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This announcement and the listing document referred to herein are for information purposes only and do 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 are they calculated to invite any offer to acquire, purchase or subscribe for any securities.

*Neither this announcement nor the listing document referred herein constitutes or forms a part of any offer to sell or any solicitation of an offer to purchase or subscribe for 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 (the "**Securities**") have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States or any other jurisdiction, 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 Bonds (as defined below) are being offered and sold only outside the United States in offshore transaction in compliance with Regulation S under the Securities Act. This announcement and the listing document referred to herein are not for distribution or circulation, directly or indirectly, in or into the United States. No public offering of the Securities will be made in the United States.*

***This announcement and the listing document referred to herein have been published for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

PUBLICATION OF THE OFFERING CIRCULAR

义乌市国有资本运营有限公司

YIWU STATE-OWNED CAPITAL OPERATION CO., LTD.
(义乌市国有资本运营有限公司)
(incorporated with limited liability in the People's Republic of China)
(THE "ISSUER")

U.S.$350,000,000 4.35 PER CENT. BONDS DUE 2029 (THE "BONDS")
(Stock Code: 40413)

Reference is made to the notice of listing of the Bonds on The Stock Exchange of Hong Kong Limited dated 29 May 2026 published by the Issuer.

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Please refer to the offering circular dated 26 May 2026 appended herein in relation to the issue of the Bonds (the "**Listing Document**"). The Listing Document is published in English only. No Chinese version of the Listing Document has been published.

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

Hong Kong SAR, 1 June 2026

As at the date of this announcement, the directors of the Issuer are Mr. LOU Yuejin, Mr. WU Zhiqiang, Mr. YU Shan, Ms. ZHU Xiaoling, Ms. CEN Luhan, Mr. ZHOU Yongjun and Ms. YANG Sufen.

Appendix 1 – Offering Circular dated 26 May 2026

IMPORTANT NOTICE

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

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

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

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

Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed to Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司) (the "**Issuer**") and China International Capital Corporation Hong Kong Securities Limited, Standard Chartered Bank, Bank of China Limited, Singapore Branch, Caitong International Securities Co., Limited and China CITIC Bank International Limited (together, the "**Joint Global Coordinators**"), CEB International Capital Corporation Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Industrial Securities International Brokerage Limited, China Securities (International) Corporate Finance Company Limited, China Zheshang Bank Co., Ltd. (Hong Kong Branch), CLSA Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Industrial Bank Co., Ltd. Hong Kong Branch and Luso International Banking Limited (together, the "**Joint Bookrunners**", and together with the Joint Global Coordinators, the "**Joint Lead Managers**", and each a "**Joint Lead Manager**") that: (1) you and any customers you represent are not in the United States, its territories or possessions, (2) the e-mail address that you gave and to which the e-mail has been delivered is not located in the United States, its territories or possessions (3) you consent to delivery of the Offering Circular and any amendments or supplements by electronic transmission, and (4) to the extent you purchase the Securities, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

The Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently neither the Issuer, the Joint Lead Managers nor any of their affiliates, directors, officers, employees, representatives, agents and each person who controls any of them accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version.

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

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified and amended from time to time (the "SFA") – In connection with Section 309B of 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 of the SFA), that the securities described herein are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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

You are reminded that you have accessed the Offering Circular on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

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

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

YIWU STATE-OWNED CAPITAL OPERATION CO., LTD.

(义乌市国有资本运营有限公司)

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

U.S.$350,000,000 4.35 per cent. Bonds due 2029

Issue Price: 100.0 per cent.

The 4.35 per cent. bonds in the aggregate principal amount of U.S.$350,000,000 (the "**Bonds**") will be issued by Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司) (the "**Issuer**"), a company incorporated under the laws of the People's Republic of China.

The Bonds will bear interest on their outstanding principal amount from and including 29 May 2026 (the "**Issue Date**") at the rate of 4.35 per cent. per annum, payable semi-annually in arrear in equal instalments on 29 May and 29 November in each year, commencing on 29 November 2026. All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within 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. See "*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 "**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 Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

For the avoidance of doubt, the PRC Government (including the Yiwu Municipal Government) is not an obligor and shall not under any circumstances bear any obligations arising out of or in connection with the Bonds in lieu of the Issuer. The Bonds are solely to be repaid by the Issuer in its capacity as an independent legal person. The Bondholders (as defined below) shall have no recourse to any PRC governmental entity 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 (including the Yiwu Municipal Government) is not an obligor of the Bonds, and there will be no recourse to the PRC Government in respect of any obligation arising out of or in connection with the Bonds.*"

The Issuer has obtained a certificate from the National Development and Reform Commission of the People's Republic of China (or any relevant local branch thereof, the "**NDRC**") dated 2 April 2026 (the "**NDRC Certificate**") evidencing the registration of the issuance of the Bonds with the NDRC pursuant to the requirements of the Administrative Measures for Examination and Registration of Medium- and Long-term Foreign Debt of Enterprises (企业中长期外债审核登记管理办法(国家发展和改革委员会令第56号)) issued by the NDRC and effective as of 10 February 2023, as amended, supplemented or replaced from time to time, and any implementation rules, regulations, certificates, circulars, notices or policies as issued by the NDRC from time to time (the "**NDRC Circular**"). The Issuer undertakes to (i) file or cause to be filed with the NDRC the requisite information and documents relating to the issue of the Bonds within ten Registration Business Days (as defined in the Conditions) after the Issue Date in accordance with the NDRC Circular (the "**NDRC Post-issue Filing**"), and (ii) file or cause to be filed with the NDRC other information and documents in connection with the Bonds from time to time within the relevant prescribed timeframes in accordance with the NDRC Circular.

The Issuer undertakes that it will (i) within the prescribed timeframes after the Issue Date, submit or cause to be submitted an application for the registration of the Bonds with the State Administration of Foreign Exchange of the PRC or its competent local branches ("**SAFE**") pursuant to the Administrative Measures for Foreign Debt Registration (外债登记管理办法) effective as of 13 May 2013 and as amended on 4 May 2015, and its operating guidelines (外债登记管理操作指引) issued by SAFE (the "**SAFE Registration**"), (ii) use its best endeavours to complete the NDRC Post-issue Filing and the SAFE Registration and obtain a filing confirmation from the NDRC (or any other document evidencing the completion of filing issued by the NDRC) and a registration certificate from SAFE (or any other document evidencing the completion of the SAFE Registration) on or before the Registration Deadline (being the day falling 180 calendar days after the Issue Date as defined in the Conditions); (iii) if applicable, as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Circular of the People's Bank of China on Matters Concerning the Across-the-Board Macroprudential Regulation of Cross-Border Financing (中国人民银行关于全口径跨境融资宏观审慎管理有关事宜的通知) (the "**Circular**") issued by the People's Bank of China (the "**PBOC**") on 12 January 2017 and any implementation rules, reports, certificates or guidelines as issued by the PBOC from time to time and (iv) comply with all applicable PRC laws and regulations in relation to the issue of the Bonds, including but not limited to any applicable filing requirement under the NDRC Circular and any rules issued by SAFE and/or the PBOC and, if applicable, the Circular and any implementation measures promulgated thereunder from time to time.

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 29 May 2029 (the "**Maturity Date**"). The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (as defined below) (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent (as defined in the Conditions), at their principal amount (together with interest accrued up to but excluding the date fixed for redemption), in the event 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. See "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Taxation Reasons*". At any time following the occurrence of a Relevant Event (as defined in the Conditions), the holder of any Bond (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 Conditions) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together in each case with accrued and unpaid interest up to but excluding such Put Settlement Date. See "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Relevant Events*". For a more detailed description of the Bonds, see "*Terms and Conditions of the Bonds*" beginning on page 63 of this Offering Circular.

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

Investing in the Bonds involves risks. See "*Risk Factors*" beginning on page 16 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

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

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

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, the Issuer, the Group (as defined below) 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 howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

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 Bonds will be represented by a global certificate (the "**Global Certificate**") in registered form, which will be registered in the name of a nominee for, and shall be deposited 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 transfer thereof will be effected only through, records maintained by Euroclear and Clearstream. Except in the limited circumstances as described in the Global Certificate, certificates for the Bonds will not be issued in exchange for interests in the Global Certificate. See "*Summary of Provisions relating to the Bonds in Global Form*".

The Bonds are expected to be rated Ag+ (Stable) by China Chengxin (Asia Pacific) Credit Ratings Company Limited ("**CCXAP**"). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer is rated "Baa2 (Stable)" by Moody's, "BBB (Stable)" by Fitch Ratings, Inc. ("**Fitch**") and "Ag+ (Stable)" by CCXAP. Such ratings should be evaluated independently of any other rating of the other securities of the Issuer.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

China International Capital Corporation **Standard Chartered Bank** **Bank of China**

Caitong International **China CITIC Bank International**

Joint Lead Managers and Joint Bookrunners

CEB International **China Galaxy International** **China Industrial Securities International**

China Securities International **China Zheshang Bank Co., Ltd. (Hong Kong Branch)** **CITIC Securities**

CMBC Capital **CNCB Capital** **Hua Xia Bank Co., Limited Hong Kong Branch**

Industrial Bank Co., Ltd. Hong Kong Branch **Luso Bank Ltd.**

Offering Circular dated 26 May 2026

IMPORTANT NOTICE

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

Singapore Securities and Futures Act Product Classification – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as modified and amended from time to time, 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 of the SFA), that the Bonds are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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

The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that (i) this Offering Circular contains all information with respect to the Issuer, the Group and the Bonds which is material in the context of the issue and offering of the Bonds (including the information which, as required by applicable laws of the PRC or other applicable jurisdictions (if any) and 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 of the rights attaching to the Bonds), (ii) the statements contained in this Offering Circular relating to the Issuer and the Group 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) there are no other facts in relation to the Issuer, the Group or the Bonds the omission of which would, in the context of the issue and offering of the Bonds, make any statement in this Offering Circular misleading in any material respect, and (v) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. 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 and China International Capital Corporation Hong Kong Securities Limited, Standard Chartered Bank, Bank of China Limited, Singapore Branch, Caitong International Securities Co., Limited and China CITIC Bank International Limited (together, the "**Joint Global Coordinators**"), CEB International Capital Corporation Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Industrial Securities International Brokerage Limited, China Securities (International) Corporate Finance Company Limited, China Zheshang Bank Co., Ltd. (Hong Kong Branch), CLSA Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Industrial Bank Co., Ltd. Hong Kong Branch and Luso International Banking Limited (together, the "**Joint Bookrunners**", and together with the Joint Global Coordinators, the "**Joint Lead Managers**", and each a "**Joint Lead Manager**") acting in their various capacities to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the possession or distribution of this Offering Circular or any offering or publicity material relating to the Bonds in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see "*Subscription and Sale*". This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction in which such offer or invitation would be unlawful. By purchasing the Bonds, investors represent and agree to all of those provisions contained in that section of this Offering Circular. 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 not contained in or not consistent with this Offering Circular or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Joint Lead Managers, the Trustee or the Agents (as defined in the Conditions) or any of their respective affiliates, directors, employees, agents, representatives, officers 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 or any of them 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 Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers 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 Joint Lead Managers, the Trustee or the Agents, nor any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them has separately verified the information contained in this Offering Circular. None of the Joint Lead Managers, the Trustee or the Agents, nor any affiliate, director, employee, agent, representative, officer or adviser of any such person, makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Offering Circular or any information supplied in connection with the Bonds. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers 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.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents, nor any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by a Joint Lead Manager, the Trustee or an Agent, or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them, or on its behalf, in connection with the Issuer, the Group or the issue and offering of the Bonds. Each of the Joint Lead Managers, the Trustee and the Agents and their respective directors, officers, employees, agents, advisers, representatives and affiliates of such persons accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents, nor any of their respective director, officer, employee, agent, adviser, representative or affiliate of any such person, undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents, or any of their respective directors, officers, employees, agents, advisers, representatives or affiliates.

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

Important Notice to Prospective Investors

Notice to prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct

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

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

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

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

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

This Offering Circular is provided solely for the purpose of enabling the recipient to consider purchasing the Bonds. The investors or prospective investors should read this Offering Circular carefully before making a decision regarding whether or not to purchase the Bonds. This Offering Circular cannot be used for any other purpose and any information in this Offering Circular cannot be disclosed to any other person. This Offering Circular is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Bonds.

This Offering Circular summarises certain material documents and other information, and the Issuer and the Joint Lead Managers refer the recipient of this Offering Circular to them for a more complete understanding of what is contained in this Offering Circular. None of the Issuer, the Joint Lead Managers, the Trustee or the Agents, nor any of their respective directors, officers, employees, agents, advisers, representatives or affiliates are making any representations regarding the legality of an investment in the Bonds under any law or regulation. The recipient of this Offering Circular should not consider any information in this Offering Circular to be legal, business or tax advice. Any investor or prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Bonds.

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

INDUSTRY AND MARKET DATA

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including internal surveys, market research, publicly available information and industry publications. Although the Issuer believes this information to be reliable, this information has not been independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them, and none of the Issuer, the Joint Lead Managers, the Trustee or the Agents, nor their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them makes any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarises certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents.

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

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains the audited consolidated financial information of the Issuer as at and for the years ended 31 December 2023, 2024 and 2025.

The consolidated financial information of the Issuer as at and for the year ended 31 December 2023 has been derived from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2024 (the "**2024 Audited Financial Statements**") and the consolidated financial information of the Issuer as at and for the years ended 31 December 2024 and 2025 has been derived from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2025 (the "**2025 Audited Financial Statements**", together with the 2024 Audited Financial Statements, the "**Audited Financial Statements**"). The Audited Financial Statements have been audited by Zhejiang Zhicheng Certified Public Accountants (Special General Partnership) ("**ZCCPA**"), the independent auditor of the Issuer.

Certain financial information as at and for the year ended 31 December 2024 has been adjusted in the 2025 Audited Financial Statements due to certain correction of accounting errors. For details, please see "*Notes to the Financial Statements Fiscal Year 2025 — V. Notes to Changes in Accounting Policies and Accounting Estimates as well as Corrections of Accounting Errors*" to the 2025 Audited Financial Statements.

The Audited Financial Statements were prepared and presented in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**"). The Issuer has not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. As advised by ZCCPA, there is no material difference between PRC GAAP and the IFRS with respect to the determination of the Group's financial position. Please also see "*Risk Factors – Risks relating to Financial Information – The Audited Financial Statements were prepared in accordance with PRC GAAP which may be different from IFRS*".

CERTAIN TERMS AND CONVENTIONS

This Offering Circular has been prepared using a number of conventions, which investors should consider when reading the information contained herein. Unless indicated otherwise, in this Offering Circular all references to (i) the "**Issuer**" are to Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司) and (ii) the "**Group**" are to the Issuer and its direct and indirect subsidiaries, taken as a whole.

Unless otherwise specified or the context otherwise requires, in this Offering Circular, references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, to the "**PRC**" or "**China**" are to the People's Republic of China, for the purpose of this Offering Circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, to the "**U.S.**" or "**United States**" are to the United States of America, to "**CNY**", "**Renminbi**" or "**RMB**" are to the lawful currency of the PRC, and to "**U.S.$**" or "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 Renminbi has been translated into U.S. dollars, it has been so translated, for convenience only, at the rate of RMB6.9931 to U.S.$1.00 (being the noon buying rate in New York City on 31 December 2025 as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York (the "**Noon Buying Rate**")). All such translations in this Offering Circular are provided solely for investors' convenience and no representation is made that the amounts referred to herein have been, could have been or could be converted into U.S. dollars or Renminbi, or *vice versa*, at any particular rate or at all. For further information regarding exchange rate, see "*Exchange Rate Information*" in this Offering Circular.

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

Unless the context otherwise requires, references to "**2023**", "**2024**" and "**2025**" in this Offering Circular are to the financial years of the Issuer ended 31 December 2023, 2024 and 2025, respectively.

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

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

- "**CCC Group**" refers to Zhejiang China Commodities City Group Co., Ltd. (浙江中国小商品城集团股份有限公司) and its subsidiaries;
- "**CCC Holdings**" refers to Yiwu China Commodity City Holdings Co., Ltd. (义乌中国小商品城控股有限责任公司);
- "**CCC Property**" refers to Yiwu China Commodities City Property Development Co., Ltd. (义乌中国小商品城房地产开发有限公司);
- "**Construction Investment Group**" refers to Yiwu Construction Investment Group Co., Ltd. (义乌市建设投资集团有限公司) (previously known as Yiwu Urban and Rural New Community Investment Construction Group Co., Ltd. (义乌市城乡新社区投资建设集团有限公司)) and its subsidiaries;
- "**GDP**" refers to gross domestic product;
- "**GFA**" refers to gross floor area;
- "**Hengfeng Group**" refers to Zhejiang Hengfeng Group Co., Ltd. (浙江恒风集团有限公司) and its subsidiaries;
- "**Hengfeng Transportation**" refers to Zhejiang Hengfeng Transportation Co., Ltd. (浙江恒风交通运输股份有限公司);
- "**Landport Group**" refers to Yiwu International Landport Group Co., Ltd. (义乌市国际陆港集团有限公司) and its subsidiaries;
- "**Market Group**" refers to Yiwu Market Development Group Co., Ltd. (义乌市市场发展集团有限公司) and its subsidiaries;
- "**MOF**" refers to the Ministry of Finance of the People's Republic of China (中华人民共和国财政部);
- "**mu**" refers to the traditional land area unit "亩" used in China. One mu equals to approximately 0.6666 hectares, 0.1647 acres or 666.667 square metres;
- "**NDRC**" refers to the National Development and Reform Commission of the People's Republic of China (中华人民共和国国家发展和改革委员会) or its competent local counterparts;
- "**PBOC**" refers to the People's Bank of China (中国人民银行), the central bank of the People's Republic of China;

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

- "**SAFE**" refers to the State Administration of Foreign Exchange of the People's Republic of China (中华人民共和国国家外汇管理局) or its competent local counterparts;

- "**SASAC**" refers to the State-owned Assets Supervision and Administration Commission of the State Council (国务院国有资产监督管理委员会) or its competent local counterparts;

- "**Shenzhou Property**" refers to Yiwu Shenzhou Property Co., Ltd. (义乌市神州置业有限公司);

- "**sq.km.**" refers to square kilometre(s);

- "**sq.m.**" refers to square metre(s);

- "**State Council**" refers to the State Council of the PRC (中华人民共和国国务院);

- "**Transportation and Tourism Group**" refers to Yiwu Transportation and Tourism Industry Development Group Co., Ltd. (义乌市交通旅游产业发展集团有限公司) (previously known as Yiwu Communications Investment Group., Ltd. (义乌市交通投资建设集团有限公司)) and its subsidiaries;

- "**Transportation Property**" refers to Yiwu Transportation Property Co., Ltd. (义乌市交通置业公司);

- "**Urban Investment Group**" refers to Yiwu Urban Investment Construction Group Co., Ltd. (义乌市城市投资建设集团有限公司) and its subsidiaries;

- "**Water Group**" refers to Yiwu Water Construction Group Co., Ltd. (义乌市水务建设集团有限公司) and its subsidiaries;

- "**Xiuhu Real Estate**" refers to Yiwu Xiuhu Real Estate Co., Ltd. (义乌市绣湖置业有限公司);

- "**Yiwu Municipal Government**" refers to the People's Government of Yiwu City (义乌市人民政府) or local government entities, and instrumentalities thereof, or where the context requires, any of them; and

- "**Yiwu SASAC**" refers to the State-owned Assets Supervision and Administration Commission of the Yiwu Municipal Government (义乌市人民政府国有资产监督管理办公室).

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements. All statements other than statements of historical facts contained in this Offering Circular constitute "forward-looking statements". The forward-looking statements contain information regarding, among other things, the Group's future operations, performance, financial condition, expansion plans and business strategy. Although the Issuer believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- the Group's strategies, plans, objectives and goals and its ability to implement such strategies and achieve its plans, objectives and goals;
- future developments, trends and conditions in the industry and markets in which the Group operates;
- the Group's business prospects and capital expenditure plans;
- the actions and developments of the Group's competitors;
- the Group's financial condition and performance;
- the availability and costs of bank loans and other forms of financing;
- various business opportunities that the Group may pursue;
- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of the Group's business;
- general political and economic conditions, including those related to the PRC;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices;
- including those pertaining to the PRC and the industry and markets in which the Group operates;
- macroeconomic measures taken by the PRC Government to manage economic growth;
- changes in the global economic conditions; and
- other factors, including those discussed in "*Risk Factors*" in this Offering Circular.

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

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SUMMARY

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

OVERVIEW

The Group is the primary state-owned assets operating platform in Yiwu and serves as an investment and financing platform for state-owned enterprises in Yiwu. The Group is positioned as a major force in operating the Yiwu Small Commodity Market (义乌小商品市场), the world's largest small commodity wholesale market, promoting the state-owned enterprise reform in Yiwu and implementing Yiwu's strategic blueprint for industrial investments and upgrades.

The Issuer was established in 2013 as a state-owned enterprise wholly-owned by the Yiwu SASAC. After rounds of equity transfer by the Yiwu SASAC, approximately 85.6 per cent. of the Issuer's equity is currently owned by the Yiwu SASAC. The Group primarily focuses on nine business segments under four sectors, namely (i) commodity markets sector, comprising the market operation business and the commodity trading business, (ii) public utilities sector, comprising the transportation business, the water-related business and the infrastructure construction business, (iii) property development sector, and (iv) other businesses, comprising the logistics and warehousing business, the hotel operation business, the exhibition and advertisement business and other miscellaneous businesses.

For the years ended 31 December 2023, 2024 and 2025, the Group generated total operating income of RMB36,239.3 million, RMB37,400.1 million and RMB45,587.6 million, respectively. For the years ended 31 December 2023, 2024 and 2025, the Group generated net profit of RMB1,557.2 million, RMB2,051.5 million and RMB3,170.8 million, respectively. As at 31 December 2025, the Group's total assets amounted to RMB274.0 billion and its net assets amounted to RMB71.9 billion.

Commodity Markets Sector

- ***Market operation business***. Market operation business is the Group's core business. It is mainly operated by the Market Group, together with its member group, the CCC Group. The CCC Group operates the Yiwu Small Commodity Market (义乌小商品市场) which comprises the Yiwu International Trade City (义乌国际商贸城), the Huangyuan Garment Market (篁园服装市场) and the Yiwu Production Material Market (义乌生产资料市场). In addition, the Market Group also operates around 13 other specialised markets, including Yiwu Non-staple Food Market (义乌副食品市场), Yiwu International Furniture City (义乌国际家居城), Yiwu Decoration City (义乌装饰城), Central Zhejiang Wood Material Market (浙中木材市场) and Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心). As at 31 December 2025, the Group occupied a total GFA of over 8,000,000 sq.m., with over 80,000 booths, accommodating approximately 57,500 merchants and

serving daily customer flow of over 230,000 people. The overall occupancy rate over the past three years averages at approximately 91.0 per cent., which generated stable recurring cash flows and operating income. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its market operation business of RMB3,737.7 million, RMB5,259.7 million and RMB5,958.0 million, respectively, representing 10.6 per cent., 14.7 per cent. and 13.6 per cent., respectively, of its major business operating income for the same periods, respectively.

- ***Commodity trading business.*** The Group's commodity trading business is ancillary to the market operation business and mainly consists of sale of household goods, building materials, oil and non-ferrous metals, as well as other products such as electronic devices, grain, minerals, hardware products, machinery and civil explosive equipment. Such business is primarily operated by the Market Group (including CCC Holdings and the CCC Group), the Urban Investment Group and the Transportation and Tourism Group. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its commodity trading business of RMB12,675.1 million, RMB15,404.2 million and RMB18,377.6 million, respectively, representing 36.1 per cent., 43.0 per cent. and 41.8 per cent., respectively, of its major business operating income for the same periods.

Public Utilities Sector

- ***Transportation business.*** The Group's transportation business is primarily operated by the Hengfeng Group, the Transportation and Tourism Group and the Urban Investment Group. It consists of bus transportation, taxi transportation, long-distance coach transportation, bus terminal operation, expressway transportation and other associated businesses including vehicle maintenance, second-hand vehicle trade and parking services. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its transportation business of RMB383.9 million, RMB402.7 million and RMB513.1 million, respectively, representing 1.1 per cent., 1.1 per cent. and 1.2 per cent., respectively, of its major business operating income for the same periods.

- ***Water-related business.*** The Group's water-related business is primarily operated by the Water Group, which is the sole urban water management entity in Yiwu. Its operations encompass four main areas of water supply services, wastewater treatment, water-related infrastructure construction and hydraulic engineering. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its water-related business of RMB1,175.3 million, RMB1,239.4 million and RMB1,030.1 million, respectively, representing 3.3 per cent., 3.5 per cent. and 2.3 per cent., respectively, of its major business operating income for the same periods.

- ***Infrastructure construction business.*** The Group's infrastructure construction business mainly comprises urban infrastructure construction operated by the Urban Investment Group, construction and maintenance of roads, highways and railways operated by the Transportation and Tourism Group, and construction and management of market and logistics parks with their supporting infrastructure operated by the Landport Group. Such businesses are primarily conducted under the agency construction model or agency development model. For the years ended 31 December 2023, 2024 and 2025, the Group

generated operating income from its infrastructure construction business of RMB692.6 million, RMB1,099.4 million and RMB1,171.2 million, respectively, representing 2.0 per cent., 3.1 per cent. and 2.7 per cent., respectively, of its major business operating income for the same periods.

Property Development Sector

- ***Property development business.*** The Group's property development business comprises construction and development of affordable housing operated by the Construction Investment Group and non-affordable housing operated by the CCC Group, the Hengfeng Group, the Construction Investment Group and the Transportation and Tourism Group. The affordable housing business focuses on the development of new urban and rural communities and the revitalization of existing urban areas. The non-affordable housing business mainly involves the construction and development of residential properties, as well as some other commercial and industrial real estates. As at 31 December 2025, the Group had five affordable housing projects under construction, with an estimated total investment of RMB7.0 billion and an aggregate saleable area of 825,200 sq.m., and eleven non-affordable housing projects under construction, with an estimated total investment of RMB23.0 billion and an aggregate saleable area of 1,130,900 sq.m. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its property development business of RMB13,426.9 million, RMB9,089.3 million and RMB12,583.5 million, respectively, representing 38.2 per cent., 25.4 per cent. and 28.6 per cent., respectively, of its major business operating income for the same periods.

Other Businesses

- ***Logistics and warehousing business.*** The Group's logistics and warehousing business is primarily conducted by the Landport Group. Yiwu International Landport Group Co., Ltd. (义乌市国际陆港集团有限公司), the parent company of the Landport Group, is a premium logistics company in China that engages in the investment, construction and management of logistics parks, railway ports, air ports, the Cross-Border E-Commerce Regulatory Centre (跨境电子商务监管中心), the Yiwu Bonded Logistics Centre (义乌市保税物流中心), and the Land Port E-commerce Town (陆港电商小镇) in Yiwu. The logistics parks that the Landport Group operates host over 700 businesses with a safe and convenient network throughout the country, which has become one of the main logistics hubs in Zhejiang Province. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its logistics and warehousing business of RMB435.3 million, RMB464.7 million and RMB483.8 million, respectively, representing 1.2 per cent., 1.3 per cent. and 1.1 per cent., respectively, of its major business operating income for the same periods.

- ***Hotel operation business.*** The Group's hotel operation business is primarily operated by the Market Group and the CCC Group. The Group currently operates seven hotels, including Yiwu Xingfu Lake International Conference Centre (义乌幸福湖国际会议中心) (a five-star hotel) which is owned by the Market Group and operated by the CCC Group, and Expo Crowne Plaza Hotel (国际博览中心酒店) (a five-star hotel), Yandoo Jin Hotel Yiwu (璟悦大畈民宿酒店) (a high-end homestay) and four other star-rated hotels, namely Ocean

Hotel (海洋酒店), Yindu Hotel (银都酒店), Shangcheng Hotel (商城宾馆) and Yayue Hotel (雅悦酒店), which are all owned and operated by the CCC Group. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its hotel operation business of RMB427.9 million, RMB400.0 million and RMB436.4 million, respectively, representing 1.2 per cent., 1.1 per cent. and 1.0 per cent., respectively, of its major business operating income for the same periods.

- ***Exhibition and advertising business.*** The Group's exhibition and advertisement business is conducted by the CCC Group, the Hengfeng Group and the Urban Investment Group. The Group has successfully hosted a series of significant international trade exhibitions such as the China Yiwu International Commodity Fair (中国义乌国际小商品博览会), the China Yiwu International Forest Products Expo (中国义乌国际森林产品博览会), the China Yiwu International Import Commodities Fair (中国义乌国际进口商品博览会) and the Yiwu Hardware and Electrical Appliances Expo (义乌五金电器博览会). The Group also operates billboards for trade fairs and commodity markets and engages in public transport vehicles advertising and operating urban outdoor billboards. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its exhibition and advertisement business of RMB185.0 million, RMB162.3 million and RMB236.9 million, respectively, representing 0.5 per cent., 0.5 per cent. and 0.5 per cent., respectively, of its major business operating income for the same periods.

- ***Others.*** The Group also conducts some miscellaneous business including intermediary services, housing rental, security services, guarantee services, property management, sale of waste materials, labour services and leasing, port services and movie box office business. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its all other miscellaneous businesses of RMB2,007.9 million, RMB2,320.0 million and RMB3,157.7 million, respectively, representing 5.7 per cent., 6.5 per cent. and 7.2 per cent., respectively, of its major business operating income for the same periods.

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below distinguish itself from its competitors and are important to its success and future development:

- Well positioned in the strategic location along the "One Belt, One Road" initiative and to benefit from the economic growth and strategic importance of Yiwu;

- Acting as the primary operator and investing and financing platform for the state-owned assets in Yiwu;

- Diversified and sustainable business operations that generate recurring revenue and cash flows;

- Diversified and stable financing channels; and

- Experienced government-nominated management teams with sound corporate governance.

BUSINESS STRATEGIES

As the primary operator and investing and financing platform for the state-owned assets in Yiwu, the Group's objective is to optimise capital operation, achieve capital efficiency, improve urban infrastructure and development, promote Yiwu's international trade comprehensive pilot reform, and boost the revitalisation and sustainability of Yiwu's economy. In order to accomplish these goals, the Group intends to pursue the following strategies:

- Continue to exploit new business opportunities and synergies created by the Group's strategic location in Yiwu within the "One Belt, One Road" development strategy;

- Seize the development opportunity from the Yiwu Global Digital Trade Centre (义乌全球数贸中心);

- Enhance government relationship and implement the plans for operating, investing in and financing state-owned assets;

- Reinforce the Group's market-oriented operations and continue to play a lead role in various national comprehensive reforms; and

- Strengthen the Group's management and internal control systems.

RECENT DEVELOPMENT

Additional indebtedness since 31 December 2025

The Group may, from time to time, enter into bank loans and other financing arrangement and issue debt securities in the capital market in the ordinary course of business to finance its business operations and to refinance existing debt. Since 31 December 2025, the Group has incurred additional indebtedness. In particular, from January 2026 to March 2026, the Group issued debt instruments in the PRC capital markets in an aggregate principal amount of approximately RMB3.4 billion with interest rate ranging from 1.68 per cent. to 2.25 per cent. and tenor ranging from 1 year to 5 years, and the Group newly entered into other financing arrangements (such as working capital loans, project finance loans and trust arrangement) with an aggregate amount of approximately RMB13.6 billion as at 31 March 2026.

Appointment of new directors since 31 December 2025

In 2026, Ms. Cen Luhan (岑璐寒), Ms. Zhu Xiaoling (朱小玲), Mr. Zhou Yongjun (周拥军) and Ms. Yang Sufen (杨苏芬) were appointed as external directors of the Issuer, and Mr. Yu Shan (虞山) were appointed as employee director of the Issuer. Such changes are routine personnel adjustments in the ordinary course of business of the Group and have been approved by the Yiwu Municipal Government. For biographies of the newly appointed directors and the composition of the board of directors of the Group (the "**Board**") as at the date of this Offering Circular, see "*Directors and Senior Management – Directors*".

Financial performance of the Group as at and for the three months ended 31 March 2026

On 30 April 2026, the Issuer published its unaudited and unreviewed financial statements as at and for the three months ended 31 March 2026 (the "**March 2026 Financial Statements**") on the website of China Foreign Exchange Trade System. As at 31 March 2026, the Group's total assets and total liabilities both remained relatively stable as compared to the respective balances as at 31 December 2025. For the three months ended 31 March 2026, the Group's total operating income and total operating costs increased synchronously as compared to the corresponding period in the preceding year, which is attributable to the business expansion in market operation, property development and commodity trading. For the three months ended 31 March 2026, the Group's operating profit and net profit increased as compared to the corresponding period in the preceding year, primarily because of the increase in operating income and the gains from changes in fair value for such period.

The March 2026 Financial Statements have not been included in, and do not constitute part of, this Offering Circular. The March 2026 Financial Statements are not audited or reviewed by any independent auditors. Therefore, they do not provide the same quality of information as the information that has been subject to an audit or review. Potential investors should exercise caution when using such data to evaluate the Group's financial condition and results of operation. The March 2026 Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2026. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, regarding the accuracy, completeness and sufficiency of the March 2026 Financial Statements. See "*Risk Factors – Risks Relating to Financial Information – The Group published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular*".

SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF THE ISSUER

The following tables present the selected summary consolidated financial information of the Issuer. The summary audited consolidated financial information as at and for the years ended 31 December 2023, 2024 and 2025 set out below has been derived from and should be read in conjunction with the Audited Financial Statements, including the notes thereto (if any) and the auditor's reports, included elsewhere in this Offering Circular. The Audited Financial Statements have been audited by ZCCPA.

Historical results of the Group are not necessarily indicative of results that may be achieved for any future period. The Audited Financial Statements have been prepared and presented in accordance with PRC GAAP. The Issuer has not prepared any reconciliation of such consolidated financial information between PRC GAAP and IFRS. Please also see "Risk Factors – Risks relating to Financial Information – The Audited Financial Statements were prepared in accordance with PRC GAAP which may be different from IFRS".

SUMMARY CONSOLIDATED INCOME STATEMENT

	For the Year Ended 31 December		
	2023	2024	2025
	(Audited)	*(Audited and adjusted)*	*(Audited)*
		(RMB in millions)	
I. Operating income	**36,239.3**	**37,400.1**	**45,587.6**
Operating costs	(30,630.5)	(30,892.4)	(37,702)
Taxes and surcharges	(748.1)	(669.8)	(841.8)
Selling and distribution expenses	(575.2)	(590.6)	(780.5)
General and administrative expense	(1,899.8)	(1,988.2)	(2,030.8)
R&D expenses	(82.1)	(75)	(233.3)
Financial expenses	(2,834.9)	(2,665.9)	(2,025.6)
Gains/(loss) from changes in fair value	(689.5)	(443.4)	(1,364.9)
Investment income	1,524.5	583.8	(40.0)
Including: income from investment in associates and joint ventures	1,196.0	509.4	(180.2)
Asset impairment losses	(0.7)	(99.8)	(116.0)
Credit impairment losses	(160.8)	(123.4)	(134.3)
Income from the disposal of assets	216.4	54.8	105.3
Other income	4.6	2,863.7	1,822.8
II. Operating profits/(losses)	**1,673.1**	**3,354.1**	**4,976.3**
Plus: Non-operating income	193.0	52.7	130.6
Less: Non-operating expenses	(72.0)	(18.6)	(21.8)
III. Total profits/(losses)	**1,794.2**	**3,388.2**	**5,085.1**
Less: Income tax expenses	(237.0)	(1,336.6)	(1,914.3)
IV. Net profit/(loss)	**1,557.2**	**2,051.5**	**3,170.8**
Net profit attributable to owners of the parent company	275.0	559.7	1,224.8
Minority interest income	1,282.2	1,491.8	1,946.0
V. Other comprehensive income, net of tax	**39.2**	**62.4**	**66.8**
Other comprehensive income attributable to owners of the parent company, net of tax	15.3	16.5	76.2
Other comprehensive income attributable to minority shareholders, net of tax	24.0	46.0	(9.4)
VI. Total comprehensive income	**1,596.4**	**2,113.9**	**3,237.7**
Total comprehensive income attributable to owners of the parent company	290.3	576.2	1,301.1
Total comprehensive income attributable to minority shareholders	1,306.1	1,537.7	1,936.6

SUMMARY CONSOLIDATED BALANCE SHEET

	As at 31 December		
	2023	2024	2025
	(Audited)	*(Audited and adjusted)*	*(Audited)*
		(RMB in millions)	
Current assets:			
Monetary funds	13,124.9	17,584.0	17,291.3
Trading financial assets	15.1	400.3	2,093.6
Notes receivable	0.3	11.2	10.0
Accounts receivable	2,794.8	3,065.5	3,804.0
Advances to suppliers	1,240.5	1,367.8	1,875.0
Other receivables	11,289.7	11,440.4	16,394.5
Inventories	76,533.6	74,056.1	67,568.9
Contractual assets	88.4	38.4	51.1
Non-current assets due within one year	40.8	27.0	48.1
Other current assets	2,528.1	4,404.5	4,111.3
Total current assets	**107,656.1**	**112,395.0**	**113,247.8**
Non-current assets:			
Investment in debt securities	48.1	–	–
Long-term receivables	7,348.5	7,800.9	9,687.4
Investment in other equity instruments	1,034.1	1,149.7	864.2
Other non-current financial assets	9,852.3	9,831.5	11,292.3
Long-term equity investment	22,743.2	23,030.3	23,171.8
Investment properties	8,067.2	10,936.4	11,521.2
Fixed assets	34,150.4	35,878.4	39,863.5
Construction in progress	24,429.9	21,513.2	19,331.0
Right-of-use assets	343.7	328.8	287.5
Intangible assets	18,110.9	18,140.2	18,311.5
Development expenses	18.6	7.5	11.4
Goodwill	292.8	292.8	290.5
Long-term deferred expenses	586.7	666.1	708.6
Deferred income tax assets	1,700.4	1,800.2	1,428.2
Other non-current assets	16,474.5	22,748.8	23,996.0
Total non-current assets	**145,201.2**	**154,125.0**	**160,765.1**
Total assets	**252,857.4**	**266,520.0**	**274,012.9**
Current liabilities:			
Short-term borrowings	20,216.2	19,102.3	25,759.5
Notes payable	1,632.6	339.0	330.7
Accounts payable	5,759.0	6,130.6	6,440.3
Advances from customers	1,213.6	730.6	598.2
Contractual liabilities	14,231.6	19,933.2	14,182.3
Employee compensation payable	783.3	852.8	917.7
Taxes and surcharges payable	997.2	1,440.1	1,641.8

	As at 31 December		
	2023	2024	2025
	(Audited)	*(Audited and adjusted)*	*(Audited)*
		(RMB in millions)	
Other payables	14,304.8	14,206.1	16,498.7
Non-current liabilities due within one year	17,850.3	32,317.0	25,467.2
Other current liabilities	10,795.5	11,276.5	6,673.8
Total current liabilities	**87,784.2**	**106,328.2**	**98,510.2**
Non-current liabilities:			
Long-term borrowings	29,543.8	30,906.2	35,039.6
Bonds payable	42,375.2	33,094.4	39,461.1
Including: perpetual bonds	–	–	1,003.8
Lease liabilities	309.5	307.7	258.4
Long-term payables	16,385.7	13,148.3	11,323.3
Estimated liabilities	0.6	0.9	–
Deferred income	4,402.6	4,541.0	3,874.4
Deferred tax liabilities	918.5	860.6	1,190.7
Other non-current liabilities	6,374.6	8,192.7	12,493.2
Total non-current liabilities	**100,310.5**	**91,051.8**	**103,640.7**
Total liabilities	**188,094.7**	**197,380.0**	**202,150.8**
Owners' Equity:			
Paid-in capital	1,980.0	1,980.0	1,980.0
Other equity instruments	4,691.8	5,692.9	7,223.1
Including: perpetual bonds	4,691.8	5,692.9	7,223.1
Capital reserves	42,417.6	43,989.6	43,505.7
Other comprehensive income	66.0	82.5	82.6
Special reserves	36.2	41.2	48.4
Surplus reserve	350.6	401.0	469.9
General risk reserve	10.0	11.1	12.7
Undistributed profits	4,904.2	5,121.1	6,199.0
Total equity attributable to owners of the parent company	54,456.4	57,319.5	59,521.2
Minority equity	10,306.2	11,820.5	12,340.8
Total owners' equity	**64,762.7**	**69,140.0**	**71,862.0**
Total liabilities and owners' equity	**252,857.4**	**266,520.0**	**274,012.9**

SUMMARY CONSOLIDATED CASH FLOW STATEMENT

	For the Year Ended 31 December		
	2023	2024	2025
	(Audited)	*(Audited)*	*(Audited)*
		(RMB in millions)	
Net cash flows from operating activities	8,176.0	14,699.9	8,892.0
Net cash flows from investing activities	(8,727.2)	(6,712.3)	(16,579.3)
Net cash flows from financing activities	2,379.6	(3,134.2)	5,012.5
Effect of fluctuation in exchange rate on cash and cash equivalents	(12.8)	4.2	(31.3)
Net increase in cash and cash equivalents	**1,815.6**	**4,857.6**	**(2,706.1)**
Opening balance of cash and cash equivalents	10,541.2	12,356.8	17,214.4
Closing balance of cash and cash equivalents	**12,356.8**	**17,214.4**	**14,508.3**

THE OFFERING

The following summary contains some basic information about the Bonds 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	Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司).
The Bonds	U.S.$350,000,000 4.35 per cent. bonds due 2029.
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.
Interest	The Bonds will bear interest on their outstanding principal amount from and including 29 May 2026 at the rate of 4.35 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.$21.75 per Calculation Amount (as defined in the Conditions) on 29 May and 29 November in each year, commencing on 29 November 2026.
Issue Date	29 May 2026.
Maturity Date	29 May 2029.
Use of Proceeds	The net proceeds from the offering of the Bonds are expected to be used for refinancing medium- to long-term offshore indebtedness of the Group due within one year in accordance with the NDRC Certificate. See "*Use of Proceeds*".
Status of the Bonds	The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the 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 Conditions, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 4(a) (*Negative Pledge*) of the Conditions.
Events of Default.	Upon the occurrence of certain events as described in Condition 9 (*Events of Default*) of the Conditions, the Trustee at its sole and absolute discretion may, and if so requested in writing by holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall (provided that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest.
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 without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within 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. If the Issuer is required to make a deduction or withholding by or within the PRC at a rate in excess of the Applicable Rate, the Issuer shall pay (except in certain circumstances set out in Condition 8 (*Taxation*) of the Conditions) such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required.
Final Redemption	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 29 May 2029.

Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with interest accrued up to but excluding the date fixed for redemption), at any time in the event of certain changes affecting taxes of the PRC, as further described in "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Taxation Reasons*".
Redemption for Relevant Events	At any time following the occurrence of a Change of Control or a No Registration Event (each a "**Relevant Event**"), the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together in each case with accrued and unpaid interest up to but excluding such Put Settlement Date. See *"Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Relevant Events*".
Further Issues	The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the first payment of interest on them and the timing for making and completing the NDRC Post-issue Filing and the SAFE Registration and for making the subsequent notifications to the Trustee and the Bondholders) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds, as further described in "*Terms and Conditions of the Bonds – Further Issues*".
Clearing Systems	The Bonds will be represented by a Global Certificate in registered form, which will be registered in the name of a nominee for, and shall be deposited with, a common depository for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except in the limited circumstances as described in the Global Certificate, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

Governing Law and Jurisdiction	English law. Exclusive jurisdiction of the Hong Kong courts.
Trustee	CNCBI Trustee Limited.
Principal Paying Agent	China CITIC Bank International Limited.
Registrar and Transfer Agent	China CITIC Bank International Limited.
Listing	Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and it is expected that the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange will commence on or around 1 June 2026.
Ratings	The Bonds are expected to be rated "Ag+ (Stable)" by CCXAP. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer is rated "Baa2 (Stable)" by Moody's, "BBB (Stable)" by Fitch and "Ag+ (Stable)" by CCXAP. Such ratings should be evaluated independently of any other rating of the other securities of the Issuer.
Selling Restrictions	The Bonds have not been and will not be registered under the Securities Act or under any state securities laws of the United States, are being offered in offshore transactions outside the United States in reliance of Regulation S of the Securities Act and will be subject to customary restrictions on transfer and resale. For a description of certain restrictions on offers and sales of the Bonds and the distribution of this Offering Circular in the United States, the United Kingdom, Hong Kong, Singapore, Japan, the PRC and Macau, see "*Subscription and Sale*".
Clearing and Settlement	The Bonds have been accepted for clearance through Euroclear and Clearstream with a Common Code of 337692354 and the ISIN of XS3376923549.
Legal Entity Identifier	3003003KFIXEYHXW2529.

Prior to making an investment decision, prospective investors should carefully consider the following risk factors, along with the other matters set out in this Offering Circular. Additional risks not described below or not currently known to the Group or that it currently deems immaterial may also adversely affect the value of the Bonds. The Group believes that the risk factors described below represent the principal risks inherent in investing in the Bonds, but the Group may not be able to pay interest, principal or other amounts on or in connection with any Bonds for reasons which it may not consider as significant risks based on information currently available to it, which the Group may not currently be able to anticipate or which the Group may currently deems immaterial. All of these factors are contingencies which may or may not occur and the Group is not in a position to express a view on the likelihood of any such contingency occurring.

The Group 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 BUSINESS

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

The Group operates its business mainly in Yiwu, Zhejiang Province, PRC and its assets are highly concentrated in Yiwu. Therefore, the Group's business, financial condition, results of operations and prospects have been and will continue to be heavily dependent on the level of economic development in Yiwu, Zhejiang Province and the PRC.

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's GDP since the second half of 2013. According to the National Statistics Bureau of the PRC, China's GDP growth rate decreased from 7.0 per cent. in 2015 to 6.1 per cent. in 2019. China's economy has further experienced a significant slowdown since the outbreak of COVID-19 in 2020 and China recorded a GDP of 2.3 per cent for that year. Although GDP growth rate recovered to 5.2 per cent., 5.0 per cent. and 5.0 per cent., respectively, in 2023, 2024 and 2025, there can be no assurance that a slowdown in China's economy will not occur in the near future. Any further slowdown of China's economy may create a credit-tightening environment, increase the Group's financing costs, negatively affect the government's fiscal income and investment in fixed assets or reduce governmental subsidies to the Group. China's economic conditions materially affect regional economic conditions including those of Zhejiang province. Zhejiang Province and Yiwu City has similarly experienced a slow economic growth in recent years. In 2023, 2024 and 2025, Zhejiang Province's GDP grew 6.0 per cent., 5.5 per cent. and 5.5 per cent., respectively, according to the Zhejiang Provincial Bureau of Statistics, and Yiwu City's GDP grew 4.7 per cent., 7.5 per cent. and 7.9 per cent., respectively, according to the Yiwu Municipal Bureau of Statistics.

The future prospects of the PRC's, Zhejiang Province's and Yiwu's economy depend on many different factors, most of which are beyond the Group's control. There can be no assurance that the level of economic development in Yiwu, Zhejiang Province, as well as the PRC will continue at the past rate of growth, if at all. Deteriorating economic conditions, negative perceptions about economic conditions or a negative or uncertain economic outlook could result in a substantial decrease in demand for the Group's products and services and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's business and future prospects to a large extent depend upon the Yiwu Municipal Government's fiscal policies and public spending planning.

The Group is the primary operator and investing and financing platform for the state-owned assets in Yiwu, Zhejiang Province, PRC. The Issuer is substantially owned by the Yiwu SASAC and is tasked by the Yiwu Municipal Government to perform substantial and critical governmental functions including public transportation, water supply and infrastructure construction. Since its establishment in 2013, the Group has played an important role in implementing the Yiwu Municipal Government's plan for urban construction, and its business, results of operations and future prospects may be heavily affected by the Yiwu Municipal Government's budgets, especially those for municipal-related public utilities services. Any significant reduction in the Yiwu Municipal Government's public budgets relating to municipal-related public utilities services and infrastructure could materially and adversely affect the Group's business.

There are a number of factors affecting the nature, scale, location and timing of the Yiwu Municipal Government's investments in municipal-related public utilities services and public infrastructure development. The key factors are central government's policies, the priority accorded to the development of different regions and the Yiwu Municipal Government's fiscal and monetary policies. The Yiwu Municipal Government's investments in municipal-related public utilities services and public infrastructure development are also affected by the government income and the general economic conditions in Zhejiang Province and in the PRC. Any slowdown in the overall economy of Zhejiang Province or the PRC may affect the economic development of Yiwu and the fiscal condition of the Yiwu Municipal Government, which may in turn reduce the Yiwu Municipal Government's investments in municipal-related public utilities services and public infrastructure development. If the public budget or spending of the Yiwu Municipal Government on municipal-related public utilities services and public infrastructure development decreases, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

The Yiwu Municipal Government can exert significant influence on the Group, and could cause it to make decisions or modify the scope of its activities, or impose new obligations on it, that may not be in its best interests.

The Issuer is substantially owned by the Yiwu SASAC, which is a government organ of the Yiwu Municipal Government, and accordingly, the Yiwu Municipal Government is able to significantly influence the Group's major business decisions and strategies including the scope of its activities, investment decisions, dividend policy and transfer of equity interest or assets and implementation of reorganisation of state-owned companies from time to time. There can be

no assurance that the Yiwu SASAC would always take actions that are in the best interests of the Group or that aim to maximise its profits. For example, the Yiwu SASAC could use its ability to influence the Group's business and strategy in a manner beneficial to Yiwu as a whole, which may not necessarily be in the Group's best interests. The Yiwu Municipal Government could also change its policies, plans, preferences, views, expectations, projections, forecasts and opinions, as a result of changes in the PRC's economic, political and social environment, its projections of population and employment growth and any such change may have a material effect on the Group's business and prospects. Any amendment, modification or repeal of existing policies of the Yiwu Municipal Government could result in a modification of the existing regulatory regime which in turn could have a material adverse effect on its financial condition and results of operations.

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

As a state-owned enterprise substantially owned by the Yiwu SASAC, the Issuer together with its subsidiaries regularly receives support from the Yiwu SASAC and the Yiwu Municipal Government, in the form of favourable policies, government grants and subsidies, asset transfers and capital injections. For the years ended 31 December 2023, 2024 and 2025, the Group received government grants and subsidies of approximately RMB1,315.3 million, RMB2,864.0 million and RMB1,822.8 million, respectively, and for the same periods, the Group received financial funding in an aggregate amount of approximately RMB13.99 billion, RMB11.75 billion and RMB11.40 billion, respectively, which primarily comprises grants and subsidies, project funds, injected capital, service fees, resettlement housing construction fee, agent construction fee, compensation for land acquisition, fund for land acquisition and reserve and other forms of supports.

However, there is no assurance that the Yiwu SASAC and the Yiwu Municipal Government will continue to provide support to the Group or that the existing or other types of government support will not be adjusted or terminated due to any change in government policies or otherwise. If any favourable incentive or government support currently available to the Group is reduced or discontinued in the future, the Group's business, financial condition, results of operations and prospects would be materially and adversely affected.

The Group operates in multiple business segments through a number of subsidiaries across various industries, and this business structure exposes it to challenges not faced by companies with a single or small number of business.

The Group conducts a variety of businesses through its member groups, including the market operation business operated by the Market Group and the CCC Group, the commodity trading business operated by the Market Group (mainly CCC Holdings and the CCC Group), the Urban Investment Group and the Transportation and Tourism Group, the transportation business operated by the Hengfeng Group, the Transportation and Tourism Group and the Urban Investment Group, the water-related business operated by the Water Group, the infrastructure construction business operated by the Urban Investment Group, the Transportation and Tourism Group and the Landport Group, the property development business operated by the Construction Investment Group, the CCC Group, the Hengfeng Group and the Transportation and Tourism

Group and other businesses operated by other subsidiaries of the Issuer. For details, please see "*Description of the Group*". As such, the Group is exposed to risks associated with multiple business sectors, multiple markets and regulatory risks relating to different industries and geographic areas.

For example, 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 businesses. In addition, successful operation of the Issuer's subsidiaries requires an effective management system. As the Group continues to grow its businesses and expand into various industries, the Group's operations may become more complex, which would increase the difficulty of implementing its management system. In addition, the Group's revenue is substantially concentrated at the subsidiary level of the Issuer. However, the Issuer's operation and management of these subsidiaries are subject to a limited extent, namely, by participating in their decision-making process for key projects, reviewing their development strategies and investment plans, and appointing and conducting annual appraisals on the directors and supervisors of the subsidiaries. Therefore, there can be no assurance that the Issuer may operate and manage these subsidiaries in an effective manner, or the Issuer may be aware of the risks associated with the operations of these subsidiaries in a timely manner and take effective measures to mitigate the adverse impact resulted from such risks. Failure to successfully manage the Issuer's subsidiaries could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, the Issuer provides direct funding, guarantees and other support to certain of its subsidiaries. As at 31 December 2025, the Issuer had made guarantees of approximately RMB28.5 billion and U.S.$1.3 billion to its subsidiaries and affiliates. If a subsidiary defaults on any borrowings lent or guaranteed by the Issuer, it will not receive the repayment as planned or the relevant lender may exercise its right under the guarantee to demand repayment from the Issuer. The occurrence of either of these events may result in a funding shortage at the Issuer level and may materially and adversely affect the Issuer's ability to provide financial support to its other subsidiaries. If the Issuer's financial or non-financial support ceases or diminishes for any reason, the operations of the relevant subsidiaries may be affected, which in turn may have an adverse impact on the Group's business, financial condition and results of operations.

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

Various PRC Government entities maintain and enforce regulations related to local government financing vehicles (the "**LGFV**"). These government entities, including MOF, may from time to time interpret relevant laws and regulations differently based on their own interpretation of the specific activities engaged in by enterprises such as the Issuer. There can be no assurance that regulations intended to apply to the LGFVs do not or will not apply to it or that such regulations will not be retroactively applied to it.

In September 2014, the State Council of the PRC released the Opinion on Enhancing the Administration of Fiscal Debts of Local Governments (关于加强地方政府性债务管理的意见)

(the "**Circular 43**") with an aim to control a significant increase in local government debts and associated risks in the PRC's banking system. The Circular 43 generally prohibits local governments to incur "off-balance" indebtedness to finance the development of government projects and other public interest projects with the proceeds of the borrowings incurred by financing platforms the relevant local governments own or control.

In April 2017, MOF, together with the NDRC, PBOC, China Securities Regulatory Commission, the then CBIRC and the Ministry of Justice, released the Notice Concerning Further Regulation of Local Government Borrowing and Financing Conduct (关于进一步规范地方政府举债融资行为的通知) to emphasise the principles and policies set out in the Circular 43. In the event the Issuer is deemed a financing platform of the relevant local government, the Group's results of operations and financial condition may be heavily affected by such changes in applicable regulations, including the Circular 43. Consequently, the Group should rely upon the cash flow generated from its operations and external borrowings to satisfy its cash needs for servicing its outstanding indebtedness and for financing its operating activities. In addition, the PRC Government issued Regulation on the Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (Cai Jin [2018] No. 23) (财政部关于规范金融企业对地方政府和国有企业投融资行为有关问题的通知，财金[2018]23号) (the "**Circular 23**"), effective on 28 March 2018, which aims to increase the responsibility of the PRC state-owned financial institutions to investigate the financial independence and liquidity level of local government financing vehicles that they assist in fundraising. On 11 May 2018, the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (国家发展改革委、财政部关于完善市场约束机制严格防范外债风险和地方债务风险的通知) (the "**Circular 706**") was released. The Circular 706 reiterates the PRC Government's position to isolate the debt of local government financing vehicles from the relevant local government and to control increases in local governments' debt. The Circular 706 also requires companies that plan to borrow medium and long-term foreign debt to establish a sound and standardised corporate governance structure, management decision-making mechanism and financial management system. It further requires assets owned by such companies be of good quality, with clear ownership, and public interest assets are prohibited from being included in corporate assets.

Pursuant to the Circular on Relevant Requirements of the Registration of the Application for the Issuance of Foreign Debts by Local State-owned Enterprises (《国家发展改革委办公厅关于对地方国有企业发行外债申请备案登记有关要求的通知》) promulgated by the NDRC and came into effect on 6 June 2019 (the "**Circular 666**"), foreign debts issued by local state-owned enterprises that undertake local governments' financing functions will only be used to repay medium and long-term foreign debts due within one year. See "– *Risks relating to the Bonds – The PRC Government (including the Yiwu Municipal Government) is not an obligor of the Bonds, and there will be no recourse to the PRC Government in respect of any obligation arising out of or in connection with the Bonds*". The PRC Government may continue to release new policies or amend existing regulations to control the increase in local government debts in China, and there is no assurance that the Group's financing model and business model will not be materially affected as a result.

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

Certain of the Group's business such as infrastructure business and property development business are capital intensive. The Group requires significant capital resources to fund new projects, to maintain, renew and replace its operating assets and infrastructure and to maintain and improve its operation efficiency. A significant amount of capital resources is also required for further growth in the scale of its operations, and expansion into new business areas may require increased capital expenditure, further increasing its funding requirements.

The Group has historically financed its working capital requirements and capital expenditure through a combination of government grants, internal cash flow from operations and external financing through various channels, such as bank borrowings and debt issuances. The Group's ability to obtain external financing in the future and the cost of such financing are subject to a variety of uncertainties, including:

- the condition of financial markets;
- potential changes in monetary policies with respect to bank interest rates and lending policies;
- its ability to obtain the PRC Government approvals required to access domestic or international financing; and
- its business performance.

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 such projects as planned. This would restrict its ability to grow and, over time, may reduce the quality and reliability of the services the Group provides and adversely affect its 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 operations and ability to generate sufficient cash to satisfy its outstanding and future debt obligations.

The Group currently has, and will continue to have in the foreseeable future, a substantial amount of indebtedness. As at 31 December 2025, the Group has total interest bearing indebtedness of approximately RMB136,104.5 million, of which RMB60,217.5 million would become due within one year.

In addition, the Group provides guarantees in respect of indebtedness of entities primarily in Yiwu that are not members of the Group from time to time. The Group had outstanding external guarantees in a total amount of RMB10,438.3 million as at 31 December 2025. If there is a downturn in the general economic conditions in Yiwu, Zhejiang Province and/or the guaranteed entities are unable to fulfil their obligations under their respective debts and therefore requiring

the Group to pay the outstanding debt obligations on behalf of the guaranteed entities, its financial condition, results of operations and prospects could be adversely affected.

The Group may incur substantial additional indebtedness in the future, including the issuance of debt securities or entering into banking or other loan arrangements. 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 outstanding debt;
- increasing the Group's vulnerability to adverse general economic and industry conditions;
- requiring the Group to dedicate a substantial portion of cash flows from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures and other general corporate purposes;
- limiting the Group's ability to capture investment and/or acquisition opportunities and inhibiting its ability to grow and expand its business;
- 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 to its competitors that have less debt;
- limiting the Group's ability to pay dividends to shareholders;
- limiting, along with the financial and other restrictive covenants of the Group's indebtedness, among other things, the Group's ability to borrow additional funds; and
- increasing the costs of additional financing.

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

In addition, the Group mortgages some of its assets, primarily including inventories, construction in progress, fixed assets, intangible assets and investment properties, to secure its bank borrowings. As at 31 December 2025, the Group's assets with a total book value of approximately RMB26,554.3 million were provided as security to secure the loan facilities and finance leasing of the Group. Third-party security rights may limit its use of the underlying collateral assets and adversely affect the Group's operation efficiency. If the Group is unable to service and repay debts under such loan facilities on a timely basis, the assets mortgaged or

charged to secure its bank loans and facilities may be foreclosed, which may adversely affect its business, financial condition, results of operations and prospects.

The Group's accounts receivable and other receivables may affect its liquidity and restrict its business activities.

As at 31 December 2023, 2024 and 2025, the Group's accounts receivable amounted to RMB2,794.8 million, RMB3,065.5 million and RMB3,804.0 million, respectively, and as at the same date the Group's other receivables amounted to RMB11,289.7 million, RMB11,440.4 million and RMB16,394.5 million, respectively, which in aggregate represents 5.6 per cent., 5.4 per cent. and 7.4 per cent., respectively, of the Group's total assets as at the corresponding dates. Such amount mainly represents the amounts due to the Group by local government authorities and the Group's related parties.

In addition, although the Group made provisions for overdue accounts receivable and other receivables as a reserve against the future recognition of certain accounts receivable and other receivables as bad debt, there is no guarantee that the Group's customers, local government authorities or related parties will be able to make payment in a timely manner, if at all, or that the provisions made by the Group is sufficient to reflect the loss suffered by the Group if customers, local government authorities or related parties fail to make due payment according to the contracts. If any of these events occur, the Group's liquidity, business, financial condition or results of operations may be materially and adversely affected.

The Group's revenue and results of operations have historically been dependent on the businesses conducted by the CCC Group, and are likely to remain largely dependent on the performance of the CCC Group in the near future.

The Group has engaged in market operation business, commodity trading business and other businesses including commodity trading, property development, hotel operation and exhibition and advertisement businesses through its member Group, the CCC Group. Zhejiang China Commodities City Group Co., Ltd. (浙江中国小商品城集团股份有限公司), the parent company of the CCC Group, is listed on the Shanghai Stock Exchange and the Issuer, being the largest shareholder of Zhejiang China Commodities City Group Co., Ltd. (浙江中国小商品城集团股份有限公司), indirectly holds 48.52 per cent. of its share capital as at the date of this Offering Circular. The Group's revenue and net profit have historically been dependent on, and as the Group expects will continue to be dependent on, the performance of the CCC Group. In the event Zhejiang China Commodities City Group Co., Ltd. (浙江中国小商品城集团股份有限公司) undergoes a reconstruction, reorganisation, merger or consolidation or other events where the Issuer may lose actual control over it, the Group's business, financial condition, results of operations and prospects will be materially affected.

The Group is exposed to risks relating to its high level of inventories and making provisions for impairment of fair value of inventories.

As at 31 December 2023, 2024 and 2025, the Group has inventories of RMB76,533.6 million, RMB74,056.1 million, and RMB67,568.9 million, respectively, representing 30.3 per cent., 27.8 per cent. and 24.7 per cent., respectively, of its total assets, respectively, as at the same dates. Its

inventories mainly consisted of development costs and development products. High level of inventories increases the pressure on cash flows. Real properties are inherently illiquid and may not be sold for cash in an efficient manner. This may limit the Group's ability to respond to changing economic, financial and investment conditions.

A high level of inventories not only increases pressure on the Group's cash flow, but also requires the Group to make provisions for impairment of fair value of inventories. If the expected selling prices of its real estate properties decrease substantially due to factors such as macroeconomic policy changes, the fair value of inventories will be impacted. As at 31 December 2023, 2024 and 2025, the provisions for inventories were RMB28.7 million, RMB106.3 million and RMB134.6 million respectively. Any failure to effectively manage the Group's inventory level will have a material impact on its cash flow and adversely affect its ability to carry on ordinary business activities and to serve its outstanding indebtedness, which in turn could materially and adversely affect its business, financial condition, results of operations and prospects.

The Group has historically experienced volatile and negative net operating cash flows.

The Group believes that substantial capital resources will continue to be required to support its business operations and expansion. The Group's business requires substantial expenditure. The Group has historically experienced volatile and negative net operating cash flows. Although the Group did not generate cash outflow from operating activities for the years ended 31 December 2023, 2024 or 2025, there is no assurance that it will be able to keep generating sufficient cash flow from operations to support the repayment of its current indebtedness including the Bonds.

The Group's ability to generate sufficient operating cash flow is affected by a number of factors, such as its ability to carry on business activities in an efficient manner, the budget and spending of the Yiwu Municipal Government and local governments at different level on public utilities sector and fixed asset investments, due performance of the Group's contractors, changes in general market conditions and the regulatory environment and competition in certain sectors in which the Group operates. Any adverse change in any of these factors may create or contribute to a capital shortfall. The Group's operating activities may not be able to generate sufficient cash to satisfy cash needs at all times. If its operating activities fail to generate sufficient cash to satisfy cash requirements, the Group would need to increase reliance on external financing to satisfy its working capital and capital expenditure, thus increasing its financial vulnerability and adversely affecting its financial condition and results of operations.

The Group's business operations are restricted by the terms of other debt arrangements, which could limit its ability to plan for or to react to market conditions or meet capital needs.

The Group's debt documents include a number of restrictive covenants. These covenants may restrict, among other things, the Issuer's ability and the ability of its subsidiaries to:

- incur or guarantee additional indebtedness;

- declare dividends on capital stock or purchase or redeem capital stock;

- make investments;
- guarantee indebtedness of certain of its subsidiaries;
- sell assets;
- create liens;
- transfer assets;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants could limit the Group's ability to plan for or react to market conditions or to meet its capital needs. The Group's ability to comply with these covenants may be affected by events beyond its control, and the Group may have to curtail some of its operations and growth plans to maintain compliance.

The Group may not be able to replace or renew all of its lease agreements of the booths in various commodity markets upon their expiration.

The Group's operating income from the market operation business largely comes from the rent collected from the booth-keepers. The terms of its leases generally range from 36 to 60 months. Since many leases have identical terms, the Group often must seek to renew or replace a booth at about the same time.

The Group cannot assure investors that it will be able to renew or replace all its booths upon expiration or that its occupancy rates and effective rental rates will not decline. Any decline in its occupancy or rental rates could reduce its leasing revenue, which in turn could have a material adverse impact on the Group's business, prospects, cash flows, financial condition and results of operations.

The Group is exposed to the risks relating to low profit margin of its commodity trading business.

The Group has experienced low profit margin in conducting its commodity trading business. The products being sold and traded are primarily household goods, building materials, oil, non-ferrous metals as well as other products such as electronic devices, grain, minerals, hardware products, machinery and civil explosive equipment, most of which do not necessitate advanced technology or complex technics and have relatively low profit margin. For the years ended 31 December 2023, 2024 and 2025, the gross profit margin of the Group's commodity trading business amounted to 1.96 per cent., 2.19 per cent. and 1.61 per cent., respectively. The sustainability of the Group's profit margin depends on a number of factors, including the types of products traded, selling prices and purchase costs. The selling price and purchase cost for each transaction vary according to a combination of factors including, but not limited to, the Group's bargaining power with its supplier and customer, the pricing basis, demand and supply

in the market and the market price trend. Some of these factors are beyond control of the customer, the supplier and the Group. Therefore, the selling price and purchase cost may differ for the same product traded within the same period. There is no assurance that the profit margin will not fluctuate from period to period. If the commodity trading business continues to generate low profit margin in the future, the Group's financial condition and profitability may be materially and adversely affected.

Delays or defaults in payments by customers to the Group may affect its working capital and cash flow.

Delays in payments from customers, such as in the export trading transactions, property sales transactions and infrastructure construction business, may increase the Group's working capital needs. For example, defaults in making payments to the Group for a property sales transaction for which it has already incurred significant costs and expenditures could materially and adversely affect the Group's operational results and reduce its financial resources. Pursuant to its contracts, the Group may file a claim for compensation for incurred losses, but settlement of disputes generally takes time and financial and other resources, and the outcome of any such dispute is often uncertain. There can be no assurance that customers will make payments to the Group in a timely manner, or at all, or that the Group will be able to efficiently manage the level of bad debts arising from any late payments or customer defaults. Any delay in payments from customers could have a material adverse effect on its business, financial condition and results of operation.

Many of the Group's businesses in the public utilities sector are conducted with the Yiwu Municipal Government and its controlled entities. The Group's revenue derived from infrastructure construction is paid by the Yiwu Municipal Government and its controlled entities, which covers the Group's construction costs and entrusted management fee for the projects. The ability of the Yiwu Municipal Government and its controlled entities to meet its payment obligations largely depends on its fiscal revenue, policies and regulations promulgated by the governments or authorities of higher levels and many other factors which are generally beyond the Group's control. If there is any material disagreement between the Group and the Yiwu Municipal Government or any of its controlled entities, there is no assurance that the Group will successfully resolve them in a timely manner, or at all. Any dispute or legal proceeding with or against the Yiwu Municipal Government or any of its controlled entities may last for a long period of time and cost considerable financial and managerial resources. Any of these may severely damage the business relationships between the Group and the Yiwu Municipal Government and its controlled entities affected, and in turn materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's business operations are subject to extensive regulation at various levels of government, and any failure to comply with applicable laws, rules and regulations, including obtaining any necessary qualifications, permits or approvals may adversely affect the Group.

Certain of the Group's business activities, such as transportation, water infrastructure construction and property development, are extensively regulated in the PRC. These business activities are required to obtain a number of approvals, licences and permits from different

governmental authorities. Governmental authorities have broad discretion in implementing and enforcing applicable laws and regulations and in determining the grant of approvals, licences, permits and certificates necessary for conducting the businesses. Failure to obtain the necessary approvals, licences or permits in a timely manner could result in delay or suspension of business operations and a failure to obtain the necessary approvals, licences or permits may subject the relevant entities to regulatory or administrative penalties.

Governmental authorities may adjust existing regulations or promulgate new regulations from time to time. The Group may encounter problems in obtaining or renewing the permits, licences, certificates and government authorisations necessary to conduct its business and may be unable to comply with new laws, regulations or policies. In addition, to ensure the restrictions and conditions of relevant business permits, licences and certificates are fulfilled, governmental authorities normally conduct regular or special inspections, investigations and inquiries. If any significant non-compliance is found by the governmental authorities, its permits, licences and certificates may be suspended or revoked, and the Group may receive fines or other penalties, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

Any failure by the Group to maintain relationships with its major suppliers or customers would have an adverse effect on the Group's business.

The Group relies on some major suppliers and customers for its commodity trading business. There can be no assurance that the Group will be able to maintain or improve its relationships with its major suppliers or customers, or that it will be able to continue to purchase products from these suppliers for these customers at current pricing and levels or at all. In addition, any decline in its major suppliers' or customers' businesses could lead to a decline in supply from these suppliers or a decline in demand from these customers. If any of the Group's major suppliers or major customers were to substantially reduce the size or value of the supply or the size or value of the demand, as the case may be, it provides or requests with the Group or terminate its business relationship with the Group entirely, the Group may not be able to obtain supply from other suppliers to replace any such lost supply on comparable terms or at all or obtain demand form other customers to replace any such lost demand on comparable terms or at all. If any of these relationships were to be so terminated and the Group were unable to obtain replacement, the business, financial condition, results of operations and prospects of the Group may be materially and adversely affected.

Any continuing downturn in the global trade may adversely affect the Group's business.

A large portion of the Group's operating income were derived from its market operation and commodity trading businesses, which together accounted for approximately 46.7 per cent., 57.7 per cent. and 55.4 per cent. of the Group's operating income from its major businesses for the years ended 31 December 2023, 2024 and 2025. Majority of the commodities have been exported and such businesses rely to a large extent on the environment for global trade. The global trade has witnessed downturn since late 2022 driven by factors such as geopolitical tensions, increased tariffs and trade policy uncertainty, weakened economic demand, and supply chain disruptions. Trade tensions are escalating around the globe with recent tariff hikes undermining predictability. The overall growth of foreign trade in China has also been slowing down which

represents a challenging export environment characterised by weak foreign demand. Market operation and commodity trading businesses are susceptible to deterioration in global commerce and trading condition. Any significant slowdown and continuing downturn in the global trade could materially impact the Group's business, financial condition, results of operations and prospects. The Group's financial condition and results of operations may be materially and adversely affected if the Group is not able to maintain sustainable growth in its market operation and commodity trading businesses in the near future.

The Group's commodity trading business is exposed to declines in the current and expected volume of products' supply or demand, product prices and deterioration in economic and financial condition.

The current and expected volume of products' supply and demand which the Group has traded vary over time based on changes in resource availability, government policies and regulation, costs of production, global and regional economic conditions, demand in markets which the commodities are used, technological developments (including substitutions), fluctuations in global production capacity, global and regional weather conditions and natural disasters. Furthermore, changes in current and expected supply and demand conditions impact the current and expected future prices (and thus the price curve) of each product. Declines in the price of commodities or increase of volume of commodities in the market could materially adversely impact the Group's business, results of operations and earnings in its commodity trading business. In addition, a decline in economic and financial condition globally or in a specific country, region or sector may have a material adverse effect on the Group's business, results of operations or earnings. For example, the insolvency of key suppliers, particularly those with whom the Group has long-term supply or off-take contracts, could result in supply chain difficulties and/or unmatched commodity price exposures and/or a reduction in commodities available for the Group; and although most commodities' fixed pricing periods are relatively short, a significant reduction or increase in commodity price could result in customers or suppliers, as the case may be, being unwilling or unable to honour their contractual commitments to purchase or sell commodities on pre-agreed pricing terms. See "*– The Group is subject to counterparty credit and performance risk"* for further details.

Disruption in the global supply chain and logistics as a result of the conflict between Russia and Ukraine may negatively impact the Group's businesses.

The conflict that began between Russia and Ukraine in late February 2022, and the recognition by Russia of the independence of the self-proclaimed republics of Donetsk and Luhansk, in the Donbas region of Ukraine, may cause disruptions to global supply chains and logistics. Specifically, the conflict may disrupt the transit of goods by train from China to Europe, resulting in exporters and logistics companies having to find new routes by sea. In addition, the governments of the United States, the European Union, Japan and other jurisdictions have announced the imposition of economic sanctions on certain industry sectors and parties in Russia and the regions of Donetsk and Luhansk, as well as enhanced export controls on certain products and industries. These and any additional sanctions, as well as any counter responses by the governments of Russia or other jurisdictions, could have a significant impact on energy prices, adversely affect the global markets generally and levels of economic activity as well as increase financial markets volatility. Such disruptions to the global supply chain and logistics and any

slowdown in the global economy due to high energy prices or the impact of economic sanctions or geopolitical tensions may reduce demand for the Group's services and have a material adverse impact on its business, financial condition and results of operations. As at the date of this Offering Circular, the Russia-Ukraine war is still ongoing and continues to cause unexpected changes to the aviation and travel industries. The situation is rapidly evolving and unpredictable and may evolve in a way that could adversely affect its financial condition and results of operations.

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

Construction projects, including infrastructure construction projects and property development projects, require substantial capital expenditure prior to and during the construction period, and construction of such projects may go on for several years before the Group receives buyback payments from the Yiwu Finance Bureau (义乌市财政局) or other controlled entities by the Yiwu Municipal Government or payments from purchasers of commodity housing. Meanwhile, the progress and cost for such projects can be adversely affected by many factors, including:

- delays in obtaining necessary licences, permits or approvals from governmental agencies or authorities;
- shortages of materials, equipment, contractors and skilled labour;
- labour disputes;
- construction accidents;
- natural catastrophes; and
- adverse weather conditions.

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

The Group relies on third party contractors in its infrastructure construction and property development businesses, and may not be able to effectively control the quality and timing of their services or manage associated costs.

The Group engages third-party contractors and other professional parties in its infrastructure construction and property development businesses to provide specialised services such as conducting feasibility studies and market research, land clearance and levelling, construction of municipal infrastructure and ancillary public facilities, construction supervision, land maintenance services, surveying and mapping, land maintenance and cost consultancy. The Group's payments to contractors include the costs of materials and the equipment necessary for them to perform their obligations and the Group relies on the judgement of contractors to select the most suitable materials and equipment.

The Group's procurement team selects contractors through a bidding process, which typically requires bidders to provide contractual assurances on the quality of work and completion dates. The Group also monitors work in progress, including examining raw materials and supplies and conducting on-site inspections. However, there can be no assurance that the services rendered or materials or equipment used by any of its contractors will always meet its quality requirements at a cost acceptable to it, that the Group or its construction contractors will successfully detect instances of substandard materials or work quality, or that the Group will be able to find satisfactory replacement contractors, if needed, at an acceptable cost.

The Group's construction contracts provide that construction contractors are responsible for the procurement of raw materials, equipment and services required for construction while the Group oversees procurement costs and construction quality. There can be no assurance that the Group's internal procurement and oversight measures will be able to sufficiently control the quality and costs of each project. The occurrence of any of the above could delay the completion of the relevant land development project and/or cause the Group to incur additional costs, which could have a material adverse effect on its business, financial condition and results of operations.

The Group's profit margin is sensitive to fluctuations in the cost of construction materials.

Contracting fees with third-party contractors are one of the components of the Group's operating cost. Contracting fees encompass all costs for the design and construction of a project, including payments to third-party contractors, costs of construction materials, foundation and substructure, fittings, facilities for utilities and related infrastructure such as roads and pipelines. Historically, materials costs have been one of the principal components of the contracting fees. However, as most of the materials costs are often included in the contracting fees paid to the contractors, it has been difficult for the Group to estimate such costs.

Contracting fees may fluctuate as a result of the volatile price movement of construction materials such as steel and cement. The Group seeks to reduce its exposure to short-term price fluctuations of construction materials and limit project cost overruns by centralising work through a process of tenders which, among other things, takes into account procurement of principal construction materials such as steel and cement at fixed prices. In line with industry practice, if there is a significant price fluctuation (depending on the specific terms of each contract), such as a slump in the price of construction materials, the Group can re-negotiate the contract price or seek a refund of the price difference from its contractors. Additionally, should its existing contractors fail to perform under its contracts with them, the Group might be required to pay more to contractors under replacement contracts. The Group's profit margin is sensitive to changes in market prices for construction materials and will be materially and adversely affected if the Group is not able to pass all of the increased costs onto its customers.

The Group engages in government policy projects which serve the public interest for which it may not be able to achieve commercial returns.

In conducting transportation business, the water-related business and the infrastructure construction business, the Group is subject to the risk of cost overruns during operation or the project construction phase. Many of the factors causing cost overruns are beyond its control, for example, the Yiwu Municipal Government has not purchased quite a number of the completed

infrastructure projects. In addition, such businesses are subject to government price controls and the Group's ability to set or raise the prices of these services and products is significantly limited. Any changes in government pricing policies and guidelines may have material impact on the Group's business operations and returns. If the actual costs are significantly higher than its estimates and if the Group is not able to obtain sufficient compensation from its customers to offset the cost overruns, its financial condition, results of operations and business prospects could be materially and adversely affected.

The PRC property market, particularly the property markets in Zhejiang Province and Jiangxi Province, are cyclical and the Group's commodity housing development activities are susceptible to significant fluctuations.

The Group conducts its property development business mainly in Yiwu and Hangzhou in Zhejiang Province as well as Nanchang in Jiangxi Province. Therefore, the Group is exposed to the cyclical nature of the PRC property market and particularly the property markets in Zhejiang Province and Jiangxi Province. These markets are expected to continue to be, cyclical as a result of changes in market supply and demand. Prices of residential properties in Zhejiang Province and Jiangxi Province have experienced rapid and significant growth since the 1990s. However, such growth is often coupled with volatility in market conditions and fluctuations in property prices. In recent years, the PRC property market began to cool down as buyers became more prudent about purchasing properties in light of the lack of confidence in the PRC economy and the PRC property market. As a result, the property market had a strong wait-and-see sentiment, and property sales continued to decline. Despite increasing policy support, the overall property market was still in a bottoming-out phase as market confidence and expectations are yet to be restored. It is uncertain what the effect of the lifting of the various government regulations on the property market will be as property prices are ultimately driven by demand and supply. To the extent that supply in the overall property market significantly exceeds demand, the Group cannot assure you that real estate development will continue at past levels or that the Group will be able to benefit from the future growth in the property market in these regions and other regions in the PRC where the Group plans to develop properties.

The Group's business is subject to extensive governmental regulation and policies in the property sector.

The Group's property development business is subject to extensive government regulation. The Group is required to comply with various requirements mandated by PRC laws and regulations, including the policies and procedures established by local authorities designed to implement such laws and regulations. In particular, the PRC Government exerts considerable influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, control of foreign exchange, property financing, taxation and foreign investment.

Since 2005, the PRC Government has from time to time introduced various measures to curtail real estate speculation in response to concerns over, among other things, the increase in property investments and real estate price and the overheating of the real estate market. For example, according to the Notice of the General Office of the State Council on Issues Relating to Further Improving the Control of the Real Estate Market (国务院办公厅关于进一步做好房地产市场调控

工作有关问题的通知) dated 26 January 2011, the Notice of the General Office of the State Council on Further Improving the Regulation and Control of the Real Estate Market (国务院办公厅关于继续做好房地产市场调控工作的通知) dated 26 February 2013 and the Notice of the Ministry of Housing and Urban-Rural Development on Issues Relating to Further Improving the Regulation and Control over the Real Estate Market (住房城乡建设部关于进一步做好房地产市场调控工作有关问题的通知) dated 19 May 2018, the PRC Government firmly restrained speculative demands and strengthened market supervision to better control the overheating of the PRC real estate development market. Such measures may limit property developers' access to capital resources, reduce market demand for their properties and increase their operating costs in complying with these measures. In addition, many cities where its property projects are located promulgated measures to restrict the number of properties a household is allowed to purchase. In late August 2020, the Ministry of Housing and Urban Rural Development (the "**MOHURD**") and the PBOC held a meeting with the key real estate enterprises to discuss a long-term mechanism for regulation of the real estate market. MOHURD and PBOC then introduced several capital and financing management rules, commonly known as the "three red lines", to regulate the real estate market, requiring some real estate enterprises to maintain (i) a debt-to-asset ratio of no greater than 70 per cent. after exclusion of the deposits received; (ii) a net debt ratio of no greater than 100 per cent.; and (iii) a cash to short-term debt ratio of no less than one.

As a result of tightening financing policies and excessive curtailing of bank mortgage loans since the second half of 2021, property developers were under massive funding pressure or even liquidity crisis. Forecast of a downward trend has led to the customers' decision in delaying their purchase, which caused transactions to plummet and further squeezed property developers' cash flow. Local authorities stepped up monitoring of pre-sale funds which in turn caused more developers to collapse, customers to lose confidence and the market to go into a downward spiral. In 2023, the property sector in China continues to experience volatility. In particular, in the first half of 2023, while the real estate market as a whole was still in a bottom-out phase, the market was highly volatile. Due to the release of pent-up demand during the COVID-19 pandemic and the cumulative effect of the PRC Government's easing polices, real estate sales rebounded initially, but the market subsequently began to cool down as buyers became more prudent about purchasing properties in light of the lack of confidence in the PRC economy and the market. As a result, the real estate market had a strong wait-and-see sentiment, and property sales continued to decline.

More recently, in response to the market downturn and volatility in the real estate market since 2023, and for the purpose of maintaining stable economic growth, local governments have introduced a large number of policies on both supply and demand to support the stable development of the real estate market, including among the others, relaxation in many cities to restrict the number of properties a household is allowed to purchase and supportive policies for credit, bonds and equity financing to ensure the real estate market's stable development. However, there can be no assurance that the demand for new properties in the regions and cities in the PRC where the Group operates or intends to expand will continue to grow or that prices for properties will not deteriorate, or if the Group may fail to respond to changes in market conditions and government policies or measures that may come into effect from time to time, or if its marketing and pricing strategies are not effective, the contracted sales and selling prices

may decline, or the Group may incur additional costs, in which case its operating cash flows, business prospects, results of operations and financial condition may be materially and adversely affected.

The Group may be subject to fines or may forfeit land to the PRC Government if it fails to develop properties in accordance with the terms and time frame set out in the land grant contracts.

Under the PRC laws, if the Group fails to develop a property project according to the terms of the land grant contract, including those relating to the payment of land grant premium, demolition and resettlement costs and other fees, the designated use of the land and the time for commencement and completion of the property development, the PRC Government may issue a warning, impose a penalty and/or order the Group to forfeit the land. Specifically, under the current PRC laws, if the Group fails to commence development for more than one year but less than two years from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may issue a warning and impose an idle land fee at 20 per cent. of the land grant premium. The relevant PRC land bureau may confiscate the Group's land use rights without compensation if the Group fails to commence development within two years of the construction commencement date set forth in the land grant contract, unless the delay in the development is caused by government actions or force majeure. Moreover, if a property developer commences development of the land in accordance with the time frame stipulated in the land grant contract and the developed GFA on the land is less than one-third of the total proposed GFA of the project, or the total invested capital is less than one-fourth of the total investment of the project, and the development of the land is suspended for more than one year without government approval, the land may be treated as idle land and subject to risk of forfeiture.

In September 2007, the then Ministry of Land and Resources of the People's Republic of China ("**MLR**") (whose functions have since been assumed by the Ministry of Natural Resources) issued a new notice to further enhance control of the land supply, by requiring developers to develop land according to the terms of the land grant contracts and restricting or prohibiting any non- compliant developers from participating in future land auctions. In January 2008, the State Council issued a Notice on Promoting the Land Saving and Efficient Use (关于促进节约集约用地的通知) to escalate the enforcement of current rules on idle land management.

Furthermore, the then MLR issued a Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (关于严格建设用地管理促进批而未用土地利用的通知) in August 2009, which reiterated then-applicable rules on idle land management. In July 2012, the revised Measures on the Disposal of Idle Land (闲置土地处置办法) promulgated by the then MLR came into effect. These further measures may limit any application for new land use rights by property developers or processing of any title transfer transaction, lease transaction, mortgage transaction or land registration application in respect of land which breached the land grant contracts before the completion of the required rectification procedures.

The Group's results of operations may be materially and adversely affected if it fails to obtain, or there are material delays in obtaining, requisite governmental approvals for its property developments.

The property sector in the PRC is heavily regulated by the PRC Government. Property developers in the PRC must comply with various requirements mandated by national and local laws and regulations, including the policies and procedures established by local authorities designed for the implementation of such laws and regulations. In order to develop and complete a property development, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development, such as a land use rights certificate, a construction land planning permit, a construction works planning permit, a construction works commencement permit and a pre-sale permit or confirmation of completion and acceptance. Each approval may depend on the satisfaction of certain conditions.

The Group cannot assure investors that it will not encounter material delays or other impediments in fulfilling the conditions precedent to any such approvals, or that it will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the property industry in general or the particular processes with respect to regulatory approvals. There may also be delays on the part of the relevant regulatory bodies in reviewing its applications and granting approvals. If the Group fails to obtain, or encounters material delays in obtaining, the requisite governmental approvals, the completion of its developments and sale of its properties could be substantially disrupted or delayed and any such disruption or delay would materially and adversely affect its business, results of operations and financial condition. Furthermore, the relevant regulatory bodies may not approve the development plans for its projects and the Group may need to amend such development plans to obtain the necessary permits. Amendment of development plans may have a material and adverse effect on the Group's business, financial condition and results of operations.

The Group guarantees mortgage loans of its customers and may become liable to mortgagee banks if customers default on their mortgage loans.

Consistent with industry practice, the Group is required by banks to guarantee the mortgage loans that they grant to purchasers of the properties that it develops. For these mortgage loans, guarantee terminates when purchasers obtain the building ownership certificate and pledge it to the relevant banks. In line with industry practice, the Group does not conduct any independent credit checks on its customers and rely on the credit evaluation conducted by the mortgagee banks on such customers. For the years ended 31 December 2023, 2024 and 2025, the Group has not encountered any incidents of material default by purchasers. Should any material default occur and if the Group was called upon to honour its guarantees, its financial condition and results of operations could be materially and adversely affected.

The Group is required to deliver individual property ownership certificates in a timely manner and the failure to do so may result in claims against it.

Property developers are generally required to deliver to purchasers the relevant individual property ownership certificates within one to two years of delivery of the property or within a

time frame set out in the relevant sale and purchase agreement. Property developers, including the Group, generally elect to specify the deadline for the delivery of the individual property ownership certificates in the sale and purchase agreements to allow sufficient time for the application and approval processes. Under current regulations, property developers are required to submit requisite governmental approvals in connection with their property developments to the local bureau of natural resources and other relevant local authorities after the receipt of the completion and acceptance certificate for the relevant properties and to apply for the general property ownership certificate in respect of these properties. Property developers are then required to submit, within regulated periods after delivery of the properties, the relevant property sale and purchase agreements, identification documents of the purchasers, proof of payment of deed tax, and the general property ownership certificate, to the bureau for review prior to the issuance of the individual property ownership certificates in respect of the properties purchased by the respective purchasers.

Delays by the various administrative authorities in reviewing the application and granting approval, as well as other factors, may affect timely delivery of the general as well as individual property ownership certificates. Property developers, including the Group, may become liable for monetary penalties to purchasers for late delivery of the individual property ownership certificates due to delays in the administrative approval processes or for any other reason beyond the Group's control. The Group cannot assure investors that it will be able to deliver all property ownership certificates in a timely manner in the future or that it will not be subject to any liabilities as a result of any late deliveries of property ownership certificates.

The Group is exposed to pre-sale-related contractual and legal risks.

The Group's pre-sale contracts and the PRC laws and regulations provide for remedies for breach of these undertakings. For example, if the Group pre-sells units in a property development and it fails to complete that development, it will be liable to the purchasers for their losses. If the Group fails to complete a pre-sold property on time, it may be liable to the relevant purchasers for such late delivery under the relevant pre-sale contracts or pursuant to the relevant PRC laws and regulations. If its delay extends beyond a specified period, the purchasers may terminate their pre-sale contracts and claim for damages. A purchaser may also claim damages against the Group if the GFA of the relevant unit, as set out in the individual property ownership certificate, deviates by more than three per cent. from the GFA of that unit set out in his or her contract. The Group cannot assure investors that it will not experience delays in the completion and delivery of its properties, or that the GFA for a delivered unit will not deviate more than 3 per cent. from the GFA set out in the relevant pre-sale contract.

Changes in laws and regulations in relation to the pre-sale of properties may adversely affect the Group's business, financial condition and results of operations.

Proceeds from the pre-sales of the Group's properties are an important source of funds for the respective property developments and have an impact on its cash flow and liquidity position. The Group cannot assure investors that the PRC Government will not ban or impose material limitations on pre-sales of uncompleted properties in the future. Future implementation of any restrictions on the Group's ability to pre-sell its properties, including any requirements to increase the amount of up-front expenditure it must incur prior to obtaining the pre-sale permit,

would extend the time required for recovery of the Group's capital outlay and would force it to seek alternative means to finance the various stages of its property development. This, in turn, could have a material and adverse effect on the Group's business, financial condition and results of operations.

The relevant PRC tax authorities may challenge the basis on which the Group has been paying its LAT obligations and its results of operations and cash flows may be materially and adversely affected.

Pursuant to Interim Regulations of the People's Republic of China on Land Appreciation Tax (中华人民共和国土地增值税暂行条例) promulgated on 13 December 1993 effective on 1 January 1994 and amended on 8 January 2011, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to Land Appreciation Tax ("**LAT**") at progressive rates ranging from 30 per cent. to 60 per cent. of the "appreciated value of the property", as such term is defined in the relevant tax laws. There is an exemption for the sale of ordinary residential properties if the appreciated value does not exceed 20 per cent. of the total deductible expense items allowed under the relevant LAT regulations. This exemption is not available for sales of luxury residential properties, villas and commercial properties. It is not clear whether the residential portion of the Group's mixed residential and commercial developments will be eligible for the exemption available to ordinary residential properties.

On 28 December 2006, the State Administration of Taxation (the "**SAT**") issued the Notice of the State Administration of Taxation on Issues concerning the Administration of the Settlement of Land Appreciation Tax of Real Estate Development Enterprises (国家税务总局关于房地产开发企业土地增值税清算管理有关问题的通知) (the "**LAT Notice**"), which became effective on 1 February 2007 and amended on 15 June 2018 and 1 January 2026. The LAT Notice sets forth, among other things, methods of calculating LAT and a time frame for settlement of LAT. On 12 May 2009, the SAT issued the Provisions on Administration of the Settlement of Land Appreciation Tax (土地增值税清算管理规程) which became effective on 1 June 2009 and amended on 7 July 2016 and stipulates in detail the procedures for settlement of LAT and methods of calculating LAT. Furthermore, the SAT issued two notices in May 2010 and an announcement on 13 November 2024 emphasising issues concerning: (i) income verification in connection with the settlement of LAT; (ii) the calculation of applicable exemptions under certain circumstances; and (iii) the minimum LAT prepayment rate applicable to different types of properties in different localities. In June 2013, the SAT issued the Notice on Further Improving the Collection of LAT (国家税务总局关于进一步做好土地增值税征管工作的通知) to further emphasise the collection of LAT. On 1 January 2026, the SAT issued the Announcement of the State Administration of Taxation on Certain Collection and Administration Matters of Land Appreciation Tax (国家税务总局关于土地增值税若干征管口径的公告), which took effect on the same date and provides further rules on the administration of LAT, including pre-collection, settlement and disposal sale. The Group believes that it has accrued all LAT payable on its property sales and transfers in accordance with the progressive rates specified in the relevant PRC tax laws, less amounts previously paid under the levy method applied by the relevant PRC local tax authorities. However, provisioning for LAT requires its management to use a significant amount of judgement with respect to, among other things, the anticipated total proceeds to be derived from the sale of the entire phase of the project or the entire project, the total appreciation of land value and the various deductible items. As a result, the relevant PRC

local tax authorities may not agree with its estimates or the basis on which the Group calculates its LAT liabilities. If the LAT provisions the Group has made are substantially lower than the actual LAT amounts assessed by the relevant PRC local tax authorities in the future, its results of operations and cash flows will be materially and adversely affected.

The property development business is subject to claims under statutory quality warranties.

Under the Regulations on Administration of Development and Operation of Urban Real Estate (城市房地产开发经营管理条例) enacted by the State Council on 20 July 1998 and amended on 8 January 2011, 19 March 2018, 24 March 2019, 27 March 2020 and further amended on 29 November 2020, and Regulations for the Administration of Sale of Commodity Buildings (商品房销售管理办法) which became effective on 1 June 2001, all property developers in the PRC must provide certain quality warranties for the properties they construct or sell. The Group is required to provide these warranties to its customers. Generally, the Group receives quality warranties from its third-party contractors with respect to its property projects. If a number of claims were brought against the Group under its warranties and if the Group were unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, or if the money retained by the Group to cover its payment obligations under the quality warranties was not sufficient, the Group could incur expenses to resolve such claims or face delays in remedying the related defects, which could in turn harm its reputation, and adversely affect its business, financial condition and results of operations.

The Group's hotel operation business is subject to various operational risks, which may adversely affect its operations.

The Group's hotel operation business may be subject to cyclical fluctuations. The Group's hotel operation business typically experiences higher occupancy rates during festive and holiday seasons, including the Chinese New Year, Labour Day, the Mid-Autumn festival and the National Day. As a result of seasonal fluctuations, the results of operations of its hotel operation business during one period may not be comparable with that of any other period of the year. In addition, there can be no assurance that the Group has sufficient resources to capture business opportunities during peak seasons, or that the Group will be able to effectively respond to a decline in market demand during the slow season. Failure to do so may adversely affect its hotel operation business.

The Group faces competition in the markets in which it operates, which may adversely affect its business and results of operations.

Although the Group generally enjoys a monopoly position in the operation of the commodity markets as well as the public utilities sector in Yiwu, certain of its businesses still face competition, such as the commodity trading business and property development business. The Group competes with local companies in other regions of China and international companies capturing business opportunities in China. Some of these companies have significant financial resources, marketing and other capabilities. Some of the PRC local companies have extensive local knowledge and business relationships and a longer operational track record in the relevant local markets than the Group and many medium to large-sized cities have a greater capacity to support construction and operation of wholesale markets compared to Yiwu. The international

companies are able to capitalise on their overseas experience to compete in the PRC markets. Competition also comes from online business. With the growth of e-commerce and digital platforms for wholesale, consumers increasingly prefer online interactions. While physical wholesale operations continue, they are adapting to a future shaped by digital-first experiences, the growth of direct-to-consumer models by manufacturers, and increased mergers and acquisitions within the wholesale distribution sector.

The Group's market position depends on its ability to anticipate and respond to various competitive factors, including industrial structure integration and upgrading, pricing strategies adopted by competitors, changes in customer preferences, availability of capital and financing resources and the introduction of new or improved products and services. There can be no assurance that the Group's current or potential competitors will not offer services or products comparable or superior to those that it offers at the same or lower prices or adapt more quickly than it to evolving industry trends or changing market conditions. The Group may lose its customers to competitors if, among other things, it fails to keep its prices at competitive levels or to sustain and upgrade its capacity and technology. Increased competition may result in price reductions, reduced profit margins and loss of market share.

Competition from other forms of private transportation may adversely affect the Group's transportation business.

As an operator of urban bus transportation, taxi transportation, long-distance coach transportation and bus terminals in Yiwu, the Group competes with private transportation available in the city, principally private vehicles. Car-hailing apps have thrived in many cities across China in recent years, including Yiwu, and offer cheaper and faster rides by private drivers for people looking for transport. Passengers can choose from shared rides, luxury cars and vans. The boom in private car services in cities across China, including Yiwu, has affected and may continue to affect demand for the Group's public transportation services, which may in turn adversely affect the Group's profit in the transportation business.

Private vehicles and other forms of public transportation may cover more routes throughout Yiwu and its vicinities and provide commuters with alternative access or more comfortable and convenient transportation services. There is no assurance that the Group will be able to compete with existing and new forms of transportation in respect of each of these factors, or at all. As a result, possible competition from such private transportation providers may adversely affect its transportation business.

Labour shortages, labour disputes or increases in labour costs of any third-party contractors engaged for the Group's projects could adversely affect its business, prospects and results of operations.

The Group relies on third-party contractors to carry out various projects, including the infrastructure construction projects and commercial and residential property construction projects. Many of these projects are labour intensive. As such labour shortages, labour disputes or increases in labour costs of third-party contractors could materially and adversely affect its business, prospects and results of operations. Industrial action or other labour unrest could directly or indirectly prevent or hinder the construction progress, and, if not resolved in a timely manner, could lead to delays in completing its projects. These actions are beyond its

foreseeability or control. There can be no assurance that labour unrest will not affect general labour market conditions or result in changes to labour laws. In recent years, work stoppages, employee suicide and other similar events in certain cities in the PRC have caused the PRC Government to amend labour laws to enhance protection of employees' rights. Increasing awareness of labour protection as well as increasing minimum wages is likely to increase the labour costs afforded by PRC enterprises in general, including the contractors participating in its projects. As the Group is responsible for making progress payments to its third-party contractors, any increase in the labour costs of those third-party contractors may negatively affect its cash flow, which could adversely affect its business, prospects and results of operations.

The Group is subject to counterparty credit and performance risk.

Non-performance by the Group's suppliers and customers may occur in a range of situations, such as:

- a significant reduction in prices of products could result in customers being unwilling or unable to honour their contractual commitments to purchase from the Group at pre-agreed prices;

- a significant increase in prices of raw materials and energy could result in suppliers being unwilling to honour their contractual commitments to sell to the Group at pre-agreed prices; and

- suppliers may take payment in advance from the Group and then find themselves unable to honour their delivery obligations due to financial distress or other reasons.

The Group relies on third parties to source raw materials. Any disruption in the supply of raw materials, which may be caused by factors outside the Group's control, could adversely affect the Group's business, results of operations, financial condition and prospects.

The Group seeks to reduce the risk of customer non-performance by requiring credit support from creditworthy financial institutions, such as bank drafts, letters of credit or commercial bills. Whilst these limits are believed appropriate based on current levels of perceived risk, there is a possibility that a protracted difficult economic environment could negatively impact the quality of these exposures. No assurance can be given that the Group's attempts to reduce the risk of customer non-performance will be successful in every instance or that its financial results will not be adversely affected by the failure of counterparties to fulfil their contractual obligations in the future. Such failure could have an adverse impact on the Group's business, results of operations and financial condition.

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

The Group is required to comply with extensive environmental, safety and health regulations in the PRC. For example, as required by the PRC laws and regulations, each project that the Group operates is required to undergo environmental assessments and the Group is required to submit

an environmental impact assessment report to the relevant governmental authorities for approval before commencement of the construction. Failure to comply with such regulations may result in fines or suspension or revocation of its licences or permits to conduct its business. Given the volume and complexity of these regulations, compliance may be difficult or involve significant financial and other resources to establish efficient compliance and monitoring systems. There is no assurance that the Group will be able to comply with all applicable requirements or obtain these approvals and permits on a timely basis or at all. As at the date of this Offering Circular, the Group has not received any notice regarding non-compliance with the applicable safety regulations or requirements from any governmental authority, except for any non-compliance which would not, individually or in the aggregate, have a material adverse effect. In addition, PRC laws and regulations are constantly evolving. There can be no assurance that the PRC Government will not impose additional or stricter laws or regulations, which may increase its compliance costs.

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

The Group relies heavily on its quality control systems to ensure the safety and quality of its projects. Therefore, the Group needs to maintain an effective quality control system for its business and other operational activities. The effectiveness of the Group's quality control system depends significantly on a number of factors, including the design of the system, the related training programme as well as its ability to ensure that its employees adhere to its quality control policies and guidelines. Any failure or deterioration of its quality control systems could result in defects in its projects, which in turn may subject the Group to contractual, product liability and other claims. Any such claims, regardless of whether they are ultimately successful, could cause the Group to incur significant costs, harm its business reputation and result in significant disruption to its operations. Furthermore, if any of such claims were ultimately successful, the Group could be required to pay substantial monetary damages or penalties. Although the Group believes that its quality control systems have functioned properly, there can be no assurance that failures in its quality control systems will not occur in the future, and any such failure could have an adverse effect on its business and operations.

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 the industries in which it operates. These key personnel include members of the Issuer's senior management, legal professionals, risk management personnel, information technology and other operation personnel. Competition for attracting and retaining these individuals is intensive. Such competition may require the Group to offer higher compensation and other benefits in order to attract and retain qualified professionals, which could materially and adversely affect its financial condition and results of operations. As a result, the Group may be unable to attract or retain these personnel to achieve its business objectives and the failure to do so could severely disrupt its business and prospects. As the Group expands its business or hires new employees, employees may take time to get accustomed to any new standard procedures and consequently may not comply with the standard procedures of any new business in an accurate and timely

manner. The occurrence of any of the events discussed above could lead to unexpected losses and adversely affect its revenue and financial condition.

The Group is exposed to litigation risks.

The Group may from time to time be involved in disputes with governmental entities, indigenous residents, contractors, suppliers, employees and other third-party service providers during the course of its daily operations. Claims may be brought against the Group's members based on a number of causes such as defective or incomplete work, personal injury, property damages, breach of warranty, delay in completion and delivery of projects or other contractual disputes related to its business operations. In addition, the Group may bring claims against project suppliers and contractors for additional costs incurred as a result of their underperformance or non-performance, project defects or default by the contractors. If the disputes or claims are not resolved or settled through negotiation or mediation, the Group may be involved in lengthy and costly litigation or arbitration proceedings, which may divert its financial and managerial resources from its business operations. In the event that the Group prevails in those legal proceedings, there is no assurance that the judgement or awards will be effectively enforced. If a judgement or award is rendered against the Group, the amounts payable by it may not be fully covered by its insurance, and the amounts could differ from the provisions it makes based on its estimates. Any material charges associated with claims brought against the Group and material write downs associated with its claims could have a material adverse impact on its financial condition, results of operations and cash flow. As at the date of this Offering Circular, to best knowledge of the Group, none of its members was involved in any litigation or arbitration proceedings which are material in the context of the offering of the Bonds and the Group is not aware of any such litigation or proceedings pending or threatened against it or any of its members which are material in the context of the offering of the Bonds.

The Group is exposed to risks relating to related party transactions.

The Group has historically engaged and currently engages in a broad range of transactions with its related parties. These transactions primarily include sale of goods and provision of services, leasing and intra-group financing and provision of guarantees. There are inherent risks associated with the ability of the Group's related parties to make timely payments and any failure to make timely payments by these entities could materially and adversely affect the Group's liquidity and in turn affect its business, financial condition, results of operations and prospects. If any related party transactions entered into is not on an arm's-length basis, it may also erode the Group's competitiveness and damage the Group's reputation.

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, contractors, customers or other third parties that could subject it to financial losses and sanctions imposed by governmental authorities, which in turn affects its reputation. Such misconduct could include:

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

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

- improperly using or disclosing confidential information;

- misappropriation of funds;

- conducting transactions that exceed authorised limits;

- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities in the course of employment;

- making or accepting bribes or other forms of corruption; or

- otherwise not complying with applicable laws or its 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 sufficient or effective. There is no assurance that fraud or other misconduct will not occur in the future, which may affect its brand equity, attract negative publicity or otherwise affect its corporate brand, reputation and standing.

The Group's insurance coverage may not adequately protect it against all operating risks.

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

- operating limitations imposed by environmental or other regulatory requirements;

- defective quality of real estate properties the Group develops;

- work-related personal injuries;

- on-site production accidents;

- credit risks relating to the performance of customers or other contractual third parties;

- disruptions in the global capital markets and the economy in general;

- loss on investments;

- environmental or industrial accidents; and

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

The occurrence of any of the above may materially and adversely affect its business or results of operations. To manage operating risks, the Group maintains insurance policies that provide different types of risk coverage, which it believes are consistent with industry and business practice in China. However, claims under the insurance policies may not be fully or timely honoured, and the insurance coverage may not be sufficient to cover costs associated with accidents incurred in its operations due to the above-mentioned operational risks or certain types of losses (such as from wars, acts of terrorism or acts of God, business interruption, property risks and third party (public) liability) that generally are not insured because they are either uninsurable or not economically insurable. To the extent that any of its companies suffers loss or damage that is not covered by insurance or that exceeds the limit of its insurance coverage, its results of operations and cash flow may be materially and adversely affected.

The Group may not successfully implement its growth strategy.

The Group may from time to time expand its businesses to new industries or markets in which it has limited operating experience. Such expansion may require the Group to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in such new business. The Group's ability to successfully grow its new businesses and implement its expansion strategy depends on a variety of factors, including its ability to identify attractive projects, obtain required approvals from relevant regulatory authorities, obtain sufficient capital on acceptable terms in a timely manner and maintain working relationships with various governmental authorities and agencies, some of which may be out of the Group's control. There is no assurance that the Group will be able to successfully grow its businesses, implement its expansion strategies, manage or integrate any newly-acquired operations with the Group's existing business operations. Failure by the Group to grow new businesses or implement its expansion strategies could have a material adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATING TO FINANCIAL INFORMATION

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

From time to time, the Issuer may issue debt securities including corporate bonds in the domestic capital markets in the PRC. According to applicable PRC securities regulations on debt capital markets, the Group needs to publish its quarterly, half-year and annual financial information to satisfy its continuing disclosure obligations relating to its corporate bonds and short-term financing bonds. After the Bonds are issued, the Issuer is obligated by the Conditions, among others, to provide holders of the Bonds with its audited financial statements and certain unaudited periodical financial statements. The quarterly and half-year financial information published by the Group in the PRC is normally derived from its management accounts and is not audited or reviewed by independent auditors. As such, this financial information published in the

PRC should not be relied upon by potential purchasers to provide the same quality of information associated with any audited or reviewed information. The published financial information in the PRC may be adjusted or restated to address subsequent changes in accordance with the accounting standards, its accounting policies and/or applicable laws and regulations affecting its financial reporting or to reflect the subsequent comments given by the independent auditors during the course of their audit or review.

Such adjustment or restatement may cause discrepancies between the financial information with respect to a particular period or date contained in the Group's management accounts subsequently published in the PRC and its audited or reviewed financial statements to be provided to holders of the Bonds. The Issuer will not be responsible to holders of the Bonds for the unaudited and unreviewed financial information from time to time published in the PRC and therefore investors should not place any reliance on any such financial information.

The Group's historical consolidated financial information may not be indicative of its current or future results of operations.

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

The Audited Financial Statements were prepared in accordance with PRC GAAP which may be different from IFRS.

The Audited Financial Statements were prepared in accordance with PRC GAAP issued by the Ministry of Finance of the PRC on 15 February 2006, and the Application Guidance for Accounting Standards for Business Enterprises, Interpretation of PRC GAAP and other relevant regulations issued thereafter. Although PRC GAAP are substantively in line with IFRS, PRC GAAP are, to a certain extent, different from IFRS. The Group has not prepared a reconciliation of its consolidated financial information and its consolidated financial statements and related footnotes between PRC GAAP and other GAAPs. There is no guarantee that PRC GAAP will fully converge with IFRS or that there will be no additional differences between the two accounting standards in the future. Although ZCCPA advised that there is no material difference between PRC GAAP and the IFRS with respect to the determination of the Group's financial position, prospective investors should consult their own professional advisers for an understanding of any differences that may exist between PRC GAAP and IFRS, and how those differences might affect the financial information included in this Offering Circular.

The independent auditor of the Issuer have limited international capital markets experience.

The independent auditor of the Issuer, ZCCPA, has limited international capital markets experience. Prospective investors should consider these factors prior to making any investment decision.

Public information about the Group may be limited.

The Group is a state-owned enterprise incorporated in the PRC and are not listed on any stock exchange. There may be less publicly available information about the Group than is regularly made available by public companies in the PRC and certain other countries and territories.

RISKS RELATING TO THE PRC

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

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's GDP since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Statistics Bureau of the PRC, the annual growth rate of China's GDP in 2023, 2024 and 2025 slowed to 5.2 per cent., 5.0 per cent. and 5.0 per cent., respectively. These changes were generally in line with the change in the PRC's GDP growth rate during the same period, and there is no guarantee that the rate of economic growth in China may continue at its historic pace.

