or have a consideration, the combined goodwill shall be adjusted accordingly. The combined costs incurred by the purchaser and the identifiable net assets acquired during the merger are measured at the fair value at the date of purchase. The cost of consolidation is greater than the difference of the fair value share of identifiable net assets acquired by the purchaser on the date of purchase and is recognized as goodwill. If the combined cost is less than the fair value share of the identifiable net assets obtained by the acquiree in the merger, the fair value of the identifiable assets, liabilities and contingent liabilities acquired by the acquiree and the measurement of the combined cost shall be reviewed first . If the combined cost is still less than the fair value share of the identifiable net assets obtained in the merger, the difference shall be recorded in the profits and losses of the current period.

If the buyer obtains the deductible temporary difference of the purchased buyer and is not recognized at the date of purchase because it does not meet the conditions for the recognition of deferred income tax assets, within 12 months after the purchase, if new or further information is obtained indicating that the relevant situation on the date of purchase already exists, and the economic benefits resulting from the deductible temporary difference on the date of purchase are expected to be realized, the relevant deferred income tax assets shall be recognized At the same time, if the goodwill is reduced and the goodwill is underwritten, the difference shall be recognized as the profit and loss of the current period. In addition

to the above, the recognition of deferred income tax assets related to the merger of enterprises shall be included in the profits and losses of the current period.

For business combinations not under common control achieved in stages through multiple transactions, the determination of whether the multiple transactions are "package transactions" is made in accordance with the "Circular of the Ministry of Finance on the Issuance of Interpretation No. 5 on Enterprise Accounting Standards" (accounting [2012] No. 19) and Article 51 of "Enterprise Accounting Standard No. 33 - Consolidated Financial. For " package transactions ", refer to the preceding paragraphs of this section and the " long-term equity investment " described in notes 4 and 12 ; Other than " package transactions ", separate individual and consolidated financial statements for the relevant accounting treatment :

In the individual financial statements, the sum of the carrying amount of the equity investment in the acquiree held prior to the date of purchase and the cost of the additional investment at the date of purchase is used as the initial investment cost of that investment. Where an equity interest in the acquiree held prior to the date of purchase involves other comprehensive income, the other comprehensive income associated with that investment is accounted for on the same basis as if it were a direct disposal of the related asset or liability by the acquiree (i.e., except for a corresponding share in the change resulting from the remeasurement of the net liability or net assets of the defined benefit plan of the acquiree accounted for under the equity method, which is transferred to current (investment income).

In the consolidated financial statements, the equity of the purchaser held prior to the date of purchase shall be remeasured at the fair value of the equity at the date of purchase and the difference between the fair value and its book value shall be recorded in the current investment income ; Where the equity interest in the acquiree held prior to the date of purchase relates to other comprehensive income, the other comprehensive income relating to it should be accounted for on the same basis as if the relevant asset or liability had been disposed of directly by the acquiree (i.e., except for the corresponding share in the change resulting from the remeasurement of the net liability or net assets of the defined benefit plan of the acquiree accounted for under the equity method, which is transferred to the current period to which the purchase date belongs) (investment income).

(5) Methodology for preparing the consolidated financial statements

1. Principles for determining the scope of consolidated financial statements

The scope of consolidation of consolidated financial statements is determined on a control basis. Control means that the Company has power over the investee, is entitled to a variable return through its involvement in the investee's related activities and has the ability to

use its power over the investee to influence the amount of that return. The scope of consolidation includes the Company and all of its subsidiaries. Subsidiaries, are entities that are controlled by the Company. In the event that a change in the relevant facts and circumstances results in a change in the relevant elements involved in the above control definition, the Company will reassess it.

2. Methodology for the preparation of consolidated financial statements

From the date of acquisition of the net assets of the subsidiary and the actual control of the production and operation decision, the company begins to include it in the scope of the merger, and ceases to be included in the scope of the merger from the date of loss of actual controlFor the subsidiaries to be disposed of, the results of operations and cash flows prior to the disposal date have been appropriately included in the consolidated profit statement and the consolidated cash flow statement ; Subsidiaries that are disposed of in the current period do not adjust the opening of the consolidated balance sheet. For subsidiaries that are not under the same control, the operating results and cash flow after purchase have been properly included in the consolidated profit statement and the consolidated cash flow statement, and the opening and comparison of the consolidated financial statements have not been adjusted. The operating results and cash flow of the increased subsidiaries and the merged parties under the same control from the beginning of the current period of the merger to the date of the merger have been appropriately included in the consolidated profit statement and the consolidated cash flow statement, and the comparison of the consolidated financial statements has been adjusted at the same time.

In the preparation of the consolidated financial statements, if the subsidiary is inconsistent with the accounting policies or accounting periods adopted by the Company, the necessary adjustments shall be made to the financial statements of the subsidiaries in accordance with the Company's accounting policies and accounting periods. For subsidiaries acquired under different controls, the financial statements are adjusted on the basis of the fair value of identifiable net assets on the date of purchase.

All significant transaction amounts, transactions and unrealized profits within the company are offset at the time of preparation of the consolidated financial statements.

The shareholders' equity and the portion of the net profit and loss of the subsidiary that are not owned by the Company are shown separately as minority shareholders' equity and minority shareholders' profits and losses as minority shareholders' equity and net profit in the consolidated financial statements. The share of the current net profit and loss of the subsidiary that belongs to the rights and interests of minority shareholders shall be listed

as "minority shareholder profit and loss" under the net profit item in the consolidated profit statement. Minority shareholders share the loss of a subsidiary company in excess of the minority shareholders in the company's share of shareholders's equity at the beginning of the period, but still to reduce several shareholders's equity.

When the control over the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity shall be remeasured according to its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the shares and the fair value of the remaining shares shall be subtracted from the difference between the share of the net assets that should be continuously calculated by the original subsidiary from the date of purchase according to the proportion of the original shares, and shall be included in the investment income for the current period of loss of control. Other comprehensive income related to the equity investment of the original subsidiary shall, in the event of loss of control, be treated on the same basis as the direct disposal of the relevant assets or liabilities by the buyer (that is, in addition to the remeasurement of the changes resulting from the net liability or net assets of the established benefit plan in the original subsidiary, the rest shall be converted to the current investment income). Subsequently, this part of the remaining equity is measured in accordance with the relevant provisions of "Enterprise Accounting Standards No. 2-long-term Equity Investment" or "Enterprise Accounting Standard No. 22-recognition and Measurement of Financial Instruments", as detailed in note IV, 12, "long-term equity investment" or "financial instruments" in note IV and 8 of this note.

If the Company deals with the investment of the subsidiary stock in stages through multiple transactions until the loss of control rights, it is necessary to distinguish whether the disposal of each transaction of the investment of the subsidiary stock until the loss of control rights belongs to a package transaction. The terms, conditions and economic effects of the disposal of the transactions relating to the investment of a subsidiary's equity are in one or more of the following cases, which generally indicate that multiple transactions should be treated as a package transaction : (1) these transactions are concluded at the same time or taking into account each other's influence; (2) these transactions as a whole can achieve a complete commercial result; (3) the occurrence of one transaction depends on the occurrence of at least one other transaction; and (4) one transaction is uneconomical alone, but it is economic when considered in conjunction with other transactions. If it is not a package transaction, each of these transactions shall be accounted for in accordance with the principles applicable to "partial disposal of long-term equity investments in subsidiaries

without loss of control" (see note IV, 12, (2) 4 for details) and "loss of control over the original subsidiary as a result of the disposal of part of the equity investment or other reasons" (see the preceding paragraph for details). If the disposal of transactions that invest in the equity of a subsidiary until it loses control is a package transaction, the transactions shall be treated as a transaction in which the subsidiary is disposed of and the control is lost. However, the difference between each disposal price and the share of the net assets of the subsidiary corresponding to the disposal investment prior to the loss of control is recognized as other composite gains in the consolidated financial statements and transferred to the profits and losses of the current period of loss of control at the time of loss of control.

(6) criteria for determining cash and cash equivalents

The Company's cash and cash equivalents include cash in stock, deposits that can be paid at any time and investments held by the Company for a short period of time (generally due within three months from the date of purchase), highly liquid, easy to convert into known amounts of cash, and investments with little risk of value change.

(7) Foreign currency business

1. The conversion method of Foreign currency transactions

At the time of initial confirmation, the foreign currency transactions incurred by the Company shall be converted to the amount of the bookkeeping standard currency at the spot exchange rate on the trading date (usually referring to the intermediate price of the foreign exchange licence price announced by the people's Bank of China on the same day), but the foreign currency exchange business or transactions involving foreign currency exchange shall be converted into the amount of the accounting standard currency at the actual exchange rate.

2. For the translation of foreign currency monetary items and foreign currency non-monetary items

On the balance sheet date, the balance sheet date spot exchange rate is used for foreign currency items, and the exchange difference resulting therefrom is divided into: ① the exchange difference arising from the special foreign currency borrowing related to the purchase and construction of assets eligible for capitalization shall be dealt with in accordance with the principle of capitalization of borrowing costs②(applicable only to the existence of hedges accounted for by hedge accounting methods) the exchange difference between hedge instruments used for effective hedges for net investments operating abroad (the difference is included in other composite gains and is not recognized as current gains until the net investment is disposed of)and③Exchange differences arising from changes in book amounts other than

amortized costs for foreign currency items available for sale are included in the profits and losses of the current period, in addition to other consolidated gains.

Foreign currency non-monetary items measured at historical cost are still measured by the current exchange rate converted at the date of the transaction. Foreign currency non-monetary items measured at fair value shall be converted by the spot exchange rate on the date of determination of fair value. The difference between the converted amount of the bookkeeping standard currency and the amount of the original accounting standard currency shall be treated as a change in fair value (including exchange rate changes) and shall be included in the profits and losses of the current period or recognized as other comprehensive income.

(8) Financial instruments

Recognition of a financial asset or financial liability when the Company becomes a party to a financial instrument contract. Financial assets and liabilities are measured at fair value at the time of initial recognition. For financial assets and financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period, the relevant transaction costs shall be directly included in profits and losses; for other categories of financial assets and financial liabilities, the relevant transaction costs shall be included in the initial recognized amount.

1. Fair value determination method of Financial assets and Financial liabilities

Fair value refers to the price that market participants can receive or transfer a liability by selling an asset in an orderly transaction on the day of measurement. Where there is an active market for financial instruments, the Company adopts quotations in the active market to determine its fair value. Quotation in active market refers to the price easily obtained from exchanges, brokers, trade associations, pricing service institutions and so on on a regular basis, and represents the price of market transactions that actually occur in fair trading. Where there is no active market for financial instruments, the Company uses valuation techniques to determine its fair value. Valuation techniques include prices used in recent market transactions by familiar and voluntary parties, reference to the current fair value of other financial instruments that are substantially the same, cash flow discount method and option pricing model.

2. Classification, recognition and measurement of financial assets

Purchases and sales of financial assets on a regular basis are accounted for and derecognised on a trade date basis. Financial assets are initially recognized as financial assets that are measured at fair value and whose changes are recorded in the profits and losses

of the current period, investments held to maturity, loans and receivables, and financial assets available for sale.

①Financial assets measured at fair value and whose changes are included in the profits and losses of the current period

These include tradable financial assets and financial assets designated as measured at fair value and whose changes are included in the profits and losses of the current period.

Tradable financial assets refer to financial assets that meet one of the following conditions: A . The purpose of acquiring the financial asset is primarily for sale in the near future ; b. It is part of a centrally managed portfolio of identifiable financial instruments, and there is objective evidence that the company has recently managed the portfolio on a short-term profit basisC. Belongs to derivatives, except derivatives designated as valid hedges, derivatives belonging to financial security contracts, and derivatives linked to equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured and are subject to settlement by delivery of such equity instruments.

Financial assets that meet one of the following conditions may, at the time of initial recognition, be designated as financial assets measured at fair value and whose changes are included in the profits and losses of the current period: a. This designation may eliminate or significantly reduce inconsistency in the recognition or measurement of related gains or losses due to the different basis of measurement of the financial asset; B . The formal written document of the Company's risk management or investment strategy states that the financial asset portfolio or financial asset and financial liability portfolio in which the financial asset is located is managed, evaluated and reported to key managers on the basis of fair value.

The financial assets measured by fair value and whose changes are included in the profits and losses of the current period shall be measured by fair value, and the gains or losses resulting from the changes in fair value, as well as dividends and interest income related to such financial assets, shall be included in the profits and losses of the current period.

②Investment held to maturity

Refers to non-derivative financial assets with a fixed maturity date, a fixed or determinable recovery amount, and the Company has a clear intention and ability to hold to maturity.

The actual interest rate method is adopted for the holding to maturity investment, and the profits or losses resulting from the termination of confirmation, impairment or amortization shall be recorded as current profits and losses according to the amortized cost.

The effective interest rate method refers to the method of calculating the amortized cost and interest income or expenditure of each period according to the actual interest rate of financial assets or financial liabilities (including a group of financial assets or financial liabilities). Effective interest rate is the interest rate used to discount the future cash flow of financial assets or financial liabilities to the current book value of the financial assets or financial liabilities during the expected survival period or the applicable shorter period.

In calculating the effective interest rate, the Company will anticipate future cash flows (regardless of future credit losses) on the basis of taking into account all contractual terms of financial assets or financial liabilities, as well as fees, transaction fees and discounts or premiums paid or charged between parties to the financial assets or financial liabilities contracts that form part of the effective interest rate, etc.

③Loans and receivables

Refers to the non-derivative financial assets that are not quoted in the active market, the amount of recovery is fixed or can be determined. The financial assets divided into loans and receivables include notes receivable, accounts receivable, interest receivable, dividends receivable and other receivables.

Loans and receivables shall be measured in accordance with the amortized cost by the method of real interest rate, and the profits or losses arising from the termination of recognition, impairment or amortization shall be included in the profits and losses of the current period.

④Available for sale of financial assets

They include non-derivative financial assets designated as available-for-sale upon initial recognition and financial assets other than financial assets at fair value through profit or loss, loans and receivables, and held-to-maturity investments.

The final cost of investment in debt instruments available for sale is determined in accordance with the amortized cost method, that is, the initial recognized amount deducts the repaid principal, plus or subtracts the cumulative amortization amount formed by amortizing the difference between the initial recognized amount and the maturity amount by the effective interest rate method, and deducts the amount after the impairment loss has occurred. The final cost of investing in equity instruments available for sale is its initial acquisition cost.

The financial assets available for sale shall be measured by the fair value. The gains or losses resulting from the changes in the fair value shall, in addition to the impairment losses and the exchange differences related to the monetary assets of foreign currencies related to the amortization cost, be recognized as other comprehensive gains, which shall be

transferred out at the end of the recognition of the financial assets and included in the profits and losses of the current period. However, investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, as well as derivative financial assets linked to the equity instrument and settled by delivery of the equity instrument, are subsequently measured at cost.

The interest earned during the holding of the financial assets available for sale and the cash dividends declared by the investing unit shall be included in the investment income.

3. Impairment of financial assets

In addition to the financial assets measured at fair value and whose changes are included in the profits and losses of the current period, the Company checks the book value of other financial assets on the date of each balance sheet, and if there is objective evidence that the financial assets are depreciated, provision shall be made for impairment.

The company separately carries on the impairment test to the single amount significant financial asset; carries on the impairment test separately to the single amount not significant financial asset or includes the impairment test in the financial asset portfolio which has the similar credit risk characteristic. Separate tests of financial assets that do not have impairment (including individual significant and non-significant financial assets), including re-impairment tests in a portfolio of financial assets with similar credit risk characteristics. Financial assets that have been individually recognized as impairment losses are not included in the impairment test in a portfolio of financial assets with similar credit risk characteristics.

①Impairment of investments, loans and receivables held to maturity

Financial assets measured at cost or amortized cost write down their book value to the expected present value of future cash flow, and the amount of writedown is recognized as impairment loss and is included in the profits and losses of the current period. After confirming the impairment loss, if there is objective evidence that the value of the financial asset has recovered and is objectively related to the events after confirming the loss, the original recognized impairment loss shall be reversed, and the carrying value of the financial asset after the impairment loss is reversed shall not exceed the assumed amortized cost of the financial asset on the date of return.

② Impairment of available-for-sale financial assets

In the event of impairment of financial assets available for sale, the cumulative losses arising from the decline in fair value that were originally included in other comprehensive income shall be transferred and included in the profits and losses of the current period. The

cumulative losses transferred shall be the amount of the initial acquisition cost of the asset after deducting the recovered principal and amortized amount, the current fair value and the impairment loss originally included in the profit and loss. After the recognition of impairment losses, if there is objective evidence that the value of the financial assets has been restored after the period, and objectively related to the matters that occurred after the recognition of the losses, the original recognized impairment losses shall be returned, the impairment losses available for investment in the sale of equity instruments shall be returned to be recognized as other composite gains, and the impairment losses of the available debt instruments shall be returned to the profits and losses of the current period.

Investment in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, or impairment losses of derivative financial assets linked to the equity instrument and settled by delivery of the equity instrument, shall not be returned.

4. Confirmation basis and Measurement method of Financial Asset transfer

Financial assets that meet one of the following conditions shall be terminated and recognized: (1) the contractual right to receive the cash flow of the financial asset terminates; (2) the financial asset has been transferred and almost all risks and rewards in the ownership of the financial asset have been transferred to the transferee (3) the financial assets have been transferred, and although the enterprise has neither transferred nor retained almost all the risks and rewards in the ownership of the financial assets, it has abandoned its control over the financial assets.

If the enterprise neither transfers nor retains almost all the risks and rewards in the ownership of the financial asset and does not give up its control over the financial asset, the relevant financial asset shall be recognized in accordance with the extent to which it continues to be involved in the transferred financial asset, and the relevant liability shall be recognized accordingly. The degree of continued involvement in the transferred financial assets refers to the level of risk faced by the enterprise as a result of the change in the value of the financial assets.

If the overall transfer of financial assets meets the conditions for termination of recognition, the book value of the transferred financial assets and the difference between the consideration received as a result of the transfer and the cumulative amount of changes in fair value originally included in other composite income shall be included in the profits and losses of the current period.

If the partial transfer of financial assets meets the conditions for termination recognition, the book value of the transferred financial assets shall be apportioned according to their relative fair value between the termination recognition and the unterminated recognition, and the difference between the consideration received as a result of the transfer and the sum of the fair value changes that should be apportioned to the termination recognition shall be included in the profits and losses of the current period.

The Company shall determine whether almost all risks and rewards in the ownership of the financial assets have been transferred in respect of the financial assets sold by the Company or the endorsement of the financial assets held by the Company. If almost all risks and rewards in the ownership of the financial asset have been transferred to the transferee, the recognition of the financial asset shall be terminated; if almost all risks and rewards in the ownership of the financial asset have been retained, the recognition of the financial asset shall not be terminated If there is neither transfer nor retention of almost all the risks and rewards in the ownership of the financial asset, the enterprise continues to determine whether the enterprise retains control over the asset and carries out accounting treatment in accordance with the principles described in the preceding paragraphs.

5. Classification and measurement of financial liabilities

At the time of initial recognition, financial liabilities are divided into financial liabilities and other financial liabilities that are measured at fair value and whose changes are included in the profits and losses of the current period. Financial liabilities are initially recognized and measured at fair value. For financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period, the relevant transaction costs are directly included in the profits and losses of the current period; for other financial liabilities, the relevant transaction costs are included in the initial recognized amount.

①Financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period

The conditions for classification as tradable financial liabilities and financial liabilities designated at the time of initial recognition as measured at fair value and whose changes are included in the profits and losses of the current period are consistent with those classified as tradable financial assets and those designated at the time of initial recognition as financial assets measured at fair value and whose changes are included in the profits and losses of the current period.

The financial liabilities measured by fair value and whose changes are included in the profits and losses of the current period shall be measured by fair value, and the gains or losses resulting from the changes in fair value, as well as dividends and interest expenses related to such financial liabilities, shall be included in the profits and losses of the current period.

②Other financial liabilities

Derivative financial liabilities that are linked to equity instruments that do not have quotations in the active market and whose fair value cannot be reliably measured and which must be settled by delivery of the equity instruments shall be subsequently measured at cost. Other financial liabilities shall be measured by the real interest rate method according to the amortized cost, and the profits or losses arising from the termination of recognition or amortization shall be included in the profits and losses of the current period.

③Financial guarantee contract and loan commitment

A financial guarantee contract that does not belong to a financial liability designated to be measured at fair value and whose changes are recorded in the profits and losses of the current period, or that is not designated to be measured at fair value and whose changes are recorded in the profits and losses and will be financed at a lower interest rate than the market, and shall be initially recognized at fair value, the higher of the amounts determined in accordance with IAS 13-Contingent Matters and the initial recognized amounts after the initial recognition, after deduction of the accumulated amortization amount determined in accordance with the principles of IAS 14-Income, is subsequently measured.

6. Derecognition of financial liabilities

If the current obligation of the financial liability has been discharged in whole or in part, the recognition of the financial liability or part of the financial liability may be terminated. If the Company (debtor) signs an agreement with the creditors to replace the existing financial liabilities with the assumption of new financial liabilities, and the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, the recognition of the existing financial liabilities shall be terminated and the new financial liabilities shall be recognized at the same time.

If the financial liability terminates the recognition in whole or in part, the difference between the book value of the terminating recognition part and the consideration paid (including transferred non-cash assets or assumed new financial liabilities) shall be included in the profits and losses of the current period.

7. Derivatives and embedded derivatives

Derivatives are initially measured at fair value at the date of signature of the relevant contract, and subsequent measurement is carried out at fair value. Except for derivatives designated as hedge instruments and highly effective, the profits or losses resulting from changes in fair value will be included in profits and losses in accordance with the requirements of hedge accounting in accordance with the nature of the hedge relationship, and the fair value changes of other derivatives shall be included in the profits and losses of the current period.

For a hybrid instrument that contains embedded derivatives, such as financial assets or financial liabilities that are not specified to be measured at fair value and whose changes are included in the profits and losses of the current period, the embedded derivatives are not closely related to the economic characteristics and risks of the main contract, and are the same as the embedded derivatives, and if the individual instruments conform to the definition of the derivatives, the embedded derivatives are split from the hybrid As a separate derivative financial instrument. If embedded derivatives cannot be measured separately at the time of acquisition or on subsequent balance sheet dates, the hybrid instrument as a whole is designated as a financial asset or financial liability measured at fair value and whose changes are included in the profits and losses of the current period.

8. Offsetting of financial assets and liabilities

When the Company has a legal right to offset recognized financial assets and financial liabilities and is currently enforceable, and the Company plans to net or simultaneously realize the financial assets and liquidate the financial liabilities, the amount of the financial assets and financial liabilities set off against each other is shown in the balance sheet. In addition, financial assets and financial liabilities are shown separately in the balance sheet and are not offset against each other.

9. Equity instrument

An equity instrument is a contract that proves to have a residual interest in the assets of the Company after deducting all liabilities. The issuance (including refinancing), repurchase, sale or cancellation of equity instruments by the Company shall be dealt with as changes in equity. The Company does not recognize changes in fair value of equity instruments. Transaction costs related to equity transactions are deducted from equity.

The Company's distribution of equity instrument holders (excluding stock dividends) to reduce shareholders's equity. The Company does not recognize changes in the fair value of equity instruments.

(9) Granting of loans and advances

1. Gansu Public Travel Microfinance Company Limited applies

(1) Classification of loans

The loans issued by the company include mortgage loans, pledge loans, credit loans and so on.

The loans issued by the Company in accordance with the current market conditions shall be calculated on the basis of the actual interest rate according to the sum of the principal of the loans granted and the related transaction costs as the initial recognized amount, and the interest income recognized during the holding period of the loans shall be calculated on the basis of the actual interest rate. The real interest rate is determined at the time of the issuance of the loan and remains unchanged for the period during which the loan is held or, where applicable, for a shorter period.

(2) The calculation method of loan loss preparation

The Company regularly conducts comprehensive checks on the principal amount of loans, and in accordance with the "Trial Measures for the Management of Gansu Province Microfinance Companies", "Guidelines on Operational Risk Management of Commercial Banks" and other laws and regulations, and taking into account the actual situation of the Company, formulated the "Non-Performing Loan Management Measures of Gansu Gong Hang Travel Microfinance Co.

According to the "Trial Measures for the Management of Non-Performing Loans", loans are classified into five categories: normal, concern, subordinate, doubtful and loss according to the expected loss and potential risk of the loans, of which the latter three categories are collectively called non-performing loans.

①Normal loan means that the borrower can fulfill the contract and has been able to repay the principal and interest normally. There are no negative factors that affect the timely and full repayment of the principal and interest of the loan. Main features:

A. the principal and interest of the borrower's loan is not overdue

B. The borrower's production and operation are stable.

C. Cash repayments generated by the borrower's use of normal operating activities, and the cash flow is stable

D. The borrower has complete loan information.

②Focus on loans means that the borrower is currently able to repay the principal and interest of the loan, but there are a number of factors that may have a negative impact on the repayment, if these factors continue, the borrower's ability to repay will be affected. Main features:

A. the principal or interest of the loan is not more than 3 months overdue

B. Early signs of liquidity shortage of borrowers, such as delay in repayment time, significant decrease in net cash flow, etc.

C. The borrower's operating condition begins to show a negative trend, but it has not yet affected the repayment for the time being. If this trend continues, it will have an impact on the borrower's financial situation. The reasons for the poor business situation may be their own poor management, industry or macroeconomic downturn, changes in the product market, etc., the main signs are the decline in product sales, reduced operating income, and so on.

D. There are problems in loan guarantee, such as the obvious decrease of the value of the deposit, the change of the control right of the deposit, and so on.

E. Suspicious signs of borrower's credit position, such as failure to obtain appropriate information and documents in a timely manner, failure of borrower to cooperate or difficult to communicate, etc.

F. Other major events that may affect the financial situation of the borrower, such as the health problems of the borrower or the principal responsible person of the borrowing enterprise, and the involvement of the borrower or borrowing enterprise in legal proceedings, etc.

③Subprime loan refers to the obvious problem of borrower's repayment ability, completely relying on its normal operating income can not repay the principal and interest of the loan in full, and needs to repay the interest through the disposal of assets or external financing or even the execution of mortgage guarantee. Main features:

A . The borrower's ability to repay the loan appears obvious problems, the principal or interest is more than 3 months overdue ;

B . The operation condition of the borrower appears obvious problem, the business income, financial situation, cash flow and other important indicators have deteriorated trend, the borrower can not return the loan principal and interest normally, repayment needs to implement guarantee ;

C. The value of the guarantee may not be sufficient to guarantee the full repayment of the principal and interest of the loan

D. the borrower has a poor loan or repayment record, or difficulties in repaying to other creditors

E. Incomplete loan files and lack of important documents, which affect the correct judgment of the borrower's operating condition and guarantee value or may affect the borrower's legal liability for repayment and guarantee.

F. The borrower's willingness to repay is poor, and there is an obvious attempt to evade and cancel the debt.

G. Borrowers borrow too much and have a high proportion of liabilities.

H. The borrower's diversion of the loan for other purposes may affect the normal repayment

I. Other major non-financial events affecting repayment occurred by the borrower.

④Suspicious loan means that the borrower is unable to repay the principal and interest of the loan in full, and even if the mortgage or guarantee is executed, part of the loss will certainly be caused. Main features:

A. The borrower's repayment is difficult and the principal or interest is more than 6 (including) months overdue.

B. The value of loan guarantee is seriously insufficient.

C . The disappearance, death or actual bankruptcy of a known borrower ;

D . The borrower is closed, about to be closed or ready for liquidation ;

E. it is known that borrowers evade debts maliciously and find it difficult to recover them.

F . A legal dispute has arisen over the borrower's liability for repayment and has entered into proceedings.

⑤The loss of a loan means that, after all possible measures or all necessary legal proceedings have been taken, the principal and interest of the loan is still uncollectible, or only a very small part of the loan can be recovered. Main features:

A. loans that have not been recovered by enforcement by the court. The court finally ruled that the company had lost the full amount of the loan. A loan that, although successful, fails to apply to the court for enforcement within the prescribed time, or where the borrower has no property income to execute, or loses as a result of other force majeure

B. According to the degree of guarantee of the loan by the net assets of the loan enterprise, the loan cannot be recovered or only a small part of the loan can be recovered.

C. The principal contract of the loan has exceeded the statute of limitations . The borrower shall not confirm any documents claiming the creditor's rights and shall not recover the loan through all possible measures and necessary legal procedures ;

D. loans that have not signed a loan contract (agreement) with the borrower, or whose original loan contract (agreement) has been lost, claims in any way and are not recognized by the borrower

E. The borrower and the guarantor declare bankruptcy, dissolution, cancellation (closure) in accordance with the law, and terminate the legal personality. After the company recovers the borrower and the guarantor, it fails to recover the creditor's rights.

F. Borrower and guarantor have not declared bankruptcy, dissolution or revocation (closure) according to law, but have completely stopped their business activities, have been revoked the business license by the administrative department for industry and commerce, terminate the legal person's qualification, and the company has pursued the borrower and guarantor to recover the debts that have not been recovered ;

G. The borrower does not have any repayment ability and assets, and the guarantor refuses to perform the guarantee liability when the loan guarantee has passed the guarantee period; the guarantor enterprise has gone bankrupt, cancelled and cancelled (closed); the guarantor's operating condition is deteriorating, the financial loss is serious, and the loan is completely unable to fulfill the guarantee liability.

H. The death of the borrower or the declaration of disappearance or death in accordance with the provisions of the General Principles of the Civil Law of the People's Republic of China.

I. Borrower suffers major natural disaster or accident, loss is huge and cannot obtain insurance compensation, or accept insurance compensation, really can not repay part or all of the debt, the company to its property to pay off and to the guarantor to recover the debt, failed to recover ;

J. If the borrower violates the criminal law and is sanctioned in accordance with the law, his property is insufficient to repay the borrowed debt, and there are no other debt bearers, the company is indeed unable to recover the claims after recovery.

K. The borrower has been unable to repay the debt due. The company shall, after recording the assets acquired in accordance with the law according to the fair value of the market recognized by the evaluation, deduct the cost of receiving the debt assets, which shall be less than the difference of the creditor's rights, and the claims that cannot be recovered after recovery

L. other circumstances in which all or most of the principal and interest of the loan may or have been lost. The proportion of loan loss provisions in the normal category, concern category, subcategory, suspicious category and loss category of the company is as follows:

Risk level	Percentage of withdrawals (%)
Normal class	1.50
Concern class	10.00

Risk level	Percentage of withdrawals (%)
Secondary class	30.00
Suspicious class	60.00
Loss class	100.00

2. Applicable to other companies

(1) Classification of loans

The loans issued by the company include mortgage loans, pledge loans, credit loans, entrusted loans and so on.

The loans issued by the Company in accordance with the current market conditions shall be calculated on the basis of the actual interest rate according to the sum of the principal of the loans granted and the related transaction costs as the initial recognized amount, and the interest income recognized during the holding period of the loans shall be calculated on the basis of the actual interest rate. The real interest rate is determined at the time of the issuance of the loan and remains unchanged for the period during which the loan is held or, where applicable, for a shorter period.

(2) The calculation method of loan loss preparation

The company regularly carries out a comprehensive examination of the loan principal, according to the " Gansu Province micro-loan company management trial measures ", " operational risk management guidelines for commercial banks, " and other laws and regulations, combined with the actual company, according to the loan anticipated losses and potential risks, the loan will be divided into five categories of normal, concern, secondary, suspicious and loss, of which, the latter three categories are called non-performing loans.

The proportion of the normal, concerned, secondary, suspicious and loss loans prepared for loan losses is as follows :

Risk level	Percentage of withdrawals (%)
Normal class	0.00
Concern class	2.00
Secondary class	25.00
Suspicious class	50.00
Loss class	100.00

(3) Entrusted loan

An entrusted loan is a loan business that is transferred from the funds provided by the company to the general depositary account of the entrusted bank and entrusted to the bank to issue, supervise, use and assist in the recovery of the loan on behalf of the principal in

accordance with the object, purpose, amount, term and interest rate determined by the principal.

For the entrusted loan within the contract period, if the borrower produces and operates normally and pays the interest on the loan on time, no provision for impairment shall be taken into account during the term of the loan. Within the term of the loan, the loan unit is unable to pay interest on the loan on time, and the financial situation of the loan unit shall be analyzed. if there is conclusive evidence that the loan has suffered impairment, provision shall be made for impairment.

For the overdue entrusted loan, the company shall make a careful analysis of the overdue entrusted loan in the light of the offsetting (qualitative) deposit status of the overdue entrusted loan, the production and operation of the borrower, the willingness of the borrower to repay, etc., and prepare for the impairment of the entrusted loan in accordance with not less than 1% of the amount of the overdue entrusted loan at the end of the year.

If the value of the entrusted loan prepared for impairment is restored, it shall be returned within the range of the provision prepared for impairment.

(10) Accounts receivable

Receivables include accounts receivable, other receivables, long-term receivables, etc.

1. Method of accounting for the provision of accounts receivable, other receivables and bad debts

①Recognition criteria and calculation methods for the provision of bad debts for receivables with significant individual amounts

The company regards a single amount up to 10.00 per cent of a certain type of receivable and an amount of more than 5 million yuan as a significant receivable.

The company carries on the impairment test to the individual amount significant receivable separately, separately tests the financial asset which does not have the impairment, including carries on the impairment test in the financial asset portfolio which has the similar credit risk characteristic. Receivables for which impairment losses have been recognized in a single test are no longer included in a portfolio of receivables with similar credit risk characteristics.

②The basis and method of determining the provision of bad debts of receivables after the combination of individual amounts is not significant but according to the characteristics of credit risk

A. The basis for determining the characteristic combination of Credit risk

The company groups financial assets according to the similarity and correlation of credit risk characteristics for receivables whose individual amount is not significant. These credit risks usually reflect the debtor's ability to repay all maturing amounts in accordance with Accounts receivable the assets under inspection.

The basis for the determination of different combinations:

Item	Basis for determining combinations
Ageing	The company is not significant to the individual amount of receivables, with account age as a credit risk portfolio
Associated	The related party combination is divided according to the equity relationship.
Renewal receivable	The Company shall accept as renewal payables payments made by underwriters who meet the conditions for renewal of loans in advance of repayment of loans prior to the maturity of their loans
Reimbursements	The Company will insure that the customer's loan has expired but is unable to repay at present, and that the amount paid by the Guarantor Company will be used as the receivable
Factor	The principal amount of the factoring business paid by the company shall be regarded as the factor receivable

B. A Method for Calculating and Raising According to the Combination of Credit Risk Characteristics

When the impairment test is carried out in a combination manner, the provision amount for bad debts is determined on the basis of the structure of the receivable portfolio and similar credit risk characteristics (the debtor's ability to repay arrears in accordance with the terms of the contract) on the basis of historical loss experience and the existing loss assessment in the current economic situation and the expected portfolio of receivables.

The method of making provision for bad debts in different combinations:

Item	Counting method
Portfolio 1: Aging Portfolio	A Combined Accounting Method for the Preparation of Uncollectible Accounts by Age Analysis
Portfolio 2: associated combination	Separate tests, no sign of impairment, no provision for bad debts
Portfolio 3: Accrual Receivables under Renewal	A Combined Accounting Method for the Preparation of Uncollectible Accounts by Age Analysis
Portfolio 4: reimbursements receivable	Separate test, no sign of impairment, excluding provision for bad debts
Portfolio 5: factoring receivable	Regardless of the provision for bad debts

Portfolio 1, the method of calculating the provision of bad debts by using the method of ageing analysis.

Accounting age	Proportion of accounts receivable (%)	Other Accrual Proportion (%)
Less than 1 year (including 1 year, the same below)	0.00-5.00	0.00-5.00
1-2 years	5.00-10.00	5.00-10.00
2-3 years	20.00-30.00	20.00-30.00

3-4 years	50.00	50.00
4-5 years	80.00	80.00
Over 5 years	100.00	100.00

Portfolio 3, provision for impairment of renewal receivable

Renewal receivable refers to the amount spent on behalf of an underwriting customer who meets the conditions for renewal of the loan to repay the loan in advance before the maturity of his or her loan. Loan guarantees may continue to be provided to underwriting customers and the company's renewed receivables may be repaid when the customer obtains a new loan.

The company makes provision for bad debts in accordance with the ageing analysis method for continuing insurance accounts, the proportion of which shall be as follows:

Accounting age	Proportion of accounts receivable for renewal (%)
1-6 months	0.00
6-12 months	3.00
12 months-18 months	4.00
18 months-24 months	5.00
24 months-30 months	6.00
30 months-36 months	7.00

Portfolio 4, provision for impairment of receivables

The Company shall draw up and use three reserves in accordance with the relevant provisions of the financing and guarantee industry, namely, the unmatured liability reserve, the guarantee liability reserve and the general risk reserve, and shall no longer make separate provision for impairment of reimbursements.

Portfolio 5 . Preparation for impairment of accounts receivable

In accordance with the provisions of the Financial Management system of Public Aviation Travel Commercial factoring (Shenzhen) Co., Ltd., the company shall draw up a risk reserve for financing factoring for financing factoring, which shall be used to bear the risk of overdue, bad or unforeseen financing factoring, and the factoring receivable shall no longer account for the provision of bad debts.

③The method of making provision for bad debts in a single amount that is not significant:

For receivables for which a single amount is not significant but a single provision for bad debts shall be made, the reasons and methods for the provision of bad debts shall be disclosed. For example, if the company separately tests the impairment of receivables whose individual amount is not significant but has the following characteristics, if there is

objective evidence that the impairment has occurred, according to the difference between the present value of its future cash flow and its book value, the impairment loss shall be recognized and the provision for bad debts shall be made.

2. Return of accounts receivable and other receivables for bad debts

If there is objective evidence that the value of the receivable has recovered and is objectively related to the event that occurs after the loss has been recognized, the original recognized impairment loss shall be reversed and credited to the current profits and losses. However, the carrying value of the transfer does not exceed the amortized cost of the receivable at the date of the transfer, assuming no provision for impairment.

Where the Company transfers receivables to a financial institution without a right of recovery, it shall be included in the profits and losses of the current period according to the transaction amount after deducting the book value of the converted accounts receivable and the difference between the relevant taxes and fees.

3. Confirmation Standard and calculation method of loan loss preparation for long-term Receivable loans in Financial Leasing

According to the financial management system of Gansu Public Airlines Travel Financial Leasing Co., Ltd., the operational risk Management guidelines of Commercial Banks and other laws and regulations, combined with the evaluation of customer leasing projects by the risk management department of the company, according to the expected loss and potential risk of the loan, the loan is divided into five categories: normal, concerned, subprime, suspicious and loss, among which the latter three categories are called non-performing loans.

The proportion of loan loss provisions in the normal category, concern category, subcategory, suspicious category and loss category of the company is as follows:

Item	Proportion of long-term receivables (%)
Normal lease project	1.00
Focus on rental projects	2.00
Sub-lease project	25.00
Suspect class lease item	50.00
Loss lease project	100.00

Note: for the preparation of losses for sub-lease projects and suspicious rental projects, the calculated ratio can fluctuate up and down by 20 per cent.

(11) inventory

1. Classification of inventory

Inventory mainly includes raw materials, turnover materials, finished products, inventory commodities, products under development, construction, etc.

2. Method of valuation for the acquisition and issuance of inventory

Inventory is valued at actual cost at the time of acquisition, and inventory cost includes procurement cost, processing cost and other costs. Valuation by weighted average method at the time of receipt and issuance

3. The confirmation of net realizable value of inventory and the method of calculating the preparation of falling Price

Net realizable value refers to the estimated cost of inventory reduced to completion, the estimated cost of sales and the amount of related taxes and fees in daily activities. The net realizable value of inventory is determined on the basis of conclusive evidence obtained, taking into account the purpose of holding the inventory and the impact of matters after the balance sheet.

At the balance sheet date, inventory is measured according to the lower cost or net realizable value. When its net realizable value is lower than the cost, prepare for inventory drop price. The falling price of the inventory is prepared to be drawn according to the difference between the cost of a single inventory item and its net realizable value. After the provision of the falling price of the inventory, if the influencing factors of the previous writedown of the inventory value have disappeared, resulting in the net realizable value of the inventory being higher than its book value, it shall be transferred back within the reserve amount of the original written down price of the inventory, and the amount returned shall be included in the profits and losses of the current period.

4. The inventory system of inventory is permanent inventory system.

5. Amortization method for low value consumables and packages

Low value consumables are amortized by amortization at the time of receipt; packages are amortized by amortization at the time of receipt.

6. Amortization method of working Capital Materials

The turnover material adopts the five-five amortization method.

(12) Long-term equity investment

The long-term equity investment referred to in this part refers to the long-term equity investment in which the company has control, joint control or significant influence on the invested unit. Long-term equity investments in which the Company does not have control, joint control or significant influence on the invested units shall be accounted for as financial assets available for sale or measured at fair value and whose changes are included in the profits

and losses of the current period, and their accounting policies are detailed in Notes IV and 8 "Financial Instruments".

Joint control refers to the common control of an arrangement by the Company in accordance with the relevant agreement, and the activities related to the arrangement must be agreed upon by the participants who share the control before making a decision. Significant impact refers to the company has the power to participate in the decision-making of the financial and business policies of the invested units, but can not control or work with other parties to control the formulation of these policies.

1. Determination of investment cost

For the long-term equity investment obtained by the merger of the enterprise under the same control, the initial investment cost of the long-term equity investment shall be taken as the initial investment cost of the long-term equity investment according to the share of the book value in the consolidated financial statements of the merged party according to the owner's equity of the merged party on the date of merger. The difference between the initial investment cost of long-term equity investment and the cash paid, the transferred non-cash assets and the book value of the debt assumed shall be adjusted to adjust the reserve of capital; if the reserve of capital is insufficient to be reduced, the retained income shall be adjusted. If the issue of equity securities is taken as the consideration of the merger, the initial investment cost of the long-term equity investment shall be taken as the initial investment cost of the long-term equity investment according to the book value share of the owner's equity of the merged party in the consolidated financial statements of the final controlling party, and the difference between the initial investment cost of the long-term equity investment and the total face value of the issued shares shall be adjusted according to the total face value of the issued shares, and the capital reserve shall be adjusted. If the capital reserve is insufficient to be reduced, the retained income shall be adjusted. If the merged party acquires the equity of the merged party under the same control step by step through many transactions, and finally forms the merger of the enterprise under the same control, whether it belongs to the "package transaction" should be dealt with separately: if it belongs to the "package transaction", each transaction shall be treated as a transaction with control rights. If it is not a "package transaction", the difference between the initial investment cost of long-term equity investment and the sum of the book value of long-term equity investment and the book value of further obtaining the new consideration of shares on the date of merger shall be adjusted on the date of merger according to the share value that should be entitled to the merged party's owner's equity in the consolidated financial statements of the final controlling

party, and the difference between the initial investment cost of long-term equity investment and the book value of further obtaining the new consideration value of shares on the date of merger If the capital reserve is insufficient to be reduced, the retained income shall be adjusted. Equity investments held prior to the date of merger shall not be subject to accounting for the time being as a result of the use of equity method accounting or other comprehensive income recognized for sale of financial assets.

For long-term equity investments acquired by enterprises under different control, the cost of merger shall be the initial cost of long-term equity investments on the date of purchase, including the fair value of the assets paid, liabilities incurred or assumed by the purchaser, and equity securities issued. If the purchased buyer's equity is acquired step by step through many transactions, and the merger of the enterprise under the same control is finally formed, whether it belongs to the "package transaction" should be dealt with separately: if it belongs to the "package transaction", each transaction shall be treated as a transaction with control rights. If it does not belong to a "package transaction", the initial investment cost of the long-term equity investment calculated according to the cost method shall be regarded as the sum of the book value of the equity investment previously held by the buyer and the sum of the new investment costs. If the original equity holding is accounted for by the equity method, the relevant other comprehensive income shall not be accounted for for the time being. If the original equity investment is a financial asset available for sale, the difference between the fair value and the book value, as well as the changes in the cumulative fair value that were originally included in other composite income, shall be transferred to the profits and losses of the current period.

The intermediary fees such as audit, legal services, evaluation consulting and other related management expenses incurred by the merger or buyer for the merger of the enterprise shall be included in the profits and losses of the current period at the time of occurrence.

Other equity investments other than the long-term equity investment formed by the merger of the enterprise shall be initially measured at cost . The cost shall be determined according to the cash purchase price actually paid by the Company, the fair value of the equity securities issued by the Company, the fair value agreed upon in the investment contract or agreement, the fair value or original book value of the assets exchanged in non-monetary asset exchange transactions, and the fair value of the long-term equity investment itself. Costs, taxes and other necessary expenses directly related to the acquisition of long-term equity investments are also included in the cost of investment. If the additional investment can significantly affect the invested unit or implement joint control but does not constitute a control, the

cost of long-term equity investment shall be the sum of the fair value of the original equity investment determined in accordance with the Accounting Standards for Enterprises No. 22-recognition and Measurement of Financial Instruments plus the additional investment costs.

2. Methods of subsequent measurement and recognition of profits and losses

The equity method shall be used to account for long-term equity investments that have joint control (except for co-operators) or have a significant impact on the invested units. In addition, the company's financial statements use the cost method to account for the long-term equity investment that can be controlled by the invested units.

①Long-term Equity Investment in cost Accounting

When the cost method is used to calculate the long-term equity investment, the long-term equity investment shall be priced at the initial investment cost, and the cost of adjusting the long-term equity investment shall be added or recovered. In addition to the cash dividends or profits actually paid at the time of the investment or the consideration contained in the declared but not yet paid cash dividends or profits, the current investment income shall be recognized in accordance with the cash dividends or profits declared by the invested unit.

②Long-term equity investment accounted by equity method

When the equity method is used for accounting, if the initial investment cost of the long-term equity investment is greater than the fair value share of the identifiable net assets of the invested unit when investing, the initial investment cost of the long-term equity investment shall not be adjusted; if the initial investment cost is less than the fair value share of the identifiable net assets of the invested unit when the investment is less than the fair value share of the identifiable net assets of the invested unit, the difference shall be included in the current profit and loss, and the cost of long-term equity investment shall be adjusted at the same time.

When using the equity method, according to the share of the net profit and loss and other comprehensive income realized by the invested unit that should be enjoyed or shared, the investment income and other comprehensive income are recognized respectively, and the book value of the long-term equity investment is adjusted at the same time; according to the part of the profit or cash dividend declared by the invested unit, the book value of the long-term equity investment is reduced accordingly. For other changes in the owner's equity other than net profit and loss, other comprehensive income and profit distribution of the invested unit, the book value of the long-term equity investment shall be adjusted and included in the capital reserve. When recognizing that the invested unit should enjoy the share of the net profit and loss of the invested unit, the net profit of the invested unit shall be adjusted and recognized

on the basis of obtaining the fair value of the identifiable assets of the invested unit at the time of investment. If the accounting policy adopted by the invested unit and the accounting period are inconsistent with the company, the financial statements of the invested unit shall be adjusted in accordance with the accounting policies and accounting period of the company, and the investment income and other comprehensive income shall be recognized accordingly. If the assets invested or sold do not constitute business for the transactions between the Company and the joint venture or the joint venture, the unrealized gains and losses on internal transactions shall be offset in proportion to the shares to which they are attributable, and the investment gains and losses shall be recognized on this basis. However, the loss of unrealized internal transactions between the Company and the investee unit shall not be offset if the loss is attributable to the impairment of the transferred assets. If the assets invested by the Company in a joint venture or joint venture constitute a business, if the investor acquires long-term equity investment but does not gain control, the fair value of the investment business shall be taken as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the book value of the invested business shall be fully included in the profits and losses of the current period. Where the assets sold by the Company to a joint venture or associated enterprise constitute a business, the difference between the consideration obtained and the book value of the business shall be fully included in the profits and losses of the current period. If the assets purchased by the Company from the joint venture and the joint venture constitute business, the accounting treatment shall be carried out in accordance with the provisions of the Accounting Standards for Enterprises No. 20-Enterprise merger, and the profits or losses related to the transaction shall be fully recognized.

When confirming that the net loss incurred by the invested entity shall be shared, the net loss shall be reduced to zero by the book value of the long-term equity investment and other long-term rights and interests which substantially constitute the net investment of the invested entity. In addition, if the Company has an obligation to incur additional losses on the invested units, the projected liability is recognized in accordance with the anticipated obligations and is credited to the current investment losses. If the net profit is realized during the period after the invested unit, the company shall restore the recognized share of proceeds after the share of proceeds makes up the unconfirmed share of losses.

For long-term equity investments in joint ventures and joint ventures held prior to the first implementation of the new accounting standards by the Company, if there is a debit difference in equity investments related to the investment, the amount amortized in a straight

line for the original remaining period shall be included in the profits and losses of the current period.