In addition to the economic and monetary policies of the PRC Government, the future performance of the PRC economy is also exposed to material changes in the global economic and political environment as well as the performance of certain major developed economies in the world, such as the United States, the United Kingdom and the European Union. The United Kingdom's exit from the European Union took place on 31 January 2020, where the United Kingdom legally revoked its membership in the European Union. With Brexit taking full effect, it is unclear how Brexit would ultimately affect the fiscal, monetary and regulatory landscape within the United Kingdom, the European Union and the rest of the world. In addition, the Russo-Ukrainian conflict has led to significant volatility in the global markets. The extent and duration of such conflict, resulting sanctions and future market disruptions are impossible to predict, but could be significant and may have a severe adverse effect on the region, including a significant negative impact on the economy and the markets for certain securities and commodities, such as oil and natural gas, and on global economies. Moreover, the trade tension between the U.S. and the PRC, trade protectionism and the slowdown in global economic growth have also caused volatility in the global financial market. Any tightening global trade policy against the PRC, including the tightening of regulatory restrictions and industry-specific quotas, tariffs, non-tariff barriers, and taxes, could negatively impact the PRC economy. The adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs or trade agreements or policies has the potential to adversely impact the economy of the PRC, which in turn could adversely impact the economy of Zhejiang Province

and Yiwu, as well as the Group's business, financial condition and results of operations. Uncertainty and adverse changes in the PRC economy could affect the industries in which the Group operates, and in turn decrease the opportunities for developing the Group's businesses, increase costs and decrease the availability of potential sources of financing, and increase the Group's exposure to material losses from its investments, any of which could have a material adverse effect on the Group's financial condition and results of operations.

Changes in the economic, political and social conditions in the PRC and government policies adopted by the PRC Government could affect the Group's financial condition and results of operations.

The majority of the Group's business, assets and operations are located in the PRC. Therefore, its business, results of operations and financial conditions are materially affected by economic conditions in the PRC, which are in turn affected by the global economic conditions. The PRC's economy differs from the economies of most developed countries in many respects, including the structure of the economy, level of government involvement, level of development, economic growth rate, control of capital investment, control of foreign currency and allocation of resources.

In recent years, the PRC Government authorities have implemented economic reform measures to emphasise the utilisation of the market as a fundamental factor in resource allocation. The PRC's economy has been transitioning from a planned economy to a more market-oriented economy. From time to time, the PRC Government authorities implement various macro-economic and other policies and measures, including contractionary or expansionary policies and measures at times of or in anticipation of changes in the PRC's economic conditions, to sustain economic stability and utilise new sources of economic growth. Economic reform measures, however, may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country, as economic reform is a developing process. As a result, the Group may not continue to benefit from all, or any, of these measures. In addition, it cannot be accurately predicted whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any adverse effect on its current or future business, financial condition and results of operations.

Uncertainties with respect to the PRC legal system could materially and adversely affect the Group.

The PRC legal system is a civil law system based on written statutes. Unlike in common law systems, prior court decisions may be cited for reference but have limited precedential value. Since 1979, PRC legislation and regulations have significantly enhanced the protections afforded to various forms of foreign investments in the PRC. However, since many laws, rules and regulations are relatively new and the PRC legal system continues to evolve rapidly, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involve uncertainties, which may materially and adversely affect the Group. For example, the Group may have to resort to administrative and court proceedings to enforce the legal protections that it enjoys either by law or contract. Since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate and predict the outcome of

PRC administrative and court proceedings. These uncertainties may impede its ability to enforce its contracts with future partners, service providers and suppliers. The effect of future developments in the PRC legal system cannot be predicted, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the pre-emption of local regulations by national laws. These uncertainties could limit the legal protections available to the Group and other foreign investors. In addition, any litigation in the PRC may be protracted and result in substantial costs and diversion of the Group's resources and management attention.

Future fluctuations in the value of the Renminbi could have a material adverse effect on the Group's financial condition and results of operations.

A portion of the Group's business operations, for example, import and export trading with foreign countries, is denominated in U.S. dollars and other foreign currencies, although its functional currency is the Renminbi. As a result, fluctuations in exchange rates, particularly between the Renminbi or the U.S. dollars, could affect its profitability and may result in foreign currency exchange losses of its foreign currency-denominated assets and liabilities.

The exchange rate of the Renminbi against the U.S. dollars and other currencies fluctuates and is affected by, among other things, changes in the PRC's and international political and economic conditions and the PRC Government's fiscal and currency policies. Since 1994, the conversion of the Renminbi into foreign currencies, including the Hong Kong dollar and U.S. dollars, has been based on rates set daily by the PBOC based on the previous business day's inter-bank foreign exchange market rates and exchange rates in global financial markets. From 1994 to 20 July 2005, the official exchange rate for the conversion of the Renminbi to U.S. dollars was generally stable. On 21 July 2005, the PRC Government adopted a more flexible managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band that is based on market supply and demand with reference to a basket of currencies. From 21 July 2005 to 30 September 2011, the value of the Renminbi appreciated by approximately 30.2 per cent. against the U.S. dollars. On 19 June 2010, the PBOC announced that the PRC Government would reform the Renminbi exchange rate regime and increase the flexibility of the exchange rate. The floating band for the trading prices in the inter-bank foreign exchange market of Renminbi against the U.S. dollars was widened to 2.0 per cent. on 17 March 2014. On 21 July 2005, the PRC Government reformed the exchange rate regime by moving to a managed floating exchange regime based on market supply and demand with reference to a basket of currencies. As a result, the Renminbi appreciated against the Hong Kong and U.S. dollars by approximately 2.0 per cent. on the same date. Changes in currency policies resulted in the Renminbi appreciating against the U.S. dollars by approximately 33.5 per cent. from 21 July 2005 to 30 June 2015. Subsequently, the Renminbi depreciated 4.3 per cent. from 30 June 2015 to 31 December 2015. The exchange rate between the Renminbi and the U.S. dollars experienced further fluctuation between 1 January 2016 and the date of this Offering Circular. On 5 August 2019, the PBOC set the Renminbi's daily reference rate above RMB7 per U.S. dollar for the first time in over a decade amidst an uncertain trade and global economic climate. Please see "*Exchange Rate Information*" in this Offering Circular for details on the exchange rage. With an increased floating range of the Renminbi's value against foreign currencies and a more market-oriented mechanism for determining the median exchange rates, the Renminbi may further appreciate or depreciate significantly in value against the U.S. dollar or other foreign

currencies in the long-term. Any significant depreciation of the Renminbi may adversely affect the value of the Group's businesses. In addition, there are limited instruments available for the Group to reduce its foreign currency risk exposure at reasonable costs. All of these factors could materially and adversely affect the business, financial condition and results of operations of the Group.

The payment of dividends by the Group's operating subsidiaries in the PRC is subject to restrictions under PRC law.

PRC law requires 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 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 its 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 impact its ability to fund its operations and to service its indebtedness.

The Group is subject to regulatory requirements on the remittance of Renminbi into and out of the PRC and governmental controls on currency conversion.

The PRC Government exerts oversight on the convertibility of Renminbi into foreign currencies and the remittance of currency out of the PRC. Substantially all of the Group's revenues are denominated in Renminbi, a portion of which may need to be converted into other currencies in order to meet its foreign currency obligations, such as payments of dividends, overseas acquisitions, and payments of principal and interest under the Bonds or other foreign currency-denominated debt, if any.

Under the existing PRC laws and regulations on foreign exchange, payments of current account items, including profit distributions, interest payments and trade and service related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE provided that certain procedural requirements are complied with. Approval from or registration with competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC Government may take measures to restrict access to foreign currencies for current account and capital account transactions under certain circumstances. If the foreign exchange control system prevents the Group from obtaining sufficient foreign currencies to satisfy its foreign currency demands, the Group may not be able to pay interest and/or principal to holders of the Bonds or other foreign currency- denominated debt, if any. In addition, there can be no assurance that new laws or regulations will not be promulgated in the future that would have the effect of further restricting the remittance of Renminbi into or out of the PRC.

The Group's business may be affected by an outbreak, or threatened outbreak, of any severe contagious disease which may in turn significantly reduce demand for its services and have an adverse effect on its financial condition and results of operations.

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 its 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 earthquakes, sandstorms, snowstorms, fires, droughts, or epidemics such as the Coronavirus disease 2019 ("**COVID-19**"), Middle East Respiratory Syndrome ("**MERS**"), Severe Acute Respiratory Syndrome ("**SARS**"), H5N1 avian flu, human swine flu (also known as Influenza A ("**H1N1**")), and H7N9 avian flu. Although the global outbreak of COVID-19 has subsided and is no longer a primary concern, similar outbreaks of infectious diseases may occur again in the future and could potentially affect its industry, causing temporary suspension of projects and shortages of labour and raw materials, which would severely disrupt its operations and have a material adverse effect on its business, financial condition, and results of operations. The Group's operations could also be disrupted if any of its employees or employees of its business partners contracted or are thought to have contracted a disease that could cause an epidemic, since this could require the Group and its business partners to quarantine some or all of these employees and temporarily close its facilities used for its operations. While the Group has taken measures to strengthen the supervision and prevention of infectious diseases, there is no assurance that such measures would be effective, and failure of which could negatively impact its business operation and financial performance. In addition, its revenue and profitability could also be reduced to the extent any epidemic harms the overall China and global economies. These adverse impacts, particularly if they materialize and persist for a substantial period, may significantly and adversely affect its business operation and financial performance.

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

On 28 December 2012, the PRC Government revised the Labour Contract Law of the PRC (the "**Labour Contract Law**"), which became effective on 1 July 2013. The Labour Contract Law establishes additional restrictions and increases the cost to employers upon termination of employees, including specific provisions related to fixed-term employment contracts, temporary employment, probation, consultation with the labour union and employee general assembly, employment without a contract, dismissal of employees, compensation upon termination and overtime work, and collective bargaining. According to the Labour Contract Law, an employer is obligated to sign an unlimited term labour contract with an employee if the employer continues to employ the employee after two consecutive fixed-term labour contracts. The employer must also pay compensation to employees if the employer terminates an unlimited term labour contract. Further, under the Regulations on Paid Annual Leave for Employees which became effective on 1 January 2008, employees who have served more than one year with an employer are entitled to paid vacation ranging from five to 15 days, depending on their length of service. Employees who waive such vacation time at the request of employers shall be compensated at three times their normal salaries for each vacation day waived. As a result of these protective labour measures or any additional future measures, the Group's labour costs may increase. There can be no assurance that any disputes, work stoppages or strikes will not arise in the future.

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

Substantially all of the Group's assets are located within the PRC. In addition, most of the directors and senior management within the Group 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 such directors and senior management, including for matters arising under applicable securities law. A judgement of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with China or if judgements 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 judgements of courts with many countries, including Japan, the United States and the United Kingdom. Therefore, it may be difficult for investors to enforce any judgements obtained from non-PRC courts against the Group, any of the directors or senior management in the PRC.

RISKS RELATING TO THE BONDS

The PRC Government (including the Yiwu Municipal Government) is not an obligor of the Bonds, and there will be no recourse to the PRC Government in respect of any obligation arising out of or in connection with the Bonds.

The PRC Government (including the Yiwu Municipal Government) is not an obligor and shall not under any circumstances bear any obligations arising out of or in connection with the Bonds in lieu of the Issuer. The PRC Government only assumes limited liability as a shareholder in the Issuer, which is limited to its equity contributions in the Issuer. The Bonds are solely to be repaid by the Issuer as an independent legal person. The Bondholders shall have no recourse to any PRC governmental entity in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer.

Consequently, the PRC Government does not have any payment obligations under the Bonds. Investments in the Bonds should rely solely on the credit risk of the Issuer. If the Issuer fails to fulfil its obligations under the Bonds, investors of the Bonds will only be able to claim as unsecured creditors against the Issuer and its assets, and not against any other entity, including the PRC Government or any local or municipal government. Furthermore, state ownership or control of the Issuer does not necessarily correlate with, or provide any assurance as to, the financial condition of the Issuer or the Group.

This position has been reinforced by Circular 23 and Circular 706. Potential investors should therefore base their investment decisions solely on the financial condition of the Group and any perceived credit risk associated with an investment in the Bonds, relying only on the Group's financial information as reflected in its financial statements.

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

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

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

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

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, or where the currency for principal or interest payments is different from the potential investor's currency;

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

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

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

The Issuer's obligations under the Bonds will be structurally subordinated to all existing and future indebtedness and other liabilities of each 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 and future subsidiaries, whether or not secured. The Issuer's obligations under the Bonds will not be guaranteed by any of the Issuer's subsidiaries, and the Issuer's ability to make repayments under the Bonds depends partly on the receipt of dividends, distributions, interest or advances from its subsidiaries. The ability of such subsidiaries to pay dividends to the Issuer is subject to various restrictions under applicable laws. The Issuer's subsidiaries are 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, 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 are creditors of that subsidiary). Consequently, the Bonds will be effectively subordinated to all liabilities, including trade payables and lease obligations, of any of the Issuer's subsidiaries and any subsidiaries that the Issuer may in the future acquire or establish. The outstanding indebtedness of the subsidiaries of the Issuer may also contain covenants restricting the ability

of such subsidiaries to pay dividends in certain circumstances for so long as such indebtedness remains outstanding. Moreover, the Issuer's percentage interests in its subsidiaries and joint ventures could be reduced in the future.

The Bonds are the Issuer's unsecured obligations and will (i) rank equally in right of payment with all the Issuer's other present and future unsubordinated and unsecured indebtedness; and (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. Accordingly, 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 ratably 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.

If the Issuer fails to complete the relevant filings under the NDRC Circular and the relevant registration with SAFE within the time period prescribed by SAFE, there may be logistical hurdles for cross-border payment.

The NDRC issued the NDRC Circular on 5 January 2023, which came into effect on 10 February 2023. According to the NDRC Circular, domestic enterprises and their overseas controlled entities shall procure the registration of any debt securities issued outside the PRC with the NDRC prior to the issue of the securities and report the requisite information and documents about issuing foreign debts to NDRC through the network system within 10 working days after the completion of the issuance. The enterprise needs to (i) file or cause to be filed with the NDRC the requisite information and documents within ten PRC Business Days upon the expiry of the NDRC Certificate in accordance with the NDRC Circular, (ii) so long as any bond remains outstanding, file or cause to be filed with the NDRC the requisite information and documents within five PRC Business Days before the end of January and the end of July each year in accordance with the NDRC Circular, (iii) so long as any bond remains outstanding, file or cause to be filed the requisite information and documents in accordance with the NDRC Circular upon the occurrence of any material event that may affect the Issuer's due performance of its debt obligations. An enterprise and its main responsible person(s) may be subject to a public warning, if the enterprise fails to comply with the pre-issue registration requirement and post-issue notification requirements. The Issuer has obtained the NDRC Certificate with respect to the Bonds on 2 April 2026. In the worst-case scenario, such non-compliance with the post-issue notification requirement under the NDRC Notice 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 Conditions. The Issuer has undertaken to report the requisite information and documents about issuing foreign debts to NDRC through the network system within the prescribed time period after the Issue Date and fulfil other post-issue notification requirements.

In accordance with the Administrative Measures for Foreign Debt Registration (外债登记管理办法) (the "**Foreign Debt Registration Measures**"), the Operation Guidelines for Administration

of Foreign Debt Registration (外债登记管理操作指引) promulgated together with the Foreign Debt Registration Measures, the Circular of the PBOC on Matters Concerning the Across-the-Board Macroprudential Regulation of Cross-Border Financing (中国人民银行关于全口径跨境融资宏观审慎管理有关事宜的通知) and Foreign Exchange Guideline on Capital Account (2024 Version) (资本项目外汇业务指引(2024版)), the Issuer shall complete the SAFE Registration in respect of the issue of the Bonds within the prescribed time frame after the Issue Dated with the local branch of SAFE in accordance with laws and regulations. Pursuant to article 27(5) of the Foreign Debt Registration Measures, a failure to comply with registration requirements may result in a warning and fine as set forth under article 48 of the Foreign Exchange Administrative Regulations (外汇管理条例) promulgated by the State Council in 2008. However, pursuant to article 40 of the Foreign Debt Administration Provisional Rules (外债管理暂行办法) promulgated by MOF, the NDRC and SAFE, a failure by a domestic entity to register a foreign debt contract will render the contract not legally binding and unenforceable. Before such registration of the Bonds is completed, it may be difficult for Bondholders to recover amounts due from the Issuer, and the Issuer may not be able to remit the proceeds of the offering into the PRC or remit money out of the PRC in order to meet its payment obligations under the Bonds. Under the Terms and Conditions, the Issuer has undertaken to use its best endeavours, and it intends, to complete the registration of the Bonds with SAFE within 90 Registration Business Days after the Issue Date. In the unlikely event that having exercised its best endeavours, the Issuer is unable to complete such registration within the abovementioned time period, investors will have the right to require the Issuer to redeem their holding of Bonds. However, notwithstanding such right, if the Issuer is unable to complete the registration with the local branch of SAFE, the Issuer may have difficulty in remitting funds offshore to service payments in respect of the Bonds and investors may encounter difficulties in enforcing judgments obtained in the Hong Kong courts with respect to the Bonds and the Trust Deed in the PRC. In such circumstances, the value and secondary market price of the Bonds may also be materially and adversely affected.

The Bonds are unsecured obligations.

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

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

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

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

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

Certain initial investors may purchase a significant portion of the Bonds and may therefore be able to exercise certain rights and powers on their own.

Certain initial investors may purchase a significant portion of the aggregate principal amount of the Bonds in this offering. Any holder of a majority of the aggregate principal amount of the Bonds will be able to exercise certain rights and powers on its own under the Conditions and Trust Deed, which will be binding on holders of the Bonds. Any holder of a significant portion of or majority of the aggregate principal amount of the Bonds may be able to exercise such rights and powers on its own, which will be binding on all holders of the Bonds and control the outcome of votes on such matters. Any holder of a significant percentage of the Bonds, even if less than a majority, will be able to exercise certain rights and powers and will have significant influence on matters voted on by holders of the Bonds. Additionally, the existence of any such significant holders of the Bonds may reduce the liquidity of the Bonds in the secondary trading market.

Gains on the transfer of the Bonds may be subject to income tax and VAT under PRC tax laws.

Under the Enterprise Income Tax Law of the PRC (the "**EIT Law**") which took effect on 1 January 2008 and amended on 24 February 2017 and 29 December 2018 respectively 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 non-resident enterprise holders would be treated as incomes derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, there is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total 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 "**Double Taxation Arrangement**") which was promulgated on 21 August 2006, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Pursuant to the EIT Law, the PRC Individual Income Tax Law (the "**IIT Law**") which took effect on 30 June 2011 and amended and became effective on 31 August 2018, and the implementation regulations in relation to both the EIT Law and 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 is 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 rate stipulated by applicable treaty rate, if any).

Under the Value-Added Tax ("**VAT**") Law of the People's Republic of China (中华人民共和国增值税法) ("**Value-Added Tax Law**") promulgated by Standing Committee of the National People's Congress on 25 December 2024, effective on 1 January 2026, the Issuer will be obligated to withhold VAT of six per cent. 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 buyer of Bonds is located inside the PRC. Value-Added Tax Law together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

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

If the Issuer 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 debt of the Issuer 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, those debt agreements may 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. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows to repay in full all of the indebtedness of the Issuer, or 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.

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

The Bonds are expected to be assigned a rating of "Ag+ (Stable)" by CCXAP. The Issuer is rated "Baa2 (Stable)" by Moody's, "BBB (Stable)" by Fitch and "Ag+ (Stable)" by CCXAP. The ratings represent the opinions of the rating agencies and their assessment of the ability of the Issuer to perform its obligations under the Bonds and credit risks in determining the likelihood that payments will be made when due under the Bonds. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. The Group cannot assure investors that a rating will remain for any given period of time or that a

rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgement circumstances in the future so warrant. In addition, credit rating agencies may change their methodology for assigning ratings at any time. The Issuer does not have any obligation to inform holders of the Bonds of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Bonds may adversely affect the market price of the Bonds and the ability of the Issuer to access the debt capital markets.

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

The Bonds will be represented by beneficial interests in a Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream (each a "**Clearing System**"). Except in the limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive certificates representing the Bonds. The Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the 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 Clearing System for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the Clearing System(s) to receive payments under the Bonds. None of the Issuer, the Joint Lead Managers, the Trustee or the Agents has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

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

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.

The Bonds are issued in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. 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 initially be sold to a small number of investors and do not have a liquid trading market. In addition, one or more of the investors may own a significant percentage or a majority of the Bonds and may therefore be able to exercise certain rights and powers on behalf of all Bondholders.

The Bonds may initially be sold to a small number of investors. Accordingly, there may not be a liquid trading market for the Bonds, in which case you may not be able to resell your Bonds at their fair market value or at all. One or more of the investors may hold a significant percentage or a majority of the aggregate principal amount of the Bonds. Any Bondholder of a majority in aggregate principal amount of the Bonds will have certain rights and powers under the Bonds and the Trust Deed. Accordingly, any investor that holds a large amount of the Bonds may have a substantial influence at Bondholders' meeting relating to matters that require resolutions of Bondholders.

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

The Issuer may, on the occurrence of a Relevant Event (as defined in the Conditions), and at maturity will, be required to redeem all but not some only of the Bonds. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay or redeem tendered Bonds by the Issuer would constitute an event of default under the Bonds, which may also constitute a default under the terms of the Group's other indebtedness.

Modifications and waivers may be made in respect of the Terms and Conditions of the Bonds and the Trust Deed by the Trustee or less than all of the holders of the Bonds.

The Conditions contain provisions for calling meetings (including by way of teleconference or videoconference call) 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.

The Conditions also provide that the Trustee may (but shall not be obliged to), without the consent of the holders of the Bonds, agree to any modification of any of the Conditions or any of the provisions of the Trust Deed, the Conditions and/or the Agency Agreement that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of applicable law and to any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the Trust Deed, the Conditions and/or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the holders of the Bonds.

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

The Issuer may redeem the Bonds at its option, in whole but not in part, at a redemption price equal to their principal amount, together with interest accrued to (but excluding) 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 Conditions), as further described in Condition 6(b) (*Redemption for Taxation Reasons*) of the Conditions.

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

The Issuer may issue additional Bonds in the future.

The Issuer may from time to time without the consent with the holders of the Bonds, create and issue further bonds (see Condition 15 (*Further Issues*) of the Conditions) 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.

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

transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

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

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

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

The Bonds are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than the U.S. dollar would be subject to foreign exchange risks by virtue of an investment in the Bonds, due to, among other things, economic, political and other factors over which the Issuer does not have any control. Depreciation of the U.S. dollar against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Bonds.

Changes in interest rates may have an adverse effect on the price of the Bonds.

The holders of the Bonds may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Bonds, resulting in a capital loss for the holders of the Bonds. However, the holders of the Bonds may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Bonds may rise. The holders of the Bonds may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

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

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

In addition, in March 2020, the World Health Organisation declared COVID-19 as a global pandemic and it caused extreme volatility in the global financial market, including the repeated triggering of stock market "circuit breakers" in the United States and many other countries.

Furthermore, the ongoing military conflict between Russia and Ukraine and the ongoing conflict in the Gaza Strip have caused significant instability in global financial markets and have increased the threat of cyberattacks, nuclear incidents, environmental damage and further escalation of geopolitical tensions. The invasion has also led to multiple countries imposing economic sanctions and enhanced export controls on the activities of certain individuals and Russian entities, and to numerous market participants voluntarily ceasing, suspending or reducing business with counterparties connected to Russia. Global and local macroeconomic impacts including increased inflationary pressures, interest rate fluctuations as a result of rate hikes by central banks, volatility in the price and supply of energy and other commodities, disruption to supply chains, economic pressure caused by movement of displaced persons and significant uncertainty in the commercial, legal and political environment are likely to further adversely impact individuals and businesses. As a result, the global economy is facing significant uncertainties and the international financial markets are experiencing significant volatilities, which may adversely affect the market price of the Bonds.

Certain facts and statistics are derived from publications not independently verified by the Group or the Joint Lead Managers.

Facts and statistics in this Offering Circular relating to global economy and the relevant industry are derived from publicly available sources. While the Issuer has taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by any of the Issuer, the Joint Lead Managers, the Trustee, the Agents or their respective advisers and, therefore, neither the Issuer nor such parties make any representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, the Issuer cannot assure investors that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

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

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

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

In certain circumstances, including, without limitation, the giving of notice to the Issuer pursuant to Condition 9 (*Events of Default*) of the Conditions and the taking of steps and/or

actions and/or instituting proceedings pursuant to Condition 13 (*Enforcement*) of the Conditions, the Trustee may, at its sole and absolute discretion, request the Bondholders to provide an indemnity and/ or security and/or pre-funding to its satisfaction before it takes actions on behalf of the Bondholders. The Trustee shall not be obliged to take any such actions if not first indemnified and/or secured and/or pre-funded to its satisfaction.

Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Trust Deed or the 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 laws and regulations, it will be for the holders of the Bonds to take such actions directly.

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

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

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts and the holders of the Bonds 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 judgements of the Hong Kong courts in respect of English law governed matters or disputes.

The Conditions, the Trust Deed and the Agency Agreement are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, the Hong Kong courts may require certain additional procedures to be taken. Under the Arrangement for Reciprocal Recognition and Enforcement of Judgements in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (关于内地与香港特别行政区法院相互认可和执行民商事案件判决的安排) (the "**Arrangement**"), judgements 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 judgements have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgement could be refused if the PRC courts consider that the enforcement of such judgement is contrary to the social and public interest of the PRC or meets other circumstances specified by the Arrangement. While it is expected that the PRC courts will recognise and enforce a judgement given by the Hong Kong courts in respect of a dispute governed by English law, there can be no assurance that the PRC courts will do so for all such judgements as there is no established practice in this area.

Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the holders of the Bonds will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the holders' ability to initiate a claim outside of Hong Kong will be limited.

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

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

TERMS AND CONDITIONS OF THE BONDS

The following, other than the words in italics, is the text of the terms and conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds.

The U.S.$350,000,000 in aggregate principal amount of 4.35 per cent. bonds due 2029 (the "**Bonds**", which expression, unless the context requires otherwise, includes any further bonds issued pursuant to Condition 15 and to be consolidated and forming a single series therewith) of Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司) (the "**Issuer**") was authorised by a resolution of the board of directors of the Issuer on 11 November 2025. The Bonds are constituted by a trust deed dated 29 May 2026 (the "**Issue Date**") (as amended, restated, replaced and/or supplemented from time to time, the "**Trust Deed**"), made between the Issuer and CNCBI Trustee Limited as trustee (the "**Trustee**", which expression shall include its successor(s) and all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders (as defined below). These terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed.

An agency agreement dated the Issue Date (as amended, restated, replaced and/or supplemented from time to time, the "**Agency Agreement**") relating to the Bonds has been entered into between the Issuer, the Trustee, China CITIC Bank International Limited as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent appointed from time to time in connection with the Bonds), as registrar (the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and as transfer agent (the "**Transfer Agent**", which expression shall include any successor or additional transfer agent appointed from time to time in connection with the Bonds) and any other agents named in it.

So long as any Bond is outstanding (as defined in the Trust Deed), copies of the Trust Deed and the Agency Agreement are available to Holders for inspection upon prior written request and proof of holding and identity to the satisfaction of the Principal Paying Agent at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), Monday to Friday, other than public holidays) at the specified office of the Principal Paying Agent (being as at the Issue Date at 80/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong), provided the Trustee and the Agents have been supplied with the relevant documents by the Issuer. "**Agents**" means the Principal Paying Agent, 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 respective successors. The Bondholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

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

1 FORM, SPECIFIED DENOMINATION AND TITLE

The Bonds are issued in registered form in the specified denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (each an "**Authorised Denomination**"). The Bonds are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of the Bonds by the same Holder.

Title to the Bonds shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**") as described in Condition 2. The Holder of any Bond shall (except as ordered by a court of competent jurisdiction or as otherwise required by law) be deemed to be and shall be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate (other than the endorsed form of transfer) representing it or the theft or loss of such Certificate and no person shall be liable for so treating the Holder.

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

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

2 TRANSFERS OF BONDS AND ISSUE OF CERTIFICATES

(a) Transfer

A holding of the Bonds may, subject to the Agency Agreement and Conditions 2(d) and 2(e), be transferred in whole or in part (but in any case in an Authorised Denomination) upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the relevant Transfer Agent may require. In the case of a transfer of part only of a holding of the Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the

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

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

(b) Delivery of New Certificates

Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 2(a) shall be made available for delivery within seven business days (as defined below) of receipt by the Registrar or, as the case may be, the Transfer Agent, of a duly completed and signed form of transfer and surrender of the existing Certificate(s) and provision of other evidence required by the Registrar or the relevant Transfer Agent. Delivery of the new Certificate(s) shall be made at the specified office of the 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 2(b), "**business day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(c) Transfer Free of Charge

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

(d) Closed Periods

No Bondholder 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 redemption of that Bond,

(ii) after a Put Exercise Notice has been deposited in respect of such Bond pursuant to Condition 6(c), (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)(ii)), or (iv) 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).

(e) Regulations

All transfers of the Bonds and entries on the Register will be made in accordance with the detailed regulations concerning transfer and registration of the 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 will be mailed (free of charge to the Bondholder and at the expense of the Issuer) by the Registrar to any Bondholder upon written request and proof of holding and identity to the satisfaction of the Registrar.

3 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.

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 Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

(b) Undertakings relating to NDRC and SAFE

The Issuer undertakes that it will (A) (i) within 10 Registration Business Days after the Issue Date file or caused to be filed with the NDRC the requisite information and documents relating to the issue of the Bonds in accordance with the NDRC Circular (the "**NDRC Post-issue Filing**"), and (ii) file or cause to be filed with the NDRC

other information and documents in connection with the Bonds from time to time within the relevant prescribed timeframes in accordance with the NDRC Circular, and (B) (i) within the prescribed timeframes after the Issue Date, submit or cause to be submitted an application for the registration of the Bonds with the State Administration of Foreign Exchange of the PRC or its competent local branches ("**SAFE**") pursuant to the Administrative Measures for Foreign Debt Registration (外债登记管理办法) effective as of 13 May 2013 and as amended on 4 May 2015, and its operating guidelines (外债登记管理操作指引) issued by SAFE (the "**SAFE Registration**"), and (ii) if applicable, as soon as practicable, and in any case as soon as required or requested to do so by any relevant governmental authority, file or cause to be filed with SAFE the Bonds pursuant to the Circular of the People's Bank of China on Matters Concerning the Across-the-Board Macroprudential Regulation of Cross-Border Financing (中国人民银行关于全口径跨境融资宏观审慎管理有关事宜的通知) (the "**Circular**") issued by the People's Bank of China (the "**PBOC**") on 12 January 2017 and any implementation rules, reports, certificates or guidelines as issued by the PBOC from time to time. The Issuer shall use its best endeavours to complete the NDRC Post-issue Filing and the SAFE Registration and obtain a filing confirmation from the NDRC (or any other document evidencing the completion of filing issued by the NDRC) and a registration certificate from SAFE (or any other document evidencing the completion of the SAFE Registration) on or before the Registration Deadline, and the Issuer shall comply with all applicable PRC laws and regulations in relation to the issue of the Bonds (including but not limited to any applicable filing requirement under the NDRC Circular and any rules issued by SAFE and/or the PBOC and, if applicable, the Circular and any implementation measures promulgated thereunder from time to time).

The Issuer shall, within five Registration Business Days after the later of submission of the NDRC Post-issue Filing and receipt of the registration certificate from SAFE (or any other document evidencing the completion of the SAFE Registration), provide the Trustee with (i) a certificate in English substantially in the form set out in the Trust Deed signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer confirming the completion of the NDRC Post-issue Filing and the SAFE Registration; and (ii) copies of the relevant documents evidencing the NDRC Post-issue Filing (if available) and the SAFE Registration, each certified in English by an Authorised Signatory of the Issuer as being a true and complete copy of the original (the "**Registration Documents**"). In addition, the Issuer shall procure that within five Registration Business Days after the Registration Documents are delivered to the Trustee, the notice will be given to the Bondholders (in accordance with Condition 16 and substantially in the form scheduled to the Trust Deed) confirming the completion of the NDRC Post-issue Filing and the SAFE Registration.

The Trustee and the Agents shall have no obligation or duty to monitor or ensure or assist with the NDRC Post-issue Filing or the SAFE Registration on or before the Registration Deadline or to verify the accuracy, completeness, validity and/or genuineness of any documents in relation to or in connection with the NDRC Post-issue Filing or the SAFE Registration and/or the Registration Documents or any translation thereof or to procure, request or obtain or arrange that any document in

relation to or in connection with the NDRC Post-issue Filing and/or the SAFE Registration or any other document not in English is translated into English or to verify the accuracy of any English translation thereof of any documents (if any) or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing or the SAFE Registration, and shall not be liable to Bondholders or any other person for not doing so.

(c) Rating Maintenance

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

(d) Financial Information

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will furnish the Trustee with:

(A) a Compliance Certificate (on which the Trustee may rely conclusively as to such compliance) of the Issuer and a copy of the Audited Financial Reports within 150 days of the end of each Relevant Period (audited by a nationally recognised firm of independent accountants (which may be the auditor of the Issuer as at the Issue Date));

(B) a copy of the Unaudited Financial Reports within 90 days of the end of each Relevant Period prepared on a basis consistent with the Audited Financial Reports; and

(C) a Compliance Certificate within 14 days of any request therefor from the Trustee,

and if such financial statements shall be in the Chinese language, together with an English translation of the same translated by (aa) a nationally recognised firm of independent accountants (which may be the auditor of the Issuer as at the Issue Date) or (bb) a professional translation service provider and checked by a nationally recognised firm of independent accountants (which may be the auditor of the Issuer as at the Issue Date), together with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate.

The Trustee and the Agents shall not be required to review, verify or investigate the financial reports as contemplated in this Condition 4(d) and, if the same shall not be in the English language, shall not be required to request or obtain or arrange for an English translation of the same, and the Trustee and the Agents shall not be liable to any Bondholder, the Issuer or any other person for not doing so. The Trustee and the Agents shall be entitled to rely conclusively without investigation or verification on and assume that any English translation is a complete and accurate translation of the original, and may rely conclusively without investigation or verification on any such

translation without liability to the Issuer, any Bondholder or any other person for the accuracy, validity and/or genuineness of any matters or facts stated therein.

(e) Definitions

In these Conditions:

"**Audited Financial Reports**" means, for a Relevant Period the annual audited consolidated financial statements of the Issuer together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them, prepared in accordance with the applicable PRC GAAP;

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

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

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

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

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

"**NDRC Circular**" means the Administrative Measures for Examination and Registration of Medium- and Long-term Foreign Debt of Enterprises (企业中长期外债审核登记管理办法) (国家发展和改革委员会令第56号) issued by NDRC and effective as of 10 February 2023, as amended, supplemented or replaced from time to time, and any implementation rules, regulations, certificates, circulars, notices or policies as issued by NDRC from time to time;

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

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

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

"**PRC GAAP**" means the Accounting Standards for Business Enterprises in China issued by the Ministry of Finance of the PRC from time to time and all applicable guidance, bulletins and other relevant accounting regulations issued thereafter, as amended;

"**Rating Agency**" means (a) S&P Global Ratings, and its successors ("**S&P**"), (b) Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors ("**Moody's**"), (c) Fitch Ratings, Inc. and its successors ("**Fitch**"), or (d) China Chengxin (Asia Pacific) Credit Ratings Company Limited ("**CCXAP**"); and (e) if one or more of S&P, Moody's, Fitch or CCXAP shall not make a rating of the Bonds publicly available, any internationally or nationally recognised securities rating agency or agencies, as the case may be, selected by the Issuer, which shall be substituted for S&P, Moody's, Fitch or CCXAP or any combination thereof, as the case may be;

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

"**Registration Deadline**" means the day falling 180 calendar days after the Issue Date;

"**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 or other securities market (which, for the avoidance of doubt, does not include bilateral loans, syndicated loans or club deal loans);

"**Relevant Period**" means (i) in relation to the Audited Financial Reports, each period of 12 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 Financial Reports, each period of six months ending on the last day of the Issuer's first half of the financial year (being 30 June of that financial year);

"**Subsidiary**" of any person means (a) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (b) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person; and

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

5 INTEREST

(a) Interest Rate and Interest Payment Dates

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.35 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.$21.75 per Calculation Amount (as defined below) on 29 May and 29 November in each year (each an "**Interest Payment Date**") commencing on 29 November 2026.

(b) Interest Period

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).

(c) Interest Payments

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 (i) the date on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (ii) the date falling seven days after the Trustee or the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholders under these Conditions).

6 REDEMPTION AND PURCHASE

(a) Final Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 29 May 2029. 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 to the Bondholders (which notice shall be irrevocable) in accordance with Condition 16 and in writing to the Trustee and the Principal Paying Agent, at their principal amount (together with interest accrued up to but excluding the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that 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, which change or amendment becomes effective on or after 26 May 2026, and (ii) 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 were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate signed by any Authorised Signatory of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and (B) an opinion, addressed to and in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendments, and the Trustee shall be entitled 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 without further enquiry and without liability to the Issuer or any Bondholder, 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 Relevant Events

At any time following the occurrence of a Relevant Event, a Holder will have the right, at such Holder's option, to require the Issuer to redeem all but not some only of that Holder's Bonds on the Put Settlement Date (as defined below) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together in each

case with accrued and unpaid interest up to but excluding such Put Settlement Date. In order to exercise such right, the Holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other paying agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of the Principal Paying Agent or any other Paying Agent (a "**Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to the Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the fourteenth day (in the case of a redemption for a Change of Control) or the fifth day (in the case of a redemption for a No Registration Event) after the expiry of such period of 30 days as referred to above. A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of the Put Exercise Notices delivered as aforesaid on the Put Settlement Date.

The Issuer shall give notice in writing to Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing by not later than 14 days (in the case of a redemption for a Change of Control) or five days (in the case of a redemption for a No Registration Event) following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by Holders of their rights to require redemption of the Bonds pursuant to this Condition 6(c).

Neither the Trustee nor any of the Agents shall be obliged to take any steps to ascertain whether a Change of Control or No Registration Event or any event which could lead to the occurrence of a Change of Control or No Registration Event has occurred or to monitor the occurrence of any Change of Control or No Registration Event, and none of the Trustee or the Agents shall have any obligation or duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the Change of Control or No Registration Event and none of the Trustee or the Agents shall be liable to the Issuer, the Bondholders or any other person for not doing so.

So long as the Bonds are represented by the Global Certificate, a right of a Bondholder to redemption of the Bonds following the occurrence of a Relevant Event will be effected in accordance with the rules and procedures of the relevant clearing systems.

In these Conditions:

a "**Change of Control**" occurs when:

(i) (a) Yiwu SASAC and (b) any other Person(s) Controlled by the Yiwu Government or the central government of the PRC (such Person and Yiwu

SASAC, a "**PRC Government Person**"), 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 its assets to one or more other Persons, unless (a) the consolidation, merger, sale or transfer will not result in the other Person(s) acquiring Control over the Issuer or the successor entity, or (b) if the other Person(s) acquire Control over the Issuer or the successor entity, such Person(s) is/are Controlled (whether directly or indirectly) by a PRC Government Person;

"**Control**" means (i) the beneficial ownership or control of more than 75 per cent. of the voting rights of the issued share capital of a person or (ii) the right to appoint and/or remove all or more than 75 per cent. of the members of a person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; the term "**Controlled**" has meanings correlative to the foregoing;

a "**No Registration Event**" occurs when the Registration Conditions have not been satisfied in full on or before the Registration Deadline;

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);

"**Registration Conditions**" means the receipt by the Trustee of the Registration Documents relating to the SAFE Registration as set out in Condition 4(b);

a "**Relevant Event**" means a Change of Control or a No Registration Event;

"**Yiwu Government**" means the People's Government of Yiwu City (which includes, for the avoidance of doubt, any agency, authority, department, ministry or public or statutory person thereof); and

"**Yiwu SASAC**" means the State-owned Assets Supervision and Administration Commission of the People's Government of Yiwu City.

(d) 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(d). 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.

(e) 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.

(f) Cancellation

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

(g) Trustee and Agents

Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amount payable under this Condition 6 or for determining or verifying whether a Bond is to be accepted for redemption and will not be responsible to anyone for any loss arising from any failure to do so.

7 PAYMENTS

(a) Method of Payment:

(i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in paragraph (ii) 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 before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Bond shall be made in U.S. dollars by transfer to an account in U.S. dollars maintained by or on behalf of such Holder with a bank.

*So long as the Global Certificate is held on behalf of Euroclear and Clearstream or any Alternative Clearing System (as defined in the Trust Deed), each payment in respect of the Global Certificate will be made to the person shown as the Holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System***

***Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

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

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

(c) **Payment Initiation**: 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 the Registrar, on the first Payment Business Day on which the Registrar is open for business and on or following which the relevant Certificate is surrendered.

(d) **Appointment of Agents**: The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer (or, as provided in the Trust Deed, the Trustee) 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 or the Transfer Agent and to appoint additional or other Paying Agents and/or Transfer 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, (iii) a Transfer Agent, and (iv) such other agents as may be required by the stock exchange on which the Bonds may be listed, in each case, as approved in writing by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(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) or if a transfer made in accordance with Condition 7(a)(ii) reaches the account after the due date for payment.

(f) **Non-Payment Business Days**: If any date for payment in respect of any Bond is not a Payment Business Day, the Holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment.

In this Condition 7, "**Payment Business Day**" means a day other than a Saturday, Sunday or a public holiday on which commercial banks and foreign exchange markets are generally open for business in New York City and Hong Kong and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

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 without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within 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 or within the PRC up to and including the aggregate rate applicable on 26 May 2026 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been receivable by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding by or within the PRC at a rate in excess of the Applicable Rate, then 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 (as if such last day were a Payment Business Day).

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 and the Bonds.

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

None of the Trustee or the Agents shall be responsible for paying any tax, duty, assessments, governmental charges, withholding or other payment referred to in this Condition 8 or in connection with the Bonds or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for determining whether the Issuer, any Bondholder or any other person is liable to pay any tax, duty, charge, assessment, governmental charge, withholding or other payment referred to in this Condition 8, for determining the sufficiency or insufficiency of any amounts so paid, for any failure by the Issuer, any Bondholder or any third party to pay such tax, duty, assessments, governmental charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, assessments, governmental charges, withholding or other payment imposed by or in any jurisdiction.

9 EVENTS OF DEFAULT

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

(a) **Non-Payment**: the Issuer fails to pay (i) the principal of or any premium (if any) or (ii) interest on any of the Bonds when due and such failure continues for a period of, in the case of (i), seven days or, in the case of (ii), 14 days; 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 (other than those referred to in Condition 9(a) or where it gives rise to a right of redemption pursuant to Condition 6(c)) and such default is incapable of remedy or, if such default is capable of remedy, such default is not remedied within 30 days after written notice of such default shall have been given to the Issuer by the Trustee; or

(c) **Cross-Default**: (i) any other present or future indebtedness of the Issuer or any of its 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 Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds U.S.$40,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates); or

(d) **Enforcement Proceedings**: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or any material 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 over all or a material part of the assets of the Issuer or the relevant Principal Subsidiary, as the case may be, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 45 days; or

(f) **Insolvency**: the Issuer or any of its Principal Subsidiaries: (i) is (or is, or could be, deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as and when such debts fall due, (ii) stops, suspends or threatens to stop or suspend payment of all or a material part of (or a particular type of) its debts, (iii) proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or a material part of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), (iv) 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 (v) a moratorium is agreed or declared in respect of or affecting all or a material part of the debts of the Issuer or any of its Principal Subsidiaries, as the case may be. For the purposes of this Condition 9(f), whether a company is insolvent should be determined in accordance with the laws of the jurisdiction of its incorporation; or

(g) **Winding-up**: an administrator is appointed, an order is made by a court of competent jurisdiction or an effective resolution is passed for the winding-up, dissolution or administration 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 a material part of its business or operations, except for (A) the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of a Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; (B) a solvent winding up of any Principal Subsidiary of the Issuer; or (C) a disposal of a Principal Subsidiary of the Issuer on an arm's length basis where the assets (whether in cash or otherwise) resulting from such disposal are vested in the Issuer or any of its wholly-owned Subsidiaries; or

(h) **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 by the Issuer 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 Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

(i) **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 and/or the Trust Deed; or

(j) **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(a) to 9(i) (both inclusive).

In this Condition 9, "**Principal Subsidiary**" means any Subsidiary of the Issuer:

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

(b) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement is at least five per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Issuer, 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 is at least five per cent. of the consolidated total assets of the Issuer, as shown by the latest published audited consolidated balance sheet of the Issuer and its Subsidiaries including, 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 (xx) 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 forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

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 revenue, net 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 revenue, net 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 in English (substantially in the form scheduled to the Trust Deed) signed by an Authorised Signatory of the Issuer that in its opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary may be relied upon by the Trustee without further investigation, liability, enquiry or evidence and, if relied upon by the Trustee, shall be conclusive and binding on the Issuer and the Bondholders.

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

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

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings (including by way of teleconference or videoconference call) of the Bondholders to consider matters affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Issuer and the Trustee and shall be convened by the Trustee if requested in writing by 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. 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 consideration of proposals, *inter alia*, (i) to modify the maturity 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 the Bondholders or the majority required to pass an

Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that (i) 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 and (ii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the Bondholders of not less than 90 per cent. in 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 the Bondholders duly convened and held. A resolution passed in writing as aforesaid and/or passed by Electronic Consent will be binding on all Bondholders whether or not they participated in such resolution. A resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) Modification, Waiver, Authorisation and Determination

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

(c) Entitlement of the Trustee

In connection with the exercise of its functions, rights, powers and/or discretions (including but not limited to those referred to in this Condition 12), the Trustee shall have regard to the general interests of the Bondholders as a class and shall not have regard to the interests of, or be responsible for the consequences of such exercise for individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof 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

The Trustee may, but shall not be obliged to, at its sole and absolute discretion and without further notice, take and/or institute such steps, actions and/or 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 steps, actions and/or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent. in aggregate principal amount of the Bonds then outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer 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 including without limitation provisions relieving it from taking steps and/or actions and/or instituting proceedings to enforce payment and its rights under the Trust Deed, the Agency Agreement and/or these Conditions and in respect of the Bonds or taking other steps and/or actions and/or instituting other proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction.

The Trustee and the Agents and their respective parent, subsidiaries and affiliates are entitled (i) to enter into business transactions with the Issuer and/or any related entity (directly or indirectly) to the Issuer without accounting for any profit and to act as trustee for the holders of any other securities issued by or guaranteed by or relating to, the Issuer and any entity related to the Issuer, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trustee may rely without investigation or verification, and may act or refrain from acting, in each case without liability to Bondholders, the Issuer or any other person on any report, confirmation, certificate or information from or any advice or opinion of any legal counsel, accountants, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether 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 in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, information, advice or opinion, in which event such report, confirmation, certificate, information, advice or opinion shall be binding on the Bondholders.

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 or refrain from taking any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from taking any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of Extraordinary Resolution or given as otherwise contemplated or permitted by the Trust Deed and/or the Bonds, and to be indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including but not limited to legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee shall not be responsible for any loss or liability incurred by the Issuer, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking or refraining from taking such action, making such decision or giving such direction as a result of seeking such direction from the Bondholders or in the event that no direction is given to the Trustee by the Bondholders.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction, request or resolution of the Bondholders. The Trustee shall be entitled to rely conclusively without further enquiry or investigation on any instruction, direction, request or resolution of the Bondholders given by Holders of the requisite principal amount of the Bonds outstanding or passed at a meeting of the Bondholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to ascertain whether any Event of Default, Potential Event of Default or Relevant Event has occurred or to monitor compliance by the Issuer with the provisions of the Trust Deed, the Agency Agreement or these Conditions and shall not be under any obligation to ascertain whether any Event of Default, Potential Event of Default or Relevant Event has occurred, and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

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

15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the first payment of interest on them and the timing for making and completing the NDRC Post-issue Filing and the SAFE Registration and for making the subsequent notifications to the Trustee and the Bondholders) and so that such

further issue shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any other bonds issued pursuant to this Condition 15 and forming a single series with the Bonds. Any further bonds forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

16 NOTICES

Notices to the Holders shall be mailed to them (at the Issuer's expense) at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday, Sunday or public holiday) after the date of mailing. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate is held by or on behalf of Euroclear and Clearstream or any Alternative Clearing System, any notice to the Holders shall be validly given by the delivery of the relevant notice to Euroclear, Clearstream or such Alternative Clearing System, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act and is without prejudice to the rights of the Bondholders as set out in Condition 13.

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. The Issuer has in the Trust Deed and the Agency Agreement, irrevocably submitted to the exclusive jurisdiction of such

courts and waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) Agent for Service of Process

The Issuer has irrevocably appointed Yiwu State-owned Capital Operation (Hong Kong) Limited of Room 901, 9/F, Easey Commercial Building, 253-261 Hennessy Road, Wanchai, Hong Kong as its authorised agent in Hong Kong to receive service of process in any Proceedings based on any of the Bonds, the Trust Deed or the Agency Agreement. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason the Issuer does not have such an agent in Hong Kong, it will promptly appoint a substitute process agent in Hong Kong and notify the Trustee of such 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, in the Trust Deed and the Agency Agreement, 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 in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions of the Bonds set out in this Offering Circular. Terms defined in the Terms and Conditions of the Bonds have the same meaning in the paragraphs below. The following is a summary of those provisions:

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

Under the Global Certificate, the Issuer, for value received, promises to pay such principal and interest on the Bonds to the holder of the Bonds on such date or dates as the same may become payable in accordance with the 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 selected by the Issuer and approved in writing by the Trustee, the Principal Paying Agent and the Registrar through which the Bonds are held (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

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 due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

So long as the Bonds are represented by the Global Certificate and the 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, together with such other sums and additional amounts (if any) as may be payable under the Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by the Global Certificate, in accordance with the Conditions. The principal amount outstanding of the Global Certificate shall be the outstanding principal amount most recently entered in the Register.

TRUSTEE'S POWERS

In considering the interests of the 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.

NOTICES

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream or any Alternative Clearing System, notices to holders of the Bonds shall be given by delivery of the relevant notice to Euroclear and 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 Conditions.

TRANSFERS

Transfers of beneficial interests in the Bonds represented 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

On cancellation of any Bond represented by the Global Certificate following its redemption or purchase by the Issuer or any of its Subsidiaries, the details of such cancellation shall be entered in the records of the relevant Clearing Systems in accordance with the rules and procedures of Euroclear or Clearstream (or any Alternative Clearing System, as the case may be) and, upon any such entry being made, the principal amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by the Global Certificate shall be reduced by the aggregate principal amount of the Bonds so cancelled.

MEETINGS

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

BONDHOLDER'S REDEMPTION

The Bondholder's redemption option in Condition 6(c) (*Redemption for Relevant Events*) may be exercised by the holder of the Global Certificate giving notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear or Clearstream (which may include notice being given on his instructions by Euroclear or Clearstream or any common depositary for them or the Registered Holder (as defined in the Global Certificate) to any Agent by electronic means) of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the Conditions.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Condition 6(b) (*Redemption for Taxation Reasons*) 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 Conditions.

USE OF PROCEEDS

The gross proceeds from this offering are expected to be U.S.$350 million. After deducting commissions and other estimated expenses payable in connection with the offering of the Bonds, the net proceeds are expected to be used for refinancing medium- to long-term offshore indebtedness of the Group due within one year in accordance with the NDRC Certificate.

CAPITALISATION AND INDEBTEDNESS

The table below sets out the consolidated total indebtedness and total capitalisation of the Issuer as at 31 December 2025 (i) on an actual basis and (ii) on an adjusted basis to give effect to the issue of the Bonds before deducting the commissions and other estimated expenses payable in connection with the offering of the Bonds.

The information below should be read in conjunction with the 2025 Audited Financial Statements.

	As at 31 December 2025			
	Actual		As Adjusted	
	RMB	*U.S.$*[1]	*RMB*	*U.S.$*[1]
	(in millions)			
Short-term Indebtedness				
Short-term borrowings	25,759.5	3,683.6	25,759.5	3,683.6
Notes payable	330.7	47.3	330.7	47.3
Accounts payable[2]	302.2	43.2	302.2	43.2
Other payables[3]	3,464.0	495.3	3,464.0	495.3
Non-current liabilities due within one year	25,467.2	3,641.8	25,467.2	3,641.8
Other current liabilities[4]	4,893.9	699.8	4,893.9	699.8
Total short-term indebtedness	**60,217.5**	**8,611.0**	**60,217.5**	**8,611.0**
Long-term Indebtedness				
Long-term borrowings	35,039.6	5,010.6	35,039.6	5,010.6
Bonds payable	39,461.1	5,642.9	39,461.1	5,642.9
Long-term payables[5]	1,386.2	198.2	1,386.2	198.2
Bonds to be issued[6]	–	–	2,447.6	350.0
Total long-term indebtedness	**75,886.9**	**10,851.7**	**78,334.5**	**11,201.7**
Total indebtedness[7]	**136,104.5**	**19,462.7**	**138,552.1**	**19,812.7**
Total equity	71,862.0	10,276.1	71,862.0	10,276.1
Total capitalisation[8]	**207,966.5**	**29,738.8**	**210,414.1**	**30,088.8**

Notes:

(1) U.S. dollar translations are provided for indicative purposes only and are unaudited. These translations were calculated based on an exchange rate of RMB6.9931 to US$1.00 on 31 December 2025 as set forth in the H.10 statistical release of the Federal Reserve Board.

(2) This amount represents the interest-bearing portion of accounts payable of the Group as at 31 December 2025.

(3) This amount represents the interest-bearing portion of other payables of the Group as at 31 December 2025.

(4) This amount represents the aggregate amount of the Group's short-term bonds payable and Agricultural Bank of China Rongtong e-credit as at 31 December 2025. See Note VIII (34) of the 2025 Audited Financial Statements for details.

(5) This amount represents the interest-bearing portion of long-term payables of the Group as at 31 December 2025.

(6) This amount represents the aggregate principal amount of the Bonds to be issued, before deducting the commissions and other estimated expenses payable in connection with the offering of the Bonds.

(7) Total indebtedness equals the sum of total short-term indebtedness and total long-term indebtedness.

(8) Total capitalisation equals the sum of total indebtedness and total equity.

The Group may, from time to time, enter into bank loans and other financing arrangement and issue debt securities in the capital market in the ordinary course of business to finance its operations and to refinance existing debt. Since 31 December 2025, the Group has incurred indebtedness, for details, see "*Description of the Group – Recent Development*" and "*Summary – Recent Development*".

Except as otherwise disclosed in this Offering Circular under "*Description of the Group – Recent Development*" and "*Summary – Recent Development*", there has been no material change in the Issuer's consolidated capitalisation and indebtedness since 31 December 2025.

OVERVIEW

Yiwu is a county-level city in central Zhejiang Province, PRC, with a population of approximately 1.9 million in 2024 according to the National Bureau of Statistics of China. It is located 108 km south of Hangzhou, the capital of Zhejiang Province, and covers a total administrative area of 1,105 sq.km. Although administratively Yiwu is a county-level city, it is renowned worldwide for its small commodity trade and boasts to have the world's largest small commodity wholesale market. According to Research on the High-Quality Development of China's County-level Economy in 2025 (2025中国县域经济高品质发展研究) published by CCID Consulting Company Limited, Yiwu ranked eleventh in the Top 100 Most Economically Competitive County-level Cities in China in 2025. Yiwu also ranked first in China's top 100 counties for social governance in 2024 as published by the Academy of Social Governance of Zhejiang University (浙江大学社会治理研究院).

As a city renowned for its vibrant market and trade activities, Yiwu is the first county-level national pilot zone for global trade reform in China and is renowned as the "World's Capital of Small Commodities" (世界小商品之都). Yiwu is recognised as a hub for global trade and centre for small commodities and the Yiwu market is praised by the United Nations, the World Bank and other authoritative institutions as the world's largest small commodities wholesale market. According to 2024 Annual Statistical Report on China's Exhibition Data (2024年度中国展览资料统计报告) released by China Exhibition Economic Research Association (中国会展经济研究会), Yiwu ranked first among all county-level cities in China in terms of comprehensive exhibition strength by a significant margin, and it has maintained its position as the top county-level city in comprehensive exhibition strength for ten consecutive years according to the report by the Yiwu Municipal Government. Moreover, according to Yiwu Shangbao (义乌商报), from January to October in 2025, 50 economic and trade exhibitions were held in Yiwu, with an exhibition area exceeding 1,124,000 square meters, representing an increase of 17.1 per cent. as compared to the same period during the previous year. More than 1,706,000 visits to such exhibitions were made by domestic and foreign merchants, representing an increase of 16.3 per cent. as compared to the same period during the previous year.

In March 2007, the then Zhejiang Provincial Party Secretary, Mr. Xi Jinping (the incumbent President of China) mandated a "11+1" provincial planning strategy for Zhejiang Province, which listed Yiwu, along with Hangzhou and Ningbo, as the main drivers and key focuses in developing Zhejiang Province's economy. Mr. Xi has visited Yiwu many times since 2003, and has spoken highly of Yiwu's innovation and entrepreneurship.

Yiwu has experienced rapid economic growth in recent years. The GDP of Yiwu increased from approximately RMB111.8 billion in 2016 to approximately RMB269.3 billion in 2025, representing a compound annual growth rate ("**CAGR**") of 10.3 per cent.

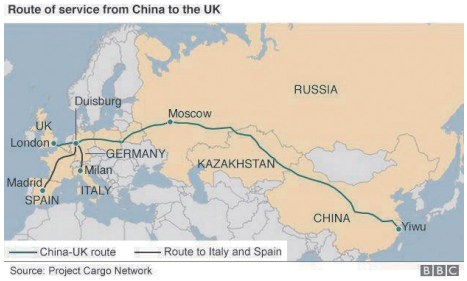
HISTORY AND DEVELOPMENT OF YIWU

Yiwu was founded in 222 BC, during the Qin dynasty. The people of Yiwu are known for their entrepreneurial spirit and resilience. Back to ancient times, Yiwu people would carry sewing

needles, thread, sugar chunks and other small commodities in their bamboo baskets, using a shoulder-pole, and travel to surrounding rural villages to exchange these items for chicken feathers. Chicken feathers could be either used as a fertiliser for their own lands, or made into feather dusters for exporting. This "Sugar For Chicken Feathers" tradition had become part of Yiwu culture. As the trading population grew larger, the earliest wholesale markets emerged in Yiwu around the 1700s. After the founding of PRC in 1949, the free market was once considered capitalistic and hence officially suppressed, forcing Yiwu people to continue their trade secretly.

It was after the Reform and Opening Up (改革开放) led by Mr. Deng Xiaoping in 1978, did the Yiwu market thrive again and became one of the first free marketplaces in the history of China. The cement boards over a stinky ditch nearby Huqingmen Street (湖清门街头), set up by the local government as the first marketplace in 1982, which later became the present Yiwu International Trade City (义乌国际商贸城).

In 2013, the PRC Government launched the "One Belt, One Road" initiative (一带一路战略). Yiwu has been actively devoted to implementing the initiative through developing the Yiwu-Xinjiang-Europe Cargo Line (义新欧班列) (the "**Yixin'ou Cargo Line**") run by China Railway Express (中欧班列), which is China's railway service provider and is spearheading the drive to boost China's trade with foreign markets. The Yixin'ou Cargo Line consists of Yiwu-Middle-Asia line, Yiwu-Madrid line, Yiwu-Teheran line, Yiwu-Chelyabinsk line, Yiwu-Mazar-e-Sharif line, Yiwu-Minsk line, Yiwu-Riga line, Yiwu-London line, passing through countries including China, Kazakhstan, Russia, Belarus, Uzbekistan, Poland, Germany, Belgium, France, Spain and the UK, making it the longest freight railway line in the world as at the date of this Offering Circular.



The Yixin'ou Cargo Line network

Source: Project Cargo Network

China Railway Express

Source: BBC news website.

Yiwu conducts trade with over 200 countries and cities across the world and attracts foreign enterprises and businessmen. According to Zhejiang Economic & Information Centre (浙江省经济信息中心) and National Market Regulation Administration (国家市场监管总局), in July 2025, Yiwu became the first county-level city in China to accommodate over ten thousand foreign enterprises and entities. In addition, Yiwu has the first international tax service centre in Zhejiang Province, which provides one-stop service for various tax-related international trade businesses. Besides, the Yiwu Municipal Government has earnestly promoted "One Trip Maximum" one-stop service reform by moving all administrative procedures to online platforms to maximise its operating efficiency.

In December 2024, the State Council approved the "Overall Plan for Deepening Comprehensive Reforms in International Trade in Yiwu, Zhejiang Province" (浙江省义乌市深化国际贸易综合改革总体方案) which officially launched a new round of international trade reform. This round of reform focuses on five key areas, namely deepening market procurement trade reform, accelerating the integration of domestic and foreign trade, improving the modern commercial logistics system, enhancing market rules and system and creating a premier business environment, and aims at accelerating the development of a trade ecosystem characterised by "buying globally, selling globally, and trading globally" (买全球、卖全球、买卖全球).

In the meantime, Yiwu's economy has experienced an additional boost through the growth of online trading. Yiwu is now an e-commerce hub, with not only an online shopping platform, Yiwugou.com, the official website of the Yiwu International Trade City, but also numerous citizens operating their own online shops on China's mainstream online shopping platforms, such as Taobao.com. As at the date of this Offering Circular, Yiwu is the sole county-level National E-commerce Demonstration City (国家电子商务示范城市) in China.

OVERVIEW

The Group is the primary state-owned assets operating platform in Yiwu and serves as an investment and financing platform for state-owned enterprises in Yiwu. The Group is positioned as a major force in operating the Yiwu Small Commodity Market (义乌小商品市场), the world's largest small commodity wholesale market, promoting the state-owned enterprise reform in Yiwu and implementing Yiwu's strategic blueprint for industrial investments and upgrades.

The Issuer was established in 2013 as a state-owned enterprise wholly-owned by the Yiwu SASAC. After rounds of equity transfer by the Yiwu SASAC, approximately 85.6 per cent. of the Issuer's equity is currently owned by the Yiwu SASAC. The Group primarily focuses on nine business segments under four sectors, namely (i) commodity markets sector, comprising the market operation business and the commodity trading business, (ii) public utilities sector, comprising the transportation business, the water-related business and the infrastructure construction business, (iii) property development sector, and (iv) other businesses, comprising the logistics and warehousing business, the hotel operation business, the exhibition and advertisement business and other miscellaneous businesses.

For the years ended 31 December 2023, 2024 and 2025, the Group generated total operating income of RMB36,239.3 million, RMB37,400.1 million and RMB45,587.6 million, respectively. For the years ended 31 December 2023, 2024 and 2025, the Group generated net profit of RMB1,557.2 million, RMB2,051.5 million and RMB3,170.8 million, respectively. As at 31 December 2025, the Group's total assets amounted to RMB274.0 billion and its net assets amounted to RMB71.9 billion.

Commodity Markets Sector

- ***Market operation business***. Market operation business is the Group's core business. It is mainly operated by the Market Group, together with its member group, the CCC Group. The CCC Group operates the Yiwu Small Commodity Market (义乌小商品市场) which comprises the Yiwu International Trade City (义乌国际商贸城), the Huangyuan Garment Market (篁园服装市场) and the Yiwu Production Material Market (义乌生产资料市场). In addition, the Market Group also operates around 13 other specialised markets, including Yiwu Non-staple Food Market (义乌副食品市场), Yiwu International Furniture City (义乌国际家居城), Yiwu Decoration City (义乌装饰城), Central Zhejiang Wood Material Market (浙中木材市场) and Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心). As at 31 December 2025, the Group occupied a total GFA of over 8,000,000 sq.m., with over 80,000 booths, accommodating approximately 57,500 merchants and serving daily customer flow of over 230,000 people. The overall occupancy rate over the past three years averages at approximately 91.0 per cent., which generated stable recurring cash flows and operating income. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its market operation business of RMB3,737.7 million, RMB5,259.7 million and RMB5,958.0 million, respectively, representing 10.6 per cent., 14.7 per cent. and 13.6 per cent., respectively, of its major business operating income for the same periods, respectively.

- ***Commodity trading business.*** The Group's commodity trading business is ancillary to the market operation business and mainly consists of sale of household goods, building materials, oil and non-ferrous metals, as well as other products such as electronic devices, grain, minerals, hardware products, machinery and civil explosive equipment. Such business is primarily operated by the Market Group (including CCC Holdings and the CCC Group), the Urban Investment Group and the Transportation and Tourism Group. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its commodity trading business of RMB12,675.1 million, RMB15,404.2 million and RMB18,377.6 million, respectively, representing 36.1 per cent., 43.0 per cent. and 41.8 per cent., respectively, of its major business operating income for the same periods.

Public Utilities Sector

- ***Transportation business.*** The Group's transportation business is primarily operated by the Hengfeng Group, the Transportation and Tourism Group and the Urban Investment Group. It consists of bus transportation, taxi transportation, long-distance coach transportation, bus terminal operation, expressway transportation and other associated businesses including vehicle maintenance, second-hand vehicle trade and parking services. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its transportation business of RMB383.9 million, RMB402.7 million and RMB513.1 million, respectively, representing 1.1 per cent., 1.1 per cent. and 1.2 per cent., respectively, of its major business operating income for the same periods.

- ***Water-related business.*** The Group's water-related business is primarily operated by the Water Group, which is the sole urban water management entity in Yiwu. Its operations encompass four main areas of water supply services, wastewater treatment, water-related infrastructure construction and hydraulic engineering. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its water-related business of RMB1,175.3 million, RMB1,239.4 million and RMB1,030.1 million, respectively, representing 3.3 per cent., 3.5 per cent. and 2.3 per cent., respectively, of its major business operating income for the same periods.

- ***Infrastructure construction business.*** The Group's infrastructure construction business mainly comprises urban infrastructure construction operated by the Urban Investment Group, construction and maintenance of roads, highways and railways operated by the Transportation and Tourism Group, and construction and management of market and logistics parks with their supporting infrastructure operated by the Landport Group. Such businesses are primarily conducted under the agency construction model or agency development model. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its infrastructure construction business of RMB692.6 million, RMB1,099.4 million and RMB1,171.2 million, respectively, representing 2.0 per cent., 3.1 per cent. and 2.7 per cent., respectively, of its major business operating income for the same periods.

Property Development Sector

- ***Property development business.*** The Group's property development business comprises construction and development of affordable housing operated by the Construction Investment Group and non-affordable housing operated by the CCC Group, the Hengfeng Group, the Construction Investment Group and the Transportation and Tourism Group. The affordable housing business focuses on the development of new urban and rural communities and the revitalization of existing urban areas. The non-affordable housing business mainly involves the construction and development of residential properties, as well as some other commercial and industrial real estates. As at 31 December 2025, the Group had five affordable housing projects under construction, with an estimated total investment of RMB7.0 billion and an aggregate saleable area of 825,200 sq.m., and eleven non-affordable housing projects under construction, with an estimated total investment of RMB23.0 billion and an aggregate saleable area of 1,130,900 sq.m. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its property development business of RMB13,426.9 million, RMB9,089.3 million and RMB12,583.5 million, respectively, representing 38.2 per cent., 25.4 per cent. and 28.6 per cent., respectively, of its major business operating income for the same periods.

Other Businesses

- ***Logistics and warehousing business.*** The Group's logistics and warehousing business is primarily conducted by the Landport Group. Yiwu International Landport Group Co., Ltd. (义乌市国际陆港集团有限公司), the parent company of the Landport Group, is a premium logistics company in China that engages in the investment, construction and management of logistics parks, railway ports, air ports, the Cross-Border E-Commerce Regulatory Centre (跨境电子商务监管中心), the Yiwu Bonded Logistics Centre (义乌市保税物流中心), and the Land Port E-commerce Town (陆港电商小镇) in Yiwu. The logistics parks that the Landport Group operates host over 700 businesses with a safe and convenient network throughout the country, which has become one of the main logistics hubs in Zhejiang Province. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its logistics and warehousing business of RMB435.3 million, RMB464.7 million and RMB483.8 million, respectively, representing 1.2 per cent., 1.3 per cent. and 1.1 per cent., respectively, of its major business operating income for the same periods.

- ***Hotel operation business.*** The Group's hotel operation business is primarily operated by the Market Group and the CCC Group. The Group currently operates seven hotels, including Yiwu Xingfu Lake International Conference Centre (义乌幸福湖国际会议中心) (a five-star hotel) which is owned by the Market Group and operated by the CCC Group, and Expo Crowne Plaza Hotel (国际博览中心酒店) (a five-star hotel), Yandoo Jin Hotel Yiwu (璟悦大畈民宿酒店) (a high-end homestay) and four other star-rated hotels, namely Ocean Hotel (海洋酒店), Yindu Hotel (银都酒店), Shangcheng Hotel (商城宾馆) and Yayue Hotel (雅悦酒店), which are all owned and operated by the CCC Group. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its hotel

operation business of RMB427.9 million, RMB400.0 million and RMB436.4 million, respectively, representing 1.2 per cent., 1.1 per cent. and 1.0 per cent., respectively, of its major business operating income for the same periods.

- ***Exhibition and advertising business.*** The Group's exhibition and advertisement business is conducted by the CCC Group, the Hengfeng Group and the Urban Investment Group. The Group has successfully hosted a series of significant international trade exhibitions such as the China Yiwu International Commodity Fair (中国义乌国际小商品博览会), the China Yiwu International Forest Products Expo (中国义乌国际森林产品博览会), the China Yiwu International Import Commodities Fair (中国义乌国际进口商品博览会) and the Yiwu Hardware and Electrical Appliances Expo (义乌五金电器博览会). The Group also operates billboards for trade fairs and commodity markets and engages in public transport vehicles advertising and operating urban outdoor billboards. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its exhibition and advertisement business of RMB185.0 million, RMB162.3 million and RMB236.9 million, respectively, representing 0.5 per cent., 0.5 per cent. and 0.5 per cent., respectively, of its major business operating income for the same periods.

- ***Others.*** The Group also conducts some miscellaneous business including intermediary services, housing rental, security services, guarantee services, property management, sale of waste materials, labour services and leasing, port services and movie box office business. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its all other miscellaneous businesses of RMB2,007.9 million, RMB2,320.0 million and RMB3,157.7 million, respectively, representing 5.7 per cent., 6.5 per cent. and 7.2 per cent., respectively, of its major business operating income for the same periods.

RECENT DEVELOPMENT

Additional indebtedness since 31 December 2025

The Group may, from time to time, enter into bank loans and other financing arrangement and issue debt securities in the capital market in the ordinary course of business to finance its business operations and to refinance existing debt. Since 31 December 2025, the Group has incurred additional indebtedness. In particular, from January 2026 to March 2026, the Group issued debt instruments in the PRC capital markets in an aggregate principal amount of approximately RMB3.4 billion with interest rate ranging from 1.68 per cent. to 2.25 per cent. and tenor ranging from 1 year to 5 years, and the Group newly entered into other financing arrangements (such as working capital loans, project finance loans and trust arrangement) with an aggregate amount of approximately RMB13.6 billion as at 31 March 2026.

Appointment of new directors since 31 December 2025

In 2026, Ms. Cen Luhan (岑璐寒), Ms. Zhu Xiaoling (朱小玲), Mr. Zhou Yongjun (周拥军) and Ms. Yang Sufen (杨苏芬) were appointed as external directors of the Issuer, and Mr. Yu Shan (虞山) were appointed as employee director of the Issuer. Such changes are routine personnel adjustments in the ordinary course of business of the Group and have been approved by the Yiwu Municipal Government. For biographies of the newly appointed directors and the composition of the Board as at the date of this Offering Circular, see "*Directors and Senior Management – Directors*".

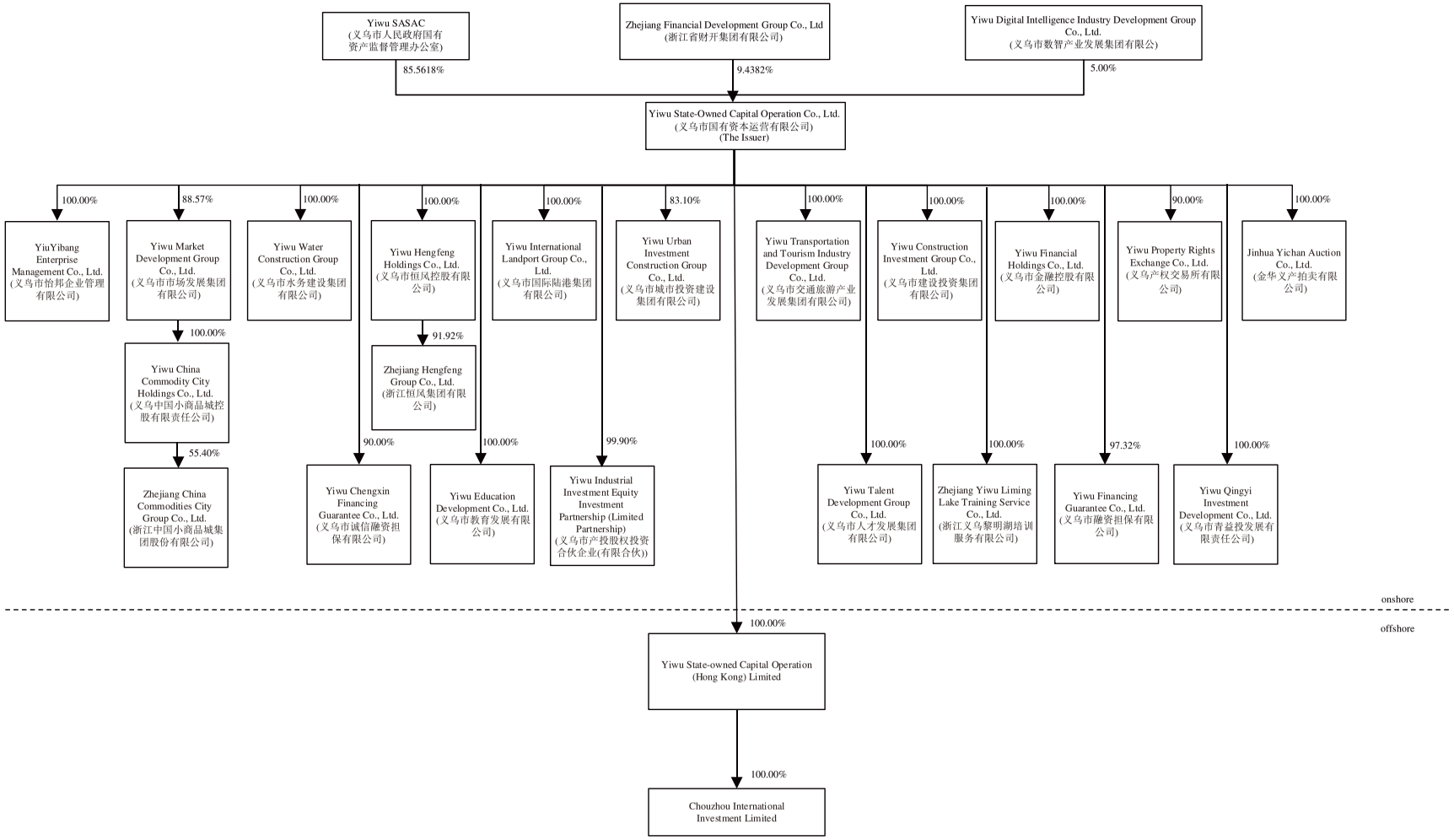
Financial Performance of the Group as at and for the three months ended 31 March 2026

On 30 April 2026, the Issuer published its March 2026 Financial Statements on the website of China Foreign Exchange Trade System. As at 31 March 2026, the Group's total assets and total liabilities both remained relatively stable as compared to the respective balances as at 31 December 2025. For the three months ended 31 March 2026, the Group's total operating income and total operating costs increased synchronously as compared to the corresponding period in the preceding year, which is attributable to the business expansion in market operation, property development and commodity trading. For the three months ended 31 March 2026, the Group's operating profit and net profit increased as compared to the corresponding period in the preceding year, primarily because of the increase in operating income and the gains from changes in fair value for such period.

The March 2026 Financial Statements have not been included in, and do not constitute part of, this Offering Circular. The March 2026 Financial Statements are not audited or reviewed by any independent auditors. Therefore, they do not provide the same quality of information as the information that has been subject to an audit or review. Potential investors should exercise caution when using such data to evaluate the Group's financial condition and results of operation. The March 2026 Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2026. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, regarding the accuracy, completeness and sufficiency of the March 2026 Financial Statements. See "*Risk Factors – Risks Relating to Financial Information – The Group published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular*".

CORPORATE STRUCTURE

The following chart presents a simplified corporate structure of the Group as at the date of this Offering Circular:



The following table sets out certain significant milestone events in the development history of the Group:

Year	Event
2013	• In December, the Issuer was established as a state-owned enterprise by the Yiwu SASAC with registered capital of RMB40 million. • In December, the Yiwu SASAC transferred several state-owned enterprises into the Group, including Yiwu Market Development Group Co., Ltd. (义乌市市场发展集团有限公司), Yiwu Water Construction Group Co., Ltd. (义乌市水务建设集团有限公司), Zhejiang Hengfeng Group Co., Ltd. (浙江恒风集团有限公司), Yiwu International Landport Group Co., Ltd. (义乌市国际陆港集团有限公司), Yiwu Urban Investment Construction Group Co., Ltd. (义乌市城市投资建设集团有限公司), Yiwu Transportation and Tourism Industry Development Group Co., Ltd. (义乌市交通旅游产业发展集团有限公司) (previously known as Yiwu Communications Investment Group., Ltd. (义乌市交通投资建设集团有限公司)) and Yiwu Construction Investment Group Co., Ltd. (义乌市建设投资集团有限公司) (previously known as Yiwu Urban and Rural New Community Investment Construction Group Co., Ltd. (义乌市城乡新社区投资建设集团有限公司)).
2014	• In accordance with the state-owned assets transfer plan in Yiwu, equity interests of several entities were transferred to the Issuer, including (i) equity interests held by Yiwu Urban Investment Construction Group Co., Ltd. (义乌市城市投资建设集团有限公司) in Yiwu Financial Development Co., Ltd. (义乌市财务开发公司), Jinhua Yichan Auction Co., Ltd. (金华义产拍卖有限公司) (70 per cent.) and Yiwu Property Rights Exchange Co., Ltd. (义乌产权交易所有限公司) (55 per cent.) and (ii) 15 per cent. equity interest in Yiwu Property Rights Exchange Co., Ltd. (义乌产权交易所有限公司) held by Yiwu Enterprise Service Centre (义乌市企业服务中心).
2015	• The Issuer's registered capital increased to RMB1,680 million.
2016	• The Issuer's name was changed from Yiwu State-owned Capital Operation Centre (义乌市国有资本运营中心) to Yiwu State-owned Capital Operation Co., Ltd. (义乌市国有资本运营有限公司).

Year	Event
2020	• In accordance with the "Notice of Zhejiang Provincial Department of Finance and other five departments on comprehensively promoting the work of transferring part of state-owned capital to enrich social security funds" (Zhecaiqi [2020] No. 4) (《浙江省财政厅等五部门关于全面推开划转部分国有资本充实社保基金工作的通知》(浙财企 [2020] 4号)) and "Zhejiang Provincial Department of Finance on Comprehensively Reply to the Plan for Transferring State-owned Equity to Enrich the Social Security Fund" (Zhecaihan [2020] No. 109) (《浙江省财政厅关于全面划转国有股权充实社保基金方案的复函》(浙财函[2020]109号)), the Yiwu SASAC transferred 9.4382 per cent. of its equity interest in the Issuer to Zhejiang Financial Development Co., Ltd. (浙江省财务开发有限责任公司).
2021	• The Issuer's registered capital increased to RMB1,780 million in 2019 and later to RMB1,980 million in 2021.
2022	• The Issuer won the 2021 Yiwu City Investment Contribution Award in January. • In May, the Group introduced exchange rate hedging guarantee services for individual industrial and commercial households.
2023	• In accordance with the spirit of the executive meeting minutes of the Yiwu Municipal People's Government (No. 2023(1)) (义乌市人民政府常务会议纪要([2023]1号)), the Yiwu SASAC transferred 5.0 per cent. of its equity interest in the Issuer to Yiwu Digital Intelligence Industry Development Group Co., Ltd. (义乌市数智产业发展集团有限公司). • In June, Moody's upgraded the Issuer's international credit rating outlook to "positive" from "stable". • In November, China Chengxin International Credit Rating Co., Ltd. upgraded the Issuer's domestic credit rating to "AAA" from "AA+" after the Group's "1+N" system is formed.
2024	• In June, the Issuer obtained a credit rating of "Ag (Stable)" from CCXAP.
2025	• In May, CCC Holdings obtained a credit rating of "AAAspc (Stable)" from S&P Global Ratings for the first time. • In May, Moody's upgraded the Issuer's credit rating to "Baa2 (Stable)", after which the Issuer has become the sole county-level state-owned enterprise with the credit rating of "Baa2 (Stable)" in China.

Year	Event
2026	• In May, CCXAP upgraded the Issuer's credit rating to "Ag+ (Stable)".

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below distinguish itself from its competitors and are important to its success and future development:

Well positioned in the strategic location along the "One Belt, One Road" initiative and to benefit from the economic growth and strategic importance of Yiwu

The Group benefits continually and significantly from the rapid economic development of Yiwu. Yiwu is located in the heart of Zhejiang Province. It is home to the world's largest wholesale market for small commodities. The GDP of Yiwu increased from approximately RMB111.8 billion in 2016 to approximately RMB269.3 billion in 2025, representing a CAGR of 10.3 per cent. According to the Custom of Yiwu, the total export volume and total import volume of Yiwu amount to RMB730.7 billion and RMB105.8 billion, respectively, in 2025.

In 2013, China unveiled its "One Belt, One Road" development strategy, which plans to connect China with over 60 countries in Asia, Africa and Europe through the Silk Road Economic Belt (丝绸之路经济带) and the 21st Century Maritime Silk Road (21世纪海上丝绸之路). This initiative aims to promote trade and commerce between China and the countries along land and sea trade routes. Countries along the "One Belt, One Road" initiative are mainly emerging market countries at the early stages of economic development which offer investment opportunities in the areas of infrastructure, machinery and energy to Chinese companies. Yiwu has benefited from, and is actively devoted to implementing, the "One Belt, One Road" initiative due to its strategic location as it connects westward to the Silk Road Economic Belt and the 21st Century Maritime Silk Road, and eastward to the Yi-Yong-Zhou Open Channel (义甬舟开放大通道), which is an integrated multimodal transport hub covering the Ningbo Zhoushan Port (宁波舟山港), the Yiwu Inland Port (义乌内陆港), the Yong-Jin Expressway (甬金高速公路) and the Jin-Yong-Zhou Railway (金甬舟铁路). Yiwu owns the only inland railway terminal in Zhejiang Province connecting to the Land Silk Road. It also has the Yiwu International Landport (义乌国际陆港) which connects to the Silk Road Economic Belt. In conjunction with the PRC Government's "One Belt, One Road" initiative and the call for Chinese companies to "Step out of China" (走出去战略), these companies are able to make use of Yiwu as a strategic launch pad into the belt and road countries.

Yiwu connecting to the Land Silk Road and the Maritime Silk Road

Source: China "One Belt, One Road" website.

Acting as the primary operator and investing and financing platform for the state-owned assets in Yiwu

With the following benefits and preferential treatments from the Yiwu Municipal Government, the Group is well-equipped to improve municipal public services, enhance core competitiveness and strengthen its sustainable development capabilities. For the avoidance of doubt, any PRC Government, including the Yiwu Municipal Government, in relation to the Bonds, and the PRC Government is not an obligor and shall not under any circumstances bear any obligations arising out of or in connection with the Bonds in lieu of the Issuer. The PRC Government only assumes limited liability as a shareholder in the Issuer, which is limited to its equity contributions in the Issuer. The Bonds are solely to be repaid by the Issuer as an independent legal person.

- The Group was established by the Yiwu Municipal Government as the primary operator and investing and financing platform for the state-owned assets in Yiwu and to implement the strategies and guidance directly from the Yiwu Municipal Government and provide key public utilities services in Yiwu. The Group's business operations in all the sectors are directly guided by the Yiwu Municipal Government. In August 2017, the Yiwu Municipal Government issued Opinions on Supporting State-Owned Enterprises to Become Bigger and Stronger (义乌市人民政府办公室关于支持国资做大做强的若干意见) (Yi Zheng Ban Fa [2017] No. 115), which explicitly set forth a guideline to require all governmental divisions to provide preferential treatment to the Group's business operations in Yiwu. More recently, the Group was positioned by the Yiwu Municipal Government as "the chief manager of state-owned capital and financial matters" (国资财务大管家) upon completion of state-owned assets integration in Yiwu. In 2023, the Yiwu Municipal Government transferred its equity interest in Yiwu Shuangjianghu Development Group Co., Ltd. (义乌市双江湖开发集团有限公司) and Yiwu Environment Group Co., Ltd. (义乌市环境集团有限公司) (currently known as Yiwu Resources Cycling Co., Ltd. (义乌市资源循环有限公司)) to the Issuer, after which the system of "1+N" system was thereby formed, where "1" represents the shareholding of the single entity, the Issuer, and "N" represent the other state-owned enterprises held by the Issuer. Such system has greatly improved the management efficiency of state-owned assets and capital in Yiwu.

- The Yiwu Municipal Government provides the Group with government subsidies, tax deductions and other forms of incentives such as capital injection, assets transfer and project funding to support its business operations and development. For the years ended 31 December 2023, 2024 and 2025, the Group received a total of approximately RMB1,315.3 million, RMB2,864.0 million and RMB1,822.8 million, respectively, as government grants and subsidies from the Yiwu Municipal Government. For the years ended 31 December 2023, 2024 and 2025, the Group received financial funding in an aggregate amount of approximately RMB13.99 billion, RMB11.75 billion and RMB11.40 billion, respectively, which primarily comprises grants and subsidies, project funds, injected capital, service fees, resettlement housing construction fee, agent construction fee, compensation for land acquisition, fund for land acquisition and reserve and other forms of supports.

- The Group is benefited from preferential policies and guidance from the Yiwu Municipal Government in terms of industrial planning and development strategies. As designated by the Yiwu Municipal Government to undertake public infrastructure construction, the Group is directly assigned key infrastructure construction projects and receives substantial capital for these initiatives, for instance, income producing assets such gas stations, energy stations, parking spaces as well as franchise rights and charging rights to charging piles.

Diversified and sustainable business operations that generate recurring revenue and cash flows

Extinguished from other state-owned enterprises whose revenue is substantially dependent on the local government's grants and subsidies, the Group demonstrates strong revenue generating capability benefiting from its diversified business portfolio. The Group primarily focuses on nine business segments under four main sectors and has enjoyed continuous growth since its establishment in 2013. For the years ended 31 December 2023, 2024 and 2025, the Group generated total operating income of RMB36,239.3 million, RMB37,400.1 million and RMB45,587.6 million, respectively. Among others, business in commodity markets sector is the Group's core business and has continuously been the largest contributor to its operating income, which accounted for 46.7 per cent., 57.7 per cent. and 55.4 per cent., respectively, of the operating income of the Group's major business for the years ended 31 December 2023, 2024 and 2025.

Diversified and stable financing channels

The Group also has diversified financing channels and strong financing abilities. The Group is able to utilise diversified financing channels to meet its funding needs, including short-term commercial paper, medium-term notes, corporate bonds, private placement and project revenue bonds. It also implements comprehensive budget control policies and adopt diversified financing strategies in order to reduce funding costs. The Group has established close relationships with a number of reputable banks and financial institutions to secure funding at competitive rates. Such banks include China Development Bank, Bank of Communication, Bank of China, China Construction Bank, Industrial and Commercial Bank of China, Agricultural Development Bank of China, Agricultural Bank of China, China CITIC Bank, Beijing Rural Commercial Bank, Industrial Bank, China Zheshang Bank, China Merchants Bank and Huaxia Bank. As at 31 December 2025, the Group obtained bank credit facilities in an aggregate amount of

approximately RMB113.8 billion, of which RMB49.0 billion remained undrawn. In addition, the Group has extensive experiences in direct financing of domestic and foreign bond markets.

Experienced government-nominated management teams with sound corporate governance

The Issuer's management team has extensive experience in various industries and business segments. Members of its board of directors and senior management, excluding the employee director, are all nominated by the Yiwu Municipal Government, and many of them have experience in various positions in the Yiwu Municipal Government. For more details of the members of its board of directors and senior management, see "*Directors, Supervisors and Senior Management*". In addition, the Issuer has established a sound and standardised corporate governance structure and has set up eight departments for its management and business operation, namely General Office (办公室), Financial Management Department (财务管理部), Finance Department (融资管理部), Investment Management Department (投资管理部), Asset Management Department (资产管理部), Human Resource Department (人力资源部), Legal and Audit Department (法务审计部) and Discipline Inspection Office (纪检室). The Group believes that its management team's extensive experiences in a broad range of industries and strong execution capabilities will continue to be instrumental in implementing its business strategies and capturing market opportunities, and contribute to the sustainable growth of its business operations.

BUSINESS STRATEGIES

As the primary operator and investing and financing platform for the state-owned assets in Yiwu, the Group's objective is to optimise capital operation, achieve capital efficiency, improve urban infrastructure and development, promote Yiwu's international trade comprehensive pilot reform, and boost the revitalisation and sustainability of Yiwu's economy. In order to accomplish these goals, the Group intends to pursue the following strategies:

Continue to exploit new business opportunities and synergies created by the Group's strategic location in Yiwu within the "One Belt, One Road" development strategy

The Group has benefited from its strategic location in Yiwu within the "One Belt, One Road" initiative. For example, the Yixin'ou Cargo Line runs from Yiwu through the Xinjiang Uygur Autonomous Region (新疆维吾尔自治区) to countries such as Madrid and Spain. Spain is the largest market for small commodities in Europe. The Yixin'ou Cargo Line will boost the trade between Yiwu and its European counterpart and help transform Yiwu into a logistics base for imported goods, which will in turn boost its business operations in logistics and warehousing.

In addition, Zhejiang Province is accelerating the integration of Yiwu International Landport (义乌国际陆港) and Ningbo-Zhoushan Port (宁波舟山港). Ningbo-Zhoushan Port is the busiest port in the world in terms of cargo tonnage. With the integration of the two ports, Yiwu will directly connect to the Maritime Silk Road to better serve the countries along the belt and road. The Group will continue to capitalise on its strategic location in Yiwu within the "One Belt, One Road" initiative, to exploit new business opportunities and transit into an integrated service provider and a strategic investor that, by the Group or through joint ventures or investment funds, offers and invests in diversified services, such as international trade, real estate

development, bonded processing and cross-border e-commerce. Yiwu is also developing its logistics business and has established the Yiwu Bonded Logistics Centre (义乌市保税物流中心) occupying a GFA of approximately 200 mu and a warehousing planned GFA of over 100 million sq.m.

The Yixin'ou Cargo Line

Source: China "One Belt, One Road" website.

Seize the development opportunity from the Yiwu Global Digital Trade Centre (义乌全球数贸中心)

Yiwu Global Digital Trade Centre, positioned by the Yiwu Municipal Government as a remarkable project of the sixth generation of trade market and opened in October 2025, is expected to greatly contribute to the prosperity in Yiwu's trade industry. This centre is located east to Yiwu International Trade City (District 5) (义乌国际商贸城(五区)), covers an area of 562 mu and occupies a total GFA of over 1.25 million sq.m. and is consisted of five areas with different functions, namely marketplaces, commercial offices, shopping districts, residential apartments and digital commerce ports. It aims to focus on development of cross-border e-commerce and sets up as a global landmark for trade, characterised as being modern, international, intelligent, digitalised and eco-friendly. By integrating resources from e-commerce platforms, trading entities and third-party service providers and leveraging artificial intelligence technology, the Group will advance the digital transformation of trade and markets and build a comprehensive, cross-platform and multi-business model digital ecosystem empowerment system.

Enhance government relationship and implement the plans for operating, investing in and financing state-owned assets

The Issuer is substantially owned by the Yiwu SASAC and its senior management is nominated by the Yiwu Municipal Government. Most of the members of its board of directors and senior management have experience in serving the Yiwu Municipal Government. Decisions made by the Issuer's board of directors and senior management are consistent with the interests and goals of the Yiwu Municipal Government. The Group intends to enhance government relationship with respect to its blueprint for industrial investments and upgrades, and implement the plans for operating, investing in and financing state-owned assets, liaise with local governments including the Yiwu Finance Bureau and the Yiwu SASAC to obtain sufficient business assistance for its business operations, and explore new business initiatives, including partnering with investment funds, cooperating with private financing institutions, establishing asset management companies and financing leasing institutions.

Reinforce the Group's market-oriented operations and continue to play a lead role in various national comprehensive reforms

The Group will continue to expand its market-oriented operations to realise capital efficiency and achieve capital values. The Group will also continue to develop its diversified businesses, including market operation, commodity trading, public utilities services, property development, logistics and warehousing, hotel operation, exhibition and advertising and others, to provide more stable and diverse sources of revenue in the future. As certain of its businesses mature, the Group may seek to unlock their latent value by seeking independent listings of their shares or fund-raising platforms to support their development strategies. In addition, Yiwu has been a pioneer for various reforms in China, including the Yiwu international trade comprehensive reform where Yiwu is the first approved county-level reform pilot city by the State Council, national new-type urbanisation reform, national-level rural reform, rural housing system reform, domestic trade system reform, infrastructure construction investment and financing system reform, national industrial integration reform, the first batch of urban design reform in China, e-commerce big data application reform, national trade financial specialisation reform, modern logistics innovation and development city reform and the first batch of model cities in establishing social credit systems in China. The Group will continue to capitalise on its strategic location in Yiwu along the "One Belt, One Road" initiative and exploit its unparalleled commodity trading capabilities, to promote various national comprehensive reforms, especially the Yiwu international trade comprehensive reform.

Strengthen the Group's management and internal control systems

The Group will continue to improve and streamline its management structure and internal control systems so as to increase its capability in terms of safety and quality control. In addition, the Group considers effective project management to be critical to enhancing its overall operational efficiency. For example, mechanisms will be put in place to coordinate the tendering and bidding management among various operational units to avoid multiple subsidiaries competing against each other for the same project. The Group will also allocate more resources to its research and development in the area of construction, new technologies and products, resource integration, brand name and project management.

DESCRIPTION OF THE GROUP'S BUSINESS

The Group primarily focuses on nine business segments under four main sectors: (i) commodity markets sector, comprising the market operation business and the commodity trading business; (ii) public utilities sector, comprising the transportation business, the water-related business and the infrastructure construction business; (iii) property development sector; and (iv) other businesses, comprising the logistics and warehousing business, the hotel operation business, the exhibition and advertisement business and other miscellaneous businesses.

The following table sets out a breakdown of the operating income of the Group's major businesses for the periods indicated:

	For the year ended 31 December					
	2023		2024		2025	
Business segment	**Amount**	**(%)**	**Amount**	**(%)**	**Amount**	**(%)**
	(RMB in millions, except for percentages)					
Commodity markets sector						
Market operation	3,737.7	10.6	5,259.7	14.7	5,958.0	13.6
Commodity trading	12,675.1	36.1	15,404.2	43.0	18,377.6	41.8
Public utilities sector						
Transportation	383.9	1.1	402.7	1.1	513.1	1.2
Water-related	1,175.3	3.3	1,239.4	3.5	1,030.1	2.3
Infrastructure construction	692.6	2.0	1,099.4	3.1	1,171.2	2.7
Property development sector						
Property development	13,426.9	38.2	9,089.3	25.4	12,583.5	28.6
Other businesses sector						
Logistics and warehousing	435.3	1.2	464.7	1.3	483.8	1.1
Hotel operation	427.9	1.2	400.0	1.1	436.4	1.0
Exhibition and advertisement	185.0	0.5	162.3	0.5	236.9	0.5
Others	2,007.9	5.7	2,320.0	6.5	3,157.7	7.2
Total	**35,147.6**	**100.0**	**35,841.7**	**100.0**	**43,948.4**	**100.0**

Note:

For avoidance of doubt, the above table only shows the operating income generated by the Group's major business segments. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its other business segments of RMB1,091.6 million, RMB1,558.4 million and RMB1,639.3 million, respectively. Please see Note 51 of the 2024 Audited Financial Statements and Note 50 of the 2025 Audited Financial Statements appended to this Offering Circular for more information.

Commodity Markets Sector

Market Operation Business

Market operation business is the Group's core business. It is mainly operated by the Market Group, and its member group, the CCC Group. The CCC Group operates the Yiwu Small Commodity Market (义乌小商品市场), which comprises the Yiwu International Trade City (义乌国际商贸城), the Huangyuan Garment Market (篁园服装市场) and the Yiwu Production Material Market (义乌生产资料市场). In addition to the commodity markets that the CCC Group operates, the Market Group also operates around 13 other specialised markets, including Yiwu Non-staple Food Market (义乌副食品市场), Yiwu International Furniture City (义乌国际家居城), Yiwu Decoration City (义乌装饰城), Central Zhejiang Wood Material Market (浙中木材市场) and Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心). As at 31 December 2025, the Group occupied a total GFA of over 8,000,000 sq.m., with over 80,000 booths, accommodating approximately 57,500 merchants and serving daily customer flow of over 230,000 people. The overall occupancy rate over the past three years averages at approximately 91.0 per cent., which generated stable recurring cash flows and operating income.

Yiwu has emerged as a crucial bridge for Chinese goods reaching global markets and for international products entering China. It has established itself as a global hub for small commodities trade and manufacturing. For the year ended 31 December 2025, the Group has witnessed more than 680,000 visits by foreign merchants and customers, and as at 31 December 2025, there are approximately 39,000 foreign merchants and 10,000 entities in the markets that the Group operates. In 2025, the Group's markets achieves sale of goods to over 200 countries around the world, accounting for approximately 70 per cent. of the total sale amount across the markets.

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its market operation business of RMB3,737.7 million, RMB5,259.7 million and RMB5,958.0 million, respectively, representing 10.6 per cent., 14.7 per cent. and 13.6 per cent., respectively, of its major business operating income for the same periods.

The following table sets out the occupancy rates of the major markets the Group operated as at 31 December 2025:

Market	Occupancy rate
	(per cent.)
Binwang Market (宾王市场)	29.32
Huangyuan Garment Market (篁园服装市场)	97.58
Yiwu International Trade City (District 1) (义乌国际商贸城(一区))	99.96
Yiwu International Trade City (District 1 – East) (义乌国际商贸城(一区东扩市场))	99.85
Yiwu International Trade City (District 2) (义乌国际商贸城(二区))	99.43
Yiwu International Trade City (District 2 – East) (义乌国际商贸城(二区东扩市场))	100.00
Yiwu International Trade City (District 3) (义乌国际商贸城(三区))	99.52
Yiwu International Trade City (District 4) (义乌国际商贸城(四区))	99.43
Yiwu International Trade City (District 5) 义乌(国际商贸城(五区))	95.87
Yiwu International Trade City (District 5 – Import Pavilion) (义乌国际商贸城(五区进口馆)	100.00
Yiwu Production Material Market (义乌生产资料市场)	76.13
Yiwu Non-staple Food Market (义乌副食品市场)	99.65
Yiwu Fruit Market (义乌果品市场)	100.00
Yiwu Flower Market (义乌花卉市场)	100.00
Yiwu Central Vegetable Market (义乌中心菜市场)	97.23
Yiwu Grain Market (义乌粮食市场)	100.00
Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心)	100.00
Yiwu International Furniture City (District 1) (义乌国际家居城(一区))	100.00
Yiwu International Furniture City (District 2) (义乌国际家居城(二区))	100.00
Yiwu International Furniture City (District 3) (义乌国际家居城(三区))	100.00
Yiwu Auto Trading Centre (义乌汽车交易中心)	92.93
Yiwu Global Digital Trade Center (义乌全球数贸中心)	71.68

Yiwu Small Commodity Market (义乌小商品市场)

Yiwu Small Commodity Market is operated by the CCC Group. As at the date of this Offering Circular, it is the world's largest wholesale market for small commodities and the products being sold are primarily light industry products that are relatively inexpensive and do not necessitate advanced technology or complex technics such as clothing, kitchenware and tableware, toys, shoes, hats and umbrellas, furniture, bags, accessories, craftworks and other daily consumer goods. It is a mass commodity trading hub that mainly comprises the Yiwu International Trade City (Districts 1-5), the Huangyuan Garment Market and the Yiwu Production Material Market. The Group generates revenue mainly from the booth rent collected from each booth-keeper, as well as certain booth usage fees and booth transfer fees.

Yiwu International Trade City (义乌国际商贸城)

Yiwu International Trade City is a mega centre that comprises five districts. The following map shows the location of each district:

- **District 1**. Opened in October 2002, District 1 is a four-storey complex that covers a GFA of approximately 340,000 sq.m., hosting over 10,500 booths with over 392,000 types of products. The first floor mainly deals in artificial flowers and various toys, the second floor in hair ornaments and jewelleries, the third floor in ceramic crystal crafts, photo frames and various accessories, and the fourth floor consists of factory outlets.

- **District 1 East Expansion Market**. Opened for trial operation in January 2016, the District 1 East Expansion Market covers a land area of approximately 235,600 sq.m. and has a GFA of approximately 273,000 sq.m., hosting over 2,500 booths. The first floor primarily deals in jewellery accessories, the second floor focuses on jewellery and jewellery accessories, the third floor specializes in jewellery, and the fourth floor mainly offers floral accessories and jewellery accessories.

- **District 2**. Opened in October 2002, District 2 is a five-storey complex that covers a GFA of over 670,000 sq.m., hosting over 8,900 booths with over 503,000 types of products. The first floor mainly deals in suitcases, rain wear, umbrellas and bags, the second floor in hardware products, electronic products and locks, the third floor in kitchen and sanitary hardware, small home appliance, telecommunication electronic appliance, clocks and watches, and the fourth floor consists of factory outlets and local specialty shops, and the fifth floor has a foreign trade procurement service centre.

- **District 2 East Expansion Market**. Commenced construction in 2020 and officially opened in 2023, District 2 East Expansion Market is located at the core area of the Yiwu International Trade City. It has a GFA of approximately 130,000 sq.m., with five floors above ground and two floors underground. The first floor is designated as a business area for home hardware products, the second floor in new energy product series, the third floor in smart hardware and electrical appliances. It offering a wide range of products, including photovoltaic modules, energy storage systems, new energy vehicles, home hardware, and smart hardware appliances and serves regions such as the Middle East, Africa, Southeast Asia, and South America.

- **District 3**. Opened in September 2005, District 3 is a five-storey complex with one underground storey that covers a GFA of approximately 460,000 sq.m., hosting over 6,300 booths with over 353,000 types of products. The underground floor mainly deals in new year couplets and wall calendars, the first floor in pen and ink products and eyeglasses, the second floor in stationery, sports and leisure goods, the third floor in cosmetics, beauty accessories, and button and zipper accessories, the fourth floor consists of factory outlets, and the fifth floor deals in decorative paintings and processing machinery.

- **District 4**. Opened in October 2008, District 4 is a five-storey complex that covers a GFA of approximately 1,080,000 sq.m., hosting over 15,300 booths with over 428,000 types of products. The first floor mainly deals in socks and leggings, the second floor in knitted

goods, hats, earmuffs, gloves and daily necessities, the third floor in shoes, caddice, threads and shoelaces, the fourth floor in belts, underwear and scarves, and the fifth floor consists of a tourism shopping centre, with clothing, shoes, Chaozhou ceramics, frames and paintings for sale. It also has a 4D cinema.

- **District 5**. Opened in May 2011, District 5 is a five-storey complex that covers a GFA of approximately 640,000 sq.m., hosting over 3,400 booths with over 202,000 types of products. The first floor mainly deals in imported food, imported health products, imported clothing and accessories, African products and other imported products, the second floor in bedding products, wedding products and hair products, the third floor in curtain cloth, knitted cloth and knitted fabric, the fourth floor in auto parts, car necessities and pet products, and the fifth floor in online services and virtual shops.

Huangyuan Garment Market (篁园服装市场)

Huangyuan Garment Market is located in the heart of Yiwu, and is close to the Yiwu International Trade City. It is the largest clothing market in the central area of Zhejiang Province. Opened in April 2011, Huangyuan Garment Market is an eight-storey large-scale comprehensive mall that features a four-star hotel as part of the market. It covers a GFA of over 420,000 sq.m., and a total building area of approximately 357,600 sq.m. The first to eighth floors mainly deal in jeans and pants, men's clothing, women's clothing, sportswear, pyjamas, sweaters, and children's clothing and offers restaurants, parking lots, and a Korean zone comprising Korean apparel shops, Korean restaurants and Korean leisure and entertainment stores.

Yiwu Production Material Market (义乌生产资料市场)

Yiwu Production Material Market is located in the southwest of Yiwu Airport. It is designed as a one-stop shopping platform for various production materials that can meet the various needs of domestic and international customers. Opened in November 2013, Yiwu Production Material Market is a five-storey large complex with an underground floor that covers a total area of approximately 350,000 sq.m. and a GFA of approximately 750,000 sq.m, hosting over 4,000 booths and over 3,000 businesses. Yiwu Production Material Market mainly deals in printing and packing machines, logistics equipment, food processing machines, ribbon looms and injection machines, measuring tools and cutlery, and lighting equipment and lamps.

Other Markets

In addition to the markets operated by the CCC Group, the Market Group also operates around 13 other specialised markets throughout the urban and rural areas of Yiwu, including Non-staple Food Market (义乌副食品市场), Yiwu International Furniture City (义乌国际家居城), Yiwu Decoration City (义乌装饰城), Central Zhejiang Wood Material Market (浙中木材市场) and Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心).

Non-staple Food Market (义乌副食品市场)

The Non-staple Food Market is primarily operated by Zhejiang Yiwu Rural Economic Development Co., Ltd. (浙江义乌农村经济发展有限公司), a member entity of the Market Group. Opened in October 2008, it is a five-storey complex with one underground storey that covers a total area of approximately 68,700 sq.m. and a GFA of approximately 149,400 sq.m. It has a total leasable area of approximately 86,000 sq.m. and maintains an occupancy rate of 100.0 per cent. as at the date of this Offering Circular. It deals in over 100,000 products in a variety of categories of food including wine, drinks, canned fruit, ginseng, dried fruits, nuts, tea leaves, condiments and cooking oil.

Yiwu International Furniture City (义乌国际家居城)

Yiwu International Furniture City is primarily operated by Zhejiang Yiwu Forestry Development Co., Ltd. (浙江义乌林业开发有限公司), a member entity of the Market Group. It is the largest furniture market in Yiwu, dealing in various products including hardware, flooring, staircases, kitchen cabinets, tiles and bathroom facilities. It comprises four districts:

- **District 1.** Opened in October 2008, District 1 is a five-storey complex with two underground storeys that covers a total area of approximately 53,333 sq.m. and a GFA of approximately 160,000 sq.m. It has a total leasable area of approximately 101,300 sq.m. and has an occupancy rate of 100.0 per cent., hosting approximately 400 booths.

- **District 2.** Opened in early 2016, District 2 covers a GFA of approximately 80,000 sq.m. It has a total leasable area of approximately 38,978 sq.m. and has an occupancy rate of 100.0 per cent., hosting 633 booths.

- **District 3.** Opened in May 2014, District 3 covers a GFA of approximately 100,000 sq.m. It has a total leasable area of approximately 76,068.44 sq.m. and has an occupancy rate of 100 per cent., hosting 1,150 booths.

- **District 4.** Opened in May 2024, District 4 covers a GFA of approximately 110,000 sq.m. It has a total leasable area of approximately 38,994 sq.m. and has an occupancy rate of 100.0 per cent., hosting 106 booths.

Central Zhejiang Agricultural Products Logistics Centre (浙中农副产品物流中心)

The Central Zhejiang Agricultural Products Logistics Centre is a "Shopping Basket Program" (菜篮子工程) benefiting agriculture, rural areas, and farmers. It is also listed as a major industrial project and a key project in Zhejiang Province. It is a modern agricultural product complex meticulously developed by Yiwu Market Development Group Co., Ltd. (义乌市市场发展集团有限公司), leveraging years of experience in trade market operations. The project has an estimated investment of RMB508.0 million, covering an area of approximately 200 mu, with a total construction area of approximately 180,000 sq.m. The layout includes eight trading buildings, three auxiliary buildings, a whole vehicle trading area, and a high-rise business centre, along with facilities such as an agricultural product testing centre, an electronic settlement centre, and a waste harmless treatment centre.

The market was opened on 29 December 2016, and currently has over 400 operators. The products involved include vegetables, aquatic products, frozen goods, fresh meat, poultry eggs, and condiments. The various agricultural and sideline products sold come from excellent production bases across the country, with products reaching Jinhua, Taizhou, Shaoxing, Hangzhou, Lishui, and surrounding provinces such as Jiangxi and Anhui. In 2025, the market's transaction volume was approximately RMB5.7 billion, with a trading volume of approximately 1 million tons. On average, approximately 104 large vegetable trucks (about 1,500.0 tons), approximately 60.0 tons of fresh meat, and approximately 11.0 tons of poultry eggs enter the market daily.