③Acquisition of minority shares

In the preparation of the consolidated financial statements, the difference between the new long-term equity investment in the purchase of minority shares and the share of net assets that should be continuously calculated by the subsidiary company from the date of purchase (or merger date) according to the proportion of the new shareholding shall be adjusted, and the retained income shall be adjusted if the capital reserve is adjusted and the capital reserve is insufficient to be written off.

④Disposal of long-term equity investment

In the consolidated financial statements, the parent company shall partially dispose of the long-term equity investment in the subsidiary without losing control, and the difference between the disposal price and the disposal of the long-term equity investment shall be included in the shareholders' equity If the parent company partially deals with the long-term equity investment in the subsidiary company, resulting in the loss of control over the subsidiary company, it shall be dealt with in accordance with the relevant accounting policies described in the methods for the preparation of consolidated financial statements in note IV, 5 and (2) of this note.

For the disposal of long-term equity investment under other circumstances, the difference between the book value and the actual acquired price of the equity disposed of shall be included in the profits and losses of the current period.

If the long-term equity investment calculated by the equity method is accounted for by the equity method, and the remaining equity after disposal is still accounted for by the equity method, the other comprehensive income parts originally included in the owner's equity shall be accounted for in the corresponding proportion on the same basis as the direct disposal of the relevant assets or liabilities by the invested unit. The owner's equity recognized as a result of changes in the owner's equity other than the net profit and loss, other comprehensive income and profit distribution of the investor shall be transferred proportionately to the profits and losses of the current period.

If the long-term equity investment calculated by the cost method is still accounted for by the cost method after disposal, the other comprehensive income recognized by the equity method accounting or the financial instrument recognition and measurement standard accounting shall be carried out on the same basis as the direct disposal of the relevant assets or liabilities by the invested unit before obtaining the control of the invested unit, and the

profits and losses of the current period shall be carried forward proportionately. The changes in the owner's equity rights and interests in the net assets of the invested unit recognized as a result of the equity method, other than net gains and losses, other comprehensive income and profit distribution, are carried forward proportionately to the profits and losses of the current period.

If the company loses control over the invested unit as a result of the disposal of part of the equity investment, if the remaining equity after disposal can jointly control or exert a significant influence on the invested unit when preparing individual financial statements, it shall be accounted for according to the equity method, and the equity method shall be used to adjust the remaining equity as if it were acquired from time to time. If the remaining equity after disposal is unable to exercise joint control or exert a significant influence on the invested unit, the accounting treatment shall be carried out in accordance with the relevant provisions of the financial instrument recognition and measurement standards, and the difference between the fair value and the book value on the date of loss of control shall be included in the profits and losses of the current period. For other comprehensive earnings recognized by the Company as a result of the use of equity accounting or financial instrument recognition and measurement standards prior to the acquisition of control over the invested unit, the loss of control over the invested unit shall be based on the same basis as the direct disposal of the relevant assets or liabilities by the invested unit. Changes in owner's equity in the net assets of the invested unit other than net profit and loss, other comprehensive income and profit distribution recognized by the equity method are transferred to the current profit and loss at the time of loss of control over the invested unit. Among them, if the remaining equity after disposal is accounted for by the equity method, other comprehensive income and other owner's rights and interests shall be carried forward proportionately; if the remaining equity after disposal is changed to accounting according to the recognition and measurement standards of financial instruments, all other comprehensive income and other owner's rights and interests shall be carried forward.

If the Company loses its joint control or significant impact on the invested unit as a result of the disposal of part of the equity investment, the remaining equity after disposal shall be accounted for in accordance with the financial instrument recognition and measurement criteria, and the difference between the fair value and the book value on the date of loss of common control or material impact shall be included in the profits and losses of the current period. Other comprehensive income recognized by the original equity investment as a result of the equity method shall be treated on the same basis as the direct disposal of the relevant

assets or liabilities by the invested unit when terminating the equity method accounting, and all the owner's equity recognized by the investor except net profit and loss, other comprehensive income and profit distribution shall be transferred to the current investment income at the time of termination of the equity method.

The Company deals with the equity investment of the subsidiary through multiple transactions step by step until the loss of control. If the above transaction is a package transaction, the transactions shall be treated as a transaction in which the equity investment of the subsidiary is disposed of and lost control. The difference between each disposal price and the book value of the long-term equity investment corresponding to the equity disposed of before the loss of control shall first be recognized as other comprehensive income. At the time of loss of control, it shall be transferred to the profit or loss of the current period of loss of control.

3. Confirmation Standard and calculation method of impairment preparation for long-term Equity Investment

For details of the confirmation criteria and calculation methods of long-term equity investment impairment provision, see note IV and 20 "impairment of non-liquid non-financial assets"。

(13) Investment real estate

Investment real estate refers to the real estate held in order to earn rent or capital appreciation, or both. Including the leased right to use the land, the right to use the land held and prepared to add value, the right to use the leased buildings, and so on.

The company adopts the cost model to carry on the follow-up measurement to the investment real estate.

Investment real estate is initially measured at cost. Subsequent expenditures related to investment real estate are included in the cost of investment real estate if the economic benefits associated with the asset are likely to flow in and their costs can be reliably measured. Other subsequent expenditures shall be recorded in the profits and losses of the current period at the time of their occurrence.

The company adopts the cost model to carry on the follow-up measurement to the investment real estate, and carries on the depreciation or the amortization according to the policy consistent with the housing building or the land use right.

The impairment test method and impairment preparation method of investment real estate can be found in note IV and 20, "impairment of non-current non-financial assets"。

When self-used real estate or inventory is converted into investment real estate or investment real estate into self-used real estate, the book value before conversion shall be regarded as the recorded value after conversion.

When the investment real estate is disposed of, or permanently withdrawn from use and is not expected to obtain economic benefits from its disposal, the recognition of the investment real estate shall be terminated. The disposal income from the sale, transfer, scrapping or destruction of investment real estate is included in the profits and losses of the current period after deducting its book value and related taxes and fees.

(14) fixed assets

1. Fixed assets recognition conditions

Fixed assets refer to tangible assets held for the production of goods, the provision of services, rental or management, with a useful life of more than one fiscal year. Fixed assets are recognized only if the economic benefits associated with them are likely to flow into the Company and their costs can be reliably measured. Fixed assets are initially measured at cost and taking into account the impact of expected disposal costs.

2. Classification, valuation and depreciation of fixed assets

Fixed assets shall be depreciated during their useful life from the following month after reaching the predetermined usable state. The useful life, expected net residual value and annual depreciation rate and depreciation method of all kinds of fixed assets are as follows:

Fixed assets category	Depreciation life	Expected net residual rate (%)	Annual depreciation rate (%)	Depreciation method
Highway production				Regardless of mention
Housing and buildings	20-50	1.00-3.00	1.98-4.85	Annual averaging method
Special equipment	5	3.00	19.40	Annual averaging method
mechanical equipment	10	3.00	9.7	Annual averaging method
Transportation equipment	8-10	3.00	9.70-12.13	Annual averaging method
Office and other equipment	3-5	3.00	19.40-32.33	Annual averaging method

The highway production in the fixed assets of the company shall not be subject to depreciation in accordance with the provisions of the document of the Gansu Provincial people's Government (Gan Zhengji [2011] No. 13).

The expected net residual value refers to the amount currently received by the Company from the disposal of the fixed asset after deducting the estimated disposal cost, assuming

that the expected useful life of the fixed asset has expired and is in the expected state at the end of the useful life.

3. The Test method of impairment of fixed assets and the method of calculating impairment preparation

The impairment test method and impairment preparation method of fixed assets can be found in note IV and 20 "impairment of non-current non-financial assets".

4. Basis of recognition and valuation method of fixed assets leased under finance

Financial lease is a lease that substantially transfers all the risks and rewards related to the ownership of assets, and its ownership may or may not be transferred. The fixed assets leased in the form of financial lease shall be depreciated by the leased assets in accordance with the policy of their own fixed assets. If it is possible to reasonably determine the ownership of the leased assets at the expiration of the lease term, depreciation shall be charged within the useful life of the leased assets; if it is impossible to reasonably determine that the ownership of the leased assets can be obtained at the expiration of the lease term, depreciation shall be taken into account within a relatively short period of time between the lease term and the useful life of the leased assets.

5. Other notes

Subsequent expenditure related to a fixed asset, if the economic benefits associated with the fixed asset are likely to flow in and its cost can be reliably measured, is included in the cost of the fixed asset and terminates the recognition of the book value of the replaced part. Other subsequent expenditures, other than those incurred, shall be recorded in the profits and losses of the current period at the time of their occurrence.

When a fixed asset is in a state of disposal or is not expected to produce economic benefits through use or disposal, the recognition of the fixed asset shall be terminated. The difference between the disposal income of the sale, transfer, scrapping or destruction of fixed assets after deducting its book value and related taxes and fees is included in the profits and losses of the current period.

The Company shall, at least at the end of the year, review the useful life of the fixed assets, the estimated net residual value and the method of depreciation.

(15) projects under construction

The cost of the construction in progress is determined on the basis of the actual project expenditure, including the project expenditure incurred during the construction period, the borrowing cost of capitalization before the project reaches the intended usable state, and

other related costs, etc. The construction in progress is carried over into fixed assets after it has reached a predetermined usable state.

The impairment test method and impairment preparation method of construction in progress are detailed in note IV and 20, "impairment of non-current non-financial assets".

(16) borrowing costs

Borrowing costs include interest on borrowing, amortization of discount or premium, auxiliary expenses and exchange differences incurred as a result of foreign currency borrowing. The borrowing expenses that can be directly attributed to the purchase, construction or production of assets that meet the capitalization conditions shall begin to be capitalized when the asset expenditure has been incurred, the borrowing expenses have been incurred, and the purchase, construction or production activities necessary to make the assets reach the intended usable or saleable state; when the assets constructed or produced that meet the capitalization conditions have reached the intended usable state or the saleable state, they shall cease to be capitalized. The remaining borrowing costs are recognized as expenses in the current period.

The interest expenses actually incurred in the current period of the special loan shall be capitalized after deducting the interest income earned by the bank from the deposit of the unspent borrowing funds or the investment income earned from the temporary investment; the amount of capitalization shall be determined on the basis of the weighted average of the asset expenditure exceeding the special borrowing portion of the accumulated asset expenditure multiplied by the capitalization rate of the general loan occupied. The capitalization rate is calculated on the basis of the weighted average interest rate of general borrowing.

During the capitalization period, all the exchange differences of special foreign currency loans shall be capitalized; the exchange differences of foreign currency general loans shall be included in the profits and losses of the current period.

Assets that meet the capitalization conditions refer to assets such as fixed assets, investment real estate and inventory that take a considerable period of time to purchase, build or produce in order to reach a predetermined usable or saleable state.

If the assets eligible for capitalization occur an abnormal interruption during the purchase or production process and the interruption period exceeds three months in a row, the capitalization of the borrowing costs shall be suspended until the purchase and construction of the assets or the resumption of production activities.

(17) Intangible assets

1. Recognition and valuation method of Intangible assets

Intangible assets refer to identifiable non-monetary assets owned or controlled by the company without physical form.

Intangible assets are initially measured at cost. Expenses related to intangible assets are included in the cost of intangible assets if the related economic benefits are likely to flow into the Company and their costs can be reliably measured. Expenditure on other items other than that is recorded in the profit and loss of the current period at the time of its occurrence.

The right to use the land obtained is usually accounted for as intangible assets. If you develop and build your own factory building and other buildings, the related land use right expenditure and building construction cost will be accounted for as intangible assets and fixed assets, respectively. In the case of purchased houses and buildings, the relevant prices shall be allocated between the right to use the land and the buildings, and if it is difficult to allocate them reasonably, all of them shall be treated as fixed assets.

2. Amortization of intangible assets

From the time the intangible assets with limited service life are available, the original value minus the expected net residual value and the cumulative amount of the impairment provision have been amortized evenly by straight-line method during their expected service life. Intangible assets with uncertain useful life shall not be amortized.

At the end of the period, the useful life and amortization methods of intangible assets with limited useful life are reviewed and treated as changes in accounting estimates if changes occur. In addition, the useful life of intangible assets with uncertain useful life is reviewed and, if there is evidence that the period for which the intangible asset brings economic benefits to the enterprise is foreseeable, its useful life is estimated and amortized in accordance with the amortization policy for intangible assets with limited useful life.

3. Research and development expenditure

The expenditure of the company's internal research and development projects is divided into research stage expenditure and development stage expenditure. Among them, research refers to the original planned survey to acquire and understand new scientific or technical knowledge, the activities intended to acquire knowledge, the applied research, evaluation and final selection of research results or other knowledge, and the study of alternatives to materials, equipment, products, processes, systems or services. Preparation, design, evaluation and final selection of possible alternatives to new or improved materials, equipment, products, processes, systems or services, etc. Development refers to the application of research results or other knowledge to a plan or design before commercial production or use in order to produce

new or substantially improved materials, installations, products, such as the design, construction and testing of prototypes and models before or before production, and the design, construction and operation of pilot production facilities that do not have a commercial production economy.

Expenditures for the research phase are included in the profits and losses of the current period at the time of their occurrence.

If the expenditure in the development phase meets the following conditions at the same time, it shall be recognized as intangible assets, and the expenditure in the development phase that cannot meet the following conditions shall be included in the profits and losses of the current period:

①It is technically feasible to complete the intangible asset so that it can be used or sold

②Have the intention to complete the intangible asset and use it or sell it

③The way in which intangible assets produce economic benefits, including the ability to prove that the products produced by the intangible assets exist in the market or that the intangible assets themselves exist in the market, and if the intangible assets will be used internally, the usefulness of the intangible assets can be proved.

④Adequate technical, financial and other resources to support the development of the intangible asset and the ability to use or sell the intangible asset

⑤Expenditure attributable to the development phase of the intangible asset can be reliably measured.

If it is not possible to distinguish between the expenditure in the research phase and the expenditure in the development phase, all the R & D expenditure incurred shall be included in the profits and losses of the current period.

4. Impairment Test method and impairment preparation calculation method of Intangible assets

The impairment test method and impairment preparation method of intangible assets can be found in note 4 and 20 "impairment of non-current non-financial assets".

(18) debt-paying assets

The outstanding assets shall be initially determined according to their fair value, and the difference between the fair value and the principal of the relevant loans and the recognized interest and impairment provisions shall be included in the profits and losses of the current period; if the book value of the debt-paid assets on the balance sheet is lower than the net

realizable value, the provision for the falling price of the debt-paid assets shall be included in the impairment loss of the assets.

(19) long-term amortization

Long-term amortization is a cost that has been incurred but should be borne by the reporting period and subsequent periods for a period of more than one year.

(20) impairment of non-current non-financial assets

For fixed assets, construction in progress, intangible assets with limited service life, investment real estate measured by cost model and non-current non-financial assets such as long-term equity investment and goodwill in subsidiaries, joint ventures and affiliated enterprises, the company judges whether there are signs of impairment on the balance sheet date. If there is a sign of impairment, the recoverable amount is estimated and the impairment test is carried out. Intangible assets with uncertain goodwill, service life and intangible assets that have not yet reached the usable state, regardless of whether there are signs of impairment, are tested for impairment every year.

The impairment test results show that if the recoverable amount of the asset is lower than its book value, provision for impairment shall be made according to its difference and the impairment loss shall be included. The recoverable amount is the higher between the fair value of the asset less the net amount of the disposal fee and the present value of the projected future cash flow of the asset. The fair value of an asset shall be determined according to the price of the sales agreement in a fair transaction; if there is no sales agreement but there is an active market for the asset, the fair value shall be determined according to the buyer' s bid for the asset; if there is no sales agreement and an active market for the asset, the fair value of the asset shall be estimated on the basis of the best information available. Disposal costs include legal costs related to the disposal of assets, related taxes and fees, removal costs and direct costs incurred to bring the assets to a saleable state. The present value of the projected future cash flow of the asset shall be determined by selecting the appropriate discount rate on the basis of the projected future cash flow generated during the continuous use and final disposal of the asset. Asset impairment is calculated and confirmed on the basis of a single asset. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group is determined by the asset group to which the asset belongs. Asset groups are the smallest portfolio of assets that can generate cash inflows independently.

Asset impairment is calculated and confirmed on the basis of a single asset. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the

asset group is determined by the asset group to which the asset belongs. Asset groups are the smallest portfolio of assets that can generate cash inflows independently. The test results show that the recoverable amount of the asset group or asset group combination containing the assessed goodwill is lower than its book value, and the corresponding impairment loss shall be confirmed. The amount of impairment loss shall be set off against the book value of the goodwill apportioned to the asset group or asset group portfolio, and then the book value of the other assets shall be set off proportionately according to the proportion of the book value of the assets other than goodwill in the asset group or asset group portfolio.

Once the impairment loss of the above assets has been recognized, it shall not be returned in a subsequent period.

(21) deposit deposit

When the company carries on the guarantee business, in accordance with the requirements and proportion agreed upon in the cooperation agreement signed with the bank dealing with the guarantee business, the guarantee bond deposited with the bank shall be deposited with the bank.

(22) Deposit deposit

The Company shall account for the guarantee performance bond collected from the secured enterprise in accordance with the guarantee contract. After the expiration of the guarantee contract, if the guarantee liability is lifted, the company will return the margin to the guaranteed enterprise accordingly; if the enterprise has incurred the loss of guarantee indemnity, the margin will be written off against the indemnity loss.

(23) remuneration of staff and workers

The compensation of the company's staff and workers mainly includes short-term employee compensation, after-service benefits, dismissal benefits and other long-term employee benefits. Of which:

Short-term salary mainly includes wages, bonuses, allowances and subsidies, employee welfare expenses, medical insurance premiums, maternity insurance premiums, industrial injury insurance premiums, housing provident funds, trade union funds and staff and workers education funds, non-monetary benefits and so on. During the accounting period during which the staff and workers provide services to the company, the compensation of the short-term staff and workers actually incurred is recognized as a liability and is included in the profit and loss of the current period or the cost of the related assets. Among them, non-monetary benefits are measured at fair value.

Post-employment benefits consist mainly of setting up deposit plans and setting up benefit plans. Among them set deposit plan basically includes primary endowment insurance, unemployment insurance and annuities and so on, the corresponding deposit amount takes into account relevant asset cost or current profit and loss when happening. The company employs an independent actuary to estimate the relevant demographic variables and financial variables according to the expected cumulative welfare unit method, using unbiased and consistent actuarial assumptions, to measure the obligations arising from the benefit plan, and to determine the period of ownership of the relevant obligations. On the balance sheet date, the Company will set out the obligations arising from the established benefit plan at present value and include the cost of current services in the profits and losses of the current period.

To terminate the labor relations with the staff and workers before the expiration of the labor contract of the staff and workers, or to make suggestions for compensation in order to encourage the staff and workers to accept the reduction voluntarily, when the company cannot unilaterally withdraw the dismissal benefits provided as a result of the termination of the labor relations plan or the proposal for reduction, or when the company confirms the costs associated with the reorganization involving the payment of the dismissal benefits, and confirms the remuneration liabilities of the staff and workers arising from the dismissal benefits And take into account the profits and losses of the current period. However, if the dismissal benefit is not expected to be fully paid twelve months after the end of the annual reporting period, it shall be dealt with in accordance with the remuneration of other long-term staff and workers.

The internal retirement plan for staff and workers shall be dealt with in the same way as the above dismissal benefits. The company will account for the profits and losses (dismissal benefits) of the current period when it meets the conditions for the recognition of the expected liabilities, such as the wages and social insurance premiums to be paid from the period from the date on which the staff and workers stop providing service to the normal retirement date.

If the other long-term employee benefits provided by the company to the staff and workers are in accordance with the set deposit plan, the accounting treatment shall be carried out in accordance with the set deposit plan, in addition to the accounting treatment in accordance with the set benefit plan.

(24) projected liabilities

I. Recognition criteria for projected liabilities

If an obligation relating to contingent matters meets the following conditions at the same time, the company recognizes it as a projected liability: the obligation is a current obligation

assumed by the enterprise; the performance of the obligation is likely to lead to the outflow of economic benefits from the enterprise; and the amount of the obligation can be reliably measured.

The performance of the company's current obligations such as mine disposal and environmental governance formed by coal mining is likely to lead to the outflow of economic benefits, and when the amount of the obligation can be reliably measured, it is recognized as the expected liability.

2. Method of measuring projected liabilities

The projected amount of liability recorded is the best estimate of the expenditure required to settle the liability. If there is a range of amounts required, the best estimate shall be determined on the basis of the average of the upper and lower limits of that range; if there is no range of amounts required, the best estimate shall be determined as follows:

When contingent items involve a single project, the best estimate is determined on the basis of the amount most likely to occur

When contingent items involve multiple projects, the best estimates are calculated on the basis of the various possible amounts and their probability of occurrence.

If the expenditure required to settle the projected liability is expected to be reimbursed in whole or in part by a third party or other party, the amount of compensation can only be recognized separately as an asset when it is basically determined that it will be received. The amount of compensation recognized shall not exceed the book value of the projected liability recognized.

(25) Revenue

1. Merchandise sales revenue

When the main risks and rewards in the ownership of the goods have been transferred to the buyer, neither the right to continue management, which is usually associated with ownership, nor the effective control over the goods sold, the amount of income can be reliably measured, the related economic benefits are likely to flow into the enterprise, and the related costs that have occurred or will be incurred can be reliably measured to confirm the realization of the income from the sale of goods.

2. Income from the provision of services

To the extent that the results of the provision of labour transactions can be reliably estimated, the income from the services provided is recognized on the balance sheet date in accordance with the percentage of completion method. The progress of completion of the labour transaction is determined on the basis of the measurement of the completed work / the proportion

of the services provided to the total amount of services to be provided / the proportion of the cost of services incurred to the estimated total cost.

A reliable estimate of the outcome of a service offering transaction is the simultaneous satisfaction of: ①the amount of income can be measured reliably ; Relevant economic benefits are likely to flow into the enterprise ; The degree of completion of the transaction can be determined reliably ; Costs that have occurred and will occur in a transaction can be measured reliably.

If the results of the provision of labour transactions cannot be reliably estimated, the income from the services provided is recognized on the basis of the amount of labour costs that have been incurred and are expected to be reimbursed, and the costs of the services incurred are regarded as current costs. Income is not recognized if labour costs that have been incurred are not expected to be reimbursed.

3. Royalties income

Revenue is recognized on an accrual basis under the relevant contract or agreement.

4. Interest income

It is calculated and determined according to the time when others use the monetary funds of the Company and the actual interest rate.

5. Guarantee business income

①The income of guarantee fee is established in the guarantee contract and bears the corresponding guarantee liability, the economic benefits related to the guarantee contract can flow in, and the net income related to the guarantee contract can be recognized when the net income related to the guarantee contract can be reliably measured. The amount of the guarantee fee income shall be determined according to the amount to be collected from the guarantor as stipulated in the guarantee contract; if the guarantee fee is collected from the guarantor by way of bulk collection, it shall be recognized as the guarantee fee income at one time. Before the establishment of the guarantee contract and the commencement of the liability for the guarantee, the guarantee fee received by the guarantor shall be recognized as a liability and treated as a guarantee fee received in advance, and shall be recognized as income from the guarantee fee when the conditions of confirmation mentioned above are met. After the establishment of the guarantee contract and the commencement of the guarantee liability, the guarantor shall discharge the guarantee liability by paying off the guaranteed main debt in advance, and if part of the guarantee fee is refunded to the guarantor in accordance with the provisions of the guarantee contract, the income of the guarantee fee for the current period shall be reduced according to the actual refund of the guarantee fee.

②Handling fee income

The handling fee income shall be confirmed at the completion of the relevant services and shall be recorded in accordance with the amount of the handling fee to be charged in accordance with the terms of the entrustment guarantee contract.

③Assessment fee income

If the income recognition conditions are met, it shall be confirmed and recorded in accordance with the price to be obtained in accordance with the terms of the entrustment guarantee contract.

④Recovery of income

After the company pays off the money on behalf of the guarantor, the recovery income collected from the guarantor in accordance with the provisions of the guarantee contract exceeds the difference between the reimbursable sum and the related expenses incurred, including the reimbursable fund occupation fee, breach of contract, service charge entrusted to dispose of the pledged assets, debt recovery fee, etc. The recovery income shall be recognized at the time of receipt of the recovery amount and shall be recorded according to the difference between the amount actually received at the time of recovery and the original reimbursable amount and the related expenses incurred.

(26) Construction contract

Where the results of the construction contract can be reliably estimated, contract income and contract costs are recognized on the balance sheet date in accordance with the percentage method of completion.

A reliable estimate of the outcome of a construction contract is simultaneous satisfaction: ①The total contract income can be measured reliably ; Economic benefits related to the contract are likely to flow into the enterprise ; Actual contract costs can be clearly differentiated and measured reliably ; The progress of the completion of the contract and the costs to be incurred to complete the contract can be determined reliably.

If the results of the construction contract cannot be reliably estimated, but the contract cost can be recovered, the contract income shall be confirmed on the basis of the actual contract cost that can be recovered, and the contract cost shall be recognized as the contract cost in the current period in which it occurs; if the contract cost is impossible to recover, it shall be recognized as the contract cost immediately and the contract income shall not be recognized at the time of occurrence. Where the uncertainty that makes the results of the construction contract unreliable estimates ceases to exist, the income and costs associated

with the construction contract are determined in accordance with the percentage method of completion.

If the estimated total cost of the contract exceeds the total contract income, the expected loss shall be recognized as the current cost.

The cumulative cost incurred in the construction contract and the cumulative recognized gross profit (loss) and settled price are shown in the balance sheet to offset the net amount.

The cumulative cost incurred in the construction contract and the sum of the cumulative recognized gross profit (loss) in excess of the settled price are shown as inventory; the portion of the settled price in the construction contract that exceeds the sum of the cumulative cost incurred and the cumulative recognized gross profit (loss) is shown as the amount received in advance.

(27) Government subsidy

Government subsidy means that the company acquires monetary assets and non-monetary assets free of charge from the government, excluding the capital invested by the government as an investor and enjoying the corresponding owner's rights and interests. Government subsidies are divided into asset-related government subsidies and income-related government subsidies. Where the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured according to the fair value; if the fair value cannot be obtained reliably, it shall be measured according to the nominal amount. Government subsidies measured in nominal terms shall be directly included in the profits and losses of the current period.

The company usually confirms and measures the government subsidy in accordance with the amount received when it is actually received. However, for the end of the period, there is conclusive evidence that the relevant conditions stipulated in the financial support policy are expected to receive financial support funds, measured according to the amount receivable. Government subsidies measured in accordance with the amount receivable shall meet the following conditions at the same time: (1) The amount of the subsidy receivable has been confirmed by the competent government department, or it can be reasonably calculated in accordance with the relevant provisions of the officially issued measures for the management of financial funds, and there is no significant uncertainty in the expected amount. (2) It is based on the financial support projects and their financial fund management measures officially issued by the local financial departments and actively disclosed in accordance with the provisions of the regulations on the Disclosure of Government Information, and the management measures should be inclusive (any enterprise that meets the prescribed conditions can apply), rather than

specially designed for a particular enterprise. (3) The relevant grant approval has made a clear commitment to the disbursement period, and the disbursement of the payment is guaranteed by the corresponding budget, so it can be reasonably guaranteed that it can be received within the prescribed time limit. (4) Other relevant conditions (if any) to be met according to the company and the specific circumstances of the subsidy.

The government subsidy related to the assets shall be recognized as deferred income and shall be included in the profits and losses of the current period in stages within the useful life of the relevant assets in a reasonable and systematic manner. 与 Revenue related government subsidies, which are used to compensate for related cost costs or losses in a subsequent period, are recognized as deferred income and are recorded as current profits and losses during the period in which the related cost or losses are recognized ; If it is used to compensate for the related costs or losses incurred, it shall be recorded directly in the profits and losses of the current period or. At the same time, it contains the government subsidies related to assets and income, and distinguishes different parts for accounting treatment; if it is difficult to distinguish, it is classified as the government subsidy related to income as a whole.

The government subsidies related to the daily activities of the company shall be included in other income in accordance with the essence of the economic business; the government subsidies unrelated to the daily activities shall be included in the income and expenditure outside the business.

If the recognized government subsidy needs to be refunded, if there is a relevant deferred income amount, the book amount of the relevant deferred income shall be written off and the excess shall be included in the profits and losses of the current period; in other cases, the relevant deferred income shall be directly included in the profits and losses of the current period.

(28) Leasing

Financial lease is a lease that substantially transfers all the risks and rewards related to the ownership of assets, and its ownership may or may not be transferred. Leases other than financial leases are operating leases.

A leasing business that meets one or more of the following criteria is usually a financial lease:①At the expiration of the lease term, the ownership of the leased assets is transferred to the lessee。②The lessee has the option to purchase the leased assets, and the purchase price is expected to be much lower than the fair value of the leased assets at the time of the exercise of the option, so it is reasonable to confirm that the lessee will exercise such

an option on the commencement date of the lease. ③Even if ownership of the assets is not transferred, the lease term accounts for the majority of the useful life of the leased assets. ④The present value of the lessee's minimum lease payment at the commencement date of the lease is almost equivalent to the fair value of the leased assets on the commencement date of the lease; the present value of the minimum lease receipt by the lessor on the commencement date of the lease is almost equivalent to the fair value of the leased assets on the commencement date of the lease. ⑤The leased assets are of a special nature and can only be used by the lessee if no major modification is made.

1. The company records and carries on leasing business as lessee

Rental expenses for operating leases are included in the relevant asset costs or gains and losses for the current period on a straight-line basis during each period of the lease period. The initial direct expenses are included in the profits and losses of the current period. Contingent rents are included in the profits and losses of the current period when they are actually incurred.

2. The company records the lease business as the lessor

Rental income from operating leases is recognized as profit or loss for the current period on a straight-line basis for each period of the lease period. The larger initial direct expenses shall be capitalized at the time of occurrence and shall be included in the profits and losses of the current period in the same basis as the recognized rental income throughout the lease period; other initial direct expenses of smaller amounts shall be included in the profits and losses of the current period at the time of their occurrence. Contingent rents are included in the profits and losses of the current period when they are actually incurred.

3. The company records the financial lease business as lessee

On the commencement date of the lease term, the fair value of the leased assets and the present value of the minimum lease payment amount are taken as the recorded value of the leased assets, and the minimum lease payment amount is taken as the recorded value of the long-term payable, and the difference is taken as the unrecognized financing cost. In addition, in the course of lease negotiations and the signing of lease contracts, the initial direct costs attributable to the lease project are also included in the value of the leased assets. The amount of the minimum lease payment after deducting the unrecognized financing expenses is shown as long-term liabilities and long-term liabilities due within one year, respectively. The unrecognized financing cost is calculated by the real interest rate method during the lease period. Contingent rents are included in the profits and losses of the current period when they are actually incurred.

4. The company records the financial leasing business as the lessor

Assets leased by financial lease method, the sum of the minimum lease collection and the initial direct cost on the commencement date of the lease is recorded as the recorded value of the financial lease receivable, and the unsecured residual value is recorded at the same time. The difference between the sum of the minimum lease receipt, the initial direct cost and the unsecured residual value and its present value is recognized as unrealized financing gains. After deducting the unrealized financial income, the amount of the financial lease receivable is listed as long-term claims and long-term claims due within one year, respectively. The unrealized financial income is calculated and confirmed by the real interest rate method during the lease term. Contingent rents are included in the profits and losses of the current period when they are actually incurred.

(29) Holding assets for sale

1. The basis for the division of holdings for sale

The Company recognizes as holding a category for sale components (or non-current assets) that meet the following conditions at the same time:

①In accordance with the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately in the current situation

②The sale is highly likely to occur, in which the enterprise has made a resolution on a sale plan and has received a firm purchase commitment, and the sale is expected to be completed within a year. Where the relevant provisions require the relevant authorities or regulatory authorities of the enterprise to approve the sale, they shall have been approved.

The confirmed purchase commitment refers to the legally binding purchase agreement signed between the enterprise and other parties, which contains important terms such as transaction price, time and severe penalty for breach of contract, so that the possibility of significant adjustment or cancellation of the agreement is very small.

2. Accounting treatment of holding for sale

When the company initially measures or remeasures the holding of non-current assets for sale or disposal group on the balance sheet date, if its book value is higher than the net amount after fair value minus the cost of sale, the book value shall be written down to the net amount after the fair value minus the cost of sale, and the amount written down shall be recognized as a loss of impairment of assets, which shall be included in the profits and losses of the current period, and the provision for impairment of assets to be sold shall be taken into account at the same time. If the net amount of the fair value of the non-current assets held on the date of the subsequent balance sheet minus the cost of sale increases, the amount

previously written down shall be restored and returned within the amount of impairment loss recognized after being classified as holding the category for sale, and the return amount shall be included in the profits and losses of the current period. Impairment losses of assets recognized prior to being classified as holding for sale shall not be returned. For the amount of impairment loss of assets recognized by the disposal group for sale, the book value of goodwill in the disposal group shall be set off against the book value of the goodwill in the disposal group, and then the book value of each non-current asset in the disposal group shall be deducted proportionately according to the proportion of the book value of each non-current asset in the disposal group. According to the proportion of the book value of each non-current asset in the disposal group other than goodwill, the book value of the assets recognized by the disposal group shall be increased proportionately according to the subsequent return amount of the impairment loss of the assets recognized by the disposal group for sale.

The holding of non-current assets for sale or non-current assets in the disposal group does not take into account depreciation or amortization, and interest and other expenses on liabilities in the disposal group for sale continue to be recognized.

When the company terminates the recognition of the holding of non-current assets for sale or the disposal group, the profits or losses that have not yet been recognized shall be included in the profits and losses of the current period.

When the non-current assets or disposal group ceases to be classified as holding categories or non-current assets from the disposal group holding for sale because it no longer meets the conditions for the classification of the categories to be sold, it shall be measured in accordance with either of the following:

①The amount adjusted for depreciation, amortization, or impairment that should have been recognized if not classified as holding the category for sale, as assumed to be not classified as holding the category for sale.

②Recoverable amount.

When the enterprise terminates the recognition of the holding of non-current assets for sale or the disposal group, it shall include the profits or losses that have not yet been recognized into the profits and losses of the current period.

3. If control over the subsidiary is lost as a result of the sale of investment in the subsidiary, whether or not part of the equity investment is retained after the sale, when the investment in the subsidiary to be sold meets the conditions for the classification of holding categories for sale, the investment in the subsidiary company as a whole is classified as holding for sale in the individual financial statements of the parent company, and all assets

and liabilities of the subsidiary are classified as holding for sale in the consolidated financial statements.

(30) Special reserve

In accordance with the relevant provisions of [2012] 16 issued by the Ministry of Finance and the State Administration of production Safety, the company and its subsidiaries shall withdraw 1.5 per cent of the construction income of mechanical and electrical projects from production safety expenses. When the cost of production safety is drawn, the cost of the relevant products shall be taken into account, as well as the subject of "special reserve".

When the safety production fee drawn is used in accordance with the prescribed scope, if it belongs to the expense expenditure, the special reserve shall be directly reduced; if the fixed assets are formed, the expenses incurred through the collection of the "construction in progress" subject shall be recognized as fixed assets when the safety project is completed to reach the intended usable state; at the same time, the special reserve shall be written off according to the cost of the formation of the fixed assets, and the accumulated depreciation of the same amount shall be confirmed. The fixed asset will no longer be depreciated in a later period.

(31) Reserve for guarantee compensation, reserve for unexpired liability

1. Guarantee compensation reserve

According to different business categories, the subsidiary of the company shall draw the guarantee compensation reserve in accordance with the prescribed proportion, and if the guarantee compensation reserve reaches 10% of the insured balance, the difference shall be drawn. The corresponding proportion of each category in the balance sheet is as follows:

①Proportion of reserve for guarantee compensation for bond guarantee business

Serial number	Credit rating of the main body of the issuing unit	Proportion of public offering bonds (per thousand)	Proportion of private equity bonds and funds (per thousand)	ABN/ABS extraction ratio (‰)	Other proportion of calculation (‰)
1	AA+ and above	0.5	1.0	1.0	1.0
2	AA	1.0	1.5	1.5	1.5
3	AA-	1.5	2.0	2.0	2.0
4	A	2.5	3.0	3.0	3.0
5	Others	3.5	5.0	5.0	5.0

②Proportion of reserves for compensation in other guarantee operations

Serial number	Classification of guarantee business	Proposed proportion (‰)
1	Bank loan guarantee	10.00

2	Engineering guarantee	0.50
3	Litigation guarantee	Regardless of mention
4	Bill guarantee based on supply chain Finance	1.00
5	Consumer finance guarantee	0.50

2. Unmatured liability reserve

①Bond guarantee business

If the bond guarantee project, the company collects the premium, collects the current year one-time charge guarantee fee income. The unterminated security liability shall be measured by one 365 percent method, recognized as a reserve for unexpired liability, and recorded in the profits and losses of the current period during the period for which the relevant security liability is recognized, offset against the liability reserve for which the security liability accrued in the previous year is due in the current period.

②Bank loan guarantee business

The reserve for unexpired liability shall be drawn in accordance with 50% of the income of the guarantee fee for the current year, and the difference shall be drawn.

③Non-financial business, bill guarantee based on supply chain finance, consumer finance guarantee

Regardless of preparation for unexpired responsibilities.

(32) General risk preparation

The subsidiary of the company, Gansu Aviation Travel Microfinance Co., Ltd., based on the provisions of the "Measures for the Administration of Reserve Provisions for Financial Enterprises" (Caijin [2012] No. 20) issued by the Ministry of Finance, on the basis of withdrawing assets , Make general risk reserves for risky assets to partially make up for unidentified possible losses. General risk provision shall be made according to 1.5% of the end of the risky asset amount, and shall no longer be withdrawn when the general risk reserve amount reaches 1.5% of the risky asset amount.

Gansu financing guarantee Group Co., Ltd., a subsidiary of the company, shall prepare for the general risk according to 10% of the net profit.

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

The difference between the book value of certain assets and liabilities and their taxable basis, as well as the temporary differences between the book value and the taxable basis of items that are not recognized as assets and liabilities but can be determined in accordance with the provisions of the tax law, the deferred income tax assets and deferred income tax liabilities are recognized by the balance sheet liability method.

The deferred income tax liability shall not be recognized in relation to the initial recognition of goodwill and the initial recognition of assets or liabilities arising from transactions that are neither a merger of enterprises nor affected by the amount of taxable income (or deductible losses) at the time of the merger of the enterprise. In addition, for taxable temporary differences related to subsidiaries, joint ventures and joint venture investments, if the Company is able to control the timing of the temporary differences, and the temporary differences are likely not to be reversed in the foreseeable future, the relevant deferred income tax liabilities will not be recognized. With the above exceptions, the Company recognizes deferred income tax liabilities arising from all other taxable temporary differences.

Deductible temporary differences relating to the initial recognition of assets or liabilities arising from transactions that are neither mergers nor occurred at the time of occurrence nor affect the amount of taxable income (or deductible losses), do not recognize the relevant deferred income tax assets. In addition, for deductible temporary differences related to subsidiaries, joint ventures and joint venture investments, the relevant deferred income tax assets are not recognized if the temporary differences are not likely to be reversed in the foreseeable future, or if they are not likely to be obtained in the future to offset the taxable gains deductible temporary differences. Subject to the above exceptions, the Company recognizes other deferred income tax assets arising from deductible temporary differences to the extent that it is likely to obtain taxable income gains that are used to deduct temporary differences.

For deductible losses and tax credits that can be carried forward for subsequent years, the corresponding deferred income tax assets are recognized to the extent that they are likely to be used to deduct deductible losses and tax deductible future taxable income tax assets.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured according to the applicable tax rate during the period of expected recovery of the relevant assets or liquidation of the relevant liabilities in accordance with the provisions of the tax law.

On the balance sheet date, the book value of deferred income tax assets is reviewed, and if sufficient taxable income is likely to not be obtained in the future to deduct the benefits of deferred income tax assets, the book value of deferred income tax assets is written down. When sufficient taxable income is likely to be obtained, the amount of the writedown is transferred back.

V. description of accounting policies, changes in accounting estimates and error correction

(1) Accounting policy changes

There are no significant changes in accounting policies to be disclosed in the reporting period of the Company.

(2) changes in accounting estimates

There are no significant changes in accounting estimates that should be disclosed in the reporting period of the Company.

(3) Correction of important prior errors

No significant prior error correction shall be disclosed in the reporting period of the Company.

VI. Taxes

(1) main taxes and tax rates

Tax type	Specific tax rate
Value added tax	The taxable income shall be calculated at the tax rates of 3%, 5%, 6%, 9% and 13%, and VAT shall be paid on the basis of the difference after deducting the income tax allowed for the current period.
Urban maintenance and construction tax	It shall be paid on the basis of 7% and 5% of the turnover tax actually paid.
Additional education fee	Paid on the basis of 3 per cent of the turnover tax actually paid.
Local education fee addition	Paid on the basis of 2 per cent of the turnover tax actually paid.
corporate income tax	Based on 15 per cent of taxable income, 20 per cent and 25 per cent.

The details of the implementation of 15% and 20% corporate income tax rates are as follows:

Full name of the company	Enterprise income tax rate
Gansu Public Aviation Travel graphene Technology Development Co., Ltd.	15%
Zhangye Danxia Culture Tourism Co., Ltd.	15%
Zhangye Danxia Scenic spot Management Co., Ltd.	15%
Gansu Gongli Cultural Tourism Co.	15%
Shandan Royal Racecourse Tourism Co., Ltd.	15%
Gansu Yanzhishan Cultural Tourism Co., Ltd.	15%
Gansu Tourism (holding) Co., Ltd.	15%
Gansu Gonghang Travel Financial Leasing Co., Ltd.	15%
Gansu Gonghang Travel Financial Leasing Co., Ltd. Xi'an Branch	15%
Supply chain Management of Public Aviation Brigade (Shenzhen) Co., Ltd.	15%

Full name of the company	Enterprise income tax rate
Public Airlines Travel supply chain Management (Shenzhen) Co., Ltd. Lanzhou New area Branch	15%
Gansu Xinruifeng Investment Co., Ltd.	15%
Gansu property Exchange Group Co., Ltd.	15%
Gansu Gonghang Travel Asset Management Co., Ltd.	15%
Gansu Luqiao Construction Group Co., Ltd.	15%
Gansu Luqiao Feiyu Transportation facilities Co., Ltd.	15%
Gansu Road Bridge third Highway Engineering Co., Ltd.	15%
Gansu Luqiao fourth Highway Engineering Co., Ltd.	15%
Gansu Wuhuan Highway Engineering Co., Ltd.,	15%
Gansu Borei Traffic heavy equipment Manufacturing Co., Ltd.	15%
Gansu Zhitong Science and Technology Engineering Inspection and Consulting Co., Ltd.	15%
Gansu Road and Bridge Construction Group maintenance Science and Technology Co., Ltd.	15%
Gansu New Netcom Science and Technology Information Co., Ltd.	15%
Gansu Huayun Environmental Construction Engineering Co., Ltd.	15%
Gansu Highway Engineering quality Test and Inspection Center Co., Ltd.	15%
Gansu Institute of Communications Sciences Co., Ltd.	15%
Gansu Gonghang Brigade Engineering Technical Service Co., Ltd.	20%
Gansu Tourism Research Institute Co., Ltd.	20%
Gansu Fuxiang property Management Co., Ltd.	20%
Zhangye Danxia Wisdom Tourism Co., Ltd.	20%
Gansu Gonghang Travel Self-driving Travel Co., Ltd.	20%
Gansu Gonghang Travel Heisongye Cultural Tourism Co.	20%
Gansu Gonghang Qilian Hotel Management Co., Ltd.	20%
Gansu Gonghang Travel Car Rental Ltd.	20%
Gansu Yanzhishan passenger Transport Co., Ltd.	20%
Gansu overseas Tourism Co., Ltd.	20%
Gansu China International Travel Service Co., Ltd.	20%
Gansu West International Conference and Exhibition Co., Ltd.	20%

Full name of the company	Enterprise income tax rate
Gansu Gonghang Travel Stade Research Service Co., Ltd.	20%
Gansu Xinruifeng Investment Co., Ltd.	20%
Lanzhou New District United property Rights Management Service Co., Ltd.	20%
Lanzhou International Commodity auction Co., Ltd.	20%
Tianshui United Factor Market Service Co., Ltd.	20%
Pingliang United property Service Co., Ltd.	20%
Jiuquan United property right Management Service Co., Ltd.	20%
Dingxi property right element Market Service Co., Ltd.	20%
Longnan property right element Market Service Co., Ltd.	20%
Baiyin property right element Market Service Co., Ltd.	20%
Gannan property right element Market Service Co., Ltd.	20%
Wuwei property right element Market Service Co., Ltd.	20%
Silk Road Public Aviation Travel Investment Management Co., Ltd.	20%
Gansu Modern Service Venture Capital Fund Co., Ltd.	20%
Gansu Gonghang Travel Fund Management Ltd.	20%
Yumen County Economic Development Fund (Limited Partnership)	20%
Dingxi State Investment small and medium-sized Enterprises Development Fund (limited partnership)	20%
Gansu Hongke Bridge Tunnel Engineering Technology Co., Ltd.	20%
Gansu Zhitong Yunxiang Traffic Technology Co., Ltd.	20%
Gansu Luqiao Engineering Inspection Co., Ltd.	20%

(2) Tax concessions and approvals

According to Fiscal and Taxation [2011] 58 concerning "from 1 January 2011 to 31 December 2020", Provisions on the reduction of income tax on enterprises based in the western region at the rate of 15% " The subsidiary of the company Gansu Public Aviation Travel graphene Technology Development Co., Ltd., Zhangye Danxia Cultural Tourism Co., Ltd., Zhangye Danxia Scenic spot Management Co., Ltd., Gansu Gonghang Liliqian Cultural Tourism Co., Ltd., Shandan Royal Racecourse Tourism Co., Ltd., Gansu Yanzhishan Cultural Tourism Co., Ltd., Gansu Tourism (holding) Co., Ltd., Gansu Public Airlines Travel Finance Leasing Co., Ltd., Gansu Gongliefeng Financial Leasing Co., Ltd. Xi'an Branch, Public Airlines Travel supply chain Management (Shenzhen) Co., Ltd., Public Aviation Travel supply chain Management (Shenzhen) Co., Ltd.

Lanzhou New area Branch, Gansu Xinruifeng Investment Co., Ltd., Gansu property Exchange Group Co., Ltd., Gansu Gonghang Travel Asset Management Co., Ltd., Gansu Luqiao Construction Group Co., Ltd., Gansu Huayun Environmental Construction Engineering Co., Ltd., Gansu Highway Engineering quality Test and Inspection Center Co., Ltd., the applicable income tax rate for this year is 15%.

According to the Circular of the State Administration of Taxation on the in-depth implementation of the Strategy for the Development of the Western region (Fiscal and Taxation [2012] No. 12) and the Circular of the Gansu Provincial Local Taxation Bureau on the implementation of the tax payable on Enterprise income tax, Business tax and consumption tax related to the Development of the Western region: Before the publication of the catalogue of encouraging Industries in the Western region, enterprises that enjoy the preferential tax policies for the large-scale development of the western region after examination and approval before 2010 may continue to pay or pay enterprise income tax at the tax rate of 15% after reporting to the local tax authorities at the municipal and state levels for the record. The subsidiary of the company Gansu Luqiao Feiyu Transportation facilities Co., Ltd., Gansu Luqiao third Highway Engineering Co., Ltd., Gansu Luqiao fourth Highway Engineering Co., Ltd., Gansu Wuhuan Highway Engineering Co., Ltd., Gansu Borei Traffic heavy equipment Manufacturing Co., Ltd., in accordance with the above provisions, the applicable income tax rate for this year is 15%.

According to the Circular on the implementation of inclusive tax remission Policy for small and Micro Enterprises by the General Administration of Taxation of the Ministry of Finance (Fiscal and Taxation (2019) No. 13), The company's subsidiary companies Gansu Gonghang Travel Engineering and Technical Services Limited Liability Company, Gansu Tourism Research Institute Limited, Gansu Fuxiang Property Management Ltd., Zhangye Danxia Wisdom Travel Ltd., Gansu Gongye Travel Self Driving Travel Ltd., Gansu Gonghang Travel Black Songyi Cultural Tourism Ltd., Gansu Gonghang Travel Qilian Hotel Management Ltd., Gansu Gongzhishan Travel Car Rental Ltd., Gansu Yanzhishan Passenger Transportation Ltd., Gansu Overseas Travel Ltd., Gansu Province International Travel Ltd., China travel agency limited, gansu western international conference & exhibition limited, gansu gansu gonghang travel stade research & development service limited company, gansu sinruifeng investment limited company, lanzhou new area joint property rights management service limited company, lanzhou international commodity auction limited liability company, tianshui united factor market service limited company, pingliang joint property rights management service limited company, jiuquan joint property rights management service limited company, Dingxi property rights factor market service limited

company limited company, gannan state property right factor market service limited company, wuwei property right factor market service limited company, silk road public air travel investment management limited company, gansu modern service industry venture investment fund limited company, gansu public air travel fund management limited company, yumen county economic development fund (limited partnership), Dingxi state investment small and medium-sized enterprises development fund (limited partnership) , Where the annual taxable income does not exceed 1 million yuan, the amount of taxable income shall be reduced by 25 per cent and the enterprise income tax shall be paid at the rate of 20 per cent; for the part of the annual taxable income which exceeds 1 million yuan but not more than 3 million yuan, the amount of taxable income shall be reduced by 50 per cent and the enterprise income tax shall be paid at the rate of 20 per cent.

In accordance with the provisions of the notice of the General Administration of Customs of the General Administration of Taxation of the Ministry of Finance on deepening the Reform of value-added tax (No. 39 of 2019), from April 1, 2019 to December 31, 2021, taxpayers in the production and living service industries are allowed to add 10% to the deductible income tax for the current period, deducting the amount of tax payable (hereinafter referred to as the deductible policy) . In accordance with the provisions of the notice of the General Administration of Taxation of the Ministry of Finance on defining the value-added tax deduction Policy for living Services (No. 87 of 2019), taxpayers of the living service industry are allowed to add 15% to the deductible income tax for the current period from October 1, 2019 to December 31, 2021, and the amount of tax payable shall be deducted (hereinafter referred to as the policy of an additional deduction of 15%). Our subsidiary companies, Gansu Gonghang Travel Pearl Hotel Ltd., Zhangye Danxia Cultural Tourism Ltd., Zhangye Danxia Scenic Area Public Transport Ltd., Gansu Overseas Tourism Ltd., Gansu International Travel Agency Ltd., Gansu Silk Road International Travel Agency Ltd., Gansu Western International Conference & Exhibition Ltd., Gansu Sinuifeng Investment Ltd., Gansu Property Exchange Ltd., Lanzhou International Commodity Auction Ltd. enjoy the preferential policy.

In accordance with the provisions of the Proclamation of the General Administration of Taxation of the Ministry of Finance on supporting the Prevention and Control of pneumonia infected by novel coronavirus (No. 8 of 2020), VAT shall be exempted from the income earned by taxpayers in providing public transport services and living services, as well as in providing essential living goods express delivery services for residents. The company's subsidiary companies Zhangye Danxia Cultural Tourism Ltd., Zhangye Danxia Scenic Area Public Transport Ltd., Zhangye Danxia Wisdom Tourism Ltd., Zhangye Danxia Scenic Spot Management Ltd., Gansu

Silk Road Camping Place Ltd. Zhangye Branch, Gansu Silk Road Camping Place Ltd. Qilian Pearl Hotel Branch, Gansu Qilian Mountain Hotel Ltd. enjoy the preferential policy.

According to the regulations of the General Administration of Taxation of the Ministry of Finance on supporting the resumption of value-added tax Policy for individual Industrial and Commercial households (No. 13 of 2020): From March 1 to May 31, 2020, for small-scale taxpayers of value-added tax in Hubei Province, the taxable sales income of 3% tax collection rate shall be exempted from value-added tax, and the advance value-added tax project with 3% prepaid rate shall be suspended. With the exception of Hubei Province, small-scale taxpayers of value-added tax in other provinces, autonomous regions and municipalities directly under the Central Government shall apply the taxable sales income of 3% of the collection rate and collect value-added tax at the rate of 1%, and the value-added tax shall be reduced by 1% of the advance rate of value-added tax. And the provisions of the notice of the General Administration of Taxation of the Ministry of Finance on the extension of the implementation period of the value-added tax reduction Policy for small-scale taxpayers (No. 24 of 2020); And the provisions of the notice of the General Administration of Taxation of the Ministry of Finance on the extension of the implementation period of the value-added tax reduction Policy for small-scale taxpayers (No. 24 of 2020): Our subsidiary companies, Gansu Public Aviation Travel Engineering Technical Service Co., Ltd., Gansu Tourism Research Institute Co., Ltd., Gansu Fuxiang property Management Co., Ltd., Gansu Danxia Research Travel Agency Co., Ltd., Gansu Silk Road Travel Camp Co., Ltd., Gansu Public Airlines Liliqian Cultural Tourism Co., Ltd., Gansu Public Airlines Travel Heisongyi Cultural Tourism Co., Ltd., Gansu Public Airlines Travel Qilian Hotel Management Co., Ltd., Shandan Royal Racecourse Tourism Co., Ltd., Gansu Yanzhishan Cultural Tourism Co., Ltd., Gansu Yanzhishan passenger Transport Co., Ltd., Gansu Gonghang Travel Tianchi Cultural Tourism Co., Ltd. enjoy this preferential policy.

In accordance with the provisions of the Circular of the State Administration of Taxation of the Ministry of Finance on the exemption from VAT Policy on the Circulation of some fresh Meat and Egg products [2012] No. 75, VAT is exempted from some fresh meat and egg products sold by taxpayers engaged in wholesale and retail of agricultural products. Gansu Oriental seed Trading Center Co., Ltd., a subsidiary of the company, enjoys this preferential policy.

According to the provisions of the State Taxation Bureau of the State Administration of Taxation of Gansu Province on the preferential policies on Land use tax in cities and towns of Real Estate tax in response to the impact of COVID-19 epidemic situation (No. 2 of 2020) Enterprises in transportation (railway transport, road transport, air transport, multimodal transport and transport agents), accommodation, catering, culture, sports and entertainment,

tourism (travel agencies and related services, and scenic spot management), which are greatly affected by the epidemic, shall be exempted from property tax and urban land use tax for three months in 2020. Gansu Gonghang Liming Pearl Hotel Co., Ltd., Zhangye Danxia Cultural Tourism Co., Ltd., a subsidiary of the company, enjoy this preferential policy.

According to " Gansu Province Science and Technology Bureau, Gansu Province Finance Bureau, Gansu Province State Taxation Bureau, Gansu Province Local Taxation Bureau on the publication of Gansu Province in 2011 to be recognized as the list of high-tech enterprises " (GanTech (2011) 34), the company's subsidiary companies Gansu Zhitong Science and Technology Engineering Inspection Consulting Ltd., Gansu Road and Bridge Construction Group Maintenance Science and Technology Limited Liability Company, Gansu Borui Transportation Heavy Equipment Manufacturing Ltd., Gansu New Netcom Technology Information Ltd. the enterprise income tax shall be levied at a reduced rate of 15% in accordance with the provisions of Article 28 of the Enterprise Income Tax Law of the People's Republic of China and Article 93 of the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China.

In accordance with Article 28, paragraph 2, of the decree of the President of the people's Republic of China No. 63 of the Enterprise income tax Law of the people's Republic of China, Gansu Transportation Science Research Institute Co., Ltd., a subsidiary of the company, shall be reduced to 15% of the tax rate for high-tech enterprises that meet the key needs of the State.

According to the provisions of the Circular on further expanding the scope of preferential income tax policies for small and small-profit Enterprises (2018), from January 1, 2018 to December 31, 2020, the upper limit of the annual taxable income of small micro-profit enterprises will be increased from 500000 yuan to 1 million yuan, and the annual taxable income of small micro-profit enterprises with an annual taxable income of less than 1 million yuan (including 1 million yuan) shall be reduced by 50 per cent to taxable income. Enterprise income tax shall be paid at a rate of 20%. The subsidiary of the company Gansu Hongke Bridge Tunnel Engineering Technology Co., Ltd., Gansu Zhitong Yunxiang Traffic Technology Co., Ltd., Gansu Road and Bridge Engineering Inspection Co., Ltd., in accordance with the above provisions.

VII. Financial statements on merger and consolidation of Enterprises (unit of amount: RMB)

(1) Sub-enterprises

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
1	Gansu Tourism Investment Group Management Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Tourism investment	1,303,180,307.94	100.00	1,283,560,307.94	Investment establishment
2	Zhangye Danxia Culture Tourism Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Travel	110,000,000.00	65.00	53,553,557.88	Investment establishment
3	Gansu Silk Road residence Camp Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Travel	500,000,000.00	100.00	556,993,670.56	Investment establishment
4	Gansu Public Aviation Travel Hotel Management Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Business service industry	92,000,000.00	100.00	92,000,000.00	Investment establishment
5	Gansu Gonghang Travel Real Estate Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	estate	870,000,000.00	90.00	650,000,000.00	Investment establishment
6	Gansu Aviation Industry Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Aviation industry	1,400,000,000.00	100.00	1,400,000,000.00	Investment establishment
7	Gansu Gonghang Travel Culture Media Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Cultural media	120,000,000.00	100.00	120,000,000.00	Investment establishment
8	Gansu Gonghang Travel Construction Group Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Road transportation industry	1,565,363,863.64	100.00	1,565,363,863.64	Investment establishment
9	Gansu Yuanda Road Group Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Highway construction and maintenance	20,000,000.00	100.00	19,964,142.88	Transfer to assets

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
10	Gansu Highway Construction Management Group Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Highway construction and maintenance	98,000,000.00	52.73	295,152,661.64	Transfer to assets
11	Gansu Luqiao Highway Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Highway construction and maintenance	100,000,000.00	100.00	110,728,109.03	Transfer to assets
12	Gansu Changda Road Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Highway construction and maintenance	50,000,000.00	100.00	36,915,751.35	Transfer to assets
13	Gansu Public Airlines Travel China Oil Energy Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Wholesale industry	25,449,000.00	51.00	29,040,000.00	Investment establishment
14	Gansu Gonghang Brigade (Zhangye) Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Business service industry	75,400,000.00	100.00	75,400,000.00	Investment establishment
15	Gansu Gonghang Lutangma Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Wuwei City	Wuwei City	estate	1,059,582,013.33	100.00	872,144,013.33	Investment establishment
16	Gansu Gonghang Brigade (Wuwei) Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Wuwei City	Wuwei City	estate	250,000,000.00	100.00	250,000,000.00	Investment establishment
17	Gansu Gonghang Brigade (Wuwei) Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Longnan City	Longnan City	Business service industry	100,000,000.00	100.00	100,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
18	Gansu Public Aviation Travel Group (Hong Kong) Co., Ltd.	Grade I	Overseas non-financial sub-enterprise	Hong Kong	Hong Kong	Business service industry	91,032,215.02	100.00	90,462,040.43	Investment establishment
19	Gansu Financial Capital Management Co., Ltd.	Grade I	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial management	5,000,000,000.00	100.00	11,202,952,277.78	Investment establishment
20	Gansu Gonghang Travel International Trade Co., Ltd.	Grade I	Domestic financial sub-enterprise	Lanzhou City	Gansu Province	Wholesale industry	500,000,000.00	100.00	500,000,000.00	Investment establishment
21	Gansu Public Airlines Brigade (Linxia) Development Co., Ltd.	Grade I	Domestic financial sub-enterprise	Linxia state	Linxia state	Business service industry	1,023,295,395.28	100.00	1,023,295,395.28	Investment establishment
22	Public Airlines Travel (Beijing) Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Beijing	Beijing	Business service industry	1,000,000,000.00	100.00	1,000,000,000.00	Investment establishment
23	Gansu Gonghang Travel (Jiujia) Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Jiayuguan City	Jiayuguan City	Business service industry	60,000,000.00	100.00	60,000,000.00	Investment establishment
24	Gansu Gonghang Lususa Highway Management Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Jiuquan City	Jiuquan City	Road transportation industry	189,993,000.00	79.00	150,094,000.00	Investment establishment
25	Gansu Gonghang Travel	Grade I	Domestic non-financial	Jinchang City	Jinchang City	商务服务业	3,000,000.00	100.00	3,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	(Jinchang) Investment Co., Ltd.		sub-enterprise							
26	Gansu Gonghang Travel Historical District Construction Investment Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Wuwei City	Wuwei City	Business service industry	647,978,922.00	100.00	524,681,030.00	Investment establishment
27	Gansu Gonghang Lulana Highway Management Co., Ltd.	Grade I	Domestic non-financial sub-enterpris	Lanzhou City	Lanzhou City	Road transportation industry	756,271,380.00	71.34	539,524,002.00	Investment establishment
28	Public Air Brigade (Belarus)	Grade I	Domestic non-financial sub-enterprise	Belarus	Belarus	Business service industry	29,115,040.00	100.00	35,591,700.00	Investment establishment
29	Zhangye Danxia Scenic spot Management Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Public facilities management industry	105,390,000.00	65.00	46,448,942.12	Investment establishment
30	Gansu Gonghang Travel Information Technology Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Software and information technology services	5,000,000.00	100.00	5,000,000.00	Investment establishment
31	Gansu Gonghang Travel Petrochemical Energy Co., Ltd.	Grade I	Domestic non-financial sub-enterprise	Lanzhou New area	Lanzhou New area	Wholesale industry		51.00		Investment establishment
32	Gansu Yuanfeng Traffic Engineering Co., Ltd.	Grade I	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Manufacturing industry	101,600,000.00	100.00	103,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
33	Gansu Gonghang Road Industry Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Transport, warehousing and postal services	601,000,000.00	100.00	602,633,438.50	Investment establishment
34	Gansu Oriental Fire Engineering Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Construction business	80,000,000.00	100.00	83,000,000.00	Investment establishment
35	Gansu Rongcheng Construction Engineering Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Construction business	300,000,000.00	100.00	303,200,000.00	Investment establishment
36	Gansu Gonghang Travel Ecological Environmental Protection Technology Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Wholesale and retail trade	30,000,000.00	100.00	30,000,000.00	Investment establishment
37	Gansu Public Aviation Travel graphene Technology Development Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Wholesale and retail trade	42,216,519.88	51.00	21,530,425.14	Investment establishment
38	Gansu Public Aviation Brigade Engineering Technical Service Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Scientific research and technology services		100.00		Investment establishment
39	Gansu Zhihui Tong Science	Grade II	Domestic non-financial	Lanzhou City	Lanzhou City	Wholesale and retail trade	50,000,000.00	100.00	50,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	and Trade Co., Ltd.		sub-enterprises							
40	Zhangye Danxia Scenic spot bus Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Transport, warehousing and postal services	6,000,000.00	100.00	6,000,000.00	Investment establishment
41	Zhangye Danxia Wisdom Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Business service industry	6,000,000.00	67.00	4,020,000.00	Investment establishment
42	Gansu Gonghang Lili Culture Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Jinchang City	Jinchang City	Water, environment and public facilities management	75,000,000.00	100.00	75,000,000.00	Investment establishment
43	Gansu Gonghang Travel Culture and Education Technology Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Wholesale and retail trade	1,000,000.00	51.00	510,000.00	Investment establishment
44	Gansu Public Airlines Travel self-driving Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Business service industry	4,000,000.00	100.00	4,000,000.00	Investment establishment
45	Gansu Gonghang Travel Heisongyi Cultural Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Wuwei City	Wuwei City	Business service industry	6,500,000.00	60.31	3,920,000.00	Investment establishment
46	Gansu Gonghang Qilian Hotel Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Business service industry		100.00		Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
47	Gansu Tourism (holding) Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Business service industry	13,000,000.00	100.00	13,000,000.00	Investment establishment
48	Gansu Public Aviation Travel Transportation Service Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Transport, warehousing and postal services	125,776,329.44	100.00	125,776,329.44	Investment establishment
49	Gansu Tourism Research Institute Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Resident services, repairs and other services	2,000,000.00	100.00	2,000,000.00	Investment establishment
50	Shandan Royal Racecourse Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Business service industry	30,000,000.00	80.00	24,000,000.00	Investment establishment
51	Gansu Yanzhishan Cultural Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Zhangye City	Zhangye City	Business service industry	50,000,000.00	70.00	35,000,000.00	Investment establishment
52	Yellow River three Gorges Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Linxia state	Linxia state	Resident services, repairs and other services	150,000,000.00	100.00	150,000,000.00	Investment establishment
53	Mai Jishan tourism co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Tianshui City	Tianshui City	Business service industry	100,000,000.00	100.00	100,000,000.00	Investment establishment
54	Gansu Guiqingshan Tourism Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Dingxi City	Dingxi City	Resident services, repairs and other services	386,097,717.57	70.00	270,268,432.30	Investment establishment
55	Gansu Gonghang Travel Tianchi Culture	Grade II	Domestic non-financial sub-enterprises	Longnan City	Longnan City	Business service industry	210,000,000.00	100.00	210,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Tourism Co., Ltd.									
56	Gansu Gonghang Travel Financial Leasing Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Business service industry	1,975,454,853.00	100.00	1,500,000,000.00	Investment establishment
57	Gansu financing guarantee Group Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	5,000,000,000.00	100.00	4,833,861,214.50	Investment establishment
58	Supply chain Management of Public Aviation Brigade (Shenzhen) Co., Ltd.	Grade II	Domestic financial sub-enterprise	Shenzhen City	Shenzhen City	Information transmission, software and information technology services	359,422,408.00	100.00	350,000,000.00	Investment establishment
59	Gansu Xinruifeng Investment Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	6,000,000.00	80.00	31,769,500.00	Investment establishment
60	Silk Road Public Aviation Travel Investment Management Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Business service industry	20,400,000.00	50.98	10,400,000.00	Investment establishment
61	Gansu Modern Service Venture Capital Fund Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	250,000,000.00	80.00	170,000,000.00	Investment establishment
62	Gansu Public Aviation	Grade II	Domestic financial	Lanzhou City	Lanzhou City	Financial industry	644,434,923.00	100.00	629,282,500.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Travel Financial warehousing Co., Ltd.		sub-enterprise							
63	Gansu Public Aviation Travel Fund Management Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	13,000,000.00	100.00	13,000,000.00	Investment establishment
64	Gansu Gonghang Travel Asset Management Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Business service industry	800,000,000.00	100.00	800,000,000.00	Investment establishment
65	Gansu Gonghang Travel Financial Service Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	30,780,000.00	68.23	22,134,600.00	Investment establishment
66	Gansu Gonghang Travel Microloan Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	2,000,000,000.00	98.88	2,070,319,687.98	Investment establishment
67	Commercial factoring of Public Aviation Brigade (Shenzhen) Ltd.	Grade II	Domestic financial sub-enterprise	Shenzhen City	Shenzhen City	Business service industry	70,000,000.00	100.00	70,000,000.00	Investment establishment
68	Gansu Public Airlines Travel Code Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Financial industry	200,000,000.00	99.50	212,500,000.00	Investment establishment
69	Yumen County Economic Development	Grade II	Domestic financial sub-enterprise	Jiuquan City	Jiuquan City	Financial industry	100,000,000.00	69.80	69,800,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Fund (Limited Partnership)									
70	Dingxi State Investment small and medium-sized Enterprises Development Fund (limited partnership)	Grade II	Domestic financial sub-enterprise	Dingxi City	Dingxi City	Financial industry	200,000,000.00	70.00	139,800,000.00	Investment establishment
71	Gansu Dongfang seed Trading Center Co., Ltd.	Grade II	Domestic financial sub-enterprise	Zhangye City	Zhangye City	Financial industry	30,000,000.00	51.00	15,300,000.00	Investment establishment
72	Gansu Gonghang Travel Credit Co., Ltd.	Grade II	Domestic financial sub-enterprise	Lanzhou City	Lanzhou City	Business service industry		100.00		Industrial and commercial registration, unbuilt account accounting
73	Public Aviation Brigade (Lanzhou New area) International Trade Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Wholesale and retail trade	100,000,000.00	100.00	100,000,000.00	Investment establishment
74	Zhangye Danxia General Airport Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Transport, warehousing and postal services	15,000,000.00	100.00	15,000,000.00	Investment establishment
75	Gansu Airport Operation and Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Transport, warehousing and postal services		100.00		Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
76	Gansu Gonghang Lushuachi Nanliang General Airport Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Qingyang City	Qingyang City	Transport, warehousing and postal services	70,000,000.00	100.00	70,000,000.00	Investment establishment
77	Gansu Silk Road Aviation Sports Club Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Culture, sports and entertainment	5,000,000.00	100.00	5,000,000.00	Investment establishment
78	Gansu Gonghang Brigade UAV Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Wholesale and retail trade	1,000,000.00	100.00	1,000,000.00	Investment establishment
79	Gansu Qilian Mountain Hotel Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Accommodation and catering	60,000,000.00	100.00	60,000,000.00	Investment establishment
80	Gansu Deyuan Real Estate Development Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	estate	100,000,000.00	100.00	100,000,000.00	Investment establishment
81	Gansu Gonghang Travel Yiyuan Real Estate Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Tianshui City	Tianshui City	estate	80,000,000.00	100.00	80,000,000.00	Investment establishment
82	Gansu Gonghang Travel Pearl Hotel Ltd.	Grade II	Domestic non-financial sub-enterprise	Linxia state	Linxia state	Accommodation and catering industry	1,022,195,395.28	100.00	1,022,195,395.28	Investment establishment
83	Gonghang Travel (Shanghai) Supply Chain Management Ltd.	Grade II	Domestic non-financial sub-enterprise	Shanghai	Shanghai	Business service industry	100,000,000.00	100.00	100,000,000.00	Investment establishment
84	Gonghang Travel (Zhejiang FTA)	Grade II	Domestic non-financial sub-enterprise	Zhejiang Province	Zhoushan City	Business service industry	50,000,000.00	100.00	50,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Supply Chain Management Ltd.									
85	Gonghang Travel (Shenzhen) Investment Holding Ltd.	Grade II	Domestic non-financial sub-enterprise	Shenzhen City	Shenzhen City	Business service industry	2,000,000.00	100.00	2,000,000.00	Investment establishment
86	Gansu Fuxiang Property Management Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	estate	1,000,000.00	100.00	1,000,000.00	Investment establishment
87	Gansu Highway Aviation Tourism Research Institute Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou New area	Lanzhou New area	Research and experimental development	50,000,000.00	100.00	50,000,000.00	Investment establishment
88	Zhangye Danxia Scenic spot Automobile Transportation Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Road transportation industry		100.00		Industrial and commercial registration, unbuilt account accounting
89	Gansu Danxia Research Travel Service Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Business service industry	1,000,000.00	100.00	1,000,000.00	Investment establishment
90	Zhangye colorful Danxia Scenic spot Hotel Catering Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Zhangye City	Zhangye City	Catering industry		100.00		Industrial and commercial registration, unbuilt account accounting

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
91	Gansu Gonghang Travel Renyuan Real Estate Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Dingxi City	Dingxi City	estate	200,000,000.00	100.00	200,000,000.00	Investment establishment
92	Gansu Lanhai Weiwu Expressway Operation and Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Longnan City	Longnan City	Business service industry	5,000,000.00	100.00	5,000,000.00	Investment establishment
93	Gansu Highway Traffic Construction Group Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Civil engineering building	50,000,000.00	100.00	23,633,903,239.14	Merger of non-identical control enterprises
94	Gansu Beixian Expressway Project Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Wuwei City	Wuwei City	Highway engineering building		100.00		Investment establishment
95	Gansu Silk Road Mail Translation (Suspended Spring) Cultural Development Ltd.	Grade II	Domestic non-financial sub-enterprise	Jiuquan City	Jiuquan City	Protection of cultural relics and intangible cultural heritage	16,000,000.00	100.00	16,000,000.00	Investment establishment
96	Gansu Guazhou Qiaowan Traffic Logistics Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Jiuquan City	Jiuquan City	Container logistics, cold chain logistics, warehousing and distribution, handling and handling, road	3,000,000.00	100.00	3,000,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
						general cargo transport				
97	Gansu Guazhou Liuyuan Jiaotong Stone Industry Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Jiuquan City	Jiuquan City	Mining, processing and marketing of minerals; processing and marketing of sand and stone materials	27,000,000.00	100.00	27,000,000.00	Investment establishment
98	Gansu Erche Advanced Highway Project Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Investment, Design, Construction, Operation and maintenance of Highway projects and transfer	1,255,975,200.00	51.21	643,135,400.00	Free transfer
99	Gansu Jiaojian Project Management Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Construction, Operation, Development and Management of Expressway and Provincial main Highway Project	202,196,675.41	100.00	202,196,675.41	Investment establishment
100	Gansu Highway Development Group Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Highway construction, highway maintenance, building installation	118,736,898.09	100.00	118,736,898.09	Free transfer
101	Gansu Transportation material Trading Group	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	Wholesale of gasoline and diesel oil (closed cup	582,657,893.12	100.00	582,657,893.12	Integration and reorganization

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Co., Ltd.					flash point ≤ 60 ℃)				
102	Gansu Transportation Service Co., Ltd.	Grade II	Domestic non-financial sub-enterprise	Lanzhou City	Lanzhou City	consulting service	162,076,658.84	100.00	162,076,658.84	Merger of enterprises under the same control
103	Gansu Luqiao Construction Group Co., Ltd.	Grade II	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Traffic engineering construction	500,000,000.00	100.00	500,000,000.00	Merger of enterprises under the same control
104	Gansu Transportation Science Research Institute Group Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Development of engineering and technical research and experiments	15,158,836.92	100.00	15,158,836.92	Merger of enterprises under the same control
105	Gansu Expressway Service Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Lanzhou City	Lanzhou City	Management and value-added maintenance Service of operating assets of Expressway in Province	25,000,000.00	100.00	25,000,000.00	Free transfer
106	Gansu Highway Transportation Service Center Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Gansu Lanzhou	Gansu Lanzhou	Road passenger transport	15,105,601.49	100.00	15,105,601.49	Merger of enterprises under the same control
107	Gansu Qinghe Expressway Project Management Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Gansu Lanzhou	Gansu Lanzhou	Project investment	604,106,800.00	16.55	100,000,000.00	Investment establishment
108	Gansu Jinhe Expressway Project	Grade 2	Domestic non-financial sub-enterprises	Gansu Lanzhou	Gansu Lanzhou	Project investment, engineering	1,122,560,000.00	10.30	115,650,000.00	Investment establishment

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Management Co., Ltd.					construction				
109	Gansu Dundang Expressway Project Management Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Jiuquan City	Jiuquan City	Investment, Design and Construction of Dunhuang to Dangjinshankou Highway Project	4,574,358,550.00	26.36	1,205,623,370.00	Investment establishment
110	Gansu Pengda Expressway Project Management Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Pingliang City	Pingliang City	Investment, Design and Construction of PPP Project of Pengda Expressway Project	2,018,010,000.00	55.98	1,129,600,000.00	Investment establishment
111	Gansu Jiaojian Investment Fund Management Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Gansu Lanzhou	Gansu Lanzhou	Entrusted management of private equity funds, project investments and consulting	35,000,000.00	100.00	35,000,000.00	Investment establishment
112	Gansu Linghua Expressway Project Management Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Pingliang City	Pingliang City	Investment, Design, Construction, Operation and Management of Linghua Expressway Project	323,950,000.00	27.24	88,239,295.00	Investment establishment
113	Baye construction group co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Gansu Jinchang	Gansu Jinchang	Housing construction industry	124,655,297.25	31.26	380,215,813.90	Merger of enterprises under the same control
114	Gansu New Development	Grade 2	Domestic non-financial	Gansu Lanzhou	Gansu Lanzhou	Business service	100,000,000.00	100.00	100,000,000.00	Merger of enterprises

Serial number	Name of enterprise	Grade	Enterprise type	Place of registration	Main economic camp	Business nature	Paid-in capital	Proportion of shares held (%)	Investment amount	Mode of acquisition
	Investment Group Co., Ltd.		sub-enterprises			industry				under the same control
115	Gansu New Development Urban Development and Construction Operation Group Co., Ltd.	Grade 2	Domestic non-financial sub-enterprises	Gansu Lanzhou	Gansu Lanzhou	Housing construction industry	93,000,000.00	100.00	93,000,000.00	Merger of enterprises under the same control

(2) the situation of important non-fully funded sub-enterprises

1. Minority shareholders

Serial number	Enterprise Name	Proportion of minority shareholders holding shares (%)	Profits and losses attributable to minority shareholders in the current period	Dividends paid to minority shareholders in the current period	Cumulative minority rights and interests at the end of the period
1	Gansu Gonghang Travel Microloan Co., Ltd.	1.12	1,075,714.72	1,317,568.00	26,421,601.84
2	Gansu Xinruifeng Investment Co., Ltd.	20	3,121,931.75	1,128,000.00	24,910,743.93
3	Gansu Public Airlines Travel China Oil Energy Co., Ltd.	49	1,438,853.13	1,376,782.09	31,135,173.97
4	Zhangye Danxia Culture Tourism Co., Ltd.	35	3,910,003.50	4,014,500.00	68,220,594.69
5	Baye construction group co., Ltd.	68.74	31,055,977.19		948,940,209.30

2. Key financial information

Item	Gansu Gonghang Travel Microloan Co., Ltd.		Gansu Xinruifeng Investment Co., Ltd.	
	Number of current periods	Number of previous periods	Number of current periods	Number of previous periods
current assets	413,890,696.91	513,298,030.95	500,000,356.33	764,297,634.85

Item	Gansu Gonghang Travel Microloan Co., Ltd.		Gansu Xinruifeng Investment Co., Ltd.	
	Number of current periods	Number of previous periods	Number of current periods	Number of previous periods
Non-current assets	2,074,562,434.09	2,013,898,271.54	35,772,421.22	39,344,652.09
Total assets	2,488,453,131.00	2,527,196,302.49	535,772,777.55	803,642,286.94
floating liability	129,381,539.64	146,530,669.15	298,472,905.88	583,404,436.47
Non-current liability				
Total liabilities	129,381,539.64	146,530,669.15	298,472,905.88	583,404,436.47
business income	189,831,701.86	220,467,446.43	53,954,199.50	96,326,446.19
Net profit	96,045,958.02	92,291,313.59	32,015,101.45	73,136,276.45
Total combined income	96,045,958.02	92,291,313.59	32,015,101.45	73,136,276.45
Cash flow from operating activities	18,434,327.90	-25,993,598.70	-251,103,999.47	497,960,975.21

(continued)

Item	Gansu Public Airlines Travel China Oil Energy Co., Ltd.		Zhangye Danxia Culture Tourism Co., Ltd.	
	Number of current periods	Number of previous periods	Number of current periods	Number of previous periods
current assets	66,862,482.31	75,228,436.76	92,286,367.81	117,912,686.97
Non-current assets	49,047,728.44	39,431,057.77	144,107,463.45	418,591,776.77
Total assets	115,910,210.75	114,659,494.53	236,393,831.26	536,504,463.74
floating liability	52,369,039.38	51,244,998.76	39,939,214.25	37,328,761.31
Non-current liability			6,363,404.46	162,121,726.42
Total liabilities	52,369,039.38	51,244,998.76	46,302,618.71	199,450,487.73

Item	Gansu Public Airlines Travel China Oil Energy Co., Ltd.		Zhangye Danxia Culture Tourism Co., Ltd.	
	Number of current periods	Number of previous periods	Number of current periods	Number of previous periods
business income	256,882,680.28	232,464,820.24	76,829,102.63	183,885,801.82
Net profit	2,936,434.96	4,725,194.50	10,121,746.99	56,506,961.49
Total combined income	2,936,434.96	4,725,194.50	10,121,746.99	56,506,961.49
Cash flow from operating activities	25,001,025.90	-8,982,712.30	77,320,940.97	54,648,749.75

(continued)

Item	Baye construction group co., Ltd.	
	Number of current periods	Number of previous periods
current assets	3,626,759,166.26	4,327,404,964.86
Non-current assets	1,647,939,413.66	1,649,567,526.89
Total assets	5,274,698,579.92	5,976,972,491.75
floating liability	3,205,405,362.11	3,918,026,000.62
Non-current liability	588,872,152.00	626,240,000.00
Total liabilities	3,794,277,514.11	4,544,266,000.62
business income	6,150,297,299.99	6,118,896,037.90
Net profit	46,179,074.68	40,473,434.60
Total combined income	46,264,574.68	40,473,434.60
Cash flow from operating activities	136,049,194.33	137,962,370.37

(3) Atomic companies that were no longer included in the scope of the merger during the reporting period

Name of subsidiary	Place of registration	Subordinate relationship	Business nature	Write-off date Net assets	Write-off date	Write-off basis
Yellow River Stone Forest Cultural Tourism Co., Ltd.	Baiyin City	Subsidiary company	Culture, sports and entertainment	99,979,342.34	2020-6-3	According to Gan Travel and Investment Association Discipline [2020] No. 52
Gansu Gonghang Lazikou Culture Tourism Co., Ltd.	Gannan state	Subsidiary company	Accommodation and catering industry	6,686,905.83	2020-6-24	According to Gan Travel and Investment Association Discipline [2020] No. 52
Gansu Gonghang Ludong Township Culture Tourism Co., Ltd.	Linxia state	Subsidiary company	Business service industry		2020-5-20	Summary of Gangong Airlines Travel Board (2020) 2
Gansu Public Airlines Travel Shouyang Mountain Cultural Tourism Co., Ltd.	Dingxi City	Subsidiary company	Accommodation and catering industry		2020-6-8	Summary of Gangong Airlines Travel Board (2020) 2
Public Airlines Travel Insurance Brokerage Co., Ltd.	Lanzhou City	Subsidiary company	Financial industry	51,276,332.91	2020-7-30	Resolution of the first and second shareholders' meeting of Public Aviation Travel Insurance Brokerage Company in 2020
Gansu Gonghang Brigade (Tianshui) Investment Co., Ltd.	Tianshui City	Subsidiary company	Business service industry		2020-6-11	Summary of Gangong Airlines Travel Board (2020) 2
Gansu Public Aviation Travel Group (Baiyin) Investment Co., Ltd.	Baiyin City	Subsidiary company	Business service industry		2020-5-22	Summary of Gangong Airlines Travel Board (2020) 2
Qilian Mountain Tourism Co., Ltd.	Zhangye City	Subsidiary company	Water, environment and public facilities management	140,599,713.21	2020-10-26	According to the cancellation report, Hligan sub-trial word (2020) No. 0139
Gansu Public Airlines Travel General Aviation Co., Ltd.	Lanzhou City	Subsidiary company	Air transportation industry	388,428.07	2020-11-12	Summary of Gangong Airlines Travel Board (2020) 2
Gansu Gonghang Tourism Sangke grassland residence Camp Co., Ltd.	Gannan state	Subsidiary company	Accommodation and catering industry		2020-4-24	Gangong Airlines Travel Party Fa (2020) 22

Name of subsidiary	Place of registration	Subordinate relationship	Business nature	Write-off date Net assets	Write-off date	Write-off basis
Gansu Gonghang Travel Highway maintenance Co., Ltd.	Lanzhou City	Subsidiary company	Daily maintenance and maintenance Management of Highway	4,760,376.94	2020-9-27	In 2018, the public air travel maintenance company was transferred to the provincial public transport construction group. There was no paid-in capital at the time of the transfer. Most of the business and personnel have been transferred and can not carry out daily business activities. According to the provincial government's state-owned pressure management to reduce the level of empty shell enterprises and dispose of inefficient and invalid assets, the group cancelled (new area) registered domestic sales words (2020) No. 62013320005699 in 2020.

(4) subjects newly included in the scope of the merger in the reporting period

Serial number	Enterprise Name	Net assets at the end of the period	Net profit for the current period	Nature of control
1	Gansu Highway Aviation Tourism Research Institute Co., Ltd.	52,353,204.00	353,204.00	Wholly owned subsidiary
2	Zhangye Danxia Scenic spot Automobile Transportation Co., Ltd.			Wholly owned subsidiary
3	Zhangye Danxia Scenic spot Management Co., Ltd.	158,944,990.84	21,427,454.30	Wholly owned subsidiary
4	Gansu Danxia Research Travel Service Co., Ltd.	916,439.82	-83,560.18	Wholly owned subsidiary
5	Zhangye colorful Danxia Scenic spot Hotel Catering Management Co., Ltd.			Wholly owned subsidiary
6	Gansu Gonghang Travel Renyuan Real Estate Co., Ltd.	200,006,280.27	6,280.27	Wholly owned subsidiary
7	Gansu Lanhai Weiwu Expressway Operation and Management Co., Ltd.	4,994,132.69	-5,867.31	Wholly owned subsidiary

Serial number	Enterprise Name	Net assets at the end of the period	Net profit for the current period	Nature of control
8	Gansu Gonghang Travel Information Technology Co., Ltd.	5,021,168.41	21,168.41	Wholly owned subsidiary
9	Gansu Gonghang Travel Petrochemical Energy Co., Ltd.	-294,423.91	-294,423.91	Wholly owned subsidiary
10	Gansu New Development Investment Group Co., Ltd.	111,263,921.27	-2,016,760.73	Wholly owned subsidiary

(5) merger of enterprises under the same control

1. Merger of enterprises under the same control that occurred this year

Name of the buyer to be purchased	Time of acquisition of equity	Equity acquisition cost	Share acquisition ratio (%)	Equity acquisition mode	Date of purchase	Basis for determining the date of purchase	Income from the date of purchase to the end of the year	Net profit of the buyer from the date of purchase to the end of the year
Baye construction group co., Ltd.	30 June 2019	380, 215, 813. 90	31. 26	Merger of enterprises under the same control	2019年6月30日	Acquire control		46, 179, 074. 68

The impact of the merger and increase in subsidiaries under the same control on the balance at the end of the previous year of the consolidated statements is as follows:

Affected reporting subjects	31 December 2019		
	Pre-adjustment amount	Adjust integer	Adjusted amount
Monetary funds	49, 323, 360, 884. 15	705, 366, 936. 46	50, 028, 727, 820. 61
Deposit	1, 888, 934, 538. 69		1, 888, 934, 538. 69
Bill receivable	132, 743, 471. 65	178, 835, 788. 49	311, 579, 260. 14
Accounts receivable	3, 660, 337, 217. 14	962, 463, 524. 59	4, 622, 800, 741. 73
Advance payment	14, 351, 133, 210. 03	104, 026, 904. 97	14, 455, 160, 115. 00
Other receivables	11, 430, 114, 393. 34	41, 514, 529. 37	11, 471, 628, 922. 71
Stock	5, 881, 513, 568. 69	1, 845, 794, 237. 75	7, 727, 307, 806. 44
Non current assets due within one year	785, 764, 341. 09		785, 764, 341. 09
Other current assets	2, 834, 296, 788. 17	-59, 469, 597. 32	2, 774, 827, 190. 85
Issuance of loans and advances	3, 861, 651, 539. 10		3, 861, 651, 539. 10
Available for sale of financial assets	2, 935, 063, 490. 09	1, 759, 341. 90	2, 936, 822, 831. 99
Investment held to maturity	34, 553, 467. 41		34, 553, 467. 41
Long-term receivables	1, 649, 612, 618. 58		1, 649, 612, 618. 58
Long-term equity investment	9, 562, 319, 222. 64	104, 400, 773. 84	9, 666, 719, 996. 48
Investment real estate	757, 929, 379. 00	35, 030, 730. 00	792, 960, 109. 00
Fixed assets	174, 512, 125, 769. 85	1, 172, 608, 202. 11	175, 684, 733, 971. 96
Construction in progress	213, 623, 711, 311. 59	109, 797, 637. 65	213, 733, 508, 949. 24
Intangible assets	2, 228, 802, 262. 49	156, 732, 694. 19	2, 385, 534, 956. 68
Development expenditure	3, 563, 754. 06		3, 563, 754. 06
goodwill	62, 494, 847. 51		62, 494, 847. 51
Long-term expenses to be amortized	295, 684, 230. 38	13, 648, 996. 35	309, 333, 226. 73
Deferred income tax assets	159, 328, 944. 71	10, 359, 622. 12	169, 688, 566. 83
Other non-current assets	35, 000, 000. 00	357, 460. 00	35, 357, 460. 00

Affected reporting subjects	31 December 2019		
	Pre-adjustment amount	Adjust integer	Adjusted amount
Short-term loan	5,456,004,795.00	746,000,000.00	6,202,004,795.00
Deposit	73,000.00		73,000.00
Bill payable	1,533,813,953.05		1,533,813,953.05
Accounts payable	13,491,824,655.97	1,359,706,833.45	14,851,531,489.42
Advance receipt	2,592,002,892.31	169,110,980.55	2,761,113,872.86
Pay payable to staff and workers	209,273,609.73	94,326,217.66	303,599,827.39
Taxes and fees should be paid	415,550,678.89	147,879,336.65	563,430,015.54
Other accounts payable	3,688,130,882.62	1,191,428,256.63	4,879,559,139.25
Undue liability bond	42,364,264.06		42,364,264.06
Guarantee indemnity bond	205,744,632.58		205,744,632.58
Non-current liabilities due within one year	20,317,287,427.08		20,317,287,427.08
Long-term loan	213,692,464,056.64	626,240,000.00	214,318,704,056.64
Bonds payable	38,747,514,193.44		38,747,514,193.44
Long-term payable	30,193,082,400.80		30,193,082,400.80
Deferred income	76,969,288.40		76,969,288.40
Deferred income tax liability	10,155,524.40		10,155,524.40
Paid-in capital	20,000,000,000.00		20,000,000,000.00
Other instruments of interest	1,500,000,000.00		1,500,000,000.00
Capital reserve	123,556,634,562.41	276,113,934.55	123,832,748,496.96
Other combined benefits	21,907,462.13		21,907,462.13
Special reserve	116,473,947.13	124,834,771.62	241,308,718.75
Surplus reserve	1,431,393,151.28		1,431,393,151.28
General risk preparation	81,472,135.93		81,472,135.93
Undistributed profit	13,005,321,279.04	-325,154,786.74	12,680,166,492.30
Minority shareholders' rights and interests	9,624,580,457.47	972,742,238.10	10,597,322,695.57

VIII. notes on the main items of the consolidated financial statements

(1) Monetary funds

1. Details of monetary funds

Item	Closing balance	Balance at the end of last year
Cash in stock	1,354,644.76	12,588,641.17
Bank deposit	51,382,664,692.88	48,066,836,550.18
Other monetary funds	379,191,048.54	1,949,302,629.26

Total	51,763,210,386.18	50,028,727,820.61
Of which: total amount of money deposited abroad	31,209,026.42	103,042,815.39

Note: other monetary funds are risk reserve, bank acceptance bill bond and guarantee bond. As at December 31, 2020, the restricted monetary funds are time deposits in bank deposits and other monetary funds used for guarantee, the amount of which is 368986329.13 yuan, and the amount of money deposited by the company abroad is 31209026.42 yuan.

2. The details of the restricted monetary funds are as follows:

Item	Closing balance	Balance at the end of last year
Time deposits for guarantee	81,955,766.25	42,546,004.63
Bank acceptance of bill of exchange security	53,247,925.40	569,323,191.31
Guarantee deposit		666,759.00
Certificate of deposit	135,583,974.89	783,475,037.12
Security for security	407,750.68	3,000,000.00
Letter of credit deposit	2,139,000.00	4,190,000.00
Performance bond	95,651,911.91	32,771,205.21
Total	368,986,329.13	1,435,972,197.27

(2) Financial assets measured at fair value and whose changes are included in the profits and losses of the current period

Item	Closing balance	Balance at the end of last year
Financial assets designated to be measured at fair value and whose changes are included in the profits and losses of the current period	38,611,110.00	
Of which: others	38,611,110.00	
total	38,611,110.00	

(3) deposit margin

Account age	Closing balance		Balance at the end of last year	
	Amount	Proportion (%)	Amount	Proportion (%)
Less than 1 year	1,739,785,569.36	95.25	1,818,483,996.49	96.27
1-2 years	63,448,092.82	3.47	22,387,386.26	1.19
2-3 years	13,038,829.61	0.71	48,063,155.94	2.54
3-4 years	10,350,000.05	0.57		
total	1,826,622,491.84	100.00	1,888,934,538.69	100.00

(4) Bills receivable

1. Classified disclosure of notes receivable

Species	Closing balance	Balance at the end of last year
Bank acceptance bill	333,422,161.22	253,890,845.09
Commercial acceptance bill	56,959,118.55	57,688,415.05
total	390,381,279.77	311,579,260.14

2. No pledged notes receivable at the end of the reporting period

3. Notes receivable that have been endorsed or discounted and have not yet matured on the balance sheet date

Species	End of term confirmation amount	Confirmed amount not terminated at the end of the period
Bank acceptance bill	508,067,888.19	
total	508,067,888.19	

4. There were no instruments converted to accounts receivable as a result of the non-performance of the issuer during the reporting period.

(5) accounts receivable

1. Classified disclosure of accounts receivable

Species	Closing balance				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Accounts receivable for which a single amount is significant and a single provision for bad debts is made	110,683,617.56	1.50	101,612,369.67	91.80	9,071,247.89
Accounts receivable prepared for bad debts according to the characteristics of credit risk	7,151,210,359.81	96.83	815,609,198.15	11.41	6,335,601,161.66
Among them: combination 1: ageing combination	6,627,486,941.28	89.73	815,220,612.42	12.30	5,812,266,328.86
Combination 2: associated combination	7,771,714.68	0.11	388,585.73	5.00	7,383,128.95
Combination 3: factors receivable	515,951,703.85	6.99			515,951,703.85
Accounts receivable for which a single amount is not significant but a single provision for bad debts	123,212,244.17	1.67	119,178,154.08	96.73	4,034,090.09
total	7,385,106,221.54	100.00	1,036,399,721.90	14.03	6,348,706,499.64

(continued)

Species	Balance at the end of last year				
	Book amount		Provision for bad debts		Book value
	Amount	比例 (%)	Amount	Proportion (%)	
Accounts receivable for which a single amount is significant and a single provision for bad debts is made	163,870,208.32	2.80	154,798,960.43	94.46	9,071,247.89
Accounts receivable prepared for bad debts according to the characteristics of credit risk	5,558,072,722.28	95.01	948,377,318.53	17.06	4,609,695,403.75
Among them: combination 1: ageing combination	5,124,024,372.95	87.59	948,338,398.20	18.51	4,175,685,974.75
Combination 2: associated combination	778,406.68	0.01	38,920.33	5.00	739,486.35
Combination 3: factors receivable	433,269,942.65	7.41			433,269,942.65
Accounts receivable for which a single amount is not significant but a single provision for bad debts	128,151,524.87	2.19	124,117,434.78	96.85	4,034,090.09
total	5,850,094,455.47	100.00	1,227,293,713.74	20.98	4,622,800,741.73

2. Accounts receivable for which the amount of a single item at the end of the period is significant and the provision for bad debts is made separately

Name of debtor	Book amount at the end of the period	Provision for bad debts	Extraction ratio (%)	Design reasons
Wuwei Aerospace Wanyuan Motor Manufacturing Co., Ltd.	22,678,126.89	13,606,879.00	60.00	Party A applies for bankruptcy
Zhejiang Jinyue Petrochemical Co., Ltd.	88,005,490.67	88,005,490.67	100.00	In litigation
total	110,683,617.56	101,612,369.67	—	—

3. Accounts receivable prepared for bad debts according to the characteristics of credit risk

①Use ageing analysis method to calculate accounts receivable prepared for bad debts

Account age	Closing balance			Balance at the end of last year		
	Book amount		Provision for bad debts	Book amount		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	

Account age	Closing balance			Balance at the end of last year		
	Book amount		Provision for bad debts	Book amount		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Less than 1 year (including 1 year)	4,641,484,810.43	70.04	121,835,389.42	2,397,976,861.48	46.80	53,154,811.93
1-2 years (including 2 years)	637,518,312.34	9.62	55,679,774.73	976,292,220.44	19.05	97,102,808.26
2-3 years (including 3 years)	628,575,680.76	9.48	187,643,515.20	779,303,413.56	15.21	233,791,024.07
3-4 years (including 4 years)	488,506,848.39	7.37	244,253,424.20	762,883,610.85	14.89	381,441,805.43
4-5 years (including 5 years)	127,963,902.46	1.93	102,371,121.97	123,601,590.54	2.41	98,881,272.43
More than 5 years	103,437,386.90	1.56	103,437,386.90	83,966,676.08	1.64	83,966,676.08
total	6,627,486,941.28	100.00	815,220,612.42	5,124,024,372.95	100.00	948,338,398.20

4. Accounts receivable that are not significant at the end of the period but are provided for bad debts by a single item

Name of debtor	Book amount at the end of the period	Provision for bad debts	Extraction ratio (%)	Design reasons
Qinghai Golmud Qinghua Mining Project	6,685,836.80	6,685,836.80	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Ningxia Tianmao Real Estate Development Co., Ltd.	7,798,607.25	7,798,607.25	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Dalian heavy Industry Huaxia Special Steel Railway Special dumper system Project	3,270,354.36	3,270,354.36	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Gansu Jinchuan Shenwu Resources Comprehensive Utilization Technology Co., Ltd.	8,861,488.27	8,861,488.27	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Yunnan Tiangao Ni Industry Co., Ltd.	8,420,921.35	8,420,921.35	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.