Commodity Trading Business

The Group's commodity trading business, primarily operated by the Market Group (including CCC Holdings and the CCC Group), the Urban Investment Group and the Transportation and Tourism Group, is ancillary to the market operation business and mainly consists of sale of household goods, building materials, oil and non-ferrous metals. Majority of the commodities has been exported. Profit in commodity trading business is obtained through the difference between the purchase price and the selling price. The Group has been reducing its costs and increasing its profitability by tracking product price fluctuations and strategically buying at lows and selling at highs.

Types of Goods

The Group's commodity trading business mainly consists of the sale of household goods, building materials, oil and non-ferrous metals:

- *Household Goods*. The sale of household goods is mainly conducted by the CCC Group, primarily through its member entities, Yiwu China Commodity City Supply Chain Management Co., Ltd. (义乌中国小商品城供应链管理有限公司) and Zhejiang Yiwu China Commodity City Import and Export Co., Ltd. (浙江义乌中国小商品城进出口有限公司). They provide a variety of goods in the fields of home life, beauty and skin care, maternal and child products, snacks and beverages, entertainment and cultural creation, toys and digital products, and cross-border goods.

- *Building Materials*. The sale of building materials is mainly conducted by the Construction Investment Group (primarily through Yiwu Dingfu Trading Co., Ltd. (义乌市鼎富贸易有限公司)) and the Urban Investment Group (primarily through Yiwu Urban Investment Supply Chain Management Co., Ltd. (义乌市城投供应链管理有限公司)), and includes sale of goods such as steel and concrete.

- *Oil*. The sale of oil is mainly conducted by the Urban Investment Group (primarily through Yiwu Sinopec Operation Co., Ltd. (义乌市中国石化经营有限责任公司)) and the Transportation and Tourism Group (primarily through Yiwu Transportation and Tourism Integrated Energy Sales Co., Ltd. (义乌市交旅综合能源销售有限公司)), and includes retail of diesel, gasoline and liquefied natural gas.

- *Non-ferrous Metals*. The sale of non-ferrous metals is mainly conducted by CCC Holdings and includes sale of goods such as electrolytic copper and aluminium ingots.

Among different types of goods, the sale of household goods and non-ferrous metals accounts for the majority in terms of their operating income, and operating income from sale of household goods and non-ferrous metals amounted to approximately RMB10.0 billion and RMB4.9 billion, respectively, for the year ended 31 December 2025.

Apart from the above, the Group also conducts the sale of goods such as electronic devices, grain, minerals, hardware products, machinery and civil explosive equipment. Sale of grain is mainly operated by Yiwu Grain Storage Co., Ltd. (义乌市粮食收储有限公司), sale of electronic devices, minerals, hardware products and machinery is mainly operated by Yiwu Dingfu Trading Co., Ltd. (义乌市鼎富贸易有限公司) and sale of civil explosive equipment is mainly operated by Yiwu Civil Explosive Equipment Franchise Co., Ltd. (义乌市民爆器材专营有限公司).

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its commodity trading business of RMB12,675.1 million, RMB15,404.2 million and RMB18,377.6 million, respectively, representing 36.1 per cent., 43.0 per cent. and 41.8 per cent., respectively, of its major business operating income for the same periods. The increase of operating income in 2024 is primarily due to the expansion in sales scale of the CCC Holdings and its supply chain companies.

CCC Holdings

CCC Holdings was established in 2019 and is currently the controlling shareholder of Zhejiang China Commodities City Group Co., Ltd. (浙江中国小商品城集团股份有限公司). Since May 2020, CCC Holdings has carried out the bulk commodity trading business including the electrolytic copper and aluminium ingots bulk trading. CCC Holdings' expansion into the bulk commodity trading business would increase the Group's source of revenue and diversify its operating risks. CCC Holdings hedges against severe price fluctuation or market volatility by taking advantage of futures market prices and prices its contracts by adding or subtracting premiums or discounts to the closing settlement price of the main contract of electrolytic copper and aluminium ingots on the Shanghai Futures Exchange (上海期货交易所) on each day.

Public Utilities Sector

Transportation Business

The transportation business is primarily operated by the Hengfeng Group, the Transportation and Tourism Group and the Urban Investment Group. It includes (i) bus transportation, (ii) taxi transportation, (iii) long-distance coach transportation, (iv) bus terminal operation, (v) expressway transportation and (vi) other associated businesses including vehicle maintenance, second-hand vehicle trade and parking services.

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its transportation business of RMB383.9 million, RMB402.7 million and RMB513.1 million, respectively, representing 1.1 per cent., 1.1 per cent. and 1.2 per cent., respectively, of its major business operating income for the same periods.

The following table sets out a breakdown of the operating income for the Group's transportation business for the periods indicated:

	For the year ended 31 December					
	2023		2024		2025	
Transportation business	**Amount**	**(%)**	**Amount**	**(%)**	**Amount**	**(%)**
	(RMB in millions, except for percentages)					
Bus transportation	77.8	20.3	65.5	16.3	51.7	10.1
Taxi transportation	27.0	7.0	16.8	4.2	18.0	3.5
Long-distance coach transportation	28.6	7.5	40.1	10.0	24.5	4.8
Bus terminal operation	6.3	1.6	5.8	1.5	11.2	2.2
Expressway operation	128.5	33.5	133.0	33.0	179.6	35.0
Others	115.7	30.1	141.5	35.0	228.1	44.4
Total	**383.9**	**100.0**	**402.7**	**100.0**	**513.1**	**100.0**

Bus Transportation

The Group's bus network connects to the core area of Yiwu and its suburban counties. As at 31 December 2025, the Group owned 916 buses operating 192 routes, covering 3,693.0 kilometres.

The Group's public transportation business has experienced a decline in operating income during recent years. This is mainly due to the increasing usage of private cars and the popularity of other means of transportation such as public and shared bicycles. Due to the public service nature of the bus transportation business, fares are regulated by the government in order to implement a low fare policy.

The operating cost of the Group's transportation business primarily includes bus purchase costs, fuel costs and labour costs, which in aggregate is usually higher than the fare income earned. In addition, transportation business is subject to government price controls and the Group's ability to set or raise the prices is significantly limited. The Group thus incurs losses in transportation business and receives funds and grants from the Yiwu Municipal Government for compensation.

Taxi Transportation

As at 31 December 2025, the Group owned and operated approximately 367 taxis throughout Yiwu. The Group's taxi transportation business is conducted under the responsibility evaluation model (责任制考核模式), where the Group retains the operating rights of the vehicles and it assigns vehicles to the taxi drivers for operation and regularly conducts assessment. Costs from electricity, fuel and traffic penalty expenses are borne by the drivers and the drivers retain

income generated from their operations. The Group bears other costs including vehicle depreciation, operation license application fee, annual and quarterly inspection fee, daily maintenance and repair costs. Additionally, drivers are required to pay to the Group a fixed amount each month as operating revenue as well as an insurance fee.

Long-distance Coach Transportation

The Group's long-distance coach transportation business is mainly operated by Hengfeng Transportation's subsidiary, Yiwu Hengfeng Long-distance Transportation Co., Ltd. (义乌恒风长途客运有限公司). The Group's long-distance transportation network covers seven provinces or cities across China, with the main routes connecting Yiwu to Hangzhou and Ningbo in Zhejiang Province. As at 31 December 2025, the Group owned approximately 85 long-distance coaches operating 41 routes.

The Group's long-distance coach transportation business is operated through the self-operating model and the responsibility evaluation model (责任制考核模式). Under the self-operating model, the Group purchases vehicles, hires drivers and crew and conducts training for them. The drivers and crew members are the Group's employees and receive salaries from the Group. The Group bears all the costs and receives all the revenue from operation. Under the responsibility evaluation model, the Group purchases vehicles and selects operators. The Group will enter into operating contract with the operators with term typically of one year, except the term for new operating contract of three years, where the operators agree to be responsible for their own profits and losses from operation and pay to the Group an evaluation fee and a quality guarantee deposit arranging from RMB150,000 to RMB250,000. The Group evaluates an operator from the dimensions of operating performance, safety, service quality, fees and expenses incurred. Any operator who does not meet the standards will be terminated the cooperation immediately or lose the chance to renew the operating contract upon expiry.

Bus Terminal Operation

As at 31 December 2025, the Group owned and operated one bus terminal, namely International Trade City Long-distance Bus Terminal (国际商贸城长途客运中心). The Group charges service fees, bus station fees and parking management fees to buses from other bus operation companies that are parked in this bus terminal.

Expressway Operation

The Group's expressway operation primarily refers to the operation of the Yiwu-Dongyang Expressway (义乌至东阳高速公路). The Yiwu-Dongyang Expressway was constructed and operated by the Transportation and Tourism Group and was put into operation in January 2018. The Yiwu-Dongyang Expressway is a key project in Zhejiang Province with a main line about 21.6 kilometres long and a design speed of 100 kilometres per hour. The Group collects tolls for vehicles passing through this expressway by their model and mileage.

Others

The Group's transportation business also includes other businesses, such as vehicle maintenance, second-hand vehicle trade and parking services. The vehicle maintenance covers repair and maintenance, comprehensive performance testing, exhaust emission testing and full technical inspection. The second-hand vehicle trade covers the leasing of second-hand vehicle shops and markets, trading of second-hand vehicles and leasing of office buildings. The parking business covers the operation of parking lots and roadside parking.

Water-related Business

The Group's water-related business is primarily operated by the Water Group, which is the sole urban water management entity in Yiwu. Its operations encompass four main areas, namely water supply services, wastewater treatment, water-related infrastructure construction and hydraulic engineering. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its water-related business of RMB1,175.3 million, RMB1,239.4 million and RMB1,030.1 million, respectively, representing 3.3 per cent., 3.5 per cent. and 2.3 per cent., respectively, of its major business operating income for the same periods.

The following table sets out a breakdown of the operating income for the Group's water-related business for the periods indicated:

	For the year ended 31 December		
Water-related business	**2023**	**2024**	**2025**
		(RMB in millions)	
Water supply	450.7	495.7	509.4
Sewage treatment	269.4	324.3	262.4
Water-related infrastructure construction	394.1	374.7	211.4
Hydraulic engineering	61.1	44.7	47.0
Total	**1,175.3**	**1,239.4**	**1,030.1**

Water supply

Water supply is the core of the Group's water-related business. The Group distributes water to the urban areas in Yiwu as well as the surrounding rural areas. The Group operates eight water plants, covering the central districts as well as the western and northern districts in Yiwu, with an aggregate water supply capacity of 930,000 tonnes per day (comprising base supply capacity of 800,000 tonnes per day, additional supply capacity of 30,000 tonnes per day with water diverted from Pujiang (浦江) and additional supply capacity of 100,000 tonnes per day with water diverted from Jinhua (金华)). The Group supplies water to an area of approximately 260 sq.km., serving 533 villages in total.

The water price that the Group charges comprises the benchmark water price, resource fees and sewage fees. It differs according to different uses of water. The water bills can be paid in a number of ways, such as cash payments, online banking payments or automatic charges from certain co-operative banks.

The following table shows a breakdown of the water price that the Group charges by water usage as at 31 December 2025:

		Composition of water price	
Usage	**Water price charged to users**	**Benchmark water price**	**Sewage fees**
		(RMB per tonne)	
Residential	3.15	2.20	0.95
Non-residential	5.30	3.60	1.70
Special usage	7.50	5.80	1.70

The following table shows the breakdown of water supply volume by water usage for the periods indicated:

	For the year ended 31 December					
	2023		2024		2025	
	Amount	**(%)**	**Amount**	**(%)**	**Amount**	**(%)**
	(RMB in millions, except for percentages)					
Residential	80.9	51.0	88.4	50.7	95.2	53.4
Non-residential	79.6	48.2	85.0	48.8	82.1	46.0
Special usage	0.8	0.8	0.9	0.5	1.0	0.6
Total	**161.3**	**100.0**	**174.2**	**100.0**	**178.3**	**100.0**

Sewage treatment

The sewage treatment business is primarily conducted by Yiwu Water Treatment Co., Ltd. (义乌市水处理有限责任公司), a member entity of the Water Group. It undertakes the treatment of all the residential sewage in Yiwu as well as some industrial sewage. As at 31 December 2025, it operates ten sewage treatment plants, with an aggregate sewage treatment capacity of 750,000 tonnes per day.

The Group's revenue from sewage treatment is generated under a "review-allot" model. The Group collects sewage treatment fees from residents on a monthly basis according to the sewage treatment fee standards published by the government. The total amount is reported to the Yiwu Municipal Government for review and approval based on its drainage costs and operating income. The approved amount will be allotted to the Group as its operating income.

The following table sets out the sewage treatment fee standards by water usage as at 31 December 2025:

Usage	Price
	(RMB per tonne)
Residential	0.95
Industrial	1.70
High-polluting industrial	2.50
Non-industrial enterprise	1.70
Special usage	1.70

Water-related infrastructure construction

The Group undertakes construction of various water-related infrastructure, including drainage facilities, pipelines and water supply facilities, primarily through Yiwu Tap Water Installation Engineering Co., Ltd. (义乌市自来水安装工程有限公司), a member entity of the Water Group.

The Group constructs its own projects as well as contracting projects for its clients. In terms of the revenue from water-related infrastructure construction, part of it comes from fees charged by providing pipeline laying and pipeline installation services, and another part comes from agent fees charged for subcontracting local water engineering projects.

Hydraulic engineering

The Group also undertakes hydraulic engineering primarily through Yiwu Water Conservancy Engineering Management Co., Ltd. (义乌市水利工程管理有限公司), a member entity of the Water Group. The Group's revenue is obtained from the raw water sales and hydropower generation, which are generated through the operation and management of its water plants. In addition to its own water supply business, the Group also supplies raw water source to Yiwu Third Tap Water Co., Ltd. (义乌市第三自来水有限公司) and some local printing and dyeing enterprises.

Infrastructure Construction Business

The infrastructure construction business is primarily conducted by the Urban Investment Group, the Landport Group and the Transportation and Tourism Group. It comprises urban infrastructure construction operated by the Urban Investment Group, construction and maintenance of roads, highways and railways operated by the Transportation and Tourism Group, and construction and management of market and logistics parks with their supporting infrastructure operated by the Landport Group.

The Group's infrastructure construction business is primarily conducted under the agency construction model and agency development model. Under such models, the Group enters into an entrusting construction or development agency agreement with entrusting parties including the Yiwu Municipal Government and other governmental authorities, where the Group is responsible for project funding and financing, project initiation and declaration, as well as project

construction and management. Revenue of each project will be recognized annually according to the project construction progress by end of each year and in consideration of factors such as the length of construction period, project quality, construction safety and cost control. Such amount will be equivalent to the sum of the total construction costs and expenditures for the relevant project plus an entrusted management fee as agreed in the entrusting construction or development agency agreement. Upon completion, inspection and acceptance of a project, the entrusting parties will buy back the projects and the associated operating rights will be transferred to the entrusting parties accordingly.

As at 31 December 2025, the Group had approximately 31 major projects under construction. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its infrastructure construction business of RMB692.6 million, RMB1,099.4 million and RMB1,171.2 million, respectively, representing 2.0 per cent., 3.1 per cent. and 2.7 per cent., respectively, of its major business operating income for the same periods.

Property Development Sector

Property Development Business

The Group's property development business includes construction and development of affordable housing and non-affordable housing. The affordable housing business focuses on development of new urban and rural communities and revitalization of existing urban areas and the non-affordable housing business mainly involves construction and development of residential properties, as well as some other commercial and industrial real estates.

The affordable housing business is conducted by the Construction Investment Group (mainly through Xiuhu Real Estate) and the non-affordable housing business is conducted by the CCC Group (mainly through CCC Property), the Hengfeng Group (mainly through Shenzhou Property), the Construction Investment Group (mainly through Xiuhu Real Estate) and the Transportation and Tourism Group (mainly through Transportation Property).

The following table sets out the development qualifications of the operating entities for the property development business:

Subsidiary	Qualification
CCC Property	Property Development Qualification Certificate (Class 1)
Shenzhou Property	Property Development Qualification Certificate (Class 2)
Xiuhu Real Estate	Property Development Qualification Certificate (Class 2)
Transportation Property	Property Development Qualification Certificate (Class 2)
Yiwu Runze Property Co., Ltd. (义乌市润泽置业公司)	Property Development Qualification Certificate (Class 2)

Subsidiary	Qualification
Yiwu Xiucheng Engineering Management Co., Ltd. (义乌市绣诚工程管理有限公司)	Qualification for Municipal Public Works and Building Engineering Supervision and Management (Grade A)
Yiwu Construction Investment Engineering Development Co., Ltd. (义乌建投建设发展公司) . . .	Property Development Qualification Certificate (Class 2), Qualification for Building Decoration Engineering Professional General Contracting (Class 1), Qualification for Municipal Public Works General Contracting (Class 2), Qualification for Building Engineering General Contracting (Class 2)

As at 31 December 2025, the Group had five affordable housing projects under construction, with an estimated total investment of RMB7.0 billion and an aggregate saleable area of 825,200 sq.m., and eleven non-affordable housing projects under construction, with an estimated total investment of RMB23.0 billion and an aggregate saleable area of 1,130,900 sq.m. For the year ended 31 December 2025, the operating income generated from the Group's property development business for affordable housing and non-affordable housing accounted for approximately 19.1 per cent. and 80.9 per cent. of the total operating income from the Group's property development business.

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its property development business of RMB13,426.9 million, RMB9,089.3 million and RMB12,583.5 million, respectively, representing 38.2 per cent., 25.4 per cent. and 28.6 per cent., respectively, of its major business operating income for the same periods.

Affordable Residential Property

The affordable residential properties feature the concept of "agglomeration of urban and rural communities", which focus on all the villages within the scope of Yiwu's urban construction planning. It is intended to push forward the urbanisation of the rural communities in Yiwu by constructing contiguous high-rise residential properties, as well as developing industrial buildings and commercial and residential properties, ultimately to boost the prosperity and to promote the social welfare of Yiwu.

The Group has adopted four profit models for different batches of affordable residential property projects: (1) *First batch*. The Group carries out the construction of affordable residential properties in accordance with the government plan, and sells the properties to the targeted resettled residents at the government-guided price. Since the government-guided price is lower than the overall cost, the Group submitted the "Request for Funding Balance of New Community Agglomeration Construction Projects (关于新社区集聚建设项目资金平衡的请示)" on 29 December 2017 (Yishetou Group [2017] No. 108), applying to make the difference between income and expenditure on account, which would be balanced by subsequent government subsidies. The Yiwu Municipal Government approved the above proposal on 11 February 2018; (2) *Second batch*. The Group enters into purchase service agreement with the Yiwu City

Management Committee (义乌城市管理委员会), with the consideration consisting of (i) construction costs, financial expenses and management fees (capped at 2 per cent. of the total costs) or (ii) the settlement fees paid out by the Group. The consideration is paid by fiscal funds annually. The Group obtains land use rights mainly by participating in public tenders, auctions and listing-for-sales to acquire land use rights from the government. The Construction Investment Group recognises revenue after Yiwu City Management Committee inspects and accepts the properties; (3) *Third batch*. The Group enters into agency agreement with Yiwu Housing and Urban-Rural Development Bureau (义乌市住房和城乡建设局) for entrusted construction. The Group manages the preliminary and construction phases and receives from the entrusting party the construction and management fees (arranging from 0.4 per cent. to 2 per cent. of the total costs). Revenue is recognised after the project is completed, inspected and delivered to the entrusting party; and (4) *Fourth batch*. The Group will sign construction agreements with managing authorities of subdistricts where the resettlement project is located. The cost will be constituted by costs including but not limited to actual investments and financial expenses which will be funded by the Group. The managing authorities of the relevant subdistricts will determine the price of the resettlement housing and will pay for the difference between the costs and the resettlement price. As at the date of the Offering Circular, the agreements in relation to the fourth batch of resettlement housing have not been signed and the fee calculation, as well as the method of revenue recognition are subject to further changes.

Non-Affordable Residential Property

The non-affordable residential properties mainly include the development and construction of residential properties, and also a few commercial properties, industrial properties and other properties. The Group's non-affordable residential properties development is mainly divided into two categories, namely independent development and cooperative development. Under the cooperative development model, all parties enter into a cooperative development agreement and provide financial support in accordance with the equity ratio of the project company. The project company is responsible for the overall operating plan, including initial stage planning, construction, sales and operation management. Under the independent development model, which is more frequently adopted, the project company is directly responsible for all property constructions. The Group adopts multi-departmental coordination to improve efficiency, including development department, product centre and engineering project construction management department.

Construction cost is generally paid monthly to the construction contractor and the amount is approximately 80 per cent. to 85 per cent. of the work completed. In addition, 10 per cent. to 15 per cent. of the construction cost will be used as the deposit and the remaining 5 per cent. will be used as the project quality guarantee deposit, which will be paid after the quality guarantee period.

Property development process

The Group's property development process typically involves the following:

- ***Acquisition of land:*** The Group obtains land use rights mainly by participating in public tenders, auctions and listing-for-sales to acquire land use rights from the government, establishing joint venture enterprises with companies that own or will likely obtain land use rights, and investing in or acquiring companies that own land use rights.

- ***Selection of surveying company:*** In general, the Group pre-selects several credible surveying companies for a comprehensive evaluation and select the winning company through tender process.

- ***Selection of design firm and design plan:*** The Group evaluates prospective design firms' qualifications, past performance records and capabilities, and selects the winning design firm by means of tender or direct engagement. The Group's expert team then evaluates the design firm's designs.

- ***Selection, management and inspection of construction company:*** The Group conducts a preliminary evaluation and requests selected enterprises to participate in on-site investigations, answer queries and submit tender documents. The Group selects the winning construction enterprise through a tender. The Group generally includes quality assurance provisions into the construction contract. The construction enterprise is required to provide a quality performance project bond to the Group and allows it to withhold a proportion of its payment as retention funds during the warranty period. The Group examines the construction quality according to the quality provisions in the construction contracts. The construction enterprise may be required to rectify its work if the quality is found to be unsatisfactory.

- ***Selection of supervision company:*** The Group conducts a preliminary evaluation of the qualifications of supervision enterprises, and invite qualified enterprises to submit tender documents. The Group selects supervision enterprises through an evaluation and tender process.

Procurement and supplies

Construction materials and equipment are the principal supplies required to develop a property. The construction materials that the Group needs primarily include reinforcing steel bars, cement, building decorative materials, landscaping materials and equipment. The equipment that the Group needs primarily includes elevators, fire-fighting equipment, ventilation and air-conditioning equipment. The Group's procurement of construction materials and equipment is primarily conducted through the following methods:

- ***Direct procurement:*** The Group has two levels of direct procurement, namely central procurement and procurement by individual project companies. The Group procures in bulk primarily by way of public tenders and developing a strategic cooperation relationship with suppliers who have passed its internal assessments. In addition to strategic procurement, the

Group's project companies also directly procure certain materials within the scope authorised by its headquarters. Review and approval by the relevant department of the Group's headquarters are required if a proposed procurement goes beyond the authorised scope.

- ***Procurement by the construction company:*** General contractor specialised subcontractors also procure construction materials and equipment. The general contractor of a project procures construction materials, pursuant to the construction contracts and with its confirmation, including steel, cement, fire-fighting equipment, ventilation and air-conditioning equipment. In order to maintain quality control, the Group and construction companies jointly conduct an inspection of suppliers and review the quality standards of the products to ensure their quality. The Group also supervises the selection of products by the construction companies through open bidding. Specialised subcontractors are mainly responsible for procuring materials for computerisation or automation, specialised engineering areas and public facilities. To ensure product quality, project companies conduct qualification assessment and price assessment. The Group's headquarters generally conduct the assessments instead for areas beyond the authorised scope of the project companies.

Licences and sales

With respect to the development of the Group's commercial and residential properties, the Group conducts in-depth market analysis to understand market price and other trends in the property market before commencing or launching a property development project. Once the Group identifies a suitable parcel of land, it participates in public tender, auction or listing-for-sale to obtain the right to develop the land, and begins applying for the various permits and licences that the Group needs for the construction and sale of properties, including a real property ownership certificate (不动产权证), construction land planning permit (建设用地规划许可证), construction works planning permit (建设工程规划许可证), construction works commencement permit (建筑工程施工许可证) and commodity property pre-sale permit (商品房预售许可证).

Sale of commodity properties includes both pre-completion sales (pre-sale) and post-completion sales. In line with market practice, the Group pre-sells properties prior to completing construction. The pre-sale of commodity properties is subject to a licensing system, and a property development enterprise intending to sell a commodity property before its completion shall register with the property development authority at city or county level to obtain a pre-sale permit. Income from the pre-sale of commodity properties must be used for the construction of the relevant projects.

After-sale services

The Group generally assists its customers in obtaining their individual property ownership certificates. The Group's commercial and residential properties are managed by independent professional property management companies that it selected. The Group supports and oversees the property management companies' operations including their services provided to property customers and their handling of complaints. Project companies for its commercial and residential properties also have specialised staff in charge of soliciting tenants and administering and auditing rental payments.

Other Businesses

Logistics and Warehousing Business

The Group's logistics and warehousing business is primarily conducted by the Landport Group, which carries out investment, construction and management of logistics parks, railway ports, air ports, the Cross-Border E-Commerce Regulatory Centre (跨境电子商务监管中心), the Yiwu Bonded Logistics Centre (义乌市保税物流中心) and the Land Port E-commerce Town (陆港电商小镇) in Yiwu. The logistics parks that the Landport Group operates host over 700 businesses with a safe and convenient network throughout the country, which has become one of the main logistics hubs in Zhejiang Province.

Yiwu International Landport Group Co., Ltd. (义乌市国际陆港集团有限公司) is a premium logistics company in China and has been recognised as "5A" logistics enterprise (5A物流企业) representing the highest level of logistics enterprise in China by the China Federation of Logistics and Purchasing (中国物流与采购联合会). It is a class two qualification enterprise for road freight transportation (道路货运二级资质企业) approved by the Ministry of Transport of the People's Republic of China (中华人民共和国交通部). It has been rated as a national logistics advanced collective (全国物流先进集体) by the Ministry of Human Resources and Social Security of the People's Republic of China (国家人力资源和社会保障部) and the China Federation of Logistics and Purchasing (中国物流与采购联合会). Its logistics station has been jointly designated as a key supported logistics park (重点扶持物流园区) by the Ministry of Transport and the Zhejiang Provincial Government, and it is also a key supported logistics base (重点扶持物流基地) designated by the Zhejiang Provincial Department of Transport (浙江省交通运输厅). In response to the "One Belt, One Road" initiative, the Group's logistics and warehousing business improves the logistics warehousing infrastructure in Yiwu and thereby facilitates the domestic and cross-border commodity trade in Yiwu.

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its logistics and warehousing business of RMB435.3 million, RMB464.7 million and RMB483.8 million, respectively, representing 1.2 per cent., 1.3 per cent. and 1.1 per cent., respectively, of its major business operating income for the same periods.

The following table shows the capacity of the logistics parks in operation as at 31 December 2025:

Logistics park	Area	Storage area	Average cargo capacity for 2023, 2024 and 2025
	(sq.m.)	*(sq.m.)*	*(thousand tonnes)*
Jiangbei Xiazhu Cargo Market (江北下朱货运场)	27,000	29,920	2,203.3
Yiwu Tariff-free Logistics Centre (义乌保税物流中心)	96,839	79,816	266.6
Domestic Expressway Port Logistics Centre (国内公路港物流中心)	677,089	417,105	5,267.1
Qingkou Logistics Centre (青口物流中心)	66,265	73,709	3,031.7
Futian Logistics Centre (福田物流中心)	34,840	37,976	1,531.6

Hotel Operation Business

The Group's hotel operation business is primarily operated by the Market Group and the CCC Group. The Group currently operates seven hotels, including Yiwu Xingfu Lake International Conference Centre (义乌幸福湖国际会议中心) (a five-star hotel) which is owned by the Market Group and operated by the CCC Group, and Expo Crowne Plaza Hotel (国际博览中心酒店) (a five-star hotel), Yandoo Jin Hotel Yiwu (璟悦大畈民宿酒店) (a high-end homestay) and four other star-rated hotels, namely Ocean Hotel (海洋酒店), Yindu Hotel (银都酒店), Shangcheng Hotel (商城宾馆) and Yayue Hotel (雅悦酒店), which are all owned and operated by the CCC Group. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its hotel operation business of RMB427.9 million, RMB400.0 million and RMB436.4 million, respectively, representing 1.2 per cent., 1.1 per cent. and 1.0 per cent., respectively, of its major business operating income for the same periods.

The following table shows the average occupancy rate of the hotels for the periods indicated:

Hotel	For the year ended 31 December		
	2023	2024	2025
	(per cent.)		
Yiwu Xingfu Lake International Conference Centre (义乌幸福湖国际会议中心)	46.7	44.9	38.1
Ocean Hotel (海洋酒店)	50.6	56.4	61.1
Yindu Hotel (银都酒店)	83.5	82.7	82.4
Shangcheng Hotel (商城宾馆)	65.5	64.3	66.3
Expo Crowne Plaza Hotel (国际博览中心酒店)	43.5	48.3	56.0
Yayue Hotel (雅悦酒店)	37.0	47.9	45.4
Yandoo Jin Hotel Yiwu (璟悦大畈民宿酒店)	11.1	7.0	5.4

Exhibition and Advertisement Business

The Group's exhibition and advertisement business is conducted by the CCC Group, the Hengfeng Group and the Urban Investment Group. The Group hosts and organises domestic and international trade fairs in Yiwu and engages in advertising design, production and operation.

The Group has successfully hosted a series of significant international trade exhibitions such as the China Yiwu International Commodity Fair (中国义乌国际小商品博览会), the China Yiwu International Forest Products Expo (中国义乌国际森林产品博览会), the China Yiwu International Import Commodities Fair (中国义乌国际进口商品博览会) and the Yiwu Hardware and Electrical Appliances Expo (义乌五金电器博览会). China Yiwu International Commodities Fair (中国义乌国际小商品博览会), held in October annually, has grown into a worldwide renowned trade fair recognised by the Global Association of the Exhibition Industry. In 2025, the Group has hosted 27 trade affairs with over 11,442 participating enterprises achieving a total sales volume of approximately RMB36.3 billion.

In terms of the advertisement business, the CCC Group mainly operates billboards for trade fairs and commodity markets, the Hengfeng Group mainly engages in public transport vehicles advertising such as bus shelter advertising, train station advertising and advertising on bus televisions, and the Urban Investment Group focuses on urban outdoor billboards operation. The Group owns the exclusive advertising rights for the Huangyuan Garment Market (篁园服装市场), the Binwang Market (宾王市场), the Yiwu International Trade City (义乌国际商贸城) and the Yiwu International Convention and Exhibition Centre (义乌国际博览中心).

For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its exhibition and advertisement business of RMB185.0 million, RMB162.3 million and RMB236.9 million, respectively, representing 0.5 per cent., 0.5 per cent. and 0.5 per cent., respectively, of its major business operating income for the same periods.

Others

The Group also conducts some miscellaneous business including intermediary services, housing rental, security services, guarantee services, property management, sale of waste materials, labour services and leasing, port services and movie box office business. For the years ended 31 December 2023, 2024 and 2025, the Group generated operating income from its all other miscellaneous businesses of RMB2,007.9 million, RMB2,320.0 million and RMB3,157.7 million, respectively, representing 5.7 per cent., 6.5 per cent. and 7.2 per cent., respectively, of its major business operating income for the same periods.

RISK CONTROL

The Group has implemented a risk control system and measures to lower operational and investment risks. The risk control system covers different aspects of its operations, including financial management, capital management, investment and financing management, external guarantee, connected transaction and information disclosure. The Group's internal control and risk management policies clearly set out the responsibilities, rights and limitations of each department and role. This systematic approach has helped the Group to manage its business in a disciplined manner.

OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION

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

The Group is subject to environmental laws and regulations governing air and gas pollution, noise emissions, hazardous substances, water and waste discharge and other environmental matters issued by the governmental authorities in the PRC. The Group believes that it is in compliance in all material respects with applicable environmental laws and regulations. As at the date of this Offering Circular, the Group has not encountered any material issues relating to environmental matters or been subject to any administrative penalties that could have a material adverse effect on its financial condition or results of operations.

COMPETITION

The Group is the primary state-owned asset operating platform in Yiwu and serves as an investment and financing platform for state-owned enterprises in Yiwu. The Group is positioned as a major force in operating the Yiwu Small Commodity Market (义乌小商品市场), promoting the state-owned enterprise reform in Yiwu and implementing Yiwu's strategic blueprint for industrial investments and upgrades. The Group competes with local companies in other regions of China and international companies capturing business opportunities in China. Some of these

companies have significant financial resources, marketing and other capabilities. Some of the PRC local companies have extensive local knowledge and business relationships and a longer operational track record in the relevant local markets than the Group and many medium to large-sized cities have a greater capacity to support construction and operation of wholesale markets compared to Yiwu. The international companies are able to capitalise on their overseas experience to compete in the PRC markets. Competition also comes from online business. With the growth of e-commerce and digital platforms for wholesale, consumers increasingly prefer online interactions. While physical wholesale operations continue, they are adapting to a future shaped by digital-first experiences, the growth of direct-to-consumer models by manufacturers, and increased mergers and acquisitions within the wholesale distribution sector.

For the transportation business, the Group competes with private transportation available in the city, principally private vehicles. Car-hailing apps have thrived in many cities across China in recent years, including Yiwu, and offer cheaper and faster rides by private drivers for people looking for transport. In the sectors of property development and business segments of logistics and warehousing, hotel operation and exhibition and advertisement, the Group faces competition with market participants. These companies may have extensive expertise and industry knowledge and business relationships and a longer operational track record in the relevant markets than the Group. The international companies are able to capitalise on their overseas experience to compete in the PRC markets. For details, please see "*Risk Factors – Risks relating to the Group's Business – The Group faces competition in the markets in which it operates, which may adversely affect its business and results of operations"* and "*Risk Factors – Risks relating to the Group's Business – Competition from other forms of private transportation may adversely affect the Group's transportation business"*.

EMPLOYEES

As at the date of this Offering Circular, the Group has over 17,478 employees.

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

INSURANCE

The Group is required to obtain contractors all-risk and third-party liability insurance for most of the projects it undertakes. Such policies generally extend for the entire contract period, including the maintenance period following completion of the project. In addition, the Group generally purchases insurance for its fixed assets, such as its key equipment, stock and office buildings. The Group also purchases pension insurance, unemployment insurance and medical

insurance for its employees according to the relevant PRC laws and regulations. The Group maintains insurance coverage in amounts that it believes are commensurate with its risk of loss and industry practice. Consistent with what the Group believes to be customary practice in the PRC, it does not carry any business interruption insurance, key-man insurance or insurance covering potential environmental damage claims. Such insurance is not mandatory under the laws and regulations of the PRC, and such insurance is either unavailable in the PRC or requires substantial cost.

LEGAL PROCEEDINGS AND REGULATORY COMPLIANCE

The Group is from time to time involved in disputes and legal proceedings arising in the ordinary course of its business. To the best of its knowledge, there are no current litigation or arbitration proceedings against the Group or any of its directors as at the date hereof that could have a material adverse effect on its financial condition or results of operations.

DIRECTORS

The Issuer's Board currently consists of seven members. The directors, except for the employee director, are all nominated by the Yiwu Municipal Government. The Board is primarily responsible for crafting business plans and investment proposals, formulating annual financial budgets and making decisions on material issues including merger, division, change of corporate form and dissolution.

The following table sets out certain information in respect of the members of the Board:

Name	Year of Birth	Position
LOU Yuejin (楼跃进)	1979	Chairman of the Board
WU Zhiqiang (吴志强)	1978	Deputy chairman of the Board, general manager
YU Shan (虞山)	1992	Employee director
ZHU Xiaoling (朱小玲)	1982	External director
CEN Luhan (岑璐寒)	1996	External director
ZHOU Yongjun (周拥军)	1971	External director
YANG Sufen (杨苏芬)	1973	External director

Mr. LOU Yuejin (楼跃进) was born in September 1979. He has been serving as the chairman of the Board and Secretary of the Party Committee of the Issuer since August 2025. Mr. Lou previously served as deputy director and director of industrial division in Yiwu Municipal Government Office (义乌市府办工业科), deputy director and director of Yiwu Data Management Centre (义乌市资料管理中心), deputy director and a member of Chinese Communist Party committee of Yiwu Municipal Government Office (义乌市府办). Mr. Lou holds a bachelor's degree.

Mr. WU Zhiqiang (吴志强) was born in February 1978. He has been serving as the Issuer's deputy chairman of the Board and general manager since May 2024. Mr. Wu previously served as head of the infrastructure section of Yiwu Finance Bureau (义乌市财政局基建科), director of the Yiwu Local Government Debt Management Office (义乌市地方政府债务管理办公室), deputy director of Financial Work Office of Yiwu (义乌市金融工作办公室) and deputy director of Yiwu Finance Bureau (义乌市财政局). Mr. Wu holds a master's degree and is a member of Jiu San Society (九三学社).

Mr. YU Shan (虞山) was born in December 1992. He has been serving as the Issuer's employee director since May 2026 and is a member of the Chinese Communist Party. Mr. Yu previously served as deputy director of the general office of Yiwu Landport Investment and Development Co., Ltd. (义乌市陆港投资开发有限公司), and manager of the general department and deputy general manager of Yiwu Education Development Co., Ltd. (义乌市教育发展有限公司). Mr Yu holds a bachelor's degree.

Ms. ZHU Xiaoling (朱小玲) was born in April 1982. She has been serving as an external director and director of the audit committee of the Issuer since February 2026 and is a member of the Chinese Communist Party. Ms. Zhu previously served as a deputy director and director of the secretarial section of the general office of Yiwu Municipal Committee of Political Consultative Conference (义乌市政协办公室秘书科), an organisation committee member of the general Party branch of the organs of the Chinese People's Political Consultative Conference (政协机关党总支), and a member of the Party Committee and secretary of the Discipline Inspection Commission of Yiwu International Land Port Group Co., Ltd. (义乌市国际陆港集团有限公司). Ms. Zhu holds a postgraduate degree.

Ms. CEN Luhan (岑璐寒) was born in September 1996. She has been serving as an external director and a member of the audit committee of the Issuer since January 2026. Ms. Cen previously served as a project manager of Yiwu branch of Zhejiang Zhicheng Certified Public Accountants (Special General Partnership) (浙江至诚会计师事务所(特殊普通合夥)义乌分所), a financial staff of Yiwu Drainage Co., Ltd. (义乌市排水有限公司), and an expatriate supervisory commissioner of the Issuer. Ms. Cen holds a bachelor's degree.

Mr. ZHOU Yongjun (周拥军) was born in October 1971. He has been serving as an external director and a member of the audit committee of the Issuer since March 2026. Mr. Zhou previously served as a marketing manager of Yiwu Shenyi Real Estate Comprehensive Development Co., Ltd. (义乌市申义房地产综合开发有限公司) and a lawyer of Zhejiang Daping Law Firm (浙江大平律师事务所). He is currently the director of Zhejiang Jinzhen Law Firm (浙江近真律师事务所), vice president of Yiwu Lawyers Association (义乌市律师协会), vice chairman of Yiwu Lawyers Industry Trade Union (义乌市律师行业工会), vice chairman of Yiwu Federation of Social Sciences (义乌市社科联), an arbitrator of Jinhua Arbitration Commission (金华仲裁委员会), a deputy to the Jinhua Municipal People's Congress (金华市人大代表), and a member of the Supervisory and Judicial Committee of the Jinhua Municipal People's Congress (金华市人大监察和司法委员会).

Ms. YANG Sufen (杨苏芬) was born in May 1973. She has been serving as an external director and a member of the audit committee of the Issuer since March 2026. Ms. Yang previously served as the financial director of Zhejiang Hengbang Electrical Technology Co., Ltd. (浙江恒邦电气科技有限公司), vice president of Yiwu Accounting Association (义乌市会计协会), and director of the training committee of Yiwu Accounting Association (义乌市会计协会培训委员会). She is currently the director of Yiwu Junhe Tax Agent Co., Ltd. (义乌君合税务师事务所有限公司), general manager of Yiwu Yiyou Financial Consulting Co., Ltd. (义乌益友财务谘询有限公司), director of the training committee of Yiwu Accounting Association (义乌市会计协会培训委员会), a supervisor of Yiwu New Social Stratum Professionals Federation (义乌市新联会), and an evaluation expert for high-tech enterprise recognition of the Science and Technology Department of Zhejiang Province (浙江省科技厅).

SENIOR MANAGEMENT

The Issuer's senior management currently consists of five members and they are all nominated by the Yiwu Municipal Government. The senior management is accountable to the Board, and is primarily responsible for managing business operations and implementing business plans.

The following table sets out certain information in respect of the members of the Issuer's senior management:

Name	Year of Birth	Position
WU Zhiqiang (吴志强)	1978	Deputy chairman of the Board, general manager
WANG Chen (王晨)	1976	Deputy general manager
HU Xiaosheng (胡晓生)	1973	Deputy general manager
WANG Qiguang (王启光)	1990	Deputy general manager
LYU Suping (吕苏萍)	1985	Deputy general manager

Mr. WU Zhiqiang (吴志强) – see "– *Directors*".

Mr. WANG Chen (王晨) was born in February 1976. He has been serving as the general manager of the Issuer since June 2022 and he is a member of the Chinese Communist Party. He has served as the director of the finance office at Jiangdong Street Office in Yiwu City (义乌市江东街道办事处), the director of finance office and the director of party and government affairs at Fotang Town in Yiwu City (义乌市佛堂镇), and the general manager of Yiwu Talent Development Group Co., Ltd. (义乌市人才发展集团有限公司). Mr. Chen holds a bachelor's degree and is a senior economist.

Mr. HU Xiaosheng (胡晓生) was born in October 1973. He has been serving as the deputy general manager of the Issuer since June 2022 and is a member of the Chinese Communist Party. He previously held various positions, including deputy general manager of Zhejiang Hengfeng Transportation Co., Ltd. (浙江恒风交通运输股份有限公司), deputy manager and manager of the investment management department of the Issuer, manager of the financial management department of the Issuer, and concurrently served as general manager of Yiwu Property Rights Trading Co., Ltd. (义乌市产权交易所有限公司). Mr. Hu holds a master's degree.

Mr. WANG Qiguang (王启光) was born in November 1990. He has been serving as the deputy general manager of the Issuer since April 2025 and is a member of the Chinese Communist Party. He previously served as the deputy director of Yiwu Fiscal Project Budget Audit Centre (义乌市财政专案预算稽核中心), the deputy director of Yiwu Personnel and Education Division (Party Committee Office) (义乌市人事教育科(机关党委)), the director of the Yiwu Government Procurement Supervision Division (义乌市政府采购监管科), the director of the Government Offices Administration Bureau of the Office of Yiwu Municipal Government (义乌市人民政府办公室机关事务管理局) and a member of the Chinese Communist Party committee of the Office of Yiwu Municipal Government (义乌市人民政府办公室). As the deputy general manager of the

Issuer, Mr. Wang oversees the operation and management of Yiwu Free Trade Zone Investment and Development Co., Ltd. (义乌自由贸易区投资开发有限公司). Mr. Wang holds a bachelor's degree.

Ms. LYU Suping (吕苏萍) was born in June 1985. She has been serving as the deputy general manager of the Issuer since August 2025 and is a member of the Chinese Communist Party. She previously served as the deputy general manager and general manager of the finance department, the director of the discipline inspection office and deputy secretary of the discipline committee of the Issuer. Ms. Lyu holds a bachelor's degree and is an assistant accountant.

PBOC, the central bank of the PRC, sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. 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 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, 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 Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. On 11 August 2015, 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 PBOC on 11 August 2015, Renminbi depreciated significantly against the U.S. dollar. On 11 December 2015, CFETS, a sub-institutional organisation of PBOC, published the CFETS Renminbi exchange rate index for the first time which weighs the Renminbi based on 13 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. In January and February 2016, Renminbi experienced further fluctuations 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 International Monetary Fund announced on 30 September 2016 that the Renminbi has joined its Special Drawing Rights currency basket with effect from 1 October 2016. Such change and additional future changes may increase the volatility in the trading value of the Renminbi against foreign currencies.

The following table sets out the noon buying rates for U.S. dollars in New York City for cable transfers payable in Renminbi as certified by the Federal Reserve Bank of New York for customs purposes for and as at the periods indicated as set forth in the H.10 statistical release of the Federal Reserve Board.

	Noon Buying Rate			
Period	**Period End**	**Average[1]**	**High**	**Low**
		(Renminbi per U.S.$1.00)		
2021	6.3726	6.4382	6.5716	6.3435
2022	6.8972	6.7290	7.3048	6.3084
2023	7.0999	7.0896	7.3430	6.7010
2024	7.2993	7.1957	7.2993	7.0106
2025	6.9931	7.1875	7.3499	6.9931
November	7.0751	7.1069	7.1295	7.0751
December	6.9931	7.0432	7.0717	6.9931
2026				
January	6.9510	6.9692	6.9965	6.9462
February	6.8579	6.9064	6.9463	6.8409
March	6.8980	6.8921	6.9119	6.8655
April	6.8273	6.8371	6.8856	6.8157
May (through 15 May)	6.8092	6.8064	6.8300	6.7851

1 Annual and monthly averages are calculated by averaging the daily rates during the relevant period.

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

NDRC SUPERVISION

According to Circular 666, which was issued by the NDRC on 6 June 2019 and came into effect on the same day, the foreign debts are solely to be repaid by the issuer as an obligor under the relevant transaction documents and as an independent legal person, and the PRC local governments and their departments shall not directly repay, or promise to repay, the foreign debts with government funds, nor shall they provide guarantees for the issuance of foreign debts by local state-owned enterprises. The NDRC Circular took effect on 10 February 2023. Pursuant to the NDRC Circular, before borrowing foreign debts, an enterprise shall undergo formalities for approval and registration procedure managed by NDRC to obtain the NDRC pre-issuance registration certificate. Without approval and registration, no foreign debt may be borrowed. Further, the enterprise shall report the requisite information and documents about issuing foreign debts to NDRC through the network system within 10 working days after the completion of the issuance. The enterprise undertakes to the enterprise needs to (i) file or cause to be filed with the NDRC the requisite information and documents within ten PRC Business Days upon the expiry of the NDRC pre-issuance registration certificate in accordance with the NDRC Circular, (ii) so long as any bond remains outstanding, file or cause to be filed with the NDRC the requisite information and documents within five PRC Business Days before the end of January and the end of July each year in accordance with the NDRC Circular, (iii) so long as any bond remains outstanding, file or cause to be filed the requisite information and documents in accordance with the NDRC Circular upon the occurrence of any material event that may affect the Issuer's due performance of its debt obligations.

REGULATIONS RELATING TO OFFSHORE BOND ISSUANCE

NDRC Supervision

According to the Administrative Measures for the Outbound Investment of Enterprises (企业境外投资管理办法) issued by the NDRC and effective from 1 March 2018, to make outbound investment, any investor shall go through the formalities to have a proposed overseas investment project (hereinafter referred to as the "**project**") approved or filed on the record, report relevant information, and cooperate with supervision and inspection. In particular, projects subject to approval administration shall be sensitive projects carried out by investors either directly or through overseas enterprises under their control. The authority in charge of examining and approving such projects shall be the NDRC. Projects subject to record-filing administration shall be non-sensitive projects carried out directly by investors, in other words, non-sensitive projects carried out by investors to make direct investment with assets and equities or provide financing or a guarantee.

For projects subject to record-filing administration, the authority in charge of record-filing shall be: (1) the NDRC, if the investor is an enterprise under the administration of the Central

Government (including financing institutions under the administration of the Central Government and enterprises under the direct administration of the State Council or its subordinate organs, the same below); (2) the NDRC, if the investor is a local enterprise but the amount of investment made by the Chinese investor amounts to U.S.$300 million or above; and (3) the development and reform authority under the provincial government at the place where the investor is registered if the investor is a local enterprise and the amount of investment made by the Chinese investor is less than U.S.$300 million.

Where investors make investments in Hong Kong, Macao and Taiwan either directly or through enterprises under their control, these Measures shall apply mutatis mutandis. Where investors make investments abroad through enterprises that are located in Hong Kong, Macao and Taiwan and under their control, these Measures shall apply mutatis mutandis.

MOFCOM Supervision

MOFCOM issued the new version of the Administration of Overseas Investment (境外投资管理办法) on 6 September 2014, effective from 6 October 2014 (the "**New Overseas Investment Rules**"). Under the New Overseas Investment Rules, a domestic enterprise intending to carry out any overseas investment shall report to the competent department of commerce for verification or filing and shall, with regard to an enterprise so verified or filed, issue thereto an Enterprise Overseas Investment Certificate. If two or more 100 enterprises make joint investment to establish an overseas enterprise, the larger (or largest) shareholder shall be responsible for the verification or filing procedure after soliciting written consent of other investing parties.

An enterprise that intends to invest in a sensitive country or region or a sensitive industry shall apply for the verification by MOFCOM. "Sensitive countries and regions" mean those countries without a diplomatic relationship with the PRC, or subject to the UN sanctions or otherwise under the list of verified countries and regions published by MOFCOM from time to time. "Sensitive industries" mean those industries involving the products and technologies which are restricted from being exported, or affecting the interests of more than one country (or region). In accordance with the New Overseas Investment Rules, a Central Enterprise shall apply to MOFCOM for verification and MOFCOM shall, within 20 working days of accepting such application, decide whether or not the verification is granted. For a local enterprise, it shall apply through the provincial department of commerce to MOFCOM for such verification. The provincial department of commerce shall give a preliminary opinion within 15 working days of accepting such local enterprise's application and report all application documents to MOFCOM, while MOFCOM shall decide whether or not the verification is granted within 15 working days of receipt of such preliminary opinion from the provincial department of commerce. Upon verification, the Enterprise Overseas Investment Certificate shall be issued to the investing enterprise by MOFCOM.

Other than those overseas investments subject to MOFCOM verification as described above, all other overseas investments are subject to a filing requirement. The investing enterprise shall complete the filing form through the Overseas Investment Management System, an online system maintained by MOFCOM and print out a copy of such filing form for stamping with the company chop, and then submit such stamped filing form together with a copy of its business licence, for filing at MOFCOM (for a Central Enterprise) or the provincial department of commerce (for a local enterprise) respectively. MOFCOM or the provincial department of commerce shall accept the filing and issue the Enterprise Overseas Investment Certificate within 3 working days of receipt of such filing form.

The investing enterprise must carry out the investment within 2 years of the date of the relevant Enterprise Overseas Investment Certificate, otherwise such Certificate will automatically expire and a new filing or verification application has to be made by the investing enterprise after such expiry. In addition, if any item recorded in such Certificate is changed, the investing enterprise shall handle an updating process at MOFCOM or the provincial department of commerce (as the case may be).

If an overseas invested company carries out a re-investment activity offshore, the investing enterprise shall report such re-investment activity to MOFCOM or the provincial department of commerce (as the case may be) after the investment is completed offshore. The investing enterprise shall fill in and print out a copy of the Overseas Chinese-invested Enterprise Re-investment Report Form from the Overseas Investment Management System and stamp and submit such Report Form to MOFCOM or the provincial department of commerce.

The New Overseas Investment Rules specifically provide that an overseas invested company cannot use the words of "China" ("中国" or "中华") in its name, unless otherwise approved.

Foreign Exchange Administration

According to the "Circular of the State Administration of Foreign Exchange on Promulgating the Administrative Provisions on Foreign Exchange of the Outbound Direct Investments of Domestic Institutions" (国家外汇管理局关于发布《境内机构境外直接投资外汇管理规定》的通知), corporations, enterprises or other economic organisations (domestic investors) that have been permitted to make outbound investment shall go through the procedures of registration to the Foreign Exchange Bureau. The Foreign Exchange Bureau shall issue the Foreign Exchange Registration Certificate for overseas direct investment or an IC card to the domestic institution. The domestic institution shall go through the formalities for outward remittance of funds for overseas direct investment at a designated foreign exchange bank by presenting the approval document issued by the department in charge of overseas direct investment and the Foreign Exchange Registration Certificate for overseas direct investment. The scope of foreign exchange funds for overseas direct investment of domestic institutions includes their own foreign exchange funds, domestic loans in foreign currencies in compliance with relevant provisions, foreign exchange purchased with Renminbi, material objects, intangible assets and other foreign exchange funds approved by the Foreign Exchange Bureaus for overseas direct investment. The profits gained from overseas direct investment of domestic institutions may be deposited in overseas banks and used for overseas direct investment.

Financial Services Business

Pursuant to the Circular of the Ministry of Finance on Matters Concerning Regulating the Investment and Financing Activities of Financial Institutions for Local Governments and State-owned Enterprises (财政部关于规范金融企业对地方政府和国有企业投融资行为有关问题的通知, 财金[2018] 23号) promulgated on 28 March 2018 and which took effect on the same day, state-owned financial institutions should carefully evaluate the sources and ability of repayment by issuers that are local government financing vehicles, seeking to issue offshore bonds, before they provide financing support to such issuers, especially when the proceeds will be used for infrastructure construction. Where the repayment source made by an issuer involves government investment funds, the state-owned financial institution shall carry out due-diligence investigation and carefully verify the legality, authenticity and validity of such repayment source. In bond issuance documents such as bond offering circular, such enterprise shall not make any statement or disclosure that implicitly or explicitly indicates government endorsement by describing the local or national government's creditworthiness, such as financial information regarding revenue, expenditures and government debt, nor issue any misleading public statement that implies such issuer having a connection or an association with the government's creditworthiness. Furthermore, such issuer shall specify in the relevant bond offering circulars that the local government, as a shareholder, bears only limited liability to the extent of its equity contribution in the issuer, and the debt owed by such issuer shall be repaid by such issuer, in the case of a local state-owned enterprise, as an independent legal person.

Prevention of Foreign Debt Risks and Local Debt Risks

The NDRC and MOF promulgated the Joint Circular on 11 May 2018 and the Joint Circular took effect on the same day. Pursuant to the Joint Circular, an enterprise that intends to issue medium and long-term debt in offshore markets shall have established a sound and stable corporate governance structure, management decision-making mechanism and financial management system. Such enterprise shall also establish a market-based investment return mechanism that creates sustainable, stable and feasible financial expected yield for investment projects financially supported by the funds from the foreign debt.

An enterprise that intends to issue medium and long-term debt in offshore markets is required to standardise its information disclosure. Such enterprise shall not make any statement or disclosure that implicitly or explicitly indicates government endorsement by describing the local or national government's creditworthiness, such as financial information regarding revenue and expenditures and government debt, nor issue any misleading public statement which implies such issuer having a connection or an association with the government's creditworthiness. Moreover, such enterprise shall specify in the relevant bond offering circulars that the local government, as a shareholder, bears only limited liability to the extent of its equity contribution in the issuer, and the debt owed by such enterprise shall be repaid by such enterprise, in the case of a local state-owned enterprise, as an independent legal person.

In particular, the Joint Circular provides that an enterprise (including financial institutions) that intends to issue medium and long-term debt in offshore markets shall have existing operations, implement market-based financing in compliance with laws and regulations, and fully demonstrate the necessity, feasibility, economy, and financial sustainability of offering debt in offshore markets, and such enterprise shall form a debt and interest repayment scheme based on its own credit and indebtedness situations and implement repayment security measures. Furthermore, an enterprise shall not request or accept any offer by its local government or a government department to provide guarantee or assume debt repayment obligations for its debt issued in offshore markets.

SAFE ADMINISTRATION

In accordance with the Foreign Debt Registration Measures issued by SAFE on 28 April 2013, which came into effect on 13 May 2013 and was amended on 4 May 2015, an issuer of foreign debts shall complete the foreign debt registration in respect of its issue of foreign debts with the local branch of SAFE in accordance with applicable laws and regulations. According to the Operation Guidelines for Administration of Foreign Debt Registration (外债登记管理操作指引) promulgated together with the Foreign Debt Registration Measures, Issuers other than banks and financial departments of the government are required to register its foreign debt issue within 15 working days after the execution of the financing documents and to complete such registration in accordance with the Foreign Debt Registration Measures.

In accordance with the Guidelines for Foreign Exchange Business under the Capital Account (2024 Version) (资本项目外汇业务指引(2024年版)) and any implementation rules, reports, certificates or guidelines as issued by SAFE from time to time, issuers are required to file or cause to be filed with SAFE the Bonds within 15 Registration Business Days after the Issue Date.

PRC CURRENCY CONTROLS

Current Account Items

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

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (国家外汇管理局关于简化跨境人民币业务流程和完善有关政策的通知) (the "**2013 PBOC Circular**"), which was partially abolished by the Notice of the People's Bank of China on Matters Concerning Cross-border Renminbi Interbank Financing Business of Banking Financial Institutions (中国人民银行关于银行业金融机构人民币跨境同业融资业务有关事宜的通知) issued on 24 February 2026 and became

effective on the same date, simplifying the procedures for cross-border Renminbi trade settlement under current account items. On 1 November 2014, the PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, the PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (中国人民银行关于进一步便利跨国企业集团开展跨境双向人民币资金池业务的通知) (the "**2015 PBOC Circular**"), which, *inter alia*, has lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow. The 2015 PBOC Circular also provides that enterprises within a pilot free trade zone in the PRC, such as the China (Shanghai) Pilot Free Trade Zone ("**Shanghai FTZ**") may establish an additional cash pool in the local scheme in such pilot free trade zone, but each onshore company within the group may only elect to participate in one cash pool.

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

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to the approval of, and/or registration or filing with, the relevant PRC authorities. Until recently, settlement of capital account items, for example, the capital contribution of foreign investors to foreign-invested enterprises in the PRC, were generally required to be made in foreign currencies. Under progressive reforms by the PBOC, the MOFCOM and SAFE, foreign investors are now permitted to make capital contribution, share transfer, profit allocation and liquidation and certain other transactions in Renminbi for their foreign direct investment within the PRC. Cross-border Renminbi payment infrastructure and trading facilities are being improved. Approval, registration and filing requirements for capital account payments in Renminbi are being removed gradually. The Circular on Reforming the Administrative Approach of the Foreign Exchange Capital Settlement for Foreign Invested Enterprises (关于改革外商投资企业外汇资本金结汇管理方式的通知) became effective on 1 June 2015 and amended on 30 December 2019 and 23 March 2023 (the "**2015 SAFE Circular**"). In addition to the option to settle foreign current capital through payment-based foreign exchange settlement (支付结汇制), the 2015 SAFE Circular allows foreign-invested enterprises to settle up to 100 per cent. (subject to future adjustment at the discretion of SAFE) of the foreign currency capital (which has been processed through SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs on a voluntary basis. In principle, the Renminbi proceeds through the aforementioned voluntary settlement shall be deposited into a designated bank account called capital account item – account for foreign currency settlement pending payment (资本项目－结汇待支付帐户) (the "**Account for Foreign Currency Settlement Pending Payment**") as opened by such foreign-invested enterprise, and accordingly all future payments shall be processed from such Account for Foreign Currency Settlement Pending Payment. A negative list with respect to

the usage of the foreign currency capital and the Renminbi proceeds settled therefrom is set forth in the 2015 SAFE Circular. PRC entities are also permitted to borrow Renminbi-denominated loans from foreign lenders (which are referred to as "foreign debt") and lend Renminbi-denominated loans to foreign borrowers (which are referred to as "outbound loans"), as long as such PRC entities have the necessary quota, approval or registration. PRC entities may also denominate security or guarantee arrangements in Renminbi and make payments thereunder to parties in the PRC as well as other jurisdictions (which is referred to as "cross-border security"). Under current rules promulgated by SAFE, foreign debts borrowed, outbound loans extended, and the cross-border security provided by a PRC onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt, outbound loan and cross-border security regimes applicable to foreign currencies. However, there remain potential inconsistencies between the provisions of SAFE rules and the provisions of the 2013 PBOC Circular. It is not clear how regulators will deal with such inconsistencies in practice.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

Enterprises within the Shanghai FTZ may establish another cash pool under the Shanghai FTZ rules to extend inter-company loans, although Renminbi funds obtained from financing activities may not be pooled under this arrangement. Enterprises within the Shanghai FTZ can borrow Renminbi from offshore lenders under a pilot account-based settlement scheme within the prescribed macro prudential management limit. In addition, non-financial enterprises in the Shanghai FTZ are allowed to settle the foreign debt denominated in foreign currency with Renminbi on a voluntary basis, provided that the Renminbi proceeds settled therefrom should not be used (whether directly or indirectly) beyond their business scope or in violation of relevant laws and regulations in the PRC.

Recent reforms introduced were aimed at controlling the remittance of Renminbi for payment of transactions categorised as capital account items. There is no assurance that the PRC Government will continue to gradually liberalise the control over Renminbi payments of capital account item transactions in the future. The relevant regulations are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

REGULATIONS RELATING TO THE COMMODITY MARKETS SECTOR

Establishment of the Yiwu Small Commodity Market (义乌小商品市场)

Pursuant to the Announcement No. 47 [2012] of the Ministry of Commerce – Announcement on Releasing 80 Domestic Trade Industry Standards Including the Management and Technical Specifications for Small Commodity Markets (商务部公告2012年第47号－关于公布《小商品市场管理技术规范》等80项国内贸易行业标准的公告) issued on 1 August 2012, and the Management and Technical Specifications for Small Commodity Markets (小商品市场管理技术规范), the small commodity market shall follow and meet certain industry standards. The standards pertain to market operation, environment, business invitation, operation, personnel, financial instruments, fire control and security. The market management organisation is required and the administration of industry and commerce shall conduct relevant inspections.

Consumer Protection

Pursuant to the Law of the People's Republic of China on the Protection of Consumer Rights and Interests (中华人民共和国消费者权益保护法) promulgated on 31 October 1993, effective on 1 January 1994 and amended on 27 August 2009, 25 October 2013, business operators shall, in providing commodities or services to consumers, fulfil their obligation in accordance with this law and other relevant regulations. Business operators shall fulfil their obligations as agreed upon with consumers, provided that the agreements with consumers are not in violation of the provisions of laws and regulations. In providing commodities or services to consumers, business operators shall adhere to social morality, operate business in good faith, and protect the lawful rights and interests of consumers; and shall neither set unfair or unreasonable trading conditions nor force consumers into any transactions.

Business operators shall guarantee that their provided commodities or services meet the requirements of personal and property safety. For commodities and services which may endanger personal or property safety, business operators shall provide consumers with true explanations and clear warnings, explaining and indicating the correct methods of using commodities or receiving services and the methods for preventing damage. Business operators of hotels, shopping malls, restaurants, banks, airports, stations, ports, theatres, and other business premises shall fulfil their obligations to protect the safety of consumers.

REGULATIONS RELATING TO THE PUBLIC UTILITIES SECTOR

Qualification and Operation of Transportation Business

Pursuant to the Regulation of the People's Republic of China on Road Transport (中华人民共和国道路运输条例) promulgated on 30 April 2004 and amended on 9 November 2012, 6 February 2016, 2 March 2019, 29 March 2022, 20 July 2023 and further amended on 30 January 2026, anyone engaging in road transport business and other operations relating to road transport shall abide by this regulation. The principle of lawful operation, honesty and good faith, and fair competition shall be observed by all those engaging in the road transport business and other operations relating to road transport.

Anyone who wishes to engage in the passenger transport business shall: (1) have vehicles that can meet the demand of its business operations and that are found to be qualified upon testing; (2) have drivers that meet certain requirements; and (3) have sound rules and bylaws regarding safe operations. Also, a plan with clear routes and stops shall be provided. The route passenger transport business operation period shall be 4-8 years. If it is necessary to extend the route passenger transport business operation period when it expires, a new application shall be filed. When a passenger transport business operator wishes to terminate the passenger transport business, it shall inform the original approval organ within 30 days prior to the termination. After a route passenger transport business operator has acquired a road transport business operation licence, it shall continuously provide transport services to the general public, and shall not suspend, terminate or transfer the route passenger transport business without approval.

Under the Regulation of the People's Republic of China on Road Transport, a road passenger business operator shall provide passengers with a good environment, shall keep the vehicles clean and tidy, and shall take necessary measures to prevent the occurrence of any illegal act that would threaten the passengers' personal or property safety. Also, it shall operate in accordance with the stipulated places of departure, destinations and routes.

Pursuant to the Provisions on the Administration of Road Passenger Transport and Passenger Stations (道路旅客运输及客运站管理规定(2023修订)) promulgated and took effect on 10 November 2023, all those engaging in the business operations of road passenger transport and those of road passenger transport stations shall abide by these provisions. The business operators shall follow the principles of "people-oriented and safety first", fairness, equity, openness and convenience, and regional blockage and monopoly shall be broken down so as to promote the unification, openness, competition and order of the road transport market and to meet the traveling demand of the general public.

An applicant who applies for engaging in road passenger transport business operations shall meet the following conditions: (1) having passenger vehicles that can meet the demand of business operations and that are found to be qualified upon test; (2) any driver engaging in passenger transport operation shall meet the relevant provisions of the Provisions on the Administration of Road Transport Practitioners (道路运输从业人员管理规定) issued on 23 November 2006 and amended on 21 April 2016, 21 June 2019, 10 November 2022 and 6 February 2026; (3) it shall have sound work safety management rules, including work safety operational rules, work safety responsibility system, and rules for work safety supervision and inspection as well as work safety management of drivers and vehicles, etc.; and (4) in the case of an application to operate road passenger transport liners, a definite scheme of routes and stops shall be provided in addition.

An applicant who applies to operate a passenger station shall meet the following requirements:

(1) having a passenger station that is found to be qualified upon the completion-based check and acceptance of the project as organised by the relevant department and upon the station-level check and acceptance by the road traffic administrative organ; (2) having the professional personnel and managerial personnel that can meet the demand of its business operations; (3) having corresponding equipment and facilities, and the specific requirements shall be implemented according to the industrial standards as prescribed in the Classification of Grades

and Building Requirements of Passenger Coach Stations (JT/T200-2020) (汽车客运站级别划分及建设要求(JT/T200-2020)); and (4) having sound business operational procedures, rules and bylaws regarding work safety, including service rules, work safety operational procedures and rules, a regular inspection system prior to the departure of vehicles, a work safety responsibility system and rules for the checking and interception of dangerous goods and work safety supervision and inspection.

The operators shall obey the rules and fulfil the obligations under these provisions. If there is any violation of the provision, the authority may confiscate the illegal gains, impose a fine, suspend business operations or revoke relevant licences, and criminal liability may apply if the violation is serious.

Qualification and Operation of Water-related Business

The Opinion on Accelerating the Marketization of Municipal Public Utilities Industry (关于加快市政公用行业市场化进程的意见) promulgated and implemented by the Ministry of Housing and Urban-Rural Development (the "**MOHURD**") on 27 December 2002, the Measures for the Administration on the Concession of Municipal Public Utilities (市政公用事业特许经营管理办法) promulgated by the MOHURD on 19 March 2004 and implemented on 1 May 2004 and revised on 4 May 2015, and the Opinion on Strengthening the Supervision of Municipal Public Utilities (关于加强市政公用事业监管的意见) promulgated and implemented by the MOHURD on 10 September 2005 (collectively, the "**Tender Measures**") govern the regulations of the grant of concession rights for municipal public utilities projects, including wastewater treatment and water supply projects. Under these regulations, government authorities should select investors or operators of municipal public utilities projects through a public bidding process and enter into concession agreements with them to grant concession rights. The Tender Measures further require concession agreements are required for all municipal public utilities projects prior to the concession period commencement. In the event that a concession project fails to comply with such requirement, the parties may rectify the non-compliance under the Tender Measures by entering into written concession agreements in a timely manner.

Terms of Concession Rights

According to the Measures for the Administration on the Concession of Infrastructure and Public Utilities (基础设施和公用事业特许经营管理办法), which was jointly promulgated by MOF, the MOHURD, the Ministry of Transport, the Ministry of Water Resources, the NDRC and the PBOC on 28 March 2024 and implemented on 1 May 2024, the concession agreement shall be executed for the concession. Implementing institutions shall, according to the approved implementation plans of concession projects, select concessionaires through competitive modes including bidding and competitive negotiation.

Business Qualifications and Licences

By the Measures for the Administration on the Health Supervision of Domestic Drinking Water (生活饮用水卫生监督管理办法) promulgated on 1 September 1996, implemented on 1 January 1997 and amended on 12 February 2010 and 17 April 2016 by the MOHURD and NHFPC, the PRC Government implemented a health permit system to regulate the water supply units and

drinking water products. Drinking water products supplied by the water supply units must meet the national sanitary standards for drinking water. In addition, centralised water supply units shall obtain a health permit issued by the health administrative department of the local government at or above the county level. The health permit certificate is valid for a term of four years, and the water supply units may apply for recertification within six months prior to the expiration.

According to the Water Law of PRC (中华人民共和国水法) promulgated by the Standing Committee of the PRC National People's Congress in 1988, and amended on 29 August 2002, 27 August 2009 and 2 July 2016, the Regulations on Administration of Water Intake Permit and Collection of Water Resources Charges (取水许可和水资源费征收管理条例) promulgated on 21 February 2006 and implemented on 15 April 2006, revised on 1 March 2017 by the State Council, and the Measures on Administration of Water Intake Permit (取水许可管理办法), promulgated and implemented on 9 April 2008 and revised on 16 December 2015 and 22 December 2017 by the Ministry of Water Resources, other than those who are exempted from the water intake permit requirement, where an entity or individual extracts water resources from rivers, lakes or underground water, and such operation will continue for more than 30 days, shall apply for a water intake permit at the competent water administration department of the local government at or above county level or at a river conservancy commission in accordance with the requirements of the state water intake permit system and the institution of compensated use of water resources, and obtain the water rights after paying water resources fee. Entities or individuals shall extract water in accordance with an approved annual water intake plan. A water resources fee shall be assessed at a progressive rate for the quantity of water extracted to the extent exceeding the limit specified in the plan. A water intake permit generally has a term of five years and in any case not exceeding ten years. Application for extension of the permit shall be submitted within 45 days before expiration.

Pursuant to the Law of the PRC on the Prevention and Control of Water Pollution (中华人民共和国水污染防治法) promulgated on 11 May 1984 and revised on 15 May 1996, 28 February 2008, 27 June 2017 by the Standing Committee of the National People's Congress and its implementation rules, enterprises in the operation of centralised treatment facilities of urban wastewater shall obtain a wastewater discharge permit. Enterprises and institutions shall obtain the permit to discharge wastewater and sewage and shall carry out the discharge in accordance with such permit.

Pricing

According to the Regulations on Urban Drainage and Sewage Treatment (城镇排水与污水处理条例), promulgated on 2 October 2013 and implemented on 1 January 2014 by the PRC State Council, where a concession contract or contract for entrusted operation involves the elimination of pollutants and service fees for sewage treatment operation, the competent departments of urban drainage shall consult with the competent environmental protection and pricing departments. The government encourages the implementation of a concession system for urban sewage treatment.

The Measures for the Administration on the Price of Municipal Water Supply (城镇供水价格管理办法) promulgated on 3 August 2021 and took effect on 1 October 2021 by the NDRC and MOHURD regulates the pricing of municipal water. In general, the competent pricing department of government at or above county level regulates the pricing of municipal water in its jurisdiction. This measure requires a hearing to be held before a pricing policy is adopted and requires a public announcement before the policy takes effect. In principle, the supervision period of urban water supply price is 3 years. If the water supply price needs to be adjusted, it shall be adjusted in a timely manner.

A municipal water supplier shall propose price adjustments by filing a written application with the competent pricing department and water administration department of the local municipal government. The departments shall conduct a preliminary review of the price adjustment proposal and report to a higher level of authority within their respective departments for record and further review. The higher authorities shall hold hearings in which the delegates of the People's Congress of the PRC, the members of the political consultative conference and the relevant government departments and consumer representatives from all sectors participate.

With regard to municipal water supply projects which are monopolistic in nature, such as construction and maintenance of the water supply facilities, building, expansion and maintenance of pipeline networks, and the installation of measuring instruments, the pricing policy is governed by the competent pricing department and water administration department of government at or above municipal level. Different water suppliers in one city may set different on-grid water prices provided that there are independent water plants or pipeline networks operators in that city. However, suppliers must charge the same price to consumers of the same type.

According to the Circular on the Relevant Issues concerning the Formulation and Adjustment of the Charging Standard for Sewage Treatment (关于制定和调整污水处理收费标准等有关问题的通知) jointly promulgated and implemented on 21 January 2015 by the NDRC, MOF and the MOHURD, the charging policy for sewage treatment fees shall be based on the principles of "Polluter-pays, Equitable Burden Sharing, Cost-reimbursement and Reasonable Profit Sharing" and take into account of factors including the conditions of the water pollution prevention and control and the economic capacities of the region. The fee structure aims to compensate for the operating cost of sewage treatment and disposal facilities and allow a reasonable return of profit.

By the end of 2016, the charging standard for sewage treatment in municipal cities shall be set at a rate of no less than RMB0.95 per ton for residents and no less than RMB1.4 per ton for non-residents; the charging standard for sewage treatment in counties and major designated towns shall be set at a rate of no less than RMB0.85 per ton for residents and no less than RMB1.2 per ton for non-residents. When the charging standard for sewage treatment reaches minimum but is unable to compensate for the cost and generate a reasonable profit, it shall be adjusted in consideration of the foregoing factors.

With respect to the places in which the sewage treatment fees are not yet collected, sewage treatment fees shall start to be collected by the end of 2015, and the sewage treatment plants shall be built and put into operation within three years. In formulating and adjusting the charging standard for sewage treatment, local governments shall follow the pricing procedures,

including cost supervision for sewage treatment enterprises, expert demonstration and peer review, in order to ensure a rational, fair and transparent process, and balance and protect the legitimate rights and interests of consumers and operators.

Water Quality

The water quality of the domestic drinking water provided by centralised and non-centralised water supply enterprises in urban and rural areas shall meet the standards set out in the Standards for Drinking Water Quality (生活饮用水卫生标准) (GB5749-2022), promulgated on 15 March 2022 and effective from 1 April 2023. The Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant (城镇污水处理厂污染物排放标准) (GB 18918-2002), promulgated on 24 December 2002 and amended on 8 May 2006 and 4 November 2025, sets out the water quality standard for effluent that flows from municipal wastewater treatment plants. According to the Law of the PRC on the Prevention and Control of Water Pollution (中华人民共和国水污染防治法), promulgated on 11 May 1984 and amended on 15 May 1996, 28 February 2008, 27 June 2017, companies in the operation of centralised treatment facilities for municipal wastewater are accountable for the quality of the effluent from the wastewater treatment plants.

Government Supervision

According to the Measures for the Administration on the Concession of Municipal Public Utilities (市政公用事业特许经营管理办法) issued on 19 March 2004 and amended on 4 May 2015 by the MOURD, the government shall choose the investors or managers for municipal public utilities through market competition mechanism in accordance with the relevant laws and regulations, clarifying that they deal in certain products of municipal public utilities or provide certain services within a certain period of time and scope. The scope of the aforesaid public utilities includes water supply, gas feed, heating, public traffic, sewage disposal, and the relevant industries. The competent construction department of the State Council shall be responsible for guiding and supervising the concession activities of municipal public utilities nationwide. The competent construction departments of governments of provinces and autonomous regions shall be responsible for guiding and supervising the concession activities of municipal public utilities within their administrative regions.

Qualification and operation of Infrastructure Construction Business

Construction Permit

Pursuant to the Construction Law of the PRC (中华人民共和国建筑法) promulgated on 1 November 1997 and amended on 22 April 2011 and 23 April 2019, the construction activities carried out within the territory of the PRC shall abide by this law. The quality and safety of a construction project shall be ensured and the state safety standards for construction projects shall be conformed to in construction activities. Before a construction project is started, the project owner shall, in accordance with relevant state regulations, apply for a construction permit from the competent administrative department of the government at or above the county level where the project is located, with the exception of the below-norm small projects specified by the competent administrative department for construction under the State Council.

Construction Enterprise Qualification

According to the Measures of Regulation on Construction Enterprise Qualification (建筑业企业资质管理规定) promulgated on 22 January 2015 and amended on 13 September 2016 and 22 December 2018 by the MOHURD, the Class 2 qualification of general contractors shall be issued by the competent departments of construction of the government of the province, autonomous region and municipality directly under the central government where the enterprise registered its business licence, and the Class 3 qualification (other than the Class 3 qualification for constructing railway and communication projects under the general contract) of general contractors shall be issued by the competent departments of construction of the government of the city where the enterprise registered its business licence. Both qualifications are valid for five years.

According to the Construction Law of the People's Republic of China (中华人民共和国建筑法), construction enterprises, surveying units, designing units and construction supervision units that are engaged in construction activities shall have the following qualifications: (1) registered capital as required; (2) specialised technicians with the statutory qualifications for practising commensurate with the construction activities they are engaged in; (3) technologies and equipment needed for the construction activities they are engaged in; and (4) other qualifications specified in laws, administrative rules and regulations. Construction enterprises, surveying units, designing units and construction supervision units engaged in construction activities shall be graded, in terms of their qualifications, on the basis of their registered capital, specialised technicians, technologies, equipment and the construction projects completed, and they shall only engage in construction activities within the scope specified for them in terms of their grades after passing the qualification examination and obtaining the appropriate qualification grade certificates.

It also stipulates the regulation regarding undertaking a contract for a construction project, the supervision over a construction project, construction safety control and construction quality control.

Bidding

Pursuant to the Law of the People's Republic of China on Bid Invitation and Bidding (中华人民共和国招标投标法) promulgated on 30 August 1999 and effective on 1 January 2000, and amended on 27 December 2017, the following construction projects to be undertaken within the territory of the PRC, including the surveying, design, construction and supervision of such projects as well as the purchase of key equipment and materials for such projects, shall be subject to bid invitation: (1) large infrastructure and public utility projects that concern public interest and security; (2) projects invested completely or partly with state-owned funds or financed by the state; and (3) projects using loans or aid funds from international organisations or governments of other countries.

Bid invitation and bidding activities shall be conducted in adherence to the principles of openness, fairness, impartiality and good faith. All bid invitation and bidding activities and the parties involved shall be subject to supervision in accordance with law. Relevant departments for administrative supervision shall, in accordance with law, exercise supervision over bid invitation and bidding activities, and investigate and deal with any violations of law in such activities.

Quality Control

Pursuant to the Law of the PRC on the Regulations on the Administration of Construction Project Quality (建设工程质量管理条例) promulgated by the State Council on 30 January 2000, and amended on 7 October 2017 and 23 April 2019, an enterprise engaging in new construction, extension or reconstruction of construction projects or the supervision and control over the quality shall obey this regulation. The "construction project" refers to civil construction projects, building projects, installation projects of lines, pipes and equipment, and projects of finishing.

This regulation stipulates the duty and liability of the building unit for quality, duty and liability of the surveying or designing unit for quality, duty and liability of the construction unit for quality, duty and liability of the engineering supervision unit for quality, quality warranty of the construction project and supervision and control. The violator shall be ordered to suspend its operations for rectification and may be degraded of its qualification; and if the circumstances are serious, its qualification certificate shall be revoked. If any loss is caused, the violator shall assume the responsibility for compensation according to law.

REGULATIONS RELATING TO THE PROPERTY DEVELOPMENT SECTOR

Qualifications of a Real Estate Developer

Pursuant to the Law of the PRC on Administration of Urban Real Estate (中华人民共和国城市房地产管理法) (the "**Urban Real Estate Law**") promulgated by the Standing Committee of the National People's Congress, effective on 1 January 1995 and revised in 2007, 2009 and 2019, a "real estate developer" refers to an enterprise which engages in the development and sale of real estate for profit-making purposes. Under the Regulations on Administration of Development of Urban Real Estate (城市房地产开发经营管理条例) (the "**Development Regulations**") promulgated by the State Council on 20 July 1998 and revised in 2011, 2018, 2019 and 2020, an enterprise engaging in real estate development shall satisfy the following requirements in addition to other enterprise establishment conditions provided in relevant laws and administrative regulations: (i) its registered capital shall be RMB1 million or more; and (ii) it shall have four or more full-time professional real estate/construction technicians and two or more full-time accounting officers, each of whom must hold the relevant qualification certificate. The Development Regulations stipulates that governments of the provinces, autonomous regions and/or municipalities directly under the central government may impose more stringent requirements on the registered capital and qualifications of professional personnel of a real estate development enterprise based on local specific circumstances. Pursuant to the Development Regulations, to establish a real estate development enterprise, the developer shall apply for registration with the department of industry and commerce administration of the government at or above the county level, which should, in examining the application for the registration, seek the views of the governmental department governing real estate development at

the relevant level. The developer shall also report its establishment to the department of real estate development in the location of its registration, within 30 days of the receipt of its business licence.

According to the Provisions on Administration of Qualifications of Real Estate Developers (房地产开发企业资质管理规定) (the "**Provisions on Administration of Qualifications**") promulgated by the Ministry of Construction on 29 March 2000 and revised on 4 May 2015 and 2 March 2022, a real estate developer must apply for registration of its qualifications. An enterprise shall not engage in the development and sale of properties without a qualification classification certificate. The Ministry of Construction is in charge of monitoring the qualifications of all real estate developers within the PRC, and local real estate development authorities at or above the county level are in charge of monitoring the qualifications of local real estate developers. In accordance with the Provisions on Administration of Qualifications, real estate developers are divided into two classes. Class 1 qualifications are subject to preliminary examination by the housing and urban-rural development authorities at the provincial level and the final approval of the Ministry of Housing and Urban-Rural Development. A Class 1 real estate developer is not restricted as to the scale of its real estate projects. Class 2 qualifications are regulated by the housing and urban-rural development construction authorities at the provincial level or designated real-estate development department of city divided into districts. A real estate developer of Class 2 may undertake a project with a GFA of less than 250,000 sq.m.

Under the Provisions on Administration of Qualifications, the real estate development authorities shall examine applications for registration of qualifications submitted by real estate developers by mainly considering their registered capital and financial condition, length of time that they have conducted real estate development business, professional personnel employed, performance and operating results from past real estate operations and their quality control systems. A real estate developer that passes the qualification examination shall be issued a qualification certificate of the relevant class by the qualification examination authority. A real estate developer shall only conduct the real estate development in compliance with the approved class of qualification.

Obtaining of Land Use Rights

All lands in the PRC are either state-owned or collectively owned, depending on the location of the land.

All lands in the urban areas of a city or town are state-owned, and all land in the rural areas and the suburban areas and all farming lands are, unless otherwise specified by law, collectively-owned. The state has the right to resume its ownership of land or the land use rights in accordance with law if required for the public interest (and compensation shall be paid by the State).

Although all lands in the PRC are owned by the state or by collectives, individuals and entities may obtain land use rights and hold such land use rights for development purposes. Individuals and entities could acquire land use rights in different ways, the two most important ones being land grants from local land authorities and land transfers from land users who have already obtained land use rights.

Grant of Land Use Rights

Under the Interim Regulations of the People's Republic of China on Assignment and Transfer of the State-owned Land Use Rights in Urban Areas (中华人民共和国城镇国有土地使用权出让和转让暂行条例) (the "**Interim Regulations on Assignment and Transfer**") promulgated and enforced by the State Council on 19 May 1990 and amended on 29 November 2020, a system of assignment and transfer of the right to use state-owned land has been adopted. A land user shall pay a premium to the state as the consideration for the assignment of the land use rights within certain terms, and a land user may transfer, lease, mortgage or otherwise commercially exploit the land use rights within his terms of use. Under the Interim Regulations on Assignment and Transfer and the Urban Real Estate Law, the land administration authority under the local government of the relevant city or county shall enter into an assignment contract with the land user for an assignment of land use rights. The land user shall pay the assignment price as stipulated in the assignment contract. After paying the assignment price in full, the land user shall register with the land administration authority and obtain a land use rights certificate. The certificate is an evidence of the acquisition of land use rights. The Development Regulations stipulate that the land use rights for a site intended for real estate development shall be obtained by way of an assignment except for those land use rights which may be obtained by way of allocation pursuant to the PRC laws or the stipulations of the State Council.

The grant of land use rights by way of competitive processes is subject to the Regulations on the Grant of State-owned Land Use Rights by Invitation of Tender, Auction or Listings-for-sale (招标拍卖挂牌出让国有土地使用权规定), issued by the then Ministry of Land and Resources (the "**MLR**") of the PRC on 9 May 2002 and revised on 28 September 2007 by Regulations on Granting State-owned Construction Land Use Right through Tenders, Auction and Listing for Sale (招标拍卖挂牌出让国有建设用地使用权规定) (the "**2007 Regulation**"), and Rules on the Assignment of State-owned Land Use Right through Tenders, Auction and Listing for Sale (招标拍卖挂牌出让国有土地使用权规范) promulgated by the then MLR on 31 May 2006. In addition, the then MLR requires that with effect from 31 August 2004, the grant of land use rights must be made pursuant to auctions or listings at a land exchange and that no land use rights for commercial uses may be granted by way of agreement. The 2007 Regulation specifically provides that land to be used for commercial, tourism, entertainment or commodity residential purposes, or where there are two or more intended users for the certain piece of land, shall be granted by way of competitive processes. A number of measures are provided by the 2007 Regulation to ensure such grant of land use rights for commercial purposes is conducted openly and fairly. For instance, the local land bureau shall take into account various social, economic and planning considerations when deciding on the use of a certain piece of land, and its decision regarding land use designation is subject to approval of the municipal or provincial government. The grantee shall apply for land registration and obtain the state-owned land use rights certificate upon full payment of the land premium of the granted land according to the state-owned land use right granting contract. In the event that the land premium of the granted land is not paid in full, the grantee shall not receive the land use rights certificate.

In addition, the announcement of tender, auction or listing-for-bidding shall be made 20 days prior to the date on which such competitive process begins. Further, it also stipulated that for listing at a land exchange, the period for accepting bids shall be no less than 10 days. In the case of tender, the local land bureau granting the land use rights should examine the qualifications of the intended bidders and inform those qualified to participate in the bidding processes by sending out invitations to tender. Bidders are required to submit sealed bids together with the payment of a security deposit. When land use rights are granted by way of tender, a tender evaluation committee consisting of not less than five members (including a representative of the grantor and other experts), formed by the land bureau, is responsible for opening the tenders and deciding on the successful bidder. The successful bidder shall then sign the land grant contract with the land bureau and pay the balance of the land grant fee before obtaining the state-owned land use rights certificate.

Where land use rights are granted by way of auction, a public auction shall be held by relevant local land bureau. The land use rights are granted to the highest bidder. The successful bidder shall then sign the land grant contract with the local land bureau and pay relevant land grant fee within a prescribed period.

Where land use rights are granted by way of listing-for-sale administered by local government, a public notice shall be issued by local land bureau to specify the location, area and purpose of use of land and the initial bidding price, period for receiving bids and the terms and conditions upon which the land use rights are proposed to be granted. The land use rights are granted to the bidder with the highest bid who satisfies the terms and conditions. The successful bidder shall enter into a land grant contract with the local land bureau and pay relevant land grant fee within a prescribed period.

Land use rights granted by way of bilateral agreement are subject to the Regulation Concerning the Grant of Land Use Right Through Bilateral Agreement (协议出让国有土地使用权规定) promulgated by the then MLR, effective on 1 August 2003, and only when the methods of tender or auction are not required by the laws, regulations and rules may land use rights be granted by bilateral agreement between the relevant land authority and the grantee. The land grant fees carried out in the agreement shall not be lower than the minimum price set by the state. For land in areas with standard land prices, the purchase price of land pursuant to any bilateral agreement should not be less than 70% of the standard land price of relevant land category. If the price guidelines are not followed, the validity of the provision of land grant fees in the land grant contract may be deemed invalid. Only when there is only one prospective land user on the land to be granted, may the land authority grant the land use rights through bilateral agreement, with the exception of land used for business, tourism, entertainment, commodity properties and others.

After full payment of the land grant fee, the land user may register with the land administration authority and obtain a land use rights certificate as the evidence of the acquisition of land use rights.

Land Transfer from Current Land User

In addition to a direct grant from the government, an investor may also acquire land use rights from land users that have already obtained the land use rights by entering into an assignment contract or a joint development agreement with the land user. The assignment contract or joint-develop agreement must be registered with relevant local land bureau at municipal or county level for land use rights title change purposes. Upon a transfer of land use rights, all rights and obligations contained in the land grant contract are deemed to be incorporated as part of the terms and conditions of such transfer.

The assignment contract or the joint development agreement is subject to terms and conditions specified in the land grant contract. Under residential construction projects, under the Provisions on the Administration of Urban Real Estate Transfer (城市房地产转让管理规定) promulgated by the Ministry of Construction in August 1995, as amended in August 2001, and the Interim Regulations on Assignment and Transfer, at least 25% of total construction costs, excluding land grant fees, shall be expended and the construction schedule, date of completion and delivery of the project shall be determined before assignment takes place. All rights and obligations of the current holder under a land grant contract shall be transferred contemporaneously to the assignee of the land use rights. The relevant local government has the right to acquire the land use rights to be assigned if the assignment price is significantly lower than the market price. Relevant local governments may also acquire the land use rights from a land user in the event of a change in town planning. The land user then shall be compensated for the loss of his land use rights.

Pre-examination of the Construction Sites

Under the Measures for Administration of Preliminary Examination of Construction Project Sites (建设项目用地预审管理办法) promulgated by the then MLR on 25 July 2001, and amended on 1 November 2004, 29 November 2008, 29 November 2016, when carrying out the feasibility study for a construction project, a real estate developer shall make a preliminary application for construction to relevant land administration authority. After receiving the preliminary application, the land administration authority shall carry out a preliminary examination of various aspects of the construction project in compliance with the overall zoning plans and land supply policies of the government, and shall issue a preliminary approval if its examination proves satisfactory. The opinions derived from this preliminary examination are requisite documents for the approval and notification of the construction project. The construction standards and the total scale of the land to be used are set forth in the opinions issued after the preliminary examination and shall be taken into full consideration during the initial design phase of the construction project.

Obtaining Construction Works Commencement Permits

Pursuant to the Measures for the Administration of Construction Work Permit of Construction Projects (建筑工程施工许可管理办法) enacted by the Ministry of Construction on 25 June 2014 and revised on and became effective as of 25 October 2014 and further amended on 28 September 2018 and 30 March 2021, for the construction, renovation and decoration of all kinds of buildings and the auxiliary facilities thereof, the installation of supporting lines, pipes and equipment, and the construction of municipal infrastructure projects in cities and towns, the construction entity shall, before starting construction, apply to the housing and urban-rural development administrative department of the government at or above the county level, where the project is located for a construction permit in accordance with these measures. For a construction project for which the investment amount is less than RMB300,000 or for which the construction area is less than 300 sq.m., the construction entity may not be allowed to apply for a construction permit.

Completion of a Real Estate Project

Construction projects shall be delivered for use only after passing the inspection and acceptance under the Construction Law (中华人民共和国建筑法). A real estate development project shall comply with various laws and legal requirements concerning planning, construction quality, safety and environment and technical guidance on architecture, design and construction work, as well as provisions of the relevant contracts. After construction of a project is complete, the real estate developer shall organise an acceptance examination by relevant government authorities and experts according to the Regulations on the Administration of Quality of Construction Works (建设工程质量管理条例) promulgated and implemented by the State Council on 30 January 2000 and amended on 7 October 2017 and 23 April 2019 by the State Council and the Provisions on Inspection Upon Completion of Buildings and Municipal Infrastructure (房屋建筑和市政基础设施工程竣工验收规定) promulgated by the MOHURD on 2 December 2013. The developer shall also file details of the acceptance examination pursuant to the Measures for Filing Regarding Acceptance Examination upon Completion of Buildings and Municipal Infrastructure (房屋建筑和市政基础设施工程竣工验收备案管理办法) promulgated by the Ministry of Construction on 4 April 2000 and amended on 19 October 2009 by the MOHURD. A real estate development project shall only be occupied after passing the inspections and acceptances by the competent authorities. For a housing estate or building complex, an acceptance examination shall be conducted upon completion of the entire project. In the case of a cluster of real estate development projects, such as a residential area developed in phases, separate acceptance examinations shall be carried out for each completed phase.

Land Saving and Intensive Use

Pursuant to the Notice of the State Council on Promoting the Land Saving and Intensive Use (国务院关于促进节约集约用地的通知) issued and became effective on 3 January 2008, the land saving policy includes: (1) examining and adjusting various types of relevant planning and land use standards on the principle of land saving and intensive use; (2) making full use of existing construction land, and vigorously enhancing the construction land use efficiency; (3) optimising the market function for land source in order to strengthen the long term system of land saving and intensive use; (4) enhancing the rural land management to gradually promote the land saving

and intensive use of the rural collective construction land; and (5) emphasising the supervisory and liability of land saving and intensive use.

Pursuant to the Provisions on the Economical and Intensive Use of Land (节约集约利用土地规定) issued on 22 May 2014 and became effective on 1 September 2014 and amended on 24 July 2019, the management and use of land shall follow the rules of realising economical land use, freeing up areas, increasing the intensity of land use, promoting the reuse of inefficient and abandoned land, optimising the structure and layout of land use, and improving the efficiency of land use. The Ministry of Land and Resources of the PRC and other competent departments of land and resources shall establish a standard for economical and intensive use of land, conduct activities for economical and intensive use of land, organise to develop a standard system for economical and intensive use of land and related standards, explore new mechanisms for economical and intensive use of land, and encourage the adoption of new technologies and new modes for economical and intensive use of land, so as to increase the efficiency of land use. Reducing the price of land by means of changing land categories, returning land after expropriation or granting subsidies is prohibited.

Environment Protection

The laws and regulations governing the environmental requirements for real estate development in the PRC include the Environmental Protection Law (中华人民共和国环境保护法) issued on 26 December 1989 and amended on 24 April 2014, the Environmental Impact Assessment Law (中华人民共和国环境影响评价法) issued on 28 October 2002 and amended on 2 July 2016 and 29 December 2018, and the Administrative Regulations on Environmental Protection for Development Projects (建设项目环境保护管理条例) issued on 29 November 1998 and amended on 16 July 2017. Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact study report, an environmental impact analysis table or an environmental impact registration form shall be submitted by the developer before the relevant authorities grant approval for the commencement of construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities shall also inspect the property to ensure compliance with the applicable environmental standards and regulations before the property can be delivered to the purchasers.

Mortgages of Real Estate

Under the Urban Real Estate Law and the 17th chapter of the Civil Code of the PRC (中华人民共和国民法典) promulgated by the National People's Congress of the PRC in May 2020, and the Measures for Administration of Mortgages of Urban Real Estate (城市房地产抵押管理办法) promulgated by the Ministry of Construction in May 1997, and amended in August 2001 and 30 March 2021 by the MOHURD, when a mortgage is placed on the ownership of a building, the mortgage shall be simultaneously placed on the land use rights of the land on which the building is attached. After a real estate mortgage contract is signed, the parties to the mortgage shall register the mortgage with the real estate administration authority within 30 days of its execution. A real estate mortgage contract becomes effective on the date of registration of the mortgage.

Bonded Warehouse

The operation of bonded warehouses is governed by Rules of Customs of the PRC on Bonded Warehouses and Goods Stored Therein (中华人民共和国海关对保税仓库及所存货物的管理规定) and enforced by the PRC General Administration of Customs, or the PRC Customs on 15 May 2023 and took effect on 1 July 2023. Bonded warehouses refer to the warehouses of the PRC Customs established to store bonded goods and other goods that have not completed customs procedures.

The PRC Customs conducts inspections of the operation of bonded warehouses annually. Persons responsible for operating a bonded warehouse and persons directly involved in the management of the bonded warehouse are required to be familiar with customs laws and regulations, abide by the monitoring authority of the PRC Customs, and accept the PRC Customs training.

When bonded goods enter into the warehouse, the consignor and the consignee or their agents must go to the customs authorities to handle the formalities related to customs clearing and entry into the bonded warehouses. The customs authorities shall check and verify the type, quantity, and value of goods declared for customs clearing and entry into the warehouses against the scope and type of goods that may be stored in the bonded warehouses, and conduct a registration and verification of the entering goods.

Goods stored in bonded warehouses may undergo simple processing, such as packaging, grading and categorisation, marking and unpacking, but not any substantial processing. Goods in bonded warehouses are not allowed to be sold, transferred, pledged, pawned, detained, used for other purposes or undergo other disposal without permission from the customs authorities.

Export Supervised Warehouse

The "Export supervised warehouse" refers to a warehouse under special customs supervision, which was established upon approval of the PRC Customs, for storage of goods that have already obtained export permits, been settled in foreign exchange with overseas firms and cleared all customs export formalities.

An export supervised warehouse shall be used for special purposes, and shall not be sub-leased or lent to others for operation, or be subordinated with any branch warehouse. The PRC Customs may, at any time, dispatch officers to enter an export supervised warehouse to inspect goods in storage, and all relevant account books and records. The PRC Customs may, jointly with the enterprise that operates the export supervised warehouse, lock the warehouse or dispatch staff to the warehouse to administer customs functions at the warehouse.

Goods stored in warehouses according to regulations shall be shipped out of the jurisdiction within a prescribed period and must not be sold in the jurisdiction. The period for storage in a warehouse is six months. Under special circumstances, this period may be extended upon application to the customs authorities, but for no longer than another six months.

REGULATIONS RELATING TO HOTEL OPERATION BUSINESS

Pursuant to the Measures for the Security Administration of the Hotel Industry (旅馆业治安管理办法) issued on 10 November 1987 and amended on 8 January 2011, 29 November 2020, 29 March 2022 and effective on 1 May 2022, and the Rules for the Implementation of the Measures for the Security Administration of the Hotel Industry in Zhejiang Province (浙江省旅馆业治安管理办法实施细则) implemented on 1 February 2006, and the Notice of Relevant Questions Regarding the Implementation of the Rules for the Implementation of the Measures for the Security Administration of the Hotel Industry in Zhejiang Province from the Zhejiang Provincial Public Security Department (浙江省公安厅关于贯彻执行《浙江省旅馆业治安管理办法实施细则》若干问题的通知) issued on 24 March 2006, all restaurants, hotels, guest houses, hostels, passenger and cargo stop-over stations, inns, public bath houses, etc., which provide accommodation to guests shall comply with these measures and rules, regardless of whether they are state operated, collectively operated, partnership operated, individually operated, sino-foreign joint equity or sino-foreign co-operatively operated, or whether they are exclusively or simultaneously operated, or whether they are exclusively or simultaneously operated or whether they are operated all year round or seasonally operated. When applying to establish a hotel, the application, after examination and approval by the relevant department in charge, shall be signed and have comments noted on it by the local public security organ, and operations may begin only after subsequent application to the Administration for Industry and Commerce for registration and the issue of a business licence. If a hotel which has had its operations approved, and would like to suspend operations, change its line of business, amalgamate, move to another location, change its name or other such matters, it shall report the details to the local county or municipal security bureau or branch bureau for filing within three days of registering the change with the Administration for Industry and Commerce. The hotel operator shall keep a record of guests' ID card and submit information of foreign guests to the local police department, protect the life and property of the guests, prohibit any dangerous items, drug or illegal activities in the hotel. Any violation will result in a fine and relevant legal liabilities.

Pursuant to the Chinese Tourism Hotel Industrial Regulation (中国旅游饭店行业规范) promulgated on 29 March 2002 and revised in August 2009, hotels, vacation villages and other similar business shall obey this regulation and relevant laws. This regulation requires hotels to maintain trustworthy and ethical operation, including booking, registration, check-in, service charge, protection of customers' life and property safety, laundry, parking and relevant services.

REGULATIONS RELATING TO EXHIBITION AND ADVERTISEMENT BUSINESS

Exhibition

Pursuant to the Circular of the General Office of the State Council Concerning Strengthening the Administration of Holding of Foreign Economic and Technological Exhibitions Within the Territory of China (国务院办公厅关于对在我国境内举办对外经济技术展览会加强管理的通知) issued on 31 July 1997, the hosting unit and the undertaking unit of a foreign economic and technological exhibition shall have the qualifications for hosting and undertaking approved by the competent department of foreign economic cooperation and trade; holding of an economic and technological exhibition by an external agency in China shall proceed with a unit having qualifications for hosting such an exhibition within the territory of China jointly or with

entrustment to the latter. If the hosting units are within the country, such hosting units shall be exhibition companies or foreign economic and trade companies, agencies for economic and trade promotion or trade (speciality) associations and chambers of commerce at the provincial level with the organisational capability of inviting businessmen and exhibitors and the capability of bearing civil liabilities in the holding of exhibitions, having specialised departments or agencies thereunder for the holding of exhibitions and corresponding specialised personnel for exhibitions (including planning, design, organisation, management and foreign languages), having complete rules for the holding of exhibitions, and having participated in assisting in hosting or undertaking more than five large-scale international exhibitions may acquire the qualifications for hosting. Any violation of the relevant regulations or laws shall be imposed on a fine or revocation the relevant qualification.

Pursuant to the Regulations on Security Administration of Large-scale Mass Activities (大型群众性活动安全管理条例) effective on 1 October 2007, large-scale mass activities include the following activities with the anticipated public participation of 1,000 people or more each time, which are held by legal entities or other organisations: (1) sports competitions; (2) cultural and artistic performances like concerts; (3) exhibitions, commodities fairs, etc.; (4) garden parties, lantern shows, temple fairs, flower displays, fireworks soirees, etc.; and (5) job fairs, lottery sales with the winning numbers announced on the spot, etc. The undertaking units of large-scale mass activities shall be responsible for the security of the activities undertaken by them. The principal responsible persons of the undertaking units are the persons charged with the responsibility for the security of large-scale mass activities.

To hold a large-scale mass activity, the undertaking unit shall work out a plan for security of such activity. The security plan for a large-scale mass activity shall include the following: (1) the time, location, content, and way of organisation of the activity; (2) the number of security staff, their assignments and identification signs; (3) the fire-fighting measures at the activity venue; (4) the seating capacity of the activity venue and the anticipated number of participants; (5) the location of the security buffer areas as well as the signs for such areas; (6) the measures for ticket and security check on the participants; (7) the measures for parking of vehicles and for directing their flow; (8) the measures for maintaining order and for directing the flow of participants at the venue; and (9) the emergency rescue plan.

The Measures for the Protection of Intellectual Property Rights during Exhibitions (展会知识产权保护办法) effective on 1 March 2006 shall apply to the protection of relevant patents, trademarks and copyrights in all kinds of exhibitions, trade fairs, expositions, commodity fairs and shows involving economic and technical trade as held within the territory of the PRC. An exhibition undertaker shall safeguard the legitimate rights and interests of intellectual property rights (the "**IPRs**") holders according to the law. An exhibition undertaker shall, when inviting investment and canvassing exhibitions, intensify the IPRs protection for participants to the exhibition as well as the examination of the IPRs status of the items on exhibition (including exhibited items, exhibition boards and relevant publicity materials, etc.). During an exhibition, the undertaker shall actively coordinate with the administrative IPRs department in the IPRs protection.

Where an exhibition lasts for three days or more and if the administrative department of exhibitions believes it so requires, the relevant exhibition undertaker shall establish an office in charge of IPRs complaints during the exhibition. Where an office in charge of IPRs complaints is established, the administrative IPRs department at the locality of the exhibition shall dispatch its personnel to station therein and handle the case of infringement according to law. In case no office in charge of complaints is established for an exhibition, the administrative IPRs department at the locality shall intensify the guidance for and supervision over the IPRs protection during the exhibition as well as the handling of relevant cases therein. An exhibition undertaker shall publicise the contact persons and ways of the administrative IPRs department at the locality of the exhibition in an eye-catching place of the exhibition venue. An office in charge of IPRs complaints during an exhibition shall, within 24 hours after receiving any complaint material as prescribed in article 8 of the present measures, transfer it to the relevant administrative IPRs department.

Advertisement

Pursuant to the Advertising Law of the People's Republic of China (中华人民共和国广告法) on 24 April 2015, is hereby promulgated and effective as of 1 September 2015 and amended on 26 October 2018 and 29 April 2021, the commercial advertising activities whereby product business operators or service providers, through certain media or forms, directly or indirectly introduce the products or services they are marketing within the territory of the PRC shall follow this law. Under this law, the "advertising agents" refer to the natural persons, legal entities or other organisations that on a commission basis provide advertisement designing, production and agent service; the "advertisement publishers" refer to the natural persons, legal entities or other organisations that publish advertisements for advertisers or advertising agents commissioned by advertisers. The contents of advertisements shall be authentic and legal, expressed in healthy form and in compliance with the requirements for building the socialist spiritual civilisation and promoting the distinguished traditional culture of the Chinese nation. Advertisers, advertising agents and advertisement publishers shall, when engaged in advertising activities, abide by laws and administrative rules and regulations, and comply with the requirements of honesty, credibility and fair competition.

The law stipulates provisions regarding advertising activities, including the norms for contents of advertisements, advertising code of conduct, supervision and administration and legal liability. Advertisers, advertising agents and advertisement publishers shall enter into written contracts with one another in advertising activities in accordance with the law. An advertisement should not use false or misleading information to deceive or mislead consumers. Advertisers, advertising agents or advertisement publishers shall not engage in unfair competition in any form in advertising activities. An advertising agent or an advertisement publisher shall check relevant supporting documents and verify the contents of advertisements in accordance with laws and administrative rules and regulations. For an advertisement with untrue information or incomplete supporting documents, the advertising agent shall not provide designing, production and agent service, and the advertisement publisher shall not publish such an advertisement.

If there is any violation of the provisions of this law, the administrative department may order the cessation of the release of the advertisement, make an order to eliminate the effect, impose a fine on the violator, suspend its advertisement publication business, revoke its business licence. The civil or criminal liability may apply to any violations.

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

PRC TAXATION

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

Pursuant to the EIT Law promulgated on 16 March 2007 and amended on 24 February 2017, 29 December 2018 and effective on 29 December 2018 and the PRC Individual Income Tax Law as amended on 31 October 1993, 30 August 1999, 27 October 2005, 29 June 2007, 29 December 2007, 30 June 2011, and 31 August 2018 and effective on 1 January 2019, and their implementation regulations, an income tax is imposed on the interests by way of withholding in respect of the Bonds, paid by the Issuer (if such interests are regarded as income derived from sources within the PRC under the EIT Law and/or the Individual Income Tax Law) to non-resident Bondholders, including non-resident enterprises and non-resident individuals. The current rates of such income tax are 20 per cent. (for non-resident individuals) and 10 per cent. (for non-resident enterprises) of the gross amount of the interest. However, the tax so charged on interests paid on the Bonds to non-resident Bondholders who or which are residents of Hong Kong (including enterprise holders and individual holders) as defined under the Arrangement between mainland China and Hong Kong for Purpose of the Avoidance of Double Taxation will be 7 per cent. of the gross amount of the interest pursuant to the arrangement between mainland China and Hong Kong and relevant interpretation of the arrangement formulated by the State Administration of Taxation of China.

Accordingly, since the Issuer is a resident enterprise by virtue of its incorporation under the PRC Laws, interest paid to non-resident Bondholders may be regarded as PRC-sourced, and therefore be subject to PRC income tax at a rate of 10 per cent. for non-resident enterprise Bondholders and at a rate of 20 per cent. for non-resident individual Bondholders (or a lower

treaty rate, if any). Such income tax shall be withheld by the Issuer that acting as the obligatory withholder and such PRC enterprise shall withhold the tax amount from each payment or payment due.

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 incomes 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 incomes derived from sources within the PRC. 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 an arrangement between mainland China and Hong Kong for avoidance of double taxation, 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.

Under Value-Added Tax Law, VAT is applicable where the entities or individuals provide services 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 Value-Added Tax Law, 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. for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. However, there is uncertainty as to whether gains derived from a sale or exchange of Bonds consummated outside of the PRC between non-PRC resident Bondholders will be subject to PRC VAT. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. Circular 36 has been partly amended by the Notice of the Ministry of Finance and the State Administration of Taxation on the Policies on Construction Services and Other Items during the Period of the Pilot Program of Replacing Business Tax with Value-Added Tax (财政部、国家税务总局关于建筑服务等营改增试点政策的通知) issued on 11 July 2017, the Notice of the Ministry of Finance and the State Administration of Taxation on the Value-added Tax Policies for the Deduction of Input Taxes on

Rented Fixed Assets and other Matters (财政部、税务总局关于租入固定资产进项税额抵扣等增值政策的通知) issued on 25 December 2017 and effective on 1 January 2018, the Announcement on Policies for Deepening the VAT Reform (关于深化增值税改革有关政策的公告) issued on 20 March 2019 and effective on 1 April 2019, the Announcement on Tax Policies for Promoting the Stable and Healthy Development of the Real Estate Market (关于促进房地产市场平稳健康发展有关税收政策的公告) issued on 12 November 2024 and effective on 1 December 2024, the Announcement on VAT Policies for Wind Power Generation and Other Matters (关于调整风力发电等增值税政策的公告) issued on 17 October 2025 and effective on 1 November 2025 and the Announcement on VAT Policies for the Sale of Residential Properties by Individuals (关于个人销售住房增值税政策的公告) issued on 29 December 2025 and effective on 1 January 2026. There is uncertainty as to the application of Circular 36.

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

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

HONG KONG TAXATION

Withholding tax

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

Profits tax

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

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

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

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

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

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

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

In addition, pursuant to various foreign-sourced income exemption legislation in Hong Kong (together, the "**FSIE Amendments**", of which the latest amendment became effective from 1 January 2024), specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined, and subject to certain exceptions, in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

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

Stamp duty

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

SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with the Joint Lead Managers dated 26 May 2026 (the "**Subscription Agreement**") pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to severally and not jointly, subscribe and pay for, or to procure subscribers to subscribe and pay for, the aggregate principal amount of the Bonds set out opposite its name below:

Joint Lead Managers	**Principal amount of the Bonds to be subscribed**
	(U.S.$)
China International Capital Corporation Hong Kong Securities Limited	55,920,000
Standard Chartered Bank	55,920,000
Bank of China Limited, Singapore Branch	55,920,000
Caitong International Securities Co., Limited	55,920,000
China CITIC Bank International Limited	55,920,000
CEB International Capital Corporation Limited	6,400,000
China Galaxy International Securities (Hong Kong) Co., Limited	6,400,000
China Industrial Securities International Brokerage Limited	6,400,000
China Securities (International) Corporate Finance Company Limited	6,400,000
China Zheshang Bank Co., Ltd. (Hong Kong Branch)	6,400,000
CLSA Limited	6,400,000
CMBC Securities Company Limited	6,400,000
CNCB (Hong Kong) Capital Limited	6,400,000
Hua Xia Bank Co., Limited Hong Kong Branch	6,400,000
Industrial Bank Co., Ltd. Hong Kong Branch	6,400,000
Luso International Banking Limited	6,400,000
Total	**350,000,000**

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

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

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer, may place orders, receive allocations and purchase Bonds for their own account (without a view to distributing such Bonds) and such orders and/or allocations of the Bonds may be material. Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the Bonds being "offered" should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Bonds. If this is the case, liquidity of trading in the Bonds may be constrained (see "*Risk Factors – Risks Relating to the Bonds – An active trading market for the Bonds may not develop.*"). The Issuer and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Bonds among individual investors.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer, including the Bonds and could adversely affect the trading prices of the Bonds. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments.

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

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 Joint Lead Managers that would permit a public offering, or any other offering under circumstances not permitted by applicable law, of the Bonds, or possession or distribution of this Offering Circular, any amendment or supplement thereto issued in connection with the proposed resale of the Bonds or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Bonds may be distributed or published, by the Issuer or the Joint Lead Managers, in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer or the Joint Lead Managers.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of a Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

IMPORTANT NOTICE TO CMIS (INCLUDING PRIVATE BANKS)

Notice to CMIs pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, or any CMI (including its group companies) and inform the Joint Lead Managers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Joint Lead Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: IB_Project_Loong@cicc.com.cn, SYNHK@sc.com, dcmsg@bankofchina.com, ficc.dcm@ctsec.com.hk, ficc.loong@ctsec.com.hk, TMG_Syndicate@cncbinternational.com, dcm_hk@czbank.com and dcm@hxb.com.cn.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint Lead Manager with such evidence within the timeline requested.

UNITED STATES

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

The Bonds are being offered and sold outside of the United States in reliance on Regulation S.

UNITED KINGDOM

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

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

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

SINGAPORE

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each of the Joint Lead Managers has represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

JAPAN

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Joint Lead Managers has represented, 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 (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for reoffering 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 and ministerial guidelines of Japan.

THE PEOPLE'S REPUBLIC OF CHINA

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

MACAU

The Bonds have not been and will not be promoted, distributed, sold or delivered in Macau, or any document relating to the Bonds be distributed or circulated in Macau, except under the terms of and in compliance with the Macau Financial System Act approved by the Law no. 13/2023 ("**FSA**") and Guidelines under Circular no. 033/B/2010-DSB/AMCM and Circular no. 011/B/2023-DSB/AMCM ("**AMCM Guidelines**") as well as other laws and regulations in Macau that may apply to the offer and sale of the Bonds in Macau. The Bonds have not been and will not be registered or otherwise authorised for public offer under the FSA, the AMCM Guidelines and applicable regulations, thus may not be offered or sold in Macau, unless such offer is made by Macau licensed entities according to the FSA, the AMCM Guidelines and regulations, and upon their communication to the Macau Monetary Authority, in observation of the guidelines and recommendations issued by the Macau local regulatory authority from time to time.

GENERAL INFORMATION

1. **Clearing Systems**: The Bonds have been accepted for clearance through Euroclear and Clearstream under Common Code 337692354 and ISIN XS3376923549. The LEI Code of the Issuer is 3003003KFIXEYHXW2529.

2. **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by resolutions of the board of directors of the Issuer dated 11 November 2025 and resolutions of the shareholders of the Issuer dated 28 November 2025.

3. **No Material Adverse Change**: Except as otherwise disclosed in this Offering Circular, there has been no material adverse change, or any development or event likely to involve a prospective change, in the condition (financial or other), prospects, properties, results of operations, business or general affairs of the Issuer or the Group since 31 December 2025.

4. **Litigation**: There are no material legal or arbitration proceedings against or affecting the Issuer, any of its subsidiaries or any of its assets, nor is the Group aware of any pending or threatened proceedings, which are or might be material in the context of this issue of the Bonds.

5. **Available Documents**: So long as any Bond is outstanding, copies of the Trust Deed and the Agency Agreement will be available to Bondholders for inspection upon prior written request and proof of holding and identity to the satisfaction of the Principal Paying Agent at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), Monday to Friday, other than public holidays) at the specified office of the Principal Paying Agent (being as at 80/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong), provided the Trustee and the Agents have been supplied with the relevant documents by the Issuer.

6. **Financial Statements**: The Audited Financial Statements have been audited by ZCCPA, the Issuer's independent auditor, as stated in its report appearing herein.

7. **Listing**: Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and it is expected that listing of and the permission to deal in the Bonds on the Hong Kong Stock Exchange will commence on or around 1 June 2026.

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Yiwu State-owned Capital Operation Co., Ltd.

Audit Report

Zhe-Zhi-Kuai-Shen-A-Zi [2026] NO.0026

Zhejiang Zhicheng Certified Public Accountants

(Special general partnership)

Yiwu State-owned Capital Operation Co., Ltd.

For the Year Ended 31 December 2025

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Note: The Chinese version of the Audit Report takes precedence over the English translation which is only for reference purposes

浙江至诚会计师事务所(特殊普通合伙)
ZHEJIANG ZHICHENG CERTIFIED PUBLIC ACCOUNTANTS (SPECIAL GENERAL PARTNERSHIP)

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Auditor's Report

ZZKSAZ [2026] No.0026

To all shareholders of Yiwu State-owned Capital Operation Co., Ltd.

I. Opinion

We have audited the financial statements of Yiwu State-owned Capital Operation Co., Ltd. (hereinafter referred to as "YSCO" or the “Company”), which comprise the consolidated balance sheet and the balance sheet as at December 31, 2025, the consolidated income statement and the income statement, the consolidated statement of cash flows and the statement of cash flows, the consolidated statement of changes in owners' equity and the statement of changes in owners' equity for the year then ended and notes to the financial statements.

In our opinion, the financial statements attached are prepared, in all material respects, in accordance with the Accounting Standards for Business Enterprises, and present fairly the consolidated financial positions and YSCO's financial positions as at December 31, 2025 and the consolidated operating results and cash flows and YSCO's operating results and cash flows for the year then ended.

II. Basis for Opinion

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of this auditor's report. According to the *China Certified Public Accountants Independence Standard No. 1—Requirements on Independence for Audit and Review Engagements of Financial Statements* and the *Code of Ethics for Certified Public Accountants of China*, we are independent of YSCO, and we have fulfilled other responsibilities in the aspect of code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

The management of YSCO (hereinafter referred to as the "management") is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the management is responsible for assessing YSCO’s going-concern ability, disclosing the matters related to going concern (if applicable) and using the going concern basis of accounting unless the Management either intends to liquidate YSCO or to cease operations, or has no realistic alternative but to do so.

Those charged with governance in YSCO (hereinafter referred to as "those charged with governance") are responsible for overseeing YSCO's financial reporting process.

IV. Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are generally considered material if separate or aggregated misstatements are reasonably expected to possibly influence the economic decisions made by the users of financial statements on the basis of these financial statements.

During the process of an audit conducted in accordance with audit standards, we exercise professional judgment and maintain professional scepticism. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Understand the 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 internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of the Management's use of the going-concern assumption. Meanwhile, based on the audit evidence obtained, we come to a conclusion on whether a material uncertainty exists in events or conditions that may cause significant doubt on YSCO's going-concern ability. If we conclude that a material uncertainty exists, we are required to, in our auditor's report, draw attention of the users of statements to the related disclosures in the financial statements; if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause YSCO to cease to continue as a going concern.

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

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

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

Zhejiang Zhicheng Certified Public Accountants

(Special General Partnership)

Hangzhou, China

Certified Public Accountants of China:

Certified Public Accountants of China:

Report date: April 29, 2026

Consolidated Balance Sheet

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2025 KH:01 Form Unit: RMB

Assets	Note	Balance as at December 31, 2025	Balance as at January 1, 2025
Current assets	——	——	——
Monetary funds	VIII. 1	17,291,296,968.26	17,583,985,302.25
Trading financial assets	VIII. 2	2,093,640,647.73	400,316,994.86
Derivative financial assets			
Notes receivable	VIII. 3	10,000,000.00	11,170,000.00
Accounts receivable	VIII. 4	3,803,956,410.51	3,065,452,558.38
Financing receivables			
Advances to suppliers	VIII. 5	1,875,032,391.69	1,367,803,896.35
Other receivables	VIII. 6	16,394,471,628.50	11,440,372,632.16
Inventories	VIII. 7	67,568,858,272.80	74,056,095,758.66
Contractual assets	VIII. 8	51,125,491.02	38,436,720.38
Assets held for sale			
Non-current assets due within one year	VIII. 9	48,073,333.33	26,907,945.49
Other current assets	VIII. 10	4,111,323,312.77	4,404,456,561.60
Total current assets		**113,247,778,456.61**	**112,394,998,370.13**
Non-current assets:	——	——	——
Investment in debt securities			
Investment in other debt securities			
Long-term receivables	VIII. 11	9,687,410,097.56	7,800,927,141.64
Long-term equity investment	VIII. 12	23,171,803,538.02	23,030,340,674.40
Investment in other equity instruments	VIII. 13	864,205,198.98	1,149,720,500.55
Other non-current financial assets	VIII. 14	11,292,286,458.81	9,831,474,340.94
Investment properties	VIII. 15	11,521,225,734.06	10,936,436,827.95
Fixed assets	VIII. 16	39,863,539,719.24	35,878,370,241.94
Construction in progress	VIII. 17	19,331,015,420.13	21,513,197,832.89
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VIII. 18	287,453,884.68	328,809,185.10
Intangible assets	VIII. 19	18,311,523,750.41	18,140,184,715.33
Development expenses	VIII. 20	11,399,812.40	7,508,990.11
Goodwill	VIII. 21	290,448,699.81	292,840,405.08
Long-term deferred expenses	VIII. 22	708,571,028.38	666,118,125.40
Deferred income tax assets	VIII. 23	1,428,229,352.43	1,800,246,988.76
Other non-current assets	VIII. 24	23,995,965,643.05	22,748,822,864.00
Total non-current assets		**160,765,078,337.96**	**154,124,998,834.09**
Total assets		**274,012,856,794.57**	**266,519,997,204.22**

Legal representative: Person in charge of accounting work: Head of accounting department:

Consolidated Balance Sheet (Continued)

KH/01 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2025 Unit: RMB

Liabilities and owners' equity	Note	Balance as at December 31, 2025	Balance as at January 1, 2025
Current liabilities:	——	——	——
Short-term borrowings	VIII. 25	25,759,548,886.37	19,102,337,925.28
Trading financial liabilities			
Derivative financial liabilities			
Notes payable	VIII. 26	330,713,385.82	339,000,000.00
Accounts payable	VIII. 27	6,440,256,177.15	6,130,629,396.47
Advances from customers	VIII. 28	598,179,430.97	730,588,265.73
Contractual liabilities	VIII. 29	14,182,288,530.65	19,933,220,227.59
Employee compensation payable	VIII. 30	917,682,801.44	852,765,744.14
Taxes and surcharges payable	VIII. 31	1,641,789,211.14	1,440,071,998.64
Other payables	VIII. 32	16,498,724,241.80	14,206,079,578.07
Liabilities held for sale			
Non-current liabilities due within one year	VIII. 33	25,467,194,165.33	32,317,007,537.06
Other current liabilities	VIII. 34	6,673,781,537.22	11,276,530,400.94
Total current liabilities		**98,510,158,367.89**	**106,328,231,073.92**
Non-current liabilities:	——	——	——
Long-term borrowings	VIII. 35	35,039,572,483.55	30,906,216,097.09
Bonds payable	VIII. 36	39,461,136,382.25	33,094,359,943.49
Including: Preferred shares			
Perpetual bonds		1,003,803,225.53	
Lease liabilities	VIII. 37	258,444,105.01	307,665,994.31
Long-term payables	VIII. 38	11,323,290,326.81	13,148,315,976.01
Long-term employee compensation payable			
Estimated liabilities	VIII. 39		924,824.79
Deferred income	VIII. 40	3,874,385,878.01	4,541,020,802.62
Deferred income tax liabilities	VIII. 23	1,190,687,622.42	860,564,742.20
Other non-current liabilities	VIII. 41	12,493,173,363.99	8,192,686,860.99
Total non-current liabilities		**103,640,690,162.04**	**91,051,755,241.50**
Total liabilities		**202,150,848,529.93**	**197,379,986,315.42**
Owners' equity	——	——	——
Paid-in capital	VIII. 42	1,980,000,000.00	1,980,000,000.00
Other equity instruments	VIII. 43	7,223,108,830.19	5,692,922,037.73
Including: Preferred shares			
Perpetual bonds		7,223,108,830.19	5,692,922,037.73
Capital reserves	VIII. 44	43,505,693,890.34	43,989,603,158.31
Less: Treasury stock			
Other comprehensive income	VIII. 45	82,557,632.18	82,471,770.04
Special reserves	VIII. 46	48,355,924.06	41,244,417.62
Surplus reserve	VIII. 47	469,870,419.90	401,002,281.71
General risk reserve	VIII. 48	12,704,651.62	11,132,414.26
Undistributed profits	VIII. 49	6,198,950,890.11	5,121,120,861.15
Total equity attributable to owners of the		**59,521,242,238.40**	**57,319,496,940.82**
Minority equity		12,340,766,026.24	11,820,513,947.98
Total owners' equity		**71,862,008,264.64**	**69,140,010,888.80**
Total liabilities and owners' equity		**274,012,856,794.57**	**266,519,997,204.22**

Legal representative: Person in charge of accounting work: Head of accounting department:

Consolidated Income Statement

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

KH 02 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 Unit: RMB

Item	Note	Year 2025	Year 2024
I. Operating income	VIII. 50	45,587,642,364.50	37,400,060,657.75
Less: Operating costs	VIII. 50	37,702,000,958.96	30,892,364,688.70
Taxes and surcharges	VIII. 51	841,767,601.38	669,710,435.80
Selling and distribution expenses	VIII. 52	780,515,486.13	590,637,433.77
General and administrative expense	VIII. 53	2,030,809,770.35	1,988,153,960.98
R&D expenses	VIII. 54	233,326,888.39	74,986,433.76
Financial expenses	VIII. 55	2,025,634,339.31	2,665,864,553.30
Including: Interest expenses		2,778,155,210.71	3,203,305,892.92
Interest income		646,824,815.97	758,928,801.21
Plus: Other income	VIII. 56	1,822,770,682.26	2,863,744,897.80
Investment income ("-" for losses)	VIII. 57	-39,953,806.94	583,834,702.37
Including: Income from investment in associates and joint ventures		-180,180,157.16	509,448,989.15
Gains from the derecognition of financial assets measured at amortized cost ("-" for losses)			
Net exposure hedging gains("-" for losses)			
Gains from changes in fair value("-" for losses)	VIII. 58	1,364,941,734.21	-443,430,622.43
Losses from credit impairment("-" for losses)	VIII. 59	-134,273,344.13	-123,369,891.20
Losses from asset impairment("-" for losses)	VIII. 60	-116,035,191.33	-99,796,136.43
Income from the disposal of assets("-" for losses)	VIII. 61	105,293,018.38	54,782,586.85
II. Operating profits ("-" for losses)		**4,976,330,412.43**	**3,354,108,688.40**
Plus:Non-operating income	VIII. 62	130,575,052.45	52,690,293.01
Less: Non-operating expenses	VIII. 63	21,796,005.36	18,645,585.05
III. Total profits("-" for losses)		**5,085,109,459.52**	**3,388,153,396.36**
Less: Income tax expenses	VIII. 64	1,914,290,291.91	1,336,647,141.12
IV. Net profit("-" for losses)		**3,170,819,167.61**	**2,051,506,255.24**
(I) Classified by ownership:			
Net profit attributable to owners of the parent company		1,224,832,268.27	559,734,768.09
Minority interest income		1,945,986,899.34	1,491,771,487.15
(II) Classified by operating sustainability			
Net profit from continued operation ("-" for net loss)		3,170,819,167.61	2,051,506,255.24
Net profit from discontinued operations ("-" for net loss)			
V. Other comprehensive income, net of tax	VIII. 65	**66,833,814.80**	**62,405,667.29**
Other comprehensive income attributable to owners of the parent company, net of tax		**76,219,169.43**	**16,453,860.80**
(I) Other comprehensive income that cannot be reclassified into profit or loss		**99,481,236.34**	**43,022,532.20**
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		1,019,673.16	1,211,331.87
3. Changes in fair value of other equity instrument investment		98,461,563.18	41,811,200.33
4. Changes in the fair value of the Company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified into profit or loss		**-23,262,066.91**	**-26,568,671.40**
1. Other comprehensive income reclassified to profit or loss under equity method		-118,691.05	-5,569.96
2. Changes in fair value of investment in other debt securities			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other debt securities			
5. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)			
6. Translation differences of foreign currency financial statements		-23,143,375.86	-26,563,101.44
7. Others			
Other comprehensive income attributable to minority shareholders, net of tax		-9,385,354.63	45,951,806.49
VI. Total comprehensive income		**3,237,652,982.41**	**2,113,911,922.53**
Total comprehensive income attributable to owners of the parent company		**1,301,051,437.70**	**576,188,628.89**
Total comprehensive income attributable to minority shareholders		**1,936,601,544.71**	**1,537,723,293.64**
VII. Earnings per share			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal representative: 楼建跃印 Person in charge of accounting work: 胡生隆印 Head of accounting department: 吴旭英印

Consolidated Statement of Cash Flows

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

KH 03 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 Unit: RMB

Item	Note	Amount in 2025	Amount in 2024
I. Cash flows from operating activities:	——	——	——
Cash received from sale of goods and rendering of services		51,553,361,555.77	45,016,754,386.26
Refunds of taxes and surcharges		103,276,933.77	114,053,747.10
Cash received from other operating activities		5,918,916,624.08	12,381,560,420.93
Sub-total of cash inflows from operating activities		57,575,555,113.62	57,512,368,554.29
Cash paid for goods purchased and services received		35,431,114,247.36	30,060,106,346.23
Cash paid to and on behalf of employees		3,397,197,091.08	3,156,345,130.01
Cash paid for taxes and surcharges		3,544,462,444.25	2,967,633,020.71
Cash paid for other operating activities		6,310,759,024.60	6,628,416,796.78
Sub-total of cash outflows from operating activities		48,683,532,807.29	42,812,501,293.73
Net cash flows from operating activities	VIII. 66	8,892,022,306.33	14,699,867,260.56
II. Cash flows from investing activities:	——	——	——
Cash received from disposal of investment		3,511,120,715.88	1,112,645,891.69
Cash received from returns on investment		233,197,309.72	431,122,114.55
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		915,253,280.34	380,679,538.82
Net cash received from disposal of subsidiaries and other business units		23,694,554.75	12,723,195.52
Cash received from other investing activities		6,907,577,371.89	5,145,336,850.34
Sub-total of cash inflows from investing activities		11,590,843,232.58	7,082,507,590.92
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		8,172,702,194.95	7,855,211,378.44
Cash paid for investment		6,000,361,121.25	2,076,647,416.72
Net cash paid to acquire subsidiaries and other business units		261,356,739.23	
Cash paid for other investing activities		13,735,756,417.28	3,862,930,808.24
Sub-total of cash outflows from investing activities		28,170,176,472.71	13,794,789,603.40
Net cash flows from investing activities		-16,579,333,240.13	-6,712,282,012.48
III. Cash flows from financing activities	——	——	——
Cash received from investors		4,720,865,984.90	4,057,607,767.84
Including: Cash received by subsidiaries from investments by minority shareholders		16,978,400.00	32,019,000.00
Cash received from borrowings		79,286,172,605.38	63,489,274,824.38
Cash received from other financing activities		7,009,211,904.04	5,171,619,674.80
Sub-total of cash inflows from financing activities		91,016,250,494.32	72,718,502,267.02
Cash paid for debt repayment		70,967,467,463.28	63,742,158,158.23
Cash paid for distribution of dividends and profits or payment of interests		6,088,174,687.46	6,142,320,380.95
Including: Dividends and profits paid to minority shareholders by subsidiaries		937,677,145.01	520,664,783.04
Cash paid for other financing activities		8,948,085,282.84	5,968,192,670.27
Sub-total of cash outflows from financing activities		86,003,727,433.58	75,852,671,209.45
Net cash flows from financing activities		5,012,523,060.74	-3,134,168,942.43
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		-31,336,494.32	4,223,049.16
V. Net increase in cash and cash equivalents	VIII. 66	-2,706,124,367.38	4,857,639,354.81
Plus: Opening balance of cash and cash equivalents	VIII. 66	17,214,432,030.87	12,356,792,676.06
VI. Closing balance of cash and cash equivalents	VIII. 66	14,508,307,663.49	17,214,432,030.87

Legal representative: 进楼印跃 Person in charge of accounting work: 胡生印晓 Head of accounting department: 吴英印旭

Consolidated Statement of Changes in Owners' Equity

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 KH 04 Form

Monetary unit: RMB

Item	Year 2025														
	Equity attributable to owners of the parent company													Minority equity	Total owners' equity
	Paid-in capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total			
		Preferred shares	Perpetual bonds	Others											
I. Balance as at December 31 of last year	1,980,000,000.00		5,692,922,037.73		43,989,603,158.31		82,471,770.04	41,244,417.62	401,002,281.71	11,132,414.26	5,121,120,861.15	57,319,496,940.82		11,820,513,947.98	69,140,010,888.80
Plus: Changes in accounting policies															
Adjustments for correction of accounting errors in prior year															
Others															
II. Balance as at January 1 of the current year	1,980,000,000.00		5,692,922,037.73		43,989,603,158.31		82,471,770.04	41,244,417.62	401,002,281.71	11,132,414.26	5,121,120,861.15	57,319,496,940.82		11,820,513,947.98	69,140,010,888.80
III. Increases/decreases in the current year ("-" for decreases)			1,530,186,792.46		-483,909,267.97		85,862.14	7,111,506.44	68,868,138.19	1,572,237.36	1,077,830,028.96	2,201,745,297.58		520,252,078.26	2,721,997,375.84
(I) Total comprehensive income							76,219,169.43				1,224,832,268.27	1,301,051,437.70		1,936,601,544.71	3,237,652,982.41
(II) Capital contributed or reduced by owners			1,530,186,792.46		-483,909,267.97							1,046,277,524.49		-477,433,226.16	568,844,298.33
1. Common stock contributed by owners					1,591,360,000.00							1,591,360,000.00		16,978,400.00	1,608,338,400.00
2. Capital invested by the holders of other equity instruments			1,530,186,792.46		-7,810,483.03							1,522,376,309.43			1,522,376,309.43
3. Amounts of share-based payments recognized in owner's equity															
4. Others					-2,067,458,784.94							-2,067,458,784.94		-494,411,626.16	-2,561,870,411.10
(III) Withdrawal and use of special reserves								7,111,506.44				7,111,506.44			7,111,506.44
1. Withdrawal of special reserves								14,357,047.82				14,357,047.82			14,357,047.82
2. Use of specific reserves								-7,245,541.38				-7,245,541.38			-7,245,541.38
(IV) Profit distribution									68,868,138.19	1,572,237.36	-393,922,910.30	-323,482,534.75		-938,916,240.29	-1,262,398,775.04
1. Withdrawal of surplus reserve									68,868,138.19		-68,868,138.19				
2. Distributions to owners											-323,482,534.75	-323,482,534.75		-938,916,240.29	-1,262,398,775.04
3. Others										1,572,237.36	-1,572,237.36				
(V) Internal carry-forward of owners' equity							-76,133,307.29				246,920,670.99	170,787,363.70			170,787,363.70
1. Conversion of capital reserve into paid-in capital															
2. Conversion of surplus reserve into paid-in capital															
3. Surplus reserves offsetting losses															
4. Carry-forward of changes in the defined benefit plan for retained earnings															
5. Carry-forward of other comprehensive income for retained earnings							-76,133,307.29				76,133,307.29				
6. Others											170,787,363.70	170,787,363.70			170,787,363.70
IV. Balance at the end of the year	1,980,000,000.00		7,223,108,830.19		43,505,693,890.34		82,557,632.18	48,355,924.06	469,870,419.90	12,704,651.62	6,198,950,890.11	59,521,242,238.40		12,340,766,026.24	71,862,008,264.64

浙江至诚会计师事务所（特殊普通合伙）会计报表审核章

Legal representative: 进楼印跃 Person in charge of accounting work: 胡生印晓 Head of accounting department: 吴旭英印

Consolidated Statement of Changes in Owners' Equity (Continued)

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 KH 04 Form

Monetary unit: RMB

Item	Year 2024														
	Equity attributable to owners of the parent company														
	Paid-in capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total	Minority equity	Total owners' equity
		Preferred shares	Perpetual bonds	Others										
I. Balance as at December 31 of last year	1,980,000,000.00		4,691,810,377.34		42,417,590,428.40		66,017,909.24	36,151,790.79	350,637,933.76	9,978,187.69	4,904,225,452.57	54,456,412,079.79	10,306,249,382.52	64,762,661,462.31
Plus: Changes in accounting policies														
Adjustments for correction of accounting errors in prior year														
Others														
II. Balance as at January 1 of the current year	1,980,000,000.00		4,691,810,377.34		42,417,590,428.40		66,017,909.24	36,151,790.79	350,637,933.76	9,978,187.69	4,904,225,452.57	54,456,412,079.79	10,306,249,382.52	64,762,661,462.31
III. Increases/decreases in the current year ("-" for decreases)			1,001,111,660.39		1,572,012,729.91		16,453,860.80	5,092,626.83	50,364,347.95	1,154,226.57	216,895,408.58	2,863,084,861.03	1,514,264,565.46	4,377,349,426.49
(I) Total comprehensive income							16,453,860.80				559,734,768.09	576,188,628.89	1,537,723,293.64	2,113,911,922.53
(II) Capital contributed or reduced by owners			1,001,111,660.39		1,572,012,729.91							2,573,124,390.30	497,795,145.18	3,070,919,535.48
1. Common stock contributed by owners													32,019,000.00	32,019,000.00
2. Capital invested by the holders of other equity instruments			1,001,111,660.39		-11,985,326.04							989,126,334.35		989,126,334.35
3. Amounts of share-based payments recognized in owner's equity														
4. Others					1,583,998,055.95							1,583,998,055.95	465,776,145.18	2,049,774,201.13
(III) Withdrawal and use of special reserves								5,092,626.83				5,092,626.83		5,092,626.83
1. Withdrawal of special reserves								12,530,675.83				12,530,675.83		12,530,675.83
2. Use of specific reserves								-7,438,049.00				-7,438,049.00		-7,438,049.00
(IV) Profit distribution									50,364,347.95	1,154,226.57	-342,839,359.51	-291,320,784.99	-521,253,873.36	-812,574,658.35
1. Withdrawal of surplus reserve									50,364,347.95		-50,364,347.95			
2. Distributions to owners											-291,320,784.99	-291,320,784.99	-521,253,873.36	-812,574,658.35
3. Others										1,154,226.57	-1,154,226.57			
(V) Internal carry-forward of owners' equity														
1. Conversion of capital reserve into paid-in capital														
2. Conversion of surplus reserve into paid-in capital														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
IV. Balance at the end of the year	1,980,000,000.00		5,692,922,037.73		43,989,603,158.31		82,471,770.04	41,244,417.62	401,002,281.71	11,132,414.26	5,121,120,861.15	57,319,496,940.82	11,820,513,947.98	69,140,010,888.80

Legal representative: 进楼印跃 Person in charge of accounting work: 胡晓生印 Head of accounting department: 吴旭英印

浙江至诚会计师事务所（特殊普通合伙）会计报表审核章

Company Balance Sheet

KQ 01 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2025 Unit: RMB

Assets	Note	Balance as at December 31, 2025	Balance as at January 1, 2025
Current assets	——	——	——
Monetary funds		1,093,525,864.96	902,636,237.04
Trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Financing receivables			
Advances to suppliers		46,556.60	
Other receivables	XII. 1	34,807,960,971.67	32,819,223,961.22
Inventories			
Contractual assets			
Assets held for sale			
Non-current assets maturing within one year		722,601,224.83	1,424,706,361.16
Other current assets			
Total current assets		**36,624,134,618.06**	**35,146,566,559.42**
Non-current assets:	——	——	——
Investment in debt securities			
Investment in other debt securities			
Long-term receivables		1,124,608,000.00	493,651,313.33
Long-term equity investment	XII. 2	26,382,858,130.78	26,325,811,843.21
Investment in other equity instruments			
Other non-current financial assets		849,627,979.90	845,515,770.23
Investment properties		213,984,241.92	252,541,067.03
Fixed assets		3,840,845,189.92	3,971,638,617.31
Construction in progress		1,290,938.97	402,933.97
Productive biological assets			
Oil and gas assets			
Right-of-use assets		842,867.61	1,102,211.49
Intangible assets		1,925,169,792.98	2,034,388,007.82
Development expenses			
Goodwill			
Long-term deferred expenses		342,778.32	1,993,483.43
Deferred income tax assets		45,412,283.04	38,609,984.50
Other non-current assets		2,096,157,600.00	2,096,284,369.91
Total non-current assets		**36,481,139,803.44**	**36,061,939,602.23**
Total assets		**73,105,274,421.50**	**71,208,506,161.65**

Legal representative: Person in charge of accounting work: Head of accounting department:

Company Balance Sheet (Continued)

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2025 KQ-01 Form Unit: RMB

Liabilities and owners' equity	Note	Balance as at December 31, 2025	Balance as at January 1, 2025
Current liabilities:	——	——	——
Short-term borrowings		6,039,377,661.63	6,470,485,723.19
Trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers		5,141,724.52	3,105,588.15
Contractual liabilities			
Employee compensation payable		9,628,844.27	7,865,894.67
Taxes and surcharges payable		123,201,917.51	85,074,166.58
Other payables		5,633,946,341.81	6,112,028,825.70
Liabilities held for sale			
Non-current liabilities due within one year		12,987,025,189.32	11,847,285,762.33
Other current liabilities		2,878,423,597.30	4,879,349,762.35
Total current liabilities		**27,676,745,276.36**	**29,405,195,722.97**
Non-current liabilities:	——	——	——
Long-term borrowings		2,387,000,000.00	3,510,800,000.00
Bonds payable		17,684,259,259.22	16,380,891,356.41
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		543,784.88	800,279.90
Long-term payables		3,347,281,000.00	2,625,922,520.00
Long-term employee compensation payable			
Estimated liabilities			
Deferred income			
Deferred income tax liabilities		26,059,706.36	24,634,878.05
Other non-current liabilities			
Total non-current liabilities		**23,445,143,750.46**	**22,543,049,034.36**
Total liabilities		**51,121,889,026.82**	**51,948,244,757.33**
Owners' equity	——	——	——
Paid-in capital		1,980,000,000.00	1,980,000,000.00
Other equity instruments		5,192,808,830.19	4,090,922,037.73
Including: Preferred shares			
Perpetual bonds		5,192,808,830.19	4,090,922,037.73
Capital reserves		13,650,379,192.74	12,439,652,143.73
Less: Treasury stock			
Other comprehensive income		967,493.05	-52,180.11
Special reserves			
Surplus reserve		400,879,516.70	332,011,378.51
Undistributed profits		758,350,362.00	417,728,024.46
Total owners' equity		**21,983,385,394.68**	**19,260,261,404.32**
Total liabilities and owners' equity		**73,105,274,421.50**	**71,208,506,161.65**

Legal representative: Person in charge of accounting work: Head of accounting department:

Company Income Statement

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

KQ 02 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2025 | Unit: RMB

Item	Note	Year 2025	Year 2024
I. Operating income		20,717,874.21	16,840,230.86
Less: Operating costs		143,851,025.11	147,449,460.21
Taxes and surcharges		49,589,229.18	28,015,917.15
Selling and distribution expenses			
General and administrative expense		134,048,004.83	131,589,753.96
R&D expenses			
Financial expenses		129,883,955.96	516,207,967.44
Including: Interest expenses		1,926,279,045.07	2,067,732,894.10
Interest income		1,813,625,521.01	1,674,784,077.12
Plus: Other income		752,952,603.28	1,560,497,169.16
Investment income("-" for losses)	XII. 3	403,104,498.38	72,159,057.32
Including: Income from investment in associates and joint ventures		-403,494,611.34	71,032,982.86
Gains from the derecognition of financial assets measured at amortized cost ("-" for losses)			
Net exposure hedging gains("-" for losses)			
Gains from changes in fair value("-" for losses)		6,119,551.70	-267,031,470.18
Losses from credit impairment("-" for losses)		-27,616,837.27	-10,197,326.90
Losses from asset impairment("-" for losses)			
Income from the disposal of assets ("-" for net loss)			10,262.00
II. Operating profits ("-" for losses)		**697,905,475.22**	**549,014,823.50**
Plus: Non-operating income		195.41	140,846.54
Less: Non-operating expenses		250,977.86	264,654.19
III. Total profits ("-" for total losses)		**697,654,692.77**	**548,891,015.85**
Less: Income tax expenses		8,973,310.92	45,247,536.31
IV. Net profit ("-" for net loss)		**688,681,381.85**	**503,643,479.54**
(I) Net profit from operation on going concern basis ("-" for net loss)		**688,681,381.85**	**503,643,479.54**
(II) Net profit from discontinued operations ("-" for net loss)			
V. Other comprehensive income, net of tax		**1,019,673.16**	**1,211,331.87**
(I) Other comprehensive income that cannot be reclassified into profit or loss		**1,019,673.16**	**1,211,331.87**
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		1,019,673.16	1,211,331.87
3. Changes in fair value of other equity instrument investment			
4. Changes in the fair value of the Company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income reclassified to profit or loss under equity method			
2. Changes in fair value of investment in other debt securities			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other debt securities			
5. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)			
6. Translation differences of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		**689,701,055.01**	**504,854,811.41**
VII. Earnings per share			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal representative: 楼进跃印 Person in charge of accounting work: 胡晓生印 Head of accounting department: 吴旭英印

Company Statement of Cash Flows

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

KQ-03 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 Unit: RMB

Item	Note	Year 2025	Year 2024
I. Cash flows from operating activities:	——	——	——
Cash received from sale of goods and rendering of services		24,478,292.68	7,597,966.69
Refunds of taxes and surcharges			
Cash received from other operating activities		782,159,789.66	1,980,316,010.06
Sub-total of cash inflows from operating activities		806,638,082.34	1,987,913,976.75
Cash paid for goods purchased and services received		3,400,302.91	3,266,225.10
Cash paid to and on behalf of employees		20,914,956.74	19,786,074.56
Cash paid for taxes and surcharges		174,965,683.20	89,551,644.08
Cash paid for other operating activities		27,750,320.10	555,507,089.98
Sub-total of cash outflows from operating activities		227,031,262.95	668,111,033.72
Net cash flows from operating activities	XII. 4	579,606,819.39	1,319,802,943.03
II. Cash flows from investing activities:	——	——	——
Cash received from disposal of investment		73,433,797.83	185,725,276.76
Cash received from returns on investment		822,615,954.35	34,861,510.21
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			17,592.00
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		11,777,073,419.38	13,771,714,707.18
Sub-total of cash inflows from investing activities		12,673,123,171.56	13,992,319,086.15
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		93,595,594.34	2,690,399.54
Cash paid for investment		619,033,716.08	236,000,000.00
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		12,172,280,049.73	13,568,263,816.63
Sub-total of cash outflows from investing activities		12,884,909,360.15	13,806,954,216.17
Net cash flows from investing activities		-211,786,188.59	185,364,869.98
III. Cash flows from financing activities	——	——	——
Cash received from investors		3,687,517,584.90	2,600,000,000.00
Cash received from borrowings		22,633,809,496.94	23,986,990,000.00
Cash received from other financing activities		7,997,495,445.56	1,560,000,000.00
Sub-total of cash inflows from financing activities		34,318,822,527.40	28,146,990,000.00
Cash paid for debt repayment		22,593,840,000.00	22,987,850,000.00
Cash paid for distribution of dividends and profits or payment of interests		1,593,770,530.23	1,749,150,208.82
Cash paid for other financing activities		10,301,719,892.54	4,587,517,963.82
Sub-total of cash outflows from financing activities		34,489,330,422.77	29,324,518,172.64
Net cash flows from financing activities		-170,507,895.37	-1,177,528,172.64
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		-1,230,060.66	928,936.27
V. Net increase in cash and cash equivalents	XII. 4	196,082,674.77	328,568,576.64
Plus: Opening balance of cash and cash equivalents	XII. 4	897,210,720.93	568,642,444.29
VI. Closing balance of cash and cash equivalents	XII. 4	1,093,293,395.70	897,211,020.93

Legal representative: 楼跃印 Person in charge of accounting work: 胡晓生印 Head of accounting department: 吴旭英印

Company Statement of Changes in Owners' Equity

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2025 | KQ 04 Form | Monetary unit: RMB

Item	Year 2025										
	Paid-in capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Balance as at December 31 of last year	1,980,000,000.00		4,090,922,037.73		12,439,652,143.73		-52,180.11		332,011,378.51	417,728,024.46	19,260,261,404.32
Plus: Changes in accounting policies											
Adjustments for correction of accounting errors in prior year											
Others											
II. Balance as at January 1 of the current year	1,980,000,000.00		4,090,922,037.73		12,439,652,143.73		-52,180.11		332,011,378.51	417,728,024.46	19,260,261,404.32
III. Increases/decreases in the current year ("-" for decreases)			1,101,886,792.46		1,210,727,049.01		1,019,673.16		68,868,138.19	340,622,337.54	2,723,123,990.36
(I) Total comprehensive income							1,019,673.16			688,681,381.85	689,701,055.01
(II) Capital contributed or reduced by owners			1,101,886,792.46		1,210,727,049.01						2,312,613,841.47
1. Common stock contributed by owners					1,591,360,000.00						1,591,360,000.00
2. Capital invested by the holders of other equity instruments			1,101,886,792.46		-5,729,207.56						1,096,157,584.90
3. Amounts of share-based payments recognized in owner's equity											
4. Others					-374,903,743.43						-374,903,743.43
(III) Withdrawal and use of special reserves											
1. Withdrawal of special reserves											
2. Use of specific reserves											
(IV) Profit distribution									68,868,138.19	-348,059,044.31	-279,190,906.12
1. Withdrawal of surplus reserve									68,868,138.19	-68,868,138.19	
2. Distributions to owners										-279,190,906.12	-279,190,906.12
3. Others											
(V) Internal carry-forward of owners' equity											
1. Conversion of capital reserve into paid-in capital											
2. Conversion of surplus reserve into paid-in capital											
3. Surplus reserves offsetting losses											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
IV. Balance at the end of the year	1,980,000,000.00		5,192,808,830.19		13,650,379,192.74		967,493.05		400,879,516.70	758,350,362.00	21,983,385,394.68

Legal representative: 谯楼印跃 | Person in charge of accounting work: 胡生晓印 | Head of accounting department: 吴旭英印

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

Company Statement of Changes in Owners' Equity (Continued)

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2025 KQ 04 Form

Monetary unit: RMB

Item	Year 2024										
	Paid-in capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Balance as at December 31 of last year	1,980,000,000.00		4,092,910,377.34		12,410,994,095.15		-1,263,511.98		281,647,030.56	223,333,927.52	18,987,621,918.59
Plus: Changes in accounting policies											
Adjustments for correction of accounting errors in prior year											
Others											
II. Balance as at January 1 of the current year	1,980,000,000.00		4,092,910,377.34		12,410,994,095.15		-1,263,511.98		281,647,030.56	223,333,927.52	18,987,621,918.59
III. Increases/decreases in the current year ("-" for decreases)			-1,988,339.61		28,658,048.58		1,211,331.87		50,364,347.95	194,394,096.94	272,639,485.73
(I) Total comprehensive income							1,211,331.87				1,211,331.87
(II) Capital contributed or reduced by owners			-1,988,339.61		28,658,048.58					503,643,479.54	530,313,188.51
1. Common stock contributed by owners											
2. Capital invested by the holders of other equity instruments			-1,988,339.61		-7,358,490.58						-9,346,830.19
3. Amounts of share-based payments recognized in owner's equity											
4. Others					36,016,539.16						36,016,539.16
(III) Withdrawal and use of special reserves											
1. Withdrawal of special reserves											
2. Use of specific reserves											
(IV) Profit distribution									50,364,347.95	-309,249,382.60	-258,885,034.65
1. Withdrawal of surplus reserve									50,364,347.95	-50,364,347.95	
2. Distributions to owners										-258,885,034.65	-258,885,034.65
3. Others											
(VI) Internal carry-forward of owners' equity											
1. Conversion of capital reserve into paid-in capital											
2. Conversion of surplus reserve into paid-in capital											
3. Surplus reserves offsetting losses											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
IV. Balance at the end of the year	1,980,000,000.00		4,090,922,037.73		12,439,652,143.73		-52,180.11		332,011,378.51	417,728,024.46	19,260,261,404.32

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

Legal representative: 进楼印跃 Person in charge of accounting work: 胡生印晓 Head of accounting department: 吴旭英印

Yiwu State-owned Capital Operation Co., Ltd.
Notes to the Financial Statements
Fiscal Year 2025

I. Company Profile

Yiwu State-owned Capital Operation Co., Ltd.(hereinafter referred to as the "Company") is a state-owned enterprise funded and established by the State-owned Assets Supervision and Administration Commission of Yiwu Municipal People's Government (later renamed as the State-owned Asset Supervision and Administration Office of Yiwu Municipal People's Government) in accordance with the Opinions on Deepening Government Investment and Financing and the Reform of Management System of State-owned Enterprises (Shi Wei [2013] No.49) of the CPC Yiwu Municipal Committee. In 2020, according to the *Circular of Zhejiang Provincial Department of Finance and Other Four Departments on Comprehensively Promoting the Transfer of Partial State-owned Capital to Enrich the Social Security Fund* (ZCQ [2020] No.4) and the *Official Reply of Zhejiang Provincial Department of Finance to the Plan for Comprehensively Transferring State-owned Equity to Enrich the Social Security Fund* (ZCH [2020] No.109), the State-owned Assets Supervision and Administration Office of the Yiwu Municipal People's Government signed an agreement on gratuitous equity transfer with Zhejiang Financial Development Co., Ltd., transferring 9.4382% of the Company's equity held by it to Zhejiang Financial Development Co., Ltd. for free. The change of equity was registered with the market regulatory administration on August 31, 2020. In 2023, according to the Circular of the State-owned Assets Supervision and Administration Office on the Transfer of Partial State-owned Equity of State-owned Assets Operation Companies (Yi Guo Zi Ban Fa (2023) No.21) issued by the State-owned Asset Supervision and Administration Office of Yiwu Municipal People's Government, the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government transferred its 5% equity of the Company to Yiwu Digital Intelligence Industry Development Group Co., Ltd. for free. The base date of equity transfer was December 31, 2022, and the equity transfer was registered with the industrial and commercial department in May 2023.

Currently, the Company is a limited liability company (state-owned holding), and holds a business license issued by Yiwu Market Regulatory Administration with unified social credit code of 91330782089486536Y. Main business scope of the Company: State-owned capital operation and state-owned equity management.

As at December 31, 2025, the Company had registered capital of RMB 1.98 billion and paid-in capital of RMB 1.98 billion; legal representative: Lou Yuejin; the Company's registered address: 20/F, Building B7, Headquarters Economic Park, Choujiang Street, Yiwu City, Jinhua, Zhejiang Province; headquarters address: 20/F, Building B7, Headquarters Economic Park, Choujiang Street, Yiwu City, Jinhua, Zhejiang Province.

The Company's controlling shareholder is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government; and its ultimate controller is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government.

The financial report of the Company is approved by the administrative authority for disclosure, and the financial report is reported on April 29, 2026.

II. Basis of Preparation for Financial Statements

Based on going concern and according to actually occurred transactions and events, the financial statements are prepared in accordance with the Accounting Standards for Business Enterprises -

Basic Standards issued by the Ministry of Finance and all specific accounting standards, the Application Guidance to the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter referred to as the "Accounting Standards for Business Enterprises").

III. Statement on Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises and truly and completely reflect the Company's financial position, operation results and cash flows, etc. for the reporting period.IV. Significant Accounting Policies and Accounting Estimates

1. Accounting period

The Company adopts the calendar year as the accounting year, which commences on January 1, and ends on December 31 of each year.

2. Functional currency

The Company adopts RMB as its functional currency.

3. Accounting basis and valuation principles

Accounting of the Company shall be made on accrual basis. When preparing the financial statements, the Company follows the historical cost convention except for certain financial instruments. If the assets are impaired, the depreciation reserves shall be provided according to the relevant provisions.

4. Business combinations

Business combination refers to any transaction or event that brings together two or more separate enterprises into one reporting entity. Business combinations are classified into business combination under common control and business combination not under common control.

(1) Accounting treatment method for business combination under common control

Assets and liabilities acquired by the Company in a business combination are measured at the acquiree's book values in the consolidated financial statements of the ultimate controlling party on the combination date. The Company adjusts the capital reserve based on the difference between the share of the book value of the acquiree's owners' equity, as reflected in the consolidated financial statements of the ultimate controlling party, and the book value of the consideration paid for the combination or the total par value of the shares issued; in case that the capital reserve is insufficient to cover the difference, the retained earnings shall be adjusted.

(2) Accounting treatment method for business combination not under common control

On the acquisition date, the difference between the combination costs in excess of the share of fair value of the acquiree's identifiable net assets acquired in the combination is recognized as goodwill; if the combination cost is less than the fair value of the identifiable net assets acquired from the acquiree, the measurement of the fair value of the identifiable assets, liabilities, and contingent liabilities acquired from the acquiree as well as the combination cost shall be firstly reviewed. If it is confirmed after the review that the combination cost is still less than the fair value of the identifiable net assets acquired from the acquiree, the difference shall be included into current profit or loss.

5. Criteria for determining control and preparation method for consolidated financial statements

(1) Determination of control

Control is recognized when the Company has power over the investee, benefits from variable returns by participating in the investee's relevant activities, and can use its power over the investee to influence the amount of these variable returns.

(2) Preparation method for consolidated financial statements

The parent company includes all its controlled subsidiaries within the scope of consolidation for the consolidated financial statements. The consolidated financial statements are prepared by the parent company in accordance with the *Accounting Standard for Business Enterprises No. 33 - Consolidated Financial Statements*, based on the financial statements of the parent company and its subsidiaries and other relevant information.

6. Classification of joint venture arrangements and accounting treatment methods of joint operation

Joint venture arrangements are classified into joint operation and joint venture. Joint operation means that the joint venturer enjoys the relevant assets and assumes the relevant liabilities under the joint venture arrangements. Joint venture means that the joint venturer only has rights to the net assets under the joint venture arrangements.

The party to joint venture confirms the following items relating to the interests share in joint operation: assets it solely holds and its share of jointly-held assets based on its percentage; liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage; income from sale of output enjoyed by it from the joint operation; income from sale of output from the joint operation based on its percentage; separate costs and costs for the joint operation based on its percentage.

The joint venturer to the joint venture shall make accounting treatment of the investment in the joint venture in accordance with the provisions of the Accounting Standards for Business Enterprises No.2 – Long-term Equity Investments.

7. Recognition criteria of cash and cash equivalents

Cash in the statement of cash flows refers to cash on hand and the unrestricted deposits of the Company. Cash equivalents refers to short-term (usually maturing within three months from acquisition) and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

8. Foreign currency transactions and translation of foreign currency statements

(1) Translation of foreign currency transactions

Translation of foreign currency transactions are translated into RMB at the spot exchange rate on the day when the transaction occurs, upon the initial recognition. On the balance sheet date, the balance of foreign currency monetary items shall be translated at the spot exchange rate on the balance sheet date and the exchange differences arising from different exchange rate shall be included in the current profit and loss, except those exchange differences arising from the special borrowings for principal and interest of foreign currency related to the acquired and constructed assets qualified for capitalization. foreign currency non-monetary items measured at historical costs shall still be

converted into RMB at the spot exchange rates when the transactions occur, without changing the RMB amount. foreign currency non-monetary items measured at fair value shall be translated at the spot exchange rates on the day when the fair value is determined. The difference arising therefrom is included in the current profit and loss or other comprehensive income.

(2) Translation of foreign currency financial statements

Assets and liabilities in the balance sheet shall be translated at the spot exchange rates on balance sheet date; all owners' equity items, except for the "Undistributed profit", are translated at the spot exchange rates on the date when the transactions occur; the income and expenses in the income statement are translated at the average exchange rate in the period when transactions occur. Foreign currency translation differences arising from the above translation shall be recognized as other comprehensive income.

9. Financial instruments

A financial instrument refers to a financial asset forming an enterprise and a contract forming financial liabilities or equity instruments of other entities.

(1) Classification of financial assets and financial liabilities

Financial assets are classified into the following three categories upon initial recognition: 1) Financial assets measured at amortized cost; 2) Financial assets measured at fair value through other comprehensive income; 3) Financial assets measured at fair value through current profit or loss.

Financial liabilities are classified into the following four categories upon initial recognition: 1) Financial liabilities measured at fair value through current profit or loss; 2) Financial liabilities formed by the transfer of financial assets failing to meet the derecognition conditions or by the continuing involvement in the transferred financial assets; 3) Financial guarantee contracts not belonging to 1) or 2) above, and loan commitments not belonging to 1) above and providing a loan at a below-market interest rate; 4) Financial liabilities measured at amortized cost.

(2) Recognition basis, measurement methods and derecognition conditions for financial assets and financial liabilities

1) Recognition basis and initial measurement methods for financial assets and financial liabilities

When the Company becomes a party to a financial instrument, it shall recognize a financial asset or financial liability. Financial assets or financial liabilities are measured at fair value upon initial recognition; for financial assets and financial liabilities measured at fair value through current profit or loss, the relevant transaction costs are included in the current profit or loss; for financial assets or financial liabilities of other categories, relevant transaction costs are included in the initially recognized amount. However, for the accounts receivable initially recognized by the Company which do not contain a significant financing component or if the Company does not consider the financing component in contracts not exceeding one year, they are initially measured according to the transaction price as defined in the *Accounting Standard for Business Enterprises No. 14 - Revenue*.

2) Subsequent measurement methods for financial assets

① Financial assets measured at amortized cost

They shall be subsequently measured at amortized cost by using the effective interest method. Gains or losses from financial assets measured at amortized cost, which are not part of any hedging

relationship, are included in current profit or loss upon derecognition, reclassification, amortization using the effective interest method, or recognition of impairment.

② Debt instrument investments measured at fair value through other comprehensive income

They shall be subsequently measured at fair value. Interest, impairment losses or gains and exchange gains and losses calculated using the effective interest method are included in current profit or loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gains or losses previously recorded in other comprehensive income are transferred from other comprehensive income and included in the current profit or loss.

③ Equity instrument investments measured at fair value through other comprehensive income

They shall be subsequently measured at fair value. Dividends received (excluding those that constitute a recovery of investment costs) are included in current profit or loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gains or losses previously recorded in other comprehensive income are transferred from other comprehensive income and included in retained earnings.

④ Financial assets measured at fair value through current profit or loss

They are subsequently measured at fair value, and the generated gains or losses (including interest and dividend income) are included in current profit or loss, unless the financial asset is a part of a hedging relationship.

3) Subsequent measurement methods for financial liabilities

① Financial liabilities measured at fair value through current profit or loss

Such financial liabilities include financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated to be measured at fair value through current profit or loss. Such financial liabilities are subsequently measured at fair value. The amount of change in fair value of financial liabilities designated as measured at fair value through current profit or loss due to changes in the Company's own credit risk is included in other comprehensive income, unless such treatment would create or enlarge an accounting mismatch in profit or loss. Other gains or losses generated by such financial liabilities (including interest expenses, excluding fair value changes caused by the Company's own credit risk) are included in current profit or loss, unless the financial liability is a part of a hedging relationship. Upon derecognition, the accumulated gains or losses previously recorded in other comprehensive income are transferred from other comprehensive income and included in retained earnings.

2) Financial liabilities formed by the transfer of financial assets failing to meet the derecognition conditions or by the continuing involvement in the transferred financial assets

They are measured in accordance with the relevant provisions of the *Accounting Standard for Business Enterprises No. 23 - Transfer of Financial Assets*.

③ Financial guarantee contracts not belonging to ① or ② above, and loan commitments not belonging to ① above and providing a loan at a below-market interest rate

After initial recognition, they are subsequently measured at the higher of the following two amounts:

A. The amount of loss allowance determined in accordance with the impairment provisions for financial instruments; b. The balance after deducting the cumulative amortization amount determined in accordance with the relevant provisions of the *Accounting Standard for Business Enterprises No. 14 - Revenue* from the initial recognition amount.

④ Financial liabilities measured at amortized cost

They are measured at amortized cost by using the effective interest method. Gains or losses from financial liabilities measured at amortized cost, which are not part of any hedging relationship, are included in current profit or loss upon derecognition or amortization using the effective interest method.

4) Derecognition of financial assets and financial liabilities

① A financial asset is derecognized when one of the following conditions is met:

A. The contractual right to receive cash flows from financial assets has terminated;

B. The financial assets have been transferred, and such transfer meets the provisions of the *Accounting Standard for Business Enterprises No. 23 - Transfer of Financial Assets* regarding the derecognition of financial assets.

② When the present obligation of a financial liability (or a part thereof) has been discharged, the financial liability (or the part thereof) is derecognized accordingly.

(3) Recognition basis and measurement methods for transfer of financial assets

The Company derecognizes the financial assets when nearly all the risks and rewards associated with the ownership of the financial assets have been transferred, and separately recognizes the rights and obligations arising from or retained in the transfer as assets or liabilities; the Company continues to recognize the transferred financial assets when nearly all the risks and rewards associated with the ownership of the financial assets have been retained. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it shall be treated respectively in the following circumstances: 1) If it has not retained control of the financial asset, it shall derecognize the financial asset and separately recognize the rights and obligations created or retained in the transfer as assets or liabilities; 2) If it has retained control of the financial asset, it shall recognize the relevant financial asset to the extent of its continuing involvement in the transferred financial asset, and recognize the relevant liability accordingly.

Where the entire transfer of financial assets meets the derecognition conditions, the difference between the following two amounts shall be included in the current profit or loss:
1) The carrying amount of the transferred financial assets on the derecognition date; 2) The sum of the consideration received for the transfer of the financial asset and the amount corresponding to the derecognized part in the accumulated changes in fair value originally and directly included in other comprehensive income (where the transferred financial asset is a debt instrument investment measured at fair value through other comprehensive income). Where a part of financial assets is transferred and the transferred part entirely meets the derecognition conditions, the carrying amount of the entire financial assets before the transfer shall be allocated between the derecognized part and the continuing recognized part based on their respective relative fair values on the transfer date. The difference between the following two amounts shall be included in the current profit or loss: 1) The carrying amount of the derecognized part; 2)The sum of the consideration for the derecognized part and the amount corresponding to the derecognized part in the accumulated changes in fair value originally and directly included in other comprehensive income (where the transferred financial

asset is a debt instrument investment measured at fair value through other comprehensive income).

(4) Determination method of fair value of financial assets and financial liabilities

The Company uses valuation techniques that are applicable in the current situation and are supported by enough available data and other information to determine the fair value of relevant financial assets and financial liabilities. The Company divides the inputs used in valuation techniques into the following levels and uses them sequentially:

1) Level 1 inputs refer to quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date;

2) Level 2 inputs are directly or indirectly observable inputs of relevant assets or liabilities other than level 1 inputs, including: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; observable inputs other than quoted prices, such as interest rates and yield curves observable at commonly quoted intervals; market-corroborated inputs, etc.;

3) Level 3 inputs are unobservable inputs for the relevant assets or liabilities, including interest rates and stock volatilities that cannot be directly observed or corroborated by observable market data, future cash flows of dismantling obligations assumed in business combinations, financial forecasts using its own data, etc.

(5) Impairment of financial instruments

The Company recognizes impairment and makes loss allowance based on expected credit losses for financial assets measured at amortized cost, debt instrument investments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments other than those classified as financial liabilities measured at fair value through current profit or loss, and financial guarantee contracts other than those measured at fair value through current profit or loss or those arising from the transfer of financial assets that do not meet the derecognition conditions or continue to involve transferred financial assets.

Expected credit loss refers to the weighted average of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the present value of the difference, discounted at the original effective interest rate, between all contractual cash flows that the Company is entitled to receive under the contract and all cash flows expected to be collected, i.e., the present value of the total cash shortfall. For a financial asset that is purchased or originated with credit impairment, it is discounted at the credit-adjusted effective interest rate.

For a financial asset that is purchased or originated with credit impairment, the Company recognizes the cumulative changes in expected credit losses over the entire life of the asset as a loss allowance only at the balance sheet date.

For lease receivables, receivables arising from transactions regulated by the *Accounting Standard for Business Enterprises No. 14 - Revenue*, and contract assets, the Company uses a simplified measurement method to measure loss allowance based on the amount of expected credit losses for the entire duration.

For financial assets other than the above measurement methods, at each balance sheet date, the Company assesses whether their credit risk has increased significantly since initial recognition. If the

credit risk has increased significantly since initial recognition, the Company will measure the loss allowance based on the amount equivalent to the expected credit loss during the entire duration; if the credit risk has not increased significantly since initial recognition, the Company will measure the loss allowance based on the amount equivalent to the expected credit loss over the next 12 months for the financial instrument.

Based on the available reasonable and supportable information, including forward-looking information, the Company determines whether the credit risk of the financial instrument has significantly increased since initial recognition by comparing the risk of default of the financial instrument on the balance sheet date with the risk of default on the initial recognition date.

As of the balance sheet date, if the Company determines that the financial instrument only has low credit risk, it is presumed that the credit risk of the financial instrument has not significantly increased since initial recognition.

The Company evaluates the expected credit risk and measures the expected credit losses based on individual financial instruments or portfolios of financial instruments. When based on portfolios of financial instruments, the Company divides financial instruments into different portfolios based on the characteristics of common risk.

The Company remeasures expected credit losses on each balance sheet date, and the increased or reversed amount of the loss allowance thus formed is included in current profit or loss as an impairment loss or gain. For financial assets measured at amortized cost, the loss allowance reduces the carrying amount of the financial asset presented in the balance sheet; for debt investments measured at fair value through other comprehensive income, the Company recognizes the loss allowance in other comprehensive income without reducing the carrying amount of the financial asset.

(6) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, if the following conditions are met at the same time, the Company presents the net amount after mutual offsetting in the balance sheet: 1) The Company has a statutory right to offset the recognized amounts, and such statutory right is currently enforceable; 2) The Company intends to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

For the transfer of financial assets failing to meet the derecognition conditions, the Company does not offset the transferred financial assets against the related liabilities.

10. Notes receivable

See Note IV.9(5) Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on notes receivable.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify notes receivable into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as

follows:

Portfolio	Basis for determination of portfolio	Provision method
Risk-free bank acceptance bill portfolio	The issuer has a high credit rating, with no historical defaults on notes and an extremely low risk of credit loss, demonstrating a strong ability to fulfill its cash flow obligations under the payment contract in the short term.	Measure bad debt provision by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Commercial acceptance bill	Mainly issued by enterprises with good reputation, and no major default has occurred according to historical experience	Prepare a comparison table of accounts receivable aging and expected credit loss rates over the entire duration by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions, to calculate expected credit losses

11. Accounts receivable

See Note IV.9(5) Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on accounts receivable.

The Company individually determines the credit loss for accounts receivable if there is sufficient evidence to assess their expected credit losses at the individual instrument level at a reasonable cost.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify accounts receivable into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as follows:

Portfolio	Basis for determination of portfolio	Provision method
Aging portfolio	Classify portfolios based on aging	Withdraw provision for credit impairment losses based on the comparison table of aging and expected credit loss rates over the entire duration
Portfolio of government accounts	Classify as government funds portfolio based on the relationship with counterparties	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Complementary risk portfolio	Classify as compensatory risk portfolio based on the nature of receivables	Analyze compensatory units one by one; if there are recoverable assets, use the value of recoverable assets as the estimated recovery amount; if there are no recoverable assets, withdraw provision for credit impairment losses in full. For compensatory units with suspected clues of applying for execution resumption, normal performance repayment records, or ongoing litigation, consider the possibility of fund recovery and withdraw provision for corresponding credit impairment losses

Portfolio	Basis for determination of portfolio	Provision method
Portfolio of related parties	Classify as related party receivables based on the relationship with counterparties	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Other portfolios	Classify portfolios based on the nature of the funds	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.

12. Other receivables

See Note IV.9(5) Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on other receivables.

The Company individually determines the credit loss for other receivables if there is sufficient evidence to assess their expected credit losses at the individual instrument level at a reasonable cost.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify other receivables into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as follows:

Portfolio	Basis for determination of portfolio	Provision method
Aging portfolio	Classify portfolios based on the nature of the funds, aging and other factors	Withdraw provision for credit impairment losses based on the comparison table of aging and expected credit loss rates over the entire duration
Portfolio of related parties	Classify as related party receivables based on the relationship with counterparties	Measure bad debt provision by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Other portfolios	Classify portfolios based on the nature of the funds	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.

13. Inventories

(1) Classification of inventories

The inventories of the Company mainly include raw materials, goods in process, stock commodities, revolving materials, real estate development costs and real estate development products, etc.

Development costs refer to properties whose construction has not been completed and that are developed for sale. Developed products refer to properties whose construction has been completed and that are ready for sale. Inventories mainly include raw materials, developed products under construction, finished developed products, and developed products proposed to be sold but temporarily rented out.

(2) Measurement method for inventories dispatched

1) Dispatched inventories of materials, equipment, stock commodities, etc. other than developed products are measured by using the weighted average method at the end of the month.

2) When the project is developed, the land for development is included in the development cost of the project according to the area occupied by the developed products.

3) The dispatched developed products are accounted for by the cost coefficient allocation method.

4) The developed products and revolving houses that are temporarily leased for sale are evenly amortized by stages according to the estimated useful life of the Company's similar fixed assets.

5) If the public supporting facilities are completed earlier than the relevant developed products, after the completion and final settlement of the public supporting facilities, they shall be included in the development cost of the relevant development project according to the actual development cost of such project; if the public supporting facilities are completed later than the relevant developed products, the public supporting facilities fees shall be withheld by the relevant developed products first, and the cost of the relevant developed products shall be adjusted according to the difference between the actual amount incurred and the withheld amount after the completion and settlement of the public supporting facilities.

6) Bulk trade inventories are measured at weighted average method at end of month when dispatched.

7) A construction contract is measured at the actual cost, including direct expenses and indirect expenses incurred from the signing of the contract to the completion of the contract and those related to the execution of the contract. Accumulated cost incurred and accumulative gross profit (loss) recognized as well as settled payments of the construction contract shall be presented at the net amount after the offset in the balance sheet. The part of accumulated costs incurred plus accumulative gross profits (losses) recognized exceeding payments settled as to a construction contract shall be presented as inventories; the part of accumulated costs incurred plus accumulative gross profits (losses) recognized less than the payments settled as to the construction contract shall be presented as advances from customers.

Where travel expenses and bidding expenses, etc. are incurred from the conclusion of the contract and can be separately distinguished and reliably measured and the contract is probably concluded, such expenses shall be included in the contract cost when the contract is received; if the above conditions fail to be met, such expenses shall be included in the current profit and loss.

(3) Inventory system

The Company adopts the perpetual inventory system for inventories except for fresh and live products of hotels and catering industries for which the Company adopts the physical inventory system.

Basis to determine net realizable values of inventories and method of provision for depreciation of inventories

On the balance sheet date, the inventories are measured at the lower of the costs and the net realizable value, and the provision for inventory depreciation reserve is made based on the difference where the cost of a single inventory item exceeds its net realizable value. For goods inventories for direct sale, including finished goods, commodities and materials for sale, their net realizable values shall be recognized at the estimated selling prices minus the estimated selling expenses and the relevant taxes and surcharges in the normal production and operation process; for material inventories required to be processed, their net realizable values are recognized at the estimated selling prices of finished goods minus estimated costs until completion, estimated selling expenses and relevant taxes and surcharges in the normal production and operation process; on the balance sheet date, if part of the same inventory has agreed contract price but the other part has no agreed contract price, their net realizable values are determined respectively, and the amount accrued or reversed of inventory provision for depreciation is determined respectively by comparation with their corresponding cost.

14. Long-term equity investment

(1) Determination of common control and significant influence

The existence of shared control over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement not made before the parties sharing the control unanimously agree, is recognized as common control. The power to participate in making decisions on the financial and operating policies of the investee, but not the power to control, or jointly control, the formulation of such policies with other parties, is recognized as significant influence.

(2) Determination of investment cost

1) In the case of a business combination under common control, where the acquirer uses cash, transfers non-cash assets, assumes liabilities, or issues equity securities as consideration for the merger, its initial investment cost shall be the share of the carrying amount of acquiree's owners' equity in the consolidated financial statements of ultimate controlling party on the merger date. The capital reserves shall be adjusted according to the difference between the initial investment cost of long-term equity investment and the book value of consideration paid for the combination or the total face value of the shares issued; in case that the capital reserve is insufficient to cover the difference, the retained earnings shall be adjusted.

For long-term equity investments formed by business combination under common control achieved in stages through multiple transactions, the Company shall determine whether it belongs to a "package of transactions". If they belong to a "package of transactions", accounting treatment shall be made by considering each transaction as a transaction for obtaining control. If the transaction is not a part of a "package of transactions", the initial investment cost shall be determined at the share of its net asset of the acquiree enjoyed on the combination date in the book value of the ultimate controlling party's consolidated financial statements. If there is a difference between the initial investment cost of the long-term equity investment on the combination date and the sum of the book value of the long-term equity investment before combination and the book value of the consideration newly paid by shares acquired on the combination date, the difference shall be used to adjust the capital reserve; in case that the capital reserve is insufficient to cover the difference, the retained earnings shall be adjusted.

2) For business combination not under common control, the fair value of the consideration paid for the combination on the acquisition date shall be recognized as its initial investment cost.

For long-term equity investments formed by business combination not under common control achieved in stages through multiple transactions, the Company shall distinguish between individual financial statements and consolidated financial statements for relevant accounting treatment:

① In the individual financial statements, the sum of the book value of the equity investment previously held plus the newly increased investment costs shall be regarded as the initial investment costs to be measured by the cost method.

② In the consolidated financial statements, it shall determine whether it belongs to a "package of transactions". If they belong to a "package of transactions", accounting treatment shall be made by considering each transaction as a transaction for obtaining control. If the transaction is not a part of a "package of transactions", the acquiree's equity held before the acquisition date shall be remeasured at its fair value on the acquisition date, and the difference between its fair value and book value shall be recognized as investment income for 2025; if the acquiree's equity held before the acquisition date involves other comprehensive income under the equity method, the other comprehensive income related to it shall be transferred to the income of the period to which the acquisition date belongs. Other comprehensive income generated by the investee's remeasurement of the changes in net liabilities or net assets of the defined benefit plan is excluded.

3) Other than those formed by business combination: For those acquired by paying cash, the purchase price actually paid shall be recognized as its initial investment cost; for those acquired by issuing equity securities, the fair value of the equity securities issued shall be recognized as its initial investment cost; for those acquired through debt restructuring, the initial investment cost shall be determined in accordance with the *Accounting Standard for Business Enterprises No. 12 – Debt Restructuring;* For those acquired through non-monetary asset exchanges, the initial investment cost shall be determined in accordance with the *Accounting Standard for Business Enterprises No. 7 – Non-monetary Asset Exchanges*.

(3) Subsequent measurement and recognition of gains or losses

Long-term equity investments in investees under control are calculated under the cost method; the Company's long-term equity investment in its associates and joint ventures are calculated under the equity method.

(4) Treatment method for disposal of investments in subsidiaries achieved in stages through multiple transactions until the loss of control

1) Determination principles for whether it belongs to a "package of transactions"

When the equity investment in a subsidiary is gradually disposed of in stages through multiple transactions leading to the loss of control, the Company shall determine whether these step-by-step transactions constitute a "package of transactions" based on the terms of each transaction agreement, the consideration received for each disposal, the object to which the equity is sold, the disposal method, the timing of each disposal, and other relevant information. The terms, conditions, and economic impacts of the transactions meet one or more of the following situations, which usually indicate that multiple transaction events belong to a "package of transactions":

① These transactions are concluded simultaneously or in consideration of their mutual impact;

② These transactions as a whole can achieve a complete business result;

③ The occurrence of one transaction depends on the occurrence of at least one other transaction;

④ One transaction is uneconomical when viewed individually, but is economical when considered together with other transactions.

2) Accounting treatment for those not belonging to a "package of transactions"

① Individual financial statements

For the disposal of equity, the difference between the book value and the actual purchase price shall be included in the current profit or loss. For the remaining equity, if it continues to exert significant influence over the investee or exercises common control with other parties, it shall be accounted for using the equity method; when control, common control, or significant influence over the investee can no longer be exercised, they are accounted for in accordance with the relevant provisions of the *Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*.

② Consolidated financial statements

Before the loss of control, the capital reserves (capital premium) will be adjusted for the difference between the disposal proceeds and the share of net assets corresponding to the disposed long-term equity investment, calculated constantly from the acquisition date or combination date. Where the capital premium is insufficient, retained earnings will be adjusted.

Upon the loss of control over the former subsidiary, the remaining equity shall be remeasured at its fair value on the date of loss of control. The difference between the sum of the consideration received from the disposal of equity and the fair value of the remaining equity, and the share of net assets that should be enjoyed according to the original shareholding ratio, calculated constantly from the acquisition date or combination date, will be included in the investment income for the period of loss of control, while simultaneously reducing goodwill. Other comprehensive income related to the equity investment in the former subsidiary shall be transferred to current investment income when the control is lost.

3) Accounting treatment for those belonging to a "package of transactions"

① Individual financial statements

Accounting treatment shall be made by considering each transaction as a transaction for disposing of a subsidiary and losing control. However, before the loss of control, the difference between the disposal consideration and the book value of the long-term equity investment corresponding to the disposed investment for each disposal shall be recognized as other comprehensive income in the individual financial statements, and transferred to the current profit and loss in which the control is lost together when the control is lost.

② Consolidated financial statements

Accounting treatment shall be made by considering each transaction as a transaction for disposing of a subsidiary and losing control. However, before the loss of control, the difference between the disposal consideration and the share of the net assets of the subsidiary corresponding to the disposed investment for each disposal shall be recognized as other comprehensive income in the consolidated financial statements, and transferred to the current profit and loss in which the control is lost together when the control is lost.

15. Investment properties

(1) The investment property refers to the real estate held for earning rentals or/and capital appreciation. Investment properties include leased land use right, land use right held for transfer upon appreciation, and leased building.

(2) The Company shall make subsequent measurement of investment properties under cost method

and depreciate and amortize investment properties using the policies in consistent with houses and buildings or land use right.

(3) When properties for self-use or inventories are converted into investment properties or investment properties are converted into properties for self-use, the book value before the transfer shall be regarded as the recorded amount after the transfer.

(4) When an investment property is being disposed or permanently withdrawn from use and no future economic benefits are expected from the disposal, the investment property shall be derecognized. When an investment property is sold, transferred, retired or damaged, the Company shall recognize the amount of any proceeds on disposal deducting its book value and related taxes and surcharges, in the current profit or loss.

(5) On the balance sheet date, if there is any indication of impairment of investment properties, the provision for impairment of investment properties shall be made by the method described in the "impairment of long-term assets" policy in the notes to the financial statements.

16. Fixed assets

(1) Fixed assets refer to tangible assets that have the following characteristics at the same time: 1) held for the production of goods, provision of labor services, lease or business management; and 2) the use life exceeds one fiscal year.

(2) Fixed assets are recognized when they meet the following conditions: 1) It is probable that the economic benefits relating to the fixed assets will flow into the Company; and 2) the cost of the fixed asset can be measured reliably. If the subsequent expenses relevant to a fixed asset meet the said recognition conditions, they shall be recorded in the cost of fixed asset; if they do not meet the said recognition conditions, they shall be included in the current profit and loss when incurred.

(3) Fixed assets are initially measured at cost.

(4) Provision for depreciation of fixed assets will be made, during the service life, by the straight-line method as of the next month when the fixed assets reach to the predetermined serviceable condition. The service life, estimated net residual value and annual depreciation rate in aspect to various fixed assets are as follows:

Category of fixed assets	Useful life (year)	Annual depreciation rate (%)	Estimated net residual value rate (%)
Buildings and constructions	5-70	1.36-20	0-5
Machinery equipment	3-20	4.5-33.33	0-10
Means of transportation	5-15	6.33-20	0-5
Pipe network	10-20	4.75-10	0-5
Landscaping projects	20	4.75	5
General equipment	3-18	5.28-33.33	0-5
Special equipment	5-18	5.28-20	0-5

Category of fixed assets	Useful life (year)	Annual depreciation rate (%)	Estimated net residual value rate (%)
Port logistics expressway	25	3.8	5
Office equipment	3-15	6.33-33.33	0-5
Electronic and other equipment	3-20	4.75-33.33	0-5

(5) On the balance sheet date, if there is any indication of impairment of fixed assets, the provision for impairment of fixed assets shall be made by the method described in the "impairment of long-term assets" policy in the notes to the financial statements.

17. Construction in progress

(1) Construction in progress will only be recognized when the economic benefits relating to it may flow into the Company and its costs can be measured reliably. Construction in progress is measured at the actual cost incurred before the asset is constructed to reach the predetermined serviceable condition.

(2) A construction in progress is transferred to fixed asset at actual cost when reaching the conditions for its intended use. For construction in progress that has reached the condition for intended use but for which the settlement for completed project has not been handled, it shall be transferred to the fixed asset at the estimated value. After the final account for completed project is settled, the Company adjusts the original estimated value according the actual cost, but does not adjust the provision for such depreciation that has been made.

(3) On the balance sheet date, if there is any indication of impairment of construction in progress, the provision for impairment of construction in progress shall be made by the method described in the "impairment of long-term assets" policy in the notes to the financial statements.

18. Borrowing costs

(1) Recognition principles of capitalization of borrowing costs

Borrowing costs include interest thereon, amortization of discounts or premiums, ancillary expenses and exchange differences incurred by foreign currency borrowings, etc. The incurred borrowing costs directly attributable to the acquisition and construction or production of assets eligible for capitalization shall be capitalized and recorded into costs of related assets; other borrowing costs are recognized as expenses based on the amount incurred and are included in the current profit and loss. Assets meeting the capitalization requirements refers to fixed assets, investment properties and inventories, etc. that need to be purchased, constructed or produced for a long time to be available for intended use or sale.

(2) Capitalization period for borrowing costs

1) Borrowing costs may be capitalized only when all the following conditions are met at the same time: ① The asset expenditures have incurred; ② the borrowing costs has incurred; and ③ purchase, construction or manufacturing activities that are necessary to prepare the asset for its intended use or sale have started.

2) Suspension of capitalization: If the acquisition and construction or production activities of assets

eligible for capitalization are abnormally interrupted and such condition lasts for more than three months, the capitalization of borrowing costs shall be suspended. Borrowing costs incurred during the interruption are recognized as expenses in 2025 and continue to be capitalized when the acquisition, construction or production of the asset restarts.

3) Cessation of capitalization: Capitalization of borrowing costs shall be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale condition.

(3) Amount of borrowing costs capitalized

As for special borrowings borrowed for acquiring and constructing or producing assets eligible for capitalization, borrowing costs of special borrowing actually incurred in 2025 less the interest income of the borrowings unused and deposited in bank or return on temporary investment shall be recognized as the capitalization amount of borrowing costs.

For general borrowings for the acquisition, construction or production of a qualifying asset conditions and occupancy, according to the weighted average asset disbursement of accumulated assets exceed the special loans with the general borrowing by multiplying the capitalization rate, calculate and determine the general loan shall be capitalized. The capitalization rate is determined via the calculation at the weighted average interest rate of general borrowings.

19. Intangible assets

(1) Intangible assets are initially measured at cost.

(2) Where the period when intangible assets bringing economic benefits to the Company can be reasonably determined according to the contractual rights of intangible assets or other legal rights, the same industry conditions, historical experience, relevant expert arguments and other comprehensive factors, such intangible assets shall be regarded as intangible assets with limited useful lives; where the period when intangible assets bringing economic benefits to the Company can not be reasonably determined, such intangible assets shall be regarded as intangible assets with uncertain useful lives.

(3) For the intangible assets with limited useful life, the Company generally considers the following factors when estimating their lives: 1) information about the general life cycle of the products that are made by using the asset or the useful life of similar assets that can be obtained; 2) current status and expected future development trends of technology, process and other aspects; 3) market demand for the products made by or services provided by using the asset; 4) action expected to be taken by the existing or potential competitors; 5) expected maintenance expenses for keeping the asset's ability of bring economic benefits, and the Company's ability of paying related expenses; 6) relevant legal provisions or similar restrictions on period of controlling the asset, such as franchise term and lease term; and 7) relevance with the useful lives of other assets held by the Company.

(4) An intangible asset with limited useful life is amortized over its useful life according to the expected way of realizing economic benefits relating to the intangible asset in a systematic manner, or amortized at the straight-line method if the expected way of realizing such benefit cannot be reliably determined. Intangible assets with indefinite useful life are not amortized, but the Company shall review the useful life of such intangible assets, and carry out the impairment test in each accounting period.

(5) On the balance sheet date, the ability of intangible assets that are expected to bring future economic benefits to the Company is examined, and the provision for impairment of intangible assets is made by the method described in the "impairment of long-term assets" policy in the notes to the financial statements.

(6) The Company's expenditures for its internal research and development projects shall be included in the current profit or loss. Expenditure on the development phase of an internal research and development project shall be recognized as intangible assets only when the following conditions are simultaneously satisfied: 1) In respect of the technology, it is feasible to finish the intangible assets for use or sale; 2) it is intended to finish and use or sell the intangible assets; 3) The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally; 4) adequate technical, financial, and other resources are available to complete the development of the assets, and the Company has the ability to use or sell the assets; and 5) The expenditure attributable to the intangible asset during its development phase can be measured reliably.

20. Impairment of long-term assets

(1) For non-current assets other than inventories, deferred income taxes, and financial assets, the Company assesses on the balance sheet date whether there are any indications of possible impairment. If there are indications of possible impairment of an asset, the Company will estimate its recoverable amount on an individual basis; if it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount will be determined based on the asset group or the portfolio of asset groups to which the asset belongs.

(2) The recoverable amount shall be determined at the higher of the net amount of the fair value of a single asset, asset group or portfolio of asset groups minus disposal expenses and the present value of the expected future cash flow of the single asset, asset group or portfolio of asset groups.

(3) If the recoverable amount of a single asset is lower than its book value, the corresponding asset impairment provision shall be made based on the difference between the book value of the single asset and the recoverable amount. If the recoverable amount of an asset group or portfolio of asset groups is lower than its book value, the corresponding impairment loss shall be recognized. The impairment loss shall first offset the book value of goodwill allocated to the asset group or portfolio of asset groups, and then offset the book value of all other assets on a pro rata basis according to the proportion of the book value of all assets other than goodwill in the asset group or portfolio of asset groups; the offsetting of the book value of the above assets shall be taken as the impairment loss of each single asset (including goodwill), and the provision for the impairment of each single asset shall be made.

(4) The above losses from asset impairment shall not be reversed in subsequent accounting periods once recognized.

21. Long-term deferred expenses

Long-term deferred expenses refer to the expenses which have been already incurred but will be borne in 2025 and in the future with an amortization period of over 1 year. Long-term deferred expenses are amortized over the estimated beneficial period with straight-line method. If long-term deferred expense items cannot benefit future accounting periods, the entire unamortized value of the item shall be transferred to current profit or loss.

22. Goodwill

The difference between the combination costs in excess of the share of fair value of the acquiree's identifiable net assets acquired in the combination not under common control is recognized as goodwill. After initial recognition, goodwill is measured at cost less accumulated impairment provision. At the end of each year, goodwill impairment testing is conducted in conjunction with the related asset group or asset group portfolios. Losses from asset impairment shall not be reversed in subsequent accounting periods once recognized.

23. Employee compensation

Employee compensation refers to multiform remuneration or compensation offered by an enterprise in order to get services provided by its employees or terminate the labor relation. Employee compensation of the Company mainly includes short-term employee compensation, post-employment benefits, termination benefits and other long-term employee benefits. Including:

Short-term compensation mainly includes salaries, bonuses, allowances and subsidies, employee warfare, medical insurance premiums, maternity insurance premiums, work-related injury insurance premiums, housing provident funds, trade union dues and education funds, non-monetary benefits, etc. During the accounting period when employees serve the Company, the actual short-term employee compensation is recognized as liabilities and included in current profit and loss or costs associated with assets. Among them, non-monetary benefits are measured at the fair value.

Post-employment benefits mainly include defined contribution plans. Defined contribution plans mainly include basic endowment insurance and unemployment insurance. The corresponding amounts to be paid shall be included in the cost of related assets or the current profit and loss when they are incurred.

Where the Company rescinds labor relationship with employees prior to expiry of a labor contract, or encourages employees to accept voluntary redundancy offer of compensation recommended, employee compensation incurred from termination benefits shall be recognized as liabilities and shall be recorded into the current profit and loss at the earlier date when the Company is unable to unilaterally withdraw the termination benefits provided in the plan on the cancellation of labor relationship or the layoff proposal and when the Company recognizes the cost related to restructuring concerning payment of termination benefits. However, termination benefits that are expected to fail to be fully paid within 12 months after the end of the annual reporting period shall be handled according to other long-term employee benefits.

Other long-term employee benefits provided for employees by the Company in conformity with defined contribution plans shall be accounted for according to the defined contribution plans. Others shall be accounted for according to the defined benefit plans.

24. Share-based payment

(1) Types of share-based payments

It includes equity-settled share-based payments and cash-settled share-based payments.

Relevant accounting treatment for implementation, modification and termination of share-based payment plans

1) Equity-settled share-based payments

For equity-settled share-based payments in exchange for services provided by employees that can be exercised immediately after being granted, they shall be included in relevant costs or expenses according to the fair value of equity instruments on the grant date, and the capital reserve shall be adjusted accordingly. For equity-settled share-based payments in exchange for services provided by employees that can only be exercised upon completion of the vesting period or upon meeting specified performance conditions, on each balance sheet date during the vesting period, the services obtained during2025 shall be included in relevant costs or expenses based on the best estimate of the number of equity instruments that can be exercised and according to the fair value of equity instruments on the grant date, and the capital reserve shall be adjusted accordingly.

If the equity-settled share-based payment is exchanged for other services, and the fair value of other services can be reliably measured, it shall be measured at the fair value of other services on the acquisition date; if the fair value of other services cannot be reliably measured, but the fair value of the equity instruments can be reliably measured, it shall be measured at the fair value of the equity instruments on the service acquisition date and included in the relevant cost or expense, and the owners' equity shall be correspondingly increased.

2) Cash-settled share-based payments

For cash-settled share-based payments in exchange for services provided by employees that can be exercised immediately after being granted, they shall be included in relevant costs or expenses according to the fair value of the liabilities assumed by the company on the grant date, and the liabilities shall be increased accordingly. For cash-settled share-based payments in exchange for services provided by employees that can only be exercised upon completion of the vesting period or upon meeting specified performance conditions, on each balance sheet date during the vesting period, the services obtained during2025 shall be included in relevant costs or expenses and corresponding liabilities based on the best estimate of the exercisable conditions and according to the fair value of the liabilities assumed by the company.

3) Modification and termination of share-based payment plans

If the modification increases the fair value of the granted equity instruments, the Company shall correspondingly recognize the increase in the acquisition of services based on the increase in the fair value of the equity instruments; if the modification increases the quantity of the granted equity instruments, the Company shall correspondingly recognize the increase in the acquisition of services based on the fair value of the additional equity instruments; if the Company modifies the vesting conditions in a manner beneficial to the employees, the Company shall consider the modified vesting conditions when dealing with the vesting conditions.

If the modification decreases the fair value of the granted equity instruments, the Company shall continue to recognize the amount of services acquired based on the fair value of the equity instruments on the grant date, without considering the decrease in the fair value of the equity instruments; if the modification decreases the quantity of the granted equity instruments, the Company shall treat the reduced portion as a cancellation of the granted equity instruments; if the vesting conditions are modified in a manner detrimental to the employees, the modified vesting conditions shall not be considered when dealing with the vesting conditions.

If the Company cancels or settles the granted equity instruments during the vesting period (except for cancellations due to failure to meet the vesting conditions), such cancellation or settlement shall be treated as accelerated vesting, and the amount originally recognized over the remaining vesting period shall be immediately recognized.

25. Bonds payable

Bonds payable are initially recognized at their fair value, which is the difference between the actual funds received (fair value of the consideration) and transaction costs, and are subsequently measured at amortized cost. The difference between the net amount of borrowed funds received and the amount due at maturity is amortized over the borrowing period using the effective interest method, with the amortization amount recognized in the current profit and loss.

26. Estimated liabilities

Except for contingent consideration and contingent liabilities assumed in business combination not under the same control, when the obligations related to contingencies meet the following conditions, the Company shall recognize them as estimated liabilities:

(1) The obligation is a present obligation of the Company;

(2) The performance of such obligation is likely to result in outflow of economic benefits from the Company;

(3) The amount of the obligation can be measured reliably.

The estimated liabilities of the Bank are initially measured as the best estimate of expenses required for the performance of relevant present obligations by considering comprehensively the risks with respect to contingencies, uncertainties and the time value of money. On the balance sheet date, the Company reviews the book value of estimated liabilities. The Company shall make corresponding adjustments to reflect the current best estimate if there is any conclusive evidence indicating that such book value can not reflect the current best estimate.

27. Preferred shares, perpetual bond and other financial instruments

According to the relevant standards of financial instruments and the *Provisions on the Accounting Treatment of Perpetual Bonds* (CK [2019] No. 2), for financial instruments issued such as preferred shares/perpetual bonds (e.g., long-term MTNs with options)/warrants/convertible corporate bonds, the Company classifies such financial instruments or their components as financial assets, financial liabilities, or equity instruments upon initial recognition based on the contractual terms of the issued financial instruments and their economic substance rather than solely on their legal form, in combination with the definitions of financial assets, financial liabilities, and equity instruments.

On the balance sheet date, interest expenses or dividend distributions on financial instruments classified as equity instruments are treated as profit distributions by the Company. Their repurchase or cancellation is treated as changes in equity; for financial instruments classified as financial liabilities, interest expenses or dividend distributions are treated as borrowing costs, and gains or losses arising from their repurchase or redemption are recognized in the current profit or loss.

28. Work safety costs

The Company shall withdraw the work safety expenses in accordance with the *Circular on Issuing the Administrative Measures for the Withdrawal and Use of Expenses for Safety Production of Enterprises of the Ministry of Finance and the State Administration of Work Safety* (CQ [2012] No.16) and relevant provisions.

The Company withdraws the work safety expenses according to national provisions, include them in the cost of related products or the current profit or loss, and included in special reserves at the same time. When withdrawn work safety expenses are used, they are treated separately depending on whether they form fixed assets: if they belong to expenses, they shall be directly deducted from special reserves; if fixed assets are formed, the expenses incurred shall be collected and recognized as fixed assets at the time of meeting predetermined serviceable condition, while the equivalent special reserves are offset and the equivalent accumulated depreciation is recognized.

29. Revenue

(1) Revenue recognition principle

The Company recognizes revenue when its performance obligations as stipulated in the contract are fulfilled, that is, when the customer obtained control of the related goods or services, based on the transaction price allocated to that performance obligation.

Performance obligation refers to the Company's commitment in the contract to transfer distinctly identifiable goods or services to the customer.

Obtaining control of related goods or services refers to being able to dominate the use of the goods or the rendering of the services and obtain almost all economic benefits from them.

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

If the Company meets one of the following conditions, it is deemed to fulfil the performance obligations within a certain period of time; otherwise, it is deemed to so at a certain point of time: 1) The customer obtains and consumes the economic benefits brought by the Company's performance while the Company is performing the contract; 2) The customer can control the commodities under construction during the Company's performance; 3) The commodities produced by the Company during the performance of the contract have irreplaceable uses, and the Company has the right to receive payment for the accumulated performance of the contract so far throughout the contract period.

For performance obligations performed within a certain period of time, the Company recognizes revenue in accordance with the performance progress during that period. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized at the amount of the cost incurred until the performance progress can be reasonably determined. For performance obligations performed at a certain time point, the Company recognizes revenue when the customer obtains control of the relevant services. When judging whether a customer has acquired control of goods, the Company considers the following indications: 1) The Company is entitled to charge for the goods at present, that is, the customer is obliged to pay for the goods at present; 2) The Company has transferred the legal ownership of the goods to the customer, that is, the customer has had the legal ownership of the goods; 3) The Company has transferred the goods to the customer in kind, that is, the customer has owned the goods in kind; 4) The Company has transferred the major risks and rewards in the ownership of the goods to the customer, that is, the customer has obtained the major risks and rewards in the ownership of the goods; 5) The customer has accepted the goods; 6) Other indications that the customer has gained control of the goods.

(2) Revenue measurement principles

1) The Company measures revenue at the transaction price allocated to each performance obligation. Transaction price means the amount of consideration to which the Company is expected to be entitled as a result of the transfer of goods or services to customers, excluding amounts received on behalf of third parties and amounts expected to be returned to customers.

2) If there is a variable consideration, the Company determines the best estimate of the variable consideration according to the expected value or the most likely amount, but the transaction price including the variable consideration shall not exceed the accumulated and recognized income without possible significant reversal when the relevant uncertainty is eliminated.

3) If there is a significant financing component in the contract, the Company determines the transaction price based on the amount payable in cash when the customer obtains control of the goods or services, and uses the effective interest method to amortize the difference between the transaction price and the contract consideration during the contract period. On the commencement date of contract, if the Company expects the interval between the date when the customer obtains control of the goods or services and the date of payment by the customer to be less than one year, it will not consider any significant financing component in the contract.

4) Where the contract contains two or more performance obligations, the Company will, on the commencement date of the contract, allocate the transaction price to each individual performance obligation in the proportion of the individual selling price of the goods for which each individual performance obligation is committed.

(3) Specific methods for revenue recognition

1) Contract on sale of goods

The contracts on sale of goods between the Company and customers usually only include performance obligations for the transfer of goods. The Company generally recognizes revenue at the time point when the customer obtains the control over the relevant goods on the basis of comprehensive consideration of the following factors: Obtain the current collection rights of the goods, the main risks and rewards of the ownership of the goods, the legal ownership of the goods, the physical assets of the goods, and the customer's acceptance of the goods.

2) Rendering of labor services

When the Company provides labor services according to the contract, revenue from services is recognized when the services provided meet the recognition terms in the contract, and the customer has obtained control of the related services.

3) Rendering of construction services

The Company recognizes revenue over time for construction services provided to customers, as the customer controls the goods under construction during the Company's performance. Revenue is recognized based on progress, determined by the input method, specifically by the ratio of cumulative actual contract costs to the total estimated contract costs. If the progress of contract performance cannot be reasonably determined, but contract costs are expected to be recoverable, contract income can be recognized to the extent of actual contract costs that are expected to be recoverable and the contract costs are recognized as contract expenses immediately when incurred. When the factors preventing reasonable determination of contract performance progress no longer exist, revenue and expenses related to construction contracts are recognized according to the progress of contract performance.

4) Hotel accommodation services

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing hotel accommodation services based on the number of nights stayed and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

5) Service of paid use of funds within a certain period of time

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing the service of paid use of funds within a certain period of time based on the number of days of fund use and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

6) Market stall usage and related supporting services

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing market stall usage and related supporting services based on the number of days of stall usage and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

30. Contract assets and contract liabilities

The Company presents contractual assets or contractual liabilities in the balance sheet based on the relationship between its performance of fulfillment obligations and customer payments. The Company will present its contractual assets and contractual liabilities under the same contract by their net amount after offsetting each other.

(1) Contract assets

Contractual assets refer to the right to receive consideration for the transfer of goods or services to customers, and this right depends on factors other than the elapse of time.

(2) Contract liabilities

Contractual liabilities refer to the obligation to transfer goods or services to customers for the consideration received or receivable from customers, such as the amount that an enterprise has received before the transfer of promised goods or services.

31. Assets related to contract costs

The Company's assets related to contract costs include contract acquisition costs and contract performance costs. According to their liquidity, they are separately presented in inventories, other current assets and other non-current assets.

If the Company expects to recover the incremental costs incurred to obtain the contract, the contract acquisition costs are recognized as an asset unless the amortization period of the asset does not exceed one year.

If the Company does not apply the scope of the relevant standards such as inventories, fixed assets or intangible assets for the costs incurred in performing the contract, and the following conditions are met at the same time, such costs shall be recognized as an asset categorized as contract performance cost:

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

(2) where such cost increases the resources that the enterprise will use to perform its fulfillment obligations in the future; and

(3) where the cost is expected to be recovered.

The Company amortizes the assets related to contract costs on the same basis as the revenue recognition related to the assets and includes them into the current profit or loss.

If the book value of assets related to contract costs is higher than both of the following two differences, the Company will make impairment provision for the exceeding part and recognize it as losses from asset impairment:

(1) where the remaining consideration is expected to be obtained by the transfer of goods or services related to the asset;

(2) where the costs are estimated to occur for the transfer of the relevant goods or services.

If the factors of impairment in the previous period have changed later, causing that the difference between (1) and (2) is higher than the book value of the asset, the provision for asset impairment that was originally accrued shall be reversed and included in the current profit or loss, but the reversed book value of the asset shall not exceed the book value of the asset on the date of reversal under the assumption that no provision for impairment is made.

32. Lease

Lease refers to a contract in which the lessor transfers the right to use the assets to the lessee within a certain period to obtain consideration.

On the contract commencement/change date, the Company evaluates whether the contract is or includes a lease. The Company does not reassess whether the contract is or includes a lease unless

the terms and conditions of the contract change.

(1) The Company as the lessee

1) Separation of leases

If a contract contains one or more lease and non-lease components, the Company separates each lease and non-lease component and allocates the contract consideration based on the relative proportion of the sum of the standalone price of each lease component and the standalone price of the non-lease component.

2) Right-of-use assets

At the commencement of the lease term, the Company recognizes the right-of-use assets for leases other than short-term and low-value asset leases. Right-of-use assets are initially measured at cost, The cost includes: ①Initial measurement amount of lease liability; ② the lease payment made on or before the commencement of the lease term, or the relevant amount after deducting the lease incentive already enjoyed if any; ③ initial direct costs incurred by the Company; ④ the cost expected to be incurred by the Company for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state agreed in the lease terms, excluding the costs incurred to produce inventories. The Company subsequently depreciates the right-of-use assets by using the straight-line method. If there is a reasonable assurance that the ownership of leased assets can be acquired when the lease period expires, then the depreciation will be made within the useful life of such lease assets; otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The Company determines whether the right-of-use assets have been impaired and accounts for them in accordance with the relevant provisions on impairment of assets.

3) Lease liabilities

At the commencement of the lease term, the Company recognizes lease liabilities for leases other than short-term and low-value asset leases. Lease liabilities are initially measured at the present value of the unpaid lease payments on the commencement date of the lease. Lease payments include: ① fixed payment (including substantial fixed payment), and the relevant amount after deducting the lease incentive if any; ② variable lease payments depending on index or ratio; ③ exercise price of the purchased option, provided that the Company reasonably determines that the option will be exercised; ④ the amount to be paid for the exercise of the lease termination options, provided that the lease term reflects that the Company will exercise the options to terminate the lease; ⑤ estimated payments due to the guaranteed residual value provided by the Company;

The Company uses the interest rate implicit in lease as the discount rate, but if the interest rate implicit in the lease cannot be reasonably determined, the Company uses the incremental borrowing rate as the discount rate. The Company calculates the interest expense of the lease liabilities in each the lease term at a fixed periodic interest rate, and includes it in the current profit and loss or related asset costs. Variable lease payments that are not included in the lease liabilities are included in the current profit and loss or related asset costs when incurred.

After the lease commencement date, under any of the following circumstances, the Company shall re-measure the lease liability and adjust the book value of right-to-use asset accordingly. If the book value of the right-to- use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount shall be included in the current profit and loss: ① When the

appraisal result of the purchase option, lease renewal option or termination option changes, or the actual exercise of the aforesaid option is inconsistent with the original appraisal result, the Company shall re-measure the lease liability at the present value calculated at the changed lease payment and the revised discount rate; ② When the actual fixed payment amount changes, the estimated amount payable of the guaranteed residual value changes, or the index or ratio used to determine the lease payment amount changes, the Company re-measures the lease liability at the present value calculated at the changed lease payment amount and the original discount rate. However, where the change in the lease payments is due to changes in floating interest rates, the present value is calculated using the revised discount rate.

4) Short-term and low-value asset leases

The Company chooses not to recognize the right-of-use assets and lease liabilities for short-term and low-value asset leases, and includes the related lease payments in the current profit and loss or related asset costs with the straight-line method in each lease term. Short-term lease refers to a lease that lasts for no more than 12 months and includes no purchase options at the commencement of the lease term. Low-value asset lease refers to a lease with lower value when the individual leased assets are brand new assets.

5) Lease change

If a lease changes and meets all the following conditions, the Company will account for the lease change as a separate lease: ① the lease change expands the scope of the lease by adding one or more rights to use the leased assets or extends the lease term; ② the increased consideration is equivalent to the individual price of the expanded or extended part adjusted according to the contract.

If the lease change is not accounted for as a separate lease, the Company shall, on the effective date of the lease change, re-allocate the consideration of the changed contract, re-determine the lease term, and remeasure the lease liabilities at the present value calculated based on the changed lease payment and the revised discount rate. If the change of the lease results in a narrowed scope of the lease or a shortened lease term, the Company shall reduce the book value of the right-of-use asset accordingly, and include the relevant gains or losses related to the partial or complete termination of the lease in the current profit and loss. If other changes in lease lead to the remeasurement of lease liabilities, the Company shall adjust the book value of the right-of-use asset accordingly.

(2) The Company as the lessor

1) Separation of leases

If a contract contains both lease and non-lease components, the Company allocates the transaction price in accordance with the provisions on transaction price allocation in the Accounting Standards for Business Enterprises No.14 - Revenue, based on the standalone prices of the lease and non-lease components.

2) Classification of leases

The leases are classified as financing lease and operating lease on the lease beginning date. Finance lease refers to the lease under which all the risks and rewards relevant to the ownership of assets are materially transferred, regardless of whether the ownership is ultimately transferred. Operating lease refers to the leases other than finance lease.

3) Operating lease business

Lease receipts from operating leases during each lease term shall be recognized as rental income with the straight-line method. The Company capitalizes the initial direct costs incurred in relation to operating leases, and allocates the same to the current profit and loss on the same basis as that for rental income recognition during the lease term. Variable lease payments that are not included in the lease receipts are included in the current profit and loss when incurred. Where an operating lease is changed, the Company shall account for it as a new lease as of the effective date of the change, and the advances received or lease receipts receivable related to the lease before the change shall be deemed as the receipts from the new lease.

4) Finance lease business

On the lease beginning date, the Company recognizes the financing lease receivables and derecognizes the assets acquired under financing lease. When the Company initially measures the financing lease receivables, the net lease investment is taken as the book-entry value of the financing lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received at the commencement of the lease term, discounted at the interest rate implicit in lease. The Company calculates and recognizes the interest income in each lease term at a fixed periodic interest rate. Variable lease payments that are not included in the net lease investment are included in the current profit and loss when incurred.

(3) Sale and leaseback transactions

The Company as seller and lessee

The Company evaluates and determines whether the asset transfer in the sale-and-leaseback deals is a sale in accordance with the Accounting Standards for Business Enterprises No.14 - Revenue. If the asset transfer is a sale, the group continues to recognize the transferred asset, and recognizes a financial liability equal to the transfer income at the same time, and accounts for the financial liability in accordance with the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments. If the asset transfer is a sale, the Group measures the right-of-use asset formed by the sale-and-leaseback deal according to the part, in the book value of original assets, related to the use right obtained from the leaseback, and only recognizes the relevant gains or losses for the rights transferred to lessor.

33. Government subsidies

(1) Government subsidies refer to monetary or non-monetary assets other than invested capital obtained free of charge from the government. They are divided into asset-related government subsidies and income-related government subsidies. Government subsidies can be recognized only when meeting the following conditions at the same time:

1) The Company can meet conditions attached to government subsidies;

2) The Company can receive government subsidies.

(2) The Company applies the gross method for accounting treatment of government subsidies.

(3) Judgement basis or accounting treatment method for government subsidies related to assets

If the government subsidies shall be used for the construction or the generation in otherwise of the long-term assets as required by the government documents, they are the government subsidies related to assets; if government documents have no relevant provisions, and such government subsidies are based on the condition of the construction or the generation in otherwise of the

long-term assets judged on the basis of basic conditions required for obtaining such government subsidies, they shall be deemed as the government subsidies related to assets. Asset-related government subsidies are recognized as deferred income. If government subsidies relating to assets are recognized as deferred income, they shall be included in profit or loss by stages by a reasonable and systematic method within the useful lives of relevant assets. Government subsidies measured at the nominal amount are directly included in the current profit and loss. Where relevant assets are sold, transferred, scraped or damaged before the end of their lives, balance of the unallocated deferred income is transferred to the current profit or loss on asset disposal.

(4) Judgement basis or accounting treatment method for income-related government subsidies

Government subsidies other than asset-related government subsidies are classified as income-related government subsidies. For government subsidies that contain both asset-related parts and income-related parts, if it is difficult to distinguish between assets-related and income-related government subsidies, they shall be classified as income-related government subsidies as a whole. Government subsidies associated with income that are used to recover relevant costs or losses of the Company in subsequent period are recognized as deferred income and included in the current profit or loss when relevant costs or losses are recognized; those to be used as compensation for relevant expenses or losses already incurred shall be recorded directly in the profit or loss.

Government subsidies related to the Company's daily activities shall be included in other income in accordance with the nature of economic business. Where the government subsidies are irrelevant to the daily activities of the Company, they will be included in non-operating income or expenses.

(5) Accounting treatment method for interest subsidies for policy-based preferential loan

When the finance department appropriates the interest subsidies to the lending bank, and the lending bank provides the loan at the policy-based preferential interest rate to the Company, the Company will take the book-entry value at the loan amount actually received, and relevant loan expenses are calculated based on the principal of the loan and the policy-based preferential interest rate.

Where the finance department directly appropriates the discount funds to the Company, the Company will use the corresponding interest discount to offset related borrowing costs.

34. Deferred income tax assets and deferred income tax liabilities

(1) Current income tax

On the balance sheet date, current income tax liabilities (or assets) formed in current and prior periods are measured at the estimated income tax payable (or recovered) calculated according to the tax law. The taxable income which the calculation of current income tax expense is based on is calculated after the corresponding adjustment to accounting profit before tax in 2025 in accordance with the relevant provisions of the tax law.

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

For the temporary differences arising from, the difference between the book value of certain assets or liabilities items and their tax basis, as well as the difference between the book value of the items fail to be recognized as assets or liabilities but of which the tax basis may be recognized in accordance with the provisions of tax law and their tax basis, the deferred income tax assets and deferred income tax liabilities shall be recognized by the balance sheet liability method.

For taxable temporary differences related to initial recognition of goodwill and related to initial recognition of assets or liabilities incurred in the transaction that is not a business combination and that affects neither accounting profit nor taxable income (or deductible loss) when the transaction occurs, the relevant deferred income tax liabilities shall not be recognized. In addition, for the taxable temporary differences related to the investment in subsidiaries, associates and joint ventures, if the timing of the reversal of the temporary differences is able to be controlled by the Company and the temporary differences will be probable not to be reversed in the foreseeable future, the relevant deferred income tax liabilities shall not be recognized. Except for the above exceptions, the Company recognizes deferred income tax liabilities arising from all of other taxable temporary differences.

For deductible temporary differences related to initial recognition of assets or liabilities incurred in the transaction that is not a business combination and that affects neither accounting profit nor taxable income (or deductible loss) when the transaction occurs, the relevant deferred income tax assets shall not be recognized. In addition, for the deductible temporary differences related to the investment in subsidiaries, associates and joint ventures, if the temporary differences will be probable not to be reversed in the foreseeable future or the deductible temporary differences will be probable not to be reversed in the future, the relevant deferred income tax assets shall not be recognized. Except for the above exceptions, the Company shall recognize deferred income tax assets arising from deductible temporary differences to the extent of the taxable income that is probably obtained to cover the deductible temporary differences.

For deductible losses and tax credits that can be carried forward to subsequent periods, deferred tax assets arising therefrom are recognized to the extent that future taxable income will be probable to be available against deductible losses and tax credits.

On the balance sheet date, deferred tax assets and liabilities are measured at the applicable tax rate during the period of estimated recovery of relevant assets or settlement of relevant liabilities according to the tax law.

The book value of deferred income tax assets shall be re-examined on the balance sheet date. If it is unlikely to obtain sufficient taxable income to offset the benefit of the deferred income tax assets, the book value of the deferred income tax assets shall be written down. When it is likely to earn sufficient taxable income, the write-down amount shall be reversed.

(3) Income tax expenses

Income tax expenses include the current income tax and the deferred income tax.

Except that the current income tax and deferred income tax that are recognized as other comprehensive income and are related to the transactions or events directly recorded in capital reserves are included in other comprehensive income or capital reserves, and that the book value of the goodwill is adjusted based on the deferred income tax arising from the business combination, other current income taxes and deferred income tax expenses or benefit shall be included in the current profit and loss.

(4) Offset of income tax

If the Company has the legal right to settle in net amounts and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current income tax assets and current income tax liabilities of the Company shall be presented based on the net amount after offset.

When the Company has the legal rights to settle income tax assets and income tax liabilities for2025 with net amount, and deferred income tax assets and deferred income tax liabilities are related to the income tax which are imposed on the same taxpayer by the same tax collection authority or on different taxpayers, but, in each important future period in connection with the reverse of deferred income tax assets and liabilities, the involved taxpayer intends to balance income tax assets and liabilities for2025 with net settlement at the time of obtaining assets and discharging liabilities, deferred income tax assets and deferred income tax liabilities shall be presented based on the net amount after offset.

35. Held-for-sale

The Company classifies the part (or non-current assets) that meet all the following conditions as assets held for sale: (1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance; (2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and had acquired decided purchase commitment, and it is estimated that the sale will be completed within one year. It has been approved by relevant authorities or regulatory authorities in accordance with relevant regulations.

The Company shall adjust the estimated net salvage value of the fixed assets for sale held by it to make the estimated net salvage value of the fixed assets reflect the amount of its fair value after deduction of the disposal expenses, which shall not exceed the original book value of the fixed assets when they meet the conditions for being held for sale, and the difference between the original book value and the estimated net residual value after adjustment shall be included in the current profit and loss as losses from impairment of assets, and a provision for impairment of assets held for sale is made at the same time. For the amount of losses from asset impairment recognized by the disposal groups held for sale, the book value of goodwill in disposal groups shall be firstly offset, and then according to the proportion of various non-current assets in disposal groups that are subject to the measurement provisions in these standards, the book value thereof shall be offset pro rata.

If the net amount of the fair values of non-current assets held for sale on the subsequent balance sheet date minus the selling expenses increases, the amount previously written down will be recovered and reversed in the amount of losses from asset impairment recognized after being classified into the category of assets held for sale, and the reversed amount shall be included in the current profit or loss. The losses from asset impairment recognized before being divided into assets held for sale shall not be reversed. Where the net amount of fair values of disposal groups held for sale less the selling and distribution expenses increases on the subsequent balance sheet date, the amount previously written down shall be recovered and reversed in the amount of losses from asset impairment recognized regarding non-current assets, which are applicable to measurement provisions of the standards after being divided into assets held for sale. The reversed amount shall be included in the current profit and loss. The deducted book value of goodwill and the losses from asset impairment recognized regarding non-current assets, which are applicable to provisions on the measurement in these standards, before being divided into assets held for sale may not be reversed. The subsequently reversed amount of losses from asset impairment recognized regarding any disposal group held for sale shall be used to add the book values of various non-current assets, which are applicable to provisions on the measurement in these standards, other the goodwill, at the proportions of these book values in the disposal group.

If the Company loses the control over the subsidiary due to the sale of the investment in the subsidiary or other reasons, whether the Company retains party equity investment after the sale, when the investment in the subsidiary to be sold satisfies the conditions for classifying as the asset held for sale, the investment in the subsidiary will be divided into the category of the asset held for

sale in individual financial statements, and all assets and liabilities of the subsidiary will be classified into the category of assets and liabilities held for sale in the consolidated financial statement.