Ningxia Qiyuan Pharmaceutical Co., Ltd.	1,419,583.48	1,419,583.48	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Tibet Yulong Copper Industry Co., Ltd.-Yulong Copper Mine Project	2,425,358.91	2,425,358.91	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Guangxi Jinyuan nickel industry co., Ltd	766,474.00	766,474.00	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Liaoning Yingkou Zhongwang Aluminum Co., Ltd.	8,262,603.25	8,217,010.16	99.45	Make bad debts according to the operating conditions and payment conditions of the owners.
Qinghai Yuka Qingcoal Group Co., Ltd.	8,145,013.29	8,145,013.29	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Integrated cement Project of Polyvinyl Chloride in Haina Chemical Industry of Qinghai Salt Lake	7,067,362.75	7,067,362.75	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Qinghai Xinheng Hydropower Development Co., Ltd.-Annual production of 600000 tons of Aluminum Deep processing Project	5,601,874.52	5,601,874.52	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Tianyuan Manganese Industry Co., Ltd. Technical Reform Phase II Living area Project	6,392,788.61	6,392,788.61	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Shandong China Shipping Global Technology Co., Ltd.	282,390.85	282,390.85	100.00	The debtor is insolvent and unable to repay
Chongqing Tiantai Aluminum Co., Ltd.	240,147.94	240,147.94	100.00	The risk of deduction for later maintenance is greater.
Gansu Xinlianhai Co., Ltd.	3,145,787.00	157,290.00	5.00	Party A applies for bankruptcy and subsequent reorganization of production
Project of Ruifeng lead smelting Co., Ltd., Wulat Houqi, Inner Mongolia	9,033,653.52	9,033,653.52	100.00	Bankruptcy of a company
China Gold Group Construction Co., Ltd. (Suifenhe Office Building Project)	638,327.86	638,327.86	100.00	By reconciling with Party A, this balance shall be a fine or deduction by Party A

Beijing Shijingshan District Housing and Urban and Rural Construction Committee (Phase I)	550,000.00	550,000.00	100.00	This payment has been paid to the Beijing Branch, without reasonable information, the financial can not do the account.
Ordos Rixing Trading Co., Ltd.	7,482,284.15	7,482,284.15	100.00	To lose a lawsuit.
Moonlight Meidi International Liquor Industry (Gansu) Co., Ltd.	1,929,000.00	1,929,000.00	100.00	Party A has not been confirmed by the Bureau of Industry and Commerce for three consecutive years.
Ningxia Kaitai magnesium Industry Co., Ltd.	4,434,300.00	4,434,300.00	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Huaxia Science and Technology Silicon Manganese Furnace Project	8,112,884.42	8,112,884.42	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Ningxia Bandung New Materials Co., Ltd.	3,244,247.63	3,244,247.63	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Chahar Right Front Banner Bohai Mining Ltd.	4,189,072.22	4,189,072.22	100.00	Make bad debts according to the operating conditions and payment conditions of the owners.
Guangxi Qiangqiang carbon Co., Ltd.	4,811,881.74	3,811,881.74	79.22	Make bad debts according to the operating conditions and payment conditions of the owners.
total	123,212,244.17	119,178,154.08	--	--

5. Provision for bad debts recovered or transferred back at the end of the period

Name of debtor	Return or recover the amount	Accumulated provision for bad debts prior to return or recovery	The cause or manner of return or recovery.
Jiuquan Suhang Highway Management Office	116.40	116.40	Accounts have been settled
Inner Mongolia Jinlian Aluminum material Co., Ltd.	208,014.40	208,014.40	The arrears have been partially recovered, cash and bank acceptance bills of exchange have been recovered

Inner Mongolia Bayannur Zijin Nonferrous Metals Co., Ltd.	1,037,878.29	1,037,878.29	The arrears have been partially recovered, cash and bank acceptance bills of exchange have been recovered
Ningxia Shenyin Special Steel Co., Ltd.	563,368.50	563,368.50	The arrears have been recovered in full and recovered at the top of the account
Bayannur Western Copper Co., Ltd.	108,906.67	108,906.67	The arrears have been recovered in full, cash and bank acceptance bills of exchange have been recovered
Lanzhou Highway Bureau of Gansu Province	17,022.12	17,022.12	Flush back to make up for bad debts
Others	1,621.42	324,284.00	Recovery of funds
total	1,936,927.80	2,259,590.38	--

6. Status of significant accounts receivable actually written off at the end of the period

Name of debtor	Nature of accounts receivable	Write-off amount	Reasons for write-off	Write-off procedures performed	Whether it occurs as a result of an associated transaction
Dunhuang international hotel	Advance payment	43,334.00	Proceedings have been completed and cannot be recovered	The second regular Board meeting of Gansu Tourism (holding) Co., Ltd in 2020	No
Huludao Zinc Plant 109 M2 Roaster	Project payment	29,996,343.00	Part of the arrears cannot be recovered and bad debts are formed	Report bad debts, resale	No
Dongshan second system of Huludao Zinc Industry	Project payment	12,628,407.57	Part of the arrears cannot be recovered and bad debts are formed	Report bad debts, resale	No
total	--	42,668,084.57	--	--	--

7. Accounts receivable in the top five according to the final amount collected by the defaulting party

Name of debtor	Closing balance	Proportion of total accounts receivable (%)	Provision for bad debts
Lanzhou New District Real Estate Co., Ltd.	455,215,797.22	6.16	22,760,789.86
Lanzhou Lanshi Group Co., Ltd.	202,955,844.48	2.75	10,147,792.22
Lanzhou New District Investment holding Co., Ltd.	190,000,000.00	2.57	
China Railway Changan heavy Industry Co., Ltd.	161,601,211.22	2.19	3,098,892.99

Name of debtor	Closing balance	Proportion of total accounts receivable (%)	Provision for bad debts
Lanzhou New District Comprehensive Free Trade Zone Development and Construction Co., Ltd.	160,455,070.00	2.17	8,022,753.50
total	1,170,227,922.92	15.84	44,030,228.57

8. Accounts receivable that were not terminated by transfer of financial assets at the end of the reporting period.

9. No transfer of accounts receivable, such as securitization, factoring, etc., continued to be involved in the amount of assets and liabilities formed during the reporting period.

(6) advances

1. Prepaid accounts are shown by age

Account age	Closing balance		Balance at the end of last year	
	Amount	Proportion (%)	Amount	Proportion (%)
Less than 1 year (including 1 year)	3,657,359,213.06	33.41	6,206,558,238.40	42.94
1-2 years (including 2 years)	1,802,237,640.19	16.46	3,410,583,619.19	23.59
2-3 years (including 3 years)	1,806,005,310.24	16.50	3,108,427,102.56	21.50
More than 3 years	3,680,867,604.64	33.63	1,729,591,154.85	11.97
total	10,946,469,768.13	100.00	14,455,160,115.00	100.00

2. Large advance payments older than one year

Creditor unit	Debt unit	Closing balance	Accounting age	Reasons for unsettled
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	Gansu Provincial Highway Administration Bureau	1,578,734,921.40	1-2 years, 2-3 years, more than 3 years	Engineering measurement of overhaul project not confirmed
	Gansu Provincial Expressway Administration Bureau	604,673,074.23	1-2 years, more than 3 years	Highway ETC engineering metering not confirmed
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	Dingxi Transportation Bureau	120,000,000.00	2-3 years	Prepaid payment for land transfer
Gansu Tourism Investment Group Co., Ltd.	Tianshui Yingchuan Xincheng Dongke Xincheng Development and Construction Co., Ltd.	95,000,000.00	2-3 years, more than 3 years	Engineering measurement not confirmed
Gansu Highway Aviation Tourism Investment Group Co., Ltd.	Zhongjiao fourth Highway Engineering Bureau Co., Ltd.	67,261,538.78	1-2 years, 2-3 years, more than 3 years	Highway engineering metering not confirmed
	China Railway Seventeenth Bureau Group Co., Ltd.	56,137,190.72	1-2 years, 2-3 years	Highway engineering metering not

Creditor unit	Debt unit	Closing balance	Accounting age	Reasons for unsettled
				confirmed
	China Railway Tunnel Group Co., Ltd.	38,759,253.20	1-2 years	Highway engineering metering not confirmed
	State-owned assets Management area of Subei Mongolian Autonomous region	38,000,000.00	1-2 years	Highway engineering metering not confirmed
	Fujian Road and Bridge Construction Co., Ltd.	32,530,902.24	1-2 years, 2-3 years	Highway engineering metering not confirmed
	China Railway Tunnel Bureau Group Co., Ltd.	30,721,040.28	1-2 years, 2-3 years	Highway engineering metering not confirmed
total		2,661,817,920.85	--	--

3. Advance payment of the top five according to the final amount collected by the prepaid object

Name of debtor	Closing balance	Proportion of total advance payments (%)	Provision for bad debts
Gansu Provincial Highway Administration Bureau	2,228,734,921.40	20.36	
Gansu Provincial Expressway Administration Bureau	604,678,923.84	5.52	
Zhongjiao Road and Bridge Construction Group Co., Ltd.	347,765,891.00	3.18	
China Railway Construction Investment Group Co., Ltd.	338,304,515.00	3.09	
China Railway Fifth Bureau Group Co., Ltd.	331,143,191.00	3.03	
total	3,850,627,442.24	35.18	

(7) other receivables

Item	Closing balance	Balance at the end of last year
Interest receivable	65,527,489.22	48,406,406.48
Dividend receivable	54,552,521.22	68,442,433.69
Other receivables	16,745,426,709.12	11,354,780,082.54
total	16,865,506,719.56	11,471,628,922.71

1. Interest receivable

① Classification of interest receivable

Item	Closing balance	Balance at the end of last year
Time deposit	25,982,391.82	68,818.75

Item	Closing balance	Balance at the end of last year
Entrusted financial management	39,545,097.40	48,337,587.73
total	65,527,489.22	48,406,406.48
Provision for bad debts		
Net amount	65,527,489.22	48,406,406.48

②There are no significant overdue interest at the end of the reporting period.

2. Dividend receivable

Item(or invested unit)	Closing balance	Balance at the end of last year
Gansu Pu-Win Transport Transformation Development Fund (Limited Partnership)	22,000,000.00	51,009,000.00
Gansu Huayun Environmental Construction Engineering Co., Ltd.		3,630,900.00
Gansu Ziguang Intelligent Transportation and Control Technology Co., Ltd.	9,604,000.00	13,132,000.00
Gansu Yilong Asphalt Co., Ltd.		200,000.00
Gansu Jintai Electric Power Co., Ltd.	15,687,627.63	
Gansu Huaheng Construction and installation Engineering Co., Ltd.	239,400.00	239,400.00
Gansu Tongmei New Energy Co., Ltd.	240,133.69	240,133.69
Others	6,781,359.90	
total	54,552,521.22	68,442,433.69

3. Other receivables

Species	Closing balance				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for which the individual amount is significant and the provision for bad debts is made separately	15,095,682,249.16	87.98	25,551,392.67	0.17	15,070,130,856.49
Other receivables prepared for bad debts based on a combination of credit risk characteristics	2,031,019,974.88	11.83	357,002,455.70	17.58	1,674,017,519.18
Among them: combination 1: ageing combination	1,656,654,473.49	9.65	352,453,537.28	21.28	1,304,200,936.21
Combination 2: associated combination	329,718.92		16,485.95	5.00	313,232.97
Combination 3: repayable	173,710,528.78	1.01	4,532,432.47	2.61	169,178,096.31

Species	Closing balance				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Combination 4: guarantee indemnity	200,325,253.69	1.17			200,325,253.69
Other receivables for which a single amount is not significant but a single provision for bad debts	32,537,300.80	0.19	31,258,967.35	96.07	1,278,333.45
total	17,159,239,524.84	100.00	413,812,815.72	2.41	16,745,426,709.12

(continued)

Species	Balance at the end of last year				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for which the individual amount is significant and the provision for bad debts is made separately	9,644,171,343.29	82.64	26,929,384.05	0.28	9,617,241,959.24
Other receivables prepared for bad debts based on a combination of credit risk characteristics	1,978,011,128.64	16.95	241,400,287.78	12.20	1,736,610,840.86
Among them: combination 1: ageing combination	1,583,673,361.33	13.57	238,121,262.49	15.04	1,345,552,098.84
Combination 2: associated combination	16,599.08		829.95	5.00	15,769.13
Combination 3: repayable	232,563,996.67	1.99	3,278,195.34	1.41	229,285,801.33
Combination 4: guarantee indemnity	161,757,171.56	1.39			161,757,171.56
Other receivables for which a single amount is not significant but a single provision for bad debts	47,467,695.93	0.41	46,540,413.49	98.05	927,282.44
total	11,669,650,167.86	100.00	314,870,085.32	2.70	11,354,780,082.54

① Other accounts receivable at the end of the period for which the individual amounts are significant and for which provision for bad debts is made

Name of debtor	Book amount at the end of the period	Provision for bad debts	Extraction ratio (%)	Reasons for accrual
Gansu Provincial Department of Transportation	8,992,419,307.06			No bad debts are expected
Gansu Communications Investment Group Co., Ltd.	2,106,508,453.39			No bad debts are expected

Name of debtor	Book amount at the end of the period	Provision for bad debts	Extraction ratio (%)	Reasons for accrual
Gansu Airport Investment Management Co., Ltd.	1,562,829,527.06			No bad debts are expected to occur in borrowing and borrowing interest
Gansu Provincial Highway Bureau	1,307,873,568.98			Rural road projects, no bad debts are expected
Jiuquan Iron and Steel (Group) Co., Ltd.	1,000,000,000.00			The loan is expected to be free from bad debts
Gansu Radio and Television Network Co., Ltd.	100,000,000.00			The loan is expected to be free from bad debts
Anhui Darui Project	13,980,652.99	13,980,652.99	100.00	Dongying Project Potential Losses
Tangshan Dsen Real Estate Co., Ltd.	11,570,739.68	11,570,739.68	100.00	Interest on loans, profits and losses not entered into the current period, financial accounting treatment
Dunhuang tourism co., Ltd.	500,000.00			No bad debts are expected to occur in the investment funds
total	15,095,682,249.16	25,551,392.67	--	--

② Other receivables prepared for bad debts based on a combination of credit risk characteristics

A. Use of ageing analysis to account for other receivables prepared for bad debts

Account age	Closing balance			Balance at the end of last year		
	Book amount		Provision for bad debts	Book amount		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Less than 1 year (including 1 year)	732,311,694.19	44.20	10,772,996.89	908,560,622.16	57.38	25,647,952.31
1-2 years (including 2 years))	329,854,724.02	19.91	32,971,845.77	253,779,755.63	16.02	25,279,041.88
2-3 years (including 3 years)	230,583,529.36	13.92	69,085,780.13	214,805,453.93	13.56	64,386,776.81
3-4 years (including 4 years)	198,763,853.88	12.00	99,381,926.94	154,865,727.04	9.78	77,432,863.53
4-5 years (including 5 years))	124,498,422.45	7.52	99,598,737.96	31,435,873.07	1.98	25,148,698.46

Account age	Closing balance			Balance at the end of last year		
	Book amount		Provision for bad debts	Book amount		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
More than 5 years	40,642,249.59	2.45	40,642,249.59	20,225,929.50	1.28	20,225,929.50
total	1,656,654,473.49	100.00	352,453,537.28	1,583,673,361.33	100.00	238,121,262.49

B. Ageing Analysis of Renewable contributions in other Receivable funds

Combination name	Closing balance			Balance at the end of last year		
	Book amount	Proportion (%)	Provision for bad debts	Book amount	Proportion ((%)	Provision for bad debts
1-6 months	63,468,265.98	36.54		142,105,376.64	61.10	
7-12 months	10,059,704.02	5.79	301,791.12	60,504,634.94	26.02	1,815,139.05
13-18 months	81,527,677.17	46.93	3,261,107.08	11,648,432.00	5.01	465,937.28
19-24 months	16,384,898.50	9.43	819,244.93	13,194,937.95	5.67	659,746.90
24-30 months	860,948.00	0.50	51,656.88	2,037,094.22	0.88	122,225.65
31-36 months	1,409,035.11	0.81	98,632.46	3,073,520.92	1.32	215,146.46
total	173,710,528.78	100.00	4,532,432.47	232,563,996.67	100.00	3,278,195.34

C. Ageing Analysis of guarantee reimbursements in other Receivable

Combination name	Closing balance			Balance at the end of last year		
	Book amount	Proportion ((%)	Provision for bad debts	Book amount	Proportion ((%)	Provision for bad debts
Less than 1 year	73,938,893.10	36.90		71,149,229.69	43.98	
1-2 years	65,639,316.49	32.77		35,737,189.75	22.09	
2-3 years	27,533,084.93	13.74		37,570,610.88	23.23	
3-4 years	21,173,713.65	10.57		12,822,467.24	7.93	
4-5 years	7,562,571.52	3.78		4,173,013.20	2.58	
More than 5 years	4,477,674.00	2.24		304,660.80	0.19	
total	200,325,253.69	100.00		161,757,171.56	100.00	

③ other receivables for which the amount of the individual item at the end of the period is not significant but is provided for by a single item for bad debts

Name of debtor	Closing balance	Provision for bad debts	Accounting age	Extraction ratio (%)	Reasons for accrual
Zhou Xiangang	3,407,844.87	3,407,844.87	More than 5 years	100.00	Non-repayable capacity

Name of debtor	Closing balance	Provision for bad debts	Accounting age	Extraction ratio (%)	Reasons for accrual
Xiesuihu	25,951.82	12,975.91	3 to 4 years	50.00	Low recovery probability
Xue Xiaohong	11,137.92	5,568.96	3 to 4 years	50.00	Low recovery probability
Cui Yunpeng	52,148.04	26,074.02	3 to 4 years	50.00	Low recovery probability
Ding Lijia	41,617.72	20,808.86	3 to 4 years	50.00	Low recovery probability
Wang Luozhen	52,148.04	26,074.02	3 to 4 years	50.00	Low recovery probability
Sun Yaowen	41,617.72	20,808.86	3 to 4 years	50.00	Low recovery probability
Gao diaohua	27,660.09	13,830.05	3 to 4 years	50.00	Low recovery probability
Xie Tianhu	34,650.81	17,325.40	3 to 4 years	50.00	Low recovery probability
Zhu Xinping	34,650.81	17,325.40	3 to 4 years	50.00	Low recovery probability
Guo Xiangyan	27,660.09	13,830.05	3 to 4 years	50.00	Low recovery probability
Wei Yuan	7,423.85	3,711.93	3 to 4 years	50.00	Low recovery probability
Jin Taiyuan Hot Pot Shop in Anding District	1,000,000.00	500,000.00	3 to 4 years	50.00	Low recovery probability
Hou Jin Sheng	200,000.00	100,000.00	3 to 4 years	50.00	Low recovery probability
Gansu Furei property Management Co., Ltd.	42,933.60	42,933.60	More than 5 years	100.00	Unable to recover
Henan Tongxu	3,768,219.00	3,768,219.00	More than 3 years	100.00	Potential loss of Dongying Project
Yantai Xinghua Power equipment Co., Ltd.	527,400.00	527,400.00	More than 3 years	100.00	Potential loss of Dongying Project
Wang Hua	3,662,829.37	3,662,829.37	More than 3 years	100.00	Potential loss of Dongying Project
Ningxia Shenzhou Tire Co., Ltd.	1,100,000.00	600,000.00	More than 3 years	54.55	By market value
Cai Guilin's judicial deduction	9,036,732.55	9,036,732.55	More than 3 years	100.00	Unable to recover
Ordos Rixing Trading Co., Ltd.	3,759,908.04	3,759,908.04	More than 3 years	100.00	Potential loss of Liugang Project
Beijing Project Department of Baye Group	2,168,033.44	2,168,033.44	More than 3 years	100.00	Potential loss of Dongying Project
Ran Junfeng (Zhongbei Town Project))	300,000.00	300,000.00	More than 3 years	100.00	Potential loss of Dongying Project
Expansion of villa in Zhongbei Town	54,072.00	54,072.00	More than 3 years	100.00	Potential loss of Dongying Project
Suochi Project, Chengxian County, Gansu Province	820,759.37	820,759.37	More than 3 years	100.00	Potential loss of Dongying Project
Liu Changxiong	5,663.03	5,663.03	More than 3 years	100.00	Employee is terminated and cannot be taken back
Liu Jie	5,000.00	5,000.00	More than 3 years	100.00	Miscellaneous expenses to be dealt

Name of debtor	Closing balance	Provision for bad debts	Accounting age	Extraction ratio (%)	Reasons for accrual
					with
Wang Daojing	2,762.00	2,762.00	More than 3 years	100.00	Pending expenses
Liang Guoyong	180,078.00	180,078.00	More than 3 years	100.00	Compensation in lawsuit case of supplier of Soki Middle School Project in Chengxian County
Zhang Dianwen	290,000.00	290,000.00	More than 3 years	100.00	Unable to recover
Wang Hualiang	84,000.00	84,000.00	More than 3 years	100.00	Unable to recover
Chen Xiaodong	76,685.00	76,685.00	More than 3 years	100.00	Payment for Tongzhou Project and compensation for Litigation cases
Dongying Intermediate people's Court	73,098.00	73,098.00	More than 3 years	100.00	Medical expenses to be dealt with
Yang Changxia	300,000.00	300,000.00	More than 3 years	100.00	External rent for the first floor of the original office building
Handling fee for Vietnamese project guarantee letter	78,270.00	78,270.00	More than 3 years	100.00	Potential loss of Liugang Project
Guangxi Liugang Project Department	964,604.12	964,604.12	More than 3 years	100.00	Potential loss of Liugang Project
Baiyin New Century Road Industry Ltd.	271,741.50	271,741.50	More than 5 years	100.00	Unable to recover
total	32,537,300.80	31,258,967.35	—	--	--

④ provision for bad debts recovered or transferred back at the end of the period

Name of debtor	Return or recover the amount	Accumulated provision for bad debts prior to return or recovery	The cause or manner of return or recovery.
Guazhou Mingyun Traffic Construction Investment Co., Ltd.	380,695.23	380,695.23	Recovery of work payment
Tender fee	205,500.00	205,500.00	Full recovery
Jinchang heating Management Office	49,669.56	49,669.56	Amount recovered
Jinchuan Power Plant	38,324.34	38,324.34	Amount recovered
Company 1 Lanzhou Engineering Department	28,247.70	28,247.70	Water and electricity charges
Construction Bank Jinchang City Branch	21,801.51	21,801.51	Housing recovery
Baye heating station	17,041.91	17,041.91	Amount recovered
Jinchuan thermoelectric co., Ltd.	10,000.00	10,000.00	Amount recovered

Bureau of Human Resources and Social Security, Honggu District, Lanzhou City	9,781.10	9,781.10	Refund of deposit
Housing section A1-A7	8,832.69	8,832.69	House money
Lanzhou Public Resources Trading Center (second phase bidding service charge)	5,520.00	5,520.00	Bidding fee
Ultra-square meters for households in South Hospital	3,304.43	3,304.43	House money
Honggu Branch of Gansu Radio and Television Network Company (Phase I)	2,604.00	2,604.00	The initial installation fee has been refunded
Deng Tiehui	1,956.38	1,956.38	Housing recovery
Honggu Branch of Gansu Radio and Television Company (Phase II)	1,228.50	1,228.50	Initial installation fee
Jiang Hongying	800.00	800.00	Amount recovered
Yang Dongsheng	267.81	267.81	Recovery of loans
Electricity deposit	252.62	252.62	Deposit
Du Xiaolei	225.25	225.25	Housing recovery
Water and electricity charges	217.37	217.37	Water and electricity charges
Difference in payment for B1B2 building	148.82	148.82	House money
Zhang Han	107.07	107.07	Room money recovery
Jinchang power supply co., Ltd.	100.00	100.00	Amount recovered
C tower natural gas cost (ten cubic meters)	0.73	0.73	Natural gas fund
Others	23,180.62	1,770,400.62	Recovery of funds
total	809,807.64	2,557,027.64	—

⑤ 5 significant other receivables actually written off at the end of the period

Name of debtor	Nature of other receivables	Write-off amount	Reasons for write-off	Write-off procedures performed	Whether it occurs as a result of an associated transaction
Lanzhou Hengda real estate co., Ltd.	Investment funds	150,000.00	Proceedings have been completed and cannot be recovered	The second regular Board meeting of Gansu Tourism (holding) Co., Ltd in 2020	no
Zhang Caixi	Standby fund	134,098.00	Labor relations have been dissolved and invoices cannot be obtained	Summary of Gansu Travel Control Party meeting [2020] 21, fourth meeting of the Board of Directors, Gansu Tianyi Yongxin Accounting firm [2019] 209 Audit Authentication report opinion	no

Name of debtor	Nature of other receivables	Write-off amount	Reasons for write-off	Write-off procedures performed	Whether it occurs as a result of an associated transaction
Gansu Provincial Highway Bureau	Borrow money	5,000,000.00	Can no longer be recovered.	In December 2019, our company hired Gansu Zhongqin Asset Evaluation Co., Ltd to evaluate the assets of this business and issue an asset evaluation report, and through the study of the party committee of the company, the decision-making opinions were formed.	no
total	--	5,584,098.00	--	--	--

⑥ Other receivables in the top five of the closing balance collected by the party in arrears

Name of debtor	Nature of funds	Closing balance	Accounting age	Proportion of total other receivables (%)	Provision for bad debts
Gansu Provincial Department of Transportation	Transfer of loans, advances	8,992,419,307.06	Less than 1 year	52.41	
Gansu Communications Investment Group Co., Ltd.	Borrow money	2,106,508,453.39	Less than 1 year, 1-2 years	12.28	
Gansu Airport Investment Management Co., Ltd.	Borrow money	1,562,829,527.06	Less than 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, more than 5 years	9.11	
Gansu Provincial Highway Bureau	Transfer loan	1,307,873,568.98	3-4 years	7.62	
Jiuquan Iron and Steel (Group) Co., Ltd.	Borrow money	1,000,000,000.00	Less than 1 year	5.83	
total	--	14,969,630,856.49	--	87.24	

⑦ other receivables recognized were not terminated by transfer of financial assets during the reporting period.

⑧ No other transfer of receivables, such as securitisation, factoring, etc., continued to involve the amount of assets and liabilities formed during the reporting period.

⑨ There were no other receivables involving government subsidies during the reporting period.

(8) inventory

1. Inventory classification

Item	Closing balance		
	Book amount	Preparation for falling prices	Book value
Raw materials	993,395,807.20		993,395,807.20
Self-made semi-finished products and in-product	232,240,704.84		232,240,704.84
Goods in stock (finished goods)	1,998,669,096.94	879,922.34	1,997,789,174.60
Working material (packaging, low value consumables, etc.)	62,031,426.20		62,031,426.20
Send out goods	143,529,101.62		143,529,101.62
Products under construction and development	2,825,275,924.66		2,825,275,924.66
Consumable biological assets	15,240.00		15,240.00
Completed unsettled assets formed by construction contracts	2,753,416,374.31	57,515,341.42	2,695,901,032.89
Others	3,127,061.39		3,127,061.39
total	9,011,700,737.16	58,395,263.76	8,953,305,473.40

(continued)

Item	Balance at the end of last year		
	Book amount	Preparation for falling prices	Book value
Raw materials	1,155,220,764.17		1,155,220,764.17
Self-made semi-finished products and in-product	101,520,959.06		101,520,959.06
Goods in stock (finished goods)	1,326,426,670.73	763,052.93	1,325,663,617.80
Working material (packaging, low value consumables, etc.)	117,239,091.75		117,239,091.75
Send out goods	149,995,864.39		149,995,864.39
Products under construction and development	2,409,605,676.67		2,409,605,676.67
Consumable biological assets	4,914.00		4,914.00
Completed unsettled assets formed by construction contracts	2,521,509,154.77	57,070,467.69	2,464,438,687.08
Others	3,618,231.52		3,618,231.52
total	7,786,141,327.06	57,833,520.62	7,727,307,806.44

2. Status of completed unsettled assets resulting from construction contracts at the end of the period

Item	Closing balance
Cumulative cost incurred	48,701,581,663.46

Item	Closing balance
Cumulative recognized gross profit	366,963,623.58
Less: projected losses	57,515,341.42
Amount settled	46,315,128,912.73
Completed unsettled assets formed by construction contracts	2,695,901,032.89

(9) non-current assets maturing within one year

Item	Closing balance	Balance at the end of last year
Financial lease payments due within one year	781,728,051.24	785,764,341.09
total	781,728,051.24	785,764,341.09

(10) other current assets

Item	Closing balance	Balance at the end of last year
Tax to be deducted / value-added tax to be paid in advance	795,361,783.03	894,592,799.98
Pre-payment of income tax	2,151,153.15	2,834,397.17
Pay other taxes in advance	66,721.74	62,949.99
Financial products	1,520,000,000.00	1,877,337,043.71
Advance tax payment	442,858,677.87	
Balance at the end of last year	2,760,438,335.79	2,774,827,190.85

(11) issuance of loans and advances

1. Distribution of loans by individual and enterprise

Item	Closing balance	Balance at the end of last year
Personal loan	367,311,655.42	406,536,759.09
Enterprise loan	3,929,175,284.24	3,684,151,017.18
Total loans	4,296,486,939.66	4,090,687,776.27
Less: provision for loan losses	343,123,322.93	229,036,237.17
Book value of loan	3,953,363,616.73	3,861,651,539.10

2. Distribution of loans by guarantee

Item	Closing balance	Balance at the end of last year
mortgage	1,523,097,719.72	2,221,078,309.83
Credit loan	637,409,773.17	1,606,729.81

Item	Closing balance	Balance at the end of last year
Entrusted loan	1,894,425,382.70	1,627,230,857.70
Pledge loan	241,554,064.07	240,771,878.93
Total loans	4,296,486,939.66	4,090,687,776.27
Less: provision for loan losses	343,123,322.93	229,036,237.17
Book value of loan	3,953,363,616.73	3,861,651,539.10

3. past-due loans

Item	Closing balance				
	1 to 90 days overdue (including 90 days)	90 to 360 days overdue (including 360 days)	360 days to 3 years overdue (including 3 years))	More than 3 years overdue	total
Collateral loan	12,546,670.00	36,430,899.00	117,971,000.48	24,281,399.92	191,229,969.40
Among them: mortgage loan	12,546,670.00	36,430,899.00	117,971,000.48	24,281,399.92	191,229,969.40
Entrusted loan	38,119,996.99	249,111,469.44	171,419,556.81	11,920,666.46	470,571,689.70
total	50,666,666.99	285,542,368.44	289,390,557.29	36,202,066.38	661,801,659.10

(continued)

Item	Balance at the end of last year				
	1 to 90 days overdue (including 90 days)	90 to 360 days overdue (including 360 days)	360 days to 3 years overdue (including 3 years)	More than 3 years overdue	total
Collateral loan	10,933,097.09	111,861,052.49	43,040,657.06	12,147,803.72	177,982,610.36
Among them: mortgage loan	10,933,097.09	111,861,052.49	43,040,657.06	12,147,803.72	177,982,610.36
Entrusted loan	103,234,952.99	203,656,254.13	16,992,266.36	14,934,020.70	338,817,494.18
total	114,168,050.08	315,517,306.62	60,032,923.42	27,081,824.42	516,800,104.54

4. Loan loss provision

Item	Closing balance		Balance at the end of last year	
	Single item	Combination	Single item	Combination
Amount at the beginning of the year		229,036,237.17		89,201,428.13
This year's presentation		114,087,085.76		139,834,809.04
Year end amount		343,123,322.93		229,036,237.17

(12) Financial assets available for sale

1. Availability of financial assets for sale

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Debt instruments available for sale			
Instruments of interest available for sale	3,236,253,355.43		3,236,253,355.43
Of which: measured at fair value	927,050,100.00		927,050,100.00
Measured at cost	2,309,203,255.43		2,309,203,255.43
Others			
total	3,236,253,355.43		3,236,253,355.43

(continued)

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Debt instruments available for sale			
Instruments of interest available for sale	2,936,822,831.99		2,936,822,831.99
Of which: measured at fair value	947,981,000.00		947,981,000.00
Measured at cost	1,988,841,831.99		1,988,841,831.99
Others			
total	2,936,822,831.99		2,936,822,831.99

2. Financial assets available for sale at fair value at the end of the period

Item	Instruments of interest available for sale	Debt instruments available for sale	Other	total
Cost of equity instruments / amortization costs of debt instruments	4,713,000.00			4,713,000.00
Fair value	927,050,100.00			927,050,100.00
The amount of change in fair value recorded in other composite earnings	922,337,100.00			922,337,100.00
The amount of impairment has been calculated				

3. Financial assets available for sale at the end of the period at cost

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Beijing Jincheng Gaoxin Venture Capital Investment Management Co., Ltd.	1,100,000.00			1,100,000.00
Gansu Jincheng New third Board Equity Investment Fund Partnership	12,798,200.00			12,798,200.00
Guokai Jingcheng (Beijing) Investment Fund Co., Ltd.	200,000,000.00	-49,707,602.34		150,292,397.66
Lanzhou bank co., Ltd.	280,000,000.00			280,000,000.00
Gansu Xinyi Real Estate Development Co., Ltd.	7,800,000.00			7,800,000.00
Hualong securities co., Ltd.	1,046,193,193.29			1,046,193,193.29
Gansu Asset Management Co., Ltd.	200,000,000.00	277,777,777.78		477,777,777.78
Gansu Jinhechi Ecotourism Brewing Co., Ltd.	30,000,000.00			30,000,000.00
Gansu traditional Chinese Medicine Trading Center Co., Ltd.	40,000,000.00			40,000,000.00
Beijing Jinjingjia property right Network Trading Center	538,797.01			538,797.01
Gansu Stock Exchange Center Co., Ltd.	5,000,000.00			5,000,000.00
Gansu Renweifeng Pharmaceutical Co., Ltd.	30,020,000.00			30,020,000.00
Yumen Tianhong Chemical Co., Ltd.	20,000,000.00		20,000,000.00	-
Gansu Yuansheng Road Bridge Engineering Co., Ltd.	2,000,000.00			2,000,000.00
Gansu Xindong property Management Co., Ltd.	100,000.00			100,000.00
Gansu Jinlitong carbon material Technology Co., Ltd.	20,020,000.00			20,020,000.00
Dingxi high strength fastener co., Ltd.	39,951,000.00			39,951,000.00
Gansu Tianqing Hotel Management Co., Ltd.	40,040,000.00		40,040,000.00	-
Gansu Public Transport Construction Poverty Alleviation and Development Fund (Limited Partnership)	7,100,000.00		2,100,000.00	5,000,000.00
Gansu Yilong Asphalt Co., Ltd.	1,000,000.00			1,000,000.00
Gansu Road Transportation Enterprise Federation	1,400,000.00			1,400,000.00
Gansu Transportation Industry Investment Fund (Limited Partnership)	1,502,299.79			1,502,299.79
Gansu Public Transport Construction Highway Investment Fund (Co., Ltd.)		171,700.00		171,700.00
Gansu Huashun Transportation Science and Technology Consulting Co., Ltd.	800,000.00			800,000.00

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Investment Fund for Cultural Tourism Industry in Gansu Province (Limited Partnership)		10,000,000.00		10,000,000.00
Gansu Dingyin Trading Co., Ltd.		40,000,000.00		40,000,000.00
Gansu Huaxin material Co., Ltd.		48,000,000.00		48,000,000.00
Changyuan Mining Industry, Yumen City		20,020,000.00		20,020,000.00
Lanzhou New Multidimensional Survey and Design Engineering Co., Ltd.		139,548.00		139,548.00
Gansu Ziguang Intelligent Transportation and Control Technology Co., Ltd.		9,800,000.00		9,800,000.00
Gansu Airport Development Fund Partnership (Limited Partnership)		27,300,000.00		27,300,000.00
Gansu Minqin Rural Commercial Bank Co., Ltd.	478,341.90			478,341.90
Gansu Huayun Environmental Construction Engineering Co., Ltd.	1,000,000.00		1,000,000.00	-
total	1,988,841,831.99	383,501,423.44	63,140,000.00	2,309,203,255.43

(13) Investment held to maturity

1. Investment held to maturity

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Debt instruments available for sale	32,318,155.94		32,318,155.94
Instruments of interest available for sale			
Others			
Less: provision for impairment of investments held to maturity			
total	32,318,155.94		32,318,155.94

(continued)

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Debt instruments available for sale	34,553,467.41		34,553,467.41
Instruments of interest available for sale			
Others			

Less: provision for impairment of investments held to maturity			
total	34,553,467.41		34,553,467.41

2. There are no significant investments held to maturity at the end of the report.

3. Investments held to maturity that were not reclassified during the reporting period.

(14) long-term receivables

1. Status of long-term receivables

Item	Closing balance		
	Book amount	Provision for bad debts	Book value
Financial lease payment	1,647,648,673.20	138,423,540.42	1,509,225,132.78
Of which: unrealized financing gains	-198,457,657.85		-198,457,657.85
Financial lease bond	100,441,104.69		100,441,104.69
BT project government unpaid repurchase	12,649,671.41		12,649,671.41
Subtotal	1,760,739,449.30	138,423,540.42	1,622,315,908.88
Less: non-current assets due within one year	781,728,051.24		781,728,051.24
total	979,011,398.06	138,423,540.42	840,587,857.64

(continued)

Item	Balance at the end of last year		
	Book amount	Provision for bad debts	Book value
Financial lease payment	2,233,121,439.18	78,104,770.92	2,155,016,668.26
Of which: unrealized financing gains	-278,076,102.00		-278,076,102.00
Financial lease bond	271,000,000.00		271,000,000.00
BT project government unpaid repurchase	9,360,291.41		9,360,291.41
Subtotal	2,513,481,730.59	78,104,770.92	2,435,376,959.67
Less: non-current assets due within one year	785,764,341.09		785,764,341.09
total	1,727,717,389.50	78,104,770.92	1,649,612,618.58

2. There are no long-term receivables terminated for recognition as a result of the transfer of financial assets this year.

3. The amount of assets and liabilities that have not been transferred from long-term receivables and continue to be involved this year.

(15) long-term equity investment

1. Classification of long-term equity investment

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Investment in a joint venture	104, 739, 317. 67	903, 482. 33		105, 642, 800. 00
Invest in joint ventures	9, 569, 312, 436. 83	5, 773, 302, 179. 67	36, 905, 594. 19	15, 305, 709, 022. 31
Other equity investments				
Subtotal	9, 674, 051, 754. 50	5, 774, 205, 662. 00	36, 905, 594. 19	15, 411, 351, 822. 31
Less: provision for impairment of long-term equity investments	7, 331, 758. 02	18, 036, 313. 61	1, 841, 758. 02	23, 526, 313. 61
total	9, 666, 719, 996. 48	5, 756, 169, 348. 39	35, 063, 836. 17	15, 387, 825, 508. 70

2. Details of long-term equity investment

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			make an additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
合 计	12,071,280,250.95	9,666,719,996.48	4,666,510,030.50	36,905,594.19	253,387,878.47	-22,511,310.53	876,176,861.33	-	16,194,555.59	642,202.33	15,387,825,508.70	23,526,313.61
I. Joint ventures	105,642,835.34	104,739,317.67	-	-	-	-	-	-	-	903,482.33	105,642,800.00	-
Gansu Transportation Planning and Design Institute Co., Ltd.	87,172,800.00	87,172,800.00									87,172,800.00	
Gansu Shihua Transportation Service Co., Ltd.	2,000,000.00	1,520,000.00								480,000.00	2,000,000.00	
Gansu Zhongyou Jiaotong Oil products Co., Ltd.	16,470,035.34	16,046,517.67								423,482.33	16,470,000.00	
II. Associated enterprises	11,965,647,415.61	9,561,980,678.81	4,666,510,030.50	36,905,594.19	253,387,878.47	-22,511,310.53	876,176,861.33	-	16,194,555.59	-261,280.00	15,282,182,708.70	23,526,313.61

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			make an additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Gansu Qilian Wine Industry Co., Ltd.	30,000,000.00	16,602,542.59			-2,043,812.49						14,558,730.10	
Lanzhou Ningchengtuo Real Estate Development Co., Ltd.	50,000,000.00	50,079,713.35			12,386.77						50,092,100.12	
Gansu bank co., Ltd.	3,458,576,512.00	3,060,041,799.70	1,890,000,000.00		102,140,207.69	-24,891,679.54	703,626,606.84				5,730,917,134.69	
Yellow River property Insurance Co., Ltd.	500,000,000.00	465,655,757.45			-10,417,093.66	4,722,136.26					459,960,800.05	
Lanzhou New District Fund Management Co., Ltd.	3,000,000.00	2,777,520.07			67,292.16						2,844,912.23	
Gansu Pan am General Aviation Co., Ltd.	24,500,000.00	23,710,598.89			7,507.30						23,718,106.19	
Gansu Financial holding Group Co., Ltd.	3,000,000,000.00	3,816,436,615.85			181,856,039.65		172,550,054.49				4,170,842,760.00	
Gansu Gonghang Lutong Dingding Expressway Management Co., Ltd.	955,663,100.00	603,539,100.00	362,124,000.00								965,663,100.00	
Gansu Gonghang Luding Lin Expressway Management Co., Ltd.	726,056,000.00	453,785,000.00	272,271,000.00								726,056,000.00	
Gansu Gonghang Lufongzhang Expressway Management Co., Ltd.	591,739,200.00	369,837,000.00	221,902,200.00								591,739,200.00	
Jinlong (Hong Kong) Investment Co., Ltd.	61,880,000.00	61,229,286.97			-315,933.68	-2,341,767.35					58,570,585.94	
Gansu Gonghang Hotel Tianzhuang Expressway Management Co., Ltd.	750,920,000.00	72,380,000.00	678,540,000.00								750,920,000.00	
Gansu Gonghang Travel Jinhui General Aviation Co., Ltd.	73,500,000.00	64,916,590.82			-17,939,765.27						46,976,825.55	
Gansu Jingli Expressway Longnan Management Co., Ltd.	91,755,217.50		91,755,217.50								91,755,217.50	
Gansu Gonghang Lu Jiujia Expressway Management Co., Ltd.	112,874,613.00		112,874,613.00								112,874,613.00	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			make an additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Gansu Gonghang Jiayuguan Convention and Exhibition Center Management Co., Ltd.	30,345,000.00		30,345,000.00								30,345,000.00	
Gansu Longyun Industrial Group Co., Ltd.	2,500,000.00	2,500,000.00							2,500,000.00		-	2,500,000.00
Lanzhou Public passenger bus Station	2,000,000.00										-	2,000,000.00
Baiyin Bus Station	520,000.00										-	520,000.00
Western transport group	510,000.00	510,000.00									510,000.00	
Gannan state automobile transportation co., Ltd.	530,000.00										-	530,000.00
Jiayuguan bus station	520,000.00										-	520,000.00
Tianshui automobile transportation co., Ltd.	520,000.00	520,000.00									520,000.00	
Gansu Huida Group Linxia Automobile Terminal	520,000.00	520,000.00									520,000.00	
Wuwei Automobile Transportation Group	520,000.00										-	520,000.00
Lanyun Group	1,600,000.00	1,600,000.00									1,600,000.00	
Gansu eastern transportation group co., Ltd.	520,000.00	520,000.00									520,000.00	
Gansu Jiuquan Automobile Transportation Corporation	520,000.00	520,000.00									520,000.00	
Gansu Dingxi Transportation Group Co., Ltd	520,000.00	520,000.00									520,000.00	
Gansu Public Road passenger Transport Network ticketing Operation Service	18,494,697.98	18,494,697.98									18,494,697.98	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			make an additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Center Co., Ltd.												
Gansu Yilong Information Technology Service Co., Ltd.	1,307,255.09	1,547,535.09			21,000.00					-261,280.00	1,307,255.09	
Gansu Ziguang Intelligent Transportation and Control Technology Co., Ltd.	33,524,288.17	33,524,288.17		33,524,288.17							-	
Dunhuang international hotel co., Ltd.	190,578,811.26	190,578,811.26									190,578,811.26	
Investment unit to be transferred	16,936,313.61	16,936,313.61							16,936,313.61		-	16,936,313.61
Lanzhou New Multidimensional Survey and Design Engineering Co., Ltd	139,548.00	139,548.00		139,548.00							-	
Gansu Xinglong Advanced equipment Manufacturing Venture Capital Fund Co., Ltd.	50,000,000.00	50,000,000.00									50,000,000.00	
Gansu camel bell industry and trade development co., Ltd	35,200,100.00	35,200,100.00									35,200,100.00	
Ningbo Meishan bonded Port District Traffic Construction Town when an option Investment Fund Partnership	1,000,000,000.00		1,000,000,000.00								1,000,000,000.00	
Gansu Public Transport Construction Highway Investment Fund (Co., Ltd.))	6,698,000.00		6,698,000.00								6,698,000.00	
Jinchang Jinchuan District Baye Chengfa Microloan Co., Ltd.	15,000,000.00	15,000,000.00									15,000,000.00	
Jiugang Group Metallurgical Construction Co., Ltd.	20,000,000.00	20,000,000.00									20,000,000.00	
Lanzhou New Blue Sky New Materials Co., Ltd.	35,000,000.00	35,000,000.00									35,000,000.00	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			make an additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Gansu Jintai Electric Power Co., Ltd.	48,000,000.00	48,000,000.00									48,000,000.00	
Jinchang Rural Commercial Bank	7,157,459.00	7,157,459.00									7,157,459.00	
Baye Commercial Development Co., Ltd. (Pakistan) eight Metallurgical institutions	536,140.00	536,140.00									536,140.00	
Baye Commercial Development Co., Ltd. (Pakistan) Gan Bayi	268,070.00	268,070.00									268,070.00	
Wanfu Construction and installation Engineering Co., Ltd. (Ethiopia)	1,397,100.00	1,397,100.00									1,397,100.00	
Gansu Expedition Landscape Sports Culture Industry Development is limited	400,000.00			341,758.02					-341,758.02			
Gansu electromechanical equipment trading co., Ltd.	1,400,000.00			1,400,000.00					-1,400,000.00			
Baye Construction Group International Co., Ltd.	1,500,000.00			1,500,000.00					-1,500,000.00			

3. Main financial information of important affiliated enterprises

Item	Number of current periods	Number of previous periods
	Lanzhou Ningchengtuo Real Estate Development Co., Ltd.	Lanzhou Ningchengtuo Real Estate Development Co., Ltd.
current assets	300,118,167.23	300,225,917.44
Non-current assets	107,285.43	126,114.43
Total assets	300,225,452.66	300,352,031.87
Current liabilities	-63,027.99	84,856.47

Item	Number of current periods	Number of previous periods
	Lanzhou Ningchengtuo Real Estate Development Co., Ltd.	Lanzhou Ningchengtuo Real Estate Development Co., Ltd.
Non-current liability	214,091,200.00	214,091,200.00
Total liabilities	214,028,172.01	214,176,056.47
Net assets	86,197,280.65	86,175,975.40
Share of net assets in proportion to shareholding	50,092,100.12	50,079,713.35
Adjustment matters		
Book value of investment in equity of associated enterprises	50,092,100.12	50,079,713.35
Fair value of equity investments with open quotations		
business income		
Financial expenses	-4,006.28	-200,432.78
Income tax expense	6,389.80	41,834.55
Net profit	21,305.25	90,454.86
Other combined benefits		
Total combined income	21,305.25	90,454.86
Dividends received by enterprises this year from joint ventures		

(continued)

Item	Number of current periods	Number of previous periods
	Gansu bank co., Ltd.	Gansu bank co., Ltd.