36. Discontinued operation

Discontinued operations refer to the component meeting any of the following conditions that can be separately distinguished and that has been disposed by the Company or classified as held for sale by the Company:

(1) the component represents a separate major business or a sole major business area;

(2) the component is a part of the plan on intended disposal of an independent major business or a sole major business area; or

(3) the component is a subsidiary acquired only for re-sale.

Profit or loss from continued operation and profit or loss from discontinued operation are listed respectively in the income statement. For non-current assets or disposal groups held for sale that do not meet the definition of discontinued operation, the impairment loss, reversed amount and profit or loss from disposal shall be presented as profit or loss from continued operation. The impairment loss from discontinued operation, reversed amount and other profit or loss from operation as well as profit or loss from disposal shall be presented as profit or loss from discontinued operation.

37. Fair value measurement

The Company measures equity instrument investments at fair value on each balance sheet date. Fair value is the price received from sales of an asset or paid for transfer of a liability by a market participant in an orderly transaction on the measurement date. The Company measures relevant assets or liabilities at fair value, provide that the orderly trading for sale of assets or transfer of liabilities is carried out in the main market of the relevant assets or liabilities; if no main market exists, the Company assumes that the trading is conducted in the most advantageous market for related assets or liabilities. The main market (or the most advantageous market) is the trading market that can be entered by the Company at the measurement date. The Company adopts the assumption used for realizing its utmost economic benefit when the market participants determine the price of assets or liabilities.

When the Company uses the valuation techniques, it has considered the valuation techniques that are applicable in the current situation and are supported by enough available data and other information. The Company gives priority to the observable inputs when using valuation techniques, and those unobservable inputs are used only under the circumstance when it is impossible or unobservable inputs to obtain relevant observable inputs.

For assets and liabilities measured at or disclosed by their fair value in the financial statements, the level of the measurement result of fair value shall subject to the lowest level which the input having great significance to the entire measurement of fair value belongs to: Level 1 inputs refer to quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date; level 2 inputs are directly or indirectly observable inputs of relevant assets or liabilities other than first-level inputs; level 3 inputs are unobservable inputs for the relevant asset or liability.

On each balance sheet date, the Company reevaluates the assets and liabilities continuously measured at fair value and recognized in the financial statements in order to determine whether

there is a conversion among the levels of fair value measurement.

V. Notes to changes in accounting policies and accounting estimates as well as corrections of accounting errors

1. Changes in accounting policies

None.

2. Changes in accounting estimates

None.

3. Correction of accounting errors

Yiwu Shuangjianghu Development Group Co., Ltd. adjusted its credit impairment losses and accounts receivable for the year 2024, resulting in a reduction of RMB 12,706,332.41 in net profit for the same year. The Company, holding a 40% equity interest in Yiwu Shuangjianghu Development Group Co., Ltd., accounts for this investment using the equity method. This adjustment impacts the previously recognized investment income in proportion to the Company's shareholding and the book value of its long-term equity investment. The Company has corrected errors in relevant financial data of previous periods, with specific impacts as follows:

(1) Impact on the consolidated balance sheet

December 31, 2024

Item	Amount before adjustment	Adjusted amount	Amount after adjustment
Long-term equity investment	23,035,423,207.36	-5,082,532.96	23,030,340,674.40
Surplus reserve	401,510,535.01	-508,253.30	401,002,281.71
Undistributed profits	5,125,695,140.81	-4,574,279.66	5,121,120,861.15

(2) Impact on the Company's balance sheet

December 31, 2024

Item	Amount before adjustment	Adjusted amount	Amount after adjustment
Long-term equity investment	26,330,894,376.17	-5,082,532.96	26,325,811,843.21
Surplus reserve	332,519,631.81	-508,253.30	332,011,378.51
Undistributed profits	422,302,304.12	-4,574,279.66	417,728,024.46

(3) Impact on the consolidated income statement

Fiscal Year 2024

Item	Amount before adjustment	Adjusted amount	Amount after adjustment
Investment income	588,917,235.33	-5,082,532.96	583,834,702.37
Net profit	2,056,588,788.20	-5,082,532.96	2,051,506,255.24

(4) Impact on the Company's income statement

Fiscal Year 2024

Item	Amount before adjustment	Adjusted amount	Amount after adjustment
Investment income	77,241,590.28	-5,082,532.96	72,159,057.32
Net profit	508,726,012.50	-5,082,532.96	503,643,479.54

4. Adjustment of other matters

None.

VI. Taxes

1. Main tax types and tax rates

Tax type	Tax rate	Tax basis
Value-added tax	1%、3%、5%、6%、9%、13%	For general taxpayers, the output tax shall be calculated at 6%-13% tax rate, and the value added tax shall be calculated and paid based on the output tax after deducting the deductible input tax in current period; tap water and hydropower projects are taxed at 3%. In addition, the sales of old self-developed real estate projects (with commencement date of contract before April 30, 2016, as indicated on the Construction Project Construction Permit) and the renting of immovable property acquired before April 30, 2016, are subject to tax at a rate of 5% under the simplified tax method. The export goods are subject to the policies on the tax exemption, offset or refund, and the refund rates are 5%-13% respectively.
Land value-added tax	30%~60%	A four-tier progressive tax rate is applied based on the ratio of value added to deductible items.
House property tax	1.2%、12%	Where the tax is levied by means of ad valorem, the tax payable shall be 1.2% of the balance of the original value of the housing property after deducting 30% thereof. Where the tax is levied based on rental income, the tax payable shall be 12% of rental income.
Land use tax	Fixed-amount taxation	Determine the applicable tax amount based on the local land grade
Cultural construction fee	3%	Advertising business turnover
Water resource tax	RMB 0.2/cubic meter	Based on actual water consumption
Urban maintenance and construction tax	5、7%	Payable turnover tax amount
Educational surcharge	3%	Payable turnover tax amount
Local educational surcharge	2%	Payable turnover tax amount
Corporate income tax	15%、16.5%、19%、25%、30%	Taxable income

Remark: The following entities are subject to different corporate income tax rates abroad:

Name of taxpayer	Corporate income tax rate
Europe Huajie Development Limited	19%
Yiwu Commodities City (Hong Kong) International Trade Limited	16.50%
BETTER SILK ROAD FZE	No corporate income tax levied
HongKong Better Silk Road Company Limited	16.50%
Yiwu China Commodities City (Germany) Co., Ltd.	15%
Huafrica (Kenya) Investment Development Co., Limited	30%
BETTER SILK ROAD RWANDA Ltd	30%

2. Tax incentives

(1) According to the *Announcement of the Ministry of Finance and the State Taxation Administration on Tax Policies on Further Supporting the Development of Small and Micro Businesses and Individual Industrial and Commercial Households* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.12), from January 1, 2023, to December 31, 2027, resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), farmland occupation tax, education surcharge, and local education surcharge shall be halved for small-scale VAT taxpayers, small low-profit enterprises, and individual businesses. Small low-profit enterprises shall calculate taxable income at a reduced rate of 25% and pay corporate income tax at a rate of 20%.

(2)According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Value-added Tax Reduction and Exemption Policy for Small-scale VAT Taxpayers (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.19), from August 1, 2023 to December 31, 2027, small-scale VAT taxpayers with monthly sales amount of below RMB 100,000 (inclusive) shall be exempt from VAT; small-scale VAT taxpayers whose taxable sales revenue shall be subject to the 3% levy rate shall be eligible for a reduced rate of 1%; for items subject to prepayment of VAT at the rate of 3%, the prepayment will be made at a reduced rate of 1%.

(3) In accordance with the *Circular on Expanding the Exemption Scope for Certain Government Funds* (CS [2016] No.12), the exemption scope for education surcharges, local education surcharges, and water conservancy construction funds was expanded from taxpayers with monthly sales or business volume not exceeding RMB 30,000 (or RMB 90,000 for taxpayers that pay tax quarterly) to those with monthly sales or business volume not exceeding RMB 100,000 (or RMB 300,000 for taxpayers that pay tax quarterly).

(4) According to Article 1 of the *Circular of the State Taxation Administration on Issuing the Provisions on Several Specific VAT Issue*s (GSF [1993] No.154), (VII) the supply or extraction of untreated natural water (such as water supplied from reservoirs for agricultural irrigation or groundwater extracted by factories for production) within the taxation scope is exempt from VAT.

The subsidiaries of Yiwu Water Affairs Construction Group Co., Ltd. (hereinafter referred to as "Water Affairs Group"), including Yiwu South, Yiwu West, Yiwu North, and Yiwu River Basin Water

Conservancy Project Management Co., Ltd., are eligible for this preferential policy.

(5) According to the *Circular on Issues Concerning VAT Exemption for Vegetable Distribution* (CS [2011] No.137), from January 1, 2012, VAT is exempted for taxpayers engaged in the wholesale and retail of vegetables.

According to Article 1of the *Circular of the Ministry of Finance and the State Administration of Taxation on the VAT Exemption Policy for Certain Fresh Meat and Egg Products in Distribution* (CS [2012] No.75), VAT is exempted for taxpayers engaged in the wholesale and retail of certain fresh meat and egg products.

Yiwu Market Development Group Co., Ltd. (hereinafter referred to as "Market Group") has a subsidiary engaged in the above-mentioned business that is entitled to the above preferential tax policy.

(6) According to Paragraph 24 of Article 1 of Attachment 3 Provisions on Transitional Policies for the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax to the Circular of the Ministry of Finance and the State Tax Administration on the Comprehensive Promotion of the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (Cai Shui [2016] No. 36) , the VAT exemption policy for guarantee institutions is implemented through a record-filing management approach. Eligible guarantee institutions shall complete the record-filing procedures with the competent tax authorities of the counties(cities) where they are located and the small and medium-sized enterprise management departments at the same level, and enjoy a 3-year VAT exemption policy from the date of completion of the record-filing procedures. After the expiration of the 3-year tax exemption period, eligible guarantee institutions may continue to enjoy the policy after completing the record-filing procedures as prescribed.

Yiwu Financing Guarantee Co., Ltd. and Yiwu Chengxin Financing Guarantee Co., Ltd., subsidiaries of the Company, are entitled to the above preferential tax policy.

(7) According to the *Announcement on Continuing to Implement the Preferential Tax Policies for Public Rental Housing* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.33), the rental income obtained from operating public rental housing is exempt from VAT (if not accounted for separately, the exemption policy shall not be applicable). This announcement shall be implemented until December 31, 2025.

Yiwu Talent Development Group Co., Ltd. (hereinafter referred to as "Talent Development Group"), a subsidiary of the Company, is entitled to the above preferential tax policy.

(8) According to the *Announcement of the Ministry of Finance, the State Taxation Administration and the Ministry of Veterans Affairs on Relevant Tax Policies for Further Supporting the Entrepreneurship and Employment of Self-employed Retired Soldiers* (Announcement [2023] No.14), from January 1, 2023 to December 31, 2027, if an enterprise recruits retired soliders seeking employment on their own, signs labor contracts with them for more than 1 year and pays social insurance premiums in accordance with the law, from the month when the labor contracts are signed and the social insurance premiums are paid, VAT, urban maintenance and construction tax, educational surcharges, local educational surcharges and enterprise income tax preferences will be deducted by quota within 3 years in turn according to the actual number of retired soldiers employed.

Yiwu International Land Port Group Co., Ltd., a subsidiary of the Company's subsidiary Yiwu International Land Port Group Co., Ltd. (hereinafter referred to as "Land Port Group"), is entitled to the above preferential tax policy.

(9) According to the *Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax Policies for Supporting the Financing of Small and Micro Enterprises* (Announcement [2023] No.13), "II. The loan contracts signed by financial institutions with small and micro enterprises shall be exempted from stamp duty.

Yiwu Air Port Construction and Development Co., Ltd., a subsidiary of Land Port Group, is eligible for the aforementioned preferential tax policies.

(10) According to the *State Taxation Administration's Circular on issuing the Supplementary Provisions on Several Specific Issues Concerning Land Use Tax* (GSDZ [1989] No.140), the gratuitous use of land of taxpaying entities by tax-exempt entities (such as public security organs and customs offices use land of railway and civil aviation entities) shall be exempt from land use tax; taxpaying entities that use land of tax-exempt entities gratuitously shall pay land use tax according to provisions.

According to the *Announcement of Zhejiang Provincial Tax Service, State Taxation Administration and Zhejiang Provincial Department of Finance on Matters Related to the Hardship Exemption and Reduction of Property Tax and Urban Land Use Tax,* "For those engaged in industries encouraged and supported by the state, complying with the orientation of industrial development and intensive and economical land use, and meeting the circumstances stipulated in the relevant documents of the People's Government of Zhejiang Province, and incurring severe losses. Upon approval by the local competent tax authority, hardship tax exemption or reduction may be granted".

Land Port Group and its subsidiaries, including Yiwu Hongfei E-Commerce Service Co., Ltd., Yiwu Land Port Investment Development Co., Ltd., Yiwu Bonded Logistics Center Co., Ltd., and other eligible enterprises, are eligible for the aforementioned preferential tax policy.

(11) According to the *Announcement of the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development on Perfecting Tax Policies for House Lease* (Announcement of the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development [2021] No. 24), from October 1, 2021, enterprises, public institutions, social organizations, and other entities that rent out houses to individuals or professional and large-scale housing lease companies shall be subject to property tax at a reduced rate of 4%.

The Company and its affiliated companies engaged in the aforementioned business are eligible for the aforementioned preferential tax policies.

(12) In accordance with the *Implementing Measures for Adjusting Urban Land Use Tax Policy in Yiwu City to Promote Intensive and Economical Use of Land* (YZBF [2022] No.16), Market Group enjoys a 90% reduction in land use tax based on per-mu tax revenue.

(13) According to the Circular of the Ministry of Finance and the State Taxation Administration on Relevant Tax Policies for Shantytowns Renovation (Cai Shui [2013] No.101), as of July 4, 2013, the land used for construction of renovated relocation housing is exempted from urban land use tax.

Stamp duty related to renovated resettlement housing for operating and management entities and developers of renovated resettlement housing, as well as stamp duty involving individuals purchasing resettlement housing, shall be exempted.

Yiwu Construction Engineering Management Co., Ltd., a subsidiary of the Company's subsidiary Yiwu Construction Investment Group Co., Ltd. (hereinafter referred to as "Construction Investment Group"), is entitled to the above preferential tax policy.

(14) According to the *Announcement on Continuing to Implement the Preferential VAT Policies for Publicity and Culture* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.60), VAT is exempted for the wholesale and retail of books before December 31, 2027.

Yiwu Education Development Co., Ltd., a subsidiary of the Company, is eligible for the above preferential policy.

(15) According to the *Corporate Income Tax Law*, high-tech enterprises are subject to corporate income tax at a reduced rate of 15%. Subsidiaries of Water Affairs Group, including Yiwu Drainage Co., Ltd., Yiwu Water Treatment Co., Ltd., Zhejiang Yiwu Tap Water Co., Ltd, and Yiwu No. 2 Tap Water Co., Ltd., as well as subsidiaries of Zhejiang China Commodities City Group Co., Ltd. (hereinafter referred to as "Commodities City Group"), including Yiwu China Commodities City Big Data Co., Ltd., and sub-subsidiaries of Commodities City Group, including Kuaijietong Payment Services Co., Ltd., and Zhejiang Yiwugo E-Commerce Co., Ltd., enjoy corporate income tax benefits for high-tech enterprises during the preferential period.

(16) According to the *Announcement on Further Improving the Pre-tax Additional Deduction Policy for R&D Expenses* (Announcement of the Ministry of Finance and State Taxation Administration [2023] No.7), R&D expenses actually incurred by enterprises in conducting R&D activities that are not capitalized as intangible assets and are recorded as current profit or loss, shall, from January 1, 2023, be subject to additional deduction at 100% of the actual incurred amount before tax on the basis of the stipulated deductions according to facts; if intangible assets are formed, from January 1, 2023, they shall be amortized before tax at 200% of the cost of the intangible assets.

VII. Business combination and consolidated financial statements

1. Details of subsidiaries

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
1	Yiwu Financial Holdings Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Government equity investment, asset management, investment management and consulting	106,500.00	100.00	100.00	117,752.13	（4）
1-1	Yiwu Hongyuan Investment Management Partnership (Limited Partnership)	Tier-3	（1）	Yiwu, Zhejiang	Investment management and consulting	2,001.00	99.90	99.90	10,039.95	（4）
1-2	Yiwu Fund Investment Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Asset management	100,000.00	100.00	100.00	100,000.00	（1）
1-3	Yiwu Industrial Development Investment Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	State-owned capital operations, equity investment, investment management	10,000.00	100.00	100.00	11,226.22	（4）
2	Yiwu Property Rights Exchange Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Intermediary services	1,111.11	90.00	90.00	2,449.56	（4）
3	Jinhua Yichan Auction Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Auction services	300.00	100.00	100.00	300.00	（4）
4	Yiwu Financing Guarantee Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Financing guarantees	102,753.19	97.32	97.32	100,000.00	（4）
5	Yiwu Integrity Financing Guarantee Co., Ltd. [Note 1]	Tier-2	（1）	Yiwu, Zhejiang	Financing guarantee	20,000.00	99.43	100.00	18,640.00	（1）
6	Zhejiang Yiwu Liming Lake Training Service Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Catering and conference services	1.00	100.00	100.00	1.00	（1）
7	Yiwu Yibang Enterprise Management Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Enterprise management, market research	1.00	100.00	100.00	1.00	（1）
8	Yiwu Qingyi Investment Development Limited Liability Company	Tier-2	（1）	Yiwu, Zhejiang	Advertising design and event planning services	700.00	100.00	100.00	700.00	（1）
9	Yiwu Education Development Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Education investment and development, services, and school logistics management	10,000.00	100.00	100.00	10,000.00	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
9-1	Yiwu Logistics Services Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Institutional logistics management services	1,000.00	100.00	100.00	1,000.00	（1）
9-2	Yiwu Shuren Middle School	Tier-3	（4）	Yiwu, Zhejiang	High school education	300.00	100.00	100.00	300.00	（4）
9-3	Yiwu Xiaowanguo Kindergarten	Tier-3	（4）	Yiwu, Zhejiang	Preschool childcare and education	300.00	100.00	100.00	300.00	（4）
9-4	Yiwu Shude Middle School	Tier-3	（4）	Yiwu, Zhejiang	High school education	300.00	100.00	100.00	300.00	（4）
9-5	Yiwu Lide College	Tier-3	（4）	Yiwu, Zhejiang	High school education	300.00	100.00	100.00	300.00	（1）
10	Yiwu Industrial Investment Equity Investment Partnership (Limited Partnership)	Tier-2	（1）	Yiwu, Zhejiang	Private equity fund management, investment, and consulting	22,449.30	99.90	99.90	22,425.28	（1）
11	Yiwu Talent Development Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Human resources services	5,000.00	100.00	100.00	5,000.00	（1）
11-1	Yiwu Human Resources Services Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Human resources services	500.00	100.00	100.00	500.00	（1）
11-2	Yiwu Talent Development Vocational Skills Training School Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Information, socio-economic consulting services, business training	100.00	100.00	100.00	100.00	（1）
11-3	Zhejiang Yixin Enterprise Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Enterprise management consulting; housing lease	1,000.00	100.00	100.00	547.06	（3）
12	Yiwu Urban Investment and Construction Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Urban infrastructure investment, construction and management, real estate development and sales, etc.	62,698.52	91.55	91.55	185,835.29	（4）
12-1	Yiwu Meihu Sports Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Retail of books and periodicals, education investment and development, operation, management, and revenue, etc.	3,000.00	100.00	100.00	17,000.00	（4）
12-2	Yiwu Urban Construction Resources Operation Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Management of urban parking resources and public advertising resources, provision of public bicycle services, comprehensive operation of bottled gas, etc.	1,000.00	100.00	100.00	8,500.00	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
12-3	Yiwu New Century Industrial Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Real estate brokerage services, market investment and operation, exhibition services	368.00	80.00	80.00	294.40	（4）
12-4	Yiwu Urban Construction Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Agent construction of municipal public works; investment in urban underground pipeline facilities, etc.	5,000.00	100.00	100.00	5,000.00	（4）
12-5	Yiwu Social Affairs Project Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Construction project management, consulting and design, agent construction of projects, etc.	1,000.00	100.00	100.00	1,000.00	（1）
12-6	Yiwu Urban Investment Tourism Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Development and management of tourism resources, investment in tourism projects, etc.	10,000.00	100.00	100.00	10,000.00	（1）
12-7	Yiwu Municipal Gardens Maintenance Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Specialized contracting for bridge and road works; construction of municipal public works, landscaping engineering construction, etc.	2,000.00	100.00	100.00	2,000.00	（1）
12-8	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Supply chain management services, sales of chemical raw materials and products, etc.	10,000.00	100.00	100.00	11,568.48	（1）
12-9	Yiwu Sinopec Operation Co., Ltd. [Note 2]	Tier-3	（1）	Yiwu, Zhejiang	Retail of gasoline, diesel, etc.	3,000.00	49.00	51.00	4,960.13	（4）
12-10	Yiwu Botanical Garden Operation and Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Botanical garden management services	3,500.00	100.00	100.00	3,500.00	（1）
12-11	Yiwu Social Security Citizen Card Service Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Production, issuance, management, services, and maintenance of citizen cards	2,200.00	100.00	100.00	723.34	（1）
13	Yiwu Construction Investment Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Real estate sales and engineering installation services	50,000.00	100.00	100.00	178,753.00	（4）
13-1	Yiwu Construction Engineering Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Management and agent construction of construction projects	65,000.00	100.00	100.00	65,000.00	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
13-2	Yiwu Xiuhu Real Estate Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Real estate development	250,000.00	100.00	100.00	250,000.00	（1）
13-3	Yiwu Xiujing Testing Technology Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Tourism project development and operation	2,000.00	100.00	100.00	2,000.00	（1）
13-4	Yiwu Dingfu Trading Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Sales of building materials	30,000.00	100.00	100.00	30,000.00	（1）
13-5	Yiwu Xiuchuan Asset Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Property services	2,000.00	100.00	100.00	2,000.00	（1）
13-6	Yiwu Xiucheng Engineering Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Management and agent construction of construction projects	1,000.00	100.00	100.00	1,640.00	（4）
13-7	Yiwu Construction Investment Construction Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Construction decoration, renovation, and other construction industries	20,000.00	100.00	100.00	89,600.00	（1）
14	Yiwu International Land Port Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Transportation and services industry	20,000.00	100.00	100.00	260,435.00	（4）
14-1	Yiwu Land Port Tourism Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Commercial service	5,000.00	100.00	100.00	5,000.00	（1）
14-2	Yiwu Bonded Logistics Center Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Multimodal transport and freight forwarding industry	25,000.00	100.00	100.00	29,019.29	（1）
14-3	Yiwu Cross-border E-commerce Industrial Park Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Commercial service	2,000.00	100.00	100.00	2,000.00	（1）
14-4	Yiwu Land Port Import and Export Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Wholesale industry	600.00	100.00	100.00	600.00	（1）
14-5	Yiwu Public Bonded Warehousing Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Multimodal transport and freight forwarding industry	500.00	100.00	100.00	500.00	（1）
14-6	Yiwu Land Port E-commerce Park Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Commercial service	2,000.00	100.00	100.00	2,000.00	（1）
14-7	Yiwu Land Port Railway Port Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Railway transportation industry	1,000.00	100.00	100.00	1,000.00	（1）
14-8	Yiwu Domestic Highway Port Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Road transportation industry	6,000.00	100.00	100.00	6,000.00	（1）
14-9	Yiwu Land Port Information Technology Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Software and information technology services industry	3,900.00	100.00	100.00	3,900.00	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
14-10	Yiwu Land Port Investment and Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Commercial service	100,000.00	100.00	100.00	155,000.00	（1）
14-11	Yiwu Silk Road New Area Construction Investment Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	House construction industry	10,000.00	100.00	100.00	25,000.00	（1）
14-12	Yiwu Air Port Construction and Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Aviation construction industry	10,700.00	100.00	100.00	10,700.00	（1）
14-13	Yiwu Trade and Logistics Port Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Loading, unloading, handling, and warehousing industry	5,000.00	100.00	100.00	5,000.00	（1）
15	Yiwu Water Affairs Construction Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Water resource development, allocation, and comprehensive utilization	52,000.00	100.00	100.00	56,182.00	（4）
15-1	Yiwu Water Conservancy Project Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Water conservancy project management	159,900.00	100.00	100.00	159,990.83	（4）
15-2	Yiwu Yicheng Commercial Operation Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Sales of daily use department store items, park management services	2,000.00	100.00	100.00	2,000.00	（1）
15-3	Yiwu Water Treatment Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Sewage treatment	15,000.00	100.00	100.00	53,721.69	（1）
15-4	Yiwu Drainage Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Operation and maintenance of drainage network	3,000.00	100.00	100.00	3,000.00	（1）
15-5	Yiwu No.2 Tap Water Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Centralized water supply	20,000.00	100.00	100.00	42,206.83	（4）
15-6	Yiwu Water Resources Development Co., Ltd. [Note 3]	Tier-3	（1）	Yiwu, Zhejiang	Water resources development and allocation	6,364.80	80.00	80.00	1,600.00	（4）
15-7	Yiwu Tap Water Installation Engineering Co., Ltd. [Note 4]	Tier-3	（1）	Yiwu, Zhejiang	Equipment installation and construction	3,000.00	79.42	100.00	3,542.70	（1）
15-8	Zhejiang Yiwu Tap Water Co., Ltd. [Note 5]	Tier-3	（1）	Yiwu, Zhejiang	Centralized water supply	16,254.50	55.27	55.27	5,795.31	（4）
15-9	Yiwu Yinuo Environmental Technology Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Electroplating wastewater treatment	2,000.00	100.00	100.00	7,515.26	（4）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
16	Yiwu Transportation Tourism Industry Development Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Highway investment, construction and maintenance, rail transit, railway project investment, real estate development, tourism project development, etc.	100,000.00	100.00	100.00	299,915.04	（4）
16-1	Yiwu Highway Construction and Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Highway construction and development, building materials sales	50,000.00	100.00	100.00	94,660.68	（1）
16-2	Yiwu Transportation Real Estate Co., Ltd. [Note 6]	Tier-3	（1）	Yiwu, Zhejiang	Real estate development and sales	39,514.00	75.17	75.17	23,000.00	（1）
16-3	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Cultural heritage site services, sports event planning, scenic area management, hotel management, accommodation services, etc.	2,000.00	100.00	100.00	52,870.56	（1）
16-4	Yiwu Xiuchuan Highway Construction Co., Ltd. [Note 7]	Tier-3	（1）	Yiwu, Zhejiang	Construction and operation of highways, independent bridges, and tunnels	99,115.53	55.56	55.56	3,589.13	（1）
16-5	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Transport hub project management, property management, parking services, etc.	1,500.00	100.00	100.00	1,500.00	（1）
16-6	Yiwu Transportation Tourism Construction Industrialization Technology Co., Ltd. [Note 8]	Tier-3	（1）	Yiwu, Zhejiang	Production and sales of prefabricated components, beams and slabs, steel, and concrete, sales of commercial concrete, etc.	10,000.00	51.00	51.00	5,100.00	（1）
16-7	Yiwu Transportation Tourism Industry Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Transportation investment, etc.	6,000.00	100.00	100.00	24,175.11	（1）
16-8	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Sales of refined oil products, sales of charging for motor vehicles, sales of lubricating oil, etc.	36,000.00	100.00	100.00	36,000.00	（1）
16-9	Yiwu Traffic Engineering Construction Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Highway investment, engineering management services	12,000.00	100.00	100.00	12,760.75	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
16-10	Yiwu Transportation Tourism Expressway Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Highway management and maintenance towing, rescue, and road clearance services; parking, car wash services	1,000.00	100.00	100.00	1,000.00	（1）
16-11	Yiwu Low-altitude Economic Industry Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Aviation operation support; technology development	1,000.00	100.00	100.00	1,000.00	（1）
17	Yiwu Market Development Group Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Commercial service	9,705.22	94.28	94.28	412,440.78	（4）
17-1	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Wholesale and retail trades	15,800.00	100.00	100.00	24,054.87	（4）
17-2	Zhejiang Yiwu Grain and Oil Storage and Transportation Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Transport, storage and postal services	430.00	50.67	50.67	1,170.23	（4）
17-3	Yiwu Market Development Service Center Limited Liability Company	Tier-3	（1）	Yiwu, Zhejiang	Leasing and business services	10,000.00	100.00	100.00	10,000.00	（4）
17-4	Zhejiang Yiwu Forestry Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Agriculture, forestry, animal husbandry and fishery	2,550.00	69.88	69.88	1,781.87	（4）
17-5	Zhejiang Happiness Lake Sports Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Culture, sports and entertainment	9,000.00	100.00	100.00	9,000.00	（1）
17-6	Yiwu Security Services Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Resident services, repair and other services	1,000.00	100.00	100.00	3,758.37	（4）
17-7	Yiwu Film Media Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Culture, sports and entertainment	7,000.00	100.00	100.00	9,001.21	（4）
17-8	Yiwu Grain Storage Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Wholesale and retail trades	1,000.00	100.00	100.00	1,266.55	（4）
17-9	Yiwu Civil Explosives Specialized Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Wholesale and retail trades	316.49	100.00	100.00	316.49	（4）
17-10	Yiwu Huishang Automobile Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Leasing and business services	25,600.00	100.00	100.00	25,600.00	（1）
17-11	Yiwu Vegetable Basket Investment Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Leasing and business services	500.00	100.00	100.00	500.00	（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
17-12	Yiwu Market Group Beautiful Countryside Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Construction industry	2,000.00	100.00	100.00	2,000.00	（1）
17-13	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Transport, storage and postal services	10,000.00	100.00	100.00	10,000.00	（1）
17-14	Yiwu China Commodities City Holdings Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Financial industry	80,000.00	100.00	100.00	530,185.21	（1）
17-14-1	Zhejiang China Commodities City Group Co., Ltd. [Note 9]	Tier-4	（1）	Yiwu, Zhejiang	Commercial service	548,364.59	56.37	56.37	450,012.70	（4）
17-15	Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Wholesale and retail trades	3,000.00	100.00	100.00	3,000.00	（1）
17-16	Yiwu Agricultural Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Agriculture, forestry, animal husbandry and fishery	5,000.00	100.00	100.00	4,810.14	（4）
17-17	Yiwu Market Development Enterprise Management Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Leasing and business services	100.00	100.00	100.00	100.00	（1）
17-18	Yiwu Huishang Cold Chain Logistics Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Transport, storage and postal services	10,000.00	100.00	100.00	10,000.00	（1）
17-19	Yiwu Mold Industry Development Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Leasing and business services	22,000.00	100.00	100.00	22,000.00	（1）
18	Yiwu Hengfeng Holdings Co., Ltd.	Tier-2	（1）	Yiwu, Zhejiang	Passenger transport, sales of charging for motor vehicles, urban public transport	45,573.81	100.00	100.00	101,446.69	（1）
18-1	Zhejiang Hengfeng Group Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Passenger transport, property management, real estate development, etc.	32,628.86	91.92	91.92	18,364.44	（4）
18-2	Yiwu Hengfeng Zhixing Technology Co., Ltd.	Tier-3	（1）	Yiwu, Zhejiang	Sci-tech intermediary services	100.00	100.00	100.00	100.00	（1）
19	Yiwu State-owned Capital Operation (Hong Kong) Co., Ltd.	Tier-2	（3）	Hong Kong	Investment holding company	HKD500,000	100.00	100.00	HKD500,000	（1）
19-1	Chouzhou International Investment Co., Ltd.	Tier-3	（3）	British Virgin Islands	Investment holding company		100.00	100.00		（1）

No.	Name	Level	Enterprise type	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting rights enjoyed (%)	Amount of investment	Method of acquisition
20	Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) [Note 10]	Tier-2	（1）	Yiwu, Zhejiang	Equity investment, investment management and consulting, etc.	148,804.19	76.55	99.95	148,704.19	（1）
20-1	Yiwu Honghai Equity Investment Partnership (Limited Partnership)	Tier-3	（1）	Yiwu, Zhejiang	Equity investment, fund management, and investment consulting, etc.	50,200.00	99.60	99.60	50,000.00	（1）

Remark： Type of enterprise: (1) Domestic non-financial subsidiary, (2) Domestic financial subsidiary, (3) Overseas subsidiary, (4) Public institution, (5) Infrastructure unit.

Acquisition methods: (1) Establishment by investment, (2) Business combination under common control, (3) Business combination not under common control, (4) Others.

[Note 1] The Company held 90% equity of this company, and Yiwu Market Development Service Center Co., Ltd., a subsidiary of Market Group, holds 10% equity of this company. Therefore, the Company holds 99.43% equity of this company in total, and enjoys 100% of the voting rights.

[Note 2] Yiwu Urban Investment and Construction Group Co., Ltd. (hereinafter referred to as "Urban Investment Group"), a subsidiary of the Company, holds 49% of the equity of Yiwu Sinopec Operation Co., Ltd., and Zhejiang Free Trade Zone Zhoujing Petroleum Co., Ltd. (formerly known as Ningbo Daxie Development Zone Zhejing Petroleum Co., Ltd.) holds 2% of the equity of Yiwu Sinopec Operation Co., Ltd. On March 30, 2020, Yiwu Sinopec Operation Co., Ltd. held its first shareholders' meeting of 2020, and formed the following resolution with the unanimous consent of all shareholders: agreed to the Concerted Action Agreement signed by Zhejiang Free Trade Zone Zhoujing Petroleum Co., Ltd. and Urban Investment Group. After the signing of the Agreement on Persons Acting in Concert, Urban Investment Group held a total of 51% of the voting rights of this company.

[Note 3] Water Affairs Group holds 80% equity of this company, and Commodities City Group holds 10% equity of this company. Therefore, the Company holds 85.3887% equity of this company in total, and enjoys 90% of the voting rights.

[Note 4] Water Affairs Group holds 54% equity of this company, and Zhejiang Yiwu Tap Water Co., Ltd, a holding subsidiary of Water Affairs Group, holds 46% equity of Yiwu Tap Water Installation Engineering Co., Ltd., so Water Affairs Group holds 79.42% of the total equity of this company and enjoys 100% of the voting rights.

[Note 5] Water Affairs Group holds 55.27% equity of this company, and Commodities City Group holds 3.7372% equity of this company. Therefore, the Company holds 57.28% equity of this company in total, and enjoys 59% of the voting rights.

[Note 6] The Company holds 24.83% equity of this company, and the Company's subsidiary Yiwu Transportation and Tourism Industry Development Group Co., Ltd. (hereinafter referred to as "Transportation & Tourism Group") holds 75.17% equity of this company. Therefore, the Company holds 100% equity of this company in total and enjoys 100% of the voting rights.

[Note 7] Transportation & Tourism Group holds 55.56% equity of this company, and Chouzhou International Investment Co., Ltd. holds 44.44% of this company's equity. Therefore, the Company holds 100% equity of this company in total, and enjoys 100% of the voting rights.

[Note 8] Transportation & Tourism Group holds 51% equity of this company, and Urban Investment Group holds 15% equity of this company, so the Company holds 64.73% equity of this company in total and enjoys 66% of the voting rights.

[Note 9] Yiwu China Commodities City Holdings Co., Ltd. (hereinafter referred to as "Commodities City Holdings") holds 56.37% equity of this company; Yiwu Market Development Service Center Co., Ltd., a subsidiary of Market Group, holds 0.038% equity of this company, and Urban Investment Group holds 0.7703% equity of this company. Therefore, the Company collectively holds 53.8869% equity of this company.

[Note 10] Yiwu Financial Holdings Co., Ltd. holds 49.975% equity of this company, and Yiwu China Commodities City Financial Holdings Co., Ltd. (hereinafter referred to as "Commodities City Financial Holdings"), a subsidiary of Commodities City Group, holds 49.975% equity of this company, so the Company holds 76.55% equity of this company in total.

2. Reasons why the parent company owns more than half of the voting rights of the investee but fails to control it

No.	Name	Registered capital (RMB'0,000)	Amount of investment (RMB'0,000)	Shareholding ratio (%)	Reason for not being included in the scope of consolidation	Remark
1）	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	100.00	51.00	51.00	Not having substantive control	Remark 1
2）	Yiwu Digital Port Technology Co., Ltd.	5,000.00	2,550.00	51.00	Not having substantive control	Remark 2
3）	Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership)	75,000.00	44,150.00	58.87	Not having substantive control	Remark 3
4）	Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership)	96,100.00	85,000.00	88.45	Not having substantive control	Remark 4
5）	Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership)	300,000.00	83,952.00	88.00	Not having substantive control	Remark 5
6）	Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership)	210,100.00	51,000.00	71.87	Not having substantive control	Remark 6
7）	Jinhua Yuanshui Water Resources Management Co., Ltd.	100,000.00	5430.00	54.30	Not having substantive control	Remark 7

Remark 1: Hengfeng Group held 51% equity of Yiwu Hengfeng Automobile Driver Training Co., Ltd., while Wu Xinhua held 49% equity of the same company. According to the Agreement on the Contracting of Operating Rights of Hengfeng Driving School, Wu Xinhua undertook the operating rights of Hengfeng Driving School, and engaged in legal business activities within the scope defined by the business license. Yiwu Hengfeng Automobile Driver Training Co., Ltd. did not participate in specific operations but had the right to supervise such operations. Therefore, Hengfeng Group had no substantial control over Yiwu Hengfeng Automobile Driver Training Co., Ltd. and was thus not included in the consolidation scope.

Remark 2: Yiwu Digital Port Technology Co., Ltd. is a joint venture established through investment by Commodities City Group and Alibaba (China) Network Technology Co., Ltd. Among them, Commodities City Group held 51% equity of Yiwu Digital Port Technology Co., Ltd., and Alibaba (China) Network Technology Co., Ltd. held 49% equity of the same company. According to the Company's articles of association: Commodities City Group had one vote at the general meeting of shareholders, while Alibaba (China) Network Technology Co., Ltd. had two votes. Therefore, Commodities City Group did not have substantial control and was not included in the scope of consolidated financial statements.

Remark 3: Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership) is a partnership established through investment by Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, Yiwu Hongkun Venture Capital Management Co., Ltd., and Yiwu Huishang Zijing Capital Management Co., Ltd., with a total investment amount of RMB 750 million. Among them: The limited partner Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) subscribed for RMB 200million, holding 26.67% of the equity; the limited partner Water Affairs Group subscribed for RMB 150 million, holding 20% of the equity; the limited partner Market Group subscribed for RMB 91.5 million, holding 12.2% of the equity; other limited partners

subscribed for RMB 300 million, holding 40% of the equity; the general partner Yiwu Hongkun Venture Investment Management Co., Ltd. subscribed for RMB 1 million, holding 0.13% of the equity; the general partner Yiwu Huishang Zijing Capital Management Co., Ltd. subscribed for RMB 7.5 million, holding 1% of the equity. According to the Limited Partnership Agreement of Yiwu Hongkun Desheng Venture Investment Partnership (Limited Partnership), general partners Yiwu Hongkun Venture Investment Management Co., Ltd. and Yiwu Huishang Zijing Capital Management Co., Ltd. acted as the executive partners of the partnership, jointly managed the partnership affairs, had exclusive rights to manage and control the operation, investment activities, and other management matters of the partnership, and made all decisions regarding investments and their realization. Yiwu Huishang Zijing Capital Management Co., Ltd. served as the fund manager of the partnership. Limited partners Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, and Market Group only acted as financial contributors and did not participate in the daily management or investment decision-making of the partnership, nor did they have substantial control over the partnership, hence they were not included in the consolidated financial statements.

Remark 4: Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership) (hereinafter referred to as "Huishang Zijing Phase II") is a partnership established through investment by Commodities City Group, Yiwu Financial Holdings Co., Ltd., Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, Yiwu Huishang Zijing Capital Management Co., Ltd., and other entities, with a total investment amount of RMB 961 million. Among them: The limited partner Commodities City Group subscribed for RMB 100 million, holding 10.41% of the equity; the limited partner Yiwu Financial Holdings Co., Ltd. subscribed for RMB 250 million, holding 26.01% of the equity; the limited partner Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) subscribed for RMB 450 million, holding 46.83% of the equity; water Affairs Group subscribed for RMB 50 million, holding 5.20% of the equity; the limited partner Nantong Investment Management Co., Ltd. subscribed for RMB 100 million, holding 10.41% of the equity; the general partner Yiwu Huishang Zijing Capital Management Co., Ltd. subscribed for RMB 5 million, holding 0.52% of the equity; the general partner Yiwu Hongkun Venture Capital Management Co., Ltd. subscribed for RMB 6 million, holding 0.62% of the equity. According to the Limited Partnership Agreement of Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership), general partners Yiwu Huishang Zijing Capital Management Co., Ltd. acted as the executive partners of the partnership, had exclusive rights to manage and control the operation, investment activities, and other management matters of the partnership, and made all decisions regarding investments and their realization. Yiwu Financial Holding Co., Ltd. and Commodities City Group only had the right to appoint one observer to participate in important meetings such as meetings of the investment decision-making committee, and did not have substantial control, so they were not included in the scope of consolidated financial statements.

Remark 5: Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership) is a partnership invested and established by Yiwu Fund Investment Co., Ltd., Market Group, Water Affairs Group, Commodities City Holdings and other entities, with a total investment amount of RMB 3 billion. Among them: the limited partner Yiwu Fund Investment Co., Ltd. subscribed for RMB 1.74 billion, holding 58% of the equity, and has paid RMB 553.32 million; the limited partner Market Group subscribed for RMB 300 million, holding 10% of the equity, and has paid RMB 95.4 million; the limited partner Water Affairs Group subscribed for RMB 300 million, holding 10% of the equity, and has paid RMB 95.4 million; the limited partner Commodities City Holdings subscribed for RMB 300 million, holding 10% of the equity, and has paid RMB 95.4 million; the limited partner Zhejiang Yiwu High-tech Zone Development and Construction Co., Ltd. subscribed for RMB 300 million, holding 10% of the equity, and the general partner CICC Private Equity Investment Management Co., Ltd. subscribed for RMB 60 million, holding 2% of the equity. According to the Limited Partnership Agreement of Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership), the general partner CICC Private Equity Investment Management Co., Ltd. acts as the fund manager of the partnership. Limited partners Yiwu Fund Investment Co., Ltd., Market Group, Water Affairs Group, Commodities City Holdings, and Zhejiang Yiwu High-tech Zone Development and Construction Co., Ltd. only acted as financial contributors and did not participate in the daily

management or investment decision-making of the partnership, nor did they have substantial control over the partnership, hence they were not included in the consolidated financial statements.

Remark 6: Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership) is a partnership invested and established by Yiwu Fund Investment Co., Ltd. and BRTC Lvxiang 101 Collective Capital Trust Plan, with a total investment amount of RMB 2.101 billion. Among them: the limited partner Yiwu Fund Investment Co., Ltd. subscribed for RMB 1.51 billion, holding 71.87% of the equity, and has paid RMB 510 million; the limited partner BRTC Lvxiang 101 Collective Capital Trust Plan subscribed for RMB 590 million, holding 28.08% of the equity; the general partner Shanghai Houtong Ruiji Equity Investment Management Partnership (Limited Partnership) subscribed for RMB 1 million, holding 0.05% of the equity. The general partner, Shanghai Houtong Ruiji Equity Investment Management Partnership (Limited Partnership), serves as the fund manager for the partnership. The investment subject of the partnership is Zhejiang Yizhen New Energy Automobile Co., Ltd. and the investment project is single. Yiwu Fund Investment Co., Ltd. appoints only one member to the investment decision committee and thus has no substantial control over the partnership, hence it is not included in the consolidated financial statements.

Remark 7: Jinhua Yuanshui Water Resources Management Co., Ltd. is an associate established through investment by Jinhua Urban Construction Investment Group Co., Ltd., Water Affairs Group, Yongkang Urban Construction Investment Group Co., Ltd., and Lanxi Transportation Construction Investment Group Co., Ltd., among which Jinhua Urban Construction Investment Group Co., Ltd. held 12.10% equity of Jinhua Yuanshui Water Resources Management Co., Ltd., Water Affairs Group holds 54.30% of the equity, Yongkang Urban Construction Investment Group Co., Ltd. holds 24.80% of the equity, and Lanxi Transportation Construction Investment Group Co., Ltd. holds 8.80% of the equity. The shareholding ratio is determined solely based on construction capital requirements. Jinhua Yuanshui Water Resources Management Co., Ltd. has 4 directors, with one director and one deputy general manager appointed by Water Affairs Group. Water Affairs Group does not have substantial control over the company, hence it is not included in the consolidated financial statements.

3. Entities no longer included in the scope of consolidation in 2025

Basic information of entities excluded from the consolidation scope in 2025

No.	Name	Registered address	Nature of business	Shareholding ratio before change (%)	Shareholding ratio after change (%)	Reason for not being included in the scope of consolidation
1）	Yiwu Construction Investment Testing Co., Ltd.	Yiwu, Zhejiang	Professional technical service industry	100		De-registered
2）	Yiwu Lansu Culture Media Co., Ltd.	Yiwu, Zhejiang	Organizing cultural and artistic activity exchanges, etc.	100		Equity transfer
3）	Yiwu Zhongfu Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development and sales	91.55	44.86	Gratuitous transfer
4）	Yiwu Zhongfu Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development and sales	80.69	34	Gratuitous transfer
5）	Zhejiang Hanyu Design Co., Ltd.	Yiwu, Zhejiang	Land and space planning, urban planning, and urban design, etc.	91.55		Gratuitous transfer
6）	Yiwu Wanyuan Engineering Consulting Co., Ltd.	Yiwu, Zhejiang	Engineering technology consulting	91.55		Gratuitous transfer

No.	Name	Registered address	Nature of business	Shareholding ratio before change (%)	Shareholding ratio after change (%)	Reason for not being included in the scope of consolidation
7）	Zhejiang Pan'an Hengfeng Transportation Co., Ltd.	Zhejiang Panan	Road transportation	91.92		Equity transfer
8）	Yiwu Niansanli Bus Co., Ltd.	Yiwu, Zhejiang	Public transportation	64.34		Bankruptcy handover
9）	Yiwu Hengfeng International Travel Co., Ltd.	Yiwu, Zhejiang	Travel agency services	91.92		Equity transfer
10）	Yiwu Hengfeng Hotel Management Co., Ltd.	Yiwu, Zhejiang	Accommodation and catering	91.92		Equity transfer
11）	Yiwu Tourism Distribution Center Co., Ltd.	Yiwu, Zhejiang	Commercial service	91.92		Equity transfer
12）	Yiwu Suxi Shangbo Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate industry	64.47		De-registered
13）	Zhejiang Shangbo Real Estate Co., Ltd.	Hangzhou, Zhejiang	Real estate industry	74.14		De-registered
14）	Yiwu Shangbo Digital Intelligence Enterprise Management Co., Ltd.	Yiwu, Zhejiang	Commercial service	53.89		Absorption and merger
15）	Yiwu Folk Financing Service Center Co., Ltd.	Yiwu, Zhejiang	Intermediary services	90		De-registered
16）	Yiwu Hengyang Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development and sales, construction project management, etc.	100		Gratuitous transfer
17）	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate brokerage	100	49	Gratuitous transfer
18）	Yiwu Agriculture and Animal Husbandry Development Co., Ltd.	Yiwu, Zhejiang	Professional and auxiliary activities in agriculture, forestry, animal husbandry, and fishery industries	48.08		De-registered
19）	Yiwu Shangdu International Travel Agency Co., Ltd.	Yiwu, Zhejiang	Leasing and business services	94.28		Equity transfer
20）	Yiwu Huishang Property Co., Ltd.	Yiwu, Zhejiang	Real estate industry	94.28	46.19	Gratuitous transfer
21）	Yiwu Huishang Qintang Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate industry	89.58	41.50	Gratuitous transfer
22）	Yiwu Huishang Wuting Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate industry	94.28	46.19	Gratuitous transfer
23）	Yiwu Huishang Liuqing Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate industry	94.28	46.19	Gratuitous transfer
24）	Zhejiang Longzu Trading Co., Ltd.	Yiwu, Zhejiang	Wholesale and retail trades	60.34		De-registered

Explanation:

1) In 2025, Yiwu Construction Investment Testing Co., Ltd., the sub-subsidiary of Construction Investment Group, was canceled, so it was no longer included in the scope of consolidation.

2) In 2025, Yiwu Lansu Cultural Tourism Development Co., Ltd., the subsidiary of Transportation & Tourism Group, transferred its 100% equity in Yiwu Lansu Culture Media Co., Ltd. to Yiwu Wenzhen Cultural Operation Management Co., Ltd., so it was no longer included in the scope of consolidation.

3) In 2025, Urban Investment Group transferred 51% of its equity in Yiwu Zhongfu Real Estate Co., Ltd. and its subsidiary Yiwu Zhongfu Real Estate Co., Ltd. to Yiwu Real Estate Development Co., Ltd., so they were no longer included in the scope of consolidation.

4) In 2025, Urban Investment Group transferred 100% of its equity in Zhejiang Hanyu Design Co., Ltd. and its subsidiary Yiwu Wanyuan Engineering Consulting Co., Ltd. to Yiwu Real Estate Development Co., Ltd., so they were no longer included in the scope of consolidation.

5) In 2025, Zhejiang Hengfeng Transportation Co., Ltd., a subsidiary of Hengfeng Group, and Yiwu Hengfeng Long-distance Passenger Transport Co., Ltd., a sub-subsidiary of Hengfeng Group, transferred 100% of their equity in Pan'an County Transport and Tourism Transportation Co., Ltd. (formerly known as Zhejiang Pan'an Hengfeng Transportation Co., Ltd.), so they were no longer included in the scope of consolidation.

6) In 2025, Yiwu Niansanli Public Transport Co., Ltd., a subsidiary of Hengfeng Group, went bankrupt and was handed over to the bankruptcy administrator, so it was no longer included in the scope of consolidation.

7) In 2025, Hengfeng Group transferred 100% of its equity in Zhejiang Yiwu Hengfeng International Tourism Co., Ltd. and its subsidiaries Yiwu Hengfeng Hotel Management Co., Ltd. and Yiwu Tourism Distribution Center Co., Ltd. to Yiwu Cultural Tourism Development Co., Ltd., so they were no longer included in the scope of consolidation.

8) In 2025, Yiwu Suxi Shangbo Real Estate Co., Ltd., the sub-subsidiary of Commodities City Holdings, was canceled, so it was no longer included in the scope of consolidation.

9) In 2025, Zhejiang Shangbo Real Estate Co., Ltd., the sub-subsidiary of Commodities City Holdings, was canceled, so it was no longer included in the scope of consolidation.

10) In 2025, Yiwu Shangbo Shuzhi Enterprise Management Co., Ltd., a subsidiary of Commodities City Group, was absorbed and merged into Yiwu China Commodities City Logistics and Warehousing Co., Ltd., so it was no longer included in the scope of consolidation.

11) In 2025, Yiwu Private Financing Service Center Co., Ltd., a subsidiary of the Company, was canceled, so it was no longer included in the scope of consolidation.

12) In 2025, Yiwu Silk Road New Area Construction Investment Co., Ltd., a subsidiary of Land Port Group, transferred 100% of its equity in Yiwu Hengyang Real Estate Co., Ltd. to Yiwu Real Estate

Development Co., Ltd., so it was no longer included in the scope of consolidation.

13) In 2025, Yiwu Land Port Investment Development Co., Ltd. a subsidiary of Land Port Group, transferred 51% of its equity in Yiwu Land Port Chengxin Real Estate Co., Ltd. to Yiwu Real Estate Development Co., Ltd., so it was no longer included in the scope of consolidation.

14) In 2025, Yiwu Agriculture and Animal Husbandry Development Co., Ltd., a subsidiary of Market Group, was canceled, so it was no longer included in the scope of consolidation.

15) In 2025, Zhejiang Xingfuhu Sports Development Co., Ltd., a subsidiary of Market Group, transferred 100% of its equity in Yiwu Shangdu International Travel Agency Co., Ltd. to Yiwu Cultural Tourism Development Co., Ltd., so it was no longer included in the scope of consolidation.

16) In 2025, Market Group transferred 51% of its equity in Yiwu Huishang Real Estate Co., Ltd. and its subsidiaries Yiwu Huishang Qintang Real Estate Co., Ltd., Yiwu Huishang Wuting Real Estate Co., Ltd., and Yiwu Huishang Liuqing Real Estate Co., Ltd. to Yiwu Real Estate Development Co., Ltd., so they were no longer included in the scope of consolidation.

17) In 2025, Zhejiang Longzu Trading Co., Ltd., a subsidiary of Market Group, was canceled, so it was no longer included in the scope of consolidation.

4. Subjects newly included in the consolidation scope in 2025

No.	Name	Method of acquisition	Voting right ratio (%)	Registered capital (RMB '0,000)
1）	Yiwu Low-altitude Economic Industry Development Co., Ltd.	Established by investment	100	5,000.00
2）	Yiwu Hengfeng Zhixing Technology Co., Ltd.	Established by investment	100	2,000.00
3）	Zhejiang Yixin Enterprise Management Co., Ltd.	Equity acquisition	100	1,000.00
4）	Beijing Jianhuang Enterprise Management Co., Ltd.	Assets acquisition	100	10,000.00
5）	Xunchi (Hong Kong) Digital Technology Co., Ltd.	Establishment	100	HKD 50 million
6）	Zhejiang Xunchi Data Service Co., Ltd.	Establishment	100	2,000.00
7）	Yiwu Digital Trade Technology Co., Ltd.	Establishment	100	HKD 10 million
8）	Yiwu Huishang Liuqing Real Estate Co., Ltd.	Establishment	100	5,000.00

Explanation:

1) In 2025, Transportation & Tourism Group invested in establishing a wholly-owned subsidiary Yiwu Low-altitude Economy Industry Development Co., Ltd., with registered capital of RMB 50 million, of which RMB 10 million has been contributed.

2) In 2025, Yiwu Hengfeng Holdings Co., Ltd. (hereinafter referred to as "Hengfeng Holdings"), a subsidiary of the Company, invested in establishing a wholly-owned subsidiary Yiwu Hengfeng Zhixing Technology Co., Ltd., with registered capital of RMB 20 million, of which RMB 1 million has been contributed.

3) In 2025, Talent Development Group acquired 60% of the equity in Zhejiang Yixin Enterprise Management Co., Ltd. held by Shanghai Ruixu Enterprise Management Co., Ltd., with registered capital of RMB 10 million, of which RMB 10 million has been contributed.

4) In 2025, Commodities City Holdings acquired the assets of Beijing Jianhuang Enterprise Management Co., Ltd., which does not constitute a business combination, with registered capital of RMB 100 million, of which RMB 99.99 million has been contributed.

5) In 2025, Zhejiang Xunchi Digital Technology Co., Ltd., a subsidiary of Commodities City Group, invested in establishing Xunchi (Hong Kong) Digital Technology Co., Ltd., with registered capital of HKD 50 million, which has not yet been contributed.

6) In 2025, Zhejiang Xunchi Digital Technology Co., Ltd., a subsidiary of Commodities City Group, invested in establishing Zhejiang Xunchi Data Service Co., Ltd., with registered capital of RMB 20 million, which has not yet been contributed.

7) In 2025, Zhejiang Xunchi Digital Technology Co., Ltd., a subsidiary of Commodities City Group, invested in establishing Yiwu Digital Trade Technology Co., Ltd., with registered capital of HKD 10 million, which has not yet been contributed.

8) In 2025, Yiwu Huishang Real Estate Co., Ltd., a subsidiary of Market Group, invested in establishing Yiwu Huishang Liuqing Real Estate Co., Ltd., with registered capital of RMB 50 million, of which RMB 50 million has been contributed.

VIII. Notes to significant items to the consolidated financial statements

(All amounts are expressed in RMB unless otherwise stated)

1. Monetary funds

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Cash on hand	1,112,961.29	280,802.68
Bank deposits	17,221,861,019.04	17,565,129,913.11
Other monetary funds	68,322,987.93	18,574,586.46
Total	17,291,296,968.26	17,583,985,302.25
Including: Total amount deposited overseas		

The restricted monetary funds are detailed as follows:

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Regulatory bank account funds	204,513,139.10	345,154,270.50
Guarantee deposits	120,309.90	120,309.67

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Earmarked funds in special loan account	36,749,300.00	
Letter of guarantee margin	5,000,000.00	
Litigation frozen funds	132,613.00	4,909,802.53
Other restricted monetary funds	30,912,928.17	19,368,888.68
Total	277,428,290.17	369,553,271.38

2. Trading financial assets

Item	Fair value as at December 31, 2025	Fair value as at January 1, 2025
Financial assets measured at fair value through current profit and loss	2,093,640,647.73	400,316,994.86
Including: Investment in debt instruments	502,236,388.89	
Investment in equity instruments	308,282,354.62	
Wealth management products	1,283,121,904.22	400,316,994.86
Financial assets designated to be measured at fair value through current profit or loss		
Including: Investment in debt instruments		
Others		
Total	2,093,640,647.73	400,316,994.86

3. Notes receivable

(1) Classification of notes receivable

Category	Ending amount			Beginning amount		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Bank acceptance bills	10,000,000.00		10,000,000.00			
Commercial acceptance bill				11,170,000.00		11,170,000.00
Total	10,000,000.00		10,000,000.00	11,170,000.00		11,170,000.00

4. Accounts receivable

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	2,601,907,442.78	2,239,605,718.32
1-2 years	613,965,867.86	153,134,303.35

Aging	Ending amount	Beginning amount
2-3 years	31,157,794.60	632,222,891.26
Over 3 years	824,886,907.48	275,173,776.51
Sub-total	4,071,918,012.72	3,300,136,689.44
Less: Provision for bad debt	267,961,602.21	234,684,131.06
Total	3,803,956,410.51	3,065,452,558.38

(1) Disclosure of accounts receivable by the method for provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with individual provision for bad debts	32,008,146.43	0.79	24,572,182.76	76.77	7,435,963.67
Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics	4,039,909,866.29	99.21	243,389,419.45	6.02	3,796,520,446.84
Including: Aging portfolio	2,181,332,760.64	53.57	47,770,335.59	2.19	2,133,562,425.05
Other portfolios	1,858,577,105.65	45.64	195,619,083.86	10.53	1,662,958,021.79
Total	4,071,918,012.72	—	267,961,602.21	—	3,803,956,410.51

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with individual provision for bad debts	19,712,128.81	0.60	19,712,128.81	100.00	
Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics	3,280,424,560.63	99.40	214,972,002.25	6.55	3,065,452,558.38
Including: Aging portfolio	2,119,413,541.01	64.22	29,952,850.82	1.41	2,089,460,690.19
Other portfolios	1,161,011,019.62	35.18	185,019,151.43	15.94	975,991,868.19
Total	3,300,136,689.44	—	234,684,131.06	—	3,065,452,558.38

1) Accounts receivable with individual provision for bad debts at the end of the period

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Jiangsu Runyang Traffic Engineering Group Co., Ltd.	22,900.00	22,900.00	100.00	Expected not to be recoverable, credit impaired
Zhejiang Lanxi No. 1 Textile Machinery Factory	118,142.89	118,142.89	100.00	The counterparty has gone bankrupt
Yiwu Jinxiang Chemical Co., Ltd.	275,000.00	275,000.00	100.00	The counterparty has gone bankrupt
White Swan Real Estate Development Company	10,103.90	10,103.90	100.00	Enterprise bankruptcy
Yuebanwan Apparel	120,871.61	120,871.61	100.00	Expected to be irrecoverable
Chen Shaoyun (Shanghai Suying Fitness Development Co., Ltd.)	137,579.85	137,579.85	100.00	Expected to be irrecoverable
Dalian Guanglong Zhongbang International Trade Co., Ltd.	12,659,696.23	12,659,696.23	100.00	Expected to be unrecoverable
Zhejiang Jiechain Network Technology Co., Ltd.	6,261,907.10	6,261,907.10	100.00	Expected to be unrecoverable
Dongguan Sujin Network Technology Co., Ltd.	10,171,400.42	4,551,400.42	44.75	Expected to be unrecoverable
Yijian Chuhai (Yiwu) Import and Export Co., Ltd.	2,230,544.43	414,580.76	18.59	Expected to be unrecoverable
Total	32,008,146.43	24,572,182.76	—	—

2) Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics

Accounts receivable with the provision for bad debts made by aging analysis method in portfolios:

Aging	Ending amount			Beginning amount		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (inclusive)	1,920,301,343.98	88.03	5,651,695.87	1,883,209,621.60	88.86	7,841,531.57
1-2 years	167,965,065.07	7.70	18,188,300.56	183,132,453.06	8.64	12,049,581.90
2-3 years	64,149,002.57	2.94	14,113,874.84	38,606,572.32	1.82	6,303,134.63
Over 3 years	28,917,349.02	1.33	9,816,464.32	14,464,894.03	0.68	3,758,602.72
Total	2,181,332,760.64	—	47,770,335.59	2,119,413,541.01	—	29,952,850.82

Accounts receivable with provision for bad debts accrued by other portfolio methods

Portfolio	Ending amount			Beginning amount		
	Book balance	Proportion of provision (%)	Provision for bad debt	Book balance	Proportion of provision (%)	Provision for bad debt
Portfolio of government accounts	1,064,567,951.21			762,106,665.15		
Complementary risk portfolio	115,653,413.47	99.89	115,521,227.49	118,019,854.77	99.73	117,698,262.09
Portfolio of related parties	678,355,740.97	11.81	80,097,856.37	280,884,499.70	23.97	67,320,889.34
Total	1,858,577,105.65	—	195,619,083.86	1,161,011,019.62	—	185,019,151.43

(2) Changes in provision for bad debts

Category	Balance as at January 1, 2025	Changes in 2025				Balance as at December 31, 2025
		Provision	Recovery or reversal	Charged off	Other changes	
Accounts receivable with provision made on single basis for expected credit losses	19,712,128.81	4,965,981.18			-105,927.23	24,572,182.76
Accounts receivable with provision made on portfolio basis for expected credit losses	214,972,002.25	59,493,297.68	25,839,034.60	11,343.59	-5,225,502.29	243,389,419.45
Total	234,684,131.06	64,459,278.86	25,839,034.60	11,343.59	-5,331,429.52	267,961,602.21

(3) Accounts receivable actually written off in 2025

Debtor	Nature of accounts receivable	Amount written off	Reason for write-off	Write-off procedures fulfilled	Whether arising from related party transactions
Yiwu Fotang Town Junior High School	Security fee	1,000.00	Irrecoverable	Management approval	No
Yiwu Hetang Yuese Kindergarten	Security fee	1,589.00	Irrecoverable	Management approval	No
Zhejiang Huafa Commercial Development Co., Ltd.	Rent	8,754.59	Irrecoverable	Management approval	No
Total	—	11,343.59	—		—

(4) Top 5 accounts receivable in terms of their ending balances collected by the debtor

Debtor	Book balance	Proportion in the total balance of accounts receivables (%)	Provision for bad debt
Yiwu Commerce Bureau	532,258,352.88	13.07	
Yiwu Economic & Technological Development Zone Development Co., Ltd.	251,069,855.12	6.17	
Yiwu Industrial Investment Development Group Co., Ltd.	174,557,916.92	4.29	69,769,628.77

Debtor	Book balance	Proportion in the total balance of accounts receivables (%)	Provision for bad debt
Yiwu Xiaozici Construction Development Co., Ltd.	105,487,760.05	2.59	
Zhejiang Zhuocheng Construction Co., Ltd.	77,160,269.68	1.89	1,431,944.63
Total	1,140,534,154.65	28.01	71,201,573.40

5. Advances to suppliers

(1) Presentation of advances to suppliers by aging

Aging	Ending amount		Beginning amount	
	Book balance		Book balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (inclusive)	1,811,399,756.87	96.61	1,314,766,014.04	96.12
1-2 years	37,544,916.13	2.00	18,380,188.46	1.34
2-3 years	1,188,340.06	0.06	29,015,063.84	2.12
Over 3 years	24,899,378.63	1.33	5,642,630.01	0.42
Sub-total	1,875,032,391.69	100	1,367,803,896.35	100
Less: Provision for bad debt				
Total	1,875,032,391.69	—	1,367,803,896.35	—

(2) Top 5 advances to suppliers in terms of the ending balance collected by debtors

Debtor	Book balance	Proportion in total balance of advances to suppliers (%)	Provision for bad debt
HONG KONG JF AGRICULTURE COMPANY LIMITED	220,439,434.51	11.76	
JBS S.A.	147,595,787.28	7.87	
INDUSTRIAL PESQUERA SANTA PRISCILA S.A.	123,622,261.58	6.59	
CRCC Harbour & Channel Engineering Bureau Group Co., Ltd.	101,220,183.49	5.40	
OPERADORA Y PROCESADORA DE PRODUCTOS MARINOS OMARSA S.A.	90,194,368.73	4.81	
Total	683,072,035.59	36.43	

6. Other receivables

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Interests receivable		
Dividends receivable	7,183,416.20	1,586,339.22
Other receivables	16,387,288,212.30	11,438,786,292.94
Total	16,394,471,628.50	11,440,372,632.16

(1) Dividends receivable

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Dividends receivable with the aging within one year	6,847,076.98	1,250,000.00
Including: Common stock dividends	6,847,076.98	1,250,000.00
Dividends receivable with the aging of more than one year	336,339.22	336,339.22
Including: Common stock dividends	336,339.22	336,339.22
Total	7,183,416.20	1,586,339.22

(2) Other receivables

1) Other receivables disclosed by aging

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	10,291,036,967.96	6,453,512,798.68
1-2 years	1,658,946,156.19	1,790,309,190.27
2-3 years	1,267,802,591.44	1,800,670,750.88
Over 3 years	3,497,929,858.59	1,660,002,817.57
Sub-total	16,715,715,574.18	11,704,495,557.40
Less: Provision for bad debt	328,427,361.88	265,709,264.46
Total	16,387,288,212.30	11,438,786,292.94

2) Disclosure of information by nature

Nature of payment	Ending amount	Beginning amount
Related parties	10,181,788,070.29	5,532,047,237.48
Government funds	1,930,134,133.17	2,084,087,812.65
Current accounts	3,843,347,589.87	2,521,720,531.07

Nature of payment	Ending amount	Beginning amount
Deposits, guarantees, etc.	306,428,315.86	1,135,940,940.53
Temporary loans (advances)	212,208,686.62	150,430,444.01
Export rebates receivable	30,242,723.85	12,326,425.92
Withholding payments	12,219,161.68	17,809,541.25
Petty cash	3,362,959.63	4,930,522.23
Warranty fund for residential properties	42,775,708.51	62,676,807.81
Others	153,208,224.70	182,525,294.45
Sub-total	16,715,715,574.18	11,704,495,557.40
Less: Provision for bad debt	328,427,361.88	265,709,264.46
Total	16,387,288,212.30	11,438,786,292.94

3) Disclosure of other receivables by the method for provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Other receivables with individual provision for bad debts	78,497,179.58	0.47	67,336,943.94	85.78	11,160,235.64
Other receivables with provision for bad debts accrued by credit risk features portfolio	16,637,218,394.60	99.53	261,090,417.94	1.57	16,376,127,976.66
Total	16,715,715,574.18	—	328,427,361.88	—	16,387,288,212.30

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Other receivables with individual provision for bad debts	78,255,913.43	0.67	62,646,934.90	80.05	15,608,978.53
Other receivables with provision for bad debts accrued by credit risk features portfolio	11,626,239,643.97	99.33	203,062,329.56	1.75	11,423,177,314.41
Total	11,704,495,557.40	—	265,709,264.46	—	11,438,786,292.94

① Other receivables with individual provision for bad debts at the end of the period

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Invalid assets such as the project of connection line from freight station to Xucun	244,274.97	244,274.97	100	Expected not to be recoverable, credit impaired
Advance payment for education projects	4,135,040.80	4,135,040.80	100	Expected to be irrecoverable
Yiwu Niansanli Bus Co., Ltd.	554,360.55	554,360.55	100	Enterprise bankruptcy
Yiwu People's Court	886,812.00			Expected to be recoverable
Sanding Holdings Group Co., Ltd.	22,802,331.46	22,802,331.46	100	Expected to be irrecoverable
Yiwu Poker Factory	1,250,000.00	1,250,000.00	100	Expected to be irrecoverable
Chen Yiping	100,000.00	100,000.00	100	Expected to be irrecoverable
Zhejiang Unique Plastics Co., Ltd.	50,000.00	50,000.00	100	Expected to be irrecoverable
Litigation fees	100,000.00	100,000.00	100	Expected to be irrecoverable
Yiwu Zhebawei Traditional Chinese Medicine Industry Development Co., Ltd.	4,556,655.00	4,556,655.00	100	Expected to be irrecoverable
Yiwu Industrial Investment Co., Ltd.	820,263.89			Expected to be recoverable
Yiwu Juhecheng Intelligent Technology Co., Ltd.	679,097.22			Expected to be recoverable
Dongyang Unified Land Expropriation Office	5,000,000.00	5,000,000.00	100	Expected to be irrecoverable
Funds allocated by Yiwu Water Conservancy Project Management Co., Ltd.	6,596,588.57	6,596,588.57	100	Historical accounts, difficult to recover
Zhejiang Qitian Industrial Co., Ltd. (Zhu Dexiang)	17,146,250.00	8,573,125.00	50	Expected to be partially recoverable
Dream Home Group Co., Ltd.	4,654,598.74	4,654,598.74	100	Expected to be irrecoverable
Ding Haipeng (Bonong Breeding)	4,268,479.15	4,268,479.15	100	Expected to be irrecoverable
Yiwu Senyi Crafts Co., Ltd.	2,700,000.00	2,700,000.00	100	Expected to be irrecoverable
Zhejiang Weihai Zipper Co., Ltd.	1,400,000.00	1,400,000.00	100	Expected to be irrecoverable
Shao Xingli	180,976.00	180,976.00	100	Expected to be irrecoverable
Zhejiang Chenyun Industrial Co., Ltd.	170,513.70	170,513.70	100	Expected to be irrecoverable
Other provision made on single basis	200,937.53			Expected to be recoverable
Total	78,497,179.58	67,336,943.94	—	—

② Other receivables with provision for bad debts accrued by credit risk features portfolio

Portfolio	Ending amount			Beginning amount		
	Book balance	Proportion of provision (%)	Provision for bad debt	Book balance	Proportion of provision (%)	Provision for bad debt
Aging portfolio	2,190,614,310.61	2.73	59,740,300.97	2,119,297,417.91	2.23	47,298,868.45
Portfolio of related parties	10,181,788,070.29	0.41	41,802,397.77	5,532,047,237.48	0.12	6,779,210.71
Other portfolios	4,264,816,013.7	3.74	159,547,719.2	3,974,894,988.58	3.75	148,984,250.40
Total	16,637,218,394.60	—	261,090,417.94	11,626,239,643.97	—	203,062,329.56

4) Provision for bad debts of other receivables

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Next 12 months expected credit losses	Expected credit losses throughout the duration (no credit impairment)	Expected credit losses throughout the duration (with credit impairment)	
Balance as at January 1, 2025	64,221,244.89	5,818,379.88	195,669,639.69	265,709,264.46
Opening balance in 2025				
--Transferred to Phase II				
--Transferred to Phase III				
--Reverse to Phase II				
--Reverse to Phase I				
Provision in 2025	56,076,199.88	6,733,474.09	7,597,249.40	70,406,923.37
Reversal in 2025	1,405,408.24	6,452.53	958,800.00	2,370,660.77
Write-off in 2025				
Charge off in 2025			83,437.99	83,437.99
Other changes	-5,234,727.19			-5,234,727.19
Balance as at December 31, 2025	113,657,309.34	12,545,401.44	202,224,651.10	328,427,361.88

5) Changes in provision for bad debts

Category	Balance as at January 1, 2025	Changes in 2025				Balance as at December 31, 2025
		Provision	Recovery or reversal	Charged off	Other changes	
Other receivables with individual provisions for credit impairment losses	62,646,934.90	5,648,809.04	958,800.00			67,336,943.94

Category	Balance as at January 1, 2025	Changes in 2025				Balance as at December 31, 2025
		Provision	Recovery or reversal	Charged off	Other changes	
Other receivables with provision made on portfolio basis for credit impairment losses	203,062,329.56	64,758,114.33	1,411,860.77	83,437.99	-5,234,727.19	261,090,417.94
Total	265,709,264.46	70,406,923.37	2,370,660.77	83,437.99	-5,234,727.19	328,427,361.88

6) Other receivables actually written off in the reporting period

Debtor	Nature of other receivables	Amount written off	Reason for write-off	Write-off procedures fulfilled	Whether arising from related party transactions
Juzhou Freight Station	Deposit	450.00	Expected to be irrecoverable	Approved according to management authority	No
Jiaxing Freight Station	Deposit	18,154.00	Expected to be irrecoverable	Approved according to management authority	No
Xiaoshan Freight Station	Deposit	747.00	Expected to be irrecoverable	Approved according to management authority	No
Xinchang Freight Station	Deposit	354.20	Expected to be irrecoverable	Approved according to management authority	No
Linhai Freight Station	Deposit	6,570.00	Expected to be irrecoverable	Approved according to management authority	No
Shaoxing Freight Station	Deposit	9,805.16	Expected to be irrecoverable	Approved according to management authority	No
Jiaojiang Freight Station	Deposit	1,890.00	Expected to be irrecoverable	Approved according to management authority	No
Duqiao Freight Station	Deposit	16,100.00	Expected to be irrecoverable	Approved according to management authority	No
Huzhou Freight Station	Deposit	3,046.00	Expected to be irrecoverable	Approved according to management authority	No
Huangyan Freight Station	Deposit	7,560.00	Expected to be irrecoverable	Approved according to management authority	No

Debtor	Nature of other receivables	Amount written off	Reason for write-off	Write-off procedures fulfilled	Whether arising from related party transactions
Lishui Post Office	Deposit	18,761.63	Expected to be irrecoverable	Approved according to management authority	No
Total	—	83,437.99	—	—	—

7) Top 5 other receivables in terms of the ending balance collected by the debtors

Debtor	Nature of payment	Book balance	Aging	Proportion in the total balance of other receivables (%)	Provision for bad debt
Yiwu Industrial Investment Development Group Co., Ltd.	Current accounts	4,474,076,830.91	Within 1 year	26.77	
Yiwu Huishang Property Co., Ltd.	Borrowings and current accounts	2,698,595,576.03	Within 1 year, 1-2 years, 2-3 years	16.14	
Yiwu Shunhe Enterprise Management Consulting Co., Ltd.	Current accounts, etc.	1,241,355,106.77	1-3 years, over 3 years	7.43	
Yiwu Zhongfu Real Estate Co., Ltd.	Current accounts	1,214,173,546.67	Within 1 year	7.26	12,163,063.47
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	Current accounts	1,134,679,411.99	Within 1 year	6.79	
Total	—-	10,762,880,472.37	—-	64.39	12,163,063.47

7. Inventories

(1) Classification of inventories

Item	Ending amount			Beginning amount		
	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Raw materials	28,641,434.57		28,641,434.57	30,324,267.92		30,324,267.92
Circulating materials	190,821.42		190,821.42	952,813.70		952,813.70
Stock commodities	3,701,909,593.82	25,227,709.44	3,676,681,884.38	3,293,538,414.84	24,483,655.42	3,269,054,759.42
Developed products	19,298,622,583.62	81,101,080.32	19,217,521,503.30	10,486,790,602.40	53,479,104.34	10,433,311,498.06

Item	Ending amount			Beginning amount		
	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Development costs	20,643,519,109.79	28,303,338.06	20,615,215,771.73	37,402,691,802.97	28,303,338.06	37,374,388,464.91
Engineering construction	82,438,667.84		82,438,667.84	147,053,424.73		147,053,424.73
Contract performance cost	23,943,363,067.93		23,943,363,067.93	22,801,010,529.92		22,801,010,529.92
Rent of developed products	4,805,121.63		4,805,121.63			
Total	67,703,490,400.62	134,632,127.82	67,568,858,272.80	74,162,361,856.48	106,266,097.82	74,056,095,758.66

Explanation:

1) As at December 31, 2025, inventories with a book value of RMB 4,832,639,116.69 were formed by capitalization of borrowing costs.

2) As at December 31, 2025, inventories with a book value of RMB 11,724,197,671.31 were used as collateral for bank loans, or used for financing leases.

Provision for inventory depreciation reserve and provision for impairment of contract performance costs

Item	Balance as at January 1, 2025	Increase in 2025		Decrease in 2025		Balance as at December 31, 2025
		Provision	Others	Reversal or write-off	Others	
Development costs	28,303,338.06					28,303,338.06
Stock commodities	24,483,655.42	744,054.02				25,227,709.44
Developed products	53,479,104.34	92,613,045.35		16,271,052.58	48,720,016.79	81,101,080.32
Total	106,266,097.82	93,357,099.37		16,271,052.58	48,720,016.79	134,632,127.82

8. Contractual assets

(1) Contract assets

Item	Ending amount			Beginning amount		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Infrastructure construction projects	50,742,231.35	485,453.82	50,256,777.53	16,901,661.98	212,493.54	16,689,168.44
Provisionally estimated sales amount				21,967,224.18	219,672.24	21,747,551.94
Management fee income	868,713.49		868,713.49			
Total	51,610,944.84	485,453.82	51,125,491.02	38,868,886.16	432,165.78	38,436,720.38

(2) Provision for impairment of contract assets

Item	Balance as at January 1, 2025	Provision in 2025	Reversal in 2025	Write-off or charge-off in 2025	Other changes	Balance as at December 31, 2025
Infrastructure construction projects	212,493.54	272,960.28				485,453.82
Provisionally estimated sales amount	219,672.24		219,672.24			
Total	432,165.78	272,960.28	219,672.24			485,453.82

9. Non-current assets due within one year

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Long-term receivables maturing within one year	45,461,524.17	44,752,632.39
Entrusted loans	48,073,333.33	
Less: Provision for bad debt	45,461,524.17	17,844,686.90
Total	48,073,333.33	26,907,945.49

10. Other current assets

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Loan entrusted by market merchants	1,574,401.27	1,574,401.27
Other entrusted loans	8,419,050.00	8,419,050.00
Less: Provision for bad debt of entrusted loans	8,604,550.00	8,604,550.00
Subtotal of entrusted loans	1,388,901.27	1,388,901.27
Prepaid taxes and surcharges	679,137,758.14	801,180,182.35
Deferred expenses	11,550,450.51	13,669,215.61
Input VAT to be deducted/certified	2,170,608,494.70	2,055,066,118.94
Bond repayment reserve		1,035,051,750.00
Petty cash for payment business	928,684,511.79	377,164,678.50
Excess VAT paid for future offsetting	319,884,489.04	120,745,353.94
Others	68,707.32	190,360.99
Total	4,111,323,312.77	4,404,456,561.60

11. Long-term receivables

Item	Ending amount			Beginning amount		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Financial aid funds receivable [Note 1]	255,266,032.72		255,266,032.72	285,840,496.50		285,840,496.50
Finance lease payment				6,513,724.03		6,513,724.03
Less: Unrealized financing income				1,503,346.63		1,503,346.63
Project receivables [Note 2]	8,013,066,271.30		8,013,066,271.30	7,483,653,165.50		7,483,653,165.50
Equity repurchase payment	45,461,524.17	45,461,524.17		45,461,524.17	17,844,686.90	27,616,837.27
Less: Unrealized financing income				1,068,065.96		1,068,065.96
Fixed income investment projects [Note 3]	301,816,250.62	293,292,877.38	8,523,373.24	312,707,687.04	293,292,877.38	19,414,809.66
Long-term borrowings	1,402,000,000.00		1,402,000,000.00			
Others	8,554,420.30		8,554,420.30	7,367,466.76		7,367,466.76
Sub-total	10,026,164,499.11	338,754,401.55	9,687,410,097.56	8,138,972,651.41	311,137,564.28	7,827,835,087.13
Less: Long-term receivables maturing within one year	45,461,524.17	45,461,524.17		44,752,632.39	17,844,686.90	26,907,945.49
Total	9,980,702,974.94	293,292,877.38	9,687,410,097.56	8,094,220,019.02	293,292,877.38	7,800,927,141.64

[Note 1] Financial aid funds receivable refer to the financial aids provided by Commodities City Group to its joint venture Yiwu Business Travel Investment Development Co., Ltd. and associate JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATION FZCO.

[Note 2] The project receivables are the housing settlement project funds receivable by Construction Investment Group from the Yiwu Housing and Urban-Rural Development Bureau.

[Note 3] The fixed-income investment project was an external investment project of Yiwu Financial Holdings Co., Ltd. and Yiwu Honghai Equity Investment Partnership (Limited Partnership). As at December 31, 2025, Yiwu Dingshi Houtu Enterprise Management Consulting Partnership (Limited Partnership) invested RMB 286,082,266.71, and Beijing Zhangshang Energy Technology Co., Ltd. invested RMB 15,733,983.91.

12. Long-term equity investment

(1) Classification of long-term equity investment

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Investment in joint ventures	1,162,711,968.80	1,813,338,917.82
Investment in associates	22,040,551,621.47	21,248,461,808.83
Sub-total	23,203,263,590.27	23,061,800,726.65
Less: Provision for impairment of long-term equity investment	31,460,052.25	31,460,052.25
Total	23,171,803,538.02	23,030,340,674.40

Provision for impairment of long-term equity investments:

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Yiwu China Commodities Urban Investment Management Co., Ltd.	9,508,049.22			9,508,049.22
Yiwu Tianhuang Metal Decorating and Can Making Co., Ltd.	2,400,000.00			2,400,000.00
Zhejiang Yiwu China Commodities City Industrial Corporation	200,000.00			200,000.00
Yiwu Libao Solid Waste Disposal Co., Ltd.	8,024,786.87			8,024,786.87
Zhejiang Fugu Supermarket Co., Ltd.	8,000,000.00			8,000,000.00
Others	3,327,216.16			3,327,216.16
Total	31,460,052.25			31,460,052.25

Explanation:

1) In 2017, Commodities City Financial Holdings and Shanghai Fuxing Industry Group Co., Ltd. (hereinafter referred to as "Fuxing") jointly established Yiwu Commodities City Fuxing Investment Center (Limited Partnership) (hereinafter referred to as the "Parent Fund") to invest in a total of 12 sub-funds including Yiwu Shangfu Chuangzhi Investment Center (Limited Partnership) (hereinafter referred to as "Shangfu Chuangzhi Fund"). Commodities City Financial Holdings, as a limited partner in the Parent Fund, has subscribed for RMB 998 million, accounting for 49.90% of the subscribed capital, with RMB 102.92 million already paid in and the unpaid portion having no contribution deadline. The other limited partner of the Parent Fund is Fuxing. Commodities City Financial Holding also invested RMB 9.8 million (accounting for 49% equity) to jointly establish Yiwu China Commodities Urban Investment Management Co., Ltd. (hereinafter referred to as "Commodities City Management") with Fuxing, and Commodities City Management served as the general partner for the aforementioned Parent Fund and sub-funds. Both the Parent Fund and Commodities City Management are controlled by Fuxing, which is an associate of Commodities City Financial Holding. The said paid-in capital contribution of Commodities City Financial Holdings in the Parent Fund, together with Fuxing's contribution to the Parent Fund, has been made to Shangfu Chuangzhi Fund through the Parent Fund as a limited partner, together with the paid-in capital contribution of Commodities City Financial Holdings in Shangfu Chuangzhi Fund as a limited partner. Shangfu Chuangzhi Fund has contributed RMB 820.54 million to subscribe for the additional registered capital of Hubei Assets Management Co., Ltd., holding 22.667% equity of this company.

In 2018, Commodities City Financial Holding learned during the performance of post-investment tracking management that: Fuxing and its actual controller Zhu Yidong were suspected of criminal offenses. 22.667% equity of Hubei Assets Management Co., Ltd. held by Shangfu Chuangzhi Fund was frozen by the Shanghai Public Security Bureau because the source of capital contribution included Fuxing's capital contribution. Commodities City Group believed that on December 31, 2024, the contribution of Commodities City Group in the Parent Fund and Shangfu Chuangzhi Fund had nothing to do with Fuxing's contribution, and there was no sign of impairment of the underlying assets. Although they were still frozen, they did not affect the equity of Commodities City Group, so there was no impairment. However, for the equity investment in Commodities City Management, full provision for impairment has been made since 2018. For details, see Note 9 (I) Significant commitments.

2) As at December 31, 2025, the long-term equity investment with a book value of RMB 102,918,559.00 was frozen by the Shanghai Public Security Bureau.

(2) Details of long-term equity investment

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Lishui Lianyi Shanhai Cooperation Industrial Park Development Co., Ltd.	50	99,998,375.52			-8,708.60						99,989,666.92	
Yiwu Huichen Pension Service Co., Ltd.	49	3,019,909.45			-505,651.79						2,514,257.66	
Yiwu New Smart City Operation Co., Ltd.	50	8,377,978.64			-685,748.63						7,692,230.01	
Zhejiang Yixin Enterprise Management Co., Ltd.		2,374,668.93			-293,548.71					-2,081,120.22		
Yiwu Rongshang Real Estate Co., Ltd.	49	65,650,243.74			-8,144.67						65,642,099.07	
Yiwu Chuangcheng Real Estate Co., Ltd.	24	22,432,461.55			-26.99						22,432,434.56	
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	49	882,314,580.93			68,497,719.40			720,588,200.00			230,224,100.33	
Yiwu Shanglv Investment Development Co., Ltd.	49	478,903,324.97			45,583,840.11			29,400,000.00			495,087,165.08	
Yiwu Digital Port Technology Co., Ltd.	51	24,998,356.29			-4,369,799.08						20,628,557.21	
Yiwu Huishang Zijing Capital Management Co., Ltd.	40	6,440,786.21			-517,186.87						5,923,599.34	
Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	49	1,065,922.22			174,228.44						1,240,150.66	
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	49	208,111,801.72			-11,263,757.94						196,848,043.78	

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Other joint ventures		9,650,507.65	5,000,000.00	131,957.89	-28,885.58						14,489,664.18	3,327,216.16
Sub-total		1,813,338,917.82	5,000,000.00	131,957.89	96,574,329.09			749,988,200.00		-2,081,120.22	1,162,711,968.80	3,327,216.16
Yiwu Runxiu Real Estate Co., Ltd.	49	1,062,884,502.79			11,927,786.41						1,074,812,289.20	
Hangzhou Binmao Property Co., Ltd.	30	643,326,239.57		539,970,000.00	3,493,846.92						106,850,086.49	
Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	40	403,720,471.59			-205,925.74						403,514,545.85	
Hangzhou Zhexuan Enterprise Management Co., Ltd.		96,280,517.70		63,700,000.00	-737,064.64			31,843,453.06				
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	40	3,748,573.43			-533,678.49						3,214,894.94	
Yiwu Construction Investment Binjiang Property Service Co., Ltd.	45	4,604,649.80			950,447.68						5,555,097.48	
Yiwu Construction Investment Jujiang Construction Co., Ltd.	49	3,532,290.52			4,992,043.10						8,524,333.62	
Jinhua Jinyi East Rail Transit Co., Ltd.	30	3,900,000,000.00									3,900,000,000.00	
Yiwu Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	49	30,193,624.17			-5,597,633.91						24,595,990.26	
Yiwu Huishang Qintang Real Estate Co., Ltd.	49									29,379,195.41	29,379,195.41	

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Zhejiang Jinhua Yilongqing Expressway Co., Ltd.	9.33	4,660,000.00	105,000,000.00		962.96						109,660,962.96	
Jinhua Low-altitude Industry Investment Operation Co., Ltd.	9		9,000,000.00		-172,181.90						8,827,818.10	
Yiwu Natural Gas Co., Ltd.	49	142,574,945.10	3,920,000.00		25,522,140.06			22,093,154.21			149,923,930.95	
Yiwu PetroChina Sales Co., Ltd.	49	4,043,737.41			439,388.55			368,737.41			4,114,388.55	
Yiwu State-owned Assets Greentown Property Service Co., Ltd.	35	1,529,859.01			1,108,195.51			187,880.91			2,450,173.61	
Zhejiang Yiyong Construction Co., Ltd.	49	1,615,562.79			894,208.11						2,509,770.90	
Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	20	5,196,143.61			597,393.27						5,793,536.88	
Yiwu Shenneng Construction Waste Resource Utilization Co., Ltd.	17	13,674,362.34			-958,515.36						12,715,846.98	
Yiwu Zhongfu Real Estate Co., Ltd.	49				6,028,388.77					280,314,906.26	286,343,295.03	
Zhejiang Yiyang Construction Co., Ltd.	49	1,903,866.32			414,316.21						2,318,182.53	
Yiwu Hengfeng Automobile Driver Training Co., Ltd.		457,444.17								-457,444.17		
Yiwu Suda Taxi Passenger Transport Co., Ltd.	26.46	3,558,719.89			405,440.41			349,272.00			3,614,888.30	

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
YXE Trading Service Group Co., Ltd.	34	153,521,732.03		23,890,691.76	-7,992,885.49						121,638,154.78	
Daxin (Yiwu) Semiconductor Co., Ltd.		15,200,744.33								-15,200,744.33		
Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership)	88.45	1,208,510,250.63		33,610,822.06	39,899,514.27						1,214,798,942.84	
Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership)	58.87	550,435,071.42		44,748,643.27	-3,255,882.34			1,627,549.25			500,802,996.56	
Zhejiang Seaport Yiwu Hub Port Co., Ltd.	40	531,568,630.79	21,452,000.00		-41,900,493.45						511,120,137.34	
Zhejiang Luxin Construction Co., Ltd.	49	1,661,021.85			625,387.12						2,286,408.97	
Yiwu Land Port Chengxin Real Estate Co., Ltd.	49				-239,643.98					41,713,895.92	41,474,251.94	
Zhejiang Qi Anxin Technology Co., Ltd.	35	448,597.05			-274,128.47						174,468.58	
Zhejiang Yiwu International Rail-Road Transport Co., Ltd.	40	14,419,942.95			435,626.37			341,298.92			14,514,270.40	
Zhejiang Huakong Jingzi Venture Investment Co., Ltd.	30	3,753,272.21			25,741.86						3,779,014.07	
Yiwu Tianhuang Metal Decorating and Can Making Co., Ltd.	40	2,400,000.00									2,400,000.00	2,400,000.00
Zhejiang Yiwu China Commodities City Industrial Corporation	33.33	200,000.00									200,000.00	200,000.00

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Yiwu Huishang Microfinance Co., Ltd.	33	111,183,618.88			2,330,063.73						113,513,682.61	
Zhejiang Chouzhou Financial Leasing Co., Ltd.	26	590,724,657.46			117,052,152.17			91,000,000.00			616,776,809.63	
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	23.23	119,889,908.19			2,911,431.15	-222,341.17	28,156,924.86				150,735,923.03	
Yiwu China Commodities City Fuxing Investment Center (Limited Partnership)	49.90	102,918,559.00									102,918,559.00	
Yiwu China Commodities Urban Investment Management Co., Ltd.	49	9,508,049.22									9,508,049.22	9,508,049.22
Yiwu Shuangjianghu Property Service Co., Ltd.	49	512,686.91	1,470,000.00		-714,946.79						1,267,740.12	
Yiwu Jinxiao Construction Development Co., Ltd.	49		196,000,000.00		-54,039.76						195,945,960.24	
Hangzhou Micro Ant Technology Co., Ltd.	34.46	3,123,611.21			-1,934,597.86						1,189,013.35	
Zhejiang Wutong Co., Ltd.	26.42	15,510,684.11			2,504,253.18			1,267,200.00			16,747,737.29	
Zhejiang Bee Group Co., Ltd.	22.87	37,242,754.21			7,363,032.09			3,484,800.00			41,120,986.30	
Anhui Yiyue Tea Industry Co., Ltd.	43.75	1,914,335.78			-749,946.33						1,164,389.45	
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	34	1,674,402.54			239,129.13			442,000.00			1,471,531.67	

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Yiwu Emergency Technology Co., Ltd.	49		16,660,000.00								16,660,000.00	
Zhejiang Jinzheng Testing Co., Ltd.	33	5,345,598.68			235,638.94			264,000.00			5,317,237.62	
Yiwu Huishang Property Co., Ltd.	49									661,041,139.09	661,041,139.09	
Jinhua Zhuocai Cloud Bidding Agency Co., Ltd.	20	228,002.32			186,131.67			160,000.00			254,133.99	
Zhejiang Fugu Supermarket Co., Ltd.	40	12,227,649.12			1,374,563.80			378,520.00			13,223,692.92	8,000,000.00
Yiwu Xiangchuang Cultural Development Co., Ltd.	35	414,165.66			-20,890.94						393,274.72	
Yiwu Guhe Commodity Concrete Co., Ltd.	0	10,533,930.06			-966,133.31					-9,567,796.75		
Yiwu Liangku Cultural Industry Development Co., Ltd.	0	3,727,070.05		2,841,370.05				885,700.00				
Zhejiang Zhongke Environmental Co., Ltd.	37.40	14,483,775.96			673,252.76						15,157,028.72	
Yiwu Libao Solid Waste Disposal Co., Ltd.	34.56	8,024,786.87									8,024,786.87	8,024,786.87
Jinhua Yuanshui Water Resources Management Co., Ltd.	54.30	27,152,600.74	27,150,000.00		-8,601.61						54,293,999.13	
Yiwu Third Tap Water Co., Ltd.	43.16		395,232,000.00		1,171,494.06					74,638,335.50	471,041,829.56	
Yiwu Zhongfu Real Estate Co., Ltd.	34				5,385,053.45					2,662,524.20	8,047,577.65	
Zhejiang Yiteng Environmental Technology Co., Ltd.	45	6,556,351.53			-53,747.89						6,502,603.64	

Investee	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/decrease in 2025								Balance as at December 31, 2025	Balance as at December 31, 2025 of provision for impairment
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to be paid	Provision for impairment	Others		
Yiwu Shuangjianghu Construction Development Co., Ltd.	30		518,320,000.01		-2,173,949.77						516,146,050.24	
Yiwu Industrial Investment Development Group Co., Ltd.	49.02	5,850,246,322.36			-338,229,618.93	-6,266.27	-176,539.16				5,511,833,898.00	
Yiwu Shuangjianghu Development Group Co., Ltd.	40	4,454,203,041.51			-97,962,265.03		286,532,000.00	1,648,324.01		-757,690,034.71	3,883,434,417.76	
Yiwu Huishang Zijing Equity Investment Co., Ltd.	16.66	57,256,369.54		2,216,381.91	-9,714,726.04			3,675,000.00			41,650,261.59	
Zhejiang Zheyi Asset Management Co., Ltd.	49	566,441,916.92			35,827,611.87	0.00	0.00	7,840,000.00			594,429,528.79	
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	50	4,278,035.71			1,164,565.67						5,442,601.38	
Yiwu Resource Recycling Group Co., Ltd.	40	260,271,891.23			11,602,075.69	1,025,939.43	-369,720.00	4,997,202.62			267,532,983.73	
Other associates		163,242,259.59		158,909.78	-13,201,744.26					-25,284.91	149,856,320.64	
Sub-total		21,248,461,808.83	1,294,204,000.01	711,136,818.83	-239,871,965.35	797,331.99	314,142,665.70	172,854,092.39		306,808,691.51	22,040,551,621.47	28,132,836.09
Total		23,061,800,726.65	1,299,204,000.01	711,268,776.72	-143,297,636.26	797,331.99	314,142,665.70	922,842,292.39		304,727,571.29	23,203,263,590.27	31,460,052.25

(3) Significant joint ventures and associates

Investee	Registered address	Nature of business	Registered capital (RMB'0,000)	Shareholding ratio (%)	
				Direct	Indirect
① Joint venture	—	—	—	—	—
Yiwu Shanglv Investment Development Co., Ltd.	Yiwu, Zhejiang	Real estate development	80,000.00		49.00
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development	4,081.63		49.00
② Associate	—	—	—	—	—
Yiwu Runxiu Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development	223,000.00		49.00
Hangzhou Binmao Property Co., Ltd.	Hangzhou, Zhejiang	Real estate development	10.00		30.00
Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	Shaoxing, Zhejiang	Enterprise management and consultation	80,000.00		40.00
Zhejiang Chouzhou Financial Leasing Co., Ltd.	Yiwu, Zhejiang	Financial industry	100,000.00		26.00
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Yiwu, Zhejiang	Technology promotion and application services	64,583.85		23.23
Zhejiang Zheyi Asset Management Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	100,000.00	49.00	
Yiwu Industrial Investment Development Group Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	204,000.00	49.02	
Yiwu Shuangjianghu Development Group Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	150,000.00	40.00	

(4) Main financial information of significant joint ventures

Item	Yiwu Shanglv Investment Development Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Current assets	52,472,371.50	44,572,990.46
Non-current assets	1,277,785,844.80	1,316,156,038.15
Total assets	1,330,258,216.30	1,360,729,028.61
Current liabilities	197,747,312.83	257,309,147.55
Non-current liabilities	93,601,243.98	96,574,029.70
Total liabilities	291,348,556.81	353,883,177.25
Net assets	1,038,909,659.49	1,006,845,851.36
Share of net assets calculated at the shareholding ratio	509,065,733.15	493,354,467.17
Adjustment matters	-13,978,568.07	-14,451,142.20
Book value of equity investment in joint ventures	495,087,165.08	478,903,324.97

Item	Yiwu Shanglv Investment Development Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Operating income	264,982,012.07	260,065,145.93
Income tax expenses	33,073,274.71	28,933,269.15
Total comprehensive income	92,063,808.13	86,736,371.95
Dividends received from joint ventures in 2025	29,400,000.00	

(Continued)

Item	Yiwu Guoshen Shangbo Real Estate Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Current assets	481,766,751.82	1,772,351,257.13
Non-current assets	18,121,976.64	97,405,224.10
Total assets	499,888,728.46	1,869,756,481.23
Current liabilities	30,043,625.74	69,114,479.34
Non-current liabilities		
Total liabilities	30,043,625.74	69,114,479.34
Net assets	469,845,102.72	1,800,642,001.89
Share of net assets calculated at the shareholding ratio	230,224,100.33	882,314,580.93
Adjustment matters		
Book value of equity investment in joint ventures	230,224,100.33	882,314,580.93
Operating income	84,124,342.98	379,906,763.93
Income tax expenses	9,836,932.13	29,649,196.93
Total comprehensive income	121,737,072.77	30,071,848.12
Dividends received from joint ventures in 2025	720,588,200.00	57,124,949.94

(5) Main financial information of significant associates

Item	Yiwu Runxiu Real Estate Co., Ltd.		Hangzhou Binmao Property Co., Ltd.		Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Current assets	7,569,144,588.33	6,993,444,565.22	402,003,618.04	2,222,541,188.22	1,000,240,560.03	1,008,473,496.27
Non-current assets	16,739,165.72	22,427,726.45	17,227,905.15	17,161,176.42	28,047,315.61	28,348,145.40
Total assets	7,585,883,754.05	7,015,872,291.67	419,231,523.19	2,239,702,364.64	1,028,287,875.64	1,036,821,641.67
Current liabilities	5,388,017,918.19	4,844,999,271.65	30,262,521.42	62,479,519.27	19,501,511.02	27,520,462.70
Non-current liabilities	4,371,368.10	1,720,973.50	32,802,046.80	32,802,046.80		
Total liabilities	5,392,389,286.29	4,846,720,245.15	63,064,568.22	95,281,566.07	19,501,511.02	27,520,462.70
Net assets	2,193,494,467.76	2,169,152,046.52	356,166,954.97	2,144,420,798.57	1,008,786,364.62	1,009,301,178.97
Share of net assets calculated at the shareholding ratio	1,074,812,289.20	1,062,884,502.79	106,850,086.49	643,326,239.57	403,514,545.85	403,720,471.59
Adjustment matters						
Book value of equity investment in associates	1,074,812,289.20	1,062,884,502.79	106,850,086.49	643,326,239.57	403,514,545.85	403,720,471.59
Operating income	703,265.02	972,243.00		45,206,215.17		1,205,826.60
Net profit	16,387,317.83	-53,972,754.35	11,546,156.40	58,507,619.63	-514,814.34	-2,385,210.94
Other comprehensive income						
Total comprehensive income	16,387,317.83	-53,972,754.35	11,546,156.40	58,507,619.63	-514,814.34	-2,385,210.94
Dividends received from associates in 2025				32,250,000.00		

(Continued)

Item	Zhejiang Chouzhou Financial Leasing Co., Ltd.		Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.		Zhejiang Zheyi Asset Management Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Current assets	20,814,464,107.12	20,987,678,955.24	873,732,889.82	623,155,723.65	2,000,745,727.34	1,316,111,816.55
Non-current assets		163,070,159.38	29,598,094.65	30,725,146.06	656,873,831.63	727,386,927.75
Total assets	20,814,464,107.12	21,150,749,114.62	903,330,984.47	653,880,869.71	2,657,619,558.97	2,043,498,744.30
Current liabilities	18,442,245,608.52	12,734,639,582.95	340,866,154.09	297,838,847.92	970,369,657.01	714,196,780.96
Non-current liabilities		6,144,091,618.35	2,393,411.49	890,880.34	474,128,414.62	173,298,051.25
Total liabilities	18,442,245,608.52	18,878,731,201.30	343,259,565.58	298,729,728.26	1,444,498,071.63	887,494,832.21
Net assets	2,372,218,498.60	2,272,017,913.32	560,071,418.89	355,151,141.45	1,213,121,487.34	1,156,003,912.09
Share of net assets calculated at the shareholding ratio	616,776,809.63	590,724,657.46	130,079,947.47	95,890,808.19	594,429,528.80	566,441,916.92
Adjustment matters			20,655,975.56	23,999,100.00		
Book value of equity investment in associates	616,776,809.63	590,724,657.46	150,735,923.03	119,889,908.19	594,429,528.80	566,441,916.92
Operating income	806,444,547.35	753,748,320.57	2,269,419,433.20	1,487,505,402.43	125,388,809.68	66,309,166.19
Net profit	450,200,585.28	410,638,042.96	2,204,345.92	-46,913,898.00	73,117,575.25	37,363,250.60
Other comprehensive income				-39,315.08		
Total comprehensive income	450,200,585.28	410,638,042.96	2,204,345.92	-46,953,213.08	73,117,575.25	37,363,250.60
Dividends received from associates in 2025	91,000,000.00	91,000,000.00			7,840,000.00	15,190,000.00

(Continued)

Item	Yiwu Industrial Investment Development Group Co., Ltd.		Yiwu Shuangjianghu Development Group Co., Ltd.	
	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024	Balance as at December 31, 2025/Amount in 2025	Balance as at January 1, 2025/ Amount in 2024
Current assets	19,395,293,501.77	17,677,902,767.99	26,422,192,678.39	18,587,682,126.36
Non-current assets	23,293,975,204.03	21,601,869,610.54	20,350,438,031.16	18,502,882,281.76
Total assets	42,689,268,705.80	39,279,772,378.53	46,772,630,709.55	37,090,564,408.12
Current liabilities	18,065,576,521.83	18,562,478,001.85	16,575,497,052.22	13,549,972,882.65
Non-current liabilities	16,080,666,509.92	11,444,226,263.90	18,912,953,014.22	14,109,801,068.86
Total liabilities	34,146,243,031.75	30,006,704,265.75	35,488,450,066.44	27,659,773,951.51
Net assets	8,543,025,674.05	9,273,068,112.78	11,284,180,643.11	9,430,790,456.61
Share of net assets calculated at the shareholding ratio	4,187,757,013.32	4,545,620,896.61	4,513,672,257.24	3,772,316,182.64
Adjustment matters	1,324,076,884.68	1,304,625,425.75	-630,237,839.48	681,886,858.87
Book value of equity investment in associates	5,511,833,898.00	5,850,246,322.36	3,883,434,417.76	4,454,203,041.51
Operating income	1,948,938,118.00	9,634,407,701.80	1,725,370.954.19	1,468,009,373.87
Net profit	-739,636,704.84	93,548,347.74	17,966,169.96	7,270,826.12
Other comprehensive income	-12,788.30	-83,572.64		
Total comprehensive income	-739,650,612.73	93,464,775.10	17,966,169.96	7,270,826.12
Dividends received from associates in 2025			1,648,324.01	1,217,483.84

13. Investment in other equity instruments

(1) Investment in other equity instruments

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Investment in listed equity instruments	860,421,954.81	1,146,394,700.55
Investment in unlisted equity instruments	3,783,244.17	3,325,800.00
Total	864,205,198.98	1,149,720,500.55

(2) Investment in other equity instruments at the end of the period

Item	Balance as at December 31, 2025			Changes in 2025			Amount of other comprehensive income transferred into retained earnings	Reason for amount designated to be measured at fair value through other comprehensive income
	Investment costs	Accumulated changes in fair value included in other comprehensive income	Fair Value	Increase/decrease in investment costs	Changes in fair value	Dividend income		
I. Investment in listed equity instruments								
Shenwan Hongyuan Group Co., Ltd.	553,625,431.00	107,376,640.26	661,002,071.26		-10,034,187.04	10,159,614.37		Non-tradable equity investments
Yiwu Huading Nylon Co., Ltd.				-289,844,543.02	-96,557,207.78		76,133,307.29	Non-tradable equity investments
Shenzhen UBTECH Robotics Corp.	134,000,000.00	65,419,883.55	199,419,883.55		110,463,192.10			Non-tradable equity investments
Sub-total	687,625,431.00	172,796,523.81	860,421,954.81	-289,844,543.02	3,871,797.28	10,159,614.37	76,133,307.29	
II. Investment in unlisted equity instruments								
Zhejiang Changyun Investment Co., Ltd.	1,800,000.00		1,800,000.00					Non-tradable equity investments
Yiwu Yida Taxi Passenger Transport Co., Ltd.	88,200.00		88,200.00			15,000.00		Non-tradable equity investments
Yiwu Zhijiang Taxi Passenger Transport Co., Ltd.	58,800.00		58,800.00			12,500.00		Non-tradable equity investments
Yiwu Shunkai Taxi Passenger Transport Co., Ltd.	58,800.00		58,800.00			10,000.00		Non-tradable equity investments
Zhejiang Zhonglian Co., Ltd.	300,000.00		300,000.00					Non-tradable equity investments
Jinhua Huajingshan Tourism Development Co., Ltd.	1,000,000.00		1,000,000.00					Non-tradable equity investments
Zhejiang Hongyun Industrial Co., Ltd.	20,000.00		20,000.00					Non-tradable equity investments
Yiwu Hengfeng Automobile Driver Training Co., Ltd.	457,444.17		457,444.17	457,444.17				Non-tradable equity investments
Sub-total	3,783,244.17		3,783,244.17	457,444.17		37,500.00		
Total	691,408,675.17	172,796,523.81	864,205,198.98	-289,387,098.85	3,871,797.28	10,197,114.37	76,133,307.29	

14. Other non-current financial assets

Item	Fair value as at December 31, 2025	Fair value as at January 1, 2025
Investment in unlisted equities	1,480,161,444.81	1,409,898,947.41
Private equity fund investment [Note]	9,689,349,014.91	8,300,681,418.96
Equity investment on NEEQ (National Equities Exchange and Quotations)	36,613,499.09	32,731,474.57
Others	86,162,500.00	88,162,500.00
Total	11,292,286,458.81	9,831,474,340.94

[Note]: Includes the investment of RMB 664,361,085.31 by Commodities City Financial Holdings as a limited partner in Yiwu Shangfu Chuangzhi Investment Center (Limited Partnership). See Note IX (I) Significant commitments for details.

As at December 31, 2025, other non-current financial assets with a book value of RMB 664,361,085.31 were frozen by the Shanghai Public Security Bureau.

15. Investment properties

Investment properties measured at cost

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Total original book value	12,869,608,121.45	3,454,706,559.43	2,572,337,210.81	13,751,977,470.07
Including: Land use right	1,796,763,516.76	499,366,157.44	429,474,179.18	1,866,655,495.02
Buildings and constructions	11,072,844,604.69	2,955,340,401.99	2,142,863,031.63	11,885,321,975.05
II. Total accumulated depreciation and accumulated amortization	1,933,171,293.50	598,321,552.94	300,741,110.43	2,230,751,736.01
Including: Land use right	271,596,827.71	61,581,280.43	48,216,379.09	284,961,729.05
Buildings and constructions	1,661,574,465.79	536,740,272.51	252,524,731.34	1,945,790,006.96
III. Total net book value of investment properties	10,936,436,827.95	—	—	11,521,225,734.06
Including: Land use right	1,525,166,689.05	—	—	1,581,693,765.97
Buildings and constructions	9,411,270,138.90	—	—	9,939,531,968.09
IV. Total accumulated amount of provisions for impairment of investment properties				
Including: Land use right				
Buildings and constructions				
V. Total book value of investment properties	10,936,436,827.95	—	—	11,521,225,734.06

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Including: Land use right	1,525,166,689.05	—	—	1,581,693,765.97
Buildings and constructions	9,411,270,138.90	—	—	9,939,531,968.09

Remark: As at December 31, 2025, investment properties with a book value of RMB 2,510,630,226.46 were used as collateral for bank loans, or used for finance leases.

16. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	39,131,797,771.65	35,191,428,103.76
Disposal of fixed assets	731,741,947.59	686,942,138.18
Total	39,863,539,719.24	35,878,370,241.94

(1) Classification of fixed assets

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Total original book value	52,698,570,897.18	6,254,496,592.95	613,142,222.06	58,339,925,268.07
Including: Landscaping projects	43,836,917.97			43,836,917.97
Buildings and constructions	36,554,336,937.97	4,619,807,481.60	401,781,893.89	40,772,362,525.68
Machinery equipment	4,926,447,792.56	935,856,206.29	24,854,616.93	5,837,449,381.92
Means of transportation	754,555,667.50	106,814,719.28	142,390,804.22	718,979,582.56
Office equipment	312,715,761.30	57,245,739.00	16,250,781.62	353,710,718.68
General equipment	55,647,097.12	8,054,282.31	2,895,877.68	60,805,501.75
Special equipment	839,536,486.26	217,057,806.13	17,106,127.39	1,039,488,165.00
Pipe network	3,124,901,325.26	231,625,872.63	1,108,611.89	3,355,418,586.00
Electronic and other equipment	1,334,965,820.04	74,288,295.38	6,753,508.44	1,402,500,606.98
Port logistics expressway	4,751,627,091.20	3,746,190.33		4,755,373,281.53
II. Total accumulated depreciation	17,035,979,325.57	1,922,978,457.29	221,993,754.29	18,736,964,028.57
Including: Landscaping projects	21,319,635.59	2,082,253.56		23,401,889.15
Buildings and constructions	9,102,869,529.17	1,175,752,861.44	55,099,452.09	10,223,522,938.52
Machinery equipment	3,733,324,044.80	210,739,216.99	23,231,473.33	3,920,831,788.46

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Means of transportation	457,153,278.26	77,235,151.93	116,075,196.42	418,313,233.77
Office equipment	161,353,614.68	30,375,639.45	8,055,244.02	183,674,010.11
General equipment	30,617,868.80	6,089,500.35	2,424,741.08	34,282,628.07
Special equipment	569,650,834.68	37,071,950.86	14,537,621.14	592,185,164.40
Pipe network	1,303,619,877.07	136,810,595.74		1,440,430,472.81
Electronic and other equipment	485,578,472.92	62,085,940.49	2,570,026.21	545,094,387.20
Port logistics expressway	1,170,492,169.60	184,735,346.48		1,355,227,516.08
III. Total net book value of fixed assets	35,662,591,571.61	—	—	39,602,961,239.50
Including: Landscaping projects	22,517,282.38	—	—	20,435,028.82
Buildings and constructions	27,451,467,408.80	—	—	30,548,839,587.16
Machinery equipment	1,193,123,747.76	—	—	1,916,617,593.46
Means of transportation	297,402,389.24	—	—	300,666,348.79
Office equipment	151,362,146.62	—	—	170,036,708.57
General equipment	25,029,228.32	—	—	26,522,873.68
Special equipment	269,885,651.58	—	—	447,303,000.60
Pipe network	1,821,281,448.19	—	—	1,914,988,113.19
Electronic and other equipment	849,387,347.12	—	—	857,406,219.78
Port logistics expressway	3,581,134,921.60	—	—	3,400,145,765.45
IV. Total provision for impairment	471,163,467.85			471,163,467.85
Including: Landscaping projects				
Buildings and constructions	471,163,467.85			471,163,467.85
Machinery equipment				
Means of transportation				
Office equipment				
General equipment				
Special equipment				
Pipe network				

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Electronic and other equipment				
Port logistics expressway				
V. Total book value of fixed assets	35,191,428,103.76	—	—	39,131,797,771.65
Including: Landscaping projects	22,517,282.38	—	—	20,435,028.82
Buildings and constructions	26,980,303,940.95	—	—	30,077,676,119.31
Machinery equipment	1,193,123,747.76	—	—	1,916,617,593.46
Means of transportation	297,402,389.24	—	—	300,666,348.79
Office equipment	151,362,146.62	—	—	170,036,708.57
General equipment	25,029,228.32	—	—	26,522,873.68
Special equipment	269,885,651.58	—	—	447,303,000.60
Pipe network	1,821,281,448.19	—	—	1,914,988,113.19
Electronic and other equipment	849,387,347.12	—	—	857,406,219.78
Port logistics expressway	3,581,134,921.60	—	—	3,400,145,765.45

Explanation:

① As at December 31, 2025, fixed assets with a book value of RMB 8,868,177,740.40 were used as collateral for bank loans, or used for finance leases.

② The impairment of fixed assets at the end of2025 amounted to RMB 471,163,467.85, which related to the impairment of fixed assets of Haicheng Yiwu China Commodities City Investment Development Co., Ltd., a sub-subsidiary of Commodities City Holdings.

(2) Disposal of fixed assets

Item	Closing book value	Opening book value	Reason for disposal
Property at Minzhu Road, Choucheng Subdistrict	206,160,919.08	206,160,919.08	Government requisition
Urban Investment Group organic renewal property land clearance	89,849,123.53	89,849,123.53	Urban organic renewal, etc.
Property at No.73 Airport Road	36,522,790.21	36,522,790.21	Government requisition
No. 16 Chengzhong North Road	28,736,183.84	28,736,183.84	Urban organic renewal
No. 34 Chengzhong North Road	28,371,428.64	28,371,428.64	Urban organic renewal
No.71 Yidong Road	26,480,000.08	26,480,000.08	Urban organic renewal
Property at No.286 Airport Road	20,086,764.45	20,086,764.45	Government requisition

Item	Closing book value	Opening book value	Reason for disposal
No.3, Lane 290, Airport Road, Yiwu City	41,397,133.47	41,397,133.47	Government requisition
No.8, North Chouzhou Road	64,698,034.11	64,698,034.11	Government requisition
No.99, Binwang Road	41,996,100.05	41,996,100.05	Government requisition
Yiwu Railway Station Comprehensive Transportation Hub Transition Project	39,531,235.72	44,026,840.72	Government requisition
Other properties expropriated for organic renewal, etc.	63,711,828.26	57,014,100.07	Government requisition
Demolition of Buildings 5-8 of Futian Logistics Center	44,182,534.32		Demolition and clearance
Others	17,871.83	1,602,719.93	Disposal due to scrapping
Total	731,741,947.59	686,942,138.18	—

17. Construction in progress

Item	Closing book value	Opening book value
Construction in progress	19,331,015,420.13	21,513,197,832.89
Project materials		
Total	19,331,015,420.13	21,513,197,832.89

Explanation:

As at December 31, 2025, construction in progress with a book value of RMB 46,689,900.00 was used as collateral for bank loans, or used for financing leases.

Changes in important construction in progress in 2025:

Project	Amount as at January 1, 2025	Increase in 2025	Transferred to fixed assets and investment real estate property in 2025	Other decreases in 2025	Provision for impairment	Ending amount	Interest capitalization accumulated amount	Including: Interest for 2025 capitalized amount
S217 Xiaoshan-Pan'an Highway Yiwu Jiangdong-Chi'an Highway (Choufo Second Line) Project	1,411,796,474.40	592,881,369.59				2,004,677,843.99	167,056,269.07	52,605,629.18
Reconstruction Project of Provincial Highway 03 (Phase II)	1,345,133,719.98	166,677,685.10				1,511,811,405.08	214,004,090.62	36,625,079.22
Global Digital Free Trade Center	1,450,843,309.71	1,274,255,577.80	2,663,183,201.72			61,915,685.79	62,685,354.06	33,403,433.55
S3 Logistics Park	790,877,441.47	9,753,997.63	800,631,439.10				41,403,911.66	13,633,978.81
Yiwu Children's Hospital Construction Project	780,776,698.33	48,264,902.33	676,719,984.93	152,321,615.73				16,319,997.90
Jinyi Free Trade Zone (Yiwu) International E-commerce Digital Port Industrial Park and Infrastructure Supporting Project (Phase I)	170,099,779.47	505,389,972.22				675,489,751.69	54,269,053.71	-4,181,262.57
Phase I of International Production Materials Market Supporting Road Project (Four Seasons Road, Kaichuang Road)	621,516,838.65	14,459,208.75				635,976,047.40	106,070,321.22	13,071,752.00
G527 to Planned S214 Yiwu Jiangdong Connection Line Project	606,339,149.48	21,518,977.99				627,858,127.47	62,256,764.30	15,736,342.11
S218 Anji-Longgang Highway Yiwu Chi'an to Yongkang Boundary Section Highway Project	507,261,301.84	119,912,555.12				627,173,856.96	61,096,897.81	21,455,005.63
Lin'an-Cangnan Highway Fotang Interchange to Shangfo Road Section Project	571,884,932.95	25,467,752.54				597,352,685.49	75,371,240.14	21,447,604.68
Jiangdong Sewage Treatment Plant Phase III Expansion Project	384,149,574.78	178,644,627.86				562,794,202.64		
Dachen Town Qianshan Industrial Zone Plot Organic Renewal Project	535,498,865.21	17,514,565.60				553,013,430.81	124,174,294.91	11,535,340.69
Yiwu-Wuyi Highway Project	493,630,612.19	16,701,026.00				510,331,638.19	89,415,898.14	
Yiwu Ximen Old Street Historical and Cultural Development Project	222,106,643.48	257,548,915.18				479,655,558.66	68,431,302.49	40,485,538.35
Provincial Highway 37 Qingkou-Suxi Reconstruction Project	464,966,495.55	5,799,613.11				470,766,108.66	6,327,762.30	5,799,613.11
Provincial Highway 03 Yiwu Section Reconstruction Project Phase II (Yiting Viaduct-Shangfo Road-Jindong District Boundary Section) Project	314,718,931.40	29,708,166.88				344,427,098.28	39,810,881.55	12,998,397.31
Wuse Chengxi Wangdao Xinyang Line Project	290,280,750.74	21,652,882.87				311,933,633.61	68,487,966.58	12,855,461.08

Project	Amount as at January 1, 2025	Increase in 2025	Transferred to fixed assets and investment real estate property in 2025	Other decreases in 2025	Provision for impairment	Ending amount	Interest capitalization accumulated amount	Including: Interest for 2025 capitalized amount
Railway Yiwu Station Comprehensive Transportation Hub Station Square Project	290,229,728.49	21,420,967.74				311,650,696.23	47,461,201.11	13,938,150.78
Yiwu Qintang Hub Station Plot 2 Project	-	276,545,039.46				276,545,039.46		
Water Treatment Plant Construction Project	64,593,729.24	243,219,395.00	4,978,484.00	30,744,602.73		272,090,037.51		2,624,220.79
West Yiwu Railway Logistics Center	257,608,210.45	12,227,167.39				269,835,377.84	77,640,683.83	6,044,624.06
S219 Lin'an-Cangnan Highway Yiwu Baishuiwu Tunnel-Chenzhai Interchange Widening and Reconstruction Project (Yiwu-Pujiang Highway)	217,787,458.15	17,660,903.74				235,448,361.89	34,830,441.61	9,866,315.30
Project of Interchange between Guomao Avenue and South Huancheng Road	217,416,281.87	17,343,093.00				234,759,374.87	43,279,117.89	15,233,303.13
Inland Port Phase II Supporting Project (Headquarters)	215,264,880.79	15,041,692.39				230,306,573.18	42,586,259.11	7,144,257.60
Supporting Road Works of Domestic Logistics Center Phase I and Phase II (Hehua Street, Anhe Road)	209,584,324.14	14,700,415.23				224,284,739.37	49,789,868.57	7,916,594.29
Total	12,434,366,132.76	3,924,310,470.52	4,145,513,109.75	183,066,218.46		12,030,097,275.07	1,536,449,580.68	366,559,377.00

18. Right-of-use assets

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Total original book value	509,234,282.55	214,482,049.21	225,474,016.36	498,242,315.40
Including: Buildings, constructions and land	507,576,182.68	214,482,049.21	225,474,016.36	496,584,215.53
Others	1,658,099.87			1,658,099.87
II. Total accumulated depreciation	180,425,097.45	69,028,414.78	38,665,081.51	210,788,430.72
Including: Buildings, constructions and land	180,176,382.70	68,696,794.75	38,665,081.51	210,208,095.94
Others	248,714.75	331,620.03		580,334.78
III. Total net book value of right-of-use assets	328,809,185.10	—	—	287,453,884.68
Including: Buildings, constructions and land	327,399,799.98	—	—	286,376,119.59
Others	1,409,385.12	—	—	1,077,765.09
IV. Total provision for impairment				
Including: Buildings, constructions and land				
Others				
V. Total book value of right-of-use assets	328,809,185.10	—	—	287,453,884.68
Including: Buildings, constructions and land	327,399,799.98	—	—	286,376,119.59
Others	1,409,385.12	—	—	1,077,765.09

19. Intangible assets

(1) Classification of intangible assets

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Total original costs	21,723,447,728.53	1,676,688,982.09	944,560,233.53	22,455,576,477.09
Including: Land use right	15,436,671,225.33	1,583,895,853.21	928,668,638.66	16,091,898,439.88
Software	367,835,298.87	56,884,296.64	15,372,824.07	409,346,771.44
Franchise	2,036,392,679.65			2,036,392,679.65
Special industry qualifications	11,400,000.00	58,000.00		11,458,000.00
Reservoir water rights	3,830,250,000.00			3,830,250,000.00
Data resources	29,630,930.83	34,330,113.19		63,961,044.02
Others	11,267,593.85	1,520,719.05	518,770.80	12,269,542.10
II. Total accumulated amortization	3,582,043,013.20	598,979,631.15	38,189,917.67	4,142,832,726.68

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Including: Land use right	2,961,527,110.17	413,333,031.06	34,642,632.44	3,340,217,508.79
Software	120,872,802.92	38,485,090.06	3,432,496.38	155,925,396.60
Franchise	210,863,703.32	101,611,271.40		312,474,974.72
Special industry qualifications	10,180,000.00	58,000.00		10,238,000.00
Reservoir water rights	272,640,000.00	37,727,369.90		310,367,369.90
Data resources	1,216,148.04	6,717,935.24		7,934,083.28
Others	4,743,248.75	1,046,933.49	114,788.85	5,675,393.39
III. Total provision for impairment	1,220,000.00			1,220,000.00
Including: Land use right				
Software				
Franchise				
Special industry qualifications	1,220,000.00			1,220,000.00
Reservoir water rights				
Data resources				
Others				
IV. Total book value	18,140,184,715.33	—	—	18,311,523,750.41
Including: Land use right	12,475,144,115.16	—	—	12,751,680,931.09
Software	246,962,495.95	—	—	253,421,374.84
Franchise	1,825,528,976.33	—	—	1,723,917,704.93
Special industry qualifications		—	—	
Reservoir water rights	3,557,610,000.00	—	—	3,519,882,630.10
Data resources	28,414,782.79	—	—	56,026,960.74
Others	6,524,345.10	—	—	6,594,148.71

Remark: As at December 31, 2025, the land use rights with a book value of RMB 3,404,639,071.45 were used as collateral for bank loans.

(2) Data resources recognized as intangible assets

Item	Intangible assets of purchased data resources	Intangible assets of self-developed data resources	Intangible assets of data resources acquired by other means	Total
I. Original book value	——	——	——	——

Item	Intangible assets of purchased data resources	Intangible assets of self-developed data resources	Intangible assets of data resources acquired by other means	Total
1. Balance as at January 1, 2025		29,630,930.83		29,630,930.83
2. Increase in 2025		34,330,113.19		34,330,113.19
Of which: Purchased				
Internal R&D		34,330,113.19		34,330,113.19
Other increase				
3. Decrease in 2025				
Of which: Disposal				
Invalid and derecognized				
Other decreases				
4. Balance as at December 31, 2025		63,961,044.02		63,961,044.02
II. Accumulated amortization	——	——	——	——
1. Balance as at January 1, 2025		1,216,148.04		1,216,148.04
2. Increase in 2025		6,717,935.24		6,717,935.24
3. Decrease in 2025				
Of which: Disposal				
Invalid and derecognized				
Other decreases				
4. Balance as at December 31, 2025		7,934,083.28		7,934,083.28
III. Provision for impairment	——	——	——	——
1. Balance as at January 1, 2025				
2. Increase in 2025				
3. Decrease in 2025				
4. Balance as at December 31, 2025				
IV. Book value	——	——	——	——
1. Closing book value		56,026,960.74		56,026,960.74
2. Opening book value		28,414,782.79		28,414,782.79

(3) Significant individual data resources

Content of data resources	Closing book value	Remaining amortization period
Smart parking service and operation data assets	3,476,621.03	47 months
Smart parking service and operation data capitalization project in 2025	1,328,657.23	59 months
Process simulation prediction model	1,986,620.00	27 months
Intelligent dosing model	1,836,643.25	27 months
Intelligent control model of the whole process of water plant	4,764,787.40	113 months
Intelligent control model of the whole process of Jiangdong Water Plant	4,792,018.24	119 months
Park perception fusion model	1,543,114.59	104 months
"AI independent station" project based on AI generation-related technologies	8,855,666.71	107 months
"AI intelligent translator" project based on WEBSOCKET technology and SSM technology framework	5,321,685.05	98 months
Product development of "mall virtual employee agent" based on AI large model technology	3,605,763.97	110 months
"Xiaoshang greeting" project based on SPRINGCLOUD microservice framework technology	3,022,151.02	104 months
"Xiaoshang sourcing" project based on SPRINGCLOUD microservice framework technology	2,484,090.78	101 months
Development of "alliance station" system based on wordpress multi-site technology	2,109,781.68	119 months
"Benben sourcing" project based on SPRINGCLOUD microservice framework technology	1,867,087.69	98 months
Development of "industry station" system based on TRAE technology	1,754,343.86	113 months
Market Group stall management data resources and data products	1,702,626.85	119 months
Total	50,451,659.35	—

20. Development expenses

Item	Balance as at January 1, 2025	Increase in 2025		Decrease in 2025			Balance as at December 31, 2025
		Internal development expenditures	Others	Recognized as intangible assets	Transferred to current profit and loss	Others	
Chinagoods Platform Development Project	2,767,924.53	25,283,335.98		23,957,984.03			4,093,276.48
KuaiJieTong Core Payment System	4,741,065.58	917,341.50		5,658,407.08			
Yiwu index project		700,000.00					700,000.00

Item	Balance as at January 1, 2025	Increase in 2025		Decrease in 2025			Balance as at December 31, 2025
		Internal development expenditures	Others	Recognized as intangible assets	Transferred to current profit and loss	Others	
"Smart drainage" comprehensive management and control platform application integration and upgrade project		6,606,535.92					6,606,535.92
Total	7,508,990.11	33,507,213.40		29,616,391.11			11,399,812.40
Including: Data resources							

21. Goodwill

(1) Original book value of goodwill

Name of investee or matters forming goodwill	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Yiwu Shenzhou Real Estate Co., Ltd.	10,399,969.60			10,399,969.60
Yiwu Hengfeng Auto City Development Co., Ltd.	5,111,924.00			5,111,924.00
Anhui Gaoheng Real Estate Co., Ltd.	21,358,348.50			21,358,348.50
Yiwu Lianyun Co., Ltd.	26,291,774.51			26,291,774.51
A package of investment of Zhongxin Lianhe Group	30,849,228.77			30,849,228.77
Yiwu Yinuo Environmental Technology Co., Ltd.	2,391,705.27			2,391,705.27
Xunchi Group	284,916,367.87			284,916,367.87
Baixian Wanpin	420,407.94			420,407.94
Total	381,739,726.46			381,739,726.46

① Yiwu Shenzhou Real Estate Co., Ltd.

In April 2005, Hengfeng Group invested RMB 7,776,000 to acquire a 45% equity in Shenzhou Real Estate Co., Ltd. from Yiwu Property Rights Exchange Co., Ltd. and the individual Wang Guanfu. In the consolidated financial statements, the part of investment cost in excess of the fair value of the net assets of Yiwu Shenzhou Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB 6,458,837.30.

In October 2008, according to the resolution of the general meeting of shareholders of Yiwu Hengfeng Auto City Development Co., Ltd. on October 12, 2008, and the Equity Transfer Agreement between Yiwu Hengfeng Auto City Development Co., Ltd. and Wenzhou Shenli Real Estate Development Co., Ltd. on October 23, 2008, Yiwu Hengfeng Auto City Development Co., Ltd. acquired 28% equity in Yiwu Shenzhou Real Estate Co., Ltd. from Wenzhou Shenli Real Estate Development Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Yiwu Shenzhou Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB 3,941,132.30.

② Yiwu Hengfeng Auto City Development Co., Ltd.

In July 2007, Hengfeng Group invested RMB 16,666,324.00 to acquire a 19.24% equity in Yiwu Hengfeng Auto City Development Co., Ltd. from the labor union of Zhejiang Hengfeng Group Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Yiwu Hengfeng Auto City Development Co., Ltd. was recognized as goodwill, amounting to RMB 5,111,924.00.

③ Anhui Gaoheng Real Estate Co., Ltd.

In November 2008, Yiwu Shenzhou Real Estate Co., Ltd., a subsidiary of Hengfeng Group, invested RMB 42 million to acquire 68% equity in Anhui Gaoheng Real Estate Co., Ltd. from Gaoheng Group Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Anhui Gaoheng Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB 21,358,348.50.

④ Yiwu Lianyun Co., Ltd.

In November 2005, Zhejiang Hengfeng Transportation Co., Ltd., a subsidiary of Hengfeng Group, invested RMB 29,150,800.00 to acquire 65.605% equity in Yiwu Lianyun Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the identifiable net assets of Yiwu Lianyun Co., Ltd. was recognized as goodwill, amounting to RMB 26,291,774.51.

⑤ A package of investment of Zhongxin Lianhe Group

A package of investment of Zhongxin Lianhe Group In 2019 and 2020, Yiwu Financial Holding Co., Ltd., a subsidiary of the Company, acquired 38% equity of Yiwu Folk Financing Service Center Co., Ltd., 60% equity of YiWu Zhongxin Lihe Guarantee Co., Ltd. (now renamed as Yiwu Chengxin Financing Guarantee Co., Ltd.) and 99.90% equity of YiWu Hongyuan Investment Management Partnership (Limited Partnership). The above equities belonged to Zhongxin Lihe Group. The acquisition price was RMB 335,079,500, and its excess over the fair value of the identifiable net assets at the time of acquisition was recognized as goodwill, amounting to RMB 30,849,228.77.

⑥ Yiwu Yinuo Environmental Technology Co., Ltd.

Water Affairs Group acquired 80% equity of Yiwu Yinuo Environmental Technology Co., Ltd. held by the Company's associate Industrial Investment Group at a contract price of RMB 16 million. In the consolidated financial statements, the excess of the investment cost over the fair value of the net assets of Yiwu Yinuo Environmental Technology Co., Ltd. was recognized as goodwill, amounting to RMB 2,391,705.27.

⑦ Commodities City Group acquired 100% equity of Zhejiang Xunchi Digital Technology Co., Ltd. and its wholly-owned subsidiary Kuaijietong Payment Services Co., Ltd. (hereinafter referred to as "Kuaijietong") in July 2022, forming goodwill of RMB 284,916,367.87.

⑧ In 2022, Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd., a subsidiary of Market Group, acquired 51% equity of Baixian Wanpin with cash of RMB 15,405.83. In the consolidated financial statements, the excess of the investment cost over the fair value of the identifiable net assets of Baixian Wenpin on the acquisition date was recognized as goodwill, amounting to RMB 420,407.94.

(2) Relevant information on the asset group or portfolio of asset groups where significant goodwill is located

Name	Composition and basis of the asset group or portfolio of asset groups to which it belongs	Operating segment to which it belongs and basis	Whether it is consistent with previous years
Kuaijietong asset group	It is composed of Kuaijietong, a subsidiary of Zhejiang Xunchi Digital Technology Co., Ltd. As the acquisition synergy of Zhejiang Xunchi Digital Technology Co., Ltd. is reflected in Kuaijietong, the main cash flows of Kuaijietong are independent of other subsidiaries of the Company, and the Company independently manages the production activities of Kuaijietong, the goodwill is allocated to the asset group of Kuaijietong	Based on internal management purposes, this asset group portfolio belongs to other segments.	Yes

The recoverable amount is determined based on the present value of estimated future cash flows:

Asset group	Book value	Recoverable amount	Impairment amount	Duration of the budget/forecast period	Key parameters of the budget/forecast period	Key parameters of the stable period	Basis for determining the key parameters of the stable period
Kuaijietong asset group	333,159,754.42	355,000,000.00		5	Revenue growth rate, profit margin, discount rate	Perpetual growth rate, discount rate	Analysis of historical annual revenue, analysis of gross profit, and CPI

Based on the above impairment test results, the Company believes that no provision for impairment of goodwill of Xunchi Group needs to be made as of December 31, 2025.

(3) Provision for impairment of goodwill

Name of investee or matters forming goodwill	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Yiwu Shenzhou Real Estate Co., Ltd.	10,399,969.60			10,399,969.60
Anhui Gaoheng Real Estate Co., Ltd.	21,358,348.50			21,358,348.50
Yiwu Lianyun Co., Ltd.	26,291,774.51			26,291,774.51
A package of investment of Zhongxin Lianhe Group	30,849,228.77			30,849,228.77
Yiwu Yinuo Environmental Technology Co., Ltd.		2,391,705.27		2,391,705.27
Total	88,899,321.38	2,391,705.27		91,291,026.65

(4) Notes to impairment of goodwill

① As the recoverable amount of the assets portfolio of Yiwu Shenzhou Real Estate Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB 10,399,969.60, provision for impairment of goodwill was made accordingly.

② As the recoverable amount of the assets portfolio of Anhui Gaoheng Real Estate Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment

loss amortized to the book value of goodwill in the assets portfolio being RMB 21,358,348.50, provision for impairment of goodwill was made accordingly.

③ As the recoverable amount of the assets portfolio of Yiwu Intermodal Transportation Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB 26,291,774.51, provision for impairment of goodwill was made accordingly.

④ As the recoverable amount of the package of investment project portfolio of Zhongxin Lihe was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the investment project portfolio being RMB 30,849,228.77, provision for impairment of goodwill was made accordingly.

⑤ As the recoverable amount of the assets portfolio of Yiwu Yinuo Environmental Technology Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB 2,391,705.27, provision for impairment of goodwill was made accordingly.

22. Long-term deferred expenses

Item	Balance as at January 1, 2025	Increase in 2025	Amortization in 2025	Other decreases	Balance as at December 31, 2025	Reasons for other decreases
Renovation of buildings and constructions	519,523,417.23	236,131,512.58	184,289,258.18	1,058,580.78	570,307,090.85	Transferred out by subsidiaries
Lease expenses	158,940.11	104,333.15	118,461.15		144,812.11	
Advertising facilities	14,115,451.28	7,570,663.82	1,970,879.95		19,715,235.15	
Hengfeng renovation project	16,390,040.31		5,100,851.88		11,289,188.43	
BRT project	26,062,999.66		8,581,090.20		17,481,909.46	
Geological disaster control project for chemical warehouses	22,126,358.15		561,345.24		21,565,012.91	
Others	67,740,918.66	17,341,152.97	16,979,532.43	34,759.73	68,067,779.47	
Total	666,118,125.40	261,147,662.52	217,601,419.03	1,093,340.51	708,571,028.38	

23. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets before offset

Item	Balance as at December 31, 2025		Balance as at January 1, 2025	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	808,719,603.99	201,595,344.49	1,125,199,775.34	280,226,760.45
Liabilities accrued but not paid	388,657,162.01	78,902,139.47	541,901,222.39	123,425,321.26
Deductible losses	1,445,696,986.51	360,933,731.25	1,711,112,469.66	427,279,486.86

Item	Balance as at December 31, 2025		Balance as at January 1, 2025	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Unrealized profits of insider transactions	1,383,911,102.24	345,977,775.56	1,558,803,449.51	390,376,581.22
Prepaid income tax on pre-sold properties	324,584,493.87	81,146,123.48	734,658,796.15	183,664,699.05
Amortization of intangible assets	2,360,000.00	590,000.00	2,640,000.00	660,000.00
Excessive advertising expenses	1,487,293.96	371,823.49	3,346,279.68	836,569.92
Special reserves - work safety fees	20,326,341.80	5,081,585.45	16,267,884.79	4,066,971.20
Deferred income that can be carried forward to the subsequent year	334,567,437.33	70,031,842.00	376,747,156.81	79,005,836.68
Changes in fair value of other non-current financial assets	888,063,782.10	222,015,945.52	858,019,658.36	214,504,914.60
Lease liabilities	231,106,050.42	56,634,886.09	273,855,805.67	67,077,235.27
Changes in fair value of other equity instrument investment			45,043,308.55	11,260,827.14
The portion of the closing market price of restricted equity exceeding the fair value on the grant date			71,447,140.40	17,861,785.11
Provision for guarantee compensation	19,792,622.53	4,948,155.63		
Total	5,849,272,876.76	1,428,229,352.43	7,319,042,947.31	1,800,246,988.76

(2) Deferred income tax liabilities before offset

Item	Balance as at December 31, 2025		Balance as at January 1, 2025	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset evaluation increment from business combination not under the same control	8,399,039.17	2,099,759.77	12,767,524.60	3,191,881.13
Changes in fair value of other equity instrument investment	172,796,523.80	43,199,130.96	213,968,035.07	53,492,008.78
Changes in fair value of other non-current financial assets	4,095,254,805.56	1,023,813,701.41	2,947,926,673.09	736,981,668.28
Changes in fair value of financial assets held for trading	253,640,744.29	63,410,186.07		
Right-of-use assets	238,398,239.84	58,164,844.21	269,093,667.10	65,646,589.66
Others			5,010,377.40	1,252,594.35
Total	4,768,489,352.66	1,190,687,622.42	3,448,766,277.25	860,564,742.20

24. Other non-current assets

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Project funds for owner houses in vegetable and flower markets	78,709,360.64	87,247,801.43
Less: provision for impairment of owner houses in vegetable and flower markets	20,643,095.50	22,651,989.92
Beautiful countryside boutique routes	290,417,359.35	282,709,512.72
Advances for land-transferring fees	607,213,316.00	138,253,316.00
Investment in Badu Reservoir	660,000.00	660,000.00
Urban Investment Group's special funds for urban organic renewal	5,388,680,203.54	5,278,647,674.97
Special funds for organic renewal and transformation project of Choucheng Street market block	998,944,600.00	998,944,600.00
Compensation funds from Qintang Block organic renewal and demolition	1,176,087,433.88	1,130,926,403.56
Prepayments for construction	60,333,829.12	54,707,182.49
Hangzhou-Changsha Passenger Railway Line	395,756,600.00	395,756,600.00
Ningbo-Jinhua Railway Project	952,179,400.00	952,179,400.00
Hangzhou-Wenzhou Railway Project	539,730,000.00	539,730,000.00
Advance payment for house purchase		23,559,178.63
Jinyi Intercity Railway Project	1,423,500,000.00	1,005,500,000.00
Mold city demolition compensation	155,853,876.03	150,109,820.00
Advance payment for bus purchases	149,013,755.76	6,723,466.21
Settled assets built on behalf by Transportation & Tourism Group	4,163,801,376.29	4,067,820,748.94
Wude Water Purification Plant		173,810,554.09
Wude Water Purification Plant Supporting Pipeline Project		10,725,344.69
Beautiful City Defence Project	262,586,084.43	227,596,849.49
Liuqing Phase II Block		806,006,420.52
Rights and interests in high-rise apartments in Yiwu urban-rural new community cluster	1,892,237,156.65	1,996,072,253.10
Yiwu Fangtai Block Urban Renewal Project		212,125,671.41
Project of Lingtou Campus of Xiuhu Primary School	167,914,862.40	142,478,631.87
Assets appropriated by Urban Investment Group	3,974,228,075.52	3,974,228,075.52
Agglomeration area equity certificate [Note 1]	750,081,053.00	

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Large-denomination certificates of deposit and time deposits over one year	339,627,950.44	
Upgrading project of main sewage pipes and pressure pipes	125,290,069.64	
Others [Note 2]	123,762,375.86	114,955,348.28
Total	23,995,965,643.05	22,748,822,864.00

[Note 1] In August 2025, in order to promote the destocking of commercial housing sales, Yiwu China Commodities City Real Estate Development Co., Ltd. and Construction Investment Group launched the policy of trading agglomeration equities for commercial housing. The main contents are as follows: one or more equity certificates of the agglomeration area can be traded for one or more commercial houses of applicable projects under Commodities City Real Estate (unfiled first-hand newly-built commercial houses). The total trade-in price of the equity certificates shall not be higher than 50% of the purchase price of the new houses. The agglomeration equity certificate is a "certificate" distributed in the agglomeration construction of urban and rural new communities in Yiwu. Resettled households can use this certificate to wait for future housing allocation, or trade their "equity area" or exchange it for commercial housing.

[Note 2] In 2025, Transportation & Tourism Group made a provision for impairment of receivables of the movie "Wangdao" of RMB 20,233,098.65, with a book balance of RMB 23,584,905.75 and a book value of RMB 3,351,807.10.

25. Short-term borrowings

(1) Classification of short-term borrowings

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Credit loan	15,800,986,655.85	11,712,820,286.91
Mortgaged loan	125,500,000.00	123,000,000.00
Guaranteed loan	9,703,537,160.82	7,244,942,576.13
Mortgaged/guaranteed borrowings	100,000,000.00	
Accrued interest	29,525,069.70	21,575,062.24
Total	25,759,548,886.37	19,102,337,925.28

26. Notes payable

Category	Balance as at December 31, 2025	Balance as at January 1, 2025
Commercial acceptance bill	118,713,385.82	149,000,000.00
Letter of credit	212,000,000.00	190,000,000.00
Total	330,713,385.82	339,000,000.00

27. Accounts payable

(1) Presentation of accounts payable

Aging	Balance as at December 31, 2025	Balance as at January 1, 2025
Within 1 year (inclusive)	3,947,747,244.46	3,845,323,173.23
1-2 years	960,689,644.02	1,869,785,620.45
2-3 years	1,365,406,187.25	157,488,333.89
Over 3 years	166,413,101.42	258,032,268.90
Total	6,440,256,177.15	6,130,629,396.47

(2) Significant accounts payable aged over one year

Creditor	Balance as at December 31, 2025	Reason for nonpayment
Yiwu Haichuang Real Estate Development Co., Ltd.	157,402,634.30	Unsettled
Yiwu Hengzhen Property Co., Ltd.	109,246,315.15	Unsettled
Yiwu Zhaoying Real Estate Co., Ltd.	99,719,826.00	Unsettled
China Construction Third Engineering Bureau Co., Ltd.	61,164,337.79	The time agreed in the contract has not been due
Amounts payable for Phase II of International E-commerce City Project	26,591,994.45	Unsettled
Total	454,125,107.69	—

28. Advances from customers

(1) Presentation of advances from customers

Aging	Balance as at December 31, 2025	Balance as at January 1, 2025
Within 1 year (inclusive)	593,854,034.43	698,492,339.59
Over 1 year	4,325,396.54	32,095,926.14
Total	598,179,430.97	730,588,265.73

Since advances from customers mainly came from small rents pre-collected by Commodities City Group and Land Port Group, there were no significant advances from customers with an age over one year as of December31, 2025.

29. Contract liabilities

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Stall usage fee	5,503,509,244.96	3,538,679,659.82

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
House payment	5,374,383,832.35	13,329,136,800.33
Payment for goods	1,724,109,115.13	1,333,313,785.27
Network cabling usage fee	25,313,496.83	21,117,984.07
Advertising fee	385,573,344.02	502,644,682.89
Accommodation and conference fee	6,419,995.09	5,888,469.75
Service fees received in advance	129,628,464.84	118,083,564.39
Installation fee	27,234,666.81	53,125,612.27
Water fee	17,490,420.60	16,537,178.46
Payment for projects	691,799,815.17	877,560,043.94
Guarantee fee	1,102,949.08	1,363,935.50
Others	295,723,185.77	135,768,510.90
Total	14,182,288,530.65	19,933,220,227.59

30. Employee compensation payable

(1) Presentation of employee compensation payable

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Short-term compensation	785,292,028.16	3,192,275,348.01	3,118,785,036.67	858,782,339.50
II. Post-employment benefits - defined contribution plans	67,473,715.98	335,881,807.42	344,455,061.46	58,900,461.94
III. Termination benefits		2,279,827.94	2,279,827.94	
IV. Other benefits maturing within one year				
V. Others				
Total	852,765,744.14	3,530,436,983.37	3,465,519,926.07	917,682,801.44

(2) Presentation of short-term compensation

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Salaries, bonuses, allowances and subsidies	751,469,103.28	2,585,883,692.73	2,513,103,027.73	824,249,768.28
II. Employee benefits	4,645,112.24	195,706,711.58	195,579,097.27	4,772,726.55
III. Social insurance premiums	9,219,273.41	215,340,379.12	214,927,178.41	9,632,474.12
Including: Medical insurance premium	3,555,223.26	121,977,840.35	122,240,102.02	3,292,961.59

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Work-related injury insurance premiums	380,325.95	6,944,522.18	6,970,997.41	353,850.72
Others	5,283,724.20	86,418,016.59	85,716,078.98	5,985,661.81
IV. Housing provident fund	2,287,382.84	150,610,655.43	149,826,937.53	3,071,100.74
V. Trade union expenditure and employee education expenses	15,834,951.36	42,411,378.11	42,666,706.61	15,579,622.86
VI. Short-term compensated absences				
VII. Short-term profit-sharing plan				
VIII. Other short-term compensation	1,836,205.03	2,322,531.04	2,682,089.12	1,476,646.95
Total	785,292,028.16	3,192,275,348.01	3,118,785,036.67	858,782,339.50

(3) Presentation of defined contribution plans

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
I. Basic endowment insurance premiums	4,822,775.98	229,007,680.33	229,178,317.77	4,652,138.54
II. Unemployment insurance premiums	733,162.01	7,321,137.96	7,331,900.18	722,399.79
III. Enterprise annuity payments	61,917,777.99	99,552,989.13	107,944,843.51	53,525,923.61
Total	67,473,715.98	335,881,807.42	344,455,061.46	58,900,461.94

31. Taxes and surcharges payable

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Corporate income tax	756,955,840.17	774,460,790.76
Value-added tax	272,192,193.82	135,727,013.83
Urban maintenance and construction tax	21,424,515.85	8,729,246.58
Land use tax	182,703,791.06	191,731,682.12
Land value-added tax	121,016,538.14	110,928,629.81
House property tax	226,444,351.58	193,736,604.70
Individual income tax withheld or remitted	5,337,951.98	4,649,627.27
Stamp duty	6,990,719.41	5,510,395.93
Educational surcharge	3,887,256.73	3,650,712.39
Local educational surcharge	2,337,202.07	2,284,796.02
Special funds for water conservancy construction	370,280.03	369,545.39

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Deed tax	19,209,900.00	2,690,120.53
Other taxes and surcharges	22,918,670.30	5,602,833.31
Total	1,641,789,211.14	1,440,071,998.64

32. Other payables

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Interests payable		
Dividends payable	22,265,151.02	7,143,443.70
Other payables	16,476,459,090.78	14,198,936,134.37
Total	16,498,724,241.80	14,206,079,578.07

(1) Dividends payable

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Others	22,265,151.02	7,143,443.70
Total	22,265,151.02	7,143,443.70

(2) Other payables

1) Presentation of other payables by nature

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Withheld amounts and deposit and security funds	1,428,094,023.80	1,276,191,192.26
Transactions between related parties	5,109,174,195.78	3,813,005,658.97
Government funds	3,624,300,863.62	3,518,926,426.96
Current accounts	292,513,393.87	629,644,005.22
Installation project fees	332,435,416.78	263,873,798.79
Temporary receipts	384,286,738.31	390,020,290.33
Entrusted construction and management project funds	279,196,173.67	41,268,184.67
Security funds for cluster project, etc.	1,687,644,426.97	1,788,414,600.63
Collection on behalf	1,769,268,564.55	316,653,290.96
Miscellaneous payables	501,967,129.25	440,895,271.81

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Housing reservation deposits, etc.	432,309,358.24	925,719,631.15
Payable wages for project department	68,774.27	75,270.37
Investment return funds pending recognition	182,827,484.57	352,128,559.15
Obligation to repurchase restricted stocks		38,201,284.54
Others	452,372,547.10	403,918,668.56
Total	16,476,459,090.78	14,198,936,134.37

2) Other significant payables with aging over one year

Creditor	Balance as at December 31, 2025	Reason for nonpayment
Yiwu Finance Bureau	2,658,600,000.00	Unsettled, borrowings not yet due
Talent housing subsidies	376,700,000.00	Not yet settled
Yiwu Jinyu Real Estate Development Co., Ltd.	372,000,000.00	Not yet returned
Yiwu Xingmao Property Co., Ltd.	98,204,750.00	Not yet returned
Huatong Group Co., Ltd.	77,199,870.84	Before the time for payment
Total	3,582,704,620.84	—

33. Non-current liabilities due within one year

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Long-term borrowings due within one year	10,151,358,478.75	7,077,150,407.49
Bonds payable due within one year	14,047,204,839.44	21,735,340,527.47
Long-term payables due within one year	1,215,376,372.25	3,453,158,247.96
Lease liabilities due within one year	53,254,474.89	51,358,354.14
Total	25,467,194,165.33	32,317,007,537.06

34. Other current liabilities

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Short-term bonds payable	4,806,059,327.67	9,157,299,521.02
Pre-IPO declared unclaimed dividends	2,083,112.65	2,083,112.65

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Dividends payable on unconfirmed accounts	4,314,386.90	3,280,188.02
Unearned premium reserves	5,551,043.81	4,390,455.28
Provision for guarantee compensation	65,179,219.47	43,839,165.33
Output tax to be transferred	735,488,441.33	1,362,681,162.96
Accrued land value-added tax		284,848,623.88
Payments for other business transactions	957,253,599.81	400,069,631.67
ABC Rongtong e-Xin	87,852,405.58	18,038,540.13
Endorsed but not yet due notes receivable	10,000,000.00	
Total	6,673,781,537.22	11,276,530,400.94

Changes in short-term payable bonds are presented as follows:

Bond name	Face value	Date of issuance	Term of bond	Amount issued	Balance as at January 1, 2025	Amount issued in 2025	Interest accrued in 2025	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2025	Balance as at December 31, 2025
24 ZheXiaoShang SCP003	100.00	2024/7/31	268 days	1,000,000,000.00	1,008,164,889.58		6,269,630.96		250,410.97	1,014,684,931.51	
24 ZheXiaoShang SCP004	100.00	2024/12/4	268 days	1,000,000,000.00	1,000,933,152.80		12,493,150.68		524,381.45	1,013,950,684.93	
24 ZheXiaoShang SCP005	100.00	2024/12/24	268 days	1,000,000,000.00	1,000,394,520.55		12,821,917.81			1,013,216,438.36	
24 Yiwu Commodities SCP002	100.00	2024/4/18	266 days	600,000,000.00	609,542,465.75		295,890.41			609,838,356.16	
24 Yiwu Commodities CP001	100.00	2024/12/18	365 days	660,000,000.00	660,409,779.99		11,868,608.22		63,611.79	672,342,000.00	
25 ZheXiaoShang SCP001	100.00	2025/2/20	267 days	1,000,000,000.00		1,000,000,000.00	14,995,890.41	585,205.48	585,205.48	1,014,995,890.41	
25 Yiwu Commodities CP001	100.00	2025/3/6	365 days	660,000,000.00		660,000,000.00	11,865,172.59		51,346.60		671,916,519.19
25 Yiwu Commodities SCP001	100.00	2025/3/20	265 days	600,000,000.00		600,000,000.00	9,365,753.42			609,365,753.42	
25 Yiwu Commodities SCP002	100.00	2025/12/8	270 days	600,000,000.00		600,000,000.00			58,135.96		600,058,135.96
25 Yiwu Commodities CP002	100.00	2025/12/16	365 days	660,000,000.00		660,000,000.00	710,136.99		31,576.64		660,741,713.63
24 Yiwu State-Owned Capital CP001	100.00	2024/7/16	365 days	2,000,000,000.00	2,017,924,383.57		21,909,041.09		966,575.34	2,040,800,000.00	
24 Yiwu State-Owned Capital SCP002	100.00	2024/10/16	254 days	1,350,000,000.00	1,355,570,876.72		14,009,671.23		523,726.02	1,370,104,273.97	
24 Yiwu State-Owned Capital SCP003	100.00	2024/11/5	270 days	1,500,000,000.00	1,504,359,452.06		18,907,397.26		700,273.97	1,523,967,123.29	
25 Yiwu State-Owned Capital CP001	100.00	2025/6/16	365 days	1,350,000,000.00		1,350,000,000.00	12,823,890.40	1,018,867.92	521,772.03		1,362,326,794.51
25 Yiwu State-Owned Capital CP002	100.00	2025/7/16	365 days	1,500,000,000.00		1,500,000,000.00	11,667,123.27	1,132,075.47	481,116.58		1,511,016,164.38
Total	—	—	—		9,157,299,521.02	6,370,000,000.00	160,003,274.74	2,736,148.87	4,758,132.83	10,883,265,452.05	4,806,059,327.67

35. Long-term borrowings

(1) Classification of long-term borrowings

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Credit loan	5,826,267,674.41	5,968,024,004.09
Mortgaged loan	4,817,310,352.18	5,175,984,476.34
Guaranteed loan	11,086,956,050.24	8,198,892,686.45
Pledged loan	1,261,000,000.00	1,761,000,000.00
Guaranteed/mortgaged loan	6,628,488,414.72	8,209,785,530.21
Mortgaged/Pledged loan	105,000,000.00	298,125,000.00
Guaranteed/pledged loan	3,317,140,492.00	801,180,400.00
Guaranteed, mortgaged and pledged loan	1,997,409,500.00	493,224,000.00
Total	35,039,572,483.55	30,906,216,097.09

36. Bonds payable

(1) Bonds payable

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Bonds payable	39,461,136,382.25	33,094,359,943.49
Total	39,461,136,382.25	33,094,359,943.49

(2) Increase/Decrease in bonds payable (excluding preferred stock, perpetual debt and other financial instruments divided into the financial liabilities)

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2025	Amount issued in 2025	Interest accrued in 2025	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2025	Amount maturing within one year transferred in 2025	Balance as at December 31, 2025
21 Yiwu Construction Investment ABN001 Preferred A	100.00	2021/10/29	18 years	500,000,000.00	463,293,399.38		12,569,200.00		363,405.63	17,851,387.40	20,347,739.91	438,026,877.70
21 Yiwu Construction Investment ABN001 Preferred B	100.00	2021/10/29	18 years	500,000,000.00	500,278,600.62		14,000,000.00		436,438.78	6,890,289.86	8,242,256.82	499,582,492.72
21 Yiwu Construction Investment ABN001 Ci	100.00	2021/10/29	18 years	60,000,000.00	60,000,000.00							60,000,000.00
22 Yiwu Construction Investment 01	100.00	2022/10/17	5 years	1,000,000,000.00	986,065,511.14		24,308,219.17		2,896,224.69	1,013,269,955.00		
23 Yiwu Construction Investment 01	100.00	2023/4/12	5 years	600,000,000.00	599,029,453.77		23,475,342.47		269,192.13	5,916,166.95	17,559,175.52	599,298,645.90
23 Yiwu Urban Investment 01	100.00	2023/10/16	3 years	1,300,000,000.00	1,300,000,000.00		45,760,000.00		83,315.15	36,809,230.94	1,309,034,084.21	
24 Yiwu Urban Investment 01	100.00	2024/1/5	3 years	600,000,000.00	600,000,000.00		19,409,836.07		41,833.81	19,490,624.47	-38,954.59	600,000,000.00
24 Yiwu Urban Investment MTN001	100.00	2024/7/18	3 years	1,000,000,000.00	1,000,000,000.00		22,200,000.00		-20,377.36	12,503,323.86	9,676,298.78	1,000,000,000.00
24 Yiwu Urban Investment MTN002	100.00	2024/11/12	3 years	900,000,000.00	900,000,000.00		21,060,000.00		-45,849.06	18,070,390.28	2,943,760.66	900,000,000.00
Guotai Junan Asset Management - Hengfeng Commercial Property Asset-backed Special Plan	100.00	2025/8/5	18 years	460,000,000.00		460,000,000.00	5,056,550.17	1,657,832.06	46,050.90	3,748,824.38	6,275,623.99	453,420,320.64
2025 USD bonds(USD 400 million)	100.00	2025/1/15	3 years	400,000,000.00		2,811,520,000.00	129,776,684.59	15,527,293.96	4,955,535.95	67,476,480.00		2,863,248,446.58
2025 USD Bond (USD 450 million)	101.00	2025/9/24	3 years	450,000,000.00		3,162,960,000.00	35,602,804.92	14,195,434.77	1,291,633.37			3,185,659,003.52
23 USD Bond (USD400 million)	102.00	2023/6/27	3 years	400,000,000.00	2,868,762,637.44		160,216,761.86		-58,165,796.28	160,256,640.00	2,810,556,963.02	
23 Yiwu Commodities MTN002	100.00	2023/4/27	3 years	660,000,000.00	659,947,994.61		42,216,493.17		191,803.73	24,611,803.73	677,744,487.78	
23 Yiwu Commodities MTN001	100.00	2023/4/10	3 years	660,000,000.00	659,939,025.23		40,079,901.34		191,368.18	24,017,368.18	676,192,926.57	
23 Yiwu Commodities MTN003	100.00	2023/6/29	3 years	660,000,000.00	659,905,407.78		38,358,657.51		190,413.68	25,600,413.68	672,854,065.29	
24 Yiwu Commodities MTN001	100.00	2024/11/14	3 years	660,000,000.00	659,956,895.75		18,147,106.87		3,826.74	16,038,000.00	2,088,289.75	659,981,539.61
25 Yiwu Commodities MTN001	100.00	2025/1/6	3 years	1,320,000,000.00		1,320,000,000.00	27,706,257.54	124,528.30	39,853.08		27,664,771.03	1,319,956,811.29
25 ZheXiaoShang MTN001	100.00	2025/3/27	3 years	500,000,000.00		500,000,000.00	8,026,027.40	146,037.74	36,435.37		8,026,027.40	499,890,397.63

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2025	Amount issued in 2025	Interest accrued in 2025	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2025	Amount maturing within one year transferred in 2025	Balance as at December 31, 2025
25 ZheXiaoShang MTN002	100.00	2025/4/24	3 years	1,000,000,000.00		1,000,000,000.00	14,372,328.77	289,811.32	65,055.85		14,372,328.77	999,775,244.53
25 Yiwu Commodities MTN002	100.00	2025/7/16	3 years	500,000,000.00		500,000,000.00	4,533,698.62	141,509.43	21,286.84		4,487,029.04	499,926,446.99
25 ZheXiaoShang MTN003	100.00	2025/7/17	3 years	500,000,000.00		500,000,000.00	4,323,698.63	145,188.68	21,727.48		4,323,698.63	499,876,538.80
25 XiaoShang 01	100.00	2025/11/13	3 years	800,000,000.00		800,000,000.00	2,083,506.85	520,754.72	23,300.25		2,083,506.85	799,502,545.53
23 Yiwu Market MTN001	100.00	2023/8/11	3 years	900,000,000.00	899,603,773.56		29,250,000.00			17,062,500.00	911,791,273.56	
24 Yiwu Market MTN001	100.00	2024/6/28	5 years	900,000,000.00	899,660,377.34		21,960,000.00			10,980,000.01	10,980,000.00	899,660,377.33
24 Yiwu 01	100.00	2024/7/15	5 years	1,000,000,000.00	998,726,415.12		23,900,000.00		283,018.92	11,949,999.98	11,950,000.02	999,009,434.04
24 Yiwu 02	100.00	2024/12/12	5 years	1,000,000,000.00	998,608,490.57		22,200,000.00		283,018.92	20,350,000.00	1,850,000.00	998,891,509.49
25 Yiwu 01	100.00	2025/4/14	5 years	1,000,000,000.00		1,000,000,000.00	16,425,000.00		-1,202,830.15		16,425,000.00	998,797,169.85
22 Yiwu State-Owned Capital MTN003	100.00	2022/6/22	5 years	500,000,000.00	499,787,945.21		17,999,999.96	424,528.30	424,528.31	8,482,191.85	9,517,808.11	499,787,945.22
22 Yiwu State-Owned Capital MTN004	100.00	2022/9/28	5 years	500,000,000.00	500,114,859.13		16,750,000.01	424,528.30	424,528.31	12,390,410.93	4,359,589.08	500,114,859.14
21 Yiwu 01	100.00	2021/8/17	5 years	500,000,000.00	499,675,068.51		19,199,999.98		200,000.01	11,993,424.69	507,081,643.81	
22 Yiwu 01	100.00	2022/8/24	5 years	1,000,000,000.00	998,810,273.97		33,000,000.04		450,000.01	21,246,575.28	11,753,424.76	999,260,273.98
23 Yiwu State-Owned Capital MTN002	100.00	2023/7/27	3 years	1,500,000,000.00	1,497,649,315.08		49,500,000.00		1,499,999.99	28,072,602.74	1,520,576,712.33	
23 Yiwu 01	100.00	2023/3/16	3 years	1,200,000,000.00	1,199,134,027.34		46,080,000.03		719,999.96	9,342,246.53	1,236,591,780.80	
23 Yiwu 03	100.00	2023/4/3	3 years	1,500,000,000.00	1,498,873,150.72		56,550,000.00		900,000.02	14,253,698.63	1,542,069,452.11	
23 Yiwu G1	100.00	2023/6/15	5 years	1,200,000,000.00	1,198,343,013.70		39,480,000.01		479,999.96	17,847,123.27	21,632,876.74	1,198,823,013.66
23 Yiwu 04	100.00	2023/9/11	3 years	1,300,000,000.00	1,298,679,342.47		42,249,999.97		780,000.04	29,285,616.48	1,312,423,726.00	
23 Yiwu G2	100.00	2023/10/23	3 years	500,000,000.00	499,397,458.94		16,250,000.03		333,500.02	13,133,561.65	502,847,397.34	
23 Yiwu G3	100.00	2023/12/13	5 years	1,000,000,000.00	998,420,821.93		33,000,000.04		399,999.97	31,282,191.78	1,717,808.26	998,820,821.90

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2025	Amount issued in 2025	Interest accrued in 2025	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2025	Amount maturing within one year transferred in 2025	Balance as at December 31, 2025
24 Yiwu G1	100.00	2024/1/9	5 years	500,000,000.00	499,195,628.40		15,399,077.78		199,988.03	336,612.06	15,062,465.72	499,395,616.43
24 Yiwu State-Owned Capital MTN001	100.00	2024/2/27	5 years	700,000,000.00	697,381,885.25		19,801,547.50		629,731.19	3,085,163.97	16,716,383.53	698,011,616.44
24 Yiwu G2	100.00	2024/5/28	3 years	500,000,000.00	499,239,630.12		11,700,000.02		317,499.97	4,712,054.78	6,987,945.24	499,557,130.09
24 Yiwu State-Owned Capital MTN003	100.00	2024/7/19	5 years	1,000,000,000.00	999,509,315.07		23,200,000.03	849,056.60	849,056.62	12,648,767.11	10,551,232.92	999,509,315.09
24 Yiwu State-Owned Capital MTN004	100.00	2024/7/24	3 years	1,500,000,000.00	1,499,329,315.08		31,949,999.98	1,115,094.34	1,132,075.49	17,856,986.31	14,093,013.67	1,499,346,296.23
24 Yiwu G3	100.00	2024/10/16	3 years	1,500,000,000.00	1,497,350,305.49		36,000,000.03		949,500.05	28,405,479.45	7,594,520.58	1,498,299,805.54
25 Yiwu G1	100.00	2025/1/3	5 years	300,000,000.00		300,000,000.00	5,917,808.19	537,735.84	112,438.34	6,000,000.00	-82,191.81	299,574,702.50
25 Yiwu 01	100.00	2025/3/25	3 years	500,000,000.00		500,000,000.00	8,506,986.31	849,056.60	180,015.48		8,506,986.31	499,330,958.88
25 Yiwu State-Owned Capital MTN002	100.00	2025/4/23	5 years	500,000,000.00		500,000,000.00	7,667,534.25	424,528.31	283,980.37		7,667,534.25	499,859,452.06
25 Yiwu State-Owned Capital MTN003	100.00	2025/6/5	3 years	1,000,000,000.00		1,000,000,000.00	10,836,164.37	849,056.60	457,001.82		10,836,164.37	999,607,945.22
25 Yiwu 02	100.00	2025/7/2	5 years	500,000,000.00		500,000,000.00	5,435,068.48	849,056.60	38,810.02		5,435,068.48	499,189,753.42
25 Yiwu State-Owned Capital MTN004	100.00	2025/7/7	3 years	2,000,000,000.00		2,000,000,000.00	17,841,095.88	1,698,113.21	766,058.42		17,841,095.88	1,999,067,945.21
25 Yiwu 03	100.00	2025/8/21	3 years	1,100,000,000.00		1,100,000,000.00	8,513,095.89	1,867,924.53	126,609.46		8,513,095.89	1,098,258,684.93
25 Yiwu State-Owned Capital MTN005	100.00	2025/9/28	5 years	1,000,000,000.00		1,000,000,000.00	5,799,452.06	849,056.60	156,179.89		5,799,452.06	999,307,123.29
25 Yiwu 04	100.00	2025/10/16	3 years	900,000,000.00		900,000,000.00	3,942,000.00	916,981.14	52,981.13		3,942,000.00	899,135,999.99
22 Yiwu Water Affairs 01	100.00	2022/7/19	3+2 years	1,000,000,000.00	999,690,604.77				309,395.23	1,000,000,000.00		
25 Yiwu Water Affairs 01	100.00	2025/7/14	3+2 years	1,000,000,000.00		1,000,000,000.00	9,737,500.00	1,698,113.21	268,208.56		9,737,500.00	998,570,095.35
Total	—	—	—		33,094,359,943.49	20,854,480,000.00	1,419,325,406.79	46,101,221.16	-34,258,026.73	2,783,268,106.23	14,047,204,839.44	38,457,333,156.72

(3) Changes in perpetual bonds

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2025	Amount issued in 2025	Interest accrued in 2025	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2025	Transfer-in in 2025Transferred in 2025 to due within one year	Balance as at December 31, 2025
25 Yiwu Construction Investment Y1	100.00	2025/9/29	3+N years	1,000,000,000.00		1,000,000,000.00	5,891,780.82	2,264,150.94	175,595.65			1,003,803,225.53
Total	—	—	—			1,000,000,000.00	5,891,780.82	2,264,150.94	175,595.65			1,003,803,225.53

37. Lease liabilities

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Lease payment	391,865,557.03	443,420,184.17
Less: Unrecognized financing charges	80,166,977.13	84,395,835.72
Reclassified as non-current liabilities due within one year	53,254,474.89	51,358,354.14
Net lease liabilities	258,444,105.01	307,665,994.31

38. Long-term payables

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Long-term payables	1,726,816,356.49	2,682,815,778.65
Special payables	9,596,473,970.32	10,465,500,197.36
Total	11,323,290,326.81	13,148,315,976.01

(1) Long-term payables

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Yiwu Finance Bureau	168,000,000.00	168,000,000.00
Port Logistics Expressway BT Project repurchase project fund	115,961,360.51	110,331,769.31
Yiwu Southern Real Estate Development Co., Ltd.	3,818,353.00	3,818,353.00
Yiwu Real Estate Transaction Market Management Office	13,698,015.56	13,698,015.56
Funds raised for supporting facilities of inspection station	16,550,752.76	16,550,752.76
Funds for transfer of Suxi industrial and trade assets	1,817,576.04	1,817,576.04
Grain Risk Fund	8,624,092.13	8,624,092.13
Funds raised for Knitting Market	102,000.00	102,000.00
Provincial Department's entrusted loan to Municipal Transportation Bureau	1,000,000.00	1,000,000.00
Customer deposit	70,000.00	70,000.00
Poverty Alleviation Funds		120,000,000.00
Long-term financing from non-bank financial institutions	1,363,454,684.90	2,185,580,570.35
Others	33,719,521.59	53,222,649.50
Total	1,726,816,356.49	2,682,815,778.65

（2）Special payables

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Engineering payments for transportation and tourism projects	5,127,789,129.21	314,735,000.00	235,755,000.00	5,206,769,129.21
Railway Yiwu Station Hub Main Project	709,697,564.40			709,697,564.40
Project of comprehensive transportation hub and supporting infrastructure construction in front of Yiwu Station South Square of Hangzhou-Wenzhou High-speed Railway [Note]	146,469,730.80	23,877,360.00	170,347,090.80	
High-speed Railway Yiwu Station High-speed Railway Station North Comprehensive Transportation Hub and Supporting Infrastructure Construction Project [Note]	323,209,891.70	103,338,887.00	426,548,778.70	
Jinyi Free Trade Zone Yiwu High-speed Railway New City NEV Industrial Park and Supporting Infrastructure Construction Project [Note]	19,800,000.00	70,722,641.50	90,506,000.00	16,641.50
Yiwu Economic Development Zone Chuangzhi Industry Core Valley and Infrastructure Project [Note]	230,000,000.00	1,989,980,149.29	2,218,491,233.92	1,488,915.37
Yiwu Economic Development Zone Headquarters Innovation and Research Industrial Park and Interconnection Infrastructure Project [Note]	240,000,000.00	318,907,372.16	558,542,646.98	364,725.18
Yiwu Airport Airfield Renovation and Expansion Project	259,020,000.00		259,020,000.00	
'YXE' Railway Logistics Center (Yiwu West Railway Freight Yard expansion project)	161,240,000.00			161,240,000.00
Fugang Avenue (from Airport Road to West Station Avenue) Project	38,170,000.00			38,170,000.00
Project of East Side of Kaichuang Road and South Side of Xuefeng West Road in the International Production Materials Market	57,570,000.00		57,570,000.00	
Payable subsidies for clsuter project	636,595,204.02		48,753,005.43	587,842,198.59
Refund of land transfer fee	38,223,000.00			38,223,000.00
Jiangdong Phase III	611,000,000.00	100,000,000.00		711,000,000.00
Special government bonds for Jinyi New Area Network Water Supply Project - Yiwu Section	22,000,000.00			22,000,000.00
Special bonds for Yiwu Dual Water Supply Integration Construction Project (Phase I)	176,000,000.00	25,000,000.00		201,000,000.00
Special bonds for Yiwu Rainwater and Sewerage Pipeline Upgrading and Expansion Project (Phase I)	173,000,000.00			173,000,000.00

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Special bonds for Urban-rural Integration Project (Phase I)	249,000,000.00	10,000,000.00		259,000,000.00
Special bonds for Yiwu Dual Water Supply Integration Construction Project (Phase II)	67,186,876.12			67,186,876.12
Special bonds for Yiwu Dual Water Supply Integration Construction Project	197,813,123.88	65,000,000.00		262,813,123.88
Special bond funds for the comprehensive supporting infrastructure project of Futian Logistics Park in "Yiwu-Ningbo-Zhoushan Grand Corridor" [Note]	241,088,681.01	185,000,000.00	426,088,681.01	
Fund for commissioned development of organic renewal Xiachemen block	135,982,865.72		1,932,985.00	134,049,880.72
Special bond funds for Intelligent Connected Vehicle Innovation Industrial Park and Supporting Infrastructure Project in Jinyi Free Trade Zone [Note]	70,608,779.74	300,000,000.00	233,292,659.03	137,316,120.71
New Construction Project of Electric Vehicles and Public Charging Facilities in Yiwu (2023-2025)	85,000,000.00	30,658,869.64	106,287,031.72	9,371,837.92
Special bond funds for government-subsidized rental housing project in Yuzhaikou Block of Beiyuan, Yiwu City	38,000,000.00	37,000,000.00		75,000,000.00
Special bond funds for government-subsidized rental housing project in Fotang Passenger Transport Station Block, Yiwu City	38,000,000.00	37,000,000.00		75,000,000.00
Funds for Yiwu International Cold Chain Logistics Center of China-Europe Railway Express [Note]	194,148,751.99	160,000,000.00	332,009,109.26	22,139,642.73
Funds for the Second Zone Project of International Cold Storage City [Note]	139,552,597.13	80,000,000.00	202,329,852.02	17,222,745.11
Special management projects supporting Chint and Aiko		10,000,000.00		10,000,000.00
Suxi Factory Expansion		40,000,000.00		40,000,000.00
Upgrading project of rainwater and sewage pipes (central budgetary funds)		33,000,000.00		33,000,000.00
Urban organic renewal project of Jianshe Sancun Block, Beiyuan Street		1,100,000,000.00	995,486,265.22	104,513,734.78
Industrial organic renewal project of Chengdian Block, Choujiang Street		1,112,000,000.00	926,399,903.00	185,600,097.00
Construction funds for Yunqi Fengjing Project		33,254,100.00		33,254,100.00
Yiwu Fangtai Block Urban Renewal Project		73,409,026.57		73,409,026.57
Urban organic renewal project of Xialuozhai Industrial Block, Futian Street, Yiwu City		63,618,280.38		63,618,280.38

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Reconstruction and expansion project of Baolian Primary School		7,600,708.45		7,600,708.45
Government-subsidized rental housing project in Fotang Passenger Transport Station Block, Yiwu City		25,104,400.00		25,104,400.00
Government-subsidized rental housing project in Yuzhaikou Block of Beiyuan, Yiwu City		15,344,100.00		15,344,100.00
Special bond funds for China-Europe Railway Express (Yiwu) Railway Port Phase III and Infrastructure Construction Project [Note]		200,000,000.00	200,000,000.00	
Others	39,334,001.64	168,612,261.53	112,829,141.47	95,117,121.70
Total	10,465,500,197.36	6,733,163,156.52	7,602,189,383.56	9,596,473,970.32

[Note]: For projects fully guaranteed by special financial bond funds, the Company adopts the entrusted construction mode and accounts for such special bond projects using the net method.

39. Estimated liabilities

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Pending litigation		924,824.79
Total		924,824.79

40. Deferred income

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Government subsidies	4,541,020,802.62	117,449,656.10	784,084,580.71	3,874,385,878.01
Total	4,541,020,802.62	117,449,656.10	784,084,580.71	3,874,385,878.01

Projects involving government subsidies:

Item	Balance as at January 1, 2025	Increase in 2025	Included in other income/non-operating income in 2025	Other changes	Balance as at December 31, 2025	Related to assets / Income-related
Project development subsidy [Note 1]	1,647,021,990.00			507,250,000.00	1,139,771,990.00	Related to assets
Government subsidy for the Port Logistics Expressway BT Project	962,231,993.85		53,210,985.84		909,021,008.01	Related to assets
Refund of land transfer payment	444,264,832.33		43,604,167.02		400,660,665.31	Related to assets
Yiwu Comprehensive Water Environment Treatment Project	337,247,092.72		19,458,750.76		317,788,341.96	Related to assets
Subsidy for Shuangjianghu Water Purification Plant	109,439,000.00		6,333,376.28		103,105,623.72	Related to assets
Plot on the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street in the new community cluster	76,360,000.00				76,360,000.00	Related to assets

Item	Balance as at January 1, 2025	Increase in 2025	Included in other income/non-operating income in 2025	Other changes	Balance as at December 31, 2025	Related to assets / Income-related
Subsidy for Comprehensive Bonded Zone Project	71,669,931.70		2,662,660.00		69,007,271.70	Related to assets
Main sewage pipe separation project in the main urban area (Danxi Road - Kaichuang Road section)	70,470,495.46		4,315,794.00		66,154,701.46	Related to assets
Startup Investment Reward for 1-36# Plot at Yiwu International Land Port Logistics Park	58,272,000.00		30,493,763.24		27,778,236.76	Related to assets
Preliminary supporting project of Phase II of Yiwu International E-commerce City	49,797,222.24		1,838,666.67		47,958,555.57	Related to assets
Cross-border Logistics Supervision Platform Center (debt elimination funds)	47,972,110.09		2,180,550.46		45,791,559.63	Related to assets
Project construction subsidy [Note 2]	40,632,458.33		279,500.00	24,885,000.00	15,467,958.33	Related to assets
Financial subsidy for dual water supply project	31,642,433.38		4,415,223.27		27,227,210.11	Related to assets
Airport temporary cargo terminal project (debt elimination funds)	30,892,307.69		1,287,179.49		29,605,128.20	Related to assets
Central Yiting Deodorization Covering Project	30,714,777.42		3,224,430.58		27,490,346.84	Related to assets
Subsidy for vehicle purchase tax in 2015 (Yiwu Bonded Logistics Park and Cross-border E-commerce Park)	29,333,333.35		1,333,333.33		28,000,000.02	Related to assets
Sewage plant subsidy	26,172,827.13		2,266,567.20		23,906,259.93	Related to assets
Project of relocation of main sewage pipelines on North City Road (from South Zijin Road to Tongbao Road)	22,735,855.85		1,337,403.29		21,398,452.56	Related to assets
Subsidy for Jiangdong sewage plant expansion project	22,500,000.00		1,250,000.00		21,250,000.00	Related to assets
Fotang sewage pressure main pipeline project	21,173,882.01		1,307,081.98		19,866,800.03	Related to assets
Project of renovation of storm and sewage network of Huagong road	22,408,603.79		1,318,153.16		21,090,450.63	Related to assets
Interest subsidies for International Expo Center construction	16,415,936.52		1,154,807.04		15,261,129.48	Related to assets
Central water-saving subsidy for dual water supply pipeline on Chaoyang Road, Fotang Town	14,381,250.02		737,500.00		13,643,750.02	Related to assets
Yiting Sewage Treatment Plant Phase II Yankou Reservoir Tunnel Section	14,028,448.31		858,800.69		13,169,647.62	Related to assets
Investment rewards for topping-out of Yiwu Domestic Highway Port Logistics Center Phase II Project	12,032,453.32		462,786.67		11,569,666.65	Related to assets
Upgrading project of rainwater and sewage pipes [Note 3]	11,867,136.90	29,772,863.10		33,000,000.00	8,640,000.00	Related to assets
Subsidy for Chi'an XiaoBo Park	11,743,333.33		240,000.00		11,503,333.33	Related to assets
Choujiang Industrial Water Plant construction subsidy (buildings)	11,623,047.11		911,611.56		10,711,435.55	Related to assets
Subsidy for Yiting Industrial Zone Dual Water Supply Network Project	11,471,506.56		1,638,786.72		9,832,719.84	Related to assets
Special funds for the pilot construction of daily necessities circulation and supply guarantee system in the first district of Yiwu International Cold and Fresh City	11,452,083.33		575,000.04		10,877,083.29	Related to assets
Fiscal subsidy for Urban-rural Integrated Water Supply Project	11,083,060.90		1,797,253.08		9,285,807.82	Related to assets
Phase II of Yiwu Domestic Highway Port Logistics Center (special investment within the central budget for urban and rural cold chain and national logistics hub construction)	10,833,333.32		416,666.67		10,416,666.65	Related to assets
Phase II of Yiwu West Railway Freight Yard Expansion Project (special investment within the central budget for urban and rural cold chain and national logistics hub construction)	10,694,444.43		416,666.67		10,277,777.76	Related to assets

Item	Balance as at January 1, 2025	Increase in 2025	Included in other income/non-operating income in 2025	Other changes	Balance as at December 31, 2025	Related to assets / Income-related
Cleanup in central plant	8,000,000.00		1,000,000.00		7,000,000.00	Related to assets
Cleanup in Yiting plant	4,000,000.00		500,000.00		3,500,000.00	Related to assets
Yiwu standard subsidy	32,678,128.77		7,878,526.71		24,799,602.06	Related to assets
Financial subsidy for affordable housing in Hengfeng · Yujian (Wuzhou Youth Community)		19,270,000.00			19,270,000.00	Related to assets
Yiwu urban and rural drainage facilities and equipment renewal project		12,000,000.00			12,000,000.00	Related to assets
Renewal of old equipment in Yiwu sewage treatment plants		12,896,000.00			12,896,000.00	Related to assets
Renewal and reconstruction project of Yiwu Fotang Sewage Treatment Plant		10,704,000.00			10,704,000.00	Related to assets
Renovation subsidy for government-subsidized rental housing		12,324,384.00			12,324,384.00	Related to assets
Subsidy for West City Passenger Station	10,381,250.00		275,000.00		10,106,250.00	Related to assets
Others	185,382,242.46	20,482,409.00	17,968,588.29		187,896,063.17	
Total	4,541,020,802.62	117,449,656.10	218,949,580.71	565,135,000.00	3,874,385,878.01	

[Note 1]: The sub-district entrusts Yiwu Construction Engineering Management Co., Ltd. to develop affordable rental housing, and issues project development subsidies to Yiwu Construction Engineering Management Co., Ltd. The subsidies were included in the deferred income after receipt and were carried forward to offset the long-term receivables of RMB 507,250,000.00 when the income is recognized after the completion of the affordable rental housing.

[Note 2]: RMB 24,885,000.00 is the elevator funds for the old residential area renovation project of Urban Investment Group, which were transferred to contract liabilities.

[Note 3]: In 2025, Water Affairs Group transferred deferred income of RMB 33,000,000.00 to special payables.

41. Other non-current liabilities

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Contractual liabilities	12,493,173,363.99	8,192,686,860.99
Total	12,493,173,363.99	8,192,686,860.99

42. Paid-in capital

Investor	Balance as at January 1, 2025		Increase in 2025	Decrease in 2025	Balance as at December 31, 2025	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government	1,694,123,640.00	85.5618			1,694,123,640.00	85.5618
Zhejiang Financial Development Co., Ltd.	186,876,360.00	9.4382			186,876,360.00	9.4382

Investor	Balance as at January 1, 2025		Increase in 2025	Decrease in 2025	Balance as at December 31, 2025	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	99,000,000.00	5			99,000,000.00	5
Total	1,980,000,000.00	100			1,980,000,000.00	100

43. Other equity instruments

Item	Face value	Date of issuance	Amount issued	Term	Balance as at December 31, 2024	Increase/Decrease in 2025	Balance as at December 31, 2025
Huaxin Trust Perpetual Bond (Fund Trust Plan No.649)				2+N years	171,700,000.00	-171,700,000.00	
Tianjin Trust perpetual bonds					230,300,000.00		230,300,000.00
24 Commodities City Y1	100.00	2024/5/7	600,000,000.00	3+N years	600,000,000.00		600,000,000.00
24 Commodities City Y2	100.00	2024/6/17	600,000,000.00	3+N years	600,000,000.00		600,000,000.00
25 Commodities City Y1	100.00	2025/10/27	600,000,000.00			600,000,000.00	600,000,000.00
23 Yiwu State-Owned Capital MTN001	100.00	2023/3/13	1,000,000,000.00	2+N years	998,113,207.54	-998,113,207.54	
23 Yiwu State-Owned Capital MTN003	100.00	2023/9/6	500,000,000.00	3+N years	499,056,603.77		499,056,603.77
24 Yiwu State-Owned Capital MTN002	100.00	2024/6/27	1,000,000,000.00	5+N years	994,811,320.76		994,811,320.76
24 Yiwu State-Owned Capital MTN005	100.00	2024/8/2	1,000,000,000.00	5+N years	999,056,603.77		999,056,603.77
24 Yiwu State-Owned Capital MTN006	100.00	2024/11/28	600,000,000.00	3+N years	599,884,301.89		599,884,301.89
25 Yiwu State-Owned Capital MTN001	100.00	2025/2/25	1,000,000,000.00	5+N years		1,000,000,000.00	1,000,000,000.00
Yiwu KY01	100.00	2025/9/26	500,000,000.00	5+N years		500,000,000.00	500,000,000.00
Huaxin International Trust - Qiantang No. 283		2025/9/17		2+N years		300,000,000.00	300,000,000.00
Huaxin International Trust - Qiantang No. 502		2025/9/23		2+N years		300,000,000.00	300,000,000.00
Total					5,692,922,037.73	1,530,186,792.46	7,223,108,830.19

44. Capital reserves

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Capital premium	24,458,511,327.54	1,619,839,401.57	1,217,315,842.83	24,861,034,886.28
Other capital reserves	19,531,091,830.77	534,799,980.63	1,421,232,807.34	18,644,659,004.06
Total	43,989,603,158.31	2,154,639,382.20	2,638,548,650.17	43,505,693,890.34

(1) Increase in capital reserve in 2025

In 2025, the Company received a government fiscal injection of RMB 1,591,360,000.00, which was used to increase the capital reserve;

In 2025, the Transportation & Tourism Group received special bond funds of RMB 418.00 million for "Jinhua Railway Hub Expansion and Reconstruction Project", increasing the capital reserve by RMB 418,000,000.00;

In 2025, Urban Investment Group received land use rights allocated free of charge, increasing the capital reserve by RMB 42,193,596.04;

In 2025, Water Affairs Group's asset transfer increased the capital reserve by RMB 59,244,364.16, the tap water project pipeline network construction project increased the capital reserve by RMB 387,714.37, and the acquisition of minority equity in subsidiaries increased the capital reserve by RMB 2,288.84;

In 2025, the restricted shares issued under the equity incentive plan of Commodities City Group increased the capital reserve by RMB 28,477,112.73; the capital increase and other matters of Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd., an associate of Commodities City Group, increased the capital reserve by RMB 14,974,306.06.

(2) Decrease in capital reserve in 2025

In 2025, the Company paid the perpetual bonds underwriting fee, reducing the capital reserve by RMB 5,729,207.56;

In 2025, Commodities City Holdings paid the perpetual bonds handling fee, reducing the capital reserve by RMB 2,081,275.47;

In 2025, Commodities City Group repurchased the restricted shares held by the incentive objects that have been granted but not yet lifted from sales restrictions, reducing the capital reserve by RMB 64,572.85;

In 2025, the additional shareholding in Commodities City Group by Urban Investment Group and Commodities City Holdings reduced the capital reserve by RMB 1,192,556,807.87;

In 2025, Hengfeng Group's acquisition of minority shareholders' equity in Zhejiang Hengfeng Transportation Co., Ltd. reduced the capital reserve by RMB 16,839,854.29; yiwu Hengfeng Auto Service Co., Ltd.'s acquisition of minority shareholders' equity in Yiwu Hengfeng Used Car Market Development Co., Ltd. reduced the capital reserve by RM B91,406.09, and other decreases in the capital reserve totaled RMB 37,410,761.20;

In 2025, the Company reduced the capital reserve by RMB 6,960,000.00 due to assets transferred out;

In 2025, Transportation & Tourism Group refunded the capital of the 2021 Yiwu Qiaotou Archaeological Site Park Project to the Municipal Finance Bureau, offsetting the capital reserve of RMB 19,453,980.00;

In 2025, Land Port Group transferred 51% equity in Yiwu Land Port Chengxin Real Estate Co., Ltd. free of charge, reducing the capital reserve by RMB 43,416,503.92;

In 2025, the Company reduced the capital reserve by RMB 471,158,034.71 due to changes in other equity of the associate Yiwu Shuangjianghu Development Group Co., Ltd., reduced the capital reserve by RMB 176,539.16 due to changes in other equity of the associate Yiwu Industrial Investment Development Group Co., Ltd., and reduced the capital reserve by RMB 369,720.00 due to changes in other equity of the associate Yiwu Resource Recycling Group Co., Ltd.;

In 2025, Urban Investment Group transferred 51% equity in Yiwu Zhongfu Real Estate Co., Ltd. free of charge, reducing the capital reserve by RMB 183,225,012.55; in 2025, Urban Investment Group transferred 100% equity in Zhejiang Hanyu Design Co., Ltd. free of charge, reducing the capital reserve by RMB 167,059,307.95;

In 2025, Market Group transferred 51% equity in Yiwu Huishang Real Estate Co., Ltd. free of charge, reducing the capital reserve by RMB 464,477,727.67;

In 2025, the restricted shares issued under the equity incentive plan of Commodities City Group reduced the capital reserve by RMB 27,477,938.88.

45. Other comprehensive income

Item	Balance as at January 1, 2025	Amount in 2025					Balance as at December 31, 2025
		Amount before income tax in 2025	Less: Less: amount recognized as other comprehensive income for previous years and transferred in the profit or loss for the period	Less: Income tax expenses	Amount attributable to the parent company after tax	Amount attributable to minority shareholders after tax	
I. Other comprehensive income that cannot be reclassified into profit or loss	75,482,778.17	123,542,948.18	76,133,307.29	30,630,818.76	23,347,929.05	-6,569,106.92	98,830,707.22
Changes in fair value of other equity instrument investment	75,534,958.28	122,523,275.02	76,133,307.29	30,630,818.76	22,328,255.89	-6,569,106.92	97,863,214.17
Other comprehensive income that cannot be transferred to profit or loss under the equity method	-52,180.11	1,019,673.16			1,019,673.16		967,493.05
II. Other comprehensive income that will be reclassified into profit or loss	6,988,991.87	-26,078,314.62			-23,262,066.91	-2,816,247.71	-16,273,075.04
Other comprehensive income that can be transferred to profits or losses under the equity method	2,667,441.97	-222,341.17			-118,691.05	-103,650.12	2,548,750.92
Translation differences of foreign currency financial statements	4,321,549.90	-25,855,973.45			-23,143,375.86	-2,712,597.59	-18,821,825.96
Total	82,471,770.04	97,464,633.56	76,133,307.29	30,630,818.76	85,862.14	-9,385,354.63	82,557,632.18

46. Special reserves

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025	Remark
Work safety costs	41,244,417.62	14,357,047.82	7,245,541.38	48,355,924.06	
Total	41,244,417.62	14,357,047.82	7,245,541.38	48,355,924.06	—

Explanation: The special reserves were the work safety fees accrued and used by Hengfeng Group, Urban Investment Group, Water Affairs Group, Transportation & Tourism Group and Market Group in accordance with state provisions.

47. Surplus reserve

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Statutory surplus reserve	401,002,281.71	68,868,138.19		469,870,419.90
Total	401,002,281.71	68,868,138.19		469,870,419.90

Description: The increase in surplus reserve in 2025 is due to appropriation of RMB 68,868,138.19 based on 10% of the net profit of the Company for 2025.

48. General risk reserve

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
General risk reserve	11,132,414.26	1,572,237.36		12,704,651.62
Total	11,132,414.26	1,572,237.36		12,704,651.62

49. Undistributed profits

Item	Amount in 2025	Amount in 2024
Balance of the previous period	5,121,120,861.15	4,904,225,452.57
Opening adjusted amount		
Opening balance	5,121,120,861.15	4,904,225,452.57
Increase in the current period	1,471,752,939.26	559,734,768.09
Including: amount transferred-in from net profit in the current period	1,224,832,268.27	559,734,768.09
Other increase	246,920,670.99	
Decrease in the current period	393,922,910.30	342,839,359.51
Including: surplus reserve withdrawn in the current period	68,868,138.19	50,364,347.95
General risk reserves withdrawn in the current period	1,572,237.36	1,154,226.57
Cash dividends distributed in the current period	323,482,534.75	291,320,784.99

Item	Amount in 2025	Amount in 2024
Transfer to capital		
Other decreases		
Closing balance	6,198,950,890.11	5,121,120,861.15

Note: In 2025, Yiwu Financial Holdings Co., Ltd., a subsidiary of the Company, disposed of the shares of Yiwu Huading Nylon Co., Ltd., which were included in other equity instrument investments. The difference between the disposal price and the book value was included in undistributed profit of RMB 170,787,363.70, and the accumulated gains originally included in other comprehensive income of RMB 76,133,307.29 were included in undistributed profit, totaling RMB 246,920,670.99.

50. Operating income and operating costs

Operating income and operating costs

Item	Amount in 2025		Amount in 2024	
	Revenue	Costs	Revenue	Costs
I. Subtotal of main business	43,948,381,654.55	36,247,593,901.87	35,841,663,997.82	29,657,392,854.15
II. Sub-total of other businesses	1,639,260,709.95	1,454,407,057.09	1,558,396,659.93	1,234,971,834.55
Total	45,587,642,364.50	37,702,000,958.96	37,400,060,657.75	30,892,364,688.70

(2) Income/Costs from primary business (by industry)

Industry	Amount in 2025		Amount in 2024	
	Revenue	Costs	Revenue	Costs
Market operations	5,958,026,761.74	1,322,450,157.89	5,259,741,881.55	1,163,432,338.16
Real estate sales	12,583,534,520.44	11,387,173,408.96	9,089,266,145.89	8,345,098,182.18
Import and export trade and commodity sales	18,209,715,176.26	17,902,832,024.53	15,233,255,887.67	14,895,892,055.52
Hotel services	436,385,542.32	422,337,776.87	399,982,028.70	383,255,384.92
Water supply services	509,398,670.56	383,945,922.94	495,686,949.08	409,471,966.25
Exhibition and advertising	236,916,472.91	158,106,116.65	162,299,188.76	127,332,340.25
Sewage treatment	262,352,987.56	362,938,868.67	324,349,676.04	335,983,056.29
Venue fees	368,341,716.76	416,520,347.45	361,731,507.66	372,535,039.69
Engineering installation	211,353,446.55	145,124,974.34	374,674,942.44	255,459,573.82
Grain sales	167,886,556.10	179,654,183.61	170,964,575.86	171,351,637.24
Security services	199,770,914.27	188,376,160.89	158,189,229.24	159,392,924.43

Industry	Amount in 2025		Amount in 2024	
	Revenue	Costs	Revenue	Costs
Tourism services	60,382,469.97	60,071,572.77	69,082,262.00	68,358,729.21
House leasing	280,836,345.85	256,636,990.90	264,561,128.88	186,215,834.17
Inspection services	32,741,317.45	28,601,477.37	29,279,584.55	24,319,723.62
Guarantee services	11,571,955.44	23,698,423.15	9,847,276.65	-7,969,267.38
Box office	12,295,325.27	17,356,420.50	19,307,139.79	18,099,435.16
Property management	115,409,003.87	94,896,800.72	102,926,492.76	91,954,059.98
Transportation	480,386,962.97	856,433,763.17	373,396,826.12	816,035,894.53
Intermediary services	560,917,516.04	413,826,563.72	549,899,564.72	350,270,632.13
Infrastructure construction	1,163,354,842.65	1,079,514,676.74	1,095,682,130.55	1,016,406,985.71
Agent construction	7,825,836.50	2,585,653.25	3,766,386.83	51,899.39
Hydraulic engineering	47,013,177.28	79,514,313.89	44,694,144.11	75,949,089.43
Others	2,031,964,135.79	464,997,302.89	1,249,079,047.97	398,495,339.45
Total	43,948,381,654.55	36,247,593,901.87	35,841,663,997.82	29,657,392,854.15

(3) Income/Costs from primary business (by business segment)

Industry	Amount in 2025		Amount in 2024	
	Revenue	Costs	Revenue	Costs
Market operations	5,958,026,761.74	1,322,450,157.89	5,259,741,881.55	1,163,432,338.16
Sales of commodity	18,377,601,732.36	18,082,486,208.14	15,404,220,463.53	15,067,243,692.76
Passenger transport	513,128,280.42	885,035,240.54	402,676,410.67	840,355,618.15
Warehousing and logistics	483,750,720.63	511,417,148.17	464,658,000.42	464,489,099.67
Water services	1,030,118,281.95	971,524,079.84	1,239,405,711.67	1,076,863,685.79
Infrastructure	1,171,180,679.15	1,082,100,329.99	1,099,448,517.38	1,016,458,885.10
Real estate development	12,583,534,520.44	11,387,173,408.96	9,089,266,145.89	8,345,098,182.18
Hotel services	436,385,542.32	422,337,776.87	399,982,028.70	383,255,384.92
Exhibition and advertising	236,916,472.91	158,106,116.65	162,299,188.76	127,332,340.25
Others	3,157,738,662.63	1,424,963,434.82	2,319,965,649.25	1,172,863,627.17
Total	43,948,381,654.55	36,247,593,901.87	35,841,663,997.82	29,657,392,854.15

51. Taxes and surcharges

Item	Amount in 2025	Amount in 2024
Urban maintenance and construction tax	83,666,959.08	39,743,046.99
Educational surcharge	53,131,104.46	21,561,557.98
Local educational surcharge	6,962,929.59	7,543,408.78
Stamp duty	36,224,949.03	30,204,448.52
House property tax	366,227,975.55	302,773,167.74
Land use tax	160,713,127.98	131,100,449.40
Land value-added tax	96,541,130.19	132,883,899.31
Others	38,299,425.50	3,900,457.08
Total	841,767,601.38	669,710,435.80

52. Selling and distribution expenses

Item	Amount in 2025	Amount in 2024
Advertising and promotion expenses	139,613,485.06	115,620,991.88
Marketing promotion costs	394,717,235.62	207,956,390.38
Safety and insurance costs	20,769,607.38	14,724,148.27
Depreciation and amortization	9,778,179.80	6,999,632.77
Water and electricity consumption costs	18,222,977.10	16,759,435.79
Repair costs	6,817,174.96	16,892,757.29
Sanitation and cleaning fees	273,525.81	118,051.82
Employee expenses	109,721,297.76	145,047,070.79
Transportation costs	1,492,799.12	2,782,819.42
Others	79,109,203.52	63,736,135.36
Total	780,515,486.13	590,637,433.77

53. General and administrative expenses

Item	Amount in 2025	Amount in 2024
Employee expenses	1,358,301,425.87	1,318,808,518.47
Depreciation and amortization	395,532,214.51	393,215,765.28

Item	Amount in 2025	Amount in 2024
intermediary service charges	72,247,716.32	72,499,110.33
Travel expenses	13,609,488.68	11,250,584.12
Office expenses	55,845,562.29	51,902,973.42
Startup costs		391,084.36
Promotion and recruitment expenses	10,064,691.56	12,570,178.59
Leased property management fees	29,829,477.16	25,901,032.34
Technical service fees	3,627,644.33	2,045,333.63
Party construction work funds	657,124.99	1,350,994.04
Others	91,094,424.64	98,218,386.40
Total	2,030,809,770.35	1,988,153,960.98

54. R&D expenses

Item	Amount in 2025	Amount in 2024
Labor costs	153,186,130.74	55,766,744.71
Depreciation and amortization	10,747,576.44	2,185,430.56
Direct input	37,293,537.15	9,600,659.43
Technology development expenses	4,284,011.30	4,789,587.97
Entrusted external development fees	15,883,731.55	1,768,301.89
Others	11,931,901.21	875,709.20
Total	233,326,888.39	74,986,433.76

55. Financial expenses

Item	Amount in 2025	Amount in 2024
Interest expenses	2,778,155,210.71	3,203,305,892.92
Less: Interest income	646,824,815.97	758,928,801.21
Exchange gains and losses	-223,485,147.07	110,017,051.03
Amortization of bonds at premium or discount	17,087,814.08	17,048,383.24
Financing expenses	80,346,752.51	80,383,064.08
Handling charges expenses	20,354,525.05	14,038,963.24
Total	2,025,634,339.31	2,665,864,553.30

56. Other income

Item	Amount in 2025	Amount in 2024
Government subsidies	1,822,770,682.26	2,863,744,897.80
Total	1,822,770,682.26	2,863,744,897.80

Details of large-amount government subsidies:

Item	Amount in 2025	Amount in 2024	Related to assets/income
Loan guarantee subsidies		1,663,342.50	Income-related
Fuel subsidies		1,616,400.00	Income-related
New energy promotion subsidies	5,980,000.00	6,240,000.00	Income-related
Urban and rural passenger transport subsidies		14,898,617.00	Income-related
subsidies for Yiwu Comprehensive Water Environment Treatment Project, etc.	19,458,750.76	19,458,750.76	Income-related
Urban-rural integrated public transport subsidies	315,171,766.00	205,289,164.00	Income-related
Grain purchase and storage subsidies	31,574,702.24	33,136,002.13	Income-related
Government subsidy for the Port Logistics Expressway BT Project	53,210,985.84	64,275,083.05	Related to assets
Operating subsidies	1,185,540,000.00	1,790,099,432.40	Income-related
Ecological water compensation	381,927.00	2,539,920.00	Income-related
Chengxi emergency water supply facility construction and installation subsidy	3,033,263.69	3,033,263.88	Related to assets
Jinhua electric vehicle charging and battery swap facility construction subsidy		3,357,611.20	Income-related
Scenic spot operating subsidy		3,800,000.00	Income-related
Subsidy for Comprehensive Bonded Zone Project		8,209,868.30	Related to assets
Yiwu standard financial subsidy	7,878,526.71	8,009,191.37	Related to assets
New energy bus scrapping and power battery replacement subsidy	10,530,000.00		Income-related
Project subsidy	43,604,167.02	795,744.16	Related to assets
Investment Reward for 1-36# Plot at Yiwu International Land Port Logistics Park	30,493,763.24		Related to assets
Total	1,706,857,852.50	2,166,422,390.75	—

57. Investment income

Source of investment income	Amount in 2025	Amount in 2024
Long-term equity investment income	-136,897,575.12	516,220,649.28

Source of investment income	Amount in 2025	Amount in 2024
Including: Long-term equity investment income calculated under equity method	-180,180,157.16	509,448,989.15
Investment income from disposal of long-term equity investment	43,282,582.04	6,771,660.13
Dividend income from other equity instrument investments still held	10,197,114.37	9,193,695.66
Investment income during holding the financial assets held for trading		201,709.14
Investment income from disposal of financial assets held for trading	20,557,356.00	9,589,896.18
Investment income during the period of holding investment in debt securities	2,515,471.70	2,591,069.18
Investment income from other non-current financial assets incurred during the holding period	37,748,513.53	41,699,989.68
Investment income from disposal of other non-current financial assets		3,514,887.56
Investment income from other non-current assets incurred during the holding period		822,759.26
Other investment income	25,925,312.58	46.43
Total	-39,953,806.94	583,834,702.37

58. Gains from changes in fair value

Source of income from changes in fair value	Amount in 2025	Amount in 2024
Financial assets measured at fair value through current profit and loss	1,364,941,734.21	-443,430,622.43
Total	1,364,941,734.21	-443,430,622.43

59. Losses from credit impairment

Item	Amount in 2025	Amount in 2024
Bad debt loss of accounts receivable	-38,620,244.26	-22,408,140.69
Bad debt loss of other receivables	-68,036,262.60	-22,982,236.89
Bad debt loss of long-term receivables	-27,616,837.27	-77,979,513.62
Total	-134,273,344.13	-123,369,891.20

60. Losses from asset impairment

Item	Amount in 2025	Amount in 2024
Inventory impairment loss	-93,357,099.37	-77,604,619.64
Losses from impairment of contractual assets	-53,288.04	460,473.13

Item	Amount in 2025	Amount in 2024
Impairment loss of other non-current assets	-20,233,098.65	-22,651,989.92
Goodwill impairment loss	-2,391,705.27	
Total	-116,035,191.33	-99,796,136.43

61. Income from the disposal of assets

Item	Amount in 2025	Amount in 2024	Amount included in non-recurring profit or loss in 2025
Gain/loss from disposal of fixed assets	99,302,385.51	48,061,083.64	99,302,385.51
Gain/loss from disposal of intangible assets	2,212,821.08	262,271.24	2,212,821.08
Gain/loss from disposal of construction in progress	5,218,634.11		5,218,634.11
Income from disposal of non-current assets not held for sale		2,370,183.68	
Others	-1,440,822.32	4,089,048.29	-1,440,822.32
Total	105,293,018.38	54,782,586.85	105,293,018.38

62. Non-operating income

Item	Amount in 2025	Amount in 2024	Amount included in non-recurring profit or loss in 2025
Gains from the damage and scrapping of non-current assets	1,428,429.31	861,858.51	1,428,429.31
Income from liquidated damages	76,058,309.42	19,837,429.72	76,058,309.42
Government subsidies	175,570.69	245,944.69	175,570.69
Relocation compensation		17,838.00	
Compensation	1,092,515.50	747,458.58	1,092,515.50
Forfeited gain	2,586,261.76	1,176,987.01	2,586,261.76
Others	49,233,965.77	29,802,776.50	49,233,965.77
Total	130,575,052.45	52,690,293.01	130,575,052.45

63. Non-operating expenses

Item	Amount in 2025	Amount in 2024	Amount included in non-recurring profit or loss in 2025
Losses from the damage and scrapping of non-current assets	576,252.84	824,258.52	576,252.84
Amercement and overdue fine outlay	5,383,087.33	4,377,035.97	5,383,087.33

Item	Amount in 2025	Amount in 2024	Amount included in non-recurring profit or loss in 2025
External donation	5,850,954.12	8,205,320.30	5,850,954.12
Compensation payout	354,321.27	1,089,282.63	354,321.27
Others	9,631,389.80	4,149,687.63	9,631,389.80
Total	21,796,005.36	18,645,585.05	21,796,005.36

64. Income tax expenses

Item	Amount in 2025	Amount in 2024
Current income tax expenses	1,523,981,213.13	1,507,159,643.31
Deferred income tax expenses	390,309,078.78	-170,512,502.19
Total	1,914,290,291.91	1,336,647,141.12

65. Other comprehensive income attributable to owners of the parent company

See "VIII.45 Other comprehensive income" for details.

66. Supplementary information to the statement of cash flows

(1) Net profit adjusted to cash flows from operating activities under the indirect method

Item	Amount in 2025	Amount in 2024
1. Net profit adjusted to cash flows from operating activities:	—	—
Net profit	3,170,819,167.61	2,051,506,255.24
Plus: Provision for impairment of assets	116,035,191.33	99,796,136.43
Losses from credit impairment	134,273,344.13	123,369,891.20
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	2,339,843,478.85	2,192,433,004.54
Depreciation of right-of-use assets	59,671,945.63	53,825,076.61
Amortization of intangible assets	527,495,894.32	522,780,863.88
Amortization of long-term deferred expenses	217,314,206.53	201,340,803.54
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-105,293,018.38	-54,782,586.85
Losses from write-off of fixed assets ("-" for gains)	-852,176.47	-37,599.99
Losses from changes in fair value (“-” for gains)	-1,364,941,734.21	443,430,622.43

Item	Amount in 2025	Amount in 2024
Financial expenses (“-” for gains)	2,182,042,526.81	2,981,872,440.31
Investment losses ("-" for gains)	39,953,806.94	-583,834,702.37
Decreases in deferred income tax assets (“-” for increases)	75,147,350.56	-93,255,194.23
Increases in deferred income tax liabilities (“-” for decreases)	332,141,509.52	-77,257,307.96
Decreases in inventories ("-" for increases)	343,870,334.70	-523,610,000.03
Decreases in operating receivables (“-” for increases)	-4,142,639,572.04	-5,724,703,733.75
Increases in operating payables (“-” for decreases)	4,867,896,956.64	13,086,993,291.56
Others	99,243,093.86	
Net cash flows from operating activities	8,892,022,306.33	14,699,867,260.56
2. Significant investing and financing activities not involving cash receipts and payments:	—	—
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under financing leases		
3. Net changes in cash and cash equivalents:	—	—
Closing balance of cash	14,508,307,663.49	17,214,432,030.87
Less: Opening balance of cash	17,214,432,030.87	12,356,792,676.06
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-2,706,124,367.38	4,857,639,354.81

(2) Breakdown of cash and cash equivalents

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
I. Cash	14,508,307,663.49	17,214,432,030.87
Including: Cash on hand	1,112,961.29	280,802.68
Unrestricted bank deposits	14,469,876,684.50	17,196,721,232.80
Other unrestricted monetary funds	37,318,017.70	17,429,995.39
Unrestricted deposits with central bank		
Deposits with banks and other financial institutions		

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Loans to banks and other financial institutions		
II. Cash equivalents		
Including: Bond investment due within three months		
III. Closing balance of cash and cash equivalents	14,508,307,663.49	17,214,432,030.87
Including: cash and cash equivalents with restricted use right by parent company or subsidiaries of the Group		

(3) Monetary funds not belonging to cash and cash equivalents

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Time deposits and negotiable certificates of deposit	2,505,561,014.60	
Regulatory bank account funds	204,513,139.10	345,154,270.50
Guarantee deposits	120,309.90	120,309.67
Earmarked funds in special loan account	36,749,300.00	
Letter of guarantee margin	5,000,000.00	
Litigation frozen funds	132,613.00	4,909,802.53
Other restricted monetary funds	30,912,928.17	19,368,888.68
Total	2,782,989,304.77	369,553,271.38

67. Assets with restrictions on the ownership and use right

Item	Closing book value	Reason for restriction
Monetary funds	277,428,290.17	Deposits, judicial freezes, bank supervision, etc.
Inventories	11,724,197,671.31	Bank loan mortgages
Long-term receivables	2,282,521,337.69	Pledge
Trading financial assets	308,282,354.62	Restricted for sales
Fixed assets	8,868,177,740.40	Bank loan mortgages, financial leases
Intangible assets	3,404,639,071.45	Bank loan mortgages
Construction in progress	46,689,900.00	Bank loan mortgages, financial leases
Investment properties	2,510,630,226.46	Bank loan mortgages, financial leases
Long-term equity investment	102,918,559.00	Frozen by Shanghai Public Security Bureau

Item	Closing book value	Reason for restriction
Other current assets	928,684,511.79	Deposits designated for reserve funds
Other non-current financial assets	664,361,085.31	Frozen by Shanghai Public Security Bureau
Total	31,118,530,748.20	—

Explanation of other restrictions:

(1) Construction Investment Group pledged accounts receivable under a government procurement service agreement as collateral to secure a loan from Yiwu branch of Agricultural Development Bank of China. As at December 31, 2025, the loan balance was RMB 1.261 billion.

(2) As at December 31, 2025, shares with a book value of RMB 308,282,354.62 were restricted in ownership or use right due to the restriction period.

(3) Yiwu Hengfeng Auto Service Co., Ltd., a subsidiary of Hengfeng Group, mortgaged its assets located at No. 2 on the north side of Wuzhou Avenue, Yiwu, and Room 101-105, Building 1, No. 1866 Wuzhou Avenue, Fotang Town, Yiwu, and pledged the rent receivables corresponding to Yiwu Property Title Certificate of Z (2023) No. 0070642 to secure a loan from Industrial and Commercial Bank of China, with an additional guarantee provided by the Company. As at December 31, 2025, the loan balance was RMB 320,274,000, of which RMB 89,944,500 will be due within one year.

(4) Transportation & Tourism Group provided a guarantee for the loan granted to Yiwu Lansu Cultural Tourism Development Co., Ltd. by Agricultural Bank of China Yiwu Branch. The loan was also mortgaged by Yiwu Lansu Cultural Tourism Development Co., Ltd. with its land on the south side of Ruiyun Road, Dachen Town, Yiwu City, and pledged by it with the operating income from the "Jiuzhai Bay Crazy Tribe Project". As at December 31, 2025, the loan balance was RMB 98.53 million.

(5) Transportation & Tourism Group pledged the income rights of its highway project on the section from Yiwu Houzhai Hub to Yiwu Niansanli Hub from November 18, 2024 to January 11, 2043 to secure a loan from China Merchants Bank, with an additional guarantee provided by the Company. As at December 31, 2025, the loan balance was RMB 2,668,644,100, of which RMB 105,084,800 will be due within one year.

(6) Land Port Group mortgaged its property under Yiwu Property Title Certificate of Z (2021) No.0049190 to secure a loan from Ping An Bank, with a loan term from December 2022 to December 2032. The loan was also secured by pledging all rental income from the property at No.1 Land Port Yuncang, Yiwu, during the loan period. As at December 31, 2025, the loan balance was RMB 118,125,000, of which RMB 13,125,000 will be due within one year.

(7) Land Port Group mortgaged its property under Yiwu Property Title Certificate of Z (2023) No.0061842 to secure a loan from Ping An Bank, with a loan term from December 2023 to December 2033. The loan was also secured by pledging all rental income from the property at No.588 Airport Road, Yiwu, during the loan period, with additional guarantees provided by Yiwu Bonded Logistics Center Co., Ltd. As at December 31, 2025, the loan balance was RMB 150.45 million, of which RMB 11.9 million will be due within one year.

(8) Land Port Group mortgaged the real estate of the Phase II of the E-commerce Town and pledged the receivables of the Phase II of the International E-commerce City project. Meanwhile, the Company provided joint and several liability guarantees of RMB 600 million for its banking consortium loan of RMB 1.6 billion for the Phase II of the Yiwu International E-commerce City project, consisting of Industrial and Commercial Bank of China, Shanghai Pudong Development Bank, and China CITIC Bank. The guarantee period is three years from the effective date of the contract to the expiration date of any and/or all debt performance periods under the financing documents. As at December 31, 2025, Land Port Group has borrowed a total of RMB 1.6 billion from the banking consortium, of which RMB 70 million will be due within one year. According to the guarantee contract, the Company assumed a guarantee liability of RMB 600 million to the banking consortium.

(9) Urban Investment Group provided a guarantee for the loan of RMB 615 million granted to Yiwu Urban Construction Resource Operation Co., Ltd. by Industrial Bank Co., Ltd. Yiwu Branch, which was also guaranteed by Yiwu Urban Construction Resource Operation Co., Ltd. by pledge of the parking spaces, public parking lots, and advertising resource franchise rights that are owned by it or may be disposed of by it. As at December 31, 2025, the loan balance was RMB 615 million, of which RMB 40 million will be due within one year.

(10) The Company pledged income rights of its 50% equity in Yiwu Financial Holdings Co., Ltd. to secure a loan of RMB 500 million from Yunnan International Trust Co., Ltd. in 2024. As at December 31, 2025, the loan balance was RMB 500 million, of which RMB 500 million will be due within one year.

(11) Water Affairs Group provided a guarantee for the loan granted to Yiwu Yinuo Environmental Technology Co., Ltd. by Ping An Bank. The loan was also pledged by Yiwu Yinuo Environmental Technology Co., Ltd. with its accounts receivable (existing and future accounts receivable) generated from the Yiwu Surface Treatment Environmental Protection Industrial Park Project. As at December 31, 2025, the loan balance was RMB 186,180,400, of which RMB 7,599,200 will be due within one year.

IX. Commitments and contingencies

(I) Significant commitments1.Significant capital commitments

(1) Capital commitment for the project on the south side of the Fifth District Market in Futian Street, Yiwu

On November 7, 2025, Commodities City Group participated in the listing-for-sale activity organized by Yiwu Natural Resources and Planning Bureau, and won the right to use the state-owned construction land on the south side of the Fifth District Market in Futian Street, Yiwu for RMB 3,223,100,000. According to the resolution on bidding, construction and operation deliberated and passed at the 38th meeting of the 9th Board of Directors of Commodities City Group held on November 3, 2025, the estimated total investment for the project on the south side of the Fifth District Market in Futian Street, Yiwu is RMB 7.863 billion, including land cost of RMB 3.321 billion (including deed tax), other construction costs of about RMB 3.877 billion, and financial expenses of about RMB 665 million. The source of funds is the own funds of Commodities City Group and some bank loans. As at December 31, 2025, Commodities City Group has paid relevant land payments of RMB 372,930,000.00.

2. Significant investment commitments

(1) Investment commitment to Shangfu Chuangzhi Fund

In 2017, Commodities City Financial Holdings, a subsidiary of Commodities City Group, and Fuxing Group jointly established a parent industry fund. As a limited partner, the Parent Fund invested in 12

sub-funds including Shangfu Chuangzhi Fund. As a limited partner, Commodities City Financial Holding subscribed for RMB998 million in the Parent Fund, accounting for 49.9% of the subscribed capital, and has paid in RMB102.92 million. The unpaid part of the investment commitment amounted to RMB895.08 million and had no deadline for payment. At the same time, Commodities City Financial Holdings contributed RMB 9.8 million to establish Commodities City Management with a 49.00% stake. Commodities City Management is the general partner of the above Parent Fund and sub-funds. Fuxing Group contributed 51% capital and controlled Commodities City Management.

Shangfu Chuangzhi Fund raised a total of RMB 823.36 million, of which the Parent Fund, as a limited partner, subscribed for and contributed RMB 205.84 million (including RMB 102.92 million contributed by Commodities City Financial Holdings, and the rest was contributed by Fuxing Group, another limited partner of the Parent Fund), and Commodities City Financial Holdings as a limited partner of Shangfu Chuangzhi Fund, subscribed for and contributed RMB 617.51 million, all of which have been fully paid. In addition, Commodities City Group and Commodities City Financial Holding did not participate in the investment in other sub-funds under the Parent Fund. Shangfu Chuangzhi Fund subsequently subscribed for the additional registered capital of Hubei Assets Management Co., Ltd. with RMB 820.54 million, holding 22.6667% equity of this company. In 2019, 9 of the above 12 sub-funds was cancelled.

In 2018, Commodities City Financial Holdings learned during the performance of post-investment tracking management that: Fuxing Group and its actual controller Zhu Yidong were suspected of criminal offenses. 22.667% equity of Hubei Assets Management Co., Ltd. held by Shangfu Chuangzhi Fund was frozen by the Shanghai No. 2 Intermediate People's Court because the source of capital contribution included Fuxing Group's capital contribution. As at the date when the financial statements are approved for issue, the related equity remains frozen.

As at the date when the financial statements are approved for issue, Commodities City Group has not received any notice of capital contribution other than the aforementioned contributions, or any litigation notice involving Commodities City Group, Commodities City Financial Holdings, the Parent Fund, or its sub-funds.

(2) Other investment commitments

Yiwu Fund Investment Co., Ltd., the Company's sub-subsidiary, participated in the establishment of Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership) as a limited partner, with a committed contribution of RMB 1,510 million. As at December 31, 2025, it had paid in RMB 510 million, and the remaining outstanding contribution was RMB 1 billion.

Through the relevant agreement signed with China Orient Asset Management Co., Ltd., the Company committed to contribute RMB 500,010,000 to Yiwu Yixu Equity Investment Partnership (Limited Partnership). As at December 31, 2025, the Company has not made any capital contribution.

Water Affairs Group, Market Group, Commodities City Holdings and Yiwu Fund Investment Co., Ltd. participated in the establishment of Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership) as limited partners, with a fund size of RMB 2.64 billion. As at December 31, 2025, the total paid-in capital contribution was RMB 839.52 million, and the remaining outstanding investment commitment amounted to RMB 1,800.48 million.