Item	Number of current periods	Number of previous periods
	Gansu bank co., Ltd.	Gansu bank co., Ltd.
Assets	342,363,788,499.18	335,044,485,000.00
Liability	310,899,044,049.09	310,355,483,000.00
Net assets	31,464,744,450.09	24,689,002,000.00
Share of net assets in proportion to shareholding	5,750,917,134.70	3,080,041,799.70
Adjustment matters		
Book value of investment in equity of associated enterprises	5,750,917,134.70	3,080,041,799.70
Fair value of equity investments with open quotations		
business income	6,519,258,697.52	7,233,322,000.00
Financial expenses		
Income tax expense	-141,825,643.23	53,393,000.00
Net profit	562,352,231.50	511,374,000.00
Other combined benefits	-81,674,414.53	-41,201,000.00
Total combined income	480,677,816.97	470,173,000.00
Dividends received by enterprises this year from joint ventures		118,261,183.05

(16) Investment real estate

1. The situation of Investment Real Estate measured by cost Model

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. Total original book value	838, 350, 115. 63	545, 943, 724. 26	3, 946, 316. 57	1, 380, 347, 523. 32
Among them: houses, buildings	838, 350, 115. 63	545, 943, 724. 26	3, 946, 316. 57	1, 380, 347, 523. 32
II. Total accumulated depreciation (amortization)	45, 390, 006. 63	41, 096, 037. 31		86, 486, 043. 94
Among them: houses, buildings	45, 390, 006. 63	41, 096, 037. 31		86, 486, 043. 94
III. Total net book value	792, 960, 109. 00			1, 293, 861, 479. 38
Among them: houses, buildings	792, 960, 109. 00			1, 293, 861, 479. 38
IV. Total cumulative amount of impairment provision				
Among them: houses, buildings				
V. Total book value	792, 960, 109. 00			1, 293, 861, 479. 38
Among them: houses, buildings	792, 960, 109. 00			1, 293, 861, 479. 38

2. Investment Real Estate based on Fair value Measurement Model

Item	Houses, buildings	Land use right	Construction in progress	Total
I. opening balance				
II. Changes in the current period	12, 528, 649. 20			12, 528, 649. 20
Add: outsourcing				
Inventory\ fixed assets\ transfer to construction in progress	12, 528, 649. 20			12, 528, 649. 20
Less: disposal				
Other transfer out				
Fair value change				
III. Closing balance	12, 528, 649. 20			12, 528, 649. 20

3. The situation of Investment Real Estate in which the Certificate of property right has not been completed

Item	Book value at the end of the period	Reasons for failure to complete the certificate of property rights
Lanzhou New District Public Aviation Travel Building	85, 946, 835. 93	Signed online, processing
Office Building on the 7th floor of Changye Golden Block	16, 831, 200. 00	Signed online, processing
42nd floor, Building 4, "Mingcheng Square" project	41, 029, 921. 69	Signed online, processing

Shop on the first floor of Haoxin Building, Qingyang	11,796,942.49	Processing house ownership certificate
Office Building on the 21st floor of Changye Golden Block	16,363,666.67	Signed online, processing
38-39 floors of Lanzhou Central Office Building	74,501,383.81	Signed online, processing
56 parking spaces in Lanzhou Center	11,224,137.93	Underground parking spaces 56, signed
20-23 floors, Unit 1, Maple Leaf International Building 9	98,986,752.60	Signed online, processing
Lanzhou City Chengguan District Beach Top 489 " Smart Mini " International Building 2-2212 , 2-2312 , 2-2412 , 2-2511 , 2-261	5,028,400.00	Signed online, processing
30 parking spaces in Changye Golden Block	10,000,000.00	30 underground parking spaces have been signed
Office buildings on the 18th and 20th floors and 25-27th floors of Changye Golden Block	99,384,228.57	Signed online, processing
Office Building on the 8th-12th floor of Changye Golden Block	84,156,000.00	Signed online, processing
New area on the 20th-23rd floor of Unit 1, Building 9, Maple Leaf International	9,828,609.52	Signed online, processing
Budget Inn Construction Project of Zhangye Binhe New District self-driving Tour Base	168,387,239.15	Filed, processing
total	733,465,318.36	—

(17) fixed assets

Item	Book value at the end of the period	Book value at the end of last year
fixed assets	257,041,960,964.19	175,684,388,164.54
Liquidation of fixed assets	1,635,292.01	345,807.42
total	257,043,596,256.20	175,684,733,971.96

1. fixed assets

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. Total original book value	177,687,715,648.46	83,223,680,593.30	1,535,532,589.29	259,375,863,652.47
Among them: highway production	170,112,896,980.31	80,941,329,138.17		251,054,226,118.48
Housing and buildings	2,921,227,754.02	1,910,120,639.18	56,742,390.84	4,774,606,002.36
Special equipment	266,797,678.16		28,720,635.36	238,077,042.80
machinery equipment	1,380,397,524.93	217,383,516.46	78,153,196.55	1,519,627,844.84
Means of transport	1,023,405,881.80	46,864,280.86	34,685,726.44	1,035,584,436.22
Office and other equipment	508,396,106.40	107,983,018.63	16,903,527.68	599,475,597.35
Temporary transfer of construction in progress	1,320,327,112.42		1,320,327,112.42	

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Land assets	154,266,610.42			154,266,610.42
II. Total accumulated depreciation	2,003,327,483.92	437,280,756.83	106,705,552.47	2,333,902,688.28
Among them: highway production				
Housing and buildings	365,660,152.78	119,422,755.61	1,224,604.13	483,858,304.26
Special equipment	198,272,489.21	2,755,135.03		201,027,624.24
machinery equipment	685,076,683.59	167,564,417.73	45,189,114.86	807,451,986.46
Means of transport	410,687,592.52	75,918,012.41	27,287,250.20	459,318,354.73
Office and other equipment	325,149,436.92	71,620,436.05	14,523,454.38	382,246,418.59
Temporary transfer of construction in progress	18,481,128.90		18,481,128.90	
Land assets				
III. Total net book value	175,684,388,164.54			257,041,960,964.19
Among them: highway production	170,112,896,980.31			251,054,226,118.48
Housing and buildings	2,555,567,601.24			4,290,747,698.10
Special equipment	68,525,188.95			37,049,418.56
machinery equipment	695,320,841.34			712,175,858.38
Means of transport	612,718,289.28			576,266,081.49
Office and other equipment	183,246,669.48			217,229,178.76
Temporary transfer of construction in progress	1,301,845,983.52			
Land assets	154,266,610.42			154,266,610.42
IV. Total impairment provisions				
Among them: highway production				
Housing and buildings				
Special equipment				
machinery equipment				
Means of transport				
Office and other equipment				

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Temporary transfer of construction in progress				
Land assets				
V. Total book value	175,684,388,164.54			257,041,960,964.19
Among them: highway production	170,112,896,980.31			251,054,226,118.48
Housing and buildings	2,555,567,601.24			4,290,747,698.10
Special equipment	68,525,188.95			37,049,418.56
machinery equipment	695,320,841.34			712,175,858.38
Means of transport	612,718,289.28			576,266,081.49
Office and other equipment	183,246,669.48			217,229,178.76
Temporary transfer of construction in progress	1,301,845,983.52			
Land assets	154,266,610.42			154,266,610.42

①Fixed assets without temporary idle。

②Fixed assets not certified

Item	Book value at the end of the period	Reasons for not having completed the certificate of title
Yongjing office building	3,111,200.00	Problems left over from history, property rights have not been dealt with
Guiqing Mountain tourist Service Building	86,597,998.78	In progress
Chayang Mountain tourist Service Building	41,365,694.54	In progress
Zhangye Danxia tourist Service Building	114,682,812.33	Not yet processed
Yu Ruyi office building	8,041,332.39	Not yet processed
Yu Ruyi parking lot	13,856,599.02	Not yet processed
Zhangye Yanzhishan tourist Service Building	7,459,169.85	In progress
Zhangye Shandan Royal Racecourse tourist Service Building	17,370,756.48	In progress
Pearl Hotel of the Yellow River	722,781,053.88	In progress
Changba RV Campground Project in Kang County, Gansu Province	31,115,900.12	In progress
Beihaizi Shazao Forest Landscape Project in Yongchang County	23,431,549.48	In progress
total	1,069,814,066.87	--

2. Liquidation of fixed assets

Item	Book value at the end of the period	Book value at the end of last year	Reasons for moving into liquidation
Disposal and liquidation of fixed assets	1,635,292.01	345,807.42	Damage, scrapping, no use value
合　计	1,635,292.01	345,807.42	—

(18) Construction in progress

Item	Closing balance	Balance at the end of last year
Construction in progress	227,018,509,793.46	213,733,508,949.24
Engineering materials	965,448.00	
total	227,019,475,241.46	213,733,508,949.24

1. Construction in progress

①Status of construction in progress

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Lanzhou Ring Expressway Project	12,869,090,462.02		12,869,090,462.02
Weiwu Expressway Project	30,040,343,363.77		30,040,343,363.77
Jingtai to Zhongchuan Airport Expressway Project	7,725,378,799.61		7,725,378,799.61
Linxia Shuangcheng to Dalijia Expressway Project	4,771,057,283.44		4,771,057,283.44
Pingliang to Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	19,666,290,899.64		19,666,290,899.64
Yinchuan-Baise National Expressway Tianshuibao via Qingcheng to Yonghe Section Project	27,774,309,553.45		27,774,309,553.45
Wudu to Jiuzhaigou Expressway Project	9,957,726,923.14		9,957,726,923.14
Jingning to Zhuanglang Expressway Project	7,384,852,973.40		7,384,852,973.40
Huining to Lao Junpo Expressway Project	1,048,289,086.85		1,048,289,086.85
Hexai Expressway Project	1,180,827.58		1,180,827.58
Sailang Expressway Project	490,913.52		490,913.52
Water damage restoration project of Luohandong-Dingxi highway (excluding Ningxia section) in Gansu Province	88,665,627.00		88,665,627.00
Tianding Maintenance and Improvement Project (Phase I) Project	152,862,439.65		152,862,439.65
Jinghua Expressway Project	1,326,530,849.41		1,326,530,849.41
Dangchang to Diebu Highway	2,295,965,852.88		2,295,965,852.88

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Jingshen Highway	764, 279, 066. 67		764, 279, 066. 67
Hanjiahe to Shuiquan Highway	284, 686, 541. 66		284, 686, 541. 66
Inner road	508, 801, 054. 04		508, 801, 054. 04
Gaxiu to Maqu Highway	662, 016, 814. 58		662, 016, 814. 58
Cooperation to Yeliguan Highway	1, 511, 057, 648. 17		1, 511, 057, 648. 17
Linxia to Dahejia Highway	726, 619, 421. 53		726, 619, 421. 53
Lintao Zhihe Zheng Highway	673, 221, 603. 58		673, 221, 603. 58
Luomen to Lixian county Highway	614, 148, 615. 49		614, 148, 615. 49
Xiahe to Xiahe Airport Highway	576, 703, 364. 37		576, 703, 364. 37
Yemuxia Tunnel to Link Highway	217, 783, 543. 11		217, 783, 543. 11
Dachuan-Zheqiao Highway	2, 228, 714, 993. 20		2, 228, 714, 993. 20
Huachi New Port to Nanliang Highway	681, 098, 693. 96		681, 098, 693. 96
Pingliang Transit Section Highway	455, 518, 805. 75		455, 518, 805. 75
Zhuanglang to Zhangjiachuan to Tianshui Highway	1, 639, 453, 962. 08		1, 639, 453, 962. 08
Liwu road	539, 026, 666. 48		539, 026, 666. 48
Overhaul project	2, 065, 141, 373. 43		2, 065, 141, 373. 43
Indirect fee to be amortized	342, 452, 065. 89		342, 452, 065. 89
General airport project	70, 325, 276. 43		70, 325, 276. 43
Tourism project	3, 431, 060, 605. 98		3, 431, 060, 605. 98
Business management information platform	228, 092. 61		228, 092. 61
T3 Terminal connection Line Project	1, 226, 588, 890. 73		1, 226, 588, 890. 73
Construction Project of Linxia to Dahejia Expressway	3, 547, 316, 885. 22		3, 547, 316, 885. 22
Cancel the provincial toll station project of expressway	1, 665, 359, 565. 00		1, 665, 359, 565. 00
Information project	10, 960, 919. 68		10, 960, 919. 68
Construction Project of E-commerce Trading system for Agricultural products of Gansu seed Exchange	1, 377, 917. 50		1, 377, 917. 50
"Xiaolongbao" VIS design, "An Yidian" LOGO design and agency fees	132, 447. 34		132, 447. 34

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Guarantee system software	34,392.46		34,392.46
Tianjin software development	50,754.71		50,754.71
Lixian Sand and Stone material Project	3,031,590.68		3,031,590.68
Subei to Sha Zaoyuan Highway Project	625,994,997.34		625,994,997.34
Construction and Protection Project of Wuwei Historical District	1,316,439,438.47		1,316,439,438.47
Lanzhou to Agan Town Highway Project	1,831,174,521.01		1,831,174,521.01
Maintenance and Treatment Project of "Two Tunnels and One District" of Tianding Expressway	27,198,443.65		27,198,443.65
Lin'an Expressway	1,226,654,521.09		1,226,654,521.09
Public construction G30 fixed maintonance project	382,588,609.30		382,588,609.30
Project of New Energy vehicle charging Station in Jiulong River Service area of Zhangye Expressway	757,754.08		757,754.08
Graphene overhaul project	1,232,385.84		1,232,385.84
Gulang Golden Triangle to Fengle Project	553,763,795.71		553,763,795.71
S101 Zhongchuan Railway to Huangyangtou Project	258,249,748.40		258,249,748.40
Upgrading and Reconstruction Project of Great Wall Post Service area	103,237,256.07		103,237,256.07
Qijiashan to Hanjiacha project	1,586,128.95		1,586,128.95
Baiyindong Service area upgrading and Reconstruction Project	65,151,911.29		65,151,911.29
Taishi Service area upgrading and Reconstruction Project	65,020,842.11		65,020,842.11
Zhouqu Lijie to Sichuan Yonghe Project	334,241,333.72		334,241,333.72
Jingyuan to Huining project	1,835,635,223.15		1,835,635,223.15
Pingliang to jie stone shop project	268,655,720.68		268,655,720.68
Diebu to Ruoerge Project, Sichuan Province	269,394,070.43		269,394,070.43
Dingyuan to Hanjiacha project	460,876,136.33		460,876,136.33
Baiyin to Lanzhou Project	327,687,307.83		327,687,307.83
Jiangguo River to Diebu Project	107,495,417.97		107,495,417.97
Fengxiang intersection to Pingliang East Project	990,828,092.52		990,828,092.52
Kangle to Zhuoni Project	2,196,501,790.98		2,196,501,790.98

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Maqu to Qinghai Jiuzhi Project	629, 592, 886. 23		629, 592, 886. 23
Longxi to Lintao section project	838, 510, 106. 28		838, 510, 106. 28
Banqiao to Xiaoyuan subsection project	975, 095, 751. 18		975, 095, 751. 18
Zhouqu Peak Die to Daigu Temple Highway Project	1, 569, 494, 278. 15		1, 569, 494, 278. 15
Highway project from Jinya to Hekou (Zhangjiatai) section of G309 line	223, 144, 730. 73		223, 144, 730. 73
Liangdang to Hui County Project	50, 518, 389. 69		50, 518, 389. 69
Dundang Expressway Construction Project	9, 502, 262, 363. 22		9, 502, 262, 363. 22
G85 Pengyang (Ganning boundary) to Pingliang to Daqiao village (Ganshan boundary) section	8, 322, 122, 771. 50		8, 322, 122, 771. 50
Lanzhou New District passenger Transport Hub Station Project	157, 882, 507. 76		157, 882, 507. 76
Examination room transformation	4, 197, 579. 92		4, 197, 579. 92
Office building	338, 956. 00		338, 956. 00
Color steel room	544, 280. 00		544, 280. 00
Maintenance company Lanzhou New District Industrial Park	18, 100, 321. 75		18, 100, 321. 75
Construction and installation Project of G215 National Highway in Gansu Liudun Expressway Project Co., Ltd.	4, 206, 416, 272. 21		4, 206, 416, 272. 21
Qinglan Expressway Jiajiazui Service Area Upgrading Project	116, 262, 079. 76		116, 262, 079. 76
G248 Line Baxiasi to Huguan Highway Project	1, 915, 835. 26		1, 915, 835. 26
S38 line Wanggertang to Xiahe (Sangke) Expressway Project	3, 682, 108, 350. 05		3, 682, 108, 350. 05
Construction of Smart Transportation Industrial Park	130, 372, 161. 54		130, 372, 161. 54
Construction Project of main Line Service area in China and Province	8, 230, 469. 11		8, 230, 469. 11
Service area Public Service improvement Project (RV post)	4, 644, 197. 31		4, 644, 197. 31
Reconstruction and expansion project of national and provincial trunk line toll stations	2, 921, 679. 02		2, 921, 679. 02
Changchang (Yuanlong) Company has built shops, color steel house shops and related expenses	3, 773, 549. 34		3, 773, 549. 34
Construction of East District Material Factory of Baiyin New Century Road Industry Co., Ltd.	1, 450, 437. 45		1, 450, 437. 45
The unobstructed Project of the established Village of the Public Development Authority	12, 477, 240, 000. 00		12, 477, 240, 000. 00
Investment in Construction and installation of Project Management Office of Gansu National Regional Highway Traffic Emergency equipment Reserve Center	102, 301, 212. 37		102, 301, 212. 37
Investment in construction and installation of 4 reconstruction projects in Hexi area of G312 line	2, 166, 770, 896. 47		2, 166, 770, 896. 47

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Construction Project of Jiuquan Highway Exhibition Hall	18,216,011.43		18,216,011.43
Civil Construction and Decoration cost of Nine Color Deer Hotel repair Project	19,159,476.62		19,159,476.62
Guangtong Highway-Management Bureau Integrated Information platform	591,000.00		591,000.00
Guangtong Highway-Administration production dispatching Center	1,063,641.00		1,063,641.00
Guangtong Highway-Administration fixed Video access Project	803,376.40		803,376.40
Visual Project of Locomotive dispatching in Guangtong Highway and Administration Bureau	262,259.00		262,259.00
Maintenance Project of Guangtong Highway-VPN Network Conference Room	297,922.80		297,922.80
Guangtong Highway-Sua Suo Monitoring and relocation Project	17,400.00		17,400.00
Guangtong Highway-Sua Suo Monitoring and relocation Project	132,914.00		132,914.00
Engineering contract of Guangtong Highway-Machine Management and Visual dispatching Project	360,331.00		360,331.00
Video Monitoring and Upgrading and New Video Conference System Engineering in Gansu Expressway Service Area	16,037.74		16,037.74
Reconstruction and expansion of Wujialing Service area at main Line Toll Station of China Province	417,431.20		417,431.20
The Post Service area of the Reconstruction and extension Road of the main Line toll Station in China Province	417,431.20		417,431.20
Warehouse reconstruction	142,473.00		142,473.00
Lanzhou New District Highway passenger Transport East Station Project	2,949,831.55		2,949,831.55
Warehouse reconstruction	1,067,491.00		1,067,491.00
Import and export road reconstruction project	7,364,699.08		7,364,699.08
Facilities and equipment construction and maintenance project	383,261.00		383,261.00
Two-vehicle high-grade highway project	3,953,932,453.42		3,953,932,453.42
Phase I of Lingtai to Huating Expressway Project on S28 Line	730,218,298.75		730,218,298.75
Highway Engineering Project from Qingshuiyi to Kushui Highway from Shanghai to Holgos Highway on G312 Line	142,356,707.28		142,356,707.28
North Sin Project	4,954,172.58		4,954,172.58
Gansu Communications Construction Group Co., Ltd. -benchmark account Book	531,192,822.90		531,192,822.90
Ma Mengshan to Qiaowan Project	1,407,183,307.67		1,407,183,307.67
Regulation Project of long Slope in Lanzhou Section of Lanzhou to Haikou Expressway	299,815,270.21		299,815,270.21

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Project from Qidun to Guazhou	557, 142, 194. 74		557, 142, 194. 74
Restoration and Reconstruction Project of Jiangdingya landslide in Nanyu Township, Zhouqu County	156, 962, 825. 17		156, 962, 825. 17
Two emblem items	7, 071, 710, 644. 12		7, 071, 710, 644. 12
Sany Heavy Industry Gansu Mixing Plant Infrastructure	56, 175, 834. 63		56, 175, 834. 63
Sany Heavy Factory Building Installation Project	60, 518, 296. 05		60, 518, 296. 05
Investment in construction and installation of the G327 line from Lianyungang to Guyuan Highway from Zhenyuan to Wangzuizi (Gan-Ningjie) section	290, 710, 164. 49		290, 710, 164. 49
The second phase of the construction project of Jinquan Highway Exhibition Hall	10, 200, 755. 25		10, 200, 755. 25
Gansu Honghe Shengchuang Technology Co., Ltd. plant and office building	669, 123. 81		669, 123. 81
Workshop of Shangda heavy Industry Co., Ltd., Baye, Gansu Province	18, 365, 536. 16		18, 365, 536. 16
Jinchang Rehabilitation Center Hospital and apartment for the elderly	76, 519, 230. 57		76, 519, 230. 57
Qingfu project	2, 181, 990, 482. 47		2, 181, 990, 482. 47
North Sin Project	551, 746, 075. 66		551, 746, 075. 66
Investment in Construction and installation of Lanlin Project	480, 178, 959. 41		480, 178, 959. 41
Liu Jiabu base	180, 878, 676. 09		180, 878, 676. 09
Project from Wangguan to Baihegou Section of Kangxian to Luoyang Highway	156, 822, 998. 78		156, 822, 998. 78
Gansu Highway Traffic Construction Group Co., Ltd. Beixian Project Management Branch	30, 253, 015. 18		30, 253, 015. 18
Upgrade and renovation of office building	5, 879, 684. 09		5. 879. 684. 09
Suspended Spring site Scenic spot Traffic and Travel Fusion complex Project	5, 182, 025. 44		5, 182, 025. 44
Sany heavy Industry Gansu mixing equipment Co., Ltd. Production Base Project-Road Oil paving Project	2, 121, 958. 71		2, 121. 958. 71
Shibalipu Mixing Station	1, 712, 389. 38		1, 712, 389. 38
Laboratory	560, 000. 00		560, 000. 00
RV Inn Baiyin East Service Area	448, 009. 21		448, 009. 21
Reconstruction and expansion of toll stations on national and provincial trunk lines in Wujialing service area (installation project)	329, 702. 64		329, 702. 64
Reconstruction and expansion of toll stations on national and provincial trunk lines in Wujialing service area (installation project)	313, 033. 87		313, 033. 87
RV Station Wudu Service Area	294, 594. 87		294, 594. 87

Item	Closing balance		
	Book amount	Impairment preparation	Book value
Repair and Improvement of Asphalt Tank Pipeline in Hekou Asphalt Storage	188,679.24		188,679.24
Company warehouse	182,108.85		182,108.85
Gongfa Group Post-disaster Recovery and Reconstruction Project Headquarters	79,229.55		79,229.55
Reconstruction and expansion of toll stations for national and provincial trunk lines in Wujialing and Daozhiyi service areas (design fee)	70,754.72		70,754.72
Fengkou Parking Area Restaurant Reconstruction Project	58,233.71		58,233.71
Renovation and expansion of toll stations for national and provincial trunk lines in Wujialing and Daozhiyi service areas	105,354.71		105,354.71
Natural gas pipeline installation engineering	18,264.15		18,264.15
total	227,018,509,793.46		227,018,509,793.46

(continued)

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Lanzhou (Xincheng) to Yongjing along the Yellow River Expressway Project	6,358,623,437.01		6,358,623,437.01
Huixian to Tianshui Section of Shiyan to Tianshui Expressway	22,077,439,596.75		22,077,439,596.75
Lanhai Expressway Lintao to Weiyuan Section	5,580,708,987.58		5,580,708,987.58
Jingxin Expressway White pimples to Mingshui	5,264,446,419.65		5,264,446,419.65
Lanzhou Ring Expressway Project	11,406,944,850.36		11,406,944,850.36
Linhe Expressway Project	9,470,432,713.19		9,470,432,713.19
Weiwu Expressway Project	24,253,144,624.89		24,253,144,624.89
Jingtai to Zhongchuan Airport Expressway Project	6,236,651,636.28		6,236,651,636.28
Linxia Shuangcheng to Daliga Expressway Project	3,054,850,921.34		3,054,850,921.34
Pingliang to Mianyang National Expressway Pingliang (Huating) to Tianshui Section Project	12,844,924,078.02		12,844,924,078.02
Yinchuan to Baise National Expressway Sweet Water Castle through Qingcheng to Yonghe Section Project	18,455,755,475.03		18,455,755,475.03
Wuhu to Jinzhaigou Expressway Project	5,540,291,233.61		5,540,291,233.61
Line S314 Guazhou to Dunhuang Express Channel (continued)	876,525,762.44		876,525,762.44

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Jingning to Zhuanglang Expressway Project	5,254,444,556.62		5,254,444,556.62
Huining to Lao Junpo Expressway Project	989,406,622.84		989,406,622.84
Hexai Expressway Project	1,002,285.53		1,002,285.53
Sailang Expressway Project	427,405.38		427,405.38
Repair works of water damage on the road from Luohandong to Dingxi in Gansu Province (excluding Ningxia section)	83,400,609.47		83,400,609.47
Tianding maintenance and improvement Project (Phase I)	133,252,037.97		133,252,037.97
Jinghua Expressway Project	851,893,915.56		851,893,915.56
Dangchang to Diobang Highway	2,295,984,506.89		2,295,984,506.89
Jingshen Highway	764,279,066.67		764,279,066.67
Haojiahe to Shuiquan Highway	284,686,541.66		284,686,541.66
Inner Highway	509,271,742.47		509,271,742.47
Gaxiu to Maqu Highway	661,756,814.58		661,756,814.58
Cooperation to Yeliguan Highway	1,512,542,039.47		1,512,542,039.47
Linxia to Dahejia Highway	726,619,421.53		726,619,421.53
Lintao to he Zheng Highway	673,221,603.58		673,221,603.58
Luomen to Lixian Highway	614,148,615.49		614,148,615.49
Xiahe to Xiahe Airport Highway	576,703,364.37		576,703,364.37
Yemuxia Tunnel to Link Highway	215,743,288.94		215,743,288.94
Dachuan-Zheqiao Highway	2,229,715,488.50		2,229,715,488.50
Huachi Xinbao to Nanliang Highway	681,102,746.54		681,102,746.54
Pingliang cross-boundary road	455,518,805.75		455,518,805.75
Zhuanglang to Zhangjiachuan to Tianshui Highway	1,639,518,925.63		1,639,518,925.63
Liwu road	539,026,666.48		539,026,666.48
Overhaul project	6,055,996,127.86		6,055,996,127.86
Unamortized overhead	342,004,121.48		342,004,121.48
General airport project	46,918,572.31		46,918,572.31

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Tourism project	552,090,321.36		552,090,321.36
Storage base enclosure structure	233,528,674.56		233,528,674.56
Business management information platform	243,370.20		243,370.20
T3 Terminal connection Line Project	80,003,450.73		80,003,450.73
Construction Project of Linxia to Dahejia Expressway	878,024,243.75		878,024,243.75
Cancel the provincial toll station project of expressway	750,070,330.99		750,070,330.99
Information project	9,095,374.67		9,095,374.67
Construction Project of E-commerce Trading system for Agricultural products of Gansu seed Exchange	1,377,917.50		1,377,917.50
Copyright Design and Registration Agent fee for intellectual property Software	51,121.08		51,121.08
"Xiaolongbao" VIS design, "An Yidian" LOGO design and agency fees	102,148.58		102,148.58
Guarantee system software	34,392.46		34,392.46
Tianjin software development	50,754.71		50,754.71
Lixian Sand and Stone material Project	270,138.49		270,138.49
Subei to Sha Zaoyuan Highway Project	1,626,355.04		1,626,355.04
Subei to Sha Zaoyuan Highway Project	503,968,313.62		503,968,313.62
Lanzhou to Agan Town Highway Project	519,518,618.24		519,518,618.24
Gulangjin Triangle to Fengle Project	544,553,552.75		544,553,552.75
S101 Zhongchuan Railway to Huangyangtou Project	70,470,025.22		70,470,025.22
Upgrading and Reconstruction Project of Great Wall Post Service area	84,583,668.33		84,583,668.33
Qijiashan to Hanjiacha project	1,586,128.95		1,586,128.95
Upgrading Project of Baiyin East Service Area	64,510,525.46		64,510,525.46
Taishi Service area upgrading and Reconstruction Project	64,357,237.90		64,357,237.90
Zhouqu Lijie to Sichuan Yonghe Project	114,485,341.65		114,485,341.65
Jingyuan to Huining project	1,743,557,586.93		1,743,557,586.93
Pingliang Zhijie Stone Shop Project	255,353,558.07		255,353,558.07
Diebu to Sichuan Ruoergai Project	271,768,398.31		271,768,398.31

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Dingyuan to Hanjiacha project	456,885,895.12		456,885,895.12
Baiyin to Lanzhou Project	305,257,091.18		305,257,091.18
Jiangguo River to Diebu Project	51,784,790.08		51,784,790.08
Fengxiang intersection to Pingliang East Project	681,236,297.80		681,236,297.80
Kangle to Zhuoni Project	1,482,633,170.96		1,482,633,170.96
Maqu to Qinghai Jiuzhi Project	598,625,453.11		598,625,453.11
Longxi to Lintao section project	679,641,051.37		679,641,051.37
Banqiao to Xiaoyuan sub-section project	892,901,419.61		892,901,419.61
Zhouqu Peak Die to Daigu Temple Highway Project	1,278,784,762.07		1,278,784,762.07
Highway project from Jinya to Hekou (Zhangjiatai) section of G309 line	217,553,552.25		217,553,552.25
Liangdang to Hui County Project	148,510,227.41		148,510,227.41
Dundang Expressway Construction Project	4,487,428,105.60		4,487,428,105.60
G85 Pengyang (Gan-Ning boundary) to Pingliang to Daqiao village (Gan-Shan boundary) section project	6,384,725,183.99		6,384,725,183.99
Lanzhou New District passenger Transport Hub Station Project	136,578,892.71		136,578,892.71
Reconstruction of examination room	4,197,579.92		4,197,579.92
Office building	338,956.00		338,956.00
Color steel room	544,280.00		544,280.00
Maintenance company Lanzhou New District Industrial Park	125,618,943.84		125,618,943.84
Integrated management system upgrading and transformation project	2,277,973.50		2,277,973.50
Gansu Liudun Expressway Project Ltd. G 215 National Highway Construction Installation Project	3,531,784,246.21		3,531,784,246.21
Gansu Liudun Expressway Project Ltd. G 215 National Highway Construction Installation Project	54,010,187.46		54,010,187.46
Drying factory	1,172,539.78		1,172,539.78
G248 Line Baxiasi to Huguan Highway Project	1,915,835.26		1,915,835.26
S38 line Wanggertang to Xiahe (Sanke) Expressway Project	2,197,309,063.61		2,197,309,063.61
Maintenance and renovation project on the third floor of Luqiao Building	5,216,635.05		5,216,635.05
Yuanlong Office Building Decoration	2,198,218.78		2,198,218.78

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Construction of Smart Transportation Industrial Park	82,973,610.78		82,973,610.78
National and Provincial Trunk Service Area Construction Project	2,412,699.06		2,412,699.06
Public service improvement project in service area (RV station)	3,267,499.83		3,267,499.83
Reconstruction and expansion project of national and provincial trunk line toll stations	10,599,816.37		10,599,816.37
New staff dormitory project in Guazhou parking area	515,845.38		515,845.38
Environmental Protection upgrading and Transformation Project of Boiler in Yongchang Service area	189,636.37		189,636.37
Transformer capacity increase Project in Zhangye Service area	129,893.20		129,893.20
Changda (Yuanlong) Company has built shops, color steel houses and related costs	3,773,549.34		3,773,549.34
Construction of Eastern material Factory of Baiyin New Century Road Co., Ltd.	1,450,437.45		1,450,437.45
The unobstructed Project of the established Village of the Public Development Authority	12,477,240,000.00		12,477,240,000.00
Investment in Construction and installation of Project Management Office of Gansu National Regional Highway Traffic Emergency equipment Reserve Center	102,138,406.55		102,138,406.55
Investment in Construction and installation of 4 Reconstruction projects in Hexi Film of G312 Line	2,034,400,496.52		2,034,400,496.52
Construction Project of Jiuquan Highway Exhibition Hall	18,216,011.43		18,216,011.43
Civil Construction and Decoration cost of Nine Color Deer Hotel repair Project	19,159,476.62		19,159,476.62
Guangtong Highway-Management Bureau Integrated Information platform	591,000.00		591,000.00
Guangtong Highway-Administration production dispatching Center	1,063,641.00		1,063,641.00
Guangtong Highway-Administration fixed Video access Project	803,376.40		803,376.40
Visual Project of Locomotive dispatching in Guangtong Highway and Administration Bureau	262,259.00		262,259.00
Maintenance Project of Guangtong Highway-VPN Network Conference Room	297,922.80		297,922.80
Guangtong Highway-Sua Suo Monitoring and relocation Project	17,400.00		17,400.00
Guangtong Highway-Integrated wiring and fixed Video access Project	132,914.00		132,914.00
Engineering contract of Guangtong Highway-Machine Management and Visual dispatching Project	360,331.00		360,331.00
Secondary Road facilities and equipment Reconstruction Project	4,229,245.71		4,229,245.71
Upgrading and Reconstruction Project of sewage treatment system in Anmen Service area	2,178,503.22		2,178,503.22
National and Provincial Trunk Line Tongwei Service Area	876,782.51		876,782.51

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
National provincial trunk line horse camp service area	211,058.16		211,058.16
Qinan Service area of the main Line of China Province	159,156.23		159,156.23
Transformer capacity increase Project in Yongchang Service area	128,545.45		128,545.45
New warehouse project in Lanzhou North Service area	1,174,311.94		1,174,311.94
Video Monitoring and Upgrading and New Video Conference System Engineering in Gansu Expressway Service Area	16,037.74		16,037.74
Upgrading Project of Sewage Treatment System in Zhangye Service Area	2,840,926.75		2,840,926.75
National and provincial trunk line toll stations renovated and expanded Wujialing service area	3,800.00		3,800.00
National and provincial trunk line toll station reconstruction and expansion Daozhiyi service area	3,800.00		3,800.00
Warehouse reconstruction	142,473.00		142,473.00
Lanzhou New District Highway passenger Transport East Station Project	2,949,831.55		2,949,831.55
Warehouse reconstruction	1,067,491.00		1,067,491.00
Import and export road reconstruction project	6,830,699.08		6,830,699.08
Facilities and equipment construction and maintenance project	13,000.00		13,000.00
Two-vehicle high-grade highway project	999,411,875.49		999,411,875.49
S28 Line Lingtai-Huating Expressway Project Phase I	22,615,184.86		22,615,184.86
G312 Line Shanghai-Khorgos Highway Qingshuiyi to Kushui Section Highway Engineering Project	136,616,841.41		136,616,841.41
Guazhou Liuyuan Factory Building Construction	535,540.00		535,540.00
North Sin Project	380,143.38		380,143.38
Gansu Communications Construction Group Co., Ltd.-Benchmark Account Book	469,543,051.12		469,543,051.12
Ma Mengshan to Qiaowan Project	84,157,807.26		84,157,807.26
Long Slope Renovation Project of Lanzhou Section of Lanzhou-Haikou Expressway	128,765,013.66		128,765,013.66
Project from Qidun to Guazhou	40,424,705.30		40,424,705.30
Restoration and Reconstruction Project of Jiangdingya landslide in Nanyu Township, Zhouqu County	58,656,214.76		58,656,214.76
Gannan Project Management Service	2,658,280.78		2,658,280.78
Wuwei Beixian Highway Engineering Co., Ltd.	355,917.42		355,917.42
Two emblems project	6,706,035,004.60		6,706,035,004.60

Item	Balance at the end of last year		
	Book amount	Impairment preparation	Book value
Construction of Gansu Mixing Plant of Sany Heavy Industries	43,599,999.99		43,599,999.99
175 cubic meter storage tank of Jiayuguan Asphalt Depot	82,899.02		82,899.02
2500 cubic meters storage tank of Jiayuguan asphalt reservoir	270,313.53		270,313.53
Overall Reconstruction Project of staff and Workers' activity Room on the 11th floor of Luqiao Building	837,671.89		837,671.89
Maintenance and Reconstruction Project of Road and Bridge Building	8,735,012.45		8,735,012.45
Installation Project of Sany heavy Industry Factory Building	37,039,647.15		37,039,647.15
Investment in Construction and installation of the Section between Lianyungang and Guyuan Highway from Lianyungang to Guyuan Highway from Zhenyuan to Wangzui (Ganning Boundary) on G327 Line	52,826,713.72		52,826,713.72
Jiuquan Highway Exhibition Hall Construction Project Phase II	10,200,755.25		10,200,755.25
Office Building Decoration of Gansu Hengjie Road and Bridge maintenance Technology Co., Ltd.	302,361.61		302,361.61
Hengjie-Lanlin Reconstruction Project SG-4 contract Section Project Manager Department	2,449,816.54		2,449,816.54
Gansu Henghe Shengchuang Technology Co., Ltd. Plant and office building	651,123.02		651,123.02
Workshop of Shangda heavy Industry Co., Ltd., Baye, Gansu Province	18,365,536.16		18,365,536.16
Jinchang Rehabilitation Center Hospital and apartment for the elderly	91,432,101.49		91,432,101.49
total	213,733,508,949.24		213,733,508,949.24

②Changes in important projects in progress this year

Project name	Budget (10000 yuan)	Balance at the end of last year	Increase this year	Amount of fixed assets transferred in this year	Other reductions this year	Closing balance
Lanzhou (New Town) to Yongjing Fast Track Project along the Yellow River	610,691.82	6,358,623,437.01		6,358,623,437.01		
Shiyan-Tianshui Expressway Huixian-Tianshui Section	2,062,093.79	22,077,439,596.75		22,077,439,596.75		
Lintan to Weiyuan section of Lanhai Expressway	476,979.99	5,580,708,987.58		5,580,708,987.58		
Beijing-Xinjiang Expressway from White Lump to Mingshui	611,356.00	5,264,446,419.65		5,264,446,419.65		
Jinchang-Ayouqi (Ganmengjie) Expressway)	211,831.00					

Project name	Budget (10000 yuan)	Balance at the end of last year	Increase this year	Amount of fixed assets transferred in this year	Other reductions this year	Closing balance
Lanzhou Ring Expressway Project	1,182,935.16	11,406,944,850.36	1,462,145,611.66			12,869,090,462.02
Linhe Expressway Project	888,952.00	9,470,432,713.19	2,694,452.75	9,473,127,165.94		
Weiwu Expressway Project	3,804,149.81	24,253,144,624.89	5,787,198,738.88			30,040,343,363.77
Jingtai to Zhongchuan Airport Expressway Project	781,662.97	6,236,651,636.28	1,488,727,163.33			7,725,378,799.61
Linxia Shuangcheng to Dalijin Expressway Project	477,376.87	3,054,850,921.34	1,716,206,362.10			4,771,057,283.44
Pingliang to Mianyang National Highway Pingliang (Huating) to Tianshui Section Project	2,253,750.74	12,844,924,078.02	6,821,366,821.62			19,666,290,899.64
Yinchuan-Baise National Expressway Tianshuibao via Qingcheng to Yonghe Section Project	3,492,956.75	18,455,755,475.03	9,318,554,078.42			27,774,309,553.45
Wudu to Jiuzhaigou Expressway Project	1,760,159.00	5,540,291,233.61	4,417,435,689.52			9,957,726,923.14
Guazhou-Dunhuang fast track of line S314 (continued construction)	94,137.00	876,525,762.44		876,525,762.44		
Jingning to Zhuanglang Expressway Project	777,901.00	5,254,444,556.62	2,130,408,416.78			7,384,852,973.40
Haining to Lao Jinpo Expressway Project	128,451.00	989,406,622.84	58,882,464.01			1,048,289,086.85
Hesai Expressway Project	1,200,000.00	1,002,285.53	178,542.05			1,180,827.58
Sailang Expressway Project	792,000.00	427,405.38	63,508.14			490,913.52
Water damage restoration project of Luohandong-Dingxi highway (excluding Ningxia section) in Gansu Province	9,999.15	83,400,609.47	5,265,017.53			88,665,627.00
Tianding Maintenance and Improvement Project (Phase I) Project	11,675.65	133,252,037.97	19,610,401.68			152,862,439.65

Project name	Budget (10000 yuan)	Balance at the end of last year	Increase this year	Amount of fixed assets transferred in this year	Other reductions this year	Closing balance
Jinghua Expressway Project	158,063.90	851,893,915.56	474,636,933.85			1,326,530,849.41
Dangchang to Diebu Highway	241,788.00	2,295,984,506.89	-18,654.01			2,295,965,852.88
Jingshen Highway	76,771.06	764,279,066.67				764,279,066.67
Banjiahe-Shuiquan Highway	34,500.00	284,686,541.66				284,686,541.66
Inner road	51,564.47	509,271,742.47	-470,688.43			508,801,054.04
Gaxiu to Maqu Highway	53,746.00	661,756,814.58	269,000.00			662,025,814.58
Cooperation to Yeliguan Highway	149,034.22	1,512,542,039.47	-1,484,391.30			1,511,057,648.17
Linxia to Dahejia Highway	74,069.78	726,619,421.53				726,619,421.53
Lintao to Hezheng Highway	69,058.15	673,221,603.58				673,221,603.58
Luomen to Lixian Highway	55,000.00	614,148,615.49				614,148,615.49
Xiahe to Xiahe Airport Highway	54,500.00	576,703,364.37				576,703,364.37
Yemuxia Tunnel to Link Highway	14,990.97	215,743,288.94	2,040,254.17			217,783,543.11
Dachuan-Zheqiao Highway	153,277.00	2,229,715,488.50	-1,000,495.30			2,228,714,993.20
Huachi Xinbao to Nanliang Highway	69,773.00	681,102,745.54	-4,052.58			681,098,693.96
Pingliang cross-boundary road	46,031.00	455,518,805.75				455,518,805.75
Zhuanglang to Zhangjiachuan to Tianshui Highway	144,348.00	1,639,518,925.63	-64,963.55			1,639,453,962.08
Liwu road	48,235.75	539,026,666.48				539,026,666.48
Overhaul project		6,055,996,127.86	1,235,559,389.83	5,226,414,144.26		2,065,141,373.43
Unamortized overhead		342,004,121.48	447,944.41			342,452,065.89
General airport project	39,316.29	46,918,572.31	48,015,568.51	24,608,864.39		70,325,276.43
Tourism project		552,090,321.36	3,089,600,632.87	205,077,195.12	5,553,153.13	3,431,060,605.98
Tourism project	149,400.00	233,528,674.56	70,710,317.96	304,238,992.52		
Business management information platform	61.10	243,370.20	-15,277.59			228,092.61
T3 Terminal connection Line Project	280,037.64	80,003,450.73	1,146,585,440.00			1,226,588,890.73
Linxia to Dahe Expressway Construction Project	983,829.75	878,024,243.75	2,669,292,641.47			3,547,316,885.22

Project name	Budget (10000 yuan)	Balance at the end of last year	Increase this year	Amount of fixed assets transferred in this year	Other reductions this year	Closing balance
Cancel the provincial toll station project of expressway	187,081.34	750,070,330.99	915,289,234.01			1,665,359,565.00
Information project		9,095,374.67	1,865,545.01			10,960,919.68
Construction Project of E-commerce Trading system for Agricultural products of Gansu seed Exchange	292.00	1,377,917.50				1,377,917.50
Copyright Design and Registration Agent fee for intellectual property Software	8.80	51,121.08		51,121.08		
"Xiaolongbao" VIS design, "An Yidian" LOGO design and agency fees	10.21	102,148.58	30,298.76			132,447.34
Guarantee system software		34,392.46				34,392.46
Tianjin software development		50,754.71				50,754.71
Lixian Sand and Stone material Project		270,138.49	2,761,452.19	-		3,031,590.68
Subei to Sha Zaoyuan Highway Project	109,208.59	1,626,355.04	624,368,642.30			625,994,997.34
Construction and Protection Project of Wuwei Historical District	374,908.36	503,968,313.62	812,471,124.85			1,316,439,438.47
Lanzhou to Agan Town Highway Project	360,058.54	519,518,618.24	1,311,655,902.77			1,831,174,521.01
Maintenance and treatment Project of "two tunnels and one area" of Tianding Expressway	3,242.50		27,198,443.65			27,198,443.65
Lin'an Expressway	687,584.31		1,226,654,521.09			1,226,654,521.09
Public Works G30 Tianding Maintenance Project	78,934.68		382,588,609.30			382,588,609.30
Zhangye Expressway Jiu Long Jiang Service Area New Energy Vehicle Charging Station Project			757,754.08			757,754.08
Graphene overhaul project			1,232,385.84			1,232,385.84

Project name	Budget (10000 yuan)	Balance at the end of last year	Increase this year	Amount of fixed assets transferred in this year	Other reductions this year	Closing balance
The unobstructed Project of the established Village of the Public Development Authority	1,247,724.00	12,477,240,000.00				12,477,240,000.00
Two emblem items	743,337.78	6,706,035,004.60	365,675,639.52			7,071,710,644.12
G85 Pengyang (Canning boundary) to Pingliang to Daqiao village (Gansha boundary) section	1,203,500.00	6,384,725,183.60	1,937,397,587.51			8,322,122,771.11
Dundang Expressway Construction Project	1,217,828.44	4,487,428,105.60	5,014,834,257.62			9,502,262,363.22
total	--	193,144,809,449.50	54,587,609,267.29	55,391,261,686.74	5,553,153.13	192,335,603,876.92

(continued)

Project name	Cumulative investment in projects as a proportion of budget (%)	Project progress (%)	Cumulative amount of interest capitalization	Of which: the amount of interest capitalization this year	Interest capitalization rate for the current year (%)	Source of funds
Lanzhou (New Town) to Yongjing Expressway Project along the Yellow River			1,692,579,519.06			State capital, loans
Huixian to Tianshui Section of Shiyan to Tianshui Expressway			4,963,724,890.43			State capital, loans
Lanhai Expressway Lintao to Weiyuan Section			1,352,389,742.70			State capital, loans
Jingxin Expressway White pimples to Mingshui			900,588,989.27			State capital, loans
Jinchang to Ayouqi (GanMeng boundary) Highway			202,039,877.40			State capital, loans
Lanzhou Ring Expressway Project	108.79	100.00	2,910,192,624.36	807,502,404.79	4.9	State capital, loans
Linhe Expreasway Project			1,687,031,437.75			State capital, loans
Weiwu Expressway Project	78.97	78.97	4,308,750,966.56	1,521,298,450.78	4.9	State capital, loans
Jingtai to Zhongchuan Airport Expressway Project	98.83	98.83	887,065,315.04	249,991,884.00	4.9	State capital, loans
Linxia Shuangcheng to Dalijia Expressway Project	99.94	99.94	572,142,908.30	229,165,323.42	4.9	State capital, loans

Project name	Cumulative investment in projects as a proportion of budget (%)	Project progress (%)	Cumulative amount of interest capitalization	Of which: the amount of interest capitalization this year	Interest capitalization rate for the current year (%)	Source of funds
Pingliang to Wanyang National Expressway Pingliang (Huating) to Tianshui Section Project	87.26	87.26	1,793,257,680.97	854,587,394.10	4.9	State capital, loans
Yinchuan to Baise National Expressway Sweet Water Castle through Qingcheng to Yonghe Section Project	79.52	79.52	2,937,557,064.60	1,131,017,699.42	4.9	State capital, loans
Wudu to Jiuzhaigou Expressway Project	56.57	56.57	1,007,822,328.09	521,213,269.29	4.9	State capital, loans
Line 5314 Guazhou to Dunhuang Express Channel (continued)			168,542,580.95			State capital, loans
Jingning to Zhuanglang Expressway Project	94.93	94.93	1,142,112,829.94	529,923,054.12	4.9	State capital, loans
Huining to Lao Junpo Expressway Project	81.61	81.61	150,266,108.28	47,777,796.95	4.9	State capital, loans
Hesai Expressway Project	0.01	0.01	1,180,827.58	178,542.05	4.9	State capital, loans
Sailang Expressway Project	0.01	0.01	490,913.52	63,508.14	4.9	State capital, loans
Water damage repair Project of Luohandong to Dingxi Highway in Gansu Province (excluding Ningxia Section)	88.67	88.67	15,209,008.72	6,373,088.27	4.9	State capital, loans
Tianding maintenance and improvement Project (Phase I)	130.92	100.00	42,338,886.73	19,405,761.06	4.9	State capital, loans
Jinghua Expressway Project	83.92	83.92	139,403,226.11	54,897,600.06	4.9	State capital, loans
Dangcheng to Dihang Highway	94.96	94.96	284,542,158.24			State capital, loans
Jingshen Highway	99.55	99.55	67,891,531.11			State capital, loans
Hanjiahe-Shuiquan Highway	82.52	82.52	12,359,903.20			State capital, loans
Inner road	98.67	98.67	33,500,110.57			State capital, loans
Gaxiu to Maqu Highway	123.18	100.00	112,710,990.85			State capital, loans
Cooperation to Yeliguan Highway	101.39	100.00	109,158,953.22			State capital, loans
Linxia to Dahejia Highway	98.10	98.10	44,511,612.89			State capital, loans
Lintao to Hezheng Highway	97.49	97.49	46,572,551.00			State capital, loans
Luomen to Lixian county Highway	111.66	100.00	27,463,494.12			State capital, loans
Xiahe to Xiahe Airport Highway	105.82	100.00	31,004,254.76			State capital, loans