In addition, as at December 31, 2025, the Company had other outstanding investment commitments

totaling RMB 2,335,940,300.

(II) Contingencies

1. Guarantee matters

(1) Guarantees provided for non-related parties

Guarantor	Secured party	Guarantee amount (RMB'0,000)	Whether the guarantee has been performed
Yiwu Construction Investment Construction Development Co., Ltd.	House purchaser	14,043.00	No
Land Port Group	Yiwu Land Port International Train Service Co., Ltd.	64,500.00	No
The Company	Yiwu Land Port International Train Service Co., Ltd.	10,000.00	No
The Company	Yiwu Land Port International Train Service Co., Ltd.	5,000.00	No
Yiwu Runze Real Estate Co., Ltd.	House purchaser	31,120.94	No
Yiwu Financing Guarantee Co., Ltd.	Guaranteed client	455,203.72	No
Yiwu Chengxin Financing Guarantee Co., Ltd.	Guaranteed client	4,896.02	No
Commodities City Holdings and Commodities City Group	House purchaser	115,177.94	No

Explanation:

Construction Investment Group's subsidiary, Yiwu Construction Investment Construction Development Co., Ltd., provided loan guarantees to some enterprise customers purchasing its properties. The guarantee balance was RMB 140.43 million as at December 31, 2025.

Land Port Group provided joint liability guarantees for loans granted to Yiwu Land Port International Train Service Co., Ltd. by Huaxia Bank, China Construction Bank, Bank of Ningbo, China Zheshang Bank, and Industrial Bank. As at December 31, 2025, Yiwu Land Port International Train Service Co., Ltd. has borrowed RMB 100 million from Hua Xia Bank, RMB 80 million from China Construction Bank, RMB 165 million from Bank of Ningbo, and RMB 300 million from Industrial Bank. Land Port Group assumed a total guarantee liability of RMB 645 million for the above loans according to the guarantee contract, including guarantee liability of RMB 65 million for loan from the Bank of Ningbo which was jointly guaranteed by the Company and Land Port Group.

According to the application by Yiwu Land Port International Train Service Co., Ltd., China Zheshang Bank Yiwu Branch provided guarantees to those who have legally obtained commercial acceptance bills in respect of the fulfillment of payment obligation under the commercial acceptance bills by Land Port Group as the acceptor. This guarantee service was limited to commercial bills with payment accounts opened at China Zheshang Bank, and this commercial bill service is counter-guaranteed by the Company for China Zheshang Bank Yiwu Branch. As at December 31, 2025, Yiwu Land Port International Train Service Co., Ltd. has issued commercial bills of RMB 100 million, and the Company's counter-guarantee liability balance was RMB 100 million.

The Company provided a guarantee for the loan of RMB 50 million granted to Yiwu Land Port International Train Service Co., Ltd. by Industrial and Commercial Bank of China.

According to relevant regulations, Transportation & Tourism Group's subsidiary Yiwu Runze Real Estate Co., Ltd. must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by it before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2025 was RMB 311,209,400.

As at December 31, 2025, the total actual external guarantee balance provided by the Company's subsidiary Yiwu Financing Guarantee Co., Ltd. was RMB 4,552,037,200, including general policy-oriented guarantee balance of RMB 212,300,000 Xiaoweibao guarantee balance of RMB 2,222,272,000, exchange rate hedging guarantee balance of RMB 131,105,000, Puhuibao guarantee balance of RMB 936,280,200, non-policy-oriented guarantee business guarantee balance of RMB 6.29 million, Huishangbao guarantee balance of RMB 30,200,000, agricultural guarantee balance of RMB 13,390,000, entrepreneurial guarantee loan guarantee balance of RMB 200,000, and Wangshang loan guarantee balance of RMB 1 billion. The guarantee liability balance to be borne by Yiwu Financing Guarantee Co., Ltd. shall be shared according to the risk proportion agreed in the Guarantee Business Cooperation Agreement. The management of the Company has made provisions for guarantee compensation for the above guarantee matters.

As at December 31, 2025, the external guarantee balance of Yiwu Chengxin Financing Guarantee Co., Ltd., a subsidiary of the Company, was RMB 48.9602 million, including project performance guarantee of RMB 38.7275 million, migrant worker wage guarantee of RMB 1.5777 million, and mu-yield tax performance guarantee of RMB 8.655 million. The management of the Company has made provisions for guarantee compensation for the above guarantee matters.

According to relevant regulations, Commodities City Holdings and Commodities City Group must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by them before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2025 was RMB 1,151,779,400. The guarantee will be released after the property title certificate has been processed, and there is low possibility of loss from this guarantee, so the management believes there is no need to make provisions for this guarantee.

(2) See the notes for guarantees with other related parties: Related party guarantees.

(3) Guarantees provided by/to companies within the consolidation scope of the Company

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Transportation & Tourism Group	Ningbo Bank	10,000.00	2025/6/16	2026/6/16
The Company	Transportation & Tourism Group	Huaxia Bank	10,000.00	2025/10/13	2026/10/13
The Company	Transportation & Tourism Group	China Construction Bank	15,000.00	2025/6/17	2026/6/16
The Company	Transportation & Tourism Group	China Construction Bank	9,000.00	2025/5/20	2026/5/19
The Company	Transportation & Tourism Group	Minsheng Bank	9,700.00	2025/11/13	2026/11/3
The Company	Transportation & Tourism Group	Ping An Bank	20,000.00	2025/6/24	2026/6/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Transportation & Tourism Group	CITIC Bank	8,700.00	2025/4/30	2026/4/29
The Company	Transportation & Tourism Group	CITIC Bank	6,300.00	2025/6/23	2026/6/23
The Company	Transportation & Tourism Group	Hengfeng Bank Yiwu Branch	20,000.00	2025/12/19	2026/12/18
The Company	Transportation & Tourism Group	Huaxia Bank	1,270.00	2025/1/7	2026/1/6
The Company	Transportation & Tourism Group	Huaxia Bank	700.00	2025/1/21	2026/1/20
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Ningbo Bank	20,000.00	2025/6/5	2026/6/4
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	684.10	2025/8/21	2026/8/21
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	338.87	2025/9/24	2026/9/24
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	1,547.95	2025/10/14	2026/10/14
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	857.79	2025/11/19	2026/11/19
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	1,060.35	2025/11/26	2026/11/26
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	CITIC Bank	956.42	2025/12/4	2026/12/3
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Jinhua	882.20	2025/12/9	2026/12/8
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Jinhua	870.20	2025/12/16	2026/12/15
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Jinhua	868.80	2025/12/23	2026/12/22
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Huaxia Bank	999.96	2025/9/10	2026/9/4
Transportation & Tourism Group	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	Ping An Bank	1,000.00	2025/8/27	2026/8/26
The Company	Transportation & Tourism Group	Bank of Hangzhou	20,000.00	2024/3/18	2027/3/14
The Company	Transportation & Tourism Group	Bank of Hangzhou	10,000.00	2025/11/25	2028/11/16
The Company	Transportation & Tourism Group	Bank of Hangzhou	10,000.00	2025/12/11	2028/11/16
The Company	Transportation & Tourism Group	Bank of Hangzhou	20,000.00	2025/12/22	2028/11/16
The Company	Transportation & Tourism Group	Agricultural Development Bank	15,000.00	2025/2/28	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	5,000.00	2025/4/25	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	4,000.00	2025/4/27	2050/1/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Transportation & Tourism Group	Agricultural Development Bank	25,000.00	2025/5/20	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	3,000.00	2025/5/20	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	5,000.00	2025/6/30	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	5,000.00	2025/7/30	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	3,000.00	2025/8/28	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	7,700.00	2025/9/29	2050/1/20
The Company	Transportation & Tourism Group	Agricultural Development Bank	3,000.00	2025/10/31	2050/1/20
The Company	Transportation & Tourism Group	China Construction Bank	9,000.00	2024/7/5	2026/7/4
The Company	Transportation & Tourism Group	Guangdong Development Bank	10,000.00	2025/12/22	2027/12/22
The Company	Transportation & Tourism Group	Guangdong Development Bank	9,700.00	2025/11/10	2027/11/10
The Company	Transportation & Tourism Group	Huaxia Bank	9,900.00	2024/12/20	2026/12/20
The Company	Transportation & Tourism Group	Huaxia Bank	4,850.00	2024/1/25	2026/1/24
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	China Construction Bank	13,943.88	2022/1/1	2042/12/30
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,173.38	2023/6/15	2026/6/14
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,024.20	2023/8/29	2026/8/21
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,198.30	2023/7/14	2026/7/13
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	39.23	2023/9/19	2026/9/15
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	761.00	2023/7/25	2026/7/23
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	867.95	2023/9/1	2026/8/21
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	416.08	2023/8/10	2026/8/8
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	639.00	2023/9/7	2026/9/5
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,228.81	2023/5/30	2026/5/28
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	237.00	2023/7/26	2026/7/24
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	811.32	2023/8/31	2026/8/21

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	753.94	2023/8/3	2026/8/1
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	849.80	2023/6/6	2026/6/4
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	100.00	2024/4/25	2026/4/19
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	200.00	2024/4/25	2026/10/19
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	China Construction Bank	6,900.00	2025/4/18	2046/4/16
Transportation & Tourism Group	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	Huaxia Bank Yiwu Branch	950.00	2023/6/28	2026/6/28
Transportation & Tourism Group	Yiwu Traffic Engineering Construction Co., Ltd.	Industrial Bank	30,000.00	2023/2/27	2026/2/10
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	200.00	2024/2/1	2032/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,600.00	2021/2/10	2031/2/7
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/2/2	2032/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/9/22	2032/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/2/2	2034/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	300.00	2023/7/17	2034/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	400.00	2023/10/27	2034/11/1
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Industrial Bank	10,000.00	2023/2/27	2026/2/10
Transportation & Tourism Group	Yiwu Highway Construction and Development Co., Ltd.	Postal Savings Bank	6,860.00	2025/3/26	2027/3/25
Transportation & Tourism Group	Yiwu Transportation Tourism Industry Co., Ltd.	Huaxia Bank	994.98	2025/5/14	2028/5/14
Transportation & Tourism Group	Yiwu Transportation Tourism Industry Co., Ltd.	Agricultural Bank of China	6,000.00	2020/10/30	2036/10/13
Transportation & Tourism Group	Yiwu Transportation Tourism Industry Co., Ltd.	Agricultural Bank of China	37,500.00	2020/11/1	2036/10/13
The Company	Transportation & Tourism Group	CITIC Trust	11,000.00	2023/1/5	2028/1/5
The Company	Transportation & Tourism Group	CITIC Trust	10,000.00	2023/8/4	2028/8/4

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Transportation & Tourism Group	CITIC Trust	10,000.00	2023/12/15	2028/12/15
The Company	Transportation & Tourism Group	Bohai International Trust Co., Ltd.	1,000.00	2025/12/30	2028/12/30
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Industrial and Commercial Bank of China	6,886.00	2021/6/30	2036/6/28
Transportation & Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	China Construction Bank	13,589.98	2021/7/23	2041/3/22
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	572.04	2025/1/23	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	3,606.00	2025/1/24	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	1,014.12	2025/3/11	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	1,412.05	2025/4/28	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	415.83	2025/6/24	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	799.88	2025/8/5	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	352.49	2025/9/24	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	1,416.54	2025/10/23	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	6,539.43	2025/11/10	2044/12/21
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Bank of Communications Yiwu Branch	888.77	2025/12/12	2044/12/21
The Company	Transportation & Tourism Group	China Merchants Bank	483.05	2025/1/3	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	158,923.73	2025/2/5	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	24,152.54	2025/2/13	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	38,644.07	2025/2/21	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	9,661.02	2025/3/6	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	20,000.00	2025/12/10	2042/11/17
The Company	Transportation & Tourism Group	China Merchants Bank	15,000.00	2025/12/23	2042/11/17
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Agricultural Bank of China	1,600.00	2024/7/26	2047/6/18
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Agricultural Bank of China	1,200.00	2024/9/25	2047/6/18

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Agricultural Bank of China	2,900.00	2024/11/22	2047/6/18
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Agricultural Bank of China	2,753.00	2025/5/19	2047/6/18
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Agricultural Bank of China	1,400.00	2025/9/11	2047/6/18
The Company	Transportation & Tourism Group	Huaxia Jiuying	20,000.00	2021/2/8	2026/2/7
The Company	Transportation & Tourism Group	BT Project	8,218.38	2015/11/24	
Transportation & Tourism Group	Yiwu Lansu Cultural Tourism Development Co., Ltd.	Yongying Financial Leasing Co., Ltd.	9,300.00	2023/12/18	2028/12/18
Transportation & Tourism Group	Hengfeng Group	Bank of Jinhua	4,000.00	2024/12/19	2026/11/20
Transportation & Tourism Group	Hengfeng Group	Bank of Jinhua	4,000.00	2024/12/19	2026/11/20
Transportation & Tourism Group	Hengfeng Group	Yiwu Rural Commercial Bank	5,000.00	2025/4/3	2026/3/23
Transportation & Tourism Group	Hengfeng Group	Yiwu Rural Commercial Bank	6,000.00	2025/4/9	2026/3/23
Transportation & Tourism Group	Hengfeng Group	Bank of Jinhua	4,000.00	2025/6/17	2026/12/7
The Company	Construction Investment Group	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	15,000.00	2025/6/23	2026/6/19
The Company	Construction Investment Group	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	15,000.00	2025/11/4	2026/11/4
Yiwu Construction Engineering Management Co., Ltd.	Construction Investment Group	Industrial Bank Co., Ltd. Yiwu Branch Business Department	42,000.00	2025/7/11	2026/7/10
Yiwu Construction Engineering Management Co., Ltd.	Construction Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	23,000.00	2025/9/19	2026/9/15
Yiwu Construction Engineering Management Co., Ltd.	Construction Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	1,000.00	2025/8/25	2026/8/24
Yiwu Construction Engineering Management Co., Ltd.	Construction Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	211.46	2025/8/22	2026/8/24
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Industrial Bank Co., Ltd.	24,000.00	2025/7/11	2026/7/10

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Ningbo Commerce Bank Co., Ltd. Hangzhou Branch	1,000.00	2025/11/26	2026/11/26
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	1,000.00	2025/3/26	2026/3/25
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	3,918.94	2025/3/27	2026/9/11
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	5,000.00	2025/4/30	2026/4/28
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	20,000.00	2025/6/3	2026/4/28
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Zhejiang Yiwu Rural Commercial Bank Co., Ltd. Business Department	4,995.00	2025/9/18	2026/9/16
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Yiwu Development Zone Sub-branch	1,000.00	2025/3/27	2026/3/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Yiwu Development Zone Sub-branch	10,000.00	2025/9/9	2026/9/8
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Bank of Nanjing Co., Ltd. Hangzhou Branch	7,000.00	2025/6/4	2026/5/29
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	56.67	2025/5/27	2026/5/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	94.41	2025/2/25	2026/5/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	193.86	2025/1/21	2026/5/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	245.67	2025/1/17	2026/5/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	79.84	2025/4/28	2026/5/26

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	839.27	2025/1/21	2026/5/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	7,000.00	2025/1/8	2026/4/1
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China CITIC Bank Co., Ltd. Yiwu Branch	13,014.00	2025/5/30	2026/11/3
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Hengfeng Bank Co., Ltd. Yiwu Sub-branch	14,983.38	2025/4/28	2026/11/11
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	1,800.00	2025/12/23	2026/12/23
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	1,077.00	2025/12/9	2026/12/9
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	1,086.00	2025/12/4	2026/12/4
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	1,037.00	2025/11/7	2026/11/6
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	1,157.00	2025/4/10	2026/4/10
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	843.00	2025/4/8	2026/4/8
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	612.00	2025/3/25	2026/3/24
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	606.00	2025/3/20	2026/3/20
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	781.00	2025/3/17	2026/3/17
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	764.00	2025/3/11	2026/3/11
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	630.00	2025/2/26	2026/2/26
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	606.00	2025/2/20	2026/2/20
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	2,000.00	2025/1/17	2026/1/16
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	4,892.29	2025/4/1	2026/11/25
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	4,861.22	2025/1/16	2026/11/20
Construction Investment Group	Yiwu Construction Investment Property Service Co., Ltd.	Industrial Bank Co., Ltd.	1,000.00	2025/7/30	2026/7/29

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Construction Investment Group	Yiwu Construction Investment Property Service Co., Ltd.	Bank of Ningbo Co., Ltd. Yiwu Branch	1,000.00	2025/11/13	2026/11/13
Construction Investment Group	Yiwu Xiucheng Engineering Management Co., Ltd.	Industrial Bank Co., Ltd.	15,000.00	2025/11/14	2026/11/13
Construction Investment Group	Yiwu Xiucheng Engineering Management Co., Ltd.	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	1,000.00	2025/11/13	2026/11/13
Construction Investment Group	Yiwu Xiuchuan Asset Management Co., Ltd.	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	1,000.00	2025/11/13	2026/11/13
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Bank of China Limited Yiwu Branch	45,100.00	2024/1/1	2027/12/30
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Bank of China Limited Yiwu Branch	40,700.00	2024/1/1	2027/12/30
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	27,072.20	2022/2/9	2026/12/31
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	37,718.00	2022/2/9	2026/12/31
Construction Investment Group	Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd.	Industrial and Commercial Bank of China Limited Yiwu Branch	73,388.00	2021/8/6	2026/7/2
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Bank of China Limited Yiwu Branch	26,500.00	2023/9/28	2026/11/30
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Industrial and Commercial Bank of China Limited Yiwu Branch	26,890.00	2023/7/31	2043/6/25
Construction Investment Group	Yiwu Zhenyuan Real Estate Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	33,936.07	2025/7/10	2030/10/28
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Industrial Bank Co., Ltd.	5,000.00	2023/2/2	2026/2/1
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	58,935.00	2023/7/26	2028/6/14
Construction Investment Group	Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd.	Industrial Bank Co., Ltd. Yiwu Branch	21,000.00	2025/1/1	2027/12/10
The Company	Construction Investment Group	Agricultural Development Bank of China Yiwu Sub-branch	4,085.00	2022/7/13	2027/6/30
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	46,616.00	2023/10/1	2028/9/11
Construction Investment Group	Yiwu Xiuhu Real Estate Co., Ltd.	Bank of China Limited Yiwu Branch	16,200.00	2022/10/26	2026/12/30
Construction Investment Group	Yiwu Xiujing Testing Technology Co., Ltd.	Industrial Bank Co., Ltd. Yiwu Branch	42,500.00	2023/2/2	2028/3/10

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Construction Investment Group	21 Yiwu Construction Investment ABN001	101,157.20	2021/10/29	2039/9/7
The Company	Construction Investment Group	23 Yiwu Construction Investment 01	60,000.00	2023/4/12	2028/4/12
The Company	Construction Investment Group	25 Yiwu Construction Investment Y1	100,000.00	2025/10/9	2028/10/9
The Company	Construction Investment Group	CZB Financial Leasing	25,000.00	2023/2/3	2028/2/3
The Company	Construction Investment Group	Huaxia Financing Leasing	25,000.00	2023/3/27	2028/3/27
Construction Investment Group	Yiwu No.2 Tap Water Co., Ltd.	Agricultural Development Bank	89,000.00	2020/1/2	2039/12/23
The Company	Hengfeng Group	Huaxia Bank	3,000.00	2025/6/9	2026/6/9
The Company	Hengfeng Group	Huaxia Bank	5,000.00	2025/1/20	2026/1/20
The Company	Hengfeng Group	Huaxia Bank	2,000.00	2025/1/17	2026/1/17
The Company	Hengfeng Group	CITIC Bank	7,000.00	2025/12/3	2026/12/3
The Company	Hengfeng Group	CITIC Bank	5,000.00	2025/12/5	2026/12/4
The Company	Hengfeng Group	Ningbo Bank	5,000.00	2025/9/8	2026/3/5
The Company	Hengfeng Group	Ningbo Bank	3,700.00	2025/12/5	2026/6/4
The Company	Hengfeng Group Public Transport Branch	China Zheshang Bank	4,800.00	2025/9/16	2026/3/13
The Company	Hengfeng Group Public Transport Branch	China Zheshang Bank	4,700.00	2025/9/22	2026/3/19
The Company	Hengfeng Group Public Transport Branch	China Zheshang Bank	5,000.00	2025/10/22	2026/4/21
The Company	Hengfeng Group Public Transport Branch	China Zheshang Bank	5,000.00	2025/10/29	2026/4/28
The Company	Hengfeng Group	Bank of Hangzhou	5,000.00	2025/11/24	2026/5/22
The Company	Hengfeng Group	Bank of Communications	5,000.00	2025/10/31	2026/10/29
The Company	Hengfeng Group	Bank of Communications	5,000.00	2025/11/27	2026/11/23
Zhejiang Hengfeng Transportation Co., Ltd.	Yiwu Hengfeng Long-distance Passenger Transport Co., Ltd.	Industrial Bank	1,000.00	2025/10/20	2026/10/19
Zhejiang Hengfeng Transportation Co., Ltd.	Yiwu Lianyun Co., Ltd.	Industrial Bank	1,000.00	2025/8/28	2026/8/27
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	500.00	2025/7/25	2026/7/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	500.00	2025/7/22	2026/7/23
Hengfeng Group	Yiwu Hengfeng New Energy Service Co., Ltd.	CITIC Bank	1,500.00	2025/7/10	2026/7/10
Hengfeng Group	Yiwu Hengfeng New Energy Service Co., Ltd.	Ningbo Bank	82.07	2025/5/30	2026/5/29
Hengfeng Group	Yiwu Hengfeng Media Technology Co., Ltd.	Bank of China	1,000.00	2025/5/7	2026/5/6
The Company	Hengfeng Group	Industrial and Commercial Bank	4,222.66	2024/1/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	2,244.46	2024/1/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/1/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	2,955.02	2024/2/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	655.83	2024/2/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	620.24	2024/3/18	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,571.24	2024/4/18	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,438.92	2024/5/11	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,277.75	2024/6/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,195.07	2024/7/31	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	687.13	2024/8/20	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	743.38	2024/8/29	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	825.64	2024/9/25	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,098.28	2024/10/31	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	618.22	2024/11/28	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/12/6	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	973.36	2024/12/6	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,468.12	2024/12/25	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	2,120.05	2025/1/17	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,130.58	2025/2/6	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,062.20	2025/4/14	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	304.54	2025/4/23	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2025/6/10	2053/10/16

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Hengfeng Group	Industrial and Commercial Bank	577.97	2025/6/16	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	519.53	2025/6/25	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	449.88	2025/7/4	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	181.22	2025/8/8	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	466.48	2025/8/14	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	167.76	2025/9/19	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	50.16	2025/10/13	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2025/10/21	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	793.02	2025/11/28	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	516.92	2023/10/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	188.75	2023/10/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	736.38	2023/11/15	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	668.45	2023/11/30	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	537.53	2024/1/1	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	576.35	2024/1/16	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/1/16	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	827.42	2024/2/1	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	498.13	2024/3/18	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	495.61	2024/4/18	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	626.94	2024/5/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	657.65	2024/6/26	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	290.54	2024/7/31	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	379.04	2024/8/20	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	358.68	2024/8/29	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	278.76	2024/9/25	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	315.75	2024/10/30	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	78.30	2024/10/31	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	256.86	2024/11/28	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/12/4	2053/10/11

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Hengfeng Group	Industrial and Commercial Bank	100.02	2024/12/6	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	864.05	2024/12/25	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	1,401.20	2025/1/17	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	345.74	2025/2/6	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	839.12	2025/4/23	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2025/6/10	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	993.71	2025/6/16	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2025/10/20	2053/10/11
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	206.00	2021/5/19	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	665.00	2021/6/1	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	692.00	2021/7/2	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	881.00	2021/8/17	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,865.00	2021/9/16	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	222.00	2021/10/25	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,700.00	2021/10/27	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/11/12	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,505.00	2021/11/12	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	230.00	2021/11/23	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	455.00	2021/12/1	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,890.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	945.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	170.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	230.00	2021/12/24	2036/4/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	230.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	230.00	2021/12/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,218.00	2022/4/6	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,598.40	2022/5/16	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,208.00	2022/5/27	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,064.00	2022/6/20	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,368.00	2022/7/29	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	644.00	2022/8/29	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	996.00	2022/9/22	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	608.00	2022/10/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	641.80	2022/11/23	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	466.20	2022/12/28	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,246.00	2023/1/13	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/6/14	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/8/2	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,482.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/10/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2023/12/14	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	634.00	2023/12/14	2036/4/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2024/2/5	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	416.00	2024/2/5	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2024/5/10	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	240.00	2024/6/20	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	421.00	2024/12/26	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	2,465.00	2025/1/23	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	985.00	2025/4/1	2036/4/22
Hengfeng Holdings	Hengfeng Group	Bank of China	687.42	2025/12/30	2030/12/10
Hengfeng Holdings	Hengfeng Group	China Construction Bank	5,969.25	2022/12/15	2042/4/14
The Company	Hengfeng Group	CMBS	45,898.80	2025/8/5	2043/7/13
The Company	Land Port Group	Huaxia Bank	10,000.00	2025/3/27	2026/3/27
The Company	Land Port Group	Huaxia Bank	10,000.00	2025/6/20	2026/6/20
The Company	Land Port Group	Huaxia Bank	10,000.00	2025/12/19	2026/12/19
The Company	Land Port Group	Bank of Hangzhou	6,000.00	2025/12/12	2026/12/11
The Company	Land Port Group	Bank of Hangzhou	20,000.00	2025/4/14	2026/3/31
The Company	Land Port Group	China Zheshang Bank	40,000.00	2025/10/17	2026/10/15
The Company	Land Port Group	Ningbo Bank	10,000.00	2025/3/27	2026/3/26
The Company	Land Port Group	Hengfeng Bank	38,000.00	2025/10/15	2026/10/15
The Company	Land Port Group	Everbright Bank	2,000.00	2025/12/30	2026/12/29
Land Port Group	Yiwu Air Port Construction and Development Co., Ltd.	Everbright Bank	1,000.00	2025/12/26	2026/12/25
Land Port Group	Yiwu Air Port Construction and Development Co., Ltd.	China Merchants Bank	1,500.00	2025/12/2	2026/12/1
Land Port Group	Yiwu Air Port Construction and Development Co., Ltd.	CITIC Bank	1,000.00	2025/6/18	2026/6/18
Land Port Group	Yiwu Air Port Construction and Development Co., Ltd.	Ningbo Bank	1,000.00	2025/12/3	2026/12/3
Yiwu Land Port E-commerce Park Co., Ltd.	Yiwu Air Port Construction and Development Co., Ltd.	Agricultural Development Bank	500.00	2025/12/2	2026/11/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Land Port Group	Yiwu Air Port Construction and Development Co., Ltd.	Bank of Jiaxing	3,000.00	2025/3/7	2026/2/26
Land Port Group	Yiwu Bonded Logistics Center Co., Ltd.	China Merchants Bank	1,000.00	2025/11/27	2026/11/26
Land Port Group	Yiwu Bonded Logistics Center Co., Ltd.	Ningbo Bank	1,000.00	2025/12/3	2026/12/3
Land Port Group	Yiwu Trade and Logistics Port Co., Ltd.	China Merchants Bank	3,000.00	2025/11/27	2026/11/26
Land Port Group	Yiwu Domestic Highway Port Co., Ltd.	China Merchants Bank	1,000.00	2025/11/27	2026/11/26
Land Port Group	Yiwu Land Port Railway Port Development Co., Ltd.	Huaxia Bank	1,800.00	2025/3/20	2026/3/19
Land Port Group	Yiwu Land Port Railway Port Development Co., Ltd.	Everbright Bank	1,000.00	2025/3/31	2026/3/27
Land Port Group	Yiwu Land Port Railway Port Development Co., Ltd.	CITIC Bank	1,500.00	2025/6/27	2026/6/27
Land Port Group	Yiwu Land Port Railway Port Development Co., Ltd.	Ningbo Bank	1,000.00	2025/12/4	2026/12/4
The Company	Land Port Group	Bank of Jinhua	14,200.00	2025/8/29	2027/8/28
The Company	Land Port Group	Yiwu Rural Commercial Bank	8,600.00	2022/1/4	2031/12/25
The Company	Land Port Group	Yiwu Rural Commercial Bank	8,600.00	2023/1/1	2031/12/25
The Company	Land Port Group	Yiwu Rural Commercial Bank	15,000.00	2023/5/10	2026/5/9
Market Group	Land Port Group	Yiwu Rural Commercial Bank	14,000.00	2025/12/6	2028/12/2
Market Group	Land Port Group	Agricultural Development Bank	67,600.00	2019/7/22	2034/6/20
Land Port Group	Yiwu Land Port Tourism Development Co., Ltd.	Huaxia Bank	950.00	2023/6/16	2026/6/15
Land Port Group	Yiwu Land Port Investment and Development Co., Ltd.	Ping An Bank	14,881.57	2025/4/30	2050/4/17
Land Port Group	Yiwu Land Port Investment and Development Co., Ltd.	Agricultural Bank	18,924.05	2025/4/23	2050/4/17
Land Port Group	Yiwu Land Port Investment and Development Co., Ltd.	China Construction Bank	28,544.48	2025/4/29	2050/4/17
The Company	Land Port Group	Industrial and Commercial Bank	31,912.50	2025/8/15	2040/7/21
The Company	Land Port Group	Shanghai Pudong Development Bank	13,087.50	2025/8/22	2040/7/21
The Company	Land Port Group	CITIC Bank	15,000.00	2025/8/28	2040/7/21
The Company	Land Port Group	China Construction Bank	8,210.00	2017/6/14	2032/6/13
The Company	Land Port Group	China Construction Bank	9,790.00	2017/7/27	2032/6/13
The Company	Land Port Group	China Construction Bank	9,176.00	2017/8/16	2032/6/13

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Land Port Group	China Construction Bank	18,780.00	2018/1/3	2032/6/13
The Company	Land Port Group	China Construction Bank	4,186.00	2018/8/6	2032/6/13
The Company	Land Port Group	China Construction Bank	36,598.00	2018/10/25	2032/6/13
The Company	Land Port Group	China Construction Bank	33,748.15	2024/6/18	2039/11/20
The Company	Land Port Group	Bank of Hangzhou	18,857.15	2024/12/25	2039/12/16
The Company	Land Port Group	Bank of Hangzhou	47,142.85	2025/1/1	2039/12/16
The Company	Land Port Group	Bank of Hangzhou	2,259.00	2025/3/7	2028/3/10
The Company	Land Port Group	Bank of Hangzhou	1,741.00	2025/7/14	2028/7/7
The Company	Land Port Group	Bank of China	7,000.00	2017/6/7	2028/12/30
The Company	Land Port Group	Bank of China	7,000.00	2018/12/26	2028/12/30
The Company	Land Port Group	Bank of China	4,860.00	2018/8/31	2028/12/30
The Company	Land Port Group	Bank of China	5,740.00	2020/7/7	2028/12/30
The Company	Land Port Group	Bank of China	7,000.00	2019/4/28	2028/12/30
The Company	Land Port Group	Bank of China	4,400.00	2017/12/22	2028/12/30
The Company	Land Port Group	Bank of China	19,851.00	2024/6/28	2039/12/20
Yiwu Bonded Logistics Center Co., Ltd.	Land Port Group	Ping An Bank	15,045.00	2023/12/30	2033/12/14
The Company	Land Port Group	Huarong Financial Leasing	8,818.44	2023/6/7	2026/6/15
The Company	Land Port Group	Huarong Financial Leasing	2,995.20	2024/7/10	2029/7/15
The Company	Land Port Group	Huarong Financial Leasing	13,004.80	2024/7/17	2029/7/15
The Company	Land Port Group	Huarong Financial Leasing	18,000.00	2025/3/7	2030/3/15
The Company	Land Port Group	Bohai Trust	10,030.00	2024/2/29	2026/2/28
The Company	Land Port Group	China Merchants Finance Leasing	16,000.00	2023/7/25	2026/7/24
The Company	Urban Investment Group	Ping An Bank Co., Ltd. Yiwu Branch	14,700.00	2025/4/25	2026/4/23
The Company	Urban Investment Group	Ping An Bank Co., Ltd. Yiwu Branch	5,000.00	2025/4/25	2026/4/23
The Company	Urban Investment Group	Bank of Communications Co., Ltd. Yiwu Branch	18,000.00	2025/2/27	2026/2/25
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	10,000.00	2025/10/29	2026/10/24

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	10,000.00	2025/10/29	2026/10/24
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	10,000.00	2025/10/29	2026/10/24
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	10,000.00	2025/10/29	2026/4/24
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	10,000.00	2025/10/29	2026/4/24
The Company	Urban Investment Group	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	10,000.00	2025/3/24	2026/3/23
The Company	Urban Investment Group	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	19,700.00	2025/4/23	2026/4/16
The Company	Urban Investment Group	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	300.00	2025/4/25	2026/4/17
The Company	Urban Investment Group	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	18,000.00	2025/6/6	2026/6/5
The Company	Urban Investment Group	China Everbright Bank Co., Ltd. Jinhua Yiwu Sub-branch	18,000.00	2025/7/18	2026/7/17
The Company	Urban Investment Group	China CITIC Bank Co., Ltd. Yiwu Branch	20,000.00	2025/12/3	2026/12/3
Urban Investment Group	Yiwu Urban Investment Tourism Development Co., Ltd.	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	1,000.00	2025/8/25	2026/8/24
Urban Investment Group	Yiwu Urban Investment Tourism Development Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Yiwu Development Zone Sub-branch	1,000.00	2025/12/23	2026/12/22
Urban Investment Group	Yiwu Urban Construction and Gas Operation Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Yiwu Free Trade Zone Sub-branch	1,000.00	2025/12/23	2026/12/22
The Company	Yiwu Urban Construction Resources Operation Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	3,000.00	2025/1/23	2026/1/23
The Company	Yiwu Urban Construction Resources Operation Co., Ltd.	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	5,000.00	2025/1/15	2026/1/14
The Company	Yiwu Urban Construction Resources Operation Co., Ltd.	Bank of Ningbo Co., Ltd. Jinhua Yiwu Sub-branch	3,000.00	2025/1/21	2026/1/20
Urban Investment Group	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Communications Co., Ltd. Yiwu Sub-branch	2,000.00	2025/6/11	2026/6/8

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Supply Chain Management Co., Ltd.	China Construction Bank Co., Ltd. Yiwu Branch	3,000.00	2025/4/24	2026/4/23
Urban Investment Group	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Hangzhou Co., Ltd.	3,000.00	2025/8/19	2026/2/17
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank Co., Ltd.	10,000.00	2025/11/10	2026/11/10
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	500.00	2025/2/21	2026/2/19
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	600.00	2025/4/10	2026/4/8
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	300.00	2025/5/16	2026/5/13
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	500.00	2025/8/6	2026/6/4
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	500.00	2025/9/9	2026/6/4
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Limited Yiwu Branch	100.00	2025/10/14	2026/6/8
Urban Investment Group	Yiwu Municipal Gardens Maintenance Co., Ltd.	Bank of Hangzhou Co., Ltd.	5,000.00	2025/1/7	2026/1/6
The Company	Yiwu Municipal Gardens Maintenance Co., Ltd.	Huaxia Bank Co., Ltd.	3,000.00	2025/1/23	2026/1/23
The Company	Yiwu Municipal Gardens Maintenance Co., Ltd.	Bank of Ningbo Co., Ltd.	3,000.00	2025/1/21	2026/1/20
Yiwu Meihu Sports Development Co., Ltd.	Yiwu Municipal Gardens Maintenance Co., Ltd.	Zhejiang Yiwu Rural Commercial Bank Co., Ltd.	9,000.00	2025/4/22	2026/4/20
Urban Investment Group	Yiwu Meihu Sports Development Co., Ltd.	China Guangfa Bank Co., Ltd. Yiwu Branch	850.00	2025/12/26	2026/12/26
The Company	Yiwu Botanical Garden Operation and Management Co., Ltd.	Huaxia Bank Co., Ltd. Yiwu Sub-branch	2,000.00	2025/9/29	2026/9/19
、Bank of Hangzhou, the Company	Urban Investment Group	Hua'an Property & Casualty Asset Management Co., Ltd.	158,000.00	2021/5/18	2029/5/18

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Urban Investment Group	Bank of Jinhua Co., Ltd.	19,300.00	2025/5/20	2027/5/10
The Company	Urban Investment Group	Zheshang Jinhui Trust Co., Ltd.	17,000.00	2025/6/6	2027/5/28
The Company	Urban Investment Group	Zheshang Jinhui Trust Co., Ltd.	4,000.00	2025/6/6	2027/5/10
The Company, Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	20,000.00	2025/11/7	2027/11/7
The Company, Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	10,000.00	2025/11/12	2027/11/12
The Company, Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	China Zheshang Bank Co., Ltd. Yiwu Branch Business Department	19,000.00	2025/12/12	2028/12/12
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	3,858.55	2025/11/4	2050/10/20
The Company	Urban Investment Group	China Construction Bank Co., Ltd. Yiwu Branch	7,008.81	2025/10/31	2050/10/20
The Company	Urban Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	25,000.00	2025/10/20	2028/10/10
Urban Investment Group	Yiwu Urban Construction Resources Operation Co., Ltd.	Industrial Bank Co., Ltd. Yiwu Branch	61,500.00	2024/4/8	2036/3/21
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	1,440.00	2024/1/3	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	1,476.00	2024/1/17	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	465.00	2024/2/2	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	552.00	2024/4/17	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	512.00	2024/5/17	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	545.00	2024/7/23	2038/12/14

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	509.00	2024/8/20	2038/12/14
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	201.00	2025/1/21	2036/5/20
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	333.00	2025/1/21	2036/11/7
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	367.00	2025/1/26	2036/11/7
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	750.00	2025/1/26	2037/5/20
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	23.00	2025/1/26	2037/11/20
Yiwu Municipal Gardens Maintenance Co., Ltd.	Yiwu Urban Investment Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank Co., Ltd.	590.00	2025/6/9	2037/11/20
The Company	Yiwu Urban Investment Tourism Development Co., Ltd.	Industrial and Commercial Bank of China Limited Yiwu Cilin Sub-branch	5,850.00	2025/1/17	2044/12/9
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	China Construction Bank Co., Ltd. Yiwu Branch	10,854.22	2024/9/4	2044/4/22
The Company	Urban Investment Group	Guangzhou Yuexiu Financial Leasing Co., Ltd.	20,000.00	2023/8/10	2026/8/10
Urban Investment Group	Yiwu Urban Construction Resources Operation Co., Ltd.	Ping An International Financial Leasing Co., Ltd.	5,183.44	2025/4/22	2030/4/22
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	7,290.00	2025/6/18	2026/6/16
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	2,710.00	2025/7/10	2026/7/8
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	2,700.00	2025/8/21	2026/8/19

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	560.00	2025/2/13	2026/2/12
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	3,000.00	2025/11/7	2026/11/6
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	3,000.00	2025/4/10	2026/4/10
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	440.00	2025/5/16	2026/5/15
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	4,000.00	2025/11/25	2026/5/20
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	2,940.00	2025/11/28	2026/5/27
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Beijing	500.00	2025/11/6	2026/11/4
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Beijing	6,053.00	2025/11/10	2026/11/5
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Beijing	1,700.00	2025/11/7	2026/11/2
Yiwu Water Treatment Co., Ltd.	Water Affairs Group	Everbright Bank	1,000.00	2025/12/8	2026/12/7
Yiwu Water Treatment Co., Ltd.	Water Affairs Group	Everbright Bank	8,000.00	2025/12/10	2026/12/7
The Company	Water Affairs Group	China Guangfa Bank	10,000.00	2025/12/26	2027/12/17
Water Affairs Group	Yiwu No.2 Tap Water Co., Ltd.	Bank of Communications	1,000.00	2025/12/30	2026/12/9
、Water Affairs Group , Zhejiang Yiwu Tap Water Co., Ltd.	Yiwu Tap Water Installation Engineering Co., Ltd.	Everbright Bank	1,000.00	2025/4/21	2026/4/17
Water Affairs Group	Yiwu No.2 Tap Water Co., Ltd.	Agricultural Bank	4,033.00	2020/3/20	2029/3/16
Water Affairs Group	Yiwu Drainage Co., Ltd.	Industrial Bank	15,000.00	2023/1/3	2026/1/2
Water Affairs Group	Yiwu Yinuo Environmental Technology Co., Ltd.	Ping An Bank	18,618.04	2024/11/11	2034/11/10
Water Affairs Group	Yiwu Yifu Commercial Operation Management Co., Ltd.	Bank of China	20,914.12	2024/5/24	2043/12/20
The Company	Water Affairs Group	25 Yiwu Water Affairs 01	100,000.00	2025/7/14	2030/7/14

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Education Company	Agricultural Bank	8,000.00	2023/7/4	2046/7/3
The Company	Education Company	Agricultural Bank	2,000.00	2023/10/17	2046/10/8
The Company	Education Company	Agricultural Bank	5,000.00	2024/1/1	2046/7/3
The Company	Education Company	Agricultural Bank	1,500.00	2024/8/29	2046/7/3
The Company	Education Company	Agricultural Bank	1,500.00	2024/11/7	2046/7/3
The Company	Education Company	Agricultural Bank	2,000.00	2025/1/1	2046/7/3
The Company	Education Company	Huaxia Bank	4,850.00	2024/2/7	2026/2/6
The Company	Commodities City Holdings	Hua'an Property & Casualty Asset Management Co., Ltd.	55,000.00	2021/10/11	2027/10/11
The Company	Commodities City Holdings	Hua'an Property & Casualty Asset Management Co., Ltd.	5,000.00	2021/10/22	2027/10/22
The Company	Commodities City Holdings	Hua'an Property & Casualty Asset Management Co., Ltd.	30,000.00	2023/1/3	2026/1/3
Commodities City Holdings	Yiwu Shangbo Yungu Enterprise Management Co., Ltd.	Bank of China	132,990.00	2022/2/25	2031/12/10
The Company	Chouzhou International	2025 USD Bond (USD 450 million)	USD 450 million	2025/9/24	2028/9/14
The Company	Chouzhou International	USD23 Bond 01	USD400 million	2023/6/27	2026/6/27
The Company	Chouzhou International	2025 USD Bond (USD 400 million)	USD400 million	2025/1/15	2028/1/5
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Jingfa Sub-branch	7,700.00	2025/2/25	2026/2/24
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Jingfa Sub-branch	7,500.00	2025/3/27	2026/3/26
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Industrial Bank Co., Ltd. Yiwu Branch	20,000.00	2025/7/25	2026/7/24
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	China Construction Bank Co., Ltd. Yiwu Nongmao Sub-branch	6,500.00	2025/4/25	2026/4/24
Market Group	Yiwu Market Development Service Center Limited Liability Company	China Construction Bank Co., Ltd.	2,950.00	2025/3/25	2026/3/24
Market Group	Yiwu Market Development Service Center Limited Liability Company	China Construction Bank Co., Ltd.	2,050.00	2025/5/15	2026/5/14
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	1,400.00	2025/3/18	2026/3/17

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Market Group	Yiwu Security Services Co., Ltd.	Industrial Bank Co., Ltd. Yiwu Branch	10,000.00	2025/7/18	2026/7/17
The Company	Market Group	Agricultural Development Bank of China	40,000.00	2025/4/27	2026/4/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	China Merchants Bank Co., Ltd. Jinhua Yiwu Sub-branch	3,810.01	2021/11/19	2031/9/27
Market Group	Yiwu Market Development Service Center Limited Liability Company	Industrial and Commercial Bank of China Limited Yiwu Branch	8,648.40	2024/8/28	2039/7/31
Market Group	Yiwu Market Development Service Center Limited Liability Company	Zhejiang Yiwu Rural Commercial Bank Co., Ltd. Xinmalu Market Sub-office	10,932.70	2021/4/25	2031/4/15
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	1,398.00	2023/12/13	2038/12/6
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	700.00	2024/1/1	2038/12/6
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	800.00	2025/2/21	2040/2/20
Market Group	Yiwu Huishang Cold Chain Logistics Co., Ltd.	China Construction Bank Co., Ltd. Yiwu Branch	23,797.88	2023/4/14	2040/5/12
Market Group	Yiwu Grain Storage Co., Ltd.	Bank of Communications Yiwu Branch	900.00	2018/6/22	2028/11/20
Market Group	Yiwu Grain Storage Co., Ltd.	Bank of Communications Yiwu Branch	600.00	2018/6/22	2028/5/20
Market Group	Yiwu Grain Storage Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	4,405.00	2021/7/14	2036/6/27
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	5,808.68	2024/1/10	2039/12/21
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	662.00	2021/2/8	2031/1/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	768.00	2021/9/30	2031/9/28
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	1,920.00	2021/11/5	2031/11/2
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	403.00	2022/6/2	2032/5/30

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	403.00	2022/6/30	2032/6/29
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	424.00	2022/11/9	2023/11/8
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	1,272.00	2023/1/18	2033/1/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	424.00	2023/3/3	2033/3/3
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	848.00	2023/4/3	2033/4/3
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	848.00	2023/5/19	2033/5/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	440.00	2023/7/7	2033/7/5
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	1,320.00	2023/8/8	2033/8/7
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Huaxia Bank Yiwu Branch	1,320.00	2023/10/19	2033/10/18

Explanation:

(1) Transportation & Tourism Group provided a guarantee for the loan of RMB 68.86 million granted to Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. by Meiyuan Sub-branch of Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. with its plot on the north side of Yinan Water Plant in Chi'an Town, Yiwu City (Yiwu Property Title Certificate of Z (2021) No.0039670).

(2) Transportation & Tourism Group provided a guarantee for the loan of RMB 135,899,800 granted to Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. by China Construction Bank Yiwu Branch, which was also mortgaged by Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. with its Plot 3# at Comprehensive Energy Supply Service Station in Houzhai Street, Yiwu (Yiwu Property Title Certificate of Z (2022) No.0060868).

(3) Transportation & Tourism Group provided a guarantee for the loan of RMB 170,171,500 granted to Yiwu Lansu Cultural Tourism Development Co., Ltd. by Bank of Communications Yiwu Branch, which was also mortgaged by Yiwu Lansu Cultural Tourism Development Co., Ltd. with its plot for Yiwu Ximen Old Street Historical and Cultural Development Project.

(4) The Company provided a guarantee for the loan of RMB 2,668,644,100 granted by China Merchants Bank to Transportation & Tourism Group, which was also pledged by the income right in

the expressway project of Transportation & Tourism Group in the section from Yiwu Houzhai Hub to Yiwu Niansanli Hub from November 18, 2024 to January 11, 2043.

(5) Transportation & Tourism Group provided a guarantee for the loan of RMB 98.53 million granted to Yiwu Lansu Cultural Tourism Development Co., Ltd. by Agricultural Bank of China Yiwu Branch. The loan was also mortgaged by Yiwu Lansu Cultural Tourism Development Co., Ltd. with its land on the south side of Ruiyun Road, Dachen Town, Yiwu City (Yiwu Property Title Certificate of 330782106219JB00001W00000000), and pledged by it with the operating income from the "Jiuzhai Bay Crazy Tribe Project".

(6) The Company provided an unconditional and irrevocable joint liability guarantee for the debt investment plan issued by Transportation & Tourism Group in Huaxia Jiuying Asset Management Co., Ltd. The guaranteed covered the full principal and interest of the plan. The principal of the investment plan was RMB3 billion, and the guarantee scope was all creditor's rights enjoyed by the creditor against the debtor under the Investment Contract for Huaxia Jiuying-Yiwu Port Logistics Expressway Infrastructure Debt Investment Plan. The guarantee period was from the effective date of the Guarantee Contract to two years after expiration of the last debt performance period agreed under the Investment Contract. As at December 31, 2025, the principal balance of the debt investment plan was RMB 200 million.

(7) The Company provided an irrevocable joint liability guarantee for the contractual obligations under the Yiwu Port Logistics Expressway BT Project Contract Agreement entered into between Transportation & Tourism Group and Zhejiang Communications Engineering Construction Group Co., Ltd.. The guarantee period was from the effective date of the BT Project Contract Agreement to two years after the date when the obligations of Yiwu Transportation & Tourism Group shall have been fulfilled.

(8) Transportation & Tourism Group provided a guarantee for the financial leasing business between Yiwu Lansu Cultural Tourism Development Co., Ltd. and Yongying Financial Leasing Co., Ltd. The guaranteed principal creditor's right was the rent of RMB 95 million and the corresponding rent interest. The guarantee period was the term of the Financial Leasing Contract (NO: 2023YYZL0251935-ZL-01), and the lease period was 5 years. As at December 31, 2025, the principal balance of rent payable was RMB 93 million.

(9) Construction Investment Group provided a guarantee for the loan of RMB 451 million granted to Yiwu Construction Engineering Management Co., Ltd. by the Bank of China , which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of plot at the southeast corner of the intersection of Xiangxi Road and Qiuzhen Road of Chengxi Subdistrict of the New Community Cluster (Yiwu Property Title Certificate of Zhe (2023) No.0031116). The loan was specially used for the project at the plot on the southeast side of the intersection of Xiangxi Road and Qiuzhen Road in Chengxi Street in the new community cluster.

(10) Construction Investment Group provided a guarantee for the loan of RMB 407 million granted to Yiwu Construction Engineering Management Co., Ltd. by the Bank of China , which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of plot at the northeast corner of the intersection of Xiangxi Road and Xicheng Road of Chengxi Subdistrict of the New Community Cluster (Yiwu Property Title Certificate of Z (2023) No.0031122). The loan was specially used for the project at the plot on the northeast side of the intersection of Xiangxi Road and Xicheng Road in Chengxi Street in the new community cluster.

(11) Construction Investment Group provided a guarantee for the loan of RMB 270,722,000 granted to Yiwu Construction Engineering Management Co., Ltd. by Agricultural Bank of China, which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of Plot 01# in the second cluster of Beiyuan Street, Yiwu New Community Cluster, Yiwu City, Zhejiang Province (Yiwu Property Title Certificate of Z (2021) No.0038408). The loan was specially used for the project of Plot 1 in the second cluster of Beiyuan Street, Yiwu New Community Cluster.

(12) Construction Investment Group provided a guarantee for the loan of RMB 377,180,000 granted to Yiwu Construction Engineering Management Co., Ltd. by Agricultural Bank of China, which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of Plot 02# in the second cluster of Beiyuan Street, Yiwu New Community Cluster, Yiwu City, Zhejiang Province (Yiwu Property Title Certificate of Z (2021) No.0038405). The loan was specially used for the project of Plot 2 in the second cluster of Beiyuan Street, Yiwu New Community Cluster.

(13) Construction Investment Group provided a guarantee for the loan of RMB 733.88 million granted to Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd. by Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd. with a total of 434 properties in Buildings 18, 20, 21 and 25 of Xipan Yunjing, Shangxi Town, Yiwu City under Yiwu Property Title Certificate of Z (2021) No.0012829. The loan was specially used for the agglomeration construction project on the west side of Xinghua Road, Shangxi Town, Yiwu City.

(14) Construction Investment Group provided a guarantee for the loan of RMB 265 million granted to Yiwu Construction Investment Construction Development Co., Ltd. by the Bank of China, which was also mortgaged by Yiwu Construction Investment Construction Development Co., Ltd. with its land use right of the plot at the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street, New Community Cluster (Yiwu Property Title Certificate of Z (2023) No.0031136). The loan was specially used for the engineering construction at the plot on the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street, New Community Cluster.

(15) Construction Investment Group provided a guarantee for the loan of RMB 268.9 million granted from Industrial and Commercial Bank of China to Yiwu Construction Investment Construction Development Co., Ltd., which was also mortgaged by Yiwu Construction Investment Construction Development Co., Ltd. with its property at No. 1251 Datong Road, Niansanli Street, Yiwu City under Yiwu Property Title Certificate of Z (2023) No.0037413. The loan was specially used for the construction project of affordable rental housing in Niansanli, Yiwu City.

(16) Construction Investment Group provided a guarantee for the loan of RMB 339,360,700 granted to Yiwu Zhenyuan Real Estate Co., Ltd. by Huaxia Bank, which was also mortgaged by Yiwu Zhenyuan Real Estate Co., Ltd. with its plot of Yiwu Urban Organic Renewal Xiaozici Block under Yiwu Property Title Certificate of Z (2024) No.0067444.

(17) As at December 31, 2025, the total amount of 21 Yiwu Construction Investment ABN001 Preferred A Bonds, 21 Yiwu Construction Investment ABN001 Preferred B Bonds and 21 Yiwu Construction Investment ABN001 Subordinated Bonds issued by Construction Investment Group and JIC Trust amounted to RMB 1,011,572,000, and the Company assumed the obligation to make up the difference for the trust benefits and related taxes, surcharges and remuneration of the 21 Yiwu Construction Investment ABN001 Bonds issued this time, until all the principal and interest and related taxes, surcharges, remuneration of the "preferred asset-backed notes" are paid off. At the same time, the trust bonds were guaranteed by pledging all accounts receivable enjoyed by Construction Investment Group from its operation of commercial service properties (Dingfu Plaza)

located at No.367 and No.369 Chengxin Avenue, No.1571, No.1573 and No.1575 North Chouzhou Road, Futian Street, Yiwu City, Jinhua, Zhejiang Province under the Zhejiang Yiwu Property Title Certificate of Zhe (2021) No.0039712, and were guaranteed by mortgage of the buildings and constructions of Dingfu Plaza.

(18) The Company provided unconditional and irrevocable joint liability guarantee for the corporate bonds (including all principal and interests) issued by Construction Investment Group with a term of not more than 5 years. As at December 31, 2025, the Company has issued bonds "23 Yiwu Construction Investment 01 " amounting to RMB 600 million and the outstanding bond principal at the end of the period amounted to RMB 600 million.

(19) The Company provided unconditional and irrevocable joint liability guarantee for the corporate bonds (including all principal and interests) issued by Construction Investment Group with a term of not more than 5 years. As at December 31, 2025, the Company has issued bonds "25 Yiwu Construction Investment Y1" amounting to RMB 1 billion and the outstanding bond principal at the end of the period amounted to RMB 1 billion.

(20) The Company provided a guarantee for the loan of RMB 50 million granted from Bank of Communications to Hengfeng Group, which was also mortgaged by Hengfeng Group with its plant in Beiyuan Industrial Park.

(21) The Company provided a guarantee for the loan of RMB 50 million granted from Bank of Communications to Hengfeng Group, which was also mortgaged by Hengfeng Group with its Hengfeng Commerce and Trade City Passenger Transport Center.

(22) The Company provided a guarantee for the loan of RMB 147,919,000 from Industrial and Commercial Bank of China to Hengfeng Group, which was also mortgaged by Hengfeng Group with its land for affordable leased houses located at Futian Street Commercial Station, Yiwu City and the above-ground buildings thereon (No. 1123, Chengzhong North Road).

(23) The Company provided a guarantee for the loan of RMB 320,274,000 granted to Yiwu Hengfeng Auto Service Co., Ltd. by Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Hengfeng Auto Service Co., Ltd. with its assets located at No. 2 on the north side of Wuzhou Avenue, Yiwu City, and Room 101-105, Building 1, No. 1866 Wuzhou Avenue, Fotang Town, Yiwu City; pledged with the rent receivables corresponding to Yiwu Property Title Certificate of Z (2023) No.0070642.

(24) The Company provided an unconditional and irrevocable commitment for the Guotai Junan Asset Management - Hengfeng Commercial Property Asset-backed Special Plan of Hengfeng Group. To ensure that the principal and expected returns of the senior asset-backed securities and the special plan expenses under the Guotai Junan Asset Management - Hengfeng Commercial Property Asset-backed Special Plan are paid in accordance with regulations, the Company assumes the obligation to make up the shortfall for the difference between the expected returns and the principal payable at maturity of the senior asset-backed securities. As at December 31, 2025, the outstanding principal of the Guotai Junan Asset Management - Hengfeng Commercial Property Asset-backed Special Plan was RMB 458,988,000.

(25) As at December 31, 2025, the total amount of 21 Yiwu Construction Investment ABN001 Preferred A Bonds, 21 Yiwu Construction Investment ABN001 Preferred B Bonds and 21 Yiwu

Construction Investment ABN001 Subordinated Bonds issued by Construction Investment Group and JIC Trust amounted to RMB 1,011,572,000, and the Company assumed the obligation to make up the difference for the trust benefits and related taxes, surcharges and remuneration of the 21 Yiwu Construction Investment ABN001 Bonds issued this time, until all the principal and interest and related taxes, surcharges, remuneration of the "preferred asset-backed notes" are paid off. At the same time, the trust bonds were guaranteed by pledging all accounts receivable enjoyed by Construction Investment Group from its operation of commercial service properties (Dingfu Plaza) located at No.367 and No.369 Chengxin Avenue, No.1571, No.1573 and No.1575 North Chouzhou Road, Futian Street, Yiwu City, Jinhua, Zhejiang Province under the Zhejiang Yiwu Property Title Certificate of Z (2021) No.0039712, and were guaranteed by mortgage of the buildings and constructions of Dingfu Plaza.

(26) Market Group provided a guarantee for the loan of RMB 676 million granted to Land Port Group by Agricultural Development Bank of China, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Z (2023) No.0037894 and Yiwu Property Title Certificate of Z (2021) No.0048338.

(27) The Company provided joint and several liability guarantees of RMB 600 million for Land Port Group's banking consortium loan of RMB 1.6 billion for the Phase II of the Yiwu International E-commerce City project, consisting of Industrial and Commercial Bank of China, Shanghai Pudong Development Bank, and China CITIC Bank. The guarantee period is three years from the effective date of the contract to the expiration date of any and/or all debt performance periods under the financing documents. As at December 31, 2025, Land Port Group has borrowed a total of RMB 1.6 billion from the banking consortium. According to the guarantee contract, the Company assumed a guarantee liability of RMB 600 million to the banking consortium. The loan was also mortgaged by Land Port Group with its real estate of the Phase II of the E-commerce Town, and pledged with the receivables of the second phase of the International E-commerce City project.

(28) The Company provided a guarantee for the loan of RMB 867.4 million granted to Land Port Group by China Construction Bank Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Z (2023) No.0060990 and Yiwu Property Title Certificate of Z (2023) No.0064861.

(29) The Company provided a guarantee for the loan of RMB 337,481,500 granted to Land Port Group by China Construction Bank Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Z (2023) No.0060990 and Yiwu Property Title Certificate of Z (2023) No.0064861.

(30) The Company provided a guarantee for the loan of RMB 660 million granted to Land Port Group by Bank of Hangzhou Jinhua Yiwu Sub-branch, which was also mortgaged by Yiwu Hongfei E-commerce Service Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Z (2023) No.0013309.

(31) The Company provided a guarantee for the loan of RMB 360 million granted to Land Port Group by Bank of China Yiwu Branch, which was also mortgaged by Land Port Group with its immovable property under Yiwu Property Title Certificate of Z (2023) No.0060990.

(32) The Company provided a guarantee for the loan of RMB 198.51 million granted to Land Port Group by Bank of China Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Z (2023) No.0060990 and Yiwu

Property Title Certificate of Z (2023) No.0064861.

(33) Yiwu Bonded Logistics Center Co., Ltd. provided a guarantee for the loan of RMB 150,450,000 granted to Land Port Group by Ping An Bank. The loan was also mortgaged by Yiwu Bonded Logistics Center Co., Ltd. with its immovable property (at No.596, Airport Road) under Yiwu Property Title Certificate of Z (2023) No.0061842 and pledged with all rental income of the property at No.588, Airport Road, Yiwu City during the loan period.

(34) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Huarong Financial Leasing Co., Ltd., covering all the rents, liquidated damages, compensation for economic losses, other payables, litigation costs, attorney's agency fees and other expenses paid for the realization of the creditor's rights under the Financing Lease Contract of Huarong Leasing (23) Hui Zi No.2300033103. The guarantee period was three years after the expiration of the contract performance period. As at December 31, 2025, the principal balance of rent payable was RMB 88,184,400.

(35) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Huarong Financial Leasing Co., Ltd., covering all the rents, liquidated damages, compensation for economic losses, other payables, litigation costs, attorney's agency fees and other expenses paid for the realization of the creditor's rights under the Financing Lease Contract of Huarong Leasing (24) Hui Zi No.2400023103. The guarantee period was three years after the expiration of the contract performance period. As at December 31, 2025, the principal balance of rent payable was RMB 340 million.

(36) The Company provided irrevocable joint and several guarantee for the trust loan contract between Land Port Group and Bohai International Trust Co., Ltd., and the scope of guarantee was the repayment obligations under the Trust Loan Contract No.bitc2023(lr)-7038. As at December 31, 2025, the balance of loan principal payable was RMB 100.3 million.

(37) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Merchants Financial Leasing (Shanghai) Co., Ltd. The principal creditor's right under the guarantee was all the creditor's rights enjoyed against the lessee under the master contract (Financial Leasing Contract of No.CMCL-SH-ZL-2023-081-RZ-01). The guarantee period was 3 years after the expiration of the performance period for the last payment obligation of the debtor under the master contract. As at December 31, 2025, the principal balance of rent payable was RMB 160 million.

(38) Urban Investment Group and HuaAn Property & Casualty Assets Management Co., Ltd. signed an Investment Contract for (Phase I) Infrastructure Debt Investment Plan of Hua'an-Xianqian Street South Extension Project and the Investment Contract for (Phase II) Infrastructure Debt Investment Plan of Hua'an-Xianqian Street South Extension Project, respectively, with a total financing amount of RMB1.6 billion and a term of 9 years. The investment was guaranteed by Bank of Hangzhou Co., Ltd. Jinhua Branch to Hua'an Property & Casualty Asset Management Co., Ltd. with a total guarantee amount of no more than RMB1.6 billion. At the same time, the Company provided a counter-guarantee to Bank of Hangzhou Co., Ltd. for this guarantee. As at December 31, 2025, the closing balance of amount payable to HuaAn Property & Casualty Assets Management Co., Ltd. amounted to RMB 1.58 billion.

(39) Urban Investment Group provided a guarantee for the loan of RMB 615 million granted to Yiwu Urban Construction Resource Operation Co., Ltd. by Industrial Bank Yiwu Branch, which was also

guaranteed by Yiwu Urban Construction Resource Operation Co., Ltd. by pledge of its parking advertising franchise rights.

(40) Yiwu Municipal Gardens Maintenance Co., Ltd. provided a guarantee for the loan of RMB 77,630,000 granted to Yiwu Urban Investment Tourism Development Co., Ltd. by Yiwu Rural Commercial Bank Co., Ltd., which was also mortgaged by Yiwu Urban Investment Tourism Development Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Z (2023) No.0056126.

(41) The Company provided a guarantee for the loan of RMB 58,500,000 granted to Yiwu Urban Investment Tourism Development Co., Ltd. by Industrial and Commercial Bank of China Limited Yiwu Cilin Sub-branch, which was also mortgaged by Yiwu Urban Investment Tourism Development Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Z (2024) No.0042034.

(42) Yiwu Urban Investment Supply Chain Management Co., Ltd. provided a guarantee for the loan of RMB 108,542,200 granted to Yiwu Urban Investment Energy Development Co., Ltd. by China Construction Bank Corporation Yiwu Branch, which was also mortgaged by Yiwu Urban Investment Energy Development Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Z (2025) No.0010465.

(43) On August 8, 2023, Urban Investment Group signed a Financial Leasing Contract with the lessor, Guangzhou Yuexiu Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the supporting and ancillary facilities (leased assets) of Meihu Sports Center Stadium, Gymnasium and Natatorium to Guangzhou Yuexiu Finance Leasing Co., Ltd. and then leasing back the leased assets from the lessor, Guangzhou Yuexiu Financial Leasing Co., Ltd., for a period from August 10, 2023 to August 10, 2026. The Company provided a guarantee for this business. As at December 31, 2025, the closing balance of amount payable to Guangzhou Yuexiu Financial Leasing Co., Ltd. amounted to RMB 200,000,000.

(44) In 2025, Yiwu Urban Construction Resource Operation Co., Ltd. signed a Sale and Leaseback Contract with Ping An International Financial Leasing Co., Ltd. to carry out the sale and leaseback business. It sold the sidewalk toll collection equipment and other leaseholds to Ping An International Financial Lease Co., Ltd., and then leased them back from Ping An International Financial leasing Co., Ltd. for a period of 60 months. Urban Investment Group provided a guarantee for this business. As at December 31, 2025, the closing balance of amount payable to Ping An International Financial Leasing Co., Ltd. amounted to RMB 51,834,400.

(45) Water Affairs Group provided a guarantee for the loan of RMB186,180,400 granted to Yiwu Yinuo Environmental Technology Co., Ltd. by Ping An Bank. The loan was also pledged by Yiwu Yinuo Environmental Technology Co., Ltd. with its accounts receivable (existing and future accounts receivable) generated from the Yiwu Surface Treatment Environmental Protection Industrial Park Project.

(46) Water Affairs Group and Yiwu Wuting Holdings Co., Ltd. provided a guarantee for the loan granted to Yiwu Yifu Commercial Operation Management Co., Ltd. by Bank of China, with a credit line of RMB 255 million. Specifically, Water Affairs Group provided joint and several liability guarantee with a maximum limit of RMB 130.05 million, and Yiwu Wuting Holdings Co., Ltd. provided a joint and several liability guarantee with a maximum limit of RMB 124.95 million. As at December 31, 2025, the accumulated loan amounted to RMB 209.1412 million, of which Water Affairs Group provided a guarantee of RMB 106.662 million, and Yiwu Wuting Holdings Co., Ltd. provided a

guarantee of RMB 102.4792 million. The loan was also mortgaged by Yiwu Yifu Commercial Operation Management Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Z (2024) No. 0006029.

(47) Commodities City Holdings provided a guarantee for the loan of RMB 1,329,900,000 granted to Yiwu Shangbo Yungu Enterprise Management Co., Ltd. by Bank of China, which was also mortgaged by Yiwu Shangbo Yungu Enterprise Management Co., Ltd. with its immovable property at No.2, Building 6, Yiwu Cross-border E-commerce Industrial Park, Chengxi Sub-district, Yiwu City.

(48) The Company provided an unconditional and irrevocable guarantee for the issuance of USD bonds by Chouzhou International Investment Co., Ltd. Chouzhou International Investment Co., Ltd. has actually issued bonds of USD 1.25 billion. As at December 31, 2025, the outstanding principal of the bonds was USD 1.25 billion. According to the guarantee contract, the Company assumed the guarantee liability for the payment and performance of the USD 1.25 billion bonds when they are due.

(49) Market Group provided a guarantee for the loan of RMB 58,086,800 granted to Yiwu Market Development Service Center Co., Ltd. by Bank of Communications, which was also mortgaged by Yiwu Market Development Service Center Co., Ltd. with its use right of state-owned construction land on the south side of Dongzhou Road, Jiangdong Street (Property Title Certificate No.: Z (2023) Yiwu Property Title Certificate No. 0038810).

(50) Market Group provided a guarantee for the loan of RMB 110,520,000 granted to Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd. by Hua Xia Bank, which was also mortgaged by Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd. with its land use right of the plot at Yiwu chemical raw materials storage base.

(51) The Company provided financial guarantee for certain property matters relating to the lease by European Huajie Development Co., Ltd. of Phase II Logistics Park of Prague Airport in the Czech Republic. The guarantee period was from the date of issuance of the financial guarantee (July 5, 2018) to the date when the financial guarantee has been performed (10-year lease period). The maximum amount of the guarantee was rent for 5 years (about EUR 8.44 million, about RMB 63.47 million). At the same time, Zhejiang Huajie Company provided full counter-guarantee for the Company. The lessor of the logistics park has pledged the rent collection right to ING Bank Co., Ltd.

X. Post balance sheet events

1. Profit distribution

According to the Profit Distribution Plan for 2025 adopted at the 3rd meeting of the 10th Board of Directors of Commodities City Group on April 7, 2026, it is proposed to distribute a cash dividend of RMB 5.00 (tax inclusive) for every 10 shares to all shareholders based on the Company's total share capital of 5,483,559,226 shares at the end of 2025. Calculated accordingly, the proposed total cash dividend is RMB 2,741,779,613 (tax inclusive).

2. Large-sum financing

On March 3, 2026, Commodities City Holdings issued 2026 Phase I short-term (with a term of 365 days) financing bonds of Yiwu China Commodities City Holdings Group Co., Ltd. amounting to RMB 660 million whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 1.68%.

On April 7, 2026, Commodities City Holdings issued 2026 Phase I mid-term (with a term of 3 years) notes of Yiwu China Commodities City Holdings Group Co., Ltd. amounting to RMB 660 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 1.85%.

On April 22, 2026, Commodities City Holdings issued 2026 Phase II mid-term (with a term of 3 years) notes of Yiwu China Commodities City Holdings Group Co., Ltd. amounting to RMB 640 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 1.83%.

On April 16, 2026, Commodities City Holdings issued 2026 renewable corporate bonds (Phase I) (with a term of 3 years) of Yiwu China Commodities City Holdings Group Co., Ltd., publicly issued to professional investors amounting to RMB 500 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.00%.

On March 5, 2026, the Company issued 2026 Phase I corporate bonds (with a term of 3 years) of Yiwu State-owned Capital Operation Co., Ltd., privately issued to professional investors amounting to RMB 1.2 billion whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.05%.

On March 23, 2026, the Company issued 2026 Phase II corporate bonds (with a term of 5 years) of Yiwu State-owned Capital Operation Co., Ltd., privately issued to professional investors amounting to RMB 1.5 billion whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.25%.

On April 2, 2026, Construction Investment Group issued 2026 renewable corporate bonds (Phase I) (with a term of 3 years) of Yiwu Construction Investment Group Co., Ltd., privately issued to professional investors amounting to RMB 600 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.10%.

3. Proposed initial public offering of H shares and listing on the Main Board of The Stock Exchange of Hong Kong Limited

On April 7, 2026, Commodities City Group held the 3rd meeting of the 10th Board of Directors and reviewed and approved the relevant proposals on Commodities City Group's proposed initial public offering of H shares and listing on the Main Board of The Stock Exchange of Hong Kong Limited. The aforementioned proposals still need to be submitted to the shareholders' meeting of Commodities City Group for consideration, and need to obtain the approval, ratification or filing of relevant government departments and regulatory agencies such as the China Securities Regulatory Commission, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong, and there are still material uncertainties regarding the relevant matters. The listing of H shares is a non-adjusting event after the balance sheet date. As at the approval date of the financial report, this matter has not had a material impact on the financial position and operating results of the Company.

4. Other matters

As at the approval date of the financial report, the industrial and commercial registration of changes

in the equity of subsidiaries transferred out for free in 2025, namely Yiwu Zhongfu Real Estate Co., Ltd., Yiwu Land Port Chengxin Real Estate Co., Ltd. and Yiwu Huishang Real Estate Co., Ltd., has not been completed.

XI. Relationships and transactions with related parties

1. Related party relationships

(1) Shareholders of the Company

The Company's controlling shareholder is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government.

(2) Subsidiaries of the Company

See Note 7.1 Information of subsidiaries for details of subsidiaries of the Company.

(3) See Note VIII.12 Long-term equity investments for information on the Company's joint ventures and associates.

(4) Other related parties of the Company

Name of other related party	Relationship with the Company
Yiwu Economic & Technological Development Zone Urban Renewal Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Economic and Technological Development Zone Architectural Planning and Design Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Jindu Real Estate Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Jinhetian Development and Construction Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Juhecheng Intelligent Technology Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Xiaozici Construction Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Yicheng Construction and Development Co., Ltd.	Sub-subsidiary of a joint venture
Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Subsidiary of an associate
Yiwu Industrial Investment Co., Ltd.	Subsidiary of an associate
Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Subsidiary of an associate
Yiwu Hongfu Real Estate Co., Ltd.	Subsidiary of an associate
Hangzhou Road & Bridge Group Co., Ltd.	Participating shareholder of Yiwu Urban Facilities Maintenance Co., Ltd.
Yiwu Southern Real Estate Development Co., Ltd.	Minority shareholder of the subsidiary of Urban Investment Group
Sinopec Sales Co., Ltd. Zhejiang Jinhua Petroleum Branch	Minority shareholder of the subsidiary of Urban Investment Group

Name of other related party	Relationship with the Company
Huatong Group Co., Ltd.	Minority shareholder of the sub-subsidiary of Hengfeng Holdings
Yiwu Wanfang Transportation Co., Ltd.	Participating shareholder of Yiwu Chounian Passenger Transport Co., Ltd.
Zhejiang Yijing Environmental Protection Technology Co., Ltd.	Subsidiary of an associate
Zhejiang Huhangyong Maintenance Engineering Co., Ltd.	Participating shareholder of Yiwu Anhong Transportation Maintenance and Construction Engineering Co., Ltd.
Zhejiang Communications Construction Group Co., Ltd.	Participating shareholder of Yiwu Transportation Tourism Construction Industrialization Technology Co., Ltd.
Yiwu Chengzhen Property Co., Ltd.	Subsidiary of an associate
Yiwu Mifeng Chicken Essence Co., Ltd.	Subsidiary of an associate
Yiwu Fotang Town Collective Asset Operation Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Construction Development Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Management Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Small City Development and Construction Co., Ltd.	Subsidiary of an associate
Yiwu Shuangjianghu Real Estate Co., Ltd.	Subsidiary of an associate
Yiwu Mintai Construction Development Co., Ltd.	Subsidiary of an associate
Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	Participating shareholder of Zhejiang Yiwu Tap Water Co., Ltd.
Yiwu Wuting Holdings Co., Ltd.	Participating shareholder of Yiwu Yifu Commercial Operation Management Co., Ltd.
Yiwu Hengfeng Hotel Management Co., Ltd.	Other related parties
Zhejiang Property Rights Exchange Co., Ltd.	Participating shareholder of Yiwu Property Rights Exchange Co., Ltd.
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	的 Minority shareholder of the Company
Shanghai Daguangming Culture (Group) Co., Ltd.	Participating shareholder of Yiwu Yingdu Daguangming Investment Management Co., Ltd.
Yiwu Real Estate Development Co., Ltd.	Other related parties
Yiwu Real Estate Development Co., Ltd.	Other related parties
Yiwu Shangdu International Travel Agency Co., Ltd.	Other related parties
Yiwu Culture and Tourism Development Co., Ltd.	Other related parties
Yiwu Wenlan Tourism Industry Development Co., Ltd.	Other related parties

Name of other related party	Relationship with the Company
Yiwu Investment Promotion Industry Development Co., Ltd.	Other related parties
Zhejiang Hanyu Design Co., Ltd.	Other related parties
Yiwu Hengfeng International Travel Co., Ltd.	Other related parties
Zhejiang Yixin Power Battery Co., Ltd.	Other related parties
Yiwu Economic & Technological Development Zone Urban Renewal Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Honghai Science and Innovation Park Management Co., Ltd.	General partner and managing partner of Yiwu Honghai Equity Investment Partnership (Limited Partnership)
Lou Xianju	Minority shareholder of Zhejiang Yiwu Grain and Oil Storage and Transportation Co., Ltd.

2. Related party transactions

(1) Related party transactions of purchase of goods and receiving of services

Name of related party	Contents of related-party transactions	Pricing principle of related-party transaction	Amount in 2025
Shanghai Daguangming Culture (Group) Co., Ltd.	Interest expense	Agreed price	56,649.34
Yiwu Construction Investment Binjiang Property Service Co., Ltd.	Property management fee	Agreed price	1,116,132.58
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	Fund management fees	Agreed price	3,934,862.72
Yiwu Third Tap Water Co., Ltd.	Water fee	Agreed price	165,183.38
Yiwu Guhe Commodity Concrete Co., Ltd.	Purchase of goods	Agreed price	668,795.07
Yiwu Shangdu International Travel Agency Co., Ltd.	Recuperation expenses	Agreed price	90,000.00
Yiwu Emergency Technology Co., Ltd.	Service fee	Agreed price	102,920.00
Yiwu Zhongfu Real Estate Co., Ltd.	Sale of goods	Agreed price	261,348.68
Yiwu Digital Port Technology Co., Ltd.	Platform service fee	Agreed price	1,320,754.72
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	Purchase of food ingredients	Agreed price	187,141.44
Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	Service fee	Agreed price	1,110,159.86
Yiwu China Commodities City Creative Design Development Service Co., Ltd.	Design fee	Agreed price	2,803,366.33
Zhejiang Hanyu Design Co., Ltd.	Design fee	Agreed price	331,183.96
Yiwu Hengfeng International Travel Co., Ltd.	Recuperation expenses	Agreed price	53,477.07
Zhejiang Yemai Data Technology Co., Ltd.	Procurement costs and platform service fees	Agreed price	916,206.83

Name of related party	Contents of related-party transactions	Pricing principle of related-party transaction	Amount in 2025
Zhejiang Yiyong Construction Co., Ltd.	Engineering construction	Agreed price	1,146,860.55
Zhejiang Yiteng Environmental Technology Co., Ltd.	Network operation and maintenance fee	Agreed price	3,663,024.64
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Service fee	Agreed price	3,589,531.99
Sinopec Sales Co., Ltd. Zhejiang Jinhua Petroleum Branch	Sale of goods	Agreed price	439,548,795.53
Yiwu Honghai Science and Innovation Park Management Co., Ltd.	Fund management fees	Agreed price	9,538,000.00
Yiwu Construction Investment Jujiang Construction Co., Ltd.	Engineering construction	Agreed price	520,234,774.30
Zhejiang Huakong Jingzi Venture Investment Co., Ltd.	Fund management fees	Agreed price	4,491,811.32
Yiwu Resource Recycling Group Co., Ltd.	Garbage removal fees	Agreed price	150,094.51
Yiwu Zhongfu Real Estate Co., Ltd.	Parking lot fees, etc.	Agreed price	1,105,470.45
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	Management fee	Agreed price	2,652,559.84
Yiwu Natural Gas Co., Ltd.	Engineering construction	Agreed price	6,155,706.21

(2) Sale of goods and rendering of services

Name of related party	Contents of related-party transactions	Pricing principle of related-party transaction	Amount in 2025
Hangzhou Road & Bridge Group Co., Ltd.	Payment for projects	Agreed price	9,038,625.34
Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Commission income	Agreed price	1,088.89
Yiwu Construction Investment Binjiang Property Service Co., Ltd.	Management fee	Agreed price	235,849.06
Yiwu Construction Investment Jujiang Construction Co., Ltd.	Sales of commodity	Agreed price	80,980,527.40
Yiwu Economic & Technological Development Zone Urban Renewal Development Co., Ltd.	Labor dispatch	Agreed price	66,809.71
Yiwu Lianyi Industry Enclave Development Co., Ltd.	Labor dispatch	Agreed price	32,276.61
Yiwu Meipinshu Supply Chain Management Co., Ltd.	Sales of commodity	Agreed price	12,187,294.93
Yiwu Shanglv Investment Development Co., Ltd.	Sales of commodity	Agreed price	656,193.14
Yiwu State-owned Assets Greentown Property Service Co., Ltd.	Commission income	Agreed price	283,460.38
Yiwu Hengfeng Hotel Management Co., Ltd.	Labor dispatch	Agreed price	729,664.25
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	Management fee	Agreed price	235,849.06
Yiwu Jinhetian Development and Construction Co., Ltd.	Service fee	Agreed price	293,396.23

Name of related party	Contents of related-party transactions	Pricing principle of related-party transaction	Amount in 2025
Yiwu Shangdu International Travel Agency Co., Ltd.	Sales of goods	Agreed price	14,384.95
Yiwu Trade and Logistics Port Co., Ltd.	Security services	Agreed price	4,130,943.43
Yiwu Shuangjianghu Property Service Co., Ltd.	Security services	Agreed price	8,361,042.71
Yiwu Shuangjianghu Small City Development and Construction Co., Ltd.	Engineering services	Agreed price	14,840,181.65
Yiwu Culture and Tourism Development Co., Ltd.	Recruitment services	Agreed price	37,735.85
Yiwu Xiaozici Construction Development Co., Ltd.	Sales of commodity	Agreed price	2,392,617.27
Yiwu Yicheng Construction and Development Co., Ltd.	Delivery service fee	Agreed price	265,094.34
Yiwu Investment Promotion Industry Development Co., Ltd.	Sales of goods	Agreed price	84,408.41
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	Payment for projects	Agreed price	755,882.57
Zhejiang Fugu Supermarket Co., Ltd.	General expenses	Agreed price	195,873.22
Zhejiang Wutong Co., Ltd.	Security services	Agreed price	81,623.75
Zhejiang Yiwu International Rail-Road Transport Co., Ltd.	Container hoisting fee	Agreed price	1,064,886.80
Zhejiang Yiyong Construction Co., Ltd.	Labor dispatch	Agreed price	111,399.25
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Warehousing fee income	Agreed price	9,714,080.77
Zhejiang Property Rights Exchange Co., Ltd.	Intermediary services	Agreed price	3,147,941.50
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Labor dispatch, commission income, project management service fees, sewage treatment fees, etc.	Agreed price	250,090,498.89
Yiwu Industrial Investment Development Group Co., Ltd.	Labor dispatch, recruitment services, training services, commission income, interpretation fee income	Agreed price	739,866.98
Yiwu Real Estate Development Co., Ltd.	Building materials sales, labor dispatch, training services	Agreed price	738,204.27
Yiwu Third Tap Water Co., Ltd.	Water fees, labor dispatch, etc.	Agreed price	6,016,141.50
Yiwu Industrial Investment Co., Ltd.	Labor dispatch, sales of goods, etc.	Agreed price	1,172,776.10
Yiwu Hongfu Real Estate Co., Ltd.	Consulting service fees, labor dispatch	Agreed price	411,087.96
Yiwu Huishang Property Co., Ltd.	Testing fees, sales of goods, etc.	Agreed price	72,252.28
Yiwu Jindu Real Estate Development Co., Ltd.	Service fees, commission income	Agreed price	469,825.47
Yiwu Mintai Construction Development Co., Ltd.	Management fee, labor dispatch, sales of goods	Agreed price	1,557,908.02
Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	Labor dispatch, sales of goods, etc.	Agreed price	196,518.16

Name of related party	Contents of related-party transactions	Pricing principle of related-party transaction	Amount in 2025
Yiwu Shuangjianghu Construction Development Co., Ltd.	Maintenance, etc.	Agreed price	5,661,481.67
Yiwu Shuangjianghu Management Co., Ltd.	Sales of goods, etc.	Agreed price	2,148,501.48
Yiwu Shuangjianghu Development Group Co., Ltd.	Engineering services, labor dispatch, etc.	Agreed price	7,471,157.24
Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd.	Labor dispatch, commission income, etc.	Agreed price	682,852.03
Yiwu Shuangjianghu Real Estate Co., Ltd.	Construction management fees, maintenance, etc.	Agreed price	4,387,833.15
Yiwu Natural Gas Co., Ltd.	Payment for projects	Agreed price	381,770.19
Yiwu Emergency Technology Co., Ltd.	Security services	Agreed price	14,965,104.00
Yiwu Zhongfu Real Estate Co., Ltd.	Labor dispatch, sales of goods, etc.	Agreed price	3,502,581.94
Yiwu Resource Recycling Group Co., Ltd.	Recruitment services, etc.	Agreed price	399,646.78
Zhejiang Bee Group Co., Ltd.	Security services, etc.	Agreed price	362,266.76
Yiwu Hengfeng International Travel Co., Ltd.	Labor dispatch, etc.	Agreed price	282,502.24
Zhejiang Yijing Environmental Protection Technology Co., Ltd.	Labor dispatch, etc.	Agreed price	4,217,871.27
Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Engineering installation, etc.	Agreed price	2,054,350.41
Zhejiang Yixin Power Battery Co., Ltd.	Engineering installation, etc.	Agreed price	8,774,939.63

(3) Related-party leases

The Company as the lessor:

Lessee	Type of leased asset	Lease income recognized in 2025
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	House on the north side of Headquarters Economic Park B7-22	11,253.76
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	Site	27,743.12
Yiwu Shanglv Investment Development Co., Ltd.	Office place	191,131.49
Yiwu Meipinshu Supply Chain Management Co., Ltd.	Office place	161,575.45
Yiwu Emergency Technology Co., Ltd.	Buildings	222,636.54
Zhejiang Fugu Supermarket Co., Ltd.	Lease expenses	4,980,697.76
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Venue lease	30,000.00
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Office place	566,286.82
Zhejiang Yiteng Environmental Technology Co., Ltd.	Buildings and constructions	34,162.48

Lessee	Type of leased asset	Lease income recognized in 2025
Yiwu Digital Port Technology Co., Ltd.	Office place	217,019.27
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	Site	27,743.12

The Company as the lessee:

Lessor	Type of leased asset	Rental fees recognized in 2025
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Underground parking space	357,798.16
Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Buildings and constructions	867,375.63

(4) Related-party guarantees

The Company as a guarantor

Guarantor	Secured party	Lending financial institution	Guarantee balance (RMB '0,000)	Guarantee start date	Guarantee expiry date	Whether the guarantee has been performed
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	18,997.86	2023/9/28	2028/8/26	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Bank of Jinhua	400.00	2025/6/16	2026/5/26	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Bank of Jinhua	20.00	2025/8/28	2026/6/25	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Bank of Jinhua	380.00	2025/8/28	2027/8/25	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Bank of Jinhua	200.00	2025/12/29	2026/12/16	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	101.15	2025/7/29	2026/1/29	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	36.24	2025/9/25	2026/3/25	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	80.75	2025/9/29	2026/3/29	No

Guarantor	Secured party	Lending financial institution	Guarantee balance (RMB '0,000)	Guarantee start date	Guarantee expiry date	Whether the guarantee has been performed
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	22.37	2025/11/3	2026/5/3	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	131.89	2025/11/19	2026/5/19	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	84.36	2025/11/27	2026/5/27	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	CITIC Bank	159.16	2025/12/24	2026/6/24	No
The Company	Yiwu Industrial Investment Development Group Co., Ltd.	Agricultural Development Infrastructure Fund Co., Ltd.	6,279.00	2022/9/14	2041/9/13	No
The Company	Yiwu Industrial Investment Development Group Co., Ltd.	Ping An Bank	9,500.00	2025/3/28	2028/3/26	No
The Company	Yiwu Industrial Investment Development Group Co., Ltd.	Ping An Bank	9,500.00	2025/6/27	2028/6/24	No
The Company	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Ningbo Bank	4,000.00	2020/5/22	2034/8/11	No
The Company	Yiwu Economic & Technological Development Zone Development Co., Ltd.	20 Yiwu Economic and Technological Development Zone Bond	100,000.00	2020/8/3	2027/8/3	No
The Company	Yiwu Economic & Technological Development Zone Development Co., Ltd.	Debt Investment Plan for Schools at Hua'an-jiangwan Block	53,000.00	2022/3/21	2027/7/8	No
The Company	Yiwu Shuangjianghu Development Group Co., Ltd.	Ningbo Bank	8,000.00	2025/7/16	2028/7/15	No
The Company	Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd.	"Wushang Water Town, Impression Shuangjiang (EOD)" Project	1,260.00	2024/11/5	2043/11/5	No
The Company	Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd.	"Wushang Water Town, Impression Shuangjiang (EOD)" Project	5,062.50	2024/9/10	2044/7/22	No

Guarantor	Secured party	Lending financial institution	Guarantee balance (RMB '0,000)	Guarantee start date	Guarantee expiry date	Whether the guarantee has been performed
The Company	Yiwu Shuangjianghu Development Group Co., Ltd.	Bank of Ningbo (Huaxin Trust)	20,000.00	2025/12/22	2+n	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Agricultural Bank	7,014.26	2023/5/30	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Postal Savings Bank	6,092.22	2023/5/31	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	China Construction Bank	16,349.82	2023/5/31	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Bank of China	3,198.36	2023/6/2	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	CITIC Bank	3,055.70	2023/6/2	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Industrial Bank	10,389.22	2023/6/29	2042/12/20	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Everbright Bank	3,920.00	2025/6/17	2026/6/16	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Bank of Jinhua	2,450.00	2025/9/19	2026/9/16	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Bank of Jinhua	2,450.00	2025/11/30	2026/11/25	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Bank of China	14,553.00	2025/1/3	2027/12/10	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Ningbo Bank	1,960.00	2025/12/1	2026/12/1	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Ningbo Bank	490.00	2025/12/20	2026/12/20	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Huaxia Bank	6,223.00	2024/12/31	2027/12/31	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	China Construction Bank	2,930.20	2025/4/18	2027/4/16	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Minsheng Bank	9,800.00	2025/4/16	2026/4/16	No
The Company	Yiwu Zhen'ai Digital Intelligence Investment Partnership (Limited Partnership)	Industrial and Commercial Bank	10,427.20	2025/10/14	2032/9/29	No
The Company	Yiwu Zhen'ai Digital Intelligence Investment Partnership (Limited Partnership)	CITIC Bank	5,365.50	2025/10/14	2032/9/10	No

Notes to related party guarantee:

Yiwu Urban Investment Supply Chain Management Co., Ltd., a subsidiary of Urban Investment Group, provided a guarantee for Yiwu High-Tech Zone Building Materials Technology Co., Ltd, by means of undertaking joint warranty liability according to a 20% shareholding ratio. The guarantee period was three years from the day immediately after the debt maturity date. As at December 31, 2025, Yiwu High-Tech Zone Building Materials Technology Co., Ltd. has actually borrowed RMB 50 million from Bank of Jinhua, and the Company assumed guarantee liability of RMB 10 million to Bank of Jinhua according to the guarantee agreement.

Yiwu Urban Investment Supply Chain Management Co., Ltd., a subsidiary of Urban Investment Group, provided a guarantee for Yiwu High-Tech Zone Building Materials Technology Co., Ltd, by means of undertaking joint warranty liability according to a 20% shareholding ratio. The guarantee period was one year from the day immediately after the debt maturity date. As at December 31, 2025, Yiwu High-Tech Zone Building Materials Technology Co., Ltd. has actually borrowed RMB 30,796,200 from CITIC Bank, and the Company assumed guarantee liability of RMB 6,159,200 to CITIC Bank according to the guarantee agreement.

The Company provided a guarantee for the corporate bonds issued by Yiwu Economic and Technological Development Zone Development Co., Ltd., by means of full, unconditional, and irrevocable joint liability guarantee. Yiwu Economic and Technological Development Zone Development Co., Ltd. intended to issue corporate bonds with a total face value of no more than RMB1 billion, with a term of up to seven years. As at December 31, 2025, '20 Yiwu Economic and Technological Development Zone Bond' has been issued with a total face value of RMB 1 billion and a term of seven years. The Company assumed a guarantee liability of RMB 1 billion according to the letter of guarantee and guarantee agreement.

The Company provided an unconditional and irrevocable joint liability guarantee for the "Debt Investment Plan for Schools at Hua'an-Jiangwan Block" issued by Yiwu Economic and Technological Development Zone Development Co., Ltd. at Hua'an Property & Casualty Asset Management Co., Ltd. The guaranteed covered the full principal and interest of the plan. The principal of the investment plan was RMB530 million, and the guarantee scope was all creditor's rights under the Investment Contract and the guarantee period was from the effective date of the Letter of Guarantee to three years after the debtor has fulfilled all obligations. As at December 31, 2025, the balance of principal of the debt investment plan was RMB 530 million.

The Company provided a guarantee for the loan of Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd. from Industrial and Commercial Bank of China for the "Wushang Water Town, Impression Shuangjiang (EOD)" Project, and the Company assumed a joint liability guarantee according to the guarantee share of 37.5%. As at December 31, 2025, the Company assumed the guarantee liability of RMB 12.6 million for Industrial and Commercial Bank of China.

The Company provided a guarantee for the loan granted to Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd. by the Agricultural Development Bank of China for the "Wushang Water Town Impression Shuangjiang (EOD) " project. The Company assumed joint and several liability guarantee, and the guarantee period was 3 years from the date immediately after the expiration of the debt performance period as agreed in the master contract -- Fixed Assets Loan Contract. As at December 31, 2025, the Company assumed the guarantee liability of RMB 50,625,000 for Agricultural Development Bank of China.

The Company provides a maximum guarantee of RMB9 billion for the syndicated loan of RMB64 billion for the Zhejiang Yixin Power Battery Co., Ltd.'s Zhejiang Yixin New Energy Power Battery

Production Base Project (Phase I) from a consortium of banks including Agricultural Bank of China, Postal Savings Bank of China, China Construction Bank, Bank of China, CITIC Bank, and Industrial Bank. The guarantee period lasts three years after the debt's fulfillment date under the main contract for each credit business. As at December 31, 2025, Zhejiang Yixin Power Battery Co., Ltd. has borrowed a total of RMB 3,278,193,000 from the banking consortium, and the Company assumed a guarantee liability of RMB 460,995,900 to the banking consortium according to the maximum guarantee contract.

The Company provided a guarantee for Zhejiang Zheyi Asset Management Co., Ltd., with a pro-rata joint guarantee. The corresponding guarantee shares are: The guarantor Zhejiang Zheshang Asset Management Company assumed 51%, and the guarantor the Company assumed 49%. As at December 31, 2025, Zhejiang Zheyi Asset Management Co., Ltd. actually borrowed RMB 80.00 million from China Everbright Bank, RMB 100.00 million from Bank of Jinhua, RMB 297.00 million from Bank of China, RMB 50.00 million from Bank of Ningbo, RMB 127.00 million from Hua Xia Bank, RMB 59.80 million from China Construction Bank, and RMB 200.00 million from Minsheng Bank. According to the maximum amount guarantee contract, the Company assumed guarantee liability of RMB 39.20 million for China Everbright Bank, RMB 49.00 million for Bank of Jinhua, RMB 145.53 million for Bank of China, RMB 24.50 million for Bank of Ningbo, RMB 62.23 million for Hua Xia Bank, RMB 29.302 million for China Construction Bank, and RMB 98.00 million for Minsheng Bank.

The Company as the guaranteed party:

Guarantor	Secured party	Lending financial institution	Guarantee balance (RMB '0,000)	Guarantee start date	Guarantee expiry date	Whether the guarantee has been performed
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Yongying Financial Leasing Co., Ltd.	29,400.00	2022/10/8	2027/10/8	No
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Yongying Financial Leasing Co., Ltd.	28,800.00	2022/11/16	2027/11/16	No
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	7,300.00	2025/12/2	2028/11/26	No
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch	22,700.00	2025/12/10	2028/12/7	No
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	Water Affairs Group	Agricultural Development Bank	1,240.00	2025/12/24	2041/12/18	No
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	Land Port Group	Agricultural Development Bank	52,000.00	2025/9/30	2045/7/29	No

Notes to related party guarantee:

On September 26, 2022, Urban Investment Group signed a Financial Leasing Contract with the lessor, Yongying Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the parking lots at Jiangbin Road, North Chouzhou Road, Yiwu City and the affiliated facilities (leased assets) to Yongying Financial Leasing Co., Ltd., and then leasing back such leased assets from the lessor, Yongying Financial Leasing Co., Ltd. for a period from October 8, 2022 to October 8, 2027. Yiwu Zhongfu Real Estate Co., Ltd. provided a guarantee for this business. As at December 31, 2025, the closing balance of amount payable to Yongying Financial Leasing Co., Ltd. amounted to RMB 294 million.

On November 14, 2022, Urban Investment Group signed a Financial Leasing Contract with the lessor, Yongying Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the parking lots at the south side of Jinfuyuan, North Chouzhou Road, Yiwu City and the affiliated facilities (leased assets) to Yongying Financial Leasing Co., Ltd., and then leasing back such leased assets from the lessor, Yongying Financial Leasing Co., Ltd. for a period from November 16, 2022 to November 16, 2027. Yiwu Zhongfu Real Estate Co., Ltd. provided a guarantee for this business. As at December 31, 2025, the closing balance of amount payable to Yongying Financial Leasing Co., Ltd. amounted to RMB 288 million.

Yiwu Zhongfu Real Estate Co., Ltd. provided a guarantee for the loan granted to Urban Investment Group by Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch. As at December 31, 2025, the Company assumed the guarantee liability of RMB 73 million for Bank of Hangzhou.

Yiwu Zhongfu Real Estate Co., Ltd. provided a guarantee for the loan granted to Urban Investment Group by Bank of Hangzhou Co., Ltd. Jinhua Yiwu Sub-branch. As at December 31, 2025, the Company assumed the guarantee liability of RMB 227 million for Bank of Hangzhou.

Yiwu Digital Intelligence Industry Development Group Co., Ltd. provided a guarantee for the loan granted to Water Affairs Group by Agricultural Development Bank. As at December 31, 2025, the Company assumed the guarantee liability of RMB 12.4 million for Agricultural Development Bank.

Yiwu Digital Intelligence Industry Development Group Co., Ltd. provided a guarantee for the loan granted to Land Port Group by Agricultural Development Bank. As at December 31, 2025, the Company assumed the guarantee liability of RMB 520 million for Agricultural Development Bank.

(5) Loans from and to related parties

Loans to related parties:

Name of related party	Loan amount	Amount returned	Funds outflow date	Funds recovery date
Yiwu Shuangjianghu Construction Development Co., Ltd.	400,000,000.00	400,000,000.00	According to the agreement	Fiscal Year 2025
Yiwu Zhongfu Real Estate Co., Ltd.	258,802,634.80	4,420,000.00	According to the agreement	Fiscal Year 2025
JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATZON FZCO	214,874,886.51		2020/3/9、2021/3/31、2022/5/12	/
Yiwu Shanglv Investment Development Co., Ltd.	17,150,000.00	17,150,000.00	2021/4/5	Fiscal Year 2025
Yiwu Juhecheng Intelligent Technology Co., Ltd.	635,000,000.00		2025	
Yiwu Industrial Investment Co., Ltd.	767,000,000.00		2025	
Yiwu Shuangjianghu Development Group Co., Ltd.	1,320,471,565.90	1,320,471,565.90	2024-2025	Fiscal Year 2025
Yiwu Industrial Investment Development Group Co., Ltd.	5,936,204,729.65	1,465,774,154.59	2024-2025	Fiscal Year 2025
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	493,775,436.99	303,453,715.00	2024-2025	Fiscal Year 2025
Yiwu Digital Intelligence Industry Development Group Co., Ltd.	1,830,829,310.00	720,000,000.00	2025	2025
Yiwu Xiangchuang Cultural Development Co., Ltd.	7,000,000.00	560,000.00	2021/5/4、2021/8/10、2021/10/9	2025

Name of related party	Loan amount	Amount returned	Funds outflow date	Funds recovery date
Yiwu Emergency Technology Co., Ltd.	25,850,000.00	25,850,000.00	2021-2022	2025
Yiwu Huishang Property Co., Ltd.	2,567,000,000.00		2022-2025	

Explanation:

In 2021, Water Affairs Group lent RMB 400 million to Yiwu Shuangjianghu Construction and Development Co., Ltd. at an annual interest rate of 5.8%, and RMB 400 million was repaid in 2025. As at December 31, 2025, the above amount had been fully repaid.

At the beginning of the period, Yiwu Yicheng Commercial Operation Management Co., Ltd., a subsidiary of Water Affairs Group, lent RMB 290,167,607.46 to Yiwu Zhongfu Real Estate Co., Ltd., of which the interest receivable was RMB 31,364,972.66. In 2025, Yiwu Zhongfu Real Estate Co., Ltd. repaid the lent principal of RMB 4,420,000.00, with accrued interest of RMB 14,754,169.79 and repaid interest of RMB 8,405.25. As at December 31, 2025, the balance of the lent funds was RMB 300,493,372.00, of which the interest receivable was RMB 46,110,737.20.

From 2020 to 2022, Commodities City Group provided financial aids totaling RMB 214,874,886.51 to JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATION FZCO, at an annual interest rate of the 6-month average EIBOR plus 5%, with the repayment term determined by the progress of the project.

Commodities City Group provided financial aid of RMB 17.15 million to Yiwu Shanglv Investment Development Co., Ltd. at an annual interest rate of 4.61%-4.83%, and RMB 17.15 million was recovered in 2025. As at December 31, 2025, the above amount had been fully recovered.

In 2025, Commodities City Holdings lent RMB 635 million to Yiwu Juhecheng Intelligent Technology Co., Ltd., for which Yiwu Industrial Investment Development Group Co., Ltd. provided a guarantee. As at December 31, 2025, the outstanding principal and interest amounted to RMB 635,679,097.22.

In 2025, Commodities City Holdings lent RMB 767 million to Yiwu Industrial Investment Co., Ltd., for which Yiwu Industrial Investment Development Group Co., Ltd. and Yiwu Juhecheng Intelligent Technology Co., Ltd. provided guarantees with 100% equity. As at December 31, 2025, the outstanding principal and interest amounted to RMB 767,820,263.89.

In 2024, the Company lent RMB 304,471,565.90 to Yiwu Shuangjianghu Development Group Co., Ltd. at an annual interest rate of 5.8-6.51%. The repayment term was as agreed in the agreement. In 2025, RMB 1,016,000,000.00 was lent out, and RMB 1,320,471,565.90 was recovered. As at December 31, 2025, the above amount had been fully recovered.

In 2024, the Company lent a total of RMB 4,562,204,729.65 to Yiwu Industrial Investment Development Group Co., Ltd. at an annual interest rate of 0-5.8%, with the repayment term as agreed in the agreement. In 2025, RMB 1,374,000,000.00 was lent out and RMB1,465,774,154.59 was recovered. As at December 31, 2025, the unrecovered principal and interest amounted to RMB 4,473,384,844.58.

In 2024, the Company lent RMB 34,724,697.26 to Yiwu Free Trade Development Zone Investment and Development Co., Ltd. at an annual interest rate of 5.8%, with the repayment term as agreed in

the agreement. In 2025, RMB 459,050,739.73 was lent out and RMB 303,453,715.00 was recovered. As at December 31, 2025, the unrecovered principal and interest amounted to RMB 196,339,477.82.

In 2025, the Company lent RMB 1,830,829,310.00 to Yiwu Digital Intelligence Industry Development Group Co., Ltd. at an annual interest rate of 5.8%, with the repayment term as agreed in the agreement. In 2025, RMB 720,000,000.00 was recovered. As at December 31, 2025, the unrecovered principal and interest amounted to RMB 1,134,679,411.99.

In 2021, Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd., a subsidiary of Market Group, provided financial aid of RMB7 million to Yiwu Xiangchuang Cultural Development Co., Ltd. at an annual interest rate of 8%. The interest thereon shall be paid annually and principal thereof shall be repaid at maturity. In 2025, RMB 560,000.00 was recovered. As at December 31, 2025, the unrecovered principal and interest amounted to RMB 6,634,849.32.

From 2021 to 2022, Market Group provided financial aid of RMB 31.85 million to Yiwu Emergency Technology Co., Ltd. at an annual interest rate of 4.35%, with the repayment term determined by the progress of the project. Financial aid of RMB 6.00 million was recovered in previous years, and RMB 25.85 million was recovered in 2025. As at December 31, 2025, the above amount had been fully recovered.

From 2022 to 2025, Market Group lent RMB 2.567 billion to Yiwu Huishang Real Estate Co., Ltd. at an annual interest rate of 2.97-5.3%, with the repayment term as agreed in the agreement. As at December 31, 2025, the unrecovered principal and interest amounted to RMB 2,698,595,576.03.

Loans from related parties:

Name of related party	Borrowed amount	Amount returned	Date of fund inflow	Maturity date of funds
Yiwu Greentown Xiuhui Real Estate Development Co., Ltd.	41,899,582.75	41,899,582.75	2021/4/6-2021/11/1	2025
Yiwu Runxiu Real Estate Co., Ltd.	1,293,600,000.00		2024-2025	
Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	19,000,000.00		2014 and 2025	
Yiwu Industrial Investment Development Group Co., Ltd.	106,813,016.03	106,813,016.03	September 1, 2020	2025
Yiwu Third Tap Water Co., Ltd.	395,230,000.00		2025/10/31	
Yiwu Shuangjianghu Real Estate Co., Ltd.	278,100,000.00		2021-2022	
Yiwu Huishang Property Co., Ltd.	1,213,230,000.00		2021-2022021-2025	
Yiwu Zhongfu Real Estate Co., Ltd.	24,534,000.00		2022-202 2022-2023	
Yiwu Resource Recycling Group Co., Ltd.	200,000,000.00		2024/12/20	According to the agreement
Yiwu Chengzhen Property Co., Ltd.	20,182,421.25		2022/1/18	Depending on capital needs
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	737,624,469.50	737,624,469.50	2022/10/31、 2023/6/29、 2023/10/30、 2023/11/1、2024/9/2	2025
Yiwu Rongshang Real Estate Co., Ltd.	64,418,683.00	10,701,390.77	2022/6/30	Depending on capital needs

Explanation:

Construction Investment Group borrowed RMB 41,899,582.75 from Yiwu Greentown Xiuhui Real Estate Development Co., Ltd. in 2021 at an annual interest rate of 5.4%, and repaid RMB 41,899,582.75 in 2025. As at December 31, 2025, the above amounts have been fully repaid.

Construction Investment Group borrowed RMB 906.50 million from Yiwu Runxiu Real Estate Co., Ltd. in 2024 and RMB 387.10 million in 2025, at an annual interest rate of 2.17%. The fund repayment date was determined according to the project fund demand. As at December 31, 2025, the outstanding principal and interest amounted to RMB 1,294,352,885.00.

Water Affairs Group borrowed RMB 18,000,000.00 from the Labor Union of Zhejiang Yiwu Tap Water Co., Ltd., and the newly borrowed principal in 2025 amounted to RMB 1,000,000.00. As of December 31, 2025, the outstanding principal and interest amounted to RMB 19,307,713.70, of which the accumulated interest on funds occupied was RMB 307,713.70.

Yiwu Yinuo Environmental Technology Co., Ltd., a subsidiary of Water Affairs Group, borrowed RMB 106,813,016.03 from Yiwu Industrial Investment Development Group Co., Ltd. at an annual interest rate of 5.8%. The fund repayment date was determined according to the agreement. RMB 106,813,016.03 was repaid in 2025. As at December 31, 2025, the above amounts have been fully repaid.

Water Affairs Group borrowed RMB 395,230,000.00 from Yiwu No. 3 Tap Water Co., Ltd. in 2025. As of December 31, 2025, the outstanding balance of the loan amounted to RMB 395,230,000.00.

Yiwu Jinyue Shangbo Real Estate Co., Ltd., a subsidiary of Commodities City Real Estate, allocated financial assistance of RMB 709.35 million in total from Yiwu Shuangjianghu Real Estate Co., Ltd. during 2021-2022, which were allocated based on the same share ratio and at an annual interest rate of 6%. RMB 431.25 million has been repaid during 2022-2024. As at December 31, 2025, the outstanding principal and interest amounted to RMB 399,604,808.19.

Four companies, namely Yiwu Jinyue Shangbo Real Estate Co., Ltd., Yiwu Jinlong Shangbo Real Estate Co., Ltd., Yiwu Jinchen Shangbo Real Estate Co., Ltd. and Yiwu Ruiding Shangbo Real Estate Co., Ltd., all subsidiaries of Commodities City Real Estate, borrowed a total of RMB 1,213.23 million from Yiwu Huishang Real Estate Co., Ltd. during 2021-2025. As at December 31, 2025, the outstanding principal and interest amounted to RMB 1,552,145,123.60.

Yiwu Jinchen Shangbo Real Estate Co., Ltd., a subsidiary of Commodities City Real Estate, borrowed RMB 24.534 million from Yiwu Zhongfu Real Estate Co., Ltd. during 2022-2023. As at December 31, 2025, the outstanding principal and interest amounted to RMB 31,103,858.63.

In 2024, the Company borrowed RMB 200 million from Yiwu Resource Recycling Group Co., Ltd. at an annual interest rate of 5.07%, and the repayment date was as agreed in the agreement. As at December 31, 2025, the outstanding principal and interest balance at the end of the period amounted to RMB 200,626,277.78.

Commodities City Group allocated surplus funds totally RMB 20,182,421.25 from Yiwu Chengzhen Real Estate Co., Ltd. in 2022, which was allocated based on the same share ratio and at an annual interest rate of 0%. The repayment date for the funds will be determined according to the capital

demand of Chengzhen Real Estate Project.

In 2022, Commodities City Group allocated surplus funds being RMB 230,600,000.00 in total from Guoshen Shangbo, which were allocated based on the same share ratio and at an annual interest rate of 0%. Commodities City Group also allocated surplus funds of RMB 489,988,200.00 and RMB 17,036,269.50 from Guoshen Shangbo in 2023 and 2024, respectively. As at June 30, 2025, the dividends of RMB 720,588,200.00 have been recognized, and the remaining RMB 17,036,269.50 have been returned.

Commodities City Group received the advance dividend of RMB 64,418,683.00 from Rongshang Real Estate in 2022. As at December 31, 2025, RMB 10,701,390.77 had been repaid, and the repayment date for the remaining funds will be determined according to the project needs.