Project name	Cumulative investment in projects as a proportion of budget (%)	Project progress (%)	Cumulative amount of interest capitalization	Of which: the amount of interest capitalization this year	Interest capitalization rate for the current year (%)	Source of funds
Yemuxia Tunnel to Link Highway	145.28	100.00	32,555,255.79			State capital, loans
Dachuan-Zhoqiao Highway	145.40	100.00	269,701,300.48			State capital, loans
Daochi Xinbao to Nanliang Highway	97.62	97.62	34,326,151.10			State capital, loans
Pingliang cross-boundary road	98.96	98.96	67,464,589.29			State capital, loans
Zhuanglang to Zhangjiachuan to Tianshui Highway	113.58	100.00	142,990,911.95			State capital, loans
Liwu road	111.75	100.00	60,483,547.74			State capital, loans
Overhaul project						State capital, loans
Unamortized overhead						State capital, loans
General airport project	17.89	17.89				Enterprise self-financing
Tourism project			110,529,440.31	109,488,190.31	4.9	Enterprise self-financing and loan
Storage base enclosure structure						Enterprise self-financin
Business management information platform	37.33	37.33				Enterprise self-financin
T3 Terminal connection Line Project	43.80	43.80	48,431,397.80	32,414,781.93	4.9	State capital, loans
Construction Project of Linxia to Dahejia Expressway	36.06	36.06	149,239,224.57	108,183,186.44	4.9	State capital, loans
Cancel the provincial toll station project of expressway	89.02	89.02	65,981,702.89	52,552,986.18	4.9	State capital, loans
Information project						Enterprise self-financin
Construction Project of E-commerce Trading system for Agricultural products of Gansu seed Exchange	47.19	47.19				Enterprise self-financin
Copyright Design and Registration Agent fee for Intellectual property Software						Enterprise self-financin
"Xiaolongbao" VIS design, "An Yidian" LOGO design and agency fees	129.72	100.00				Enterprise self-financin
Guarantee system software						Enterprise self-financing
Tianjin software development						Enterprise self-financing
Lixian Sand and Stone material Project						Enterprise self-financing

Project name	Cumulative investment in projects as a proportion of budget (%)	Project progress (%)	Cumulative amount of interest capitalization	Of which: the amount of interest capitalization this year	Interest capitalization rate for the current year (%)	Source of funds
Subei to Sha Zaoyuan Highway Project	57.32	57.32	8,770,496.58	8,770,496.58	4.9	State capital, loans
Construction and Protection Project of Wuwei Historical District	35.11	35.11	19,939,111.11	19,939,111.11	4.9	Enterprise self-financing
Lanzhou to Agan Town Highway Project	50.86	50.86	44,994,722.22	44,455,833.33	4.9	State capital, loans
Maintenance and treatment Project of "two tunnels and one area" of Tianding Expressway	83.88	83.88	4,205,130.67	4,205,130.67	4.9	State capital, loans
Lin'an Expressway	17.84	17.84	58,561,984.74	58,561,984.74	4.9	State capital, loans
Public construction G30 tianding maintenance project	48.47	48.47	14,843,381.76	14,843,381.76	4.9	State capital, loans
Project of New Energy vehicle charging Station in Jiulong River Service area of Zhangye Expressway						
Graphene overhaul project						
The unobstructed Project of the established Village of the Public Development Authority	100.00	100.00				Other sources
Two emblem items	95.13	95.13	384,147,727.55			Capital injection and loans
G85 Pengyang (Canning boundary) to Pingliang to Daqiao village (Gansham boundary) section	69.15	69.15	982,751,351.15	215,841,577.67	4.9	Internal borrowing, infrastructure investment
Dundang Expressway Construction Project	78.03	78.03	671,234,294.45	160,690,124.59	4.9	Capital plus bank loans
total	—	—	30,816,155,008.47	6,803,342,561.76	—	—

2. Engineering materials

Item	Closing balance	Balance at the end of last year
Construction material	965,448.00	
total	965,448.00	

(19) productive biological assets

1. Productive Biological assets based on cost Measurement Model

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. Total original book value		130,000.00		130,000.00
Among them: saplings		130,000.00		130,000.00
II. Total accumulated depreciation				
Among them: saplings				
III. Total net book value		130,000.00		130,000.00
Among them: saplings		130,000.00		130,000.00
IV. Total cumulative amount of impairment provision				
Among them: saplings				
V. Total book value		130,000.00		130,000.00
Among them: saplings		130,000.00		130,000.00

(20) Intangible assets

1. Classification of intangible assets

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. Total original prices	2,526,987,485.53	81,676,728.04	1,498,237,801.28	1,110,426,412.29
Among them: land use right	2,412,914,148.72	46,969,042.35	1,491,265,378.85	968,617,812.22
Franchise right	10,095,000.00	7,144,788.89		17,239,788.89
Software	21,190,840.24	10,601,878.29	1,047,488.05	30,745,230.48
Trademark right	294,018.86			294,018.86
Patent right	46,787,350.08	3,305,593.10	73,222.60	50,019,720.58
Non-patented technology	29,991,553.53	13,652,525.41	1,843,201.80	41,800,877.14
Copyright	5,476,164.12	2,900.00	3,970,100.00	1,508,964.12
Others	238,409.98		38,409.98	200,000.00
II. Total cumulative amortization	141,452,528.85	37,603,637.93	36,142,514.45	142,913,652.33
Among them: land use right	92,870,937.62	19,815,157.89	33,944,765.61	78,741,329.90
Franchise right	1,335,679.30	2,786,053.98		4,121,733.28
Software	8,096,160.06	4,937,837.04	606,897.92	12,427,099.18
Trademark right	12,512.36	29,401.88		41,914.24
Patent right	12,432,236.57	2,169,403.86		14,601,640.43

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Non-patented technology	25,659,624.48	7,815,414.69	769,342.22	32,705,696.95
Copyright	819,764.94	46,485.00	787,845.00	78,404.94
Others	225,613.52	3,883.59	33,663.70	195,833.41
III. Total impairment provision				-
Among them: land use right				-
Franchise right				-
Software				-
Trademark right				-
Patent right				-
Non-patented technology				-
Copyright				-
Others				-
IV. Total book value	2,385,534,956.68			967,512,759.96
Among them: land use right	2,320,043,211.10			889,876,482.32
Franchise right	8,759,320.70			13,118,055.61
Software	13,094,680.18			18,318,131.30
Trademark right	281,506.50			252,104.62
Patent right	34,355,113.51			35,418,080.15
Non-patented technology	4,331,929.05			9,095,180.19
Copyright	4,656,399.18			1,430,559.18
Others	12,796.46			4,166.59

Note: at the end of the report, there were no intangible assets whose ownership was restricted, such as mortgage, pledge, etc.。

2. The situation of the right to use the land that has not completed the certificate of property rights

Item	Book value at the end of the period	Reasons for not having completed the certificate of title
Land use right in scenic spot	5,568,511.23	Not yet processed
Yanzhi Mountain Scenic spot Land	1,113,666.38	In progress

Item	Book value at the end of the period	Reasons for not having completed the certificate of title
Land use right of No. 1 Taolin Road, Anning West Road Street, Anning District, Gansu Yuanda Road Group Co., Ltd.	20,000,000.00	Problems left over from history, property rights have not been dealt with
total	26,682,177.61	--

(21) Development expenditure

Item	Balance at the end of last year	Increase in the current period		Decrease for the current year			Closing balance
		Internal development expenditure	Others	Recognition as intangible assets	Transfer to current profit and loss	Others	
Customized development of BIM and general deepening drawing software for steel box and corrugated steel web beam		401,720.67					401,720.67
PM project construction management system		206,574.20					206,574.20
Data visualization platform		118,300.00					118,300.00
Pengda Expressway Smart Site Management and Application Demonstration		104,103.77					104,103.77
Research on Standardization Technology of Temporary Power Consumption at Construction Site of Highway Construction Industry (self-funded)		75,000.00					75,000.00
Northwest Yonghao 1 invention patent, 3 new utility patent		9,785.00					9,785.00
Piao Shi's new utility patent		2,277.23					2,277.23
Research and development of the arch frame installation of the initial lining of the self-propelled hydraulic trolley	672,795.13			672,795.13			
Fee for the use of instruments and equipment	962.00			962.00			
Research on long-term service performance and durability of highway subgrade in saline soil area		66,037.74			66,037.74		

Item	Balance at the end of last year	Increase in the current period		Decrease for the current year			Closing balance
		Internal development expenditure	Others	Recognition as intangible assets	Transfer to current profit and loss	Others	
Study on the construction of the site exposure site and the durability of the hired materials under extreme drought and desert conditions		1,135,699.61			1,135,699.61		
Tunnel Special Service Event Monitoring System		869,649.57			869,649.57		
Research on the Applicability of Graphene Compound Rubber Modified Asphalt in Gansu Province	175,275.96			175,275.96			
Research on Reliable Stability of Collapsible Loess Filled Slope		9,242,040.61			9,242,040.61		
Research on Stability of Collapsible Loess Slope with Multi-level Excavation		9,224,808.50			9,224,808.50		
Production task management system (self-funded)		549,999.99		549,999.99			
Study on Application of Wide Temperature Range SBS Modified Asphalt in the Gobi Desert		141,509.43			141,509.43		
Subject research		6,507,665.15			6,507,665.15		
Scientific research management system		100,000.00		100,000.00			
Research on Research and Development and Application Technology of Geogrid based on Emergency demand	323,906.47			323,906.47			
Research and development of intelligent detection and management system for aggregate grading and grain type based on computer vision	136,800.00			136,800.00			
Research on quality control and material	176,000.00			176,000.00			

Item	Balance at the end of last year	Increase in the current period		Decrease for the current year			Closing balance
		Internal development expenditure	Others	Recognition as intangible assets	Transfer to current profit and loss	Others	
performance test of machine-made sand concrete							
Study on Mechanical behavior of Loess Tunnel Construction support		23,415,476.26			23,415,476.26		
Evaluation and Management System of National Trunk Road Pavement		585,504.96			585,504.96		
On-site Inspection and completion Management system of Highway Engineering (self-financing)	466,019.42			466,019.42			
Management system of Highway Engineering Test and Inspection equipment (self-financing)	116,504.86			116,504.86			
Highway Engineering Test Inspection Management system (self-financing)	436,893.20			436,893.20			
Safety and Health Monitoring and Management system of Highway Engineering structure (self-financing)	287,184.46			287,184.46			
Key Technology of Skeleton dense cement stabilized Macadam Base Construction in Gobi area		141,509.43			141,509.43		
Study on the Application of Real-time Monitoring of High Slope		359,241.93			359,241.93		
Management software for large and medium repair projects		515,188.14			515,188.14		
Result evaluation fee	1,600.00			1,600.00			
Slope monitoring	769,812.56			769,812.56			
total	3,563,754.06	53,772,092.19		4,213,754.05	52,204,331.33		917,760.87

(22) Goodwill

1. Book value of goodwill

The name of the invested unit or the formation of goodwill	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
Gansu Yuanfeng Traffic Engineering Co., Ltd.	1,486,183.21			1,486,183.21
Gansu Oriental Fire Engineering Co., Ltd.	2,998,493.59			2,998,493.59
Gansu Rongcheng Construction Engineering Co., Ltd.	3,518,467.60			3,518,467.60
Gansu Xinruifeng Investment Co., Ltd.	43,898,917.97			43,898,917.97
Dingxi Hunzhong Real Estate Development Co., Ltd.	10,592,785.14			10,592,785.14
total	62,494,847.51			62,494,847.51

(23) long-term amortization

Item	Balance at the end of last year	Increase this year	Amortization for this year	Other decreases	Closing balance	Other reasons for the decrease
Long-term operating lease cost	66,719,981.65	169,028,674.67	43,780,890.02		191,967,766.30	
Asset renovation payment	14,601,263.58	5,282,833.17	3,572,672.80		16,311,423.95	
Temporary facilities	105,689,751.77	183,094,164.70	94,060,979.90		194,722,936.57	
Fixed assets repair	10,044,766.79	3,421,473.39	2,380,179.68		11,086,060.50	
Information expenditure	3,777,368.87	6,327,629.18	3,906,591.59		6,198,406.46	
others	108,500,094.07	22,220,831.59	17,769,857.81		112,951,067.85	
total	309,333,226.73	389,375,606.70	165,471,171.80		533,237,661.63	

(24) deferred income tax assets and deferred income tax liabilities

1. Deferred income tax assets and deferred income tax liabilities are not shown in net amounts after offsetting

①Deferred income tax assets and deferred income tax liabilities recognized

Item	Closing balance		Balance at the end of last year	
	Deferred income tax assets / liabilities	Deductible / taxable temporary difference	Deferred income tax assets / liabilities	Deductible / taxable temporary difference
1. deferred income tax assets	238,792,116.98	1,076,886,816.98	169,688,566.83	743,729,291.73
Provision for impairment of assets	174,683,245.64	820,445,235.69	125,548,443.06	565,518,192.66
Unpaid performance pay				

Item	Closing balance		Balance at the end of last year	
	Deferred income tax assets / liabilities	Deductible / taxable temporary difference	Deferred income tax assets / liabilities	Deductible / taxable temporary difference
Welfare expenses and education funds for staff and workers in excess of the provisions of the tax law				
Preparation of guarantee compensation	60,537,719.06	242,150,876.17	42,971,329.54	173,535,922.15
Deductible loss	2,594,319.16	10,383,372.64	500.00	2,000.00
Projected gross profit from accounts received in advance	58,978.52	235,914.08	193,136.23	772,544.92
Gross profit from real estate advance payment	88,604.60	354,418.40	117,408.00	469,632.00
Changes in the fair value of financial assets available for sale included in other composite earnings	829,250.00	3,317,000.00	857,750.00	3,431,000.00
Others				
II. Deferred income tax liabilities	7,190,257.92	33,718,109.56	10,155,524.40	67,486,070.33
Asset evaluation and appreciation	45,002.35	180,009.40	8,692,128.74	57,730,099.28
Accelerated depreciation of fixed assets	6,314,298.52	30,214,271.96	1,463,395.66	9,755,971.05
Advance project loss	830,957.05	3,323,828.20		

(25) other non-current assets

Item	Closing balance	Balance at the end of last year
Prepaid payment for land transfer	35,000,000.00	35,000,000.00
Public welfare biological assets	357,460.00	357,460.00
total	35,357,460.00	35,357,460.00

(26) short-term loans

1. Classification of short-term loans

Item	Closing balance	Balance at the end of last year
Credit loan	5,309,600,000.00	4,513,379,200.00
Mortgage loan	49,700,000.00	43,310,000.00
Guarantee loan	1,386,297,012.46	1,245,315,595.00
Pledge loan	720,000,000.00	400,000,000.00
total	7,465,597,012.46	6,202,004,795.00

2. There were no overdue short-term loans during the reporting period.

(27) deposit of security

Item	Closing balance	Balance at the end of last year
Receipt of deposit	63,000.00	73,000.00
total	63,000.00	73,000.00

(28) Notes payable

Species	Closing balance	Balance at the end of last year
Commercial acceptance bill		
Bank acceptance bill	409,008,530.77	1,533,813,953.05
total	409,008,530.77	1,533,813,953.05

Note: there are no due and unpaid notes payable at the end of the reporting period.

(29) accounts payable

1. Ageing of accounts payable

Account age	Closing balance	Balance at the end of last year
Less than 1 year (including 1 year)	11,535,877,698.00	9,849,172,375.79
1-2 years (including 2 years)	2,960,054,828.96	2,596,336,630.40
2-3 years (including 3 years)	829,116,766.35	873,209,906.42
More than 3 years	1,214,365,847.78	1,532,812,576.81
total	16,539,415,141.09	14,851,531,489.42

2. Significant accounts payable over one year old

Name of creditor's rights unit	Closing balance	Reasons for non-reimbursement
China Communications Third Highway Engineering Bureau Co., Ltd.	117,944,124.60	Not up to the time limit agreed upon in the contract for payment
China Communications Second Navigation Engineering Bureau Co., Ltd.	114,697,683.68	Not up to the time limit agreed upon in the contract for payment
China Communications Second Public Bureau Third Engineering Co., Ltd.	101,049,378.48	Not up to the time limit agreed upon in the contract for payment
China Communications First Highway Engineering Bureau Co., Ltd.	82,243,096.61	Not up to the time limit agreed upon in the contract for payment
China Communications First Public Bureau Fifth Engineering Co., Ltd.	62,067,861.94	Not up to the time limit agreed upon in the contract for payment
The Third Engineering Company of China Railway 21st Bureau	50,867,929.72	Not up to the time limit agreed upon in the contract for payment
CCCC Fourth Highway Engineering Bureau Limited	38,861,027.93	Not up to the time limit agreed upon in the contract for payment
CCCC Road & Bridge Construction Co.	37,325,224.11	Not up to the time limit agreed upon in the contract for payment
Fujian Road & Bridge Construction Co.	37,070,743.24	Not up to the time limit agreed upon in the contract for payment

Name of creditor's rights unit	Closing balance	Reasons for non-reimbursement
China Railway Construction Bridge Engineering Bureau Group Limited	36,741,593.93	Not up to the time limit agreed upon in the contract for payment
total	678,868,664.24	--

(30) advance receipt

1. Ageing of advance receipts

Account age	Closing balance	Balance at the end of last year
Less than 1 year	2,923,406,584.70	2,011,064,087.07
1 to 2 years	277,186,193.52	745,842,423.92
2 to 3 years	204,377,054.09	1,182,025.70
More than 3 years	4,203,461.87	3,025,336.17
total	3,409,173,294.18	2,761,113,872.86

2. Significant advance receipts over one year old at the end of the period

Name of the creditor unit	Closing balance	Reasons for uncarried over
Department of Communications, Gansu Province	9,534,117.70	The settlement of the project is greater than that of the construction of the project.
Pingliang Municipal Bureau of Housing and Urban and Rural Construction	4,371,247.37	an issue rooted in history
China Energy Construction Group Northwest Power Construction Engineering Co.	1,217,737.75	Not yet settled
Pingliang Long Yun	707,728.37	The contract has not yet been signed and the carry-over conditions have not been met
Gansu Hengye Construction Engineering Co.	500,000.00	Project payment
total	16,330,831.19	--

(31) pay payable to staff and workers

1. List of employee payables

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. short-term remuneration	290,259,686.56	3,686,707,000.92	3,649,508,974.02	327,457,713.46
II. After-service benefits-establishment of deposit plans	13,340,140.83	160,477,071.65	144,456,073.20	29,361,139.28
III. Dismissal benefits				
IV. Other benefits due within one year				
V. other				
total	303,599,827.39	3,847,184,072.57	3,793,965,047.22	356,818,852.74

2. Short Term Compensation List

Item	Balance at the end of last year	Increase for the current year	Decrease for the current year	Closing balance
I. wages, bonuses, allowances and subsidies	241,041,838.55	3,262,600,272.86	3,207,008,326.97	296,633,784.44
II. Welfare expenses for staff and workers	68,256.00	139,374,861.87	139,420,347.87	22,770.00
III. Social insurance premiums	3,087,534.48	98,720,784.48	100,440,521.99	1,367,796.97
Of which: medical insurance premium	2,920,770.89	85,040,376.79	86,790,221.10	1,170,926.58
Industrial injury insurance premium	63,502.04	3,613,074.65	3,604,203.43	72,373.26
Maternity insurance premium	55,861.55	2,084,768.46	2,060,559.42	80,070.59
Other insurance premiums	47,400.00	7,982,564.58	7,985,538.04	44,426.54
IV. Housing provident fund	24,944,523.05	145,529,028.82	163,531,698.60	6,941,853.27
V. Trade union funds and staff and workers' education funds	21,117,534.48	40,240,013.96	39,002,099.01	22,355,449.43
VI. Short-term paid absence				
VII. Other short-term remuneration	-	242,038.93	105,979.58	136,059.35
total	290,259,686.56	3,686,707,000.92	3,649,508,974.02	327,457,713.46

3. Set deposit plan listing

Item	Balance at the end of last year	Increase this year	Decrease this year	Closing balance
I. basic old-age insurance	1,905,321.03	81,061,311.10	80,602,351.44	2,364,280.69
II. Unemployment insurance premiums	452,585.57	2,143,838.48	2,117,834.45	478,589.60
III. Enterprise annuity contributions	10,982,234.23	77,271,922.07	61,735,887.31	26,518,268.99
total	13,340,140.83	160,477,071.65	144,456,073.20	29,361,139.28

(32) taxes and fees payable

Item	Closing balance	Balance at the end of last year
Value added tax	164,937,285.07	136,421,572.86
corporate income tax	231,133,820.55	225,217,657.37
business tax	20,345,776.49	21,932,663.28
Urban maintenance and construction tax	30,304,660.01	26,673,395.99

Item	Closing balance	Balance at the end of last year
Additional education fee	13,878,908.84	12,122,126.93
Local education fee addition	9,252,303.56	7,994,465.96
Withholding and paying personal income tax	14,872,032.94	11,933,851.23
Property tax	2,118,494.42	1,404,267.81
Land use tax	614,905.34	323,478.96
Stamp duty	12,599,091.91	8,769,353.71
Water conservancy fund	15,784.64	65,050.45
Withholding and paying Jiaman VAT on behalf of the people's Republic of China	133,371,607.47	99,151,827.05
Additional VAT paid on behalf of withholding agent	8,544,950.63	7,446,157.83
Withholding and other taxes	1,081.75	872,625.82
Resource tax	55,365.51	-
Land value added tax	2,501,899.12	2,742,236.02
Vehicle and ship use tax	5,213.08	1,503.84
Environmental protection tax	103,089.44	46,551.65
Others	490,436.38	311,228.78
total	645,146,707.15	563,430,015.54

(33) other accounts payable

Item	Closing balance	Balance at the end of last year
Interest payable	1,139,673,187.40	1,098,734,543.77
Dividend payable	169,085,639.27	95,771,585.68
Other accounts payable	16,733,192,976.25	3,685,053,009.80
total	18,041,951,802.92	4,879,559,139.25

1. Interest payable

Item	Closing balance	Balance at the end of last year
Interest on long-term loans due and repaid in instalments	342,502,443.54	285,487,016.78
Interest on corporate bonds	536,250,373.79	565,364,729.28
Interest payable on short-term loans	8,260,989.67	10,017,195.92
Long-term interest payable on maturity and repayment of interest in instalments	252,659,380.40	237,865,601.79

Item	Closing balance	Balance at the end of last year
total	1, 139, 673, 187. 40	1, 098, 734, 543. 77

Note: we do not have significant overdue interest.

2. Dividend payable

①Dividend payable by nature

Item	Closing balance	Balance at the end of last year
Common stock dividend	44, 859, 508. 13	95, 771, 585. 68
Preferred shares divided into equity instruments \ Sustainable debt dividend	124, 226, 131. 14	
total	169, 085, 639. 27	95, 771, 585. 68

3. Other accounts payable

① Other accounts payable by nature of the amount

Item	Closing balance	Balance at the end of last year
Current payment	5, 522, 156, 747. 46	2, 477, 702, 877. 27
Deposits and deposits	831, 394, 122. 78	1, 068, 244, 213. 51
Withhold and advance money	82, 653, 953. 73	65, 961, 074. 95
Equipment and engineering funds	1, 490, 000. 00	-
Rent to be paid	335, 200. 00	
Expenses to be paid	54, 022, 697. 36	43, 284, 919. 26
Debt transfer	10, 112, 779, 133. 33	
Others	128, 361, 121. 59	29, 859, 924. 81
total	16, 733, 192, 976. 25	3, 685. 053, 009. 80

②Significant other accounts payable over one year old

Name of the creditor unit	Closing balance	Reasons for non-reimbursement
Subei Mongolian Autonomous County Urban Construction Investment Co., Ltd.	32, 597, 000. 00	Not due to payment period
Liu Qian	30, 000, 000. 00	Project investment funds
Li Linyu	22, 000, 000. 00	Project investment funds
Liang Chao	15, 000, 000. 00	Project investment funds
Baiyin Highway Administration	10, 004, 566. 70	Financial constraints
Shanxi Tourism Group Yan'an Cultural Tourism Industry Investment Co., Ltd.	10, 000, 000. 00	Not due to payment period
Ningxia Earth Circulation Development Co., Ltd.	10, 000, 000. 00	Not due to payment period

Name of the creditor unit	Closing balance	Reasons for non-reimbursement
Jin Lidong	8,740,000.00	Project investment funds
Gansu Gannan New Century Road and Bridge Co., Ltd.	7,986,500.32	Not due to payment period
Lanzhou Traffic Development and Construction Group Co., Ltd.	6,000,000.00	Not due to payment period
total	152,328,067.02	--

(34) unmatured liability bond

Item	Closing balance	Balance at the end of last year	Alternate note
Unexpired liability reserve	54,364,369.68	42,364,264.06	
total	54,364,369.68	42,364,264.06	

(35) guarantee indemnity bond

Item	Closing balance	Balance at the end of last year	Alternate note
Guarantee compensation reserve	210,240,417.49	195,989,833.15	
Financing factoring risk reserve	13,020,722.24	9,754,799.43	
total	223,261,139.73	205,744,632.58	

(36) non-current liabilities due within one year

Item	Closing balance	Balance at the end of last year
Long-term loans due within one year	8,035,896,211.85	8,501,040,000.00
Bonds payable due within one year	3,285,650,000.00	9,295,581,000.00
Long-term payables due within one year	588,212,183.52	2,520,666,427.08
total	11,909,758,395.37	20,317,287,427.08

(37) other current liabilities

Item	Closing balance	Balance at the end of last year
Credit balance of tax to be transferred	82,568.81	
total	82,568.81	

(38) long-term loans

1. Classification of long-term loans

Loan category	Closing balance	Balance at the end of last year	Year-end rate interval
Pledge Loan	241,496,276,203.89	203,697,261,785.67	

Loan category	Closing balance	Balance at the end of last year	Year-end rate interval
Mortgage loan	253,913,170.66	2,349,449,373.36	
Guarantee loan	649,500,000.00	212,008,570.40	
Credit loan	18,772,799,645.46	16,561,024,327.21	
Subtotal	261,172,489,020.01	222,819,744,056.64	
Less: part due within one year	8,035,896,211.85	8,501,040,000.00	
total	253,136,592,808.16	214,318,704,056.64	

2. No long-term loans due and outstanding at the end of the reporting period.

(39)Bonds payable

1. Bonds payable

Item	Closing balance	Balance at the end of last year
Medium term bill	23,130,000,000.00	21,984,524,722.22
Enterprise debt	2,500,000,000.00	4,957,794,000.00
Private targeted debt financing instruments	2,300,000,000.00	3,000,000,000.00
Foreign issue of US dollar debt	7,177,390,000.00	5,581,115,661.04
Issuance of euro bonds abroad		3,197,260,810.18
Corporate debt	11,100,000,000.00	9,322,400,000.00
Subtotal	46,207,390,000.00	48,043,095,193.44
Less: portion due within one year	3,285,650,000.00	9,295,581,000.00
total	42,921,740,000.00	38,747,514,193.44

2. Increase or decrease in bonds payable

Bond name	Surface value	Date of issue	Bond maturity	Amount issued	Balance at the end of last year
2012 second issue of medium-term notes	100.00	2012/9/21	5+5	2,000,000,000.00	2,000,000,000.00
2013 First Medium Term Ticket	100.00	2013/3/27	5+5	3,000,000,000.00	2,930,000,000.00
2014 Medium Term Notes Issue 2	100.00	2014/10/17	7	2,000,000,000.00	2,000,000,000.00
2014 Third Medium Term Note	100.00	2014/11/17	7	1,000,000,000.00	1,000,000,000.00
2015 second issue of medium-term notes	100.00	2015/11/21	7	2,000,000,000.00	2,000,000,000.00
The first issue of the medium-term note in 2016	100.00	2016/3/18	7	2,000,000,000.00	2,000,000,000.00
Second issue of medium-term Notes in 2016	100.00	2016/6/28	7	3,000,000,000.00	3,000,000,000.00

Bond name	Surface value	Date of issue	Bond maturity	Amount issued	Balance at the end of last year
The first issue of the medium-term note in 2017	100.00	2017/8/11	5	900,000,000.00	900,000,000.00
Medium-term notes (perpetual bonds)	100.00	2015/10/19	5+N	1,500,000,000.00	1,500,000,000.00
Medium-term notes (perpetual bonds))	100.00	2015/11/29	5+N	600,000,000.00	600,000,000.00
2019 CDB Phase I Medium Term Note	100.00	2019/3/6	5	1,000,000,000.00	1,000,000,000.00
2019 Societe Generale Second Medium Term Note	100.00	2019/3/15	3+N	500,000,000.00	
2019 CDB 4th Medium Term Note	100.00	2019/11/27	5	1,000,000,000.00	1,000,000,000.00
2020 CDB Phase I Medium Term Note	100.00				
2020 CDB IV Medium Term Note	100.00				
2019 Societe Generale 3rd Medium Term Note	100.00	2019/12/25	3+N	1,000,000,000.00	
2014 First Corporate Bond	100.00	2014/2/25	6	2,500,000,000.00	2,457,794,000.00
2014 Second Corporate Bond	100.00	2014/11/28	7	2,500,000,000.00	2,500,000,000.00
2014 Second Non-public Targeted Debt Financing Instrument	100.00	2014/6/5	5	1,500,000,000.00	
2014 third Non-public Targeted Debt Financing Instrument	100.00	2014/10/22	5	1,500,000,000.00	
2015 Phase 1 Non-public Targeted Debt Financing Instrument	100.00	2015/3/25	5	1,500,000,000.00	1,500,000,000.00
2015 Second Non-public Targeted Debt Financing Instrument	100.00	2015/12/1	5	1,500,000,000.00	1,500,000,000.00
2020 First Tranche of Agricultural Bank Private Placement Debt	100.00				
2020 Second Private Placement Bond of Agricultural Bank	100.00				
Offshore issuance of US dollar debt in 2016	100.00	2016/11/18	3	3,429,927,774.00	
Eurobond I 2017	100.00	2017/12/7	3	3,188,486,810.18	3,197,260,810.18
Offshore issuance of US dollar debt in 2018	100.00	2018/8/2	3	2,361,990,041.60	2,425,690,041.60
Offshore issuance of US dollar debt in 2018	100.00	2018/11/1	3	1,065,513,530.44	1,066,893,530.44
First tranche of USD bonds 2019	100.00	2019/7/5	3	2,060,910,000.00	2,088,532,089.00
First tranche of 2020 USD debt	100.00				
CITIC Bank Phase I Renewable Corporate Bonds 2019	100.00	2019/3/29	3	1,200,000,000.00	1,200,000,000.00
CITIC Bank Phase II Renewable Corporate Bonds 2019	100.00	2019/6/4	3	800,000,000.00	800,000,000.00
2019 Non-public Issue of Corporate Bonds (Phase I)	100.00	2019/6/27	3	1,500,000,000.00	1,500,000,000.00
2019 Non-public Issue of Corporate Bonds (Phase II)	100.00	2019/10/31	3	3,000,000,000.00	3,000,000,000.00
2019 Non-public Issue of Corporate Bonds (Phase III)	100.00	2019/12/13	5	2,000,000,000.00	2,000,000,000.00

Bond name	Surface value	Date of issue	Bond maturity	Amount issued	Balance at the end of last year
20 Gan Jiaojian MTN001BC (Variety 1)	100.00	2020/4/1	3	900,000,000.00	
20 Gan Jiaojian MTN001BC (Variety 2)	100.00	2020/4/1	5	500,000,000.00	
20 Ganjiao 01166164	100.00	2020/2/1	5	1,200,000,000.00	
20 Ganjiao 01	100.00	2020/11/1	5	1,000,000,000.00	
19 Ganjiao 01	100.00	2019/1/18	3	1,000,000,000.00	822,400,000.00
19 Ganjiao built MTN001	100.00	2019/9/3	5	1,000,000,000.00	1,040,038,055.56
19 Ganjiao built MTN002	100.00	2020/3/3	5 年（3+2）	1,200,000,000.00	1,014,486,666.66
Subtotal	—	—	—	59,906,828,156.22	48,043,095,193.44
Less: part of the amount due within one year					9,295,581,000.00
2012 first issue of medium-term notes					600,000,000.00
The second phase of private equity in 2014 (the second phase of private targeted debt financing instruments in 2014))					2,500,000,000.00
The third phase of private equity (PPN002) in 2014 (the third phase of the private targeted debt financing instrument in 2014)					1,500,000,000.00
Overseas issuance of US dollar bonds in 2016					1,500,000,000.00
The first issue of euro debt in 2017					3,195,581,000.00
CDB's second issue of medium-term Notes in 2014					
The third phase of Everbright Bank won the ticket in 2014.					
Second issue of corporate debt in 2014					
First dollar debt in 2018					
Second issue of United States dollar bonds in 2018					
total	—	—	—	59,906,828,156.22	38,747,514,193.44

(continued)

Bond name	Issued this year	Interest at face value	Reimbursed this year	Exchange gains and losses	Closing balance
2012 second issue of medium-term notes		121,028,852.46	600,000,000.00		1,400,000,000.00
The first issue of 2013 won the vote.		181,660,000.00			2,930,000,000.00
2014 second issue of medium-term notes		117,000,000.00			2,000,000,000.00
2014 third issue of medium-term Bills		58,000,000.00			1,000,000,000.00

Bond name	Issued this year	Interest at face value	Reimbursed this year	Exchange gains and losses	Closing balance
2015 second issue of medium-term notes		92,200,000.00			2,000,000,000.00
The first issue of the medium-term note in 2016		75,200,000.00			2,000,000,000.00
Second issue of medium-term Notes in 2016		118,500,000.00			3,000,000,000.00
The first issue of the medium-term note in 2017		73,980,000.00	900,000,000.00		0.00
Median (perpetual debt)		59,080,327.87	1,500,000,000.00		0.00
Median (perpetual debt)		37,012,459.02	600,000,000.00		0.00
The first phase of CDB won votes in 2019		44,300,000.00			1,000,000,000.00
The second phase of Xingye Bank won the ticket in 2019.					0.00
The fourth phase of CDB won votes in 2019		41,900,000.00			1,000,000,000.00
In 2020,CDB won the first phase of the vote.	2,000,000,000.00	50,404,918.03			2,000,000,000.00
Fourth interim ticket of CDB 2020	1,000,000,000.00	9,425,136.61			1,000,000,000.00
In 2019, Xingye Bank won the third phase of the vote.					0.00
2014 first phase of corporate debt		27,264,053.66	2,457,794,000.00		0.00
2014 second issue of corporate debt		146,250,000.00			2,500,000,000.00
2014 Phase II closed targeted debt financing instrument					0.00
2014 the third phase of the private targeted debt financing instrument					0.00
2015 Phase I private targeted debt financing instruments		20,901,639.34	1,500,000,000.00		0.00
2015 Phase II closed targeted debt financing instrument		60,622,950.82	1,500,000,000.00		0.00
The first phase of the Agricultural Bank of China's private debt collection in 2020	1,600,000,000.00	53,412,021.86			1,600,000,000.00
The second phase of private debt collection by Agricultural Bank of China in 2020	700,000,000.00	5,495,956.28			700,000,000.00
Overseas issuance of US dollar bonds in 2016					0.00
The first issue of euro debt in 2017		55,824,442.67	3,195,581,000.00	-1,679,810.18	0.00
Issuance of US dollar bonds abroad in 2018		148,623,125.00		-141,975,041.60	2,283,715,000.00
Issuance of US dollar bonds abroad in 2018		65,315,625.00		-88,158,530.44	978,735,000.00

Bond name	Issued this year	Interest at face value	Reimbursed this year	Exchange gains and losses	Closing balance
First dollar debt in 2019		79,860,262.50		-131,062,089.00	1,957,470,000.00
First US Dollar Debt 2020	2,008,710,000.00	11,772,357.79		-51,240,000.00	1,957,470,000.00
Citic Bank's first Renewable Corporate debt 2019		75,600,000.00			1,200,000,000.00
Citic Bank's second Renewable Corporate debt 2019		48,800,000.00			800,000,000.00
Closed Public Issuance of Corporate Bonds 2019 (Phase I)		67,200,000.00			1,500,000,000.00
Closed issuance of corporate bonds in 2019 (second issue)		129,000,000.00			3,000,000,000.00
Non-public issuance of corporate bonds in 2019 (phase III)		83,200,000.00			2,000,000,000.00
20 Gan Jiaojian MTN001BC (Variety 1)	900,000,000.00				900,000,000.00
20 Gan Jiaojian MTN001BC (Variety 2)	500,000,000.00				500,000,000.00
20 Ganjiao 01166164	1,200,000,000.00				1,200,000,000.00
20 甘交 01	1,000,000,000.00				1,000,000,000.00
20 Ganjiao 01			22,400,000.00		800,000,000.00
19 Ganjiao built MTN001			40,038,055.56		1,000,000,000.00
19 Ganjiao built MTN002			14,486,866.66		1,000,000,000.00
Subtotal	10,908,710,000.00	2,158,834,128.92	12,330,299,722.22	-414,115,471.22	46,207,390,000.00
Less: part of the amount due within one year					3,285,650,000.00
2012 first issue of medium-term notes					
The second phase of private equity in 2014 (the second phase of private targeted debt financing instruments in 2014)					
The third phase of private equity (PPN002) in 2014 (the third phase of the private targeted debt financing instrument in 2014)					
Overseas issuance of US dollar bonds in 2016					
The first issue of euro debt in 2017					
First dollar debt in 2018					2,299,955,000.00
Second issue of United States dollar bonds in 2018					985,695,000.00

Bond name	Issued this year	Interest at face value	Reimbursed this year	Exchange gains and losses	Closing balance
total	10,908,710,000.00	2,158,834,128.92	12,330,299,722.22	-414,115,471.22	42,921,740,000.00

(40) long-term accounts payable

Item	Closing balance	Balance at the end of last year
Long-term payable	34,969,539,227.24	27,637,206,915.90
Special payables	320,415,570.44	2,555,875,484.90
total	35,289,954,797.68	30,193,082,400.80

1. Status of long-term accounts payable

Item	Closing balance	Balance at the end of last year
Bank of China financial lease	3,048,849,557.48	1,803,800,000.00
Gansu High Speed creditor's Rights Investment Plan		400,000,000.00
Jianxin financial leasing	730,327,920.99	1,143,854,087.57
China bank financial leasing co., Ltd.	3,019,129,690.82	3,195,028,530.31
Taiping Petrochemical Financial Leasing Co., Ltd.	825,632,360.38	1,041,094,826.39
Kunlun Financial Leasing Co., Ltd.	1,342,000,000.00	1,523,000,000.00
Xingye Financial Leasing Co., Ltd.	2,899,346,799.70	3,301,833,004.73
Gansu Transportation Project Bond Investment Plan	1,900,000,000.00	1,900,000,000.00
Ping an Gansu referendum Bond Investment Plan	3,000,000,000.00	3,000,000,000.00
Gansu referendum Weiwu creditor's Rights Investment Plan	900,000,000.00	1,300,000,000.00
Bank financial lease	781,667,692.03	893,189,937.11
Government special bond	14,710,000,000.00	8,750,000,000.00
ICBC financial leasing co., Ltd.	1,275,000,000.15	1,425,000,000.05
Housing working capital	284,802.40	281,616.62
Restructuring and retention expenses	2,699,503.69	2,749,903.69
Purchase of equipment	421,093.91	1,346,999.14
Gansu Provincial Road Transport Bureau	3,000,000.00	1,000,000.00
Infrastructure allocation	857,590,000.00	
Ping an International Financial Leasing (Tianjin) Co., Ltd.	146,379,225.21	243,207,721.05
Adjustment of assets and capital approval	342,398.00	342,398.00

Item	Closing balance	Balance at the end of last year
Others	115,080,366.00	232,144,318.32
Subtotal	35,557,751,410.76	30,157,873,342.98
Less: part of the closing amount due within one year	588,212,183.52	2,520,666,427.08
total	34,969,539,227.24	27,637,206,915.90

2. Status of special payables

Item	Closing balance	Balance at the end of last year
Risk compensation	60,814,653.86	60,624,830.95
Special allocation for World Bank projects		7,200,000.00
Project payment for Yanerwan Freight Yard		10,298,000.00
Project money for express passenger station project		10,000,000.00
Project funds for passenger Station in New area		40,000,000.00
Subsidy Fund for Beautiful Village Model Village of Cultural and Travel Hall	2,000,000.00	2,000,000.00
Innovative talent support funds	110,000.00	110,000.00
Study on Highway Construction Technology and quality Control in collapsible Loess area		94,612.00
Study on subgrade Stability Control Technology of Weiwu Expressway		100,000.00
Road Technology and Engineering Application of reinforcement Materials for Geotechnical buildings		9,328.45
Study on crack Control Technology of precast Highway Box girder in dry and Cold area of Gansu Province under the condition of large temperature difference		156,648.67
Study on Foundation reinforcement Technology of large Section Loess Tunnel		59,779.83
Development and Application of super SBS modified Asphalt	5,416.58	190,785.00
Upfront start-up fee of Gansu New Express Hotel Co., Ltd.	31,500.00	31,500.00
Research and development funds for road centres	500,000.00	500,000.00
Study and Optimization of concrete mix proportion in Alpine and High altitude area	80,000.00	
Mining and Analysis of Engineering quality Inspection data of Gansu Road and Bridge Construction Group	60,000.00	
Study on ground material quality of Highway Construction in Gansu Province	60,000.00	
Integrated project of building and maintenance		3,000,000.00
S38 Wanggetang to Xiahe (Sangke) Expressway Project		600,000,000.00
Fengxiang intersection to Pingliang East Project		40,000,000.00

Item	Closing balance	Balance at the end of last year
Kangle to Droni Project		100,000,000.00
Longxi to Lintao section project		26,500,000.00
Zhouqu Feng to Daigusi Highway Project		100,000,000.00
Ma Mengshan to Qiaowan Project		602,500,000.00
Project from Qidun to Guazhou		602,500,000.00
Water destruction Project of Jiangdingya landslide in Nanyu Township, Zhouqu County		50,000,000.00
Lanzhou to Haikou Expressway Project		300,000,000.00
The first phase of government construction subsidy	226,380,000.00	
Government allocation	1,244,000.00	
Integration Project of "two points, one Line and one Link" in Greater Danhuang Cultural Tourism Economic Circle (that is, 211 Project)	2,130,000.00	
Highway Engineering from Jingtai to Jingyuan Section of S35 Jingtai to Lixian Expressway	5,000,000.00	
Aksai to La Pei Spring	5,000,000.00	
Guo Chengyi Town Transit Section	7,000,000.00	
Subsidy for Prophase expenses of Provincial Infrastructure Investment	10,000,000.00	
total	320,415,570.44	2,555,875,484.90

Note: the increase of risk compensation is the interest earned by the Lanzhou New District Management Committee and the people's Government of Yuzhong County.

(41) projected liabilities

Item	Closing balance	Balance at the end of last year	Cause of formation
Pending loss contracts	8,030,315.27		
total	8,030,315.27		

In 2018, Gansu Huayun Construction and installation Engineering Co., Ltd. and Gansu Transportation Construction Group Co., Ltd. signed the "G22 Qinglan Expressway to Liugou River Section to pick up the mouth service area upgrade and reconstruction project construction contract agreement", the contract price is 42,269,314.00 yuan, the contract date is November 29, 2018, the contract period is 18 months, as of December 31, 2020, the project book loss of 3,689,684.73 yuan, December expected liabilities of 8030315.27 yuan. The main reasons for the projected losses are as follows: After winning the bid for the project, the price of raw materials increased, resulting in an increase in the cost of the project. There are some missing

items in the list of quantities for bidding, and the actual cost of the project is increased by a lot. The contract duration of the project is scheduled to start on October 1, 2018, and the planned delivery date is March 31, 2020. After winning the bid, the comprehensive building is located above the natural gas pipeline, the plastic shed in the site, the graveyard has not been relocated, the 10KV high-voltage line in the site has not been changed, the natural gas has not been relocated, and the demolition of the original gas station has not been completed, etc. As a result, units An and B of the project were delayed, unit C was subdivided, automobile repair rooms and outdoor projects could not be constructed, and the construction period was expected to be delayed until the end of 2021, resulting in a significant increase in the management cost of the project.

(42) deferred income

Item	Balance at the end of last year	Increase this year	Decrease this year		Closing balance
			Account for profit and loss	Return	
Return of Land transfer fee for 23 # and 24 # Land transfer in Zhangye Danxia Scenic spot-Zhang Zhengfa [2012] No. 50	5,298,691.87		150,317.50		5,148,374.37
Subsidy Fund for demonstration Tourism toilet of Linze County Tourism Bureau	479,638.89		479,638.89		
Project subsidy	1,080,000.00	900,000.00	940,000.01		1,039,999.99
Beihaizi Shazao Lin camping park cage football field subsidy	340,666.77		57,577.56		283,089.21
The second batch of Central Special funds for the Development of small and medium-sized Enterprises	16,310,000.00		16,310,000.00		
Central car purchase tax subsidy	32,150,000.00	4,557,307.68	2,823,974.35		33,883,333.33
financial appropriations	11,376,457.65	2,126,808.00	142,720.67		13,360,544.98
Intellectual property advantage enterprise reward	191,333.30		143,621.65		47,711.65
Study on the Application of Phosphate Rapid repair Materials in low temperature Environment in Alpine region	100,000.00		100,000.00		
Road Technology and Engineering Application of reinforcement Materials for Geotechnical buildings	642,500.00		500,824.07		141,675.93
Land subsidy	8,999,999.92		500,000.04		8,499,999.88

Item	Balance at the end of last year	Increase this year	Decrease this year		Closing balance
			Account for profit and loss	Return	
Government project funds		500,000.00			500,000.00
Funds of the Bureau of Industrial Informatization		10,000.00			10,000.00
Project funds of the Bureau of Culture and Tourism		500,000.00			500,000.00
Subsidy Fund for demonstration Tourism toilet of Linze County Tourism Bureau		479,638.89	18,566.67		461,072.22
Subsidy funds for the Construction and Transformation of tourist latrines in Danxia Scenic spot		300,000.00	9,771.99		290,228.01
Infrastructure Construction of Danxia Scenic spot		700,000.00	22,801.30		677,198.70
Upgrading and Transformation of Scenic spot (Infrastructure Project)		130,000.00	3,409.83		126,590.17
Preliminary cost of traffic and tourism fusion complex project in suspended spring site scenic spot		2,870,000.00			2,870,000.00
Research and Development of Bridge Detection equipment and Intelligent Analysis system based on AI Technology (Special)		100,000.00			100,000.00
Patent subsidy		4,500.00	4,500.00		
Gansu Enterprise Technology Center		500,000.00	500,000.00		
Big data Integration Application Project in Gansu area of National Defense Transportation		928,273.00			928,273.00
Social insurance		80,320.44			80,320.44
Demolition compensation fee		2,081,000.00	1,688,848.00		392,152.00
Pilot Project of Traffic Environment Monitoring Network Construction in Gansu Province		2,000,000.00			2,000,000.00
total	76,969,288.40	18,767,848.01	24,396,572.53		71,340,563.88

(43) paid-in capital

Investor name	Balance at the end of last year		Increase this year	Decrease this year	Closing balance	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)

Investor name	Balance at the end of last year		Increase this year	Decrease this year	Closing balance	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
Supervision and Administration Committee of State-owned assets of Gansu Provincial people's Government	20,000,000,000.00	100.00			20,000,000,000.00	100.00
total	20,000,000,000.00	100.00			20,000,000,000.00	100.00

(44) other instruments of interest

Item	Balance at the end of last year	Increase this year	Decrease this year	Closing balance
Preferred stock				
Perpetual debt	1,500,000,000.00	11,500,000,000.00		13,000,000,000.00
Others				
total	1,500,000,000.00	11,500,000,000.00		13,000,000,000.00

Other equity instruments are sustainable bonds issued this year.

(45) Capital reserve

Item	Balance at the end of last year	Balance at the end of last year	Decrease this year	Closing balance
I. Capital (or equity) premium				
II. Other capital reserves	123,832,748,496.96	34,871,672,201.77		158,704,420,698.73
total	123,832,748,496.96	34,871,672,201.77		158,704,420,698.73

Note: (1) the capital reserve increased by 6521450000.00 yuan, mainly due to the receipt of investment from the Department of Finance of Gansu Province. The capital reserve increased by 184,25355526.63 yuan, mainly due to the equity method to calculate the changes in the rights and interests of the invested units and, according to document [2020] 51 of the property rights of Ganguo, the State assets Supervision and Administration Commission of the provincial government is responsible for injecting assets and liabilities into the public air travel group. The increase in the rest of the capital reserve is mainly due to the addition of new enterprises under the same control by the Public Transport Construction Group to merge Baye Construction Group Co., Ltd. And car purchase tax subsidies.

(46) Special reserves

Item	Balance at the end of last year	Balance at the end of last year	Decrease this year	Closing balance	notes
Safety production cost	241, 308, 718. 75	296, 367, 753. 58	250, 821, 211. 89	286, 855, 260. 44	
total	241, 308, 718. 75	296, 367, 753. 58	250, 821, 211. 89	286, 855, 260. 44	

(47) surplus reserve

Item	Balance at the end of last year	Balance at the end of last year	Decrease this year	Closing balance	Cause of change, basis
Statutory surplus provident fund	1, 431, 393, 151. 28			1, 431, 393, 151. 28	Extracted at 10% of net profit
Arbitrary surplus provident fund					
total	1, 431, 393, 151. 28			1, 431, 393, 151. 28	--

(48) General risk preparedness

Extraction ratio	Closing balance	Balance at the end of last year
1.50 per cent of the closing amount of risky assets	33, 344, 044. 13	25, 664, 392. 29
10. 00% of net profit	76, 288, 132. 53	55, 807, 743. 64
total	109, 632, 176. 66	81, 472, 135. 93

(49) undistributed profits

Item	Closing balance	Balance at the end of last year
Amount at the end of the previous year	12, 680, 166, 492. 30	12, 362, 807, 581. 48
Add: other		
Amount at the beginning of the current period	12, 680, 166, 492. 30	12, 362, 807, 581. 48
Increase for the current period	76, 108, 015. 51	430, 870, 682. 17
Of which: transfer of net profit for the current period	76, 108, 015. 51	430, 870, 682. 17
Other adjustment factors		
Decrease in the current period	494, 347, 890. 03	113, 511, 771. 35
Among them: the total amount of surplus drawn in the current period		5, 033, 208. 87
General risk preparation for extraction in this period	28, 160, 040. 73	32, 957, 843. 39
Cash dividend distribution for the current period	466, 187, 849. 30	75, 520, 719. 09
Transfer to increase capital		
Other reductions		
Amount at the end of the current period	12, 261, 926, 617. 78	12, 680, 166, 492. 30

Note: for details of our general risk preparedness, see Note 8 (48) General risk Preparedness.

(50) operating income and operating costs

Item	Current amount	
	Income	Cost
Subtotal, main business	145, 049, 390, 540. 36	138, 671, 115, 135. 21
Of which: trade income	119, 121, 522, 607. 96	118, 887, 458, 157. 93
Toll income	5, 178, 274, 497. 57	2, 103, 896, 988. 60
Oil income	244, 963, 089. 25	224, 388, 378. 96
Tourism income	200, 166, 230. 93	170, 417, 354. 30
Aviation revenue	31, 234, 416. 36	19, 506, 135. 06
Interest income	327, 610, 898. 39	-
Premium income earned	106, 650, 717. 21	25, 278, 099. 76
Fees and commission income	66, 412, 457. 62	-
Project construction income	73, 593, 405. 50	86, 896, 648. 87
Fund management	9, 752, 622. 29	-
Road transportation service	68, 998, 202. 18	59, 862, 909. 88
Engineering consulting service	11, 737, 975. 78	8, 137, 633. 83
Financial lease income	104, 758, 913. 98	
Revenue from sales and fiduciary processing of asphalt	310, 779, 373. 27	272, 828, 068. 42
Project settlement	14, 877, 149, 758. 86	13, 132, 472, 338. 63
Sales business	3, 120, 914, 143. 08	2, 837, 860, 617. 72
Test and test	299, 692, 097. 04	193, 263, 883. 77
Survey and design service	50, 684, 515. 57	36, 106, 871. 86
Technical service	16, 843, 188. 23	12, 619, 056. 17
Supervision business	60, 529, 954. 88	39, 638, 974. 80
Rental income	171, 086, 198. 59	51, 467, 416. 26
Real estate development income	242, 064, 763. 27	267, 126, 500. 41
Advertising revenue	2, 850, 444. 48	3, 141, 780. 63
Mechanical operation income	17, 348, 794. 95	31, 752, 850. 10

Others	333, 771, 273. 12	206, 994, 469. 25
Subtotal, other operations	399, 876, 912. 88	22, 524, 545. 18
total	145, 449, 267, 453. 24	138, 693, 639, 680. 39

(continued)

Item	Prior period amount	
	Income	Cost
Subtotal of main business	129, 494, 189, 939. 48	121, 998, 821, 749. 32
Of which: trade income	106, 377, 863, 839. 15	106, 232, 740, 050. 67
Toll income	6, 530, 188, 620. 67	2, 038, 743, 987. 06
Oil income	224, 334, 351. 33	212, 383, 108. 96
Tourism income	420, 598, 070. 53	326, 856, 618. 17
Aviation revenue	20, 312, 050. 94	15, 891, 719. 70
Interest income	395, 530, 232. 59	-
Premium income earned	82, 786, 728. 42	49, 801, 347. 39
Fees and commission income	112, 351, 386. 23	-
Project construction income	78, 841, 090. 40	79, 863, 150. 77
Fund management	18, 795, 908. 00	-
Road transportation service	38, 592, 719. 65	35, 398, 099. 66
Engineering consulting service	9, 540, 420. 27	1, 840, 875. 58
Financial lease income	134, 942, 998. 47	
Revenue from sales and fiduciary processing of asphalt	87, 704, 300. 77	80, 120, 487. 13
Project settlement	12, 095, 477, 859. 24	10, 209, 757, 792. 64
Sales business	1, 865, 251, 657. 17	1, 850, 434, 802. 69
Test and test	245, 243, 761. 60	259, 319, 799. 77
Survey and design service	31, 529, 537. 32	26, 642, 933. 91
Technical service	35, 340, 020. 91	17, 408, 105. 14
Supervision business	46, 190, 682. 43	30, 936, 352. 10
Rental income	107, 608, 511. 39	42, 832, 635. 10
Real estate development income	246, 132, 377. 46	270, 273, 409. 24
Advertising revenue	5, 271, 685. 20	3, 836, 390. 65

Mechanical operation income	4, 141, 582. 00	34, 504, 618. 58
Others	279, 619, 547. 34	179, 235, 464. 41
Subtotal, other operations	238, 337, 840. 49	13, 669, 607. 07
total	129, 732, 527, 779. 97	122, 012, 491, 356. 39

(51) taxes and additions

Item	Current amount	Prior period amount
Property tax	24, 271, 782. 59	24, 977, 037. 34
Urban maintenance and construction tax	38, 241, 371. 33	39, 772, 314. 51
Additional education fee	23, 866, 360. 32	21, 483, 314. 51
Local taxes and fees	11, 953, 515. 65	12, 645, 536. 56
Resource tax	77, 172. 79	
Cultural construction fee		325, 704. 02
Land value added tax	9, 536, 100. 75	6, 445, 036. 80
Stamp duty	111, 421, 300. 00	93, 950, 467. 40
Vehicle and ship use tax	1, 244, 128. 07	1, 132, 681. 52
Land use tax	19, 379, 770. 65	16, 853, 752. 08
Local water conservancy construction fund	154, 864, 892. 17	188, 305, 118. 28
Environmental protection tax	844, 491. 38	91, 839. 18
Deed tax		129, 113. 81
Others		1, 100, 634. 88
total	395, 700, 885. 70	407, 212, 550. 89

(52) sales costs, management costs, financial costs

1. Sales expense

Item	Current amount	Prior period amount
Remuneration of employees	74, 931, 781. 07	74, 953, 246. 56
Advertising expenses	6, 313, 563. 94	12, 478, 658. 82
Transfer and removal charges	35, 293, 667. 10	14, 207, 191. 19
Office expenses, etc.	6, 379, 841. 59	4, 886, 380. 42
Intermediary service charge	969, 008. 46	612, 753. 71
Depreciation and amortization of assets	3, 653, 944. 81	857, 472. 83

Item	Current amount	Prior period amount
Lease repair cost	1,364,312.49	1,737,543.82
Transport cost	58,775,202.75	5,681,825.33
Operating expenses	1,818,087.74	1,901,544.28
Sales service charge	524,358.97	2,665,016.82
Consulting fee	317,115.43	1,560,187.79
Packing fee	227,009.16	
Storage fee	174,228.26	
Labor expenses	966,484.18	
Others	11,851,890.17	27,903,557.13
total	203,560,496.12	149,445,378.70

2. Management expenses

Item	Current amount	Prior period amount
Remuneration of employees	904,585,256.76	833,205,960.19
Depreciation and amortization of assets	176,337,506.64	164,158,956.42
Administrative office and other expenses	108,089,635.80	126,431,445.66
Cost of repairs and leases	79,968,175.71	82,379,028.28
Intermediary service charge	22,424,442.66	19,620,819.52
Advertising expenses	5,206,008.29	8,737,642.88
Labor expenses	21,451,857.75	17,592,620.15
Insurance greening installation fee	3,854,562.08	1,687,348.11
Business hospitality	5,569,691.72	6,924,087.03
Consulting fee	51,776,627.56	23,443,895.10
Legal costs	6,222,969.91	8,634,804.97
Transport cost		1,590,781.93
Start-up cost amortization	3,183,144.60	3,183,144.60
Others	36,812,576.32	73,254,670.22
total	1,425,482,455.80	1,370,845,215.06

3. Financial expenses

Item	Current amount	Prior period amount
interest expenses	8,578,586,394.93	7,463,711,427.69
Less: interest income	826,509,825.44	871,961,673.06
Exchange loss	4,154,257.54	-26,006.56
Less: exchange gains	357,336,571.39	-188,899,461.81
Handling and issuance fees	100,508,383.07	27,026,760.51
Financing handling fee	436,172.62	906,867.42
total	7,499,838,811.33	6,808,556,837.81

(53) Research and development expenses

Item	Current amount	Prior period amount
Study on the Construction of Field exposure Field and the durability of Road Materials under the condition of drought and shortage	1,655,955.04	517,564.29
Application specification for cold recycling technology of highway foamed asphalt	15,229.33	
Study on Real-time Monitoring of High Slope from 20li ditch to Caixian Road on Line G341 of Erche Road	127,582.03	
Comprehensive Application of waste Rubber Powder and Milling Asphalt pavement with Economic durability	169,811.32	
Application of BIM Technology in Yulin ku to suspended Spring Highway Project	175,083.62	
Study on key Technical Indexes of durability Design and Construction Control of Highway concrete structure		719,739.89
Study on the Construction of Field exposure Field and the durability of hired Materials under the condition of extremely dry Desert	1,135,699.61	843,059.85
Study on the Application of Real-time Monitoring of High Slope	359,241.93	
Study on reliable Stability of collapsible Loess fill Slope	9,242,040.61	
Study on multistage excavation stability of collapsible loess slope	9,224,808.50	
Study on Mechanical behavior of Loess Tunnel Construction support	23,415,476.26	
Study on long-term Service performance and durability of Highway subgrade in Saline Land area	66,037.74	47169.81
Study on key Technology of Skeleton dense cement stabilized Macadam Base Construction in Gobi area	141,509.43	11,166,922.62
Study on Application Technology of wide temperature region SBS modified Asphalt in Gobi Desert area	141,509.43	14,473,137.34
Research on Research and Development and Application Technology of modified Asphalt based on Gobi Environmental demand	25,965,425.43	26,423,027.42
Research and Application of Rubber Asphalt processing parameters based on Raw material characteristics	141,509.43	6,218,041.35
Study on health preservation technology and durability of concrete in extremely dry desert area	66,037.74	2,575,585.65
Study on Technical performance of mixture mixed with	291,262.14	

Item	Current amount	Prior period amount
recycled material and Micro-surface		
Application of flexible Ecological maintenance system in Ecological Protection of High and steep Rock Slope	1,192,166.68	
Key Technology and Application Research Project of thin layer overlay on long Longitudinal Slope	6,640,242.72	
Research and Development of "Internet" + Highway maintenance Management platform	566.04	
Research on 3D Radar Detection Technology of Expressway in Gansu Province	359,177.19	
Key Laboratory of Highway Network Monitoring in Gansu Province	801,883.86	
Research on the Application of Integrated platform for Highway Construction and maintenance and Management	976,785.15	
Study on the Construction of Highway instrument and equipment Metrological Management system in Gansu Province	5,241.74	
Road Technology and Engineering Application of reinforcement Materials for Geotechnical buildings	398,077.75	
Study on the Application of Phosphate Rapid repair Materials in low temperature Environment in Alpine region (self-financing)	144,667.14	
Luqiao Group R & D Center	3,940,801.68	
Application of Oil Shale semi-coke in Highway Engineering (self-financing)	154,520.41	
Research and Application of assembled temporary bracing structure for Loess Tunnel of large Section Highway	561,451.34	58,749.20
Study on the Application of grouting compactness Nondestructive testing Technology in Bridge Prestressed Channel	5,900.25	9,247.79
Development, production and Application of low viscosity Rubber Composite modified Asphalt	124,527.82	
Annual maintenance of the system	160,000.00	
Waterborne marking (self-financing)	9,411.00	
Research and Development of functional fossil Moene modified Asphalt Technology	291,262.14	
Research on Construction Key Technology of the Structure Performance of the Combined Curved Beam Bridge with Elevated Curved Webs (self-financing)	108,100.00	
Open fund project	299,596.97	
Research on Development and Application of Rapid repair material for Asphalt pavement at Room temperature	744.00	35,922.16
National standard-test method for strength of cement mortar (ISO) method	47,169.81	
Study on subgrade Stability Control Technology of Weiwu Expressway	271,844.66	4,500.00
Study on the Application of C50 low carbon Green concrete in Bridge Engineering	23,004.25	
Research and Development of Bridge Detection equipment and Intelligent Analysis system based on AI Technology (Special)	4,000.00	

Item	Current amount	Prior period amount
Technical specification for nondestructive testing of mechanical energy for geological advance prediction of highway tunnels in Gansu province	27,630.00	
Enterprise level work method	28,000.00	
Patent subsidy	4,500.00	
Patent application	64,668.35	
Annual patent fee	13,880.00	
Industry standard-magnesium phosphate cement	48,543.69	
Construction Technology of Energy Saving and Environmental Protection Water pressure smooth blasting in Highway Tunnel	229,047.36	
Road Technology and Engineering Application of Geotextile Reinforced Materials (self-financing)	202,571.81	
Awards for scientific and technological achievements and methods of work	542,000.00	
Construction Technology of Roof Fall of Tunnel Strengthened by Grouting of Light Material Filled with Collapse Cavity with Initial Lining Structure (self-financing)	11,261.18	
Study on Pavement Performance and Long-term Performance of High Performance Fiber Asphalt Concrete (self-financing)	2,475.25	
Development of Highly Efficient Composite Concrete Curing Agent (Science and Technology Fund)	364,077.68	
Research on Standardization Technology of temporary Power consumption in Highway Construction Industry (self-financing))	598,258.96	
Study on the Application of Highway subgrade Construction Technology in Loess area of Gansu Province	97,087.38	
Research and Development and production and Application of Waterborne marking Coatings (Science and Technology Fund)	388,349.51	
Research on key Technology of preparation of High Stability Alkali-free and chlorine-free retarder (Science and Technology Fund)	388,349.51	
Study on key Technology of preparation of Saline soil improver for Highway Engineering in Northwest China (Science and Technology Fund)	169,902.92	
Technical specification for steam maintenance of highway concrete members as local standard in Gansu province	11,340.00	
Experimental study on quality prosecution and material properties of mechanized sand concrete	199,954.13	
Intelligent Detection and Management system of aggregate size Distribution based on computer Vision Technology (self-financing)	1,022,262.46	
Research on equipment Development and Application Technology of forced continuous mixing foam Asphalt mixture	800,012.83	
Trademark registration agent	7,425.74	

Item	Current amount	Prior period amount
Establishment of key techniques for Service performance Evaluation and Predictive Control of soft Saline soil subgrade in Gansu Province	60,000.00	
Research on Development and Construction Technology of High density paving equipment for Asphalt mixture (self-financing)	302,510.00	
Provincial working method	13,861.38	
Construction Technology of Energy Saving and Environmental Protection Water pressure smooth blasting in Highway Tunnel	202,338.09	
Study on disaster Mechanism and treatment Technology of Highway Tunnel leakage in High altitude Cold region	74,334.00	
Study on maintenance Technology of hanging basket cantilever pouring concrete in Alpine and large temperature difference area	550,024.90	
Oblique prestressed concrete pavement	503,714.77	
Research and Development on installation of initial lined Arch frame of self-traveling hydraulic trolley Tunnel	753,901.96	
Road Technology and Engineering Application of reinforcement Materials for Geotechnical buildings	2,840,185.98	
Study on Construction Technology of Prevention and Monitoring of cavity in the back of the second liner of Tunnel	2,375,716.84	
Research on Construction cost Control and Technology of Tunnel Mechanization Cluster	177,373.67	
Research on Development and Construction Technology of High density paving equipment for Asphalt mixture	762,192.98	
Study on quality Control of Loess Tunnel Construction process in Erche Road	3,559,023.77	
Study on deformation Mechanism of surrounding Rock of Loess Tunnel and timing of second lining pouring	943,943.20	
Study on pavement performance and long-term performance of High performance Fiber Asphalt concrete	1,227,031.75	
Research on upgrading Technology of Water stable mixing equipment	2,166,227.74	
Road Technology and Engineering Application of reinforcement Materials for Geotechnical buildings	1,901,490.22	
Study on prefabrication Construction Technology of Mobile platform flow Line Box culvert	3,715,323.38	
Monitoring of High Slope of Loess subgrade	6,050,472.25	
Research on the Application of BIM Technology based on Internet +	833,209.82	
Study on disaster Mechanism and treatment Technology of Highway Tunnel leakage in High altitude Cold region	930,383.73	
Study on Construction quality Control of pavement Engineering	370,230.32	
Study on pile forming Technology of Steel Pipe pile under the Geological condition of hornblende in the Yellow River Basin	1,075,643.42	
Study on Energy Saving and Emission reduction characteristics and paving Technology of warm mix modified Asphalt pavement	310,679.62	

Item	Current amount	Prior period amount
Pile foundation construction safety working platform	60,966.18	
Connecting Technology of straight Thread sleeve of reinforcement	1,712,552.82	
A freely adjustable steel cage ten-character brace	1,094,425.02	
Study on Construction quality Control of pavement Engineering	793,975.56	
Study on the influence of surrounding Rock and Surface change of Loess Tunnel on lining structure by means of Wisdom perception	798,019.46	
Study on disaster Mechanism and treatment Technology of Highway Tunnel in High altitude Cold region	70,468.70	
Study on Construction Application Technology of friction pile reinforcement in collapsible Loess with flowing Gravel	1,536,748.96	
Study on the Application of Oil Shale semi-coke in Highway Engineering	1,381,452.01	
Study on disaster Mechanism and treatment Technology of Highway Tunnel leakage in High altitude Cold region	17,820.00	
Anti-segregation device of finished material Warehouse in stabilized soil mixing Station	360.00	
Anti-segregation device of Asphalt concrete Paver	360.00	
Automatic anti-collision wall maintenance trolley and its control system	605.00	
Construction method of prefabricated small Box girder reinforcement frame Longitudinal Distribution reinforcement pre-tension and binding	905.00	
Safety protection device of roller	605.00	
Vehicle-loaded tamping machine for cement stabilized structural floor in highway pavement construction	10,000.00	
Spray atomization device for cement stabilized structure layer of expressway pavement	10,600.00	
A Construction method of stiffening side Formwork for Base course	1,260.00	
The utility model relates to a concrete health maintenance equipment for bridge piers and columns in alpine region.	630.00	
Study on the Application of heating Oil to Coal Gas production Technology in Asphalt mixing Plant	3,432,413.19	
Reinforcement Technology of inverted Arch in Alpine Water rate Powder Loess Tunnel	9,433.96	
Construction Technology of Longitudinal distributed reinforcement alignment of prefabricated Box girder	9,433.96	
Safety protection device for power outage of mixing cylinder of pavement engineering mixing equipment	605.00	
A wedged gasket with adjustable angle for hanging basket construction	2,500.00	
The utility model relates to a lateral distribution device of permeable broken stone on the shoulder of a highway.	605.00	
The utility model relates to a transverse end construction device for stabilizing structural layer of inorganic binder on highway pavement.	605.00	

Item	Current amount	Prior period amount
Smoothness Control Technology of Asphalt concrete pavement at the end of Bridge structure	2,000.00	
Construction Technology of High Speed erection of 40m prefabricated Box girder	1,000.00	
Novelty search cost of construction method for anti-collapse hole of pile foundation in adjacent buildings in sand and pebble area	700.00	
A safety protection frame for folding roller which is convenient to disassemble	605.00	
Research on the Application of BIM Technology based on Internet +	757,240.66	
Safety protection frame of lifting roller	605.00	
Vehicle-borne tamping machine for cement stabilized structure layer in highway pavement construction	600.00	
Automatic spraying device of adhesive layer oil for bridge anti-collision guardrail pedestal	2,500.00	
Steel brazing tool for formwork support of pavement base	2,500.00	
A fixed Construction device for Internal Formwork of Box girder	2,500.00	
A health maintenance system of fully automatic telescopic rotating box girder	2,500.00	
Walking cement concrete pavement force transmission rod burying machine	1,200.00	
Row vibrating three-roll shaft cement concrete paving and leveling machine	1,200.00	
Cement concrete pavement joint cutting / cutting machine extension booth	1,200.00	
Improving the smoothness of Asphalt concrete pavement of Bridge Tunnel structure	3,000.00	
Research on upgrading Technology of Water stable mixing equipment	2,417,115.08	
Improvement of grouting Construction quality of long Prestressed channels in Alpine region	5,000.00	
An Arch frame supporting device for Tunnel Construction	2,500.00	
A Concrete Thermal Insulation Device for Bridge Construction in Cold Area in Winter	2,500.00	
An Automatic Covering Device for Self-unloading Vehicle Tent Cloth	2,500.00	
A device for vertical interface emulsified asphalt spraying of pavement engineering structures	2,500.00	
Intelligent site Management and Application demonstration of Pengda Expressway	1,289,740.57	
Study on blasting excavation Technology of single Wall of large Section Tunnel	729,961.20	
Slope detection	3,438,577.82	
Study on key Technology of preparing Saline soil improver for Highway Engineering in Northwest China	2,160,113.39	
Thermal insulation and health preservation equipment of pier and column concrete in low temperature season in arid area	930.00	
An improved transport vehicle body	900.00	

Item	Current amount	Prior period amount
The utility model relates to a multi-function trolley with tunnel self-moving waterproof board hanging steel bar and positioning.	10,600.00	
An improved excavator excavator bucket	10,600.00	
Cement grouting machine	10,600.00	
The utility model relates to a maintenance device for piers and columns.	10,600.00	
A stone cutting tool system and a single arm cutting machine	10,100.00	
A gantry disk saw	10,100.00	
Power system display device	10,600.00	
A TT Power system display Cabinet	10,600.00	
A display device of TN-C Power supply system	10,600.00	
An IT system display Cabinet	10,600.00	
A Mobile long-Span Intelligent Security Protection Channel	10,100.00	
An assembled tensioning operating platform for special-shaped cover beam tension of bridge pier	10,100.00	
A method of keeping the main Line Road during the Reconstruction and extension of Expressway	1,500.00	
The Bridge Magazine	360.00	
Construction method for Recycling of waste concrete of Highway Bridge pile Foundation	34,000.00	
Quality Antong trademark registration bonus	5,000.00	
Quality Source Trademark Registration bonus	5,000.00	
Internal Review meeting of Enterprise meritorious Service Law	5,000.00	
Study on settlement Control Technology of widening High Embankment in Loess Gully region	210.00	
Construction Technology of widening and splicing Section of Embankment in Loess Gully region	9,433.96	
3D Intelligent paving Construction of Highway Base	9,433.96	
Construction Technology of long-Span Prestressed cover Beams with hoop method combined with Jack support system	9,433.97	
Research on equipment Development and Application Technology of forced continuous mixing foam Asphalt mixture	145,631.07	
Pavement Disease and its Prevention and Cure Technology in Hexi area of Gansu Province	4,000.00	
Comprehensive Management system of quality, Environment, Occupational Health and Safety	28,019.80	
QC project	1,226.42	
Membership fee of Henan Engineering Construction Association	3,000.00	

Item	Current amount	Prior period amount
Training of senior managers in standards of excellence in performance management	4,000.00	
Data binding fee	608.03	
Rapid Detection Technology of Cross Weld of Bridge structure based on Ultrasonic phased Array Technology	679.93	
Advanced Manufacturing Technology of New Type Steel bottom Plate Waveform Steel Web Steel-concrete Composite Box girder	679.94	
A new type of steel bottom plate waveform steel web steel hybrid box girder adopts temporary support pier, and there is no formwork construction technology in the field.	679.94	
Cost of production of promotional films	26,732.67	
Engineering method Road Research and Development Technology, academic Exchange meeting	12,377.65	
Enterprise satisfaction survey	9,900.99	
Expert evaluation fee	3,200.00	
Conference expenses	15,495.92	
A device for adjusting running deviation of conveyor belt (utility model)	600.00	
Study on deformation Mechanism and support Technology of shallow Loess Tunnel in Western China	1,510,223.39	
Research and Development of Intelligent Detection and Management system for aggregate gradation and Particle shape based on computer Vision	15,040.00	
Experimental study on quality prosecution and material properties of mechanized sand concrete	772,271.35	
Annual patent fee	33,463.96	13,300.00
Study on disaster Mechanism and treatment Technology of Highway Tunnel leakage in High altitude Cold region (self-financing)	287,336.00	
Study on disaster Mechanism and treatment Technology of Highway Tunnel leakage in High altitude Cold region (self-financing)	856,326.52	
Study on Popularization and Application of Highway subgrade Design and Construction Technical Standard in Loess area of Gansu Province	2,534,238.34	
Compilation of Local Standards based on Sangyuanzi Bridge Project	584,456.46	
Production line construction project	2,300,921.75	
Study on the Quota Compilation of Corrugated Web Steel Composite Beams for Highway Engineering in Gansu Province	2,128,529.33	
Key Technology and Application Research Project of coating Protection for Steel structure Bridges in Gansu Province	5,583,153.34	
Custom Development of Steel Box and Waveform Steel Web girder BIM and General deepening drawing Software	1,169,760.68	
3D simulation trial installation	658,940.12	

Item	Current amount	Prior period amount
Joint Development of U Rib Penetration Welding Technology	2,118,933.03	
Development and performance study of SBR modified Asphalt	175,439.32	
Construction method of SC-2 Polymer Rapid repair material for urgent repair of Highway cement concrete Bridge Deck pavement	-5,000.00	
Development, production and Application of super SBS modified Asphalt	65,321.47	
Research and Development, production and Application of TBS modified Asphalt	21,465.23	
Development and Application of Rapid repair material for Asphalt pavement at Room temperature	424,811.34	
Development and Application of slurry for low temperature Prestressed Bridge Channel suitable for Construction at low temperature	135,301.48	
Test and numerical Simulation Analysis of Interfacial Adhesion between Asphalt and aggregate	36,230.25	
Application and Research of purified Rubber Asphalt	138,164.41	
Study on interfacial bonding property between road aggregate and asphalt	769,327.16	
Study on the Application of Vibration mixing and wide width and Super thick Technology in cement stabilized Macadam Base	9,486.65	
Development, production and Application of low viscosity Rubber Composite modified Asphalt	790,907.47	
Study on the Application of Phosphate Rapid repair Materials in low temperature Environment in Alpine region	143,602.47	
Study on preparation and Application of High Modulus Asphalt	917,245.95	
Research and Development of hard High Modulus Asphalt based on large temperature difference and strong Ultraviolet radiation in Gansu Province	88,465.07	
Multifunctional storage bracket for semi-finished steel bar and finished steel bar	23,568.37	
Construction Technology of welded Steel Box girder	409,837.90	
Detachable Recycling material sidebar Wall of mixing Station	12,135.92	
Study on Construction quality Control of pavement Engineering	958,311.19	
Application and Research of practical Technology of ready-mixed concrete	1,150,852.61	
Application and Research of High performance concrete steaming Technology with C50 Mineral admixture	50,607.19	
Study on thickness Control Technology of Pier column Protective layer	356,721.07	1,637.00
Quality control of concrete admixture infrared light wall	47,169.81	
Concrete viscosity modifier	47,169.81	
Composite high efficiency fine powder grouting material	6,806.50	
Study on the Application of concrete curing and release Agent Technology	214,678.48	523,398.53

Item	Current amount	Prior period amount
Concrete health preservation device for bridge deck construction of highway engineering bridge	600.00	
A folding ruler for highway inspection	600.00	
Temperature and humidity deformation Measurement system of concrete	2,930.20	
High performance ultra-fine cement based grouting	1,200.00	
Technical specification for application of prestressed channel grouting materials	47,169.81	
Study on the Application of Digital Refractometer in the Detection of solid content of liquid admixture	7,135.17	508,877.06
Study on the Application of C50 low carbon Green concrete in Bridge Engineering	85,203.70	1,000,463.54
Study on the Application Technology of Mechanical Sand in concrete	26,659.49	599,089.92
Detection and Operation platform of Radar in Tunnel Construction	360.00	61.78
A standard constant temperature and humidity curing box	90.00	
Sampling device of undisturbed soil for highway engineering	90.00	
A kind of compressive Test device for Highway Engineering	10,090.00	
Core cutting equipment for engineering quality inspection	90.00	
A kind of aggregate firmness Test Box for Highway Engineering	10,590.00	
A kind of aggregate firmness Test Box for Highway Engineering	600.00	
A Field detector for Section size of I-steel	2,991.79	
An Adaptive Laser emitter	2,991.79	
A portable optical automatic measuring instrument for subgrade springback deflection	1,105.00	
Magnetic material fixing device and measuring platform	1,105.00	
Secondary impact Protection device of impact Test instrument for protruding Road and Bridge	1,105.00	
Detection and Evaluation of bearing capacity of reinforced concrete Truss Arch Bridge	3,858.49	
Technical specification for nondestructive testing of mechanical energy for geological advance prediction of highway tunnels	9,000.00	
Research on Intelligent Road virus Detection and Monitoring and equipment Application Technology in empty Space	1,524,418.57	
Green environmental protection drilling core decontamination device for highway pavement	600.00	
Study on Test method of dry shrinkage expansion of concrete	203,179.64	
Analysis and Control of cracks in Highway pavement Base in Gannan Prefecture	800.00	
Test method for determination of moisture content by microwave method	500.00	1,368.00

Item	Current amount	Prior period amount
Investigation and Analysis of cement Alkali content in Gansu Province	500.00	
Key points of thickness Control of reinforcement Protective layer for Box girder and Pier column	200.00	
Effect of different content of fly Ash and Slag Powder on carbonation depth of concrete	200.00	
Research on Test method of anticorrosion layer thickness of Metal components	200.00	
A low temperature resistant concrete isolator	905.00	
A quantitative adding device for cement admixture	605.00	
Cement hardening strength testing device	630.00	
A cement hardening Test and observation device	630.00	
A Portable Test Kit for Highway Engineering experiment	120.00	
A super strong composite anchoring agent	2,105.00	
An instrument for measuring the straightness of steel strand	605.00	
A kind of concrete impermeability test device	500.00	
Evaluation on reinforcement effect of Prestressed concrete continuous rigid frame Bridge based on external Prestress reinforcement	260,403.63	
Bending Test device of Channel grouting specimen	360.00	860.00
Fusing device for coating of Hot Melt marking Line	900.00	
Pit extractor	900.00	900.00
Automatic continuous gauge for steel specimen	900.00	900.00
Air pressure type watering pot film-brushing machine	900.00	
Circular supporting gasket for anchor and fixture assemblies	660.00	1,205.00
A Test device for Mechanical Properties of Waterproof Plate with High efficiency	630.00	
Study on the Test method of solid content of admixture--Halogen heating method	9,646.02	
Research and Development of Bridge Detection equipment and Intelligent Analysis system based on AI Technology	229,696.91	
Study on key Technology of preparation of High Stability Alkali-free and chlorine-free retarder	54,500.00	
Study on Test method of filling degree of pressure slurry	68,479.45	
Experimental study on Anchor performance of Anchor for Highway Bridge under static load	129,770.00	56,968.28
High efficiency composite concrete curing agent	65,690.00	
Research and Development and production Application of Waterborne marking Coatings	26,960.00	
Study on Properties of Sintered semi-coke based on mortar	38,739.62	

Item	Current amount	Prior period amount
Development of Composite Ultra-fine Powder grouting material	96,980.00	
Highway engineering laboratory test methods standardized operation video tutorial project	1,257,986.18	
Non-project accounting	49,900.00	
Study on preventive measures of concrete surface cracking disease of construction structure in natural windy environment	7,079.20	
Research on Development and Application of Highway maintenance decision support Technology and data Analysis platform	377,358.49	
A large deformation reference fixture for tensile test of geosynthetics	2,480.20	
The utility model relates to a device for installing a boom in a freight car.	600.00	
Special fixture for geogrid	360.00	
A bending Test device for anticorrosion coating of Steel Wire	1,980.19	
A steel wire winding test device	1,980.20	
A kind of Prestressed Metal Bellows bending and leakage resistant instrument	1,980.20	
Development of Highway maintenance decision support Technology and data Analysis system	114,779.39	547,073.41
Research on the Construction of Intelligent Detection Cloud platform and the Application of quality defect early warning based on artificial Intelligence and Internet of things Technology	1,490,068.04	
Environmental protection low alkali and no Cl- accelerator	44,320.83	1,200.00
Environmental protection and high efficiency grouting agent	2,000.00	1,136.70
Open and closed column health shed	660.00	11,436.70
Superimposed piers and columns in winter	630.00	10,896.70
Environmental protection multifunctional grouting agent	2,000.00	1,136.70
Application of dynamic Plate method (Evd) in dynamic deformation Modulus Detection of Highway subgrade	87,134.17	
Grouting density detection	18,867.92	161,398.86
Study and Optimization of concrete mix proportion in Alpine and High altitude area	121,579.60	
Mining and Analysis of Engineering quality Inspection data of Gansu Road and Bridge Construction Group	83,866.14	
Study on ground material quality of Highway Construction in Gansu Province	124,496.57	
Test Detection Equipment Management System Version 1.0		873.79
Environmental protection low alkali non-Cl accelerator		776.70
Integrated Management system V1.0 for Highway Engineering Test and Inspection		14,514.51

Item	Current amount	Prior period amount
Intelligent sprinkler system for concrete health maintenance		280,747.79
Sealing method of grouting Anchor head of Bridge		2,100.00
Cuneiform orbit		1,200.00
Bridge side protection		1,200.00
Setting bench		360.00
Study on practical Technology of ready-mixed High performance concrete		72,902.56
Gansu Bridge Engineering Research Center		24,658.08
A self-moving sector bench for drilling with hydraulic drilling rigs		1,200.00
Construction Technology of slurry Circulation treatment for bored pile		35,000.00
Construction method of Cold Extruded sleeve connection for second liner reinforcement of Highway Tunnel		34,000.00
Tunnel second lined concrete maintenance integrated platform		945.00
Construction Technology of precise Positioning of reserved reinforcement for inverted Arch of Tunnel		600.00
Patent for Water Control and skid Prevention structure of High Slope rich in diving		1,200.00
Detachable box girder base		630.00
Spray to nourish vitality		1,200.00
Static blasting Technology of subgrade carbon dioxide		4,927.18
Glass fiber mud for filling holes and its preparation method		3,450.00
Drilling structure of surrounding Hole depth and shallow Phase controlled by Super underexcavation in Tunnel blasting		2,949.06
Charge device of surrounding hole in tunnel blasting		4,854.36
Portable vibration and sound insulation tunnel blasting hole plug		2,352.57
Study on Foundation reinforcement Technology of large Section Loess Tunnel		80,000.00
Development, production and Application of low viscosity Rubber Composite reverse Asphalt		79,111.38
Industry R & D Center [Open Fund Project]		769,096.91
Industry R & D Center (Patent)		12,325.47
Research on Construction key Technology of lifting bending Web Composite curved Bridge structure performance		930,859.21
Industry R & D Center (Infrastructure Construction of New District Industrial Park)		266,288.17
Rapid repair of phosphate in low temperature environment in alpine region		137,617.88

Item	Current amount	Prior period amount
Construction Project of Highway maintenance decision and data Analysis platform		753, 783. 69
Research on Research and Development and Application Technology of Geogrid based on Emergency demand		300, 397. 34
Highway maintenance decision and data Analysis platform		246, 796. 12
Functional fossil Moene Technology for modified Asphalt		101, 087. 38
Waterborne marking		18, 220. 36
Study on the Application of Vibration mixing and wide width and Super thick Technology in cement stabilized Macadam Base		7, 882. 23
Application and demonstration of graphene oxide / graphene enhanced SBS modified asphalt pavement		19, 417. 48
Expenditure on R & D (depreciation of fixed assets)		3, 134. 26
Pneumatic kettle brush mould machine		900. 00
Melting device of Hot Melt marking Line Coatings		900. 00
Composite high efficiency superfine powder grouting material		143, 360. 10
Application Scheme of cement equipped with low carbon C50 concrete		200. 00
Super compound anchoring agent		1, 000. 00
Circular supporting gasket of prestressed tendons, anchors and fixtures for test		1, 205. 00
QC Project "Test and Evaluation of dynamic performance of Steel-mixed Bridge structures"		7, 517. 73
Study on Mechanical Properties of geosynthetics prepared by Laser cutting		800. 00
Guide for measuring and evaluating the thickness of steel bar protective layer by electromagnetic induction method		500. 00
High efficiency device for preparing Mechanical Properties of Geotextile		200. 00
High efficiency sample device for preparing Mechanical Properties of Waterproof Plate		1, 205. 00
Cement based high efficiency anchoring agent		1, 000. 00
Low temperature resistant concrete isolator		4, 400. 00
Multifunctional waterborne release agent		30, 000. 00
Technical specification for integrity testing of large diameter and super long piles in Gansu Province		2, 000. 00
Code for in-situ testing of highway foundation in Gansu Province		200. 00
Sampling device of undisturbed soil for highway engineering		10, 090. 00
Core cutting equipment for engineering quality inspection		10, 090. 00
Standard constant temperature and humidity curing box		10, 090. 00
Compression test device for highway engineering		90. 00

Item	Current amount	Prior period amount
Specification for testing solid content of water reducer by refractive index method in highway concrete engineering		7,866.00
Study on Ultrasonic method for detecting crack depth of concrete		2,506.00
Concrete health preservation device of bridge deck in highway engineering bridge construction		2,523.00
Quantitative addition device of cement admixture		2,500.00
Cement hardening strength testing device		2,500.00
Cement hardening test observation device		2,500.00
Asphalt heater with High efficiency, Energy Saving and Environmental Protection for experiment		3,450.00
Highway engineering aggregate firmness test box		180.00
Portable Test Kit for Highway Engineering experiment		2,095.00
Analysis of reinforcement effect of Prestressed concrete continuous rigid frame Bridge based on external Prestress reinforcement		342,155.00
Research on Intelligent Road Disease Detection and Monitoring and equipment Application Technology in empty Space		32,823.02
Folding ruler for highway inspection		2,500.00
Green environmental protection drilling core decontamination device for highway pavement		2,500.00
Portable Field detector for Section size of I-shaped Steel		12,421.00
Automatic Detection and Control device for Anti-seepage Test of concrete		34,281.00
Study on Test method of dry shrinkage and expansion of concrete		293,622.25
Steel extension measuring platform		2,000.00
Measuring instrument for straightness of steel strand		2,000.00
Secondary impact protection device of impact test instrument for sudden road sign		2,000.00
Portable Optical automatic measuring instrument for springback deflection of subgrade		2,000.00
Concrete constant temperature and humidity control system		4,000.00
QC Project Achievement Award		2,500.00
Invention patent bonus		40,000.00
Work method reward		38,000.00
Patent agency fee		15,325.25
Patent management fee		2,000.00
Novelty search fee for working method		5,825.24

Item	Current amount	Prior period amount
Development of Highway Engineering quality Inspection and Management Information system		6,680.00
Study on the Application of dynamic Plate method (EVD) in the Measurement of dynamic variant Modulus of Highway subgrade		11,376.83
Intelligent site cloud management platform		5,454,745.46
Working method	12,606,803.00	6,125,334.00
Study on the Application of ABO Model in Gansu Toll Highway Project	170,259.24	
Study on the Application of ABO Model in Gansu Toll Highway Project	638,094.57	
Department of Scientific Research	669,138.95	367,297.83
Research Project on Statistical Monitoring and examination system of Energy Saving and Emission reduction in Transportation Industry (Highway and Water Transport) in Gansu Province	68,504.43	
Study on purification Technology of Air Dust and Acid Gas during Underground Engineering Construction	66,405.94	564,206.00
Drainage asphalt concrete bridge deck pavement	958,456.31	84,306.15
Technical specification for design and construction of rubber asphalt and mixture	9,000.00	
Study on key Technology of Liujiaxia Bridge Construction	660,377.36	4,089.39
Research and Application of Expressway Environmental Monitoring Technology in Hexi area of Gansu Province	46,917.62	545,122.95
Study on treatment Technology of Water inrush in High Building of Wujiu Expressway	129,410.00	25,025.06
A study on the Historical value of Qin straight Road (Gansu Section) under the background of Belt and Road Initiative and its Enlightenment to the Development of Modern Traffic	2,000.00	1,278.44
Research on key Technology of Foundation treatment in collapsible Loess area and Construction of demonstration Project	383,454.52	
Study on the Application of freeze-thaw Disease Control Technology in Expressway Tunnel in High altitude Cold region	9,213.75	13,178.91
Study on grouting quality Detection of Bridge Prestressed Channel and effective Prestress Detection method and Evaluation system under Anchor	44,728.89	38,883.71
Research Project on Water leakage treatment Technology of Highway Tunnel	44,793.69	105,682.41
Research report on the Application of quality Control in Traffic Product sampling Inspection based on Block chain	12,333.87	
Key Technology Research Project of dynamic data Warehouse and Informatization platform Construction of "Internet + Highway Engineering quality Test" in Gansu Province	211,962.46	
Gansu Road material Laboratory	13,050.62	
Technical Guide for recovery and Reconstruction Project of Highway Water destruction in Southern Gansu Province	55,948.22	

Item	Current amount	Prior period amount
Effective Prestress Detection method and Evaluation system and Research on grouting quality Anchor of Bridge Prestressed Channel	159,292.03	
Department of Science and Technology Information	20,663.40	
Key Laboratory of Health Monitoring and Safety Assessment Technology for Bridge and Tunnel in Gansu Province	1,057,499.80	
Technical specification for design and construction of rubber asphalt and mixture	5,865.00	
Gansu Road material Engineering Laboratory	2,521,854.65	
Study on treatment Technology of leakage Water in Highway Tunnel	2,480.20	
Photoelectric laboratory	2,244,423.31	
"Internet + Highway Engineering quality Test and Inspection" dynamic data Warehouse and Informatization platform Construction	498,254.86	
Application of modified Desert Sand in Foundation treatment of collapsible Loess and Saline soil		167,658.16
Study on Statistical Monitoring and examination system of Transportation Energy Saving and Emission reduction in Gansu Province		514,980.34
Research and Application of Expressway Environmental Detection Technology in Longnan Mountain area of Gansu Province		10,000.00
Dry and Wet cycle of Loess and its device Research		34,465.24
Study on defects and improvement of Loess strength Test		7,150.00
Study on lining crack of Loess Tunnel		27,700.00
Discussion on defects of loess direct shear test		128,923.91
OA system of Gansu Expressway Service Co., Ltd.		732,822.28
Electronic Inspection and Inspection system of Expressway Service area in Gansu Province		1,393,215.73
Pilot Project of Expressway Wisdom Service area in Gansu Province	4,358,035.36	2,125,364.91
Gansu Longyuan Information Technology Co., Ltd. BI report system	345,425.02	
PLC Upper Management system of Tunnel in Gansu Province	1,137,741.95	
Summary of operating expenses at the later stage of the pre-project	42,522.91	
total	211,484,837.45	90,331,943.33

(54) other income

Item	Current amount	Prior period amount	Amount included in non-recurrent gains and losses for the year
Subsidy funds for the construction of scenic spots	425,549.80	569,794.45	425,549.80
Lanzhou Bureau of Commerce support funds	1,100,000.00	5,612,900.00	1,100,000.00

Item	Current amount	Prior period amount	Amount included in non-recurrent gains and losses for the year
Land return payment for Tourism Scenic spot Project Construction	150,317.50	375,657.20	150,317.50
New area industrial development support reward fund	98,520.13		98,520.13
Beihaizi Shazao Lin camping park cage football field	57,577.56	57,577.56	57,577.56
Tax refund	184,597.34	117,301.90	184,597.34
Tax reward funds	19,170,355.81	16,982,611.27	19,170,355.81
Maximum Storage subsidy Fund for Service Industry in 2017	16,884,058.37		16,884,058.37
Refund of handling fee income from withholding tax	7,602,386.44	5,135,949.86	7,602,386.44
Winter Tourism subsidy of Gansu Tourism Development Commission		141,509.43	
Social Insurance subsidy of Lanzhou New District Civil Affairs and Social Security Bureau		2,850.00	
Chongming District Finance Bureau Enterprise support funds	2,256,263.00	953,587.00	2,256,263.00
Incentive funds for demonstration Enterprises of Safety production responsibility in Linze County Emergency Management Bureau		40,000.00	
Linze County Financial centralized payment Center Outstanding contribution Award	120,000.00	120,000.00	120,000.00
Entry tax plus deduction	969,453.30		969,453.30
Stable post subsidy	4,030,865.39	4,632.90	4,030,865.39
Social security subsidy	1,302,263.41		1,302,263.41
Government support funds	7,748,649.16		7,748,649.16
Tax remission	9,714,018.64	1,234,068.70	9,714,018.64
Others	23,758.99		23,758.99
Government subsidy	323,148,206.32	57,281,739.15	323,148,206.32
research funds	50,000.00		50,000.00
Financial subsidy for the renovation of shantytowns	42,760,042.68		42,760,042.68
Provincial supporting funds for Highway Construction and maintenance	1,000,000,000.00		1,000,000,000.00
total	1,437,796,883.84	88,630,179.42	1,437,796,883.84

(55) return on investment

I. Details of investment income

Sources of return on investment	Current amount	Prior period amount

Sources of return on investment	Current amount	Prior period amount
Long-term equity investment income calculated by equity method	253,387,878.47	255,276,951.60
Disposal of investment returns from long-term equity investments	-165,363.05	-52,060.78
Investment income from the sale of financial assets, etc.	42,920,446.50	21,517,649.00
Investment income from the disposal of financial assets available for sale	1,976,000.00	
Others	44,474,186.34	163,656,208.20
total	342,593,148.26	440,398,748.02

(56) income from changes in fair value

Item	Current amount	Prior period amount
Tradable financial assets (application of the new guidelines)		
Financial assets measured at fair value and whose changes are included in the profits and losses of the current period (old criteria apply)	38,611,110.00	32,030,134.41
Derivative financial assets		
Tradable financial liabilities (application of the new guidelines)		
Financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period (old criteria apply)		
Derivative financial liability		
Investment Real Estate measured at Fair value		
Others		
total	38,611,110.00	32,030,134.41

(57) loss of impairment of assets

Item	Current amount	Prior period amount
Bad debt loss	-16,619,690.63	-619,947,320.89
Loss of stock price	-2,468,463.22	-112,548,472.65
Loss of impairment of long-term equity investment	-16,536,313.61	1,578,950.34
Others	-117,353,008.57	139,834,809.04
total	-152,977,476.03	-591,082,034.16

(58) proceeds from the disposal of assets

Item	Current amount	Prior period amount	Amount included in non-recurrent gains and losses for the year
Profits from the disposal of fixed assets (losses filled with "-")	35,444.23		35,444.23
Non-monetary asset exchange gains (or losses)			
Income from disposal of intangible assets	-338,827.48		-338,827.48
Proceeds from disposal of non-current assets	1,753,098.93	-7,314,395.72	1,753,098.93
total	1,449,715.68	-7,314,395.72	1,449,715.68

(59) out-of-business income

1. Non-operating income category

Item	Current amount	Prior period amount	Amount included in non-recurrent gains and losses for the year
Profits from destruction and scrapping of non-current assets	4,311,328.83	2,502,329.70	4,311,328.83
Government subsidies not related to the daily activities of enterprises (see table below for details)	1,797,461,515.86	2,007,282,001.41	1,797,461,515.86
Breach of contract compensation	1,148,903.40	30,270.00	1,148,903.40
Fine income	4,880,004.74	2,054,340.20	4,880,004.74
Profit from the offer	245,777.42	7,268,434.29	245,777.42
Tax remission and return		3,386.70	
Demolition compensation		148,100.00	
Accept donations		8,500.14	
Others	25,933,354.09	102,151,630.06	25,933,354.09
total	1,833,980,884.34	2,121,448,992.50	1,833,980,884.34

2. Details of government subsidies

Item	Current amount	Prior period amount
Operating subsidy for the Department of Transport	1,787,276,769.03	2,000,000.00 0.00
Comprehensive contribution Award of Beijing Xicheng District Development and Reform Commission in 2019	200,000.00	
Wage subsidy for retired workers	463,204.53	50,000.00
Stable post subsidy	-	37,814.41

Item	Current amount	Prior period amount
Lanzhou Municipal Bureau of Employment and Talent Service	45,601.70	
Lanzhou Science and Technology Bureau	200,000.00	
Gansu Science and Technology Department "some measures to support Scientific and technological Innovation in Gansu Province" 2019 subsidy	-	200,000.00
Lanzhou Economic and technological Development Zone Financial settlement Center 2017 Endowment Allowance	-	40,209.00
Government subsidies unrelated to the daily activities of the enterprise	571,415.76	2,072,025.78
Land subsidy	597,695.70	499,915.59
Patent subsidy	1,000.00	-
Gazelle enterprise subsidy	-	300,000.00
Water and electricity subsidy	7,184.53	30,599.60
Stable post subsidy	302,791.94	875,119.40
Collect and return money from a stable post	7,842.30	-
Government subsidy: subsidy Fund for Enterprise participation in Insurance	209,250.00	-
Carry-over of deferred income	400,000.00	-
Tax and fee	1,258,726.68	-
Subsidy for retrofit of Coal-fired boilers in Service area	-	150,000.00
Amortization of deferred income from the reconstruction and expansion of the parking area at the national highway toll station	2,166,666.67	-
Chengguan District Commerce Bureau provides supplementary funds	-	30,000.00
Subsidy for rest points of long-distance passenger drivers	-	300,000.00
Mother and infant room subsidy for superior company	80,000.00	40,000.00
Modern Service Enterprises of Chengguan District Commerce Bureau support funds	-	20,000.00
Bureau of Statistics subsidy	-	30,000.00
Value added tax and surtax tax tax exemption transfer	-	236,689.52
Highway bureau national provincial trunk line subsidy	200,000.00	-
Unemployment insurance maintenance subsidy income	-	72,935.80
Tax-related incentive support funds	-	33,000.00
Higher quality Development Award of Jinchang Municipal Bureau of Commerce	30,000.00	-
Tax subsidy	689.67	-

Item	Current amount	Prior period amount
Yushan courtyard	1,689,757.54	-
Trainee subsidy	21,391.18	3,000.00
Rules to enter the warehouse reward	52,390.17	109,921.41
Tax subsidy	763,988.16	661,508.20
Tax related reward	29,275.33	169,200.00
Tax related reward	8,268.09	93,521.17
research funds	872,000.00	1,108,941.53
Stable post return	5,606.88	-
Tax reward	-	117,600.00
total	1,797,461,515.86	2,007,282,001.41

(60) Expenditure outside business

Item	Current amount	Prior period amount	计入当年非经常性损益的金额
Loss of damage, scrapping and scrapping of non-current assets	1,016,450.82	2,733,956.06	1,016,450.82
External donation	10,575,541.65	13,935,706.43	10,575,541.65
Fine expenditure	14,474,855.70	9,712,487.24	14,474,855.70
Disk loss	4,725.00	194.00	4,725.00
Other expenditure	5,462,716.27	3,784,890.00	5,462,716.27
Extraordinary loss	18,607.08	143.74	18,607.08
Loss of scrapping and damage of assets	13,341,986.03	48,376,767.89	13,341,986.03
Compensation, liquidated damages and fine expenses	9,294,918.92	7,328,653.65	9,294,918.92
total	54,189,801.47	85,872,799.01	54,189,801.47

(61) income tax expenses

1. Income tax expense statement

Item	Current amount	Prior period amount
Current income tax expenses	428,602,236.40	421,053,484.94
Deferred income tax expenses	-72,068,816.63	-69,111,515.46
total	356,533,419.77	351,941,969.48

2. Adjustment process of Accounting profit and income tax expenses

Item	Current period occurrence
Total profit	466,824,751.07
Income tax charges at appropriate / applicable rates	116,706,187.77
The influence of different tax rates applied by subsidiaries	-30,825,639.45
Impact of adjustment of income tax for prior periods	-6,827,280.89
Impact of non-taxable income	-70,653,567.67
The impact of non-deductible costs, costs and losses	12,639,644.62
Impact of deductible losses on deferred income tax assets not recognized in the prior period of use	-1,943,351.84
Impact of deductible temporary differences or deductible losses of unrecognized deferred income tax assets for the current period	337,437,427.23
Others	
Income tax expense	356,533,419.77

(62) other combined benefits

1. Other comprehensive income items and their income tax impact and transfer gains and losses

Item	Current amount	Prior period amount
	Net after tax	Net after tax
I. other combined gains that cannot be reclassified into profits and losses in the future		
1. The share of other comprehensive income under the equity method that cannot be reclassified into profits and losses by the invested unit		
II. Other combined gains to be reclassified into gains and losses in the future	-29,285,864.93	-903,786.95
1. The share of other comprehensive income that will be reclassified into profit and loss after the invested unit under the equity law	-22,511,310.63	-903,786.95
Less: prior periods are included in other combined income transfers to gains and losses in the current period		
2. Profit or loss on changes in fair value of financial assets available for sale	26,727.30	
3. Foreign currency financial statements converted into differences	-6,801,281.60	
III. Total other combined benefits	-29,285,864.93	-903,786.95

2. Reconciliation of other integrated income items

Item	Other comprehensive benefits that cannot be	Changes in fair value of investment	Changes in fair value of enterprise	Other comprehensive benefits of transferable	Changes in fair value of other	Subtotal

	converted into profits and losses under the equity method	s in other equity instrument s	's own credit risk	profits and losses under the equity method	creditor 's rights and investme nts	
I. amount at the beginning of 2019	-506,432.09			23,317,681.17		22,811,249.08
II. Increase or decrease in the amount of change in 2019 (the decrease is marked with the "-" number)				-903,786.95		-903,786.95
III. Amount at the beginning of 2020	-506,432.09			22,413,894.22		21,907,462.13
IV. Increase or decrease in the amount of change in 2020 (the decrease is marked with the "-" number)				-29,285,864.93		-29,285,864.93
V. amount at the end of 2020	-506,432.09			-6,871,970.71		-7,378,402.80

(63) Leasing

1. Financial lease (lessor)

Minimum lease receipts for subsequent years of leased financial lease assets

Residual lease term	Minimum lease collection
Less than 1 year (including 1 year)	781,728,051.24
Less than 1 year and less than 2 years (including 2 years)	307,228,897.91
Less than 2 years and less than 3 years (including 3 years)	289,797,592.42
More than 3 years	268,894,131.63
total	1,647,648,673.20

Note: the amount of unrecognized financing income at the end of the report is 198457657.85 yuan.

2. Operating lease (lessor)

Operating lease rental asset class	Closing balance	Balance at the end of last year
Investment real estate-housing buildings	1,306,390,128.58	653,071,106.73
Means of transport	86,457,771.41	187,200,941.39
total	1,392,847,899.99	840,272,048.12

3. Financial lease (lessee)

①The main business of the company is the after-sale lease financing lease business. The main terms of the after-sale lease transaction and the contract can be found in note (63) the main terms of the lease after-sale lease transaction and the contract.

②Minimum lease payments to be paid in future years

Residual lease term	Minimum lease payment
Less than 1 year (including 1 year)	2,813,808,471.89
Less than 1 year and less than 2 years (including 2 years)	1,754,257,224.93
More than 2 yearsWithin 3 years (including 3 years)	1,081,414,798.44
More than 3 years	6,034,958,365.67
total	11,684,438,860.93

Note: the amount of unrecognized financing expenses at the end of the report is 429,914,086.06 yuan.

4. Main terms of important after-sale lease transactions and contracts

①The company and Bank of China Financial Leasing Co., Ltd. to carry out two after-sale lease financial leasing business, respectively, as follows:

The subject matter of the after-sale rent-back financial lease is all the bridge and tunnel facilities in the WG19 and WG20 contract section of the Wudu to Danzigou section of the Lanzhou-Haikou national expressway. The lease period is 120 months. The lease starts and ends from June 15, 2017 to May 15, 2027. The nominal price of the repurchase assets of the company is 1 yuan, the lease principal is 700 million yuan, the minimum lease payment amount is 873225478.60 yuan, and the lease deposit is 21 million yuan, the nominal price of the repurchase assets is 1 yuan, the lease principal is 700 million yuan, the minimum lease payment amount is 873225478.60 yuan, and the lease deposit is 21 million yuan. Rental service charge 23.8 million yuan

The subject matter of the after-sale rent-back financial lease is all the bridge and tunnel facilities in the WG16 contract section of the Wudu to Danzigou section of the Lanzhou-Haikou National Expressway. The lease period is 120 months. The lease starts and ends from June 15, 2017 to May 15, 2027. The nominal price of the repurchase assets is 1 yuan, the lease principal is 500 million yuan, the minimum lease payment amount is 623732484.80 yuan, and the lease guarantee is 15 million yuan. The nominal price of the repurchase assets is 1 yuan, the lease principal is 500 million yuan, the minimum lease payment amount is 623,732,484.80 yuan, and the lease guarantee is 15 million yuan. Rental service charge 17 million yuan

As of December 31, 2020, the company long-term payable to the Bank of China Financial Leasing Co., Ltd. Financial lease payment of 781667692.03 yuan, of which the unrecognized financing cost of 116507086.01 yuan.

②The company and China Bank Financial Leasing Co., Ltd. to carry out after-sale rent-back financial lease business, after-sale release financial lease subject matter for Lanzhou to Haikou National Expressway Wudu (two water) to can ditch (Ganchuan boundary), Lanzhou to Haikou national highway Wudu (two water) to can ditch (Ganchuan boundary) toll rights (accounts receivable) to set up a pledge guarantee. The term of the lease is 120 months, the date of commencement of the lease is from November 5, 2020 to November 5, 2030, and the nominal price of the assets repurchased by the company is RMB 100, the principal of the lease is RMB 2.825 billion, and the minimum lease payment is RMB 3405539160.20.

As of December 31, 2020, the company long-term payable China Bank Financial Leasing Co., Ltd. Financial lease payment of 2825000000.00 yuan, of which the unrecognized financing cost of 580539160.20 yuan.

③The company and Bank of China Financial Leasing Co., Ltd. to carry out after-sale rent-back financial leasing business, after-sale rent-back financial lease subject matter for Yongchang to Shandan Expressway pavement and supporting facilities assets, Yongchang to Shandan Expressway toll collection rights (accounts receivable) to set up a pledge guarantee. The term of lease is 180months, the starting and ending date of lease is from December 15, 2019 to December 15, 2034, and the nominal price of repurchase assets is 100.00 yuan, the principal of lease is 3.5 billion yuan, the minimum lease payment is 4506799388.33 yuan, and the lease handling fee is 157.5 million yuan, the nominal price of repurchase assets is 100.00 yuan, the principal of lease is 3.5 billion yuan, the minimum lease payment is 4506799388.33 yuan, and the lease handling fee is 157.5 million yuan.

As of December 31, 2020, the company long-term payable to BOC Financial Leasing Co., Ltd. Financial lease payment of 3150000000.00 yuan, of which the unrecognized financing cost of 871286496.66 yuan.

④The company and Jianxin financial leasing co., Ltd. to carry out 2 after-sale rent-back financial leasing business

The subject matter of the after-sale rent-back financial lease is the road surface and supporting facilities assets of Liu Zaike-Baiyin Expressway, the lease term is 84 months, the lease starts and ends from April 21, 2014 to January 21, 2021, the nominal price of the repurchase assets is 1 yuan, the lease principal is 1.5 billion yuan, the minimum lease payment is 1822579400.60 yuan, the lease deposit is 150 million yuan, and the lease handling fee is

9.75 million yuan, the nominal price of the repurchase assets is 1 yuan, the lease principal is 1.5 billion yuan, the minimum lease payment is 1822579400.60 yuan, the lease deposit is 150 million yuan, and the lease handling fee is 9.75 million yuan.

The subject matter of the after-sale rent-back financial lease is the assets of the pavement and ancillary facilities of the clear water to Jiayuguan expressway, and the pledge guarantee shall be established with the toll collection rights of the clear water to Jiayuguan expressway (and the accounts receivable based on these toll rights). The term of the lease is 60 months, the starting and ending date of the lease is from January 20, 2019 to January 20, 2025, and the nominal price of the repurchase assets of the company is 1 yuan, the principal of the lease is 1 billion yuan, the minimum lease payment is 1149070250.00 yuan, and the lease handling fee is 60.85 million yuan.

As of December 31, 2020, the company long-term payable Jianxin Financial Leasing Co., Ltd. Financial lease payment of 730327920.99 yuan, of which the unrecognized financing cost of 72008155.92 yuan.

⑤The company and Xingye financial lease limited liability company carry out after-sale rent-back financial lease business, the subject matter of the after-sale rent-back financial lease is fixed assets and its ancillary facilities of Lanhai Expressway (Lintao to Weiyuan section), the lease term is 120 months, the lease starts and ends from January 29, 2018 to January 29, 2028, and the lease term expires. The retention price of the company is RMB 10,000 yuan. The principal of the lease is 2000000000.00 yuan, and the minimum lease payment is 2467496750.00 yuan.

As of December 31, 2020, the company has long-term payable 1400000000.00 yuan for the financial lease of Xingye Financial Leasing Co., Ltd., of which the unrecognized financing cost is 234820250.00 yuan.

⑥The company and Kunlun financial leasing co., Ltd. to carry out 2 after-sale rent-back financial leasing business

The subject matter of the after-sale lease is part of the road assets and its ancillary facilities from Baoji to Tianshui Expressway, the main trunk line of Lianhuo Road. The lease period is 120 months. The lease starts and ends from March 29, 2018 to March 29, 2028. The retention price of the company is RMB 1 yuan, the lease principal is 500000000.00 yuan, and the minimum lease payment amount is 614887850.00 yuan.

The subject matter of the after-sale lease is part of the road assets and its ancillary facilities from Baoji to Tianshui Expressway, the main trunk line of Lianhuo Road. The lease period is 120 months. The lease starts and ends from April 4, 2018 to April 4, 2028. The retention

price of the company is RMB 1 yuan, the lease principal is 1500000000.00 yuan, and the minimum lease payment amount is 1844573716.67 yuan.

As of December 31, 2020, the company long-term payable Kunlun Financial Leasing Co., Ltd. financial lease payment of 1475000000.00 yuan, of which the unrecognized financing cost of 254231327.78 yuan.

⑦The company and Taiping Petrochemical Financial Leasing Co., Ltd. carry out after-sale rent-back financial leasing business. The subject matter of the after-sale rent-back financial lease is part of the road assets and its ancillary facilities of Linze-clear Expressway. The lease period is 84 months. The lease starts and ends from September 26, 2018 to September 26, 2025. The lease term expires. The retention price of the company is RMB 100 yuan. The principal of the lease is 1000000000.00 yuan, and the minimum lease payment is 1157220486.11 yuan.

As of December 31, 2020, the company long-term payable Taiping Petrochemical Financial Leasing Co., Ltd. Financial lease payment of 642857142.85 yuan, of which the unrecognized financing cost of 68053125.00 yuan.

⑧The company and ICBC Financial Leasing Co., Ltd. carry out after-sale rent-back financial lease business. The subject matter of the after-sale lease is civil engineering, road engineering and mechanical and electrical works from Niu back to Tianshui section of Lianhuo Expressway from Baoji to Tianshui Expressway. The lease term is 120 months. The lease starts and ends from March 15, 2019 to March 15, 2029. The nominal price of the repurchase assets of the Company is 1 yuan. The principal of the lease is 1.5 billion yuan, the minimum lease payment is 1889376457.56 yuan, and the lease handling fee is 45 million yuan.

As of December 31, 2020, the company long-term payable to ICBC Financial Leasing Co., Ltd. Financial lease payment of 1275000000.15 yuan, of which the unrecognized financing cost of 285139166.89 yuan.

(64) statement of consolidated cash flows

1. Adjust the net profit to the information of the cash flow of the operating activity by indirect method

Supplementary information	Current amount	Prior period amount
1. Adjust the net profit to cash flow from operating activities:		
Net profit	110,291,331.30	539,941,353.77
Add: provision for impairment of assets	152,350,044.03	591,082,034.16
Depreciation of fixed assets, depreciation of investment real estate	459,135,331.78	384,464,712.30
Amortization of intangible assets	37,558,575.43	39,282,736.98

Supplementary information	Current amount	Prior period amount
Amortization of long-term amortized expenses	165,471,171.80	203,227,717.56
Loss of disposal of fixed assets, intangible assets and other long-term assets (proceeds are listed as "-")	-1,449,715.68	5,597,832.19
Loss of scrapping of fixed assets (income is listed as "-")	-3,294,878.01	1,050,391.64
Loss of change in fair value (income is listed as "-")	-38,611,110.00	-32,030,134.41
Financial expenses (income is listed as "-")	8,225,214,387.18	7,488,895,900.65
Loss of investment (income marked "-")	-342,593,148.26	-440,398,748.02
Decrease in deferred income tax assets (increase filled with "-" number)	-69,103,550.15	-66,343,471.62
Increase in deferred income tax liabilities (decrease marked by "-")	-2,965,266.48	3,129,269.16
Decrease in inventory (increase filled with "-" number)	-1,203,945,066.44	-2,104,697,527.98
Decrease in operating receivables (increase filled with "-" number)	-12,989,620,207.18	-10,219,922,350.10
Increase in operational payables (decrease marked with "-")	10,239,913,808.11	6,235,594,200.29
Others		
Net cash flow from operating activities	4,738,351,707.43	2,628,873,916.57
2. Significant investment and financing activities that do not involve cash receipts and expenditures:		
Conversion of debt to capital		
Convertible bonds maturing within one year		
Financing rental of fixed assets		
3. Net changes in cash and cash equivalents:		
Closing amount of cash	51,394,224,057.05	48,592,755,623.34
Less: cash opening amount	48,592,755,623.34	47,636,473,827.55
Add: final amount of cash equivalents		
Less: opening amount of cash equivalents		
Net increase in cash and cash equivalents	2,801,468,433.71	956,281,795.79

2. The composition of cash and cash equivalents

Item	Closing balance	Balance at the end of last year
I. Cash	51,394,224,057.05	48,592,755,623.34
Of which: cash in stock	1,354,644.76	12,588,641.17
Bank deposits that can be paid at any time	51,382,664,692.88	48,066,836,550.18

Item	Closing balance	Balance at the end of last year
Other monetary funds available for payment at any time	10,204,719.41	513,330,431.99
Deposits of central bank funds available for payment		
Deposit of interbank money		
Inter-bank account		
II. Cash equivalents		
Of which: bond investments maturing within 3 months		
III. Cash and cash equivalents at the end of the year	51,394,224,057.05	48,592,755,623.34
Of which: the parent company or subsidiaries within the group use restricted cash and cash equivalents		

(65) Foreign currency items

Item	Foreign currency amount at the end of the year	Converted exchange rate	Conversion of RMB at the end of the year
Monetary funds			
Of which: United States dollars	5,579,216.43	6.5249	36,403,829.27
Euro	453,047.89	8.0250	3,635,709.32
Hong Kong dollars	57,165.01	0.8416	48,110.07
White rouble	12,332,171.50	2.5307	31,209,026.42
Bonds payable			
Of which: United States dollars	1,100,000,000.00	6.5249	7,177,390,000.00

(66) assets with restricted ownership and use rights

Item	Book value at the end of the period	Restricted reasons	note
Monetary funds	368,986,329.13	For details, see note VIII, (I) 2	
Accounts receivable	460,600,000.00	Pledge loan	
Stock	39,080,067.00	mortgage	
Construction in progress	176,085,673,147.64	Pledge loan, mortgage loan, financial lease	
Fixed assets middle and secondary roads and highways	251,199,567,816.71	Pledge loan, financial lease	
Intangible assets	93,455,483.87	mortgage	

IX. Contingent matters

As of December 31, 2020, there are no significant contingent matters to be disclosed by the Company.

X. matters after the balance sheet

As at the date of issuance of these financial statements, the Company has not occurred any matters after the balance sheet that need to be disclosed.

Xi. Related party relations and their transactions

(1) the actual control of the company

The name of the actual controller of the company	The proportion of shares held by the actual controller of the company in the enterprise (%)	The proportion of voting rights of the actual controller of the company to the enterprise (%)
Supervision and Administration Committee of State-owned assets of Gansu Provincial people's Government	100.00	100.00

(2) the subsidiaries of the Company

See note 7 for details of the merger and consolidated financial statements of the enterprise.

(3) the situation of joint ventures and joint ventures of the Company

See note 8 (15) for details on long-term equity investment.

(4) other related parties

Associated party name	Relationship with our company
Shenzhen Expressway Engineering Consulting Co., Ltd.	Shareholders of subsidiaries of the Company
Lanzhou New District Investment holding Co., Ltd.	Shareholders of subsidiaries of the Company
Shanghai Jinhui General Aviation Co., Ltd.	Shareholders of the joint venture of the company
Gansu Gonghang Travel Jinhui General Aviation Co., Ltd.	Affiliated enterprises of the company's subsidiaries
Zhangye Qicai Mountain Tourism Co., Ltd.	Shareholders of subsidiaries of the Company
Yellow River property Insurance Co., Ltd.	The company's joint ventures

(5) related party transactions

1. Provision of funds (loans)

Associated party name	Current amount		Prior period amount	
	Loan amount	Loan interest	Loan amount	Loan interest
Lanzhou New District Investment holding Co., Ltd.	438,000,000.00	36,413,904.00	400,000,000.00	17,438,617.89

2. Operate and lease

Associated party name	Current amount		Prior period amount	
	Amount	Proportion (%)	Amount	Proportion (%)
Gansu Gonghang Travel Jinhui General Aviation Co., Ltd.	14,888,140.50	0.01	2,026,178.22	
Shanghai Jinhui General Aviation Co., Ltd.	7,362,423.54	0.01	5,921,371.47	

(6) amount of accounts receivable from related parties

Item	Closing balance		Balance at the end of last year	
	Amount	Proportion of amount (%)	Amount	Proportion of amount (%)
Accounts receivable				
Shenzhen Expressway Engineering Consulting Co., Ltd.	915,007.68	0.01	765,007.68	0.01
Yellow River property Insurance Co., Ltd.	1,679,160.00	0.02	13,399.00	
Lanzhou New District Investment holding Co., Ltd.	195,177,547.00	2.64	190,000,000.00	3.25
total	197,771,714.68	2.67	190,778,406.68	3.26
Advance payment				
Yellow River property Insurance Co., Ltd.	1,017,916.68	0.01	842,614.85	0.01
total	1,017,916.68	0.01	842,614.85	0.01
Other receivables				
Yellow River property Insurance Co., Ltd.	329,718.92		16,599.08	
total	329,718.92		16,599.08	
Accounts payable				
Zhangye Qicai Mountain Tourism Co., Ltd.			285,367.30	
Yellow River property Insurance Co., Ltd.	5,320,914.35	0.03	46,788.50	
Shenzhen Expressway Engineering Consulting Co., Ltd.	3,503,336.72	0.02	1,812,747.00	0.01
total	8,824,251.07	0.05	2,144,902.80	0.01
Accounts received in advance				
Yellow River property Insurance Co., Ltd.	1,957.00		3,000.00	
total	1,957.00		3,000.00	
Other accounts payable				
Yellow River property Insurance Co., Ltd.			57,863.96	
total			57,863.96	
Dividend payable				
Shenzhen Expressway Engineering Consulting Co., Ltd.			2,424,000.00	9.91
total			2,424,000.00	9.91

XII. Other important matters that need to be clarified

There are no other important matters to be explained in this period.

XIII. Notes on the main items of the parent company's financial statements

(I) accounts receivable

1. Classified disclosure of accounts receivable

Species	Closing balance				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Accounts receivable for which a single amount is significant and a single provision for bad debts is made					
Accounts receivable prepared for bad debts according to the characteristics of credit risk	77, 689, 889. 85	100. 00	3, 312, 047. 42	4. 26	74, 377, 842. 43
Among them: combination 1: ageing combination	66, 230, 948. 32	85. 25	3, 312, 047. 42	5. 00	62, 918, 900. 90
Combination 2: associated combination	11, 458, 941. 53	14. 75			11, 458, 941. 53
Accounts receivable for which a single amount is not significant but a single provision for bad debts					
total	77, 689, 889. 85	100. 00	3, 312, 047. 42	4. 26	74, 377, 842. 43

(continued)

Species	Balance at the end of last year				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Accounts receivable for which a single amount is significant and a single provision for bad debts is made					
Accounts receivable prepared for bad debts according to the characteristics of credit risk	10, 344, 443. 14	100. 00	500. 00		10, 343, 943. 14
Among them: combination 1: ageing combination	10, 000. 00	0. 10	500. 00	5. 00	9, 500. 00
Combination 2: associated combination	10, 334, 443. 14	99. 90			10, 334, 443. 14

Accounts receivable for which a single amount is not significant but a single provision for bad debts					
total	10,344,443.14	100.00	500.00		10,343,943.14

① At the end of the report, there were no accounts receivable with significant individual amounts and individual provision for bad debts.

② Accounts receivable prepared for bad debts according to the characteristics of credit risk

A. use of ageing analysis to calculate accounts receivable prepared for bad debts

Account age	Closing balance			Balance at the end of last year		
	Book amount		Provision for bad debts	Book amount		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Less than 1 year (including 1 year))	66,220,948.32	99.98	3,311,047.42	10,000.00	100.00	500.00
1-2 years (including 2 years)	10,000.00	0.02	1,000.00			
2-3 years (including 3 years)						
3-4 years (including 4 years)						
4-5 years (including 5 years)						
More than 5 years						
total	66,230,948.32	100.00	3,312,047.42	10,000.00	100.00	500.00

③ At the end of the reporting period, there were no accounts receivable for which the individual amount was not significant but the provision for bad debts was made by a single item.

④ No provision for bad debts recovered or transferred during the reporting period.

⑤ No accounts receivable were actually written off during the reporting period.

⑥ Accounts receivable in the top five according to the closing balance collected by the defaulter

Name of debtor	Book amount at the end of the period	Proportion of total accounts receivable (%)	Provision for bad debts
China Railway 16th Bureau Group Co., Ltd.	16,526,250.00	21.27	826,312.50
China Railway 15th Bureau Group Co., Ltd.	16,526,250.00	21.27	826,312.50

Name of debtor	Book amount at the end of the period	Proportion of total accounts receivable (%)	Provision for bad debts
LATJ Project Manager Department of Lana Highway Construction Project of China Railway 15th Bureau Group Co., Ltd.	11,052,301.70	14.23	552,615.09
China Railway Tunnel Bureau Group Co., Ltd.	10,676,250.00	13.74	533,812.50
Gansu Luqiao Highway Investment Co., Ltd.	10,320,949.36	13.28	
total	65,102,001.06	83.79	2,739,052.59

⑦ Accounts receivable that were not terminated by the transfer of financial assets during the reporting period.

⑧ No transfer of accounts receivable, such as securitization, factoring, etc., continued to involve the amount of assets and liabilities formed during the reporting period.

(II)Other receivables

Item	Closing balance	Balance at the end of last year
Interest receivable	39,545,097.40	41,418,683.63
Dividend receivable	27,291,592.98	54,636,000.00
Other receivables	12,749,395,159.84	8,955,938,873.51
total	12,816,231,850.22	9,051,993,557.14

1. Interest receivable

① Classification of interest receivable

Item	Closing balance	Balance at the end of last year
Time deposit		
Entrusted financial management	39,545,097.40	41,418,683.63
total	39,545,097.40	41,418,683.63
Provision for bad debts		
Net amount	39,545,097.40	41,418,683.63

② No overdue interest

2. Dividend receivable

Project (or invested unit)	Closing balance	Balance at the end of last year
Gansu Gonglang Travel Engineering Consulting Co., Ltd.	3,636,000.00	3,636,000.00
Gansu financing guarantee Group Co., Ltd.	1,655,592.98	
Gansu Pu win-win Transport Transformation and Development Fund (limited partnership)	22,000,000.00	51,000,000.00

Project (or invested unit)	Closing balance	Balance at the end of last year
total	27,291,592.98	54,636,000.00

①Important dividends receivable over one year old:

Project (or invested unit)	Closing balance	Accounting age	Reasons for non-recovery	Whether impairment occurs or not and the basis for its judgment
Gansu Gonghang Travel Engineering Consulting Co., Ltd.	3,636,000.00	2-3 years	Unsettled	no
total	3,636,000.00	--	--	--

3. Other receivables

Species	Closing balance				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for which the individual amount is significant and the provision for bad debts is made separately	6,433,463,132.31	50.34			6,433,463,132.31
Other receivables prepared for bad debts based on a combination of credit risk characteristics	6,346,635,041.52	49.66	30,703,013.99	0.48	6,315,932,027.53
Combination 1: ageing combination	133,907,150.40	1.05	30,703,013.99	22.93	103,204,136.41
Combination 2: associated party combination	6,212,727,891.12	48.61			6,212,727,891.12
Accounts receivable for which a single amount is not significant but a single provision for bad debts					
total	12,780,098,173.83	100.00	30,703,013.99	0.24	12,749,395,159.84

(continued)

Species	Balance at the end of last year				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for which the individual amount is significant and the provision for bad debts is made separately	2,391,506,891.39	26.64			2,391,506,891.39

Species	Balance at the end of last year				
	Book amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables prepared for bad debts based on a combination of credit risk characteristics	6,587,147,355.43	73.36	22,715,373.31	0.34	6,564,431,982.12
Combination 1: ageing combination	155,381,961.46	1.73	22,715,373.31	14.62	132,666,588.15
Combination 2: associated party combination	6,431,765,393.97	71.63			6,431,765,393.97
Accounts receivable for which a single amount is not significant but a single provision for bad debts					
total	8,978,654,246.82	100.00	22,715,373.31	0.25	8,955,938,873.51

① Other receivables for which the amount of a single item at the end of the period is significant and the provision for bad debts is made separately

Name of debtor	Book amount at the end of the period	Provision for bad debts	Accounting age	Extraction ratio	Reasons for accrual
Gansu Airport Investment Management Co., Ltd.	1,562,829,527.06		Less than 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, more than 5 years		No bad debts are expected to occur in borrowing and borrowing interest
Dunhuang tourism co., Ltd.	500,000.00		More than 5 years		No bad debts are expected to occur in the investment funds
Gansu Provincial Department of Transportation	3,770,133,605.25		Less than 1 year		No bad debts are expected
Jiuquan Iron and Steel (Group) Co., Ltd.	1,000,000,000.00		Less than 1 year		The loan is expected to be free from bad debts
Gansu Radio and Television Network Co., Ltd.	100,000,000.00		Less than 1 year		The loan is expected to be free from bad debts
total	6,433,463,132.31		--		--

② Other receivables prepared for bad debts based on a combination of credit risk characteristics

A. Use of ageing analysis to account for other receivables prepared for bad debts

Account age	Closing balance		Balance at the end of last year	
	Book amount	Provision for bad	Book amount	Provision for bad

	Amount	Proportion (%)	debts	Amount	Proportion (%)	debts
Less than 1 year (including 1 year))	90,044,078.37	67.25	4,502,203.92	111,323,867.82	71.65	5,566,193.38
1-2 years (including 2 years)	1,659,798.89	1.24	165,979.89	3,657,100.50	2.35	365,710.05
2-3 years (including 3 years)	2,827,780.00	2.11	848,334.00	22,043,349.70	14.19	6,613,004.91
3-4 years (including 4 years)	22,017,849.70	16.44	11,008,924.85	15,900,360.54	10.23	7,950,180.27
4-5 years (including 5 years)	15,900,360.54	11.87	12,720,288.43	1,184,991.00	0.76	947,992.80
More than 5 years	1,457,282.90	1.09	1,457,282.90	1,272,291.90	0.82	1,272,291.90
total	133,907,150.40	100.00	30,703,013.99	155,381,961.46	100.00	22,715,373.31

③ At the end of the reporting period, there were no other receivables for which the individual amount was not significant but the provision for bad debts was made on a single basis.

④ No provision was made for the recovery or return of bad debts during the reporting period.

⑤ No other receivables actually written off during the reporting period.

⑥ Other receivables in the top five of the closing balance collected by the party in arrears

Name of debtor	Nature of funds	Book amount at the end of the period	Accounting age	Proportion of total other receivables (%)	Provision for bad debts
Gansu Provincial Department of Transportation	Advance payment	3,770,133,605.25	Less than 1 year	29.50	
Gansu Airport Investment Management Co., Ltd.	Borrow money	1,562,829,527.06	Less than 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, more than 5 years	12.23	
Gansu Gonghang Travel International Trade Co., Ltd.	Current payment	1,505,117,070.34	Less than 1 year, 1-2 years	11.78	
Gansu Gonghang Lutangma Investment Co., Ltd.	Current payment	1,051,195,960.29	Less than 1 year, 1-2 years	8.23	
Jiuquan Iron and Steel (Group) Co., Ltd.	Borrow money	1,000,000,000.00	Less than 1 year	7.82	
total	—	8,889,276,162.94	—	69.56	

⑦ No other receivables recognized were terminated during the reporting period as a result of the transfer of financial assets.

⑧ No other transfer of receivables, such as securitisation, factoring, etc., continued to involve the amount of assets and liabilities formed during the reporting period.

(III) long-term equity investment

1. Classification of long-term equity investment

Item	Balance at the end of last year	Increase this year	Decrease this year	Closing balance
Investment in subsidiaries	46,055,080,261.38	2,794,786,685.74	203,819,442.12	48,646,047,505.00
Investment in a joint venture				
Invest in joint ventures	8,692,550,538.49	4,821,583,866.31		13,514,134,404.80
Subtotal	54,747,630,799.87	7,616,370,552.05	203,819,442.12	62,160,181,909.80
Less: provision for impairment of long-term equity investments				
total	54,747,630,799.87	7,616,370,552.05	203,819,442.12	62,160,181,909.80

2. Details of long-term equity investment

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			Additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
total	49, 950, 729, 447. 51	54, 747, 630, 799. 87	5, 454, 598, 716. 24	203, 819, 442. 12	267, 495, 569. 98	6, 146, 153. 32	888, 130, 112. 51				62, 160, 181, 909. 80	
I. subsidiaries	43, 277, 954, 090. 01	46, 055, 080, 261. 38	2, 794, 786, 685. 74	203, 819, 442. 12							48. 646, 047, 505. 00	
Gansu Tourism Investment Management Co., Ltd.	1, 307, 642, 907. 94	1, 311, 919, 237. 38	72, 641, 070. 56	101, 000, 000. 00							1, 283, 560, 307. 94	
Gansu Public Aviation and Tourism Construction Group Co.	739, 200, 000. 00	1, 513, 363, 863. 64	52, 000, 000. 00								1, 565, 363, 863. 64	
Gansu Public Travel Culture Media Co.	100, 000, 000. 00	100, 000, 000. 00	20, 000, 000. 00								120, 000, 000. 00	
Gansu Provincial Finance Guarantee Group Co.	60, 000, 000. 00	60, 000, 000. 00									60, 000, 000. 00	
Gansu Public Travel Property Co.	570, 000, 000. 00	650, 000, 000. 00	200. 000, 000. 00								850, 000, 000. 00	
Gansu Public Travel International Trade Co.	500, 000, 000. 00	500, 000, 000. 00									500. 000, 000. 00	
Gansu Financial Capital Management Co., Ltd.	8. 868, 845, 000. 00	10. 981, 045, 000. 00	277, 777, 777. 78	55, 870, 500. 00							11, 202, 952, 277. 78	
Gansu Luqiao Highway Investment Co., Ltd.	110, 728, 109. 03	110, 728, 109. 03									110, 728, 109. 03	
Gansu Highway Construction Management Group Co., Ltd.	190, 152, 661. 64	295, 152, 661. 64	140, 000, 000. 00								435, 152, 661. 64	
Gansu Changda Road Co., Ltd.	36, 915, 751. 35	36, 915, 751. 35									36, 915, 751. 35	
Gansu Yuanda Road Group Co., Ltd.	19, 964, 142. 88	19, 964, 142. 88									19, 964, 142. 88	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			Additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
China Co., Ltd. Win-win Asset Management Co., Ltd.	1,960,000,000.00	1,930,000,000.00	-40,000,000.00								1,890,000,000.00	
Gansu Aviation Industry Investment Co., Ltd.	500,000,000.00	1,200,000,000.00	200,000,000.00								1,400,000,000.00	
Gansu Modern Service Venture Capital Fund Co., Ltd.	10,000,000.00	10,000,000.00									10,000,000.00	
Gansu Public Airlines Travel China Oil Energy Co., Ltd.	29,040,000.00	29,040,000.00									29,040,000.00	
Gansu Public Aviation Travel Hotel Management Co., Ltd.	92,000,000.00	92,000,000.00									92,000,000.00	
Zhangye Danxia Culture Tourism Co., Ltd.	100,002,500.00	100,002,500.00		46,448,942.12							53,553,557.88	
Gansu Silk Road residence Camp Co., Ltd.	260,350,000.00	457,993,670.56	99,000,000.00								556,993,670.56	
Gansu Public Airlines Travel General Aviation Co., Ltd.	500,000.00	500,000.00		500,000.00								
Gansu Public Aviation Travel Group (Hong Kong) Co., Ltd.	57,200,000.00	90,462,040.43									90,462,040.43	
Gansu Public Airlines Brigade (Linxia) Development Co., Ltd.	228,000,000.00	228,000,000.00	795,295,395.28								1,023,295,395.28	
Public Airlines Travel (Beijing) Co., Ltd.	348,000,000.00	548,000,000.00	452,000,000.00								1,000,000,000.00	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			Additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Gansu Public Travel Lutangma Investment Co., Ltd.	658,017,800.00	872,144,013.33									872,144,013.33	
Gansu Public Travel Brigade (Zhangye) Investment Co., Ltd.	26,000,000.00	75,400,000.00									75,400,000.00	
Gansu Communications Construction Group Co., Ltd.	25,129,529,743.05	23,633,903,239.14									23,633,903,239.14	
Gansu Gonghang Brigade (Wuwei) Investment Co., Ltd.	20,000,000.00	20,000,000.00	230,000,000.00								250,000,000.00	
Gansu Public Aviation Travel Group (Longnan) Investment Co., Ltd.	100,000,000.00	100,000,000.00									100,000,000.00	
Gansu Public Aviation Travel Highway Management Co., Ltd.	21,341,000.00	21,341,000.00	128,753,000.00								150,094,000.00	
Gansu Gonghang Travel (Jinchang) Investment Co., Ltd.	3,000,000.00	3,000,000.00									3,000,000.00	
Gansu Gonghang Travel Historical District Construction Investment Co., Ltd.	524,681,030.00	524,681,030.00									524,681,030.00	
Gansu Gonghang Lulana Highway Management Co., Ltd.	539,524,002.00	539,524,002.00									539,524,002.00	
Gansu Gonghang Travel (Jiujia) Investment Co., Ltd.	60,000,000.00		60,000,000.00								60,000,000.00	
Gansu Gonghang Travel Information Technology Co., Ltd.	5,000,000.00		5,000,000.00								5,000,000.00	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation on final amount
			Additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Zhangye Danxia Scenic spot Management Co., Ltd.	46,448,942.12		46,448,942.12								46,448,942.12	
Gansu Ximuifeng Investment Co., Ltd.	55,870,500.00		55,870,500.00								55,870,500.00	
II. Associated enterprises	6,672,775,357.50	8,692,550,538.49	3,659,812,030.50		267,495,569.98	6,146,153.32	888,130,112.51				12,514,134,404.80	
Gansu Qilian Wine Industry Co., Ltd.	30,000,000.00	16,602,542.59			-2,043,812.49						14,558,730.10	
Yellow River property Insurance Co., Ltd.	500,000,000.00	465,655,757.45			-10,417,093.66	4,722,136.26					459,960,800.05	
Gansu Gonghang Lutong Dingding Expressway Management Co., Ltd.	603,539,100.00	603,539,100.00	362,124,000.00								965,663,100.00	
Gansu Gonghang Luding Lin Expressway Management Co., Ltd.	453,785,000.00	453,785,000.00	272,271,000.00								726,056,000.00	
Gansu Gonghang Lulongzhang Expressway Management Co., Ltd.	369,837,000.00	369,837,000.00	221,902,200.00								591,739,200.00	
Gansu Financial holding Group Co., Ltd.	3,000,000,000.00	3,816,436,615.86			181,856,089.65		172,550,054.49				4,170,842,760.00	
Jinlong (Hong Kong) Investment Co., Ltd.	61,880,000.00	61,228,286.97			-315,933.68	-2,341,767.35					58,570,585.94	
Gansu Gonghang Hotel Tianzhuang Expressway Management Co., Ltd.	72,380,000.00	72,380,000.00	678,540,000.00								750,920,000.00	
Gansu bank co., Ltd.	1,346,379,427.00	2,833,086,235.62	1,890,000,000.00		98,416,320.16	3,765,784.41	715,580,058.02				5,540,848,398.21	

Invested unit	Investment cost	Balance at the end of last year	Increase or decrease in the current period								Closing balance	Impairment preparation final amount
			Additional investment	Reduce investment	Investment gains and losses recognized under equity law	Other comprehensive income adjustments	Other changes in rights and interests	Declare cash dividends or profits	Preparation for calculation and impairment	Others		
Gansu Jingli Expressway Longuan Management Co., Ltd.	91,755,217.50		91,755,217.50								91,755,217.50	
Gansu Gonghang Lu Jiujia Expressway Management Co., Ltd.	112,874,613.00		112,874,613.00								112,874,613.00	
Gansu Gonghang Jiayuguan Convention and Exhibition Center Management Co., Ltd.	30,345,000.00		30,345,000.00								30,345,000.00	

(4) operating income and operating costs

Details of operating income

Item	Current amount	
	Income	Cost
Subtotal, main business	6,982,068,242.40	3,947,244,316.23
Of which: trade income	1,857,368,218.65	1,857,259,726.82
Toll income	5,123,616,260.80	2,089,013,986.97
Others	1,083,762.95	970,602.44
Subtotal, other operations	350,737,099.94	40.00
total	7,332,805,342.34	3,947,244,356.23

(continued)

Item	Others	
	Income	Cost
Subtotal, main business	14,603,422,547.74	10,116,709,643.54
Of which: trade income	8,079,726,120.26	8,076,907,482.76
Toll income	6,522,755,488.48	2,038,743,987.06
Others	940,939.00	1,058,173.72
Others	203,258,052.75	27.50
total	14,806,680,600.49	10,116,709,671.04

(5) return on investment

1. Details of investment income

Sources of return on investment	Current amount	Prior period amount
Long-term equity investment income calculated by equity method	267,495,569.98	203,253,999.74
Return on investment of financial assets available for sale during the period in which they are held	11,450,381.67	11,563,543.31
Subsidiary dividend	14,321,552.06	313,944.92
Others	123,692,429.12	262,079,805.04
total	416,959,932.83	477,211,293.01

2. There are no significant restrictions on the return of investment income during the reporting period.

(6) statement of cash flows

1. Adjust the net profit to the information of the cash flow of the operating activity by indirect method

Supplementary information	Current amount	Prior period amount
1. Adjust the net profit to cash flow from operating activities		
Net profit	-591,332,764.39	50,332,088.68
Add: provision for impairment of assets	11,299,188.10	-367,482.06
Depreciation of fixed assets	36,991,456.72	38,855,311.89
Amortization of intangible assets	922,581.71	677,890.20
Amortization of long-term amortized expenses	23,056,679.27	18,091,899.35
Loss of disposal of fixed assets, intangible assets and other long-term assets (proceeds are listed as "-")		
Loss of scrapping of fixed assets (income is listed as "-")		
Loss of change in fair value (income is listed as "-")	-38,611,110.00	-32,030,134.41
Financial expenses (income is listed as "-")	7,341,551,436.90	7,293,854,689.47
Loss of investment (income marked "-")	-416,959,932.83	-477,211,293.01
Decrease in deferred income tax assets (increase filled with "-" number)	187.50	1,031,795.83
Increase in deferred income tax liabilities (decrease marked by "-")		
Decrease in inventory (increase filled with "-" number)	5,933.44	277,021,877.29
Decrease in operating receivables (increase filled with "-" number)	-894,493,695.88	-3,756,632,631.78
Increase in operational payables (decrease filled with "-" number)	-1,223,548,788.73	-2,062,514,023.18
Others		
Net cash flow from operating activities	4,248,881,171.81	1,351,109,988.27
2. Significant investment and financing activities that do not involve cash receipts and expenditures:		
Conversion of debt to capital		
Convertible bonds maturing within one year		
Financing rental of fixed assets		
3. Net changes in cash and cash equivalents:		
Closing amount of cash	34,478,636,400.08	31,652,803,739.52
Less: cash opening amount	31,652,803,739.52	28,781,561,711.68
Add: final amount of cash equivalents		

Supplementary information	Current amount	Prior period amount
Less: opening amount of cash equivalents		
Net increase in cash and cash equivalents	2,825,832,660.56	2,871,242,027.84

2. The composition of cash and cash equivalents

Item	Closing balance	Balance at the end of last year
I. Cash	34,478,636,400.08	31,652,803,739.52
Of which: cash in stock	15,347.11	16,437.73
Bank deposits that can be paid at any time	34,478,607,830.49	31,652,787,301.79
Other monetary funds available for payment at any time	13,222.48	
Deposits of central bank funds available for payment		
Deposit of interbank money		
Proceeds from the sale and sale of the same trade		
II. Cash equivalents		
Of which: bond investments maturing within 3 months		
III. Cash and cash equivalents at the end of the year	34,478,636,400.08	31,652,803,739.52

XIV. Approval of the financial statements

This financial statement has been approved by the board of directors of the company.

Gansu Highway Aviation Tourism Investment Group Co., Ltd.

April 28, 2021

以前年度已年检
换 发 证 书

证书编号：
No. of Certificate：620100030080

批准注册协会：
Authorized Institute of CPAs：甘肃省注册会计师协会

发证日期：
Date of Issuance：2006 年 05 月 31 日

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

2019年5月30日止章　2020年6月 5日止章

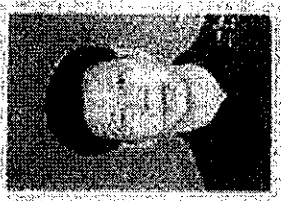
年　月　日

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from
西安希格玛会计师事务所　事务所 CPAs
转出协会盖章
Stamp of the transfer-out Institute of CPAs
2008 年 5 月 16 日

同意调入
Agree the holder to be transferred to
西安希格玛会计师事务所　事务所 CPAs
甘肃分所
转入协会盖章
Stamp of the transfer-in Institute of CPAs
2008 年 5 月 16 日

姓名 Full name　李一强
性别 Sex　男
出生日期 Date of birth　1960年12月06日
工作单位 Working unit　甘肃证监会计财事务有限公司
身份证号码 Identity card No.　620102601206063



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

2016年3月7日

2016年3月2日

证书编号：
No. of Certificate 6101000706719

批准注册协会：
Authorized Institute of CPAs 北京市注册会计师协会

发证日期：
Date of Issuance 2010 年 07 月 28 日

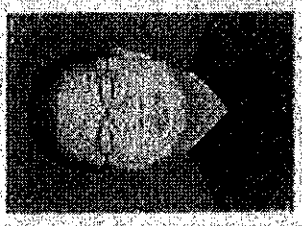
2016年6月5日

2016 年 3 月 18 日

北京市会计师事务所（特殊普通合伙）
0101000039906

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS 中国注册会计师协会

姓名 Full name 周 [illegible]
性别 Sex 男
出生日期 Date of birth 1979 年 05 月 18 日
工作单位 Working unit 希格玛会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 620102197905183835



统一社会信用代码

91610136073401 69X2

营业执照

（副 本）(10-1)

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名　　称　希格玛会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　吕桦 曹爱民 （吕桦 曹爱民）

经营范围　许可经营项目：审查企业会计报表、出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。一般经营项目：(未取得专项许可的项目除外)

成立日期　2013 年 06 月 28 日

合伙期限　长期

主要经营场所　陕西省西安市浐灞生态区浐灞大道一号外事大厦六层

登记机关

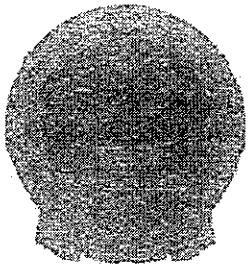
2020 年 11 月 25 日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年 1 月 1 日至 6 月 30 日通过国家信用公示系统报送公示年度报告。

国家市场监督管理总局监制

F-420



会计师事务所

执业证书

名　　称：希格玛会计师事务所（特殊普通合伙）

首席合伙人：吕桦

主任会计师：

经营场所：陕西省西安市浐灞生态区浐灞大道[illegible]号[illegible]事大厦六层

组织形式：合伙制（特殊普通合伙）

执业证书编号：61010047

批准执业文号：陕财办会〔2013〕28号

批准执业日期：2013年6月27日

F-421

证书序号：0006585

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

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发证机关：陕西省财政厅

2018 年 11 月 30 日

中华人民共和国财政部制

ISSUER

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Kowloon, Hong Kong

PRINCIPAL PAYING AGENT, REGISTRAR AND TRANSFER AGENT

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Shaanxi Province, China

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