3. Receivables from and payables to related parties

(1) Receivables

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Accounts receivable	Hangzhou Road & Bridge Group Co., Ltd.	1,677,790.00	16,777.90
Accounts receivable	Yiwu Construction Investment Binjiang Property Service Co., Ltd.	500,000.00	
Accounts receivable	Yiwu Construction Investment Jujiang Construction Co., Ltd.	4,822,521.90	
Accounts receivable	Yiwu Economic & Technological Development Zone Development Co., Ltd.	251,069,855.12	
Accounts receivable	Yiwu Meipinshu Supply Chain Management Co., Ltd.	4,915,325.23	18,678.24
Accounts receivable	Yiwu Shanglv Investment Development Co., Ltd.	19,580.89	74.41
Accounts receivable	Yiwu Industrial Investment Development Group Co., Ltd.	174,557,916.92	69,769,628.77
Accounts receivable	Yiwu Real Estate Development Co., Ltd.	7,134.29	
Accounts receivable	Yiwu Third Tap Water Co., Ltd.	1,549,151.68	
Accounts receivable	Yiwu Fotang Town Collective Asset Operation Co., Ltd.	473,640.00	284,184.00
Accounts receivable	Yiwu Industrial Investment Co., Ltd.	29,200.23	
Accounts receivable	Yiwu Hengfeng Hotel Management Co., Ltd.	81,156.18	
Accounts receivable	Yiwu Hongfu Real Estate Co., Ltd.	317,678.37	185.00
Accounts receivable	Yiwu Huishang Property Co., Ltd.	11,589.00	
Accounts receivable	Yiwu Construction Investment Gemdale Property Services Co., Ltd.	250,000.00	
Accounts receivable	Yiwu Jindu Real Estate Development Co., Ltd.	21,052.00	

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Accounts receivable	Yiwu Cross-border E-commerce Supply Chain Management Co., Ltd.	63,457.41	
Accounts receivable	Yiwu Mifeng Chicken Essence Co., Ltd.	184,805.00	
Accounts receivable	Yiwu Mintai Construction Development Co., Ltd.	48,087,327.27	10,001,013.28
Accounts receivable	Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	14,160.96	
Accounts receivable	Yiwu Shuangjianghu Construction Development Co., Ltd.	304,154.00	
Accounts receivable	Yiwu Shuangjianghu Management Co., Ltd.	1,041,700.00	
Accounts receivable	Yiwu Shuangjianghu Development Group Co., Ltd.	277,760.63	
Accounts receivable	Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd.	70,222.32	
Accounts receivable	Yiwu Shuangjianghu Small City Development and Construction Co., Ltd.	49,659.00	
Accounts receivable	Yiwu Shuangjianghu Real Estate Co., Ltd.	203,906.55	
Accounts receivable	Yiwu Natural Gas Co., Ltd.	87,971.72	879.72
Accounts receivable	Yiwu Wanfang Transportation Co., Ltd.	24,832.36	
Accounts receivable	Yiwu Xiaozici Construction Development Co., Ltd.	105,487,760.05	
Accounts receivable	Yiwu Zhongfu Real Estate Co., Ltd.	243,015.44	
Accounts receivable	Yiwu Zhongfu Real Estate Co., Ltd.	388,955.15	73.83
Accounts receivable	Yiwu Resource Recycling Group Co., Ltd.	17,880.00	
Accounts receivable	Yiwu Digital Port Technology Co., Ltd.	151.20	0.57
Accounts receivable	Zhejiang Huhangyong Maintenance Engineering Co., Ltd.	54,208,570.72	
Accounts receivable	Zhejiang Communications Construction Group Co., Ltd.	20,010,065.72	
Accounts receivable	Zhejiang Luxin Construction Co., Ltd.	4,651,058.39	
Accounts receivable	Zhejiang Bee Group Co., Ltd.	116,215.00	5,810.75
Accounts receivable	Yiwu Hengfeng International Travel Co., Ltd.	68,262.17	549.90
Accounts receivable	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	2,423,020.00	
Accounts receivable	Zhejiang Yixin Power Battery Co., Ltd.	27,238.10	
Sub-total		678,355,740.97	80,097,856.37
Advances to suppliers	Yiwu Zhongfu Real Estate Co., Ltd.	681,248.57	

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Advances to suppliers	Sinopec Sales Co., Ltd. Zhejiang Jinhua Petroleum Branch	37,926,706.50	
Advances to suppliers	Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	2,745,134.40	
Advances to suppliers	Yiwu Natural Gas Co., Ltd.	256,640.00	
Sub-total		41,609,729.47	
Dividends receivable	Hangzhou Zhexuan Enterprise Management Co., Ltd.	6,847,076.98	
Sub-total		6,847,076.98	
Other receivables	Yiwu Shuangjianghu Real Estate Co., Ltd.	208,343.00	
Other receivables	Yiwu Natural Gas Co., Ltd.	5,322.37	
Other receivables	Yiwu Third Tap Water Co., Ltd.	10,000.00	2,000.00
Other receivables	Yiwu Zhongfu Real Estate Co., Ltd.	1,214,173,546.67	12,163,063.47
Other receivables	Hangzhou Road & Bridge Group Co., Ltd.	100,000.00	5,000.00
Other receivables	Yiwu Shenneng Construction Waste Resource Utilization Co., Ltd.	851,506.39	8,515.07
Other receivables	Zhejiang Yiyang Construction Co., Ltd.	5,890.00	58.90
Other receivables	Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	196,476,195.40	683.59
Other receivables	Sinopec Sales Co., Ltd. Zhejiang Jinhua Petroleum Branch	700,000.00	7,000.00
Other receivables	Yiwu Xiaozici Construction Development Co., Ltd.	53,640,955.58	29,137,168.06
Other receivables	Yiwu Industrial Investment Development Group Co., Ltd.	4,474,076,830.91	
Other receivables	Yiwu Digital Intelligence Industry Development Group Co., Ltd.	1,134,679,411.99	
Other receivables	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	593,000.00	
Other receivables	Yiwu Land Port Chengxin Real Estate Co., Ltd.	76,397,160.99	
Other receivables	Haicheng Yiwu Commodities City Commercial Development Co., Ltd.	5,000,000.00	
Other receivables	Yiwu Shanglv Investment Development Co., Ltd.	2,405.67	
Other receivables	Yiwu Xiangchuang Cultural Development Co., Ltd.	6,968,283.32	
Other receivables	Yiwu Emergency Technology Co., Ltd.	3,863,924.57	193,196.23
Other receivables	Yiwu Wenlan Tourism Industry Development Co., Ltd.	2,919,345.40	
Other receivables	Yiwu Lvhe E-commerce Co., Ltd.	2,000.00	

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Other receivables	Yiwu Huishang Property Co., Ltd.	2,698,595,576.03	
Other receivables	Yiwu Digital Port Technology Co., Ltd.	25,000.00	
Other receivables	Yiwu Industrial Investment Co., Ltd.	820,263.89	
Other receivables	Yiwu Juhecheng Intelligent Technology Co., Ltd.	679,097.22	
Other receivables	Yiwu Zhongfu Real Estate Co., Ltd.	300,493,372.00	
Other receivables	Yiwu Wuting Holdings Co., Ltd.	12,000,000.00	
Sub-total		10,183,287,431.40	41,516,685.32
Contractual assets	Hangzhou Road & Bridge Group Co., Ltd.	3,386,975.71	33,869.76
Sub-total		3,386,975.71	33,869.76
Non-current assets due within one year	Yisha Chengdu International Trade City Co., Ltd.	48,073,333.33	
Sub-total		48,073,333.33	
Long-term receivables	JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATZON FZCO	255,266,032.72	
Long-term receivables	Yiwu Juhecheng Intelligent Technology Co., Ltd.	635,000,000.00	
Long-term receivables	Yiwu Industrial Investment Co., Ltd.	767,000,000.00	
Sub-total		1,657,266,032.72	
Total		12,618,826,320.58	121,648,411.45

(2) Payables

Project	Related parties	Closing book balance
Accounts payable	Zhejiang Huhangyong Maintenance Engineering Co., Ltd.	9,687,094.92
Accounts payable	Hangzhou Road & Bridge Group Co., Ltd.	96,000.00
Accounts payable	Yiwu Construction Investment Jujiang Construction Co., Ltd.	240,901.93
Accounts payable	Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	120,000.00
Accounts payable	Yiwu Hengfeng International Travel Co., Ltd.	90,000.00
Accounts payable	Zhejiang Hanyu Design Co., Ltd.	1,040,000.00
Accounts payable	Zhejiang Yiteng Environmental Technology Co., Ltd.	695,034.78

Project	Related parties	Closing book balance
Sub-total		11,969,031.63
Advances from customers	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	135,832.15
Advances from customers	Yiwu Wanfang Transportation Co., Ltd.	199,635.01
Advances from customers	Yiwu Economic & Technological Development Zone Development Co., Ltd.	420,000.00
Sub-total		755,467.16
Contractual liabilities	Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	777,532.57
Contractual liabilities	Yiwu Zhongfu Real Estate Co., Ltd.	1,327,454.22
Contractual liabilities	Yiwu Natural Gas Co., Ltd.	46,632.13
Contractual liabilities	Sinopec Sales Co., Ltd. Zhejiang Jinhua Petroleum Branch	1,397,750.56
Contractual liabilities	Yiwu Shuangjianghu Construction Development Co., Ltd.	3,494,370.79
Contractual liabilities	Yiwu Yicheng Construction and Development Co., Ltd.	14,276,205.10
Contractual liabilities	Yiwu Jindu Real Estate Development Co., Ltd.	13,849,098.80
Contractual liabilities	Yiwu Shuangjianghu Small City Development and Construction Co., Ltd.	19,282,613.95
Contractual liabilities	Yiwu Xiaozici Construction Development Co., Ltd.	5,345,008.30
Contractual liabilities	Yiwu Shuangjianghu Real Estate Co., Ltd.	2,859,841.35
Contractual liabilities	Yiwu Zhongfu Real Estate Co., Ltd.	1,513,186.77
Contractual liabilities	Yiwu Runxiu Real Estate Co., Ltd.	3,801,082.39
Contractual liabilities	Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	2,315,890.95
Contractual liabilities	Yiwu Economic & Technological Development Zone Development Co., Ltd.	2,158,651.01
Contractual liabilities	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	15,022,474.50
Contractual liabilities	Zhejiang Yixin Power Battery Co., Ltd.	178,795.61
Contractual liabilities	Zhejiang Seaport Yiwu Hub Port Co., Ltd.	8,050.00
Contractual liabilities	Zhejiang Yiyong Construction Co., Ltd.	1,336,471.35
Contractual liabilities	Yiwu Industrial Investment Development Group Co., Ltd.	16,100.00
Contractual liabilities	Yiwu Construction Investment Jujiang Construction Co., Ltd.	2,040.00
Contractual liabilities	Zhejiang Luxin Construction Co., Ltd.	8,900.00
Contractual liabilities	Yiwu Third Tap Water Co., Ltd.	351,253.37
Sub-total		89,369,403.72
Dividends payable	Lou Xianju	1,996,118.02

Project	Related parties	Closing book balance
Sub-total		1,996,118.02
Other payables	Yiwu Mintai Construction Development Co., Ltd.	1,000,000.00
Other payables	Yiwu Xingmao Property Co., Ltd.	98,204,750.00
Other payables	Yiwu Jinyu Real Estate Development Co., Ltd.	372,000,000.00
Other payables	Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	20,398,444.92
Other payables	Yiwu Runxiu Real Estate Co., Ltd.	1,294,352,885.00
Other payables	Yiwu Construction Investment Gemdale Property Services Co., Ltd.	3,982.44
Other payables	Yiwu Emergency Technology Co., Ltd.	108,745.66
Other payables	Zhejiang Communications Construction Group Co., Ltd.	819,176.44
Other payables	Hangzhou Road & Bridge Group Co., Ltd.	529,347.20
Other payables	Yiwu Zhongfu Real Estate Co., Ltd.	31,562,101.63
Other payables	Yiwu Shuangjianghu Development Group Co., Ltd.	36,439.67
Other payables	Yiwu Natural Gas Co., Ltd.	500,000.00
Other payables	Yiwu Chengjian Property Service Co., Ltd.	17,898.75
Other payables	Yiwu PetroChina Sales Co., Ltd.	123,747.00
Other payables	Yiwu Resource Recycling Group Co., Ltd.	200,626,277.78
Other payables	Yiwu Real Estate Development Co., Ltd.	537,777,916.67
Other payables	Yiwu Construction Investment Jujiang Construction Co., Ltd.	6,381.31
Other payables	Huatong Group Co., Ltd.	77,199,870.84
Other payables	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	3,058,644.00
Other payables	Yiwu Wanfang Transportation Co., Ltd.	2,229,053.70
Other payables	Zhejiang Property Rights Exchange Co., Ltd.	500,000.00
Other payables	Zhejiang Hanyu Design Co., Ltd.	250,853.00
Other payables	Yiwu Cross-border E-commerce Supply Chain Management Co., Ltd.	599,991.00
Other payables	Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	3,087.80
Other payables	Yiwu Huishang Property Co., Ltd.	1,556,174,485.68
Other payables	Yiwu Shuangjianghu Real Estate Co., Ltd.	399,604,808.19
Other payables	Yiwu Rongshang Real Estate Co., Ltd.	53,717,292.23
Other payables	Yiwu Chengzhen Property Co., Ltd.	20,182,421.25

Project	Related parties	Closing book balance
Other payables	Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	2,900,000.00
Other payables	Shanghai Daguangming Culture (Group) Co., Ltd.	1,810,770.15
Other payables	Yiwu Huishang Zijing Equity Investment Co., Ltd.	1,635,000.00
Other payables	Zhejiang Zhongxin Lihe Tech-finance Service Co., Ltd.	473,159.77
Other payables	Yiwu Heimahui Enterprise Services Co., Ltd.	111,080.00
Other payables	Yiwu Meipinshu Supply Chain Management Co., Ltd.	57,000.00
Other payables	Yiwu Digital Port Technology Co., Ltd.	32,000.00
Other payables	Hangzhou Micro Ant Technology Co., Ltd.	11,080.00
Other payables	Zhejiang Yemai Data Technology Co., Ltd.	6,790.00
Other payables	Yiwu Industrial Investment Development Group Co., Ltd.	16,000,000.00
Other payables	Zhejiang Yiteng Environmental Technology Co., Ltd.	3,000.00
Other payables	Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	19,307,713.70
Other payables	Yiwu Libao Solid Waste Disposal Co., Ltd.	8,000.00
Other payables	Yiwu Third Tap Water Co., Ltd.	395,230,000.00
Sub-total		5,109,174,195.78
Long-term payables	Yiwu Southern Real Estate Development Co., Ltd.	3,818,353.00
Sub-total		3,818,353.00
Total		5,217,082,569.31

XII. Notes to the main items of the Company's financial statements

1. Other receivables

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Interests receivable		
Dividends receivable	336,339.22	336,339.22
Other receivables	34,807,624,632.45	32,818,887,622.00
Total	34,807,960,971.67	32,819,223,961.22

(1) Dividends receivable

1) Classification of dividends receivable

Item	Balance as at December 31, 2025	Balance as at January 1, 2025
Dividends receivable with the aging within one year		
Including: Zhejiang Wuchan Zhongda Supply Chain Services Co., Ltd.		
Dividends receivable with the aging of more than one year	336,339.22	336,339.22
Including: Zhejiang Wuchan Zhongda Supply Chain Services Co., Ltd.	336,339.22	336,339.22
Total	336,339.22	336,339.22

(2) Other receivables

1) Disclosure by aging

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	33,846,196,278.89	31,926,991,994.34
1-2 years	102,229,265.11	237,652,757.81
2-3 years	216,273,235.74	38,231,385.88
Over 3 years	642,925,852.71	616,011,483.97
Sub-total	34,807,624,632.45	32,818,887,622.00
Less: Provision for bad debt		
Total	34,807,624,632.45	32,818,887,622.00

2) Disclosure by the nature of funds

Nature of payment	Balance as at December 31, 2025	Balance as at January 1, 2025
Related parties	33,246,187,697.52	31,179,748,918.90
Large enterprises' funds	1,518,917,690.12	1,599,203,108.25
Deposits, guarantees, etc.	36,810,000.00	35,671,174.00
Temporary loans (advances)	3,766,426.52	2,736,579.26
Others	1,942,818.29	1,527,841.59
Sub-total	34,807,624,632.45	32,818,887,622.00
Less: Provision for bad debt		
Total	34,807,624,632.45	32,818,887,622.00

3) Classification by method of provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Provision for bad debts accrued on an individual basis					
Provision for bad debts based on credit risk characteristics	34,807,624,632.45	100			34,807,624,632.45
Total	34,807,624,632.45	100			34,807,624,632.45

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Provision for bad debts accrued on an individual basis					
Provision for bad debts based on credit risk characteristics	32,818,887,622.00	100			32,818,887,622.00
Total	32,818,887,622.00	100			32,818,887,622.00

2. Long-term equity investment

(1) Classification of long-term equity investment

Item	Balance as at January 1, 2025	Increase in 2025	Decrease in 2025	Balance as at December 31, 2025
Investment in subsidiaries	14,893,808,751.92	1,070,549,095.27	71,907,773.80	15,892,450,073.39
Investment in joint ventures	208,111,801.72		11,263,757.94	196,848,043.78
Investment in associates	11,223,891,289.57		930,331,275.96	10,293,560,013.61
Sub-total	26,325,811,843.21	1,070,549,095.27	1,013,502,807.70	26,382,858,130.78
Less: Provision for impairment of long-term equity investment				
Total	26,325,811,843.21	1,070,549,095.27	1,013,502,807.70	26,382,858,130.78

(2) Details of long-term investments

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/Decrease	Balance as at December 31, 2025	Provision for impairment	Cash bonus in 2025
Subsidiary	—-	—	—	—	—	—	—	—
Yiwu Property Rights Exchange Co., Ltd.	Cost method	24,495,630.35	90	24,495,630.35		24,495,630.35		
Jinhua Yichan Auction Co., Ltd.	Cost method	3,000,000.00	100	3,000,000.00		3,000,000.00		
Yiwu Folk Financing Service Center Co., Ltd.	Cost method		52	26,000,000.00	-26,000,000.00			
Zhejiang Yiwu Liming Lake Training Service Co., Ltd.	Cost method	10,000.00	100	10,000.00		10,000.00		
Yiwu Financial Holdings Co., Ltd.	Cost method	1,177,521,300.96	100	1,177,521,300.96		1,177,521,300.96		
Yiwu State-owned Capital Operation (Hong Kong) Co., Ltd.	Cost method	441,600.00	100	441,600.00		441,600.00		
Yiwu Education Development Co., Ltd.	Cost method	100,000,000.00	100	100,000,000.00		100,000,000.00		
Yiwu Yibang Enterprise Management Co., Ltd.	Cost method	10,000.00	100	10,000.00		10,000.00		
Yiwu Construction Investment Group Co., Ltd.	Cost method	1,787,530,000.00	100	1,787,530,000.00		1,787,530,000.00		
Yiwu Urban Investment and Construction Group Co., Ltd.	Cost method	858,352,916.99	91.55	858,352,916.99		858,352,916.99		
Yiwu Hengfeng Holdings Co., Ltd.	Cost method	1,014,466,881.71	100	754,558,612.10	259,908,269.61	1,014,466,881.71		
Yiwu International Land Port Group Co., Ltd.	Cost method	2,604,350,000.00	100	1,949,350,000.00	655,000,000.00	2,604,350,000.00		
Yiwu Market Development Group Co., Ltd.	Cost method	3,124,407,795.90	94.28	3,124,407,795.90		3,124,407,795.90		797,119,485.00
Yiwu Financing Guarantee Co., Ltd.	Cost method	1,000,000,000.00	97.32	1,000,000,000.00		1,000,000,000.00		
Yiwu Water Affairs Construction Group Co., Ltd.	Cost method	561,820,000.00	100	561,820,000.00		561,820,000.00		
Yiwu Transportation Tourism Industry Development Group Co., Ltd.	Cost method	2,999,150,353.34	100	2,999,150,353.34		2,999,150,353.34		

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/Decrease	Balance as at December 31, 2025	Provision for impairment	Cash bonus in 2025
Yiwu Transportation Real Estate Co., Ltd.	Cost method	200,000,000.00	24.83	200,000,000.00		200,000,000.00		
Yiwu Industrial Investment Equity Investment Partnership (Limited Partnership)	Cost method	224,252,768.48	99.9	270,160,542.28	-45,907,773.80	224,252,768.48		
Yiwu Qingyi Investment Development Limited Liability Company	Cost method	7,000,000.00	100	7,000,000.00		7,000,000.00		
Yiwu Talent Development Group Co., Ltd.	Cost method	50,000,000.00	100	50,000,000.00		50,000,000.00		
Yiwu Chengxin Financing Guarantee Co., Ltd.	Cost method	155,640,825.66	60		155,640,825.66	155,640,825.66		
Sub-total	—	—	—	14,893,808,751.92	998,641,321.47	15,892,450,073.39		797,119,485.00
Joint venture								
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	Equity method	211,000,000.00	49	208,111,801.72	-11,263,757.94	196,848,043.78		
Sub-total		—	—	208,111,801.72	-11,263,757.94	196,848,043.78		
Associate	—	—	—					
Yiwu Industrial Investment Development Group Co., Ltd.	Equity method	5,685,204,124.32	49.02	5,850,246,322.36	-338,412,424.36	5,511,833,898.00		
Yiwu Chengxin Financing Guarantee Co., Ltd.	Equity method			51,575,012.70	-51,575,012.70			
Yiwu Shuangjianghu Development Group Co., Ltd.	Equity method	4,446,238,640.34	40	4,454,203,041.51	-570,768,623.75	3,883,434,417.76		1,648,324.01
Yiwu Huishang Microfinance Co., Ltd.	Equity method	25,650,000.00	5	17,173,574.06	308,595.07	17,482,169.13		
Yiwu Huishang Zijing Equity Investment Co., Ltd.	Equity method	6,864,872.45	4.17	21,444,640.34	-5,869,125.04	15,575,515.30		1,050,000.00
Zhejiang Zheyi Asset Management Co., Ltd.	Equity method	490,000,000.00	49	566,441,916.92	27,987,611.87	594,429,528.79		7,840,000.00
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	Equity method	1,250,000.00	30	2,534,890.45	736,610.45	3,271,500.90		
Yiwu Resource Recycling Group Co., Ltd.	Equity method	224,509,556.57	40	260,271,891.23	7,261,092.50	267,532,983.73		4,997,202.62

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2025	Increase/Decrease	Balance as at December 31, 2025	Provision for impairment	Cash bonus in 2025
Sub-total	—	—	—	11,223,891,289.57	-930,331,275.96	10,293,560,013.61		15,535,526.63
Total	—	—	—	26,325,811,843.21	57,046,287.57	26,382,858,130.78		812,655,011.63

Explanation:

(1) The Company held 5% equity of Yiwu Huishang Microfinance Co., Ltd. (hereinafter referred to as "Huishang Microfinance"), Zhejiang Yiwu Tap Water Co., Ltd. held 5% equity of Huishang Microfinance, and Commodities City Group held 23% equity of Huishang Microfinance. Thus, the Company directly and indirectly held 33% equity of Huishang Microfinance. Huishang Microfinance had 9 directors, including 1 from Commodities City Group, 1 from Zhejiang Yiwu Taps Water Co., Ltd. and 1 from the Company. Therefore, it can be judged that the Company had a significant impact on Huishang Microfinance through direct and indirect shareholding, which was listed as long-term equity investment and accounted for under the equity method.

(2) The Company held 4.16% equity of Yiwu Huishang Zijing Equity Investment Co., Ltd. (hereinafter referred to as "Huishang Equity"), Commodities City Group held 10.41% equity of Huishang Equity, and Yiwu Security Service Co., Ltd. held 2.08% equity of Huishang Equity. Therefore, the Company directly and indirectly held 16.65% equity of Huishang Equity. Huishang Equity had 5 directors, including 1 from Commodities City Group and 1 from the Company. Therefore, it can be judged that the Company had a significant impact on Huishang Equity through direct and indirect shareholding, which was listed as long-term equity investment and accounted for under the equity method.

(3) In December 2023, the Company increased its capital to Market Group by RMB 1.4 billion. In December 2024, the Company signed an agreement with ICBC Financial Asset Investment Co., Ltd., according to which the Company's shareholding ratio was changed to 88.5688%, and the Company's indirect shareholding ratio through ICBC changed to 11.4312%/2 = 5.7156%, making the total shareholding 94.2844%

3. Investment income

Source of investment income	Amount in 2025	Amount in 2024
Long-term equity investment income	393,150,897.69	56,281,008.65
Including: Long-term equity investment income calculated under the cost method	797,119,485.00	
Long-term equity investment income calculated under equity method	-403,494,611.34	71,032,982.86
Investment income from disposal of long-term equity investment	-473,975.97	-14,751,974.21
Investment income from other non-current financial assets incurred during the holding period	9,953,600.69	11,384,666.75
Other investment income		4,493,381.92
Total	403,104,498.38	72,159,057.32

4. Supplementary information to the statement of cash flows

(1) Net profit adjusted to cash flows from operating activities under the indirect method

Item	Amount in 2025	Amount in 2024
1. Net profit adjusted to cash flow from operating activities:	—	—
Net profit	688,681,381.85	503,643,479.54
Plus: Provision for impairment of assets		
Losses from credit impairment	27,616,837.27	10,197,326.90
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	132,765,892.72	136,226,342.84
Depreciation of right-of-use assets	259,343.88	194,507.64
Amortization of intangible assets	109,767,052.90	106,979,259.86
Amortization of long-term deferred expenses	1,886,382.17	2,248,943.49
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)		-10,262.00
Losses from write-off of fixed assets ("-" for gains)		-5,880.82
Losses from changes in fair value (“-” for gains)	-6,119,551.70	267,031,470.18
Financial expenses (“-” for gains)	61,328,499.73	452,819,525.29
Investment losses ("-" for gains)	-403,104,498.38	-72,159,057.32
Decreases in deferred income tax assets (“-” for increases)	-6,802,298.54	82,905,332.82
Increases in deferred income tax liabilities (“-” for decreases)	1,424,828.31	-44,312,712.32
Decreases in inventories ("-" for increases)		
Decreases in operating receivables (“-” for increases)	-6,120,710.96	-148,682,885.42

Item	Amount in 2025	Amount in 2024
Increases in operating payables ("-" for decreases)	-21,976,339.86	22,727,552.35
Others		
Net cash flows from operating activities	579,606,819.39	1,319,802,943.03
II. Significant investing and financing activities not involving cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under financing leases		
III. Net changes in cash and cash equivalents:		
Closing balance of cash	1,093,293,395.70	897,210,720.93
Less: Opening balance of cash	897,210,720.93	568,642,144.29
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	196,082,674.77	328,568,576.64

XIII. Other contents to be disclosed as required by relevant financial and accounting systems

None.

XIV. Approval of financial statements

The Company's financial statements for 2025 were disclosed upon approval of the Company's management.

Yiwu State-owned Capital Operation Co., Ltd.

April 29, 2026

Yiwu State-owned Capital Operation Co., Ltd.

Audit Report

Zhe-Zhi-Kuai-Shen-A-Zi [2025] NO.0016

Zhejiang Zhicheng Certified Public Accountants

(Special general partnership)

Yiwu State-owned Capital Operation Co., Ltd.

For the Year Ended 31 December 2024

Audit Report

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Note: The Chinese version of the Audit Report takes precedence over the English translation which is only for reference purposes

浙江至诚会计师事务所(特殊普通合伙)
ZHEJIANG ZHICHENG CERTIFIED PUBLIC ACCOUNTANTS (SPECIAL GENERAL PARTNERSHIP)

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Hangzhou City
Zip code: 310009
Tel: (0571) 8704 7751
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Auditor's Report

ZZKSAZ [2025] No.0016

All shareholders of Yiwu State-owned Capital Operation Co., Ltd.:

I. Opinion

We have audited the financial statements of Yiwu State-owned Capital Operation Co., Ltd. (hereinafter referred to as the “Company”), which comprise the consolidated balance sheet and the balance sheet as at December 31, 2024, the consolidated income statement and the income statement, the consolidated statement of cash flows and the statement of cash flows, the consolidated statement of changes in owners’ equity and the statement of changes in owners' equity for the year then ended and notes to the financial statements.

In our opinion, the financial statements attached are prepared, in all material respects, in accordance with the Accounting Standards for Business Enterprises, and present fairly the consolidated financial positions and the Company's financial positions as at December 31, 2024 and the consolidated operating results and cash flows and the Company's operating results and cash flows for the year then ended.

II. Basis for Opinion

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of this auditor's report. According to the Code of Ethics for Certified Public Accountants of China, we are independent of the Company, and we have fulfilled other responsibilities in the aspect of code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the management is responsible for assessing the Company’s going-concern ability, disclosing the matters related to going concern (if applicable) and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance in the Company (hereinafter referred to as "those charged with governance") are responsible for overseeing the Company's financial reporting process.

IV. Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are generally considered material if separate or aggregated misstatements are reasonably expected to possibly influence the economic decisions made by the users of financial statements on the basis of these financial statements.

During the process of an audit conducted in accordance with audit standards, we exercise professional judgment and maintain professional scepticism. 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) Understand the 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 internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of the Management's use of the going-concern assumption. Meanwhile, based on the audit evidence obtained, we come to a conclusion on whether a material uncertainty exists in events or conditions that may cause significant doubt on the Company's going-concern ability. If we conclude that a material uncertainty exists, we are required to, in our auditor's report, draw attention of the users of statements to the related disclosures in the financial statements; if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 the financial statements, and evaluate 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 an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Zhejiang Zhicheng Certified Public Accountants (Special General Partnership)

Certified Public Accountants of China:

Certified Public Accountants of China:

Hangzhou, China

Report date: April 29, 2025

Consolidated Balance Sheet

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2024 Unit: RMB

Assets	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current assets			
Monetary funds	VIII.1	17,583,985,302.25	13,124,884,119.83
Balances with clearing companies			
Loans to banks and other financial institutions			
Financial assets held for trading	VIII.2	400,316,994.86	15,130,895.00
Derivative financial assets			
Notes receivable	VIII.3	11,170,000.00	260,000.00
Accounts receivable	VIII.4	3,065,452,558.38	2,794,750,425.57
Financing receivables			
Advances to suppliers	VIII.5	1,367,803,896.35	1,240,510,395.80
Insurance premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	VIII.6	11,440,372,632.16	11,289,743,451.66
Financial assets purchased under resale agreements			
Inventories	VIII.7	74,056,095,758.66	76,533,617,358.46
Contractual assets	VIII.8	38,436,720.38	88,371,253.74
Assets held for sale			
Non-current assets maturing within one year	VIII.9	26,907,945.49	40,778,612.78
Other current assets	VIII.10	4,404,456,561.60	2,528,101,067.72
Total current assets		**112,394,998,370.13**	**107,656,147,580.56**
Non-current assets:			
Disbursement of loans and advances			
Investment in debt securities	VIII.11		48,073,333.34
Investment in other debt securities			
Long-term receivables	VIII.12	7,800,927,141.64	7,348,454,543.05
Long-term equity investment	VIII.13	23,035,423,207.36	22,743,248,003.18
Investment in other equity instruments	VIII.14	1,149,720,500.55	1,034,058,565.13
Other non-current financial assets	VIII.15	9,831,474,340.94	9,852,306,508.56
Investment properties	VIII.16	10,936,436,827.95	8,067,186,516.93
Fixed assets	VIII.17	35,878,370,241.94	34,150,398,704.99
Construction in progress	VIII.18	21,513,197,832.89	24,429,872,471.03
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VIII.19	328,809,185.10	343,661,414.00
Intangible assets	VIII.20	18,140,184,715.33	18,110,907,361.44
Development expenses	VIII.21	7,508,990.11	18,648,441.93
Goodwill	VIII.22	292,840,405.08	292,840,405.08
Long-term deferred expenses	VIII.23	666,118,125.40	586,694,847.22
Deferred income tax assets	VIII.24	1,800,246,988.76	1,700,367,079.01
Other non-current assets	VIII.25	22,748,822,864.00	16,474,514,281.70
Total non-current assets		**154,130,081,367.05**	**145,201,232,476.59**
Total assets		**266,525,079,737.18**	**252,857,380,057.15**

Legal Representative: Accounting Principal: Head of Accounting Department:

Consolidated Balance Sheet (Continued)

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | December 31, 2024 | KH-01 Form | Unit: RMB

Liabilities and owners' equity	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current liabilities:	——	——	——
Short-term borrowings	VIII.26	19,102,337,925.28	20,216,237,158.12
Borrowings from central bank			
Loans from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	VIII.27	339,000,000.00	1,632,620,326.77
Accounts payable	VIII.28	6,130,629,396.47	5,759,032,459.23
Advances from customers	VIII.29	730,588,265.73	1,213,607,224.96
Contractual liabilities	VIII.30	19,933,220,227.59	14,231,555,097.04
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employee compensation payable	VIII.31	852,765,744.14	783,337,482.14
Taxes and surcharges payable	VIII.32	1,440,071,998.64	997,226,567.37
Other payables	VIII.33	14,206,079,578.07	14,304,803,978.01
Handling charges and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	VIII.34	32,317,007,537.06	17,850,255,500.80
Other current liabilities	VIII.35	11,276,530,400.94	10,795,516,955.89
Total current liabilities		**106,328,231,073.92**	**87,784,192,750.33**
Non-current liabilities:	——	——	——
Reserves for insurance contracts			
Long-term borrowings	VIII.36	30,906,216,097.09	29,543,810,072.16
Bonds payable	VIII.37	33,094,359,943.49	42,375,246,296.38
Including: preferred stock			
Perpetual bonds			
Lease liabilities	VIII.38	307,665,994.31	309,468,623.19
Long-term payables	VIII.39	13,148,315,976.01	16,385,679,153.93
Long-term employee compensation payable			
Estimated liabilities	VIII.40	924,824.79	638,025.65
Deferred income	VIII.41	4,541,020,802.62	4,402,560,287.80
Deferred income tax liabilities	VIII.24	860,564,742.20	918,503,484.88
Other non-current liabilities	VIII.42	8,192,686,860.99	6,374,619,900.52
Total non-current liabilities		**91,051,755,241.50**	**100,310,525,844.51**
Total liabilities		**197,379,986,315.42**	**188,094,718,594.84**
Owners' equity	——	——	——
Paid-in capital	VIII.43	1,980,000,000.00	1,980,000,000.00
Other equity instruments	VIII.44	5,692,922,037.73	4,691,810,377.34
Including: preferred stock			
Perpetual bonds		5,692,922,037.73	4,691,810,377.34
Capital reserves	VIII.45	43,989,603,158.31	42,417,590,428.40
Less: treasury stock			
Other comprehensive income	VIII.46	82,471,770.04	66,017,909.24
Special reserves	VIII.47	41,244,417.62	36,151,790.79
Surplus reserve	VIII.48	401,510,535.01	350,637,933.76
General risk reserve	VIII.49	11,132,414.26	9,978,187.69
Undistributed profits	VIII.50	5,125,695,140.81	4,904,225,452.57
Total equity attributable to owners of the parent company		**57,324,579,473.78**	**54,456,412,079.79**
Minority equity		11,820,513,947.98	10,306,249,382.52
Total owners' equity		**69,145,093,421.76**	**64,762,661,462.31**
Total liabilities and owners' equity		**266,525,079,737.18**	**252,857,380,057.15**

Legal Representative: 陈德占印 | Accounting Principal: 胡晓生印 | Head of Accounting Department: 吴旭英印

Consolidated Income Statement

浙江至诚会计师事务所（特殊普通合伙）会计报表审核章

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. Fiscal Year 2024 KH.02 Form Unit: RMB

Item	Note	Year 2024	Year 2023
I. Total operating income		**37,400,060,657.75**	**36,239,267,414.34**
Including: Operating income	VIII.51	37,400,060,657.75	36,239,267,414.34
Interest income			
Earned premiums			
Income from handling charges and commissions			
II. Total operating costs		**36,881,717,506.31**	**36,770,703,557.91**
Including: Operating costs	VIII.51	30,892,364,688.70	30,630,461,355.16
Interest expenses			
Expenses from handling charges and commissions			
Surrender value			
Net amount of compensation payout			
Net amount of insurance liability reserves withdrawn			
Policy dividend payment			
Reinsurance costs			
Taxes and surcharges	VIII.52	669,710,435.80	748,144,149.25
Selling and distribution expenses	VIII.53	590,637,433.77	575,221,422.18
General and administrative expense	VIII.54	1,988,153,960.98	1,899,826,955.23
R&D expenses	VIII.55	74,986,433.76	82,114,957.15
Financial expenses	VIII.56	2,665,864,553.30	2,834,934,718.94
Including: interest expenses		3,203,305,892.92	3,305,936,351.19
Interest income		758,928,801.21	746,317,715.54
Plus: Other income	VIII.57	2,863,744,897.80	1,314,593,936.30
Investment income("-" for loss)	VIII.58	588,917,235.33	1,524,517,724.18
Including: income from investment in associates and joint ventures		514,531,522.11	1,195,960,992.64
Gains from the derecognition of financial assets measured at amortized cost ("-" for losses)			
Gains from foreign exchange("-" for loss)			
Income from net exposure hedging("-" for loss)			
Gains from changes in fair value("-" for loss)	VIII.59	-443,430,622.43	-689,472,066.52
Losses from credit impairment("-" for loss)	VIII.60	-123,369,891.20	-160,779,862.35
Losses from asset impairment("-" for loss)	VIII.61	-99,796,136.43	-698,246.65
Income from the disposal of assets("-" for loss)	VIII.62	54,782,586.85	216,379,681.09
III. Operating profits ("-" for losses)		**3,359,191,221.36**	**1,673,105,022.48**
Plus: Non-operating income	VIII.63	52,690,293.01	193,023,795.00
Less: Non-operating expenses	VIII.64	18,645,585.05	71,963,740.62
IV. Total profits("-" for total losses)		**3,393,235,929.32**	**1,794,165,076.86**
Less: Income tax expenses	VIII.65	1,336,647,141.12	236,966,686.77
V. Net profit(Net profit "-" for net loss)		**2,056,588,788.20**	**1,557,198,390.09**
(I) Classified by ownership			
Net profit attributable to owners of the parent company		564,817,301.05	275,025,218.67
Minority interest income		1,491,771,487.15	1,282,173,171.42
(II) Classified by operating sustainability			
Net profit from continued operation ("-" for net loss)		2,056,588,788.20	1,557,198,390.09
Net profit from discontinued operations ("-" for net loss)			
VI. Other comprehensive income, net of tax	VIII.66	**62,405,667.29**	**39,228,289.48**
Other comprehensive income attributable to owners of the parent company, net of tax		**16,453,860.80**	**15,260,725.15**
(I) Other comprehensive income that cannot be reclassified into profit or loss		**43,022,532.20**	**4,866,066.91**
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		1,211,331.87	3,100,026.97
3. Changes in fair value of other equity instrument investment		41,811,200.33	1,766,039.94
4. Changes in the fair value of the Company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified into profit or loss		**-26,568,671.40**	**10,394,658.24**
1. Other comprehensive income reclassified to profit or loss under equity method		-5,569.96	593,505.57
2. Changes in fair value of investment in other debt securities			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other debt securities			
5. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)			
6. Translation differences of foreign currency financial statements		-26,563,101.44	9,801,152.67
7. Others			
Other comprehensive income attributable to minority shareholders, net of tax		45,951,806.49	23,967,564.33
7 Total comprehensive income		**2,118,994,455.49**	**1,596,426,679.57**
Total comprehensive income attributable to owners of the parent company		**581,271,161.85**	**290,285,943.82**
Total comprehensive income attributable to minority shareholders		**1,537,723,293.64**	**1,306,140,735.75**
8 Earnings per share			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal Representative: 陈德占印 Accounting Principal: 胡晓印 Head of Accounting Department: 吴旭英印

Consolidated Statement of Cash Flows

Prepared by: Yiwu State-owned Capital Operation Co., Ltd | Fiscal Year 2024 | KH 03 Form | Unit: RMB

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:	——	——	——
Cash received from sale of goods and rendering of services		45,016,754,386.26	34,173,700,272.34
Net increase in deposits from customers and due from banks and other financial institutions			
Net increase in borrowings from the central bank			
Net increase in loans from other financial institutions			
Premiums received from original insurance contracts			
Net cash received from reinsurance business			
Net increase in deposits and investment from policyholders			
Net increase in financial assets measured at fair value through current profit or loss			
Cash received from interests, handling charges and commissions			
Net increase in loans from banks and other financial institutions			
Net increase in repurchase funds			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		114,053,747.10	286,348,037.10
Cash received from other operating activities		12,381,560,420.93	15,018,509,704.30
Sub-total of cash inflows from operating activities		57,512,368,554.29	49,478,558,013.74
Cash paid for goods purchased and services received		30,060,106,346.23	28,708,845,521.05
Net increase in loans and advances to customers			
Net increase in deposits with central bank and with banks and other financial institutions			
Cash paid for original insurance contract claims			
Net increase in loans to banks and other financial institutions			
Cash paid for interests, handling charges and commissions			
Cash paid for policy dividends			
Cash paid to and on behalf of employees		3,156,345,130.01	2,921,888,475.51
Cash paid for taxes and surcharges		2,967,633,020.71	2,293,763,520.87
Cash paid for other operating activities		6,628,416,796.78	7,378,072,104.39
Sub-total of cash outflows from operating activities		42,812,501,293.73	41,302,569,621.82
Net cash flows from operating activities	VIII. 67	14,699,867,260.56	8,175,988,391.92
II. Cash flows from investing activities:	——	——	——
Cash received from disposal of investment		1,112,645,891.69	2,745,071,519.97
Cash received from returns on investment		431,122,114.55	964,652,575.06
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		380,679,538.82	336,682,045.02
Net cash received from disposal of subsidiaries and other business units		12,723,195.52	12,482,830.94
Cash received from other investing activities		5,145,336,850.34	8,255,572,915.85
Sub-total of cash inflows from investing activities		7,082,507,590.92	12,314,461,886.84
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		7,855,211,378.44	9,676,818,808.84
Cash paid for investment		2,076,647,416.72	6,648,486,434.11
Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		3,862,930,808.24	4,716,328,218.15
Sub-total of cash outflows from investing activities		13,794,789,603.40	21,041,633,461.10
Net cash flows from investing activities		-6,712,282,012.48	-8,727,171,574.26
III. Cash flows from financing activities	——	——	——
Cash received from investors		4,057,607,767.84	2,406,900,000.00
Including: Cash received by subsidiaries from investments of minority shareholders		32,019,000.00	24,500,000.00
Cash received from borrowings		63,489,274,824.38	73,365,032,646.14
Cash received from other financing activities		5,171,619,674.80	2,598,397,886.61
Sub-total of cash inflows from financing activities		72,718,502,267.02	78,370,330,532.75
Cash paid for debt repayment		63,742,158,158.23	65,150,096,274.09
Cash paid for distribution of dividends and profits or payment of interests		6,142,320,380.95	5,797,615,922.12
Including: Dividends and profits paid to minority shareholders by subsidiaries		520,664,783.04	250,581,122.71
Cash paid for other financing activities		5,968,192,670.27	5,042,983,685.41
Sub-total of cash outflows from financing activities		75,852,671,209.45	75,990,695,881.62
Net cash flows from financing activities		-3,134,168,942.43	2,379,634,651.13
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		4,223,049.16	-12,833,425.91
V. Net increase in cash and cash equivalents	VIII. 67	4,857,639,354.81	1,815,618,042.88
Plus: Beginning balance of cash and cash equivalents	VIII. 67	12,356,792,676.06	10,541,174,633.18
VI. Ending balance of cash and cash equivalents	VIII. 67	17,214,432,030.87	12,356,792,676.06

Legal Representative: 陈占德印 | Accounting Principal: 胡生晓印 | Head of Accounting Department: 吴旭英印

浙江至诚会计师事务所 特殊普通合伙 会计报表审核章

Consolidated Statement of Changes in Owners' Equity

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | KH 04 Form | Monetary unit: RMB

Item	Year 2024													
	Equity attributable to owners of the parent company													
	Paid-in capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total	Minority equity	Total owners' equity
		Preferred shares	Perpetual bonds	Others										
I. Balance as at December 31 of last year	1,980,000,000.00		4,691,810,377.34		42,417,590,428.40		66,017,909.24	36,151,790.79	350,637,933.76	9,978,187.69	4,904,225,452.57	54,456,412,079.79	10,306,249,382.52	64,762,661,462.31
Plus: changes in accounting policies														
Adjustments for correction of accounting errors in prior year														
Others														
II. Balance as at January 1 of the current year	1,980,000,000.00		4,691,810,377.34		42,417,590,428.40		66,017,909.24	36,151,790.79	350,637,933.76	9,978,187.69	4,904,225,452.57	54,456,412,079.79	10,306,249,382.52	64,762,661,462.31
III. Increases/decreases in the current year ("-" for decreases)			1,001,111,660.39		1,572,012,729.91		16,453,860.80	5,092,626.83	50,872,601.25	1,154,226.57	221,469,688.24	2,868,167,393.99	1,514,264,565.46	4,382,431,959.45
(I) Total comprehensive income							16,453,860.80				564,817,301.05	581,271,161.85	1,537,723,293.64	2,118,994,455.49
(II) Capital contributed or reduced by owners			1,001,111,660.39		1,572,012,729.91							2,573,124,390.30	497,795,145.18	3,070,919,535.48
1. Common stock contributed by owners													32,019,000.00	32,019,000.00
2. Capital invested by the holders of other equity instruments			1,001,111,660.39		-11,985,326.04							989,126,334.35		989,126,334.35
3. Amounts of share-based payments recognized in owner's equity														
4. Others					1,583,998,055.95							1,583,998,055.95	465,776,145.18	2,049,774,201.13
(III) Withdrawal and use of special reserves								5,092,626.83				5,092,626.83		5,092,626.83
1. Withdrawal of special reserves								12,530,675.83				12,530,675.83		12,530,675.83
2. Use of specific reserves								-7,438,049.00				-7,438,049.00		-7,438,049.00
(IV) Profit distribution									50,872,601.25	1,154,226.57	-343,347,612.81	-291,320,784.99	-521,253,873.36	-812,574,658.35
1. Withdrawal of surplus reserve									50,872,601.25		-50,872,601.25			
2. Distributions to owners											-291,320,784.99	-291,320,784.99	-521,253,873.36	-812,574,658.35
3. Others										1,154,226.57	-1,154,226.57			
(V) Internal carry-forward of owners' equity														
1. Conversion of capital reserve into paid-in capital														
2. Conversion of surplus reserve into paid-in capital														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
IV. Balance at the end of the year	1,980,000,000.00		5,692,922,037.73		43,989,603,158.31		82,471,770.04	41,244,417.62	401,510,535.01	11,132,414.26	5,125,695,140.81	57,324,579,473.78	11,820,513,947.98	69,145,093,421.76

Legal Representative: 陈德印 | Accounting Principal: 胡晓生印 | Head of Accounting Department: 吴旭英印

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

Consolidated Statement of Changes in Owners' Equity (Continued)

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | KH 04 Form | Monetary unit: RMB

Item	Year 2023													
	Equity attributable to owners of the parent company													
	Paid-in capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	△General risk reserve	Undistributed profits	Sub-total	Minority equity	Total owners' equity
		Preferred shares	Perpetual bonds	Others										
I. Balance as at December 31 of last year	1,980,000,000.00		5,351,868,611.32		38,021,470,351.15		55,010,858.37	31,156,714.33	321,033,889.30	545,909.41	5,035,955,921.56	50,797,042,255.44	9,170,871,989.73	59,967,914,245.17
Plus: changes in accounting policies														
Adjustments for correction of accounting errors in prior year														
Others														
II. Balance as at January 1 of the current year	1,980,000,000.00		5,351,868,611.32		38,021,470,351.15		55,010,858.37	31,156,714.33	321,033,889.30	545,909.41	5,035,955,921.56	50,797,042,255.44	9,170,871,989.73	59,967,914,245.17
III. Increases/decreases in the current year ("-" for decreases)			-660,058,233.98		4,396,120,077.25		11,007,050.87	4,995,076.46	29,604,044.46	9,432,278.28	-131,730,468.99	3,659,369,824.35	1,135,377,392.79	4,794,747,217.14
(I) Total comprehensive income							15,260,725.15				275,025,218.67	290,285,943.82	1,306,140,735.75	1,596,426,679.57
(II) Capital contributed or reduced by owners			-660,058,233.98		4,396,120,077.25							3,736,061,843.27	79,308,595.75	3,815,370,439.02
1. Common stock contributed by owners					134,000,000.00							134,000,000.00	14,500,000.00	148,500,000.00
2. Capital invested by the holders of other equity instruments			-660,058,233.98									-660,058,233.98		-660,058,233.98
3. Amounts of share-based payments recognized in owner's equity														
4. Others					4,262,120,077.25							4,262,120,077.25	64,808,595.75	4,326,928,673.00
(III) Withdrawal and use of special reserves								4,995,076.46				4,995,076.46		4,995,076.46
1. Withdrawal of special reserves								12,346,123.48				12,346,123.48		12,346,123.48
2. Use of specific reserves								-7,351,047.02				-7,351,047.02		-7,351,047.02
(IV) Profit distribution									29,178,677.03	9,432,278.28	-382,010,529.51	-343,399,574.20	-250,071,938.71	-593,471,512.91
1. Withdrawal of surplus reserve									29,178,677.03		-29,178,677.03			
2. Distributions to owners											-343,399,574.20	-343,399,574.20	-250,071,938.71	-593,471,512.91
3. Others										9,432,278.28	-9,432,278.28			
(V) Internal carry-forward of owners' equity							-4,253,674.28		425,367.43		-24,745,158.15	-28,573,465.00		-28,573,465.00
1. Conversion of capital reserve into paid-in capital														
2. Conversion of surplus reserve into paid-in capital														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings							-4,253,674.28		425,367.43		3,828,306.85			
6. Others											-28,573,465.00	-28,573,465.00		-28,573,465.00
IV. Balance at the end of the year	1,980,000,000.00		4,691,810,377.34		42,417,590,428.40		66,017,909.24	36,151,790.79	350,637,933.76	9,978,187.69	4,904,225,452.57	54,456,412,079.79	10,306,249,382.52	64,762,661,462.31

Legal Representative: 陈德占印 | Accounting Principal: 胡晓生印 | Head of Accounting Department: 吴旭英印

浙江至诚会计师事务所（特殊普通合伙）会计报表审核章

Company's Balance Sheet

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2024 KC-01 Form Unit: RMB

Assets	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current assets	——	——	——
Monetary funds		902,636,237.04	568,642,144.29
Financial assets held for trading			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Financing receivables			
Advances to suppliers			
Other receivables	XII.1	32,819,223,961.22	31,421,002,436.54
Inventories			
Contractual assets			
Assets held for sale			
Non-current assets maturing within one year		1,424,706,361.16	19,765,356.96
Other current assets			
Total current assets		**35,146,566,559.42**	**32,009,409,937.79**
Non-current assets:	——	——	——
Investment in debt securities			
Investment in other debt securities			
Long-term receivables		493,651,313.33	1,789,002,635.30
Long-term equity investment	XII.2	26,330,894,376.17	26,212,866,058.16
Investment in other equity instruments			
Other non-current financial assets		845,515,770.23	1,138,097,687.44
Investment properties		252,541,067.03	234,191,087.92
Fixed assets		3,971,638,617.31	4,086,562,682.83
Construction in progress		402,933.97	
Productive biological assets			
Oil and gas assets			
Right-of-use assets		1,102,211.49	
Intangible assets		2,034,388,007.82	2,141,358,830.51
Development expenses			
Goodwill			
Long-term deferred expenses		1,993,483.43	3,913,770.43
Deferred income tax assets		38,609,984.50	121,515,317.32
Other non-current assets		2,096,284,369.91	2,096,527,375.60
Total non-current assets		**36,067,022,135.19**	**37,824,035,445.51**
Total assets		**71,213,588,694.61**	**69,833,445,383.30**

Legal Representative: 陈德占印 Accounting Principal: 胡晓生印 Head of Accounting Department: 吴旭英印

Company's Balance Sheet (continued)

KQ.01.Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. December 31, 2024 Unit: RMB

Liabilities and owners' equity	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current liabilities:	——	——	——
Short-term borrowings		6,470,485,723.19	4,276,049,832.74
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers		3,105,588.15	2,833,971.14
Contractual liabilities			
Employee compensation payable		7,865,894.67	7,068,156.70
Taxes and surcharges payable		85,074,166.58	7,142,052.59
Other payables		6,112,028,825.70	6,055,107,778.10
Liabilities held for sale			
Non-current liabilities maturing within one year		11,847,285,762.33	9,445,379,664.79
Other current liabilities		4,879,349,762.35	4,902,305,318.54
Total current liabilities		**29,405,195,722.97**	**24,695,886,774.60**
Non-current liabilities:	——	——	——
Long-term borrowings		3,510,800,000.00	2,153,650,000.00
Bonds payable		16,380,891,356.41	17,682,951,789.74
Including: preferred stock			
Perpetual bonds			
Lease liabilities		800,279.90	
Long-term payables		2,625,922,520.00	6,244,387,310.00
Long-term employee compensation payable			
Estimated liabilities			
Deferred income			
Deferred income tax liabilities		24,634,878.05	68,947,590.37
Other non-current liabilities			
Total non-current liabilities		**22,543,049,034.36**	**26,149,936,690.11**
Total liabilities		**51,948,244,757.33**	**50,845,823,464.71**
Owners' equity	——	——	——
Paid-in capital		1,980,000,000.00	1,980,000,000.00
Other equity instruments		4,090,922,037.73	4,092,910,377.34
Including: preferred stock			
Perpetual bonds		4,090,922,037.73	4,092,910,377.34
Capital reserves		12,439,652,143.73	12,410,994,095.15
Less: treasury stock			
Other comprehensive income		-52,180.11	-1,263,511.98
Special reserves			
Surplus reserve		332,519,631.81	281,647,030.56
Undistributed profits		422,302,304.12	223,333,927.52
Total owners' equity		**19,265,343,937.28**	**18,987,621,918.59**
Total liabilities and owners' equity		**71,213,588,694.61**	**69,833,445,383.30**

Legal Representative: 陈德印 Accounting Principal: 胡晓生印 Head of Accounting Department: 吴旭英印

Company's Income Statement

KG-02 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | Unit: RMB

Item	Note	Year 2024	Year 2023
I. Operating income		16,840,230.86	14,105,954.71
Less: Operating costs		147,449,460.21	141,074,588.64
Taxes and surcharges		28,015,917.15	7,268,290.00
Selling and distribution expenses			
General and administrative expense		131,589,753.96	149,891,573.50
R&D expenses			
Financial expenses		516,207,967.44	713,550,058.81
Including: interest expenses		2,067,732,894.10	2,019,778,628.38
Interest income		1,674,784,077.12	1,445,118,476.87
Plus: Other income		1,560,497,169.16	771,053,817.40
Investment income("-" for loss)	XII.3	77,241,590.28	439,115,186.54
Including: income from investment in associates and joint ventures		76,115,515.82	95,411,364.50
Gains from the derecognition of financial assets measured at amortized cost ("-" for losses)			
Income from net exposure hedging("-" for loss)			
Gains from changes in fair value("-" for loss)		-267,031,470.18	-29,510,200.65
Losses from credit impairment("-" for loss)		-10,197,326.90	-7,647,360.00
Losses from asset impairment("-" for loss)			
Income from the disposal of assets("-" for loss)		10,262.00	-420,142.00
II. Operating profits ("-" for losses)		**554,097,356.46**	**174,912,745.05**
Plus: Non-operating income		140,846.54	220,666.66
Less: Non-operating expenses		264,654.19	522,055.67
III. Total profits ("-" for total losses)		**553,973,548.81**	**174,611,356.04**
Less: Income tax expenses		45,247,536.31	-117,175,414.21
IV. Net profit ("-" for net loss)		**508,726,012.50**	**291,786,770.25**
(I) Net profit from operation on going concern basis ("-" for net loss)		**508,726,012.50**	**291,786,770.25**
(II) Net profit from discontinued operations ("-" for net loss)			
V. Other comprehensive income, net of tax		**1,211,331.87**	**3,100,026.97**
(I) Other comprehensive income that cannot be reclassified into profit or loss		**1,211,331.87**	**3,100,026.97**
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		1,211,331.87	3,100,026.97
3. Changes in fair value of other equity instrument investment			
4. Changes in the fair value of the Company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income reclassified to profit or loss under equity method			
2. Changes in fair value of investment in other debt securities			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of investment in other debt securities			
5. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)			
6. Translation differences of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		**509,937,344.37**	**294,886,797.22**
7. Earnings per share			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal Representative: 陈占德印 | Accounting Principal: 胡晓生印 | Head of Accounting Department: 吴旭英印

Company's Statement of Cash Flows

KQ 03 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | Unit: RMB

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:	——	——	——
Cash received from sale of goods and rendering of services		7,597,966.69	5,630,314.89
Refunds of taxes and surcharges			
Cash received from other operating activities		1,980,316,010.06	1,047,585,694.55
Sub-total of cash inflows from operating activities		1,987,913,976.75	1,053,216,009.44
Cash paid for goods purchased and services received		3,266,225.10	3,407,018.17
Cash paid to and on behalf of employees		19,786,074.56	21,318,456.71
Cash paid for taxes and surcharges		89,551,644.08	120,176,343.71
Cash paid for other operating activities		555,507,089.98	311,738,321.73
Sub-total of cash outflows from operating activities		668,111,033.72	456,640,140.32
Net cash flows from operating activities	12.4	1,319,802,943.03	596,575,869.12
II. Cash flows from investing activities:	——	——	——
Cash received from disposal of investment		185,725,276.76	13,617,270.90
Cash received from returns on investment		34,861,510.21	52,567,493.02
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		17,592.00	30,600,142.00
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		13,771,714,707.18	23,995,600,070.02
Sub-total of cash inflows from investing activities		13,992,319,086.15	24,092,384,975.94
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		2,690,399.54	134,647,566.18
Cash paid for investment		236,000,000.00	3,063,010,000.00
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		13,568,263,816.63	22,929,999,998.78
Sub-total of cash outflows from investing activities		13,806,954,216.17	26,127,657,564.96
Net cash flows from investing activities		185,364,869.98	-2,035,272,589.02
III. Cash flows from financing activities	——	——	——
Cash received from investors		2,600,000,000.00	1,533,000,000.00
Cash received from borrowings		23,986,990,000.00	23,318,500,000.00
Cash received from other financing activities		1,560,000,000.00	7,379,381,365.00
Sub-total of cash inflows from financing activities		28,146,990,000.00	32,230,881,365.00
Cash paid for debt repayment		22,987,850,000.00	22,130,600,000.00
Cash paid for distribution of dividends and profits or payment of interests		1,749,150,208.82	1,806,354,806.44
Cash paid for other financing activities		4,587,517,963.82	7,778,669,088.11
Sub-total of cash outflows from financing activities		29,324,518,172.64	31,715,623,894.55
Net cash flows from financing activities		-1,177,528,172.64	515,257,470.45
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		928,936.27	-37,705,339.62
V. Net increase in cash and cash equivalents	12.4	328,568,576.64	-961,144,589.07
Plus: Beginning balance of cash and cash equivalents	12.4	568,642,144.29	1,529,786,733.36
VI. Ending balance of cash and cash equivalents	12.4	897,210,720.93	568,642,144.29

Legal Representative: 陈德古印 | Accounting Principal: 胡晓生印 | Head of Accounting Department: 吴旭英印

Company's Statement of Changes in Owner's Equity

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | KQ 04 Form | Monetary unit: RMB

Item	Year 2024										
	Paid-in capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Balance as at December 31 of last year	1,980,000,000.00		4,092,910,377.34		12,410,994,095.15		-1,263,511.98		281,647,030.56	223,333,927.52	18,987,621,918.59
Plus: changes in accounting policies											
Adjustments for correction of accounting errors in prior year											
Others											
II. Balance as at January 1 of the current year	1,980,000,000.00		4,092,910,377.34		12,410,994,095.15		-1,263,511.98		281,647,030.56	223,333,927.52	18,987,621,918.59
III. Increases/decreases in the current year ("-" for decreases)			-1,988,339.61		28,658,048.58		1,211,331.87		50,872,601.25	198,968,376.60	277,722,018.69
(I) Total comprehensive income							1,211,331.87			508,726,012.50	509,937,344.37
(II) Capital contributed or reduced by owners			-1,988,339.61		28,658,048.58						26,669,708.97
1. Common stock contributed by owners											
2. Capital invested by the holders of other equity instruments			-1,988,339.61		-7,358,490.58						-9,346,830.19
3. Amounts of share-based payments recognized in owner's equity											
4. Others					36,016,539.16						36,016,539.16
(III) Withdrawal and use of special reserves											
1. Withdrawal of special reserves											
2. Use of specific reserves											
(IV) Profit distribution									50,872,601.25	-309,757,635.90	-258,885,034.65
1. Withdrawal of surplus reserve									50,872,601.25	-50,872,601.25	
2. Distributions to owners										-258,885,034.65	-258,885,034.65
3. Others											
(V) Internal carry-forward of owners' equity											
1. Conversion of capital reserve into paid-in capital											
2. Conversion of surplus reserve into paid-in capital											
3. Surplus reserves offsetting losses											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
IV. Balance at the end of the year	1,980,000,000.00		4,090,922,037.73		12,439,652,143.73		-52,180.11		332,519,631.81	422,302,304.12	19,265,343,937.28

浙江至诚会计师事务所(特殊普通合伙)会计报表审核章

Legal Representative: | Accounting Principal: | Head of Accounting Department: 吴旭英印

Company's Statement of Changes in Owner's Equity (Continued)

KQ 04 Form

Prepared by: Yiwu State-owned Capital Operation Co., Ltd. | Fiscal Year 2024 | Monetary unit: RMB

Item	Year 2023										
	Paid-in capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Balance as at December 31 of last year	1,980,000,000.00		5,192,368,611.32		8,624,601,239.05		-109,864.67		252,042,986.10	264,443,318.30	16,313,346,290.10
Plus: changes in accounting policies											
Adjustments for correction of accounting errors in prior year											
Others											
II. Balance as at January 1 of the current year	1,980,000,000.00		5,192,368,611.32		8,624,601,239.05		-109,864.67		252,042,986.10	264,443,318.30	16,313,346,290.10
III. Increases/decreases in the current year ("-" for decreases)			-1,099,458,233.98		3,786,392,856.10		-1,153,647.31		29,604,044.46	-41,109,390.78	2,674,275,628.49
(I) Total comprehensive income							3,100,026.97			291,786,770.25	294,886,797.22
(II) Capital contributed or reduced by owners			-1,099,458,233.98		3,786,392,856.10						2,686,934,622.12
1. Common stock contributed by owners					134,000,000.00						134,000,000.00
2. Capital invested by the holders of other equity instruments			-1,099,458,233.98								-1,099,458,233.98
3. Amounts of share-based payments recognized in owner's equity											
4. Others					3,652,392,856.10						3,652,392,856.10
(III) Withdrawal and use of special reserves											
1. Withdrawal of special reserves											
2. Use of specific reserves											
(IV) Profit distribution									29,178,677.03	-336,724,467.88	-307,545,790.85
1. Withdrawal of surplus reserve									29,178,677.03	-29,178,677.03	
2. Distributions to owners										-307,545,790.85	-307,545,790.85
3. Others											
(VI) Internal carry-forward of owners' equity							-4,253,674.28		425,367.43	3,828,306.85	
1. Conversion of capital reserve into paid-in capital											
2. Conversion of surplus reserve into paid-in capital											
3. Surplus reserves offsetting losses											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings							-4,253,674.28		425,367.43	3,828,306.85	
6. Others											
IV. Balance at the end of the year	1,980,000,000.00		4,092,910,377.34		12,410,994,095.15		-1,263,511.98		281,647,030.56	223,333,927.52	18,987,621,918.59

Legal Representative: 陈德印

Accounting Principal: 胡晓生印

Head of Accounting Department: 吴旭英印

Yiwu State-owned Capital Operation Co., Ltd.

Notes to the Financial Statements

Fiscal Year 2024

I. Company profile

Yiwu State-owned Capital Operation Co., Ltd. (hereinafter referred to as the "Company") is a state-owned enterprise funded and established by the State-owned Assets Supervision and Administration Commission of Yiwu Municipal People's Government (later renamed as the State-owned Asset Supervision and Administration Office of Yiwu Municipal People's Government) in accordance with the Opinions on Deepening Government Investment and Financing and the Reform of Management System of State-owned Enterprises (Shi Wei [2013] No.49) of the CPC Yiwu Municipal Committee. It was registered on December 30, 2013 and was formerly known as Yiwu State-owned Capital Operation Center. On September 29, 2016, it was restructured and renamed Yiwu State-Owned Capital Operation Co., Ltd.. In 2020, according to the Circular of Zhejiang Provincial Department of Finance and Other Four Departments on Comprehensively Promoting the Transfer of Partial State-owned Capital to Enrich the Social Security Fund (Zhe Cai Qi [2020] No.4) and the Official Reply of Zhejiang Provincial Department of Finance to the Plan for Comprehensively Transferring State-owned Equity to Enrich the Social security fund (Zhe Cai Han [2020] No.109), the State-owned Assets Supervision and Administration Office of the Yiwu Municipal People's Government signed an agreement on gratuitous equity transfer with Zhejiang Finance Development Co., Ltd., transferring 9.4382% of the Company's equity held by it to Zhejiang Financial Development Co., Ltd. for free. The change of equity was registered with the market regulatory administration on August 31, 2020. In 2023, according to the Circular of the State-owned Assets Supervision and Administration Office on the Transfer of Partial State-owned Equity of State-owned Assets Operation Companies (Yi Guo Zi Ban Fa (2023) No.21) issued by the State-owned Asset Supervision and Administration Office of Yiwu Municipal People's Government, the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government transferred its 5% equity of the Company to Yiwu Digital Intelligence Industry Development Group Co., Ltd. for free. The base date of equity transfer was December 31, 2022, and the equity transfer was registered with the industrial and commercial department in May 2023.

Currently, the Company is a limited liability company (state-owned holding), and holds a business license issued by Yiwu Market Regulatory Administration with unified social credit code of 91330782089486536Y. The Company's main business scope: state-owned capital operation and state-owned equity management.

As at December 31, 2024, the Company had registered capital of RMB1.98 billion and paid-in capital of RMB1.98 billion. Legal representative: Chen Dezhan; Registered address: 20/F, Building B7, Headquarters Economic Park, Choujiang Street, Yiwu City, Jinhua, Zhejiang Province; Headquarters address: Floor 20, Building B7, Headquarters Economic Park, Choujiang Street, Yiwu City, Jinhua City, Zhejiang Province.

The Company's controlling shareholder is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government; and its ultimate controller is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government.

The financial report of the Company is approved by the administrative authority for disclosure, and the financial report is reported on April 29, 2025.

II. Basis of preparation for financial statements

Based on going concern and according to actually occurred transactions and events, the financial

statements are prepared in accordance with the Accounting Standards for Business Enterprises - Basic Standards issued by the Ministry of Finance and all specific accounting standards, the Application Guidance to the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter referred to as the "Accounting Standards for Business Enterprises") .

III. Statement on Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises and truly and completely reflect the Company's financial position, operation results and cash flows, etc. for the reporting period.

IV. Significant Accounting Policies and Accounting Estimates

1. Accounting period

The Company adopts the calendar year as the accounting year, which commences on January 1, and ends on December 31 of each year.

2. Functional currency

The Company adopts RMB as its functional currency.

3. Accounting basis and valuation principles

Accounting of the Company shall be made on accrual basis. When preparing the financial statements, the Company follows the historical cost convention except for certain financial instruments. If the assets are impaired, the depreciation reserves shall be provided according to the relevant provisions.

4. Business combinations

Business combination refers to any transaction or event that brings together two or more separate enterprises into one reporting entity. Business combinations are classified into business combination under common control and business combination not under common control.

(1) Business combinations under common control

Business combination under common control refers to that business involved in the merger are before and after the merger subject to the ultimate control of the same party or the same parties, and that control is not temporary. For business combination under common control, the party that obtained the control over the other parties involved on the merger date is referred to as "combining party", and other business involved in the merger is referred to as "combined party". Combination date is the date when the combining party has actually obtained the control over the combined party.

The assets and liabilities obtained by the combining party in a business combination are stated at the book value of the combined party on the combination date. Capital reserves (capital stock premium) shall be adjusted according to the difference between the book value of net asset acquired by the combining party and that of consideration (or total face value of the shares issued) paid for the combination. In case that the capital reserve (capital stock premium) is insufficient to cover the difference, the retained earnings shall be adjusted.

Various direct expenses generated by the combining party for a business combination, shall be included into current profit or loss.

(2) Business combination not under common control

Business combination not under common control refers to the business combination where enterprises involved are not under the control of the same controller or controllers before or after the business combination. For business combination not under common control, the party that obtained the control over the other parties involved on the acquisition date is referred to as "acquirer", and other business involved in the merger is referred to as "acquiree". Acquisition date refers to the date when the acquirer has actually obtained the control over the acquiree

.

For the business combination not under the same control, the combination costs contain the fair value, on the acquisition date, of any assets paid, any liabilities incurred or assumed, and any equity securities issued by the acquirer, in exchanges for control of the acquiree, the intermediary service charges such as audit fee, legal service fee, and appraisal and consultancy fee paid for the business combination and other general and administrative expenses, and are included in the current profit and loss when incurred. Transaction expenses incurred by the acquirer for issuance of equity or debt securities as consideration for business combination shall be included in the initial recognition amount of those equity securities or debt securities. The contingent consideration involved shall be included into combination cost at the fair value on the acquisition date. In case contingent consideration needs to be adjusted on the basis of any new or further evidence presented in relation to the condition existed on the acquisition date within 12 months after the acquisition date, the consolidated goodwill shall be adjusted accordingly. The combination cost incurred by the acquirer and the identifiable net assets acquired by the acquirer in a business combination are measured at the fair value on the acquisition date. Any difference between the combination costs and the fair value of the identifiable net assets acquired from the acquiree is recognized as goodwill. For the combination cost less than the fair value of the identifiable net assets acquired from the acquiree, the measurement of the fair value of the identifiable net assets, liabilities and contingent liabilities acquired from the acquiree as well as the combination cost shall be firstly reviewed. If it is true after the review, the difference shall be included into current profit and loss.

For the acquiree's deductible temporary differences obtained by the acquirer in a business combination, they are not recognized because they do not meet the recognition criteria of the deferred income tax assets, If, within 12 months after the acquisition date, new or further information obtained indicates that the relevant circumstances exist at the acquisition date, and it is expected that the economic benefits arising from the deductible temporary differences of the acquiree at the acquisition date, the related deferred income tax assets will be recognized, and at the same time the goodwill will be deducted; if the goodwill is insufficient to offset, the difference is recognized as current profit and loss; except for the case mentioned above, the deferred income tax assets associated with the business combination are recognized in current profit and loss.

For business combinations not under common control achieved through multiple transactions and by stages, whether multiple transactions belong to a package of transactions shall be judged based on the Circular on Issuing the Interpretation of the Accounting Standards for Business Enterprises No.5 (Cai Kuai (2012) No.19) and Article 51 Judgement criteria for a package of transactions of the Accounting Standards for Business Enterprises No.33 -- Consolidated Financial Statements. If they belong to a "package of transactions", accounting treatment shall be made by reference to the description in the previous paragraphs of this part and the "long-term equity investment" in this section; if they do not belong to a "package of transactions", relevant accounting treatment will be made for separate financial statements and consolidated financial statements respectively:

In separate financial statements, the sum of book value of investment in equity of the acquiree held by the acquirer before the acquisition date and the added investment costs on the acquisition date is recognized as the initial investment cost of such investment. If other comprehensive income is involved in the acquiree's equity held by the Company before the acquisition date, the relevant other comprehensive income shall be accounted for on the same basis as that the acquiree directly

disposes the relevant assets or liabilities when the investments are disposed of (namely, except for the corresponding share of changes from remeasurement of net liabilities or net assets under defined benefit plans by the acquiree that are accounted for under equity method, others are transferred to the current investment income) .

In the consolidated financial statements, the Company shall remeasure the acquiree's equity it held before the acquisition date at its fair value on the acquisition date, and the difference between its fair value and book value shall be recognized as investment income for the current period. If the equity of the acquiree held before the acquisition date involves other comprehensive income, the other comprehensive income related to it shall be subject to accounting treatment on the same basis as the direct disposal of the relevant assets or liabilities by the acquiree (except for the corresponding share in the changes caused by the net liability or net asset of the defined benefit plan re-measured by the acquiree under the equity method, the rest shall be transferred to the investment income of the period to which the acquisition date belongs) .

5. Preparation method for consolidated financial statements

The consolidation scope of the Company's consolidated financial statements is determined on the basis of control, and all subsidiaries are included in the consolidated financial statements. Subsidiaries refer to entities controlled by the Company (including the divisible part of enterprises and investees, as well as structured entities controlled by the Company, etc.).

When preparing the consolidated financial statements, the subsidiaries adopt the same accounting period and accounting policies as those of the Company. Assets, liabilities, equity, income, expenses and cash flows arising from all transactions between companies within the Group are fully offset on consolidation. If the share of the current losses attributable to the minority shareholders of a subsidiary exceeds the share of the owners' equity attributable to minority shareholders of the subsidiary at the beginning of the period, the balance is allocated against the minority equity.

For the subsidiaries acquired from the business combination not under common control, operating results and cash flows of the acquiree on the date when the Company acquires the control shall be included in the consolidated financial statements until the Company terminates its right of control. When preparing the consolidated financial statements, the Company shall adjust the financial statements of subsidiaries based on the fair values of various identifiable assets, liabilities and contingent liabilities recognized on the acquisition date.

For the subsidiaries acquired from the business combination under common control, operating results and cash flows of the combined party shall, as of the beginning of the combination period, be included in the consolidated financial statements. When preparing comparative consolidated financial statements, the Company shall adjust the relevant items of the financial statements of prior period and deem that the reporting entity already exists when the ultimate controller starts its control.

If the changes in the relevant facts and circumstances result in one or more changes in the control elements, the Company shall re-evaluate whether to control the investee.

6. Classification of joint venture arrangements and accounting treatment methods of joint operation

Joint venture arrangements are classified into joint operation and joint venture. Joint operation means that the joint venturer enjoys the relevant assets and assumes the relevant liabilities under the joint venture arrangements. Joint venture means that the joint venturer only has rights to the net

assets under the joint venture arrangements.

The joint ventures recognize the following items related to the share of interests in joint operations: recognize the assets held separately and those jointly held assets according to their shares; recognize the liabilities assumed separately and those jointly assumed according to their shares; recognizes the income generated from the sale of the share of joint operating output that it enjoys; recognize the income from the sale of the joint operation according to their shares; recognize the expenses incurred separately and the expenses incurred by the joint operation according to their shares.

The joint venturer to the joint venture shall make accounting treatment of the investment in the joint venture in accordance with the provisions of the Accounting Standards for Business Enterprises No.2 – Long-term Equity Investments.

7. Recognition criteria of cash and cash equivalents

Cash in the statement of cash flows refers to cash on hand and the unrestricted deposits of the Company. Cash equivalents refers to short-term (usually maturing within three months from acquisition) and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

8. Foreign currency transactions and translation of foreign currency financial statements

(1) Translation of foreign currency transactions

Translation of foreign currency transactions are translated into RMB at the spot exchange rate on the day when the transaction occurs, upon the initial recognition. On the balance sheet date, the balance of foreign currency monetary items are translated at the spot exchange rate on the balance sheet date and the exchange differences arising from different exchange rate shall be included in the current profit and loss, except those exchange differences arising from the special borrowings for principal and interest of foreign currency related to the acquired and constructed assets qualified for capitalization. foreign currency non-monetary items measured at historical costs shall still be converted into RMB at the spot exchange rates when the transactions occur, without changing the RMB amount. foreign currency non-monetary items measured at fair value shall be translated at the spot exchange rates on the day when the fair value is determined. The difference arising therefrom is included in the current profit and loss or other comprehensive income.

(2) Translation of foreign currency financial statements

Assets and liabilities in the balance sheet shall be translated at the spot exchange rates on balance sheet date; all owners' equity items, except for the "Undistributed profit", are translated at the spot exchange rates on the date when the transactions occur; The income and expenses in the income statement are translated at the average exchange rate in the period when transactions occur. Foreign currency translation differences arising from the above translation shall be recognized as other comprehensive income.

9. Financial instruments

A financial instrument refers to a financial asset forming an enterprise and a contract forming financial liabilities or equity instruments of other entities.

(1) Recognition and de-recognition of financial instruments

When the Company becomes a party to a financial instrument, it shall recognize a financial asset or financial liability.

Under the following conditions, a financial asset (or part of a financial asset, or party of a group of similar financial assets) shall be derecognized, that is, it will be written off from its account or the balance sheet:

1) the right to receive cash flows from financial assets expires;

2) the right for collecting cash flows of the financial assets is transferred, or the obligation for paying the collected cash flows to the third party in a timely manner is undertaken under a transfer agreement; and ① nearly all the risks and rewards associated with the ownership of the financial assets have been transferred; or ② although the Company has neither transferred nor retained nearly all the risks and rewards associated with the ownership of the financial assets but waives the control over the financial assets.

In the event that the duty relating to the financial liabilities has been fulfilled, or such financial liabilities have been revoked or has expired, then the financial liabilities shall be derecognized. If the original financial liabilities are replaced with another financial liabilities under substantively different terms in essence by the same creditor, or the provisions on the original financial liabilities are substantively modified in its nature, such replacement or modifications are treated as derecognition of original liabilities and recognition of new liabilities, with the difference recorded in current profit or loss.

For the financial assets purchased or sold in regular way, it shall be subject to accounting recognition and derecognition on the trading date. The purchase or sale of financial assets in regular way refers to the collection or delivery of financial assets within the terms specified in the laws or practices as agreed in the contract. The trading day refers to the date when the Company commits to purchase or sell financial assets.

(2) Classification and measurement of financial assets

At initial recognition, the Company classifies financial assets managed by it into the following three categories based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through current profit and loss.

Financial assets are measured at fair value at initial recognition, but for accounts receivable or notes receivable arising from sale of goods or rendering of services that do not contain significant financing components or that do not include financing components aged less than one year, they will be measured at transaction price at initial measurement.

For financial assets measured at fair value through current profit and loss, the relevant transaction costs are included in the current profit and loss and those of other financial assets are included in the initial recognition amount.

Subsequent measurement of financial assets depends on their classification:

1) Debt instrument investment measured at amortized cost

Financial assets that meet the following conditions at the same time are classified as financial assets measured at amortized cost: where the business model of the Company's management of the financial assets is to collect contractual cash flows; and where the contractual terms of the financial

assets stipulate that the cash flow generated on a specific date is only the payment for the principal and the interest based on the outstanding principal amount. Such financial assets use the effective interest method to recognize interest income, and the gains or losses arising from the derecognition, modification or impairment are included in the current profit and loss.

2) Equity instrument investments measured at fair value through other comprehensive income

The Company irrevocably chooses to designate some non-tradable equity instrument investments as financial assets measured at fair value through other comprehensive income, and only includes the relevant dividend income (except for dividend income which is explicitly recovered as part of the investment cost) into the current profit or loss; and the subsequent changes in fair value in other comprehensive income, without provision for impairment. When financial assets are derecognized, the accumulated gains or losses previously recorded in other comprehensive income are transferred from other comprehensive income and included in retained earnings.

3) Financial assets measured at fair value through current profit and loss

The Company classifies the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income mentioned above as financial assets measured at fair value through current profit and loss. For such financial assets, their fair value is used for subsequent measurement, and all changes in fair value are included in the current profit and loss.

(3) Classification and measurement of financial liabilities

The financial liabilities of the Company are classified upon initial recognition as financial liabilities measured at fair value through current profit or loss and other financial liabilities. For financial liabilities measured at fair value through current profit and loss, the relevant transaction costs are included in the current profit and loss and those of other financial liabilities are included in the initial recognition amount.

Subsequent measurement of financial liabilities depends on their classification:

1) Financial liabilities measured at fair value through current profit or loss

Financial liabilities measured at fair value through current profit and loss include financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated to be measured at fair value through current profit and loss at initial recognition. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value, and all changes in fair value are included in the current profit and loss.

2) Other financial liabilities

For such financial liabilities, they shall be subsequently measured at amortized cost by using the effective interest method.

(4) Impairment of financial instruments

Based on expected credit losses, the Company performs impairment treatment on financial assets measured at amortized cost and recognizes the provision for loss.

For receivables that do not contain significant financing components, the Company uses a simplified measurement method to measure provision for loss based on the amount of expected credit losses for the entire duration.

Except for the said financial assets under the simplified measurement method, the Company assesses whether its credit risk has increased significantly since initial recognition on each balance sheet date. If the credit risk has not increased significantly since initial recognition, it is at the first stage, the Company will measure the provision for loss based on the amount equivalent to the expected credit loss in the next 12 months, and calculate interest income based on the book balance and the effective interest rate; if the credit risk has increased significantly since initial recognition but no credit impairment has occurred, it is at the second stage, the Company will measure the provision for loss based on the amount equivalent to the expected credit loss during the entire duration, and calculate interest income based on the book balance and the effective interest rate; if credit impairment occurs after initial recognition, it is at the third stage, the Company will measure the provision for loss based on the amount equivalent to the expected credit loss during the entire duration, and calculate the interest income based on the amortized cost and the effective interest rate.

The Company assesses the expected credit losses of financial instruments based on individual items and portfolios. The Company considered the credit risk characteristics of different customers and evaluated the expected credit loss of receivables based on the aging portfolio.

1) Credit risk increased significantly

At each balance sheet date, the Company assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition. When determining whether credit risk has increased significantly since initial recognition, the Company considers that it can obtain reasonable and evidence-based information without paying unnecessary additional costs or efforts, including qualitative and quantitative analysis based on the Company's historical data, external credit risk ratings and forward-looking information. Based on a single financial instrument or a portfolio of financial instruments with similar credit risk characteristics, the Company determines the changes of default risk in the expected duration of the financial instrument by comparing the risk of default of the financial instrument on the balance sheet date with the risk of default on the initial recognition date.

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

① where the quantitative standard is mainly that the probability of default in the remaining duration as of the reporting date is higher than that at the time of initial recognition;

② where the qualitative criteria are major adverse changes in the operating or financial situation of major debtors, early warning customer lists, and so on.

2) Financial assets that have suffered credit impairment

In order to determine whether credit impairment has occurred, the definition standards adopted by the Company are consistent with the internal credit risk management objectives for relevant financial instruments, while considering quantitative and qualitative indicators. When the Company assesses whether the debtor has suffered credit impairment, the following factors are considered:

①The issuer or debtor suffers severe financial difficulties;

②The debtor breaches the relevant contract terms, such as default or delay in the interest payment or principal repayment;

③The creditor gives concessions to the debtor in any other circumstances for economic or contractual considerations relating to the financial difficulties of the debtor;

④The debtor is likely to go bankrupt or carry out other financial restructurings; and

⑤The financial difficulties of the issuer or the debtor have caused the active market of the financial asset to disappear.

⑥Purchase or originate a financial asset at a substantial discount, which reflects the fact that credit losses have occurred.

Impairment of financial assets may be caused by the joint action of multiple events, and may not be caused by separately identifiable events.

3) Determination of expected credit losses

The Company assesses the expected credit losses of financial instruments based on individual items and portfolios. When assessing expected credit losses, it considers reasonable and well-founded information about past events, current conditions, and predictions of future economic conditions.

Based on the characteristics of common credit risk, the Company divides financial instruments into different portfolios. the common credit risk characteristics adopted by the Company include: types of financial instruments, credit risk ratings, aging portfolios, overdue aging portfolios, contract settlement cycles, and industries in which debtors are engaged in. For the individual evaluation criteria of the relevant financial instruments and the characteristics of the portfolio credit risk, see the accounting policies of the relevant financial instruments.

The Company determines the expected credit losses of relevant financial instruments according to the following methods:

① For financial assets, credit loss is the present value of the difference between the contractual cash flow that the Company shall receive and the cash flow expected to be collected.

② For a financial guarantee contract, the credit loss is the present value of the difference between the amount of the Company's estimated payment to the contract holder for the credit loss less the amount that the Company expects to collect from the contract holder, debtor or any other party to the contract.

③ For a financial asset that has suffered a credit impairment on the balance sheet date but is not a purchased or originated one with credit impairment, the credit loss is the difference between the book balance of the financial asset and the present value of estimated future cash flow discounted at the original effective interest rate.

The factors reflected in the Company's method for measuring expected credit loss of financial instruments include: the unbiased probability-weighted average amount determined by evaluating a series of possible outcomes; the time value of money; reasonable and well-founded information about past events, current conditions and forecasts of future economic conditions that may be obtained without unnecessary extra cost or effort on the balance sheet date.

4) Write-down of financial assets

When the Company no longer reasonably expects to be able to fully or partially recover the contractual cash flow of a financial asset, the Company directly writes down the book balance of the financial asset.

10. Notes receivable

See Note 4.9.4 Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on notes receivable.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify notes receivable into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as follows:

Portfolio	Basis for determination of portfolio	Provision method
Risk-free bank acceptance bill portfolio	The issuer has a high credit rating, with no historical defaults on notes and an extremely low risk of credit loss, demonstrating a strong ability to fulfill its cash flow obligations under the payment contract in the short term.	Measure bad debt provision by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Commercial acceptance bill	Mainly issued by reputable enterprises, and had no major breach of contract according to historical experience	The Company makes reference to the historical credit loss experience, combines with the current situation and the forecast of future economic conditions, and prepares a comparison table of the aging of notes receivable and the expected credit loss rate for the entire duration to calculate expected credit losses.

11. Accounts receivable

See Note 4.9.4 Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on accounts receivable.

The Company individually determines the credit loss for accounts receivable if there is sufficient evidence to assess their expected credit losses at the individual instrument level at a reasonable cost.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify accounts receivable into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as follows:

Portfolio	Basis for determination of portfolio	Provision method
Aging portfolio	Classify portfolios based on aging	Withdraw provision for credit impairment losses based on the comparison table of aging and expected credit loss rates over the entire duration

Portfolio	Basis for determination of portfolio	Provision method
Portfolio of government accounts	Classify as government funds portfolio based on the relationship with counterparties	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Complementary risk portfolio	Classify as compensatory risk portfolio based on the nature of receivables	Analyze compensatory units one by one; if there are recoverable assets, use the value of recoverable assets as the estimated recovery amount; if there are no recoverable assets, withdraw provision for credit impairment losses in full. For compensatory units with suspected clues of applying for execution resumption, normal performance repayment records, or ongoing litigation, consider the possibility of fund recovery and withdraw provision for corresponding credit impairment losses
Portfolio of related parties	Classify as related party receivables based on the relationship with counterparties	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Other portfolios	Classify portfolios based on the nature of the funds	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.

12. Other receivables

See Note 4.9.4 Impairment of financial instruments for details of the Company's method for determination and accounting of expected credit losses on other receivables.

The Company individually determines the credit loss for other receivables if there is sufficient evidence to assess their expected credit losses at the individual instrument level at a reasonable cost.

When there is sufficient evidence of the inability to assess the expected credit losses at the individual instrument level at a reasonable cost, the Company shall, by reference to historical credit loss experience and combined with current conditions and judgments about future economic conditions, classify other receivables into several portfolios based on credit risk characteristics to calculate expected credit losses on portfolio basis. The basis for determining the portfolio is as follows:

Portfolio	Basis for determination of portfolio	Provision method
Aging portfolio	Classify portfolios based on the nature of the funds, aging and other factors	Withdraw provision for credit impairment losses based on the comparison table of aging and expected credit loss rates over the entire duration
Portfolio of related parties	Classify as related party receivables based on the relationship with counterparties	Measure bad debt provision by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.
Other portfolios	Classify portfolios based on the nature of the funds	Withdraw provision for credit impairment losses by reference to historical credit loss experience, and combined with current status and expectations of future economic conditions.

13. Inventories

(1) Classification of inventories

The inventories of the Company mainly include raw materials, goods in process, stock commodities, revolving materials, real estate development costs and real estate development products, etc.

Development costs refer to properties whose construction has not been completed and that are developed for sale. Developed products refer to properties whose construction has been completed and that are ready for sale. Inventories mainly include raw materials, developed products under construction, finished developed products, and developed products proposed to be sold but temporarily rented out.

(2) Measurement method for inventories dispatched

Inventories are initially measured at costs on acquisition. Such costs consist of purchase costs, processing costs and other costs. Valuation method of inventories:

1) Dispatched inventories of materials, equipment, stock commodities, etc. other than developed products are measured by using the weighted average method at the end of the month.

2) When the project is developed, the land for development is included in the development cost of the project according to the area occupied by the developed products.

3) The dispatched developed products are accounted for by the cost coefficient allocation method.

4) The developed products and revolving houses that are temporarily leased for sale are evenly amortized by stages according to the estimated useful life of the Company's similar fixed assets.

5) If the public supporting facilities are completed earlier than the relevant developed products, after the completion and final settlement of the public supporting facilities, they shall be included in the development cost of the relevant development project according to the actual development cost of such project; If the public supporting facilities are completed later than the relevant developed products, the public supporting facilities fees shall be withheld by the relevant developed products first, and the cost of the relevant developed products shall be adjusted according to the difference between the actual amount incurred and the withheld amount after the completion and settlement of the public supporting facilities.

6) Bulk trade inventories are measured at the weighted average method at end of month when dispatched.

7) A construction contract is measured at the actual cost, including direct expenses and indirect expenses incurred from the signing of the contract to the completion of the contract and those related to the execution of the contract. Accumulated cost incurred and accumulative gross profit (loss) recognized as well as settled payments of the construction contract shall be presented at the net amount after the offset in the balance sheet. The part of accumulated costs incurred plus accumulative gross profits (losses) recognized exceeding payments settled as to a construction contract shall be presented as inventories; the part of accumulated costs incurred plus accumulative gross profits (losses) recognized less than the payments settled as to the construction contract shall be presented as advances from customers.

Where travel expenses and bidding expenses, etc. are incurred from the conclusion of the contract and can be separately distinguished and reliably measured and the contract is probably concluded, such expenses shall be included in the contract cost when the contract is received; if the above conditions fail to be met, such expenses shall be included in the current profit and loss.

(3) Inventory system

The Company adopts the perpetual inventory system for inventories except for fresh and live products of hotels and catering industries for which the Company adopts the physical inventory system.

(4) Basis to determine net realizable values of inventories and method of provision for depreciation of inventories

On the balance sheet date, the inventories are measured at the lower of the costs and the net realizable value, and the inventory depreciation reserve is made on the basis of single inventory item in principle; but for inventories with large quantity and low unit price, provision for inventory depreciation reserve shall be made according to inventory categories. For goods inventories for direct sale, including finished goods, commodities and materials for sale, their net realizable values shall be recognized at the estimated selling prices minus the estimated selling expenses and the relevant taxes and surcharges in the normal production and operation process; For material inventories required to be processed, their net realizable values are recognized at the estimated selling prices of finished goods minus estimated costs until completion, estimated selling expenses and relevant taxes and surcharges in the normal production and operation process; On the balance sheet date, if part of the same inventory has agreed contract price but the other part has no agreed contract price, their net realizable values are determined respectively, and the amount accrued or reversed of inventory provision for depreciation is determined respectively by comparison with their corresponding cost.

14. Long-term equity investment

Long-term equity investment refers to the equity investment that the Company exerts control and significant influence over the investee, including the equity investment in joint venture. Common control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement shall not be made before the party sharing the control agrees to the same; Where the Company exercises joint control over the investee together with other parties to the joint venture and enjoys the right on the investee's net assets, the investee is a joint venture of the Company. Significant influence refers to the power to participate in making decisions on the financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties; Where the Company is able to exert significant influence over the investee, the investee is its associate.

(1) Determination of investment cost

Business combination under common control: If the Company makes payment in cash, transfers non-cash assets or bears debts and issues equity securities as the consideration for the business combination, the share of owners' equity of the combinee obtained on the combination date in the book value of the ultimate controller's consolidated financial statements is recognized as the initial investment cost of the long-term equity investments. If the Company can exercise control over the investee under common control as a result of additional investment or other reasons, the initial investment cost of the long-term equity investment shall be determined at the share of its net asset of the combinee enjoyed on the combination date in the book value of the ultimate controller's consolidated financial statements. If there is a difference between the initial investment cost of the long-term equity investment on the combination date and the sum of the book value of the long-term equity investment before combination and the book value of the consideration newly paid by shares

acquired on the combination date, the difference shall be used to adjust the share premium; and if the share premium is insufficient to be offset, retained earnings shall be offset.

Business combination not under common control: The Company recognizes the combination cost determined on the combination date as the initial investment cost of long-term equity investments. If the Company can exercise control over the investee not under common control as a result of additional investment or other reasons, the sum of the book value of the equity investment previously held plus the newly increased investment costs shall be regarded as the initial investment costs to be measured by changing to adopt the cost method.

Other equity investments other than long-term equity investments from business combinations are initially measured at costs. The costs are respectively recognized at purchase price in cash actually paid by the Company, fair value of equity securities issued by the Company, value agreed in investment contracts or agreements, fair value or original book value of assets transferred out from non-monetary assets exchange transactions and the fair value of such long-term equity according to the method of acquisition of long-term equity investments. Expenses, taxes and other necessary expenses that are directly related to the long-term equity investments shall be recognized as the initial costs.

(2) Subsequent measurement and recognition of gains or losses

1) Long-term equity investments accounted for under cost method

Long-term equity investment of the Company in subsidiaries are calculated under the cost method. Except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognizes the investment income in the current period at the cash dividends or profits declared by the investee.

2) Long-term equity investments accounted for under the equity method

The Company's long-term equity investment in its associates and joint ventures are calculated under the equity method. If the initial investment cost of a long-term equity investment is in excess of the proportion of the fair value of the net identifiable assets in the investee when the investment is made, the initial investment cost of long-term equity investment shall not be adjusted; If the cost of initial investment is lower than the proportion of the fair value of the net identifiable assets in the investee when the investment is made, the difference thereof will be included in the current profit or loss.

The Company shall recognize the investment income and other comprehensive income respectively in accordance with its share of net profit or loss and other comprehensive income realized by the investees that it should enjoy or share, and adjust the book value of long-term equity investments at the same time; The Company shall, in the light of the profits or cash dividends that the investee declares to distribute, calculate the part it shall enjoy and reduce the book value of the long-term equity investment correspondingly. For other changes in owner's equity of the investee excluding net losses or profits, other comprehensive income or profit distribution, the book value of long-term equity investments will be adjusted and included in owner's equity.

When recognizing the share of net profit or loss of the investee that the Company shall enjoy, based on fair value of various identifiable assets and others of the investee on acquisition and according to accounting policies and accounting periods of the Company, the Company shall recognize such share after making adjustments to net profit of the investee. During the holding investment period, where an investee prepares consolidated financial statements, the amount lies in the net profit, other comprehensive income and changes in other owners' equity of the consolidated financial statements

which belongs to the investee shall be took as the basis for accounting.

For transactions between the Company and associates and joint ventures, if invested or sold assets fail to constitute business, the Company shall write off the part of incomes from internal unrealized transactions which are attributable to the Company according to the corresponding ratio and recognize the profit and loss on investments on such basis. Where the losses from internal transactions between the Company and the investee fall into the scope of losses from asset impairment, they shall not be offset. Where assets invested in joint ventures or associates by the Company constitute business and then the Company acquires long-term equity investments but fails to obtain control, the fair value of invested business as the initial investment cost of the newly increased long-term equity investments. The difference between the initial investment cost and book value of invested business shall be included in the current profit or loss. Where assets sold to joint ventures or associates by the Company constitute business, the difference between the consideration paid and book value of the business shall be fully included in the current profit and loss. Where assets purchased from associates and joint ventures by the Company constitute business, accounting treatment shall be made according to the provisions of the Accounting Standards for Business Enterprises No.20 - Business Combinations. Gains or losses related to transactions shall be fully recognized.

When recognizing the net losses occurred in the investee that shall be shared, the reduction value of book value of long-term equity investments and other long-term equities that constitute net investments in the investee will be the limit until it becomes zero. In addition, if the Company assumes additional obligations for the investee, the obligation expected to be assumed shall be recognized as estimated liabilities and included in the investment loss in the current period. Where the investee is profitable in subsequent accounting periods, the Company shall restore and recognize the income shares after such income shares offset the unrecognized loss shares.

3) Purchase of minority interest

In the preparation of the consolidated financial statements, the capital reserves will be adjusted at the difference between the long-term equity investment acquired by the Company for the purchase of minority equities and the share of net assets calculated constantly from the acquisition date (or combination date) according to the newly increased shareholding ratio. Where the share premium is insufficient, retained earnings will be adjusted.

4) Disposal of long-term equity investments

The difference between the proceeds from partial disposal of equity investments without losing control in the subsidiaries and the share of net assets of the subsidiaries attributable to the Company corresponding to the disposal of long-term equity investments shall be charged into shareholders' equity in the consolidated financial statements; long-term equity investments with the loss of control over the subsidiaries due to partial disposal of equity investments by the parent company shall be handled according to the relevant accounting policies set forth in Note "Preparation method of consolidated financial statements".

For disposal of long-term equity investments under other circumstances, the difference between book value and the actual purchase price shall be included in the current profit and loss.

For long-term equity investments accounted for under the equity method, where the remaining equities after the disposal are still accounted for with the equity method, the part of other comprehensive income that is originally included in shareholders' equity on disposal shall be accounted for on the same basis on which the investee directly disposes the relevant assets or

liabilities according to the corresponding proportion. Owner's equity recognized from changes in other owner's equity of the investee other than net profit and loss, other comprehensive income and the profit distribution shall be included in the current profit or loss according to the proportion.

For long-term equity investments accounted for under the cost method, where the remaining equities after the disposal are still accounted for with the cost method, other comprehensive income that is recognized by using the equity method or according to the standards for recognition and measurement of financial instruments before the Company obtains the control over the investee shall be accounted for on the same basis on which the investee directly disposes the relevant assets or liabilities and shall be carried forward to the current profit and loss in proportion. Changes in other owner's equity other than net profit or loss, other comprehensive income and profit distribution in net asset of the investee recognized by using the equity method shall be carried forward to the current profit and loss in proportion.

Where the Company loses the control over the investee due to disposal of partial equity investments, when it prepares separate financial statements, the remaining equity after disposal that can jointly control or have significant influence on the investee will be measured at the equity method, and the remaining equity shall be deemed to have been adjusted at equity method on acquisition; if the remaining equity after disposal can not exercise joint control or significant influence over the investee, such remaining equity shall be subject to the accounting treatment according to the recognition and measurement standards of financial instruments, and the difference between its fair value and book value on the date when control losses is included in current profit and loss. Other comprehensive income that is recognized by using the equity method or according to the standards for recognition and measurement of financial instruments before the Company obtains the control over the investee shall be accounted for on the same basis on which the investee directly disposes the relevant assets or liabilities. Changes in other owner's equity other than net profit or loss, other comprehensive income and profit distribution in net asset of the investee recognized by using the equity method shall be carried forward to the current profit or loss when the Company loses the control over the investee. Among them, the remaining equities after the disposal are accounted for under the equity method, other comprehensive income and other owners' equities are carried forward in proportion; where the remaining equities after the disposal are changed to be accounted for according to standards for recognition and measurement of financial instruments, other comprehensive income and other owners' equities shall be fully carried forward.

In case the joint control or significant influence over the investee is lost for disposing part of equity investments, the remaining equity will be changed to be accounted for according to the recognition and measurement principles of financial instruments. The difference between the fair value and the book value on the date of the loss of joint control or significant influence shall be included in the current profit or loss. For other comprehensive income recognized from accounting of the original equity investments under the equity method, accounting treatment shall be made by using the same basis for the investee to directly dispose the relevant assets or liabilities when the equity method is no longer adopted. Owner's equity recognized from the investee's changes in other owner's equity other than net profit or loss, other comprehensive income and profit distribution shall all transferred to the current investment income when the equity method confirmed is no longer adopted.

15. Investment properties

(1) The investment property refers to the real estate held for earning rentals or/and capital appreciation. Investment properties include leased land use right, land use right held for transfer upon appreciation, and leased building.

(2) The Company shall make subsequent measurement of investment properties under cost method and depreciate and amortize investment properties using the policies in consistent with houses and

buildings or land use right.

(3) When properties for self-use or inventories are converted into investment properties or investment properties are converted into properties for self-use, the book value before the transfer shall be regarded as the recorded amount after the transfer.

(4) When an investment property is being disposed or permanently withdrawn from use and no future economic benefits are expected from the disposal, the investment property shall be derecognized. When an investment property is sold, transferred, retired or damaged, the Company shall recognize the amount of any proceeds on disposal deducting its book value and related taxes and surcharges, in the current profit or loss.

(5) On the balance sheet date, if there is any indication of impairment of investment properties, the provision for impairment of investment properties shall be made by the method described in the "impairment of assets" policy in the notes to the financial statements.

16. Fixed assets

(1) Fixed assets refer to tangible assets that have the following characteristics at the same time: 1) held for the production of goods, provision of labor services, lease or business management; and 2) the use life exceeds one fiscal year.

(2) Fixed assets will be recognized when all the following conditions are satisfied at the same time: (1) the economic benefits associated with the fixed assets are likely to flow into the Company; 2) The costs of the fixed assets can be measured reliably. If the subsequent expenses relevant to a fixed asset meet the said recognition conditions, they shall be recorded in the cost of fixed asset; If they do not meet the said recognition conditions, they shall be included in the current profit and loss when incurred.

(3) Fixed assets are initially measured at cost.

(4) Provision for depreciation of fixed assets will be made, during the service life, by the straight-line method as of the next month when the fixed assets reach to the predetermined serviceable condition. The service life, estimated net residual value and annual depreciation rate in aspect to various fixed assets are as follows:

Category of fixed assets	Useful life (year)	Annual depreciation rate (%)	Estimated net residual value rate (%)
Buildings and constructions	5-70	1.36-20	0-5
Machinery equipment	3-20	4.5-33.33	0-10
Means of transportation	5-15	6.33-20	0-5
Pipe network	10-20	4.75-10	0-5
Landscaping projects	20	4.75	5
General equipment	3-18	5.28-33.33	0-5
Special equipment	5-18	5.28-20	0-5

Category of fixed assets	Useful life (year)	Annual depreciation rate (%)	Estimated net residual value rate (%)
Port-dredging expressway	25	3.8	5
Office equipment	3-15	6.33-33.33	0-5
Electronic and other equipment	3-20	4.75-33.33	0-5

(5) On the balance sheet date, if there is any indication of impairment of fixed assets, the provision for impairment of fixed assets shall be made by the method described in the "impairment of assets" policy in the notes to the financial statements.

17. Construction in progress

(1) Construction in progress will only be recognized when the economic benefits relating to it may flow into the Company and its costs can be measured reliably. Construction in progress is measured at the actual cost incurred before the asset is constructed to reach the predetermined serviceable condition.

(2) A construction in progress is transferred to fixed asset at actual cost when reaching the conditions for its intended use. For construction in progress that has reached the condition for intended use but for which the settlement for completed project has not been handled, it shall be transferred to the fixed asset at the estimated value. After the final account for completed project is settled, the Company adjusts the original estimated value according the actual cost, but does not adjust the provision for such depreciation that has been made.

(3) On the balance sheet date, if there is any indication of impairment of construction in progress, the provision for impairment of construction in progress shall be made by the method described in the "impairment of assets" policy in the notes to the financial statements.

18. Borrowing costs

(1) Recognition principles of capitalization of borrowing costs

Borrowing costs include interest thereon, amortization of discounts or premiums, ancillary expenses and exchange differences incurred by foreign currency borrowings, etc. The incurred borrowing costs directly attributable to the acquisition and construction or production of assets eligible for capitalization shall be capitalized and recorded into costs of related assets; Other borrowing costs are recognized as expenses based on the amount incurred and are included in the current profit and loss. Assets meeting the capitalization requirements refers to fixed assets, investment properties and inventories, etc. that need to be purchased, constructed or produced for a long time to be available for intended use or sale.

(2) Capitalization period for borrowing costs

1) Capitalization begins when the following conditions are met at the same time: ① The asset expenditures have incurred; ② the borrowing costs have incurred; and ③ purchase, construction or manufacturing activities that are necessary to prepare the asset for its intended use or sale have started.

2) Suspension of capitalization: If the acquisition and construction or production activities of assets eligible for capitalization are abnormally interrupted and such condition lasts for more than three months, the capitalization of borrowing costs shall be suspended. Borrowing costs incurred during the interruption are recognized as expenses in the current period and continue to be capitalized until the acquisition, construction or production of the asset restarts.

3) Cease of capitalization: Capitalization of borrowing costs shall be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale condition.

(3) Amount of borrowing costs capitalized

As for special borrowings borrowed for acquiring and constructing or producing assets eligible for capitalization, borrowing costs of special borrowing actually incurred in the current period less the interest income of the borrowings unused and deposited in bank or return on temporary investment shall be recognized as the capitalization amount of borrowing costs.

For general borrowings for the acquisition, construction or production of a qualifying asset conditions and occupancy, according to the weighted average asset disbursement of accumulated assets exceed the special loans with the general borrowing by multiplying the capitalization rate, calculate and determine the general loan shall be capitalized. The capitalization rate is determined via the calculation at the weighted average interest rate of general borrowings.

19. Intangible assets

(1) Intangible assets are initially measured at cost.

(2) Where the period when intangible assets bringing economic benefits to the Company can be reasonably determined according to the contractual rights of intangible assets or other legal rights, the same industry conditions, historical experience, relevant expert arguments and other comprehensive factors, such intangible assets shall be regarded as intangible assets with limited useful lives; where the period when intangible assets bringing economic benefits to the Company can not be reasonably determined, such intangible assets shall be regarded as intangible assets with uncertain useful lives.

(3) For the intangible assets with limited useful life, the Company generally considers the following factors when estimating their lives: 1) information about the general life cycle of the products that are made by using the asset or the useful life of similar assets that can be obtained; 2) current status and expected future development trends of technology, process and other aspects; 3) market demand for the products made by or services provided by using the asset; 4) action expected to be taken by the existing or potential competitors; 5) expected maintenance expenses for keeping the asset's ability of bring economic benefits, and the Company's ability of paying related expenses; 6) relevant legal provisions or similar restrictions on period of controlling the asset, such as franchise term and lease term; and 7) relevance with the useful lives of other assets held by the Company.

(4) An intangible asset with limited useful life is amortized over its useful life according to the expected way of realizing economic benefits relating to the intangible asset in a systematic manner, or amortized at the straight-line method if the expected way of realizing such benefit cannot be reliably determined. Intangible assets with indefinite useful life are not amortized, but the Company shall review the useful life of such intangible assets, and carry out the impairment test in each accounting period.

(5) On the balance sheet date, the ability of intangible assets that are expected to bring future economic benefits to the Company is examined, and the provision for impairment of intangible assets is made by the method described in the "impairment of assets" policy in the notes to the financial statements.

(6) The Company's expenditures for its internal research and development projects shall be included in the current profit or loss. Expenditure on the development phase of an internal research and development project shall be recognized as intangible assets only when the following conditions are simultaneously satisfied: 1) It is feasible technically to finish intangible assets for use or sale; 2) It is intended to finish and use or sell the intangible assets; 3) The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally; 4) Adequate technical, financial, and other resources are available to complete the development of the assets, and the Company has the ability to use or sell the assets; and 5) The expenditure attributable to the intangible asset during its development phase can be measured reliably.

20. Impairment of assets

(1) For non-current assets other than inventories, deferred income taxes, and financial assets, the Company assesses on the balance sheet date whether there are any indications of possible impairment. If there are indications of possible impairment of an asset, the Company will estimate its recoverable amount on an individual basis; If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount will be determined based on the asset group or the portfolio of asset groups to which the asset belongs.

(2) The recoverable amount shall be determined at the higher of the net amount of the fair value of a single asset, asset group or portfolio of asset groups minus disposal expenses and the present value of the expected future cash flow of the single asset, asset group or portfolio of asset groups.

(3) If the recoverable amount of a single asset is lower than its book value, the corresponding asset impairment provision shall be made based on the difference between the book value of the single asset and the recoverable amount. If the recoverable amount of an asset group or portfolio of asset groups is lower than its book value, the corresponding impairment loss shall be recognized. The impairment loss shall first offset the book value of goodwill allocated to the asset group or portfolio of asset groups, and then offset the book value of all other assets on a pro rata basis according to the proportion of the book value of all assets other than goodwill in the asset group or portfolio of asset groups; the offsetting of the book value of the above assets shall be taken as the impairment loss of each single asset (including goodwill), and the provision for the impairment of each single asset shall be made.

(4) The above losses from asset impairment shall not be reversed in subsequent accounting periods once recognized.

21. Long-term deferred expenses

Long-term deferred expenses refer to the expenses which have been already incurred but will be borne in the current period and in the future with an amortization period of over 1 year. Long-term deferred expenses are amortized over the estimated beneficial period with straight-line method.

22. Goodwill

The difference between the combination costs in excess of the share of fair value of the acquiree's identifiable net assets acquired in the combination not under common control is recognized as goodwill. After initial recognition, goodwill is measured at cost less accumulated impairment provision. At the end of each year, goodwill impairment testing is conducted in conjunction with the related asset group or asset group portfolios. Losses from asset impairment shall not be reversed in subsequent accounting periods once recognized.

23. Employee compensation

Employee compensations refer to multiform remuneration or compensation offered by an enterprise in order to get services provided by its employees or terminate the labor relation. Employee compensation of the Company mainly includes short-term employee compensation, post-employment benefits, dismissal benefits and other long-term employee benefits. Including:

Short-term compensation mainly includes salaries, bonuses, allowances and subsidies, employee warfare, medical insurance premiums, maternity insurance premiums, work-related injury insurance premiums, housing provident funds, trade union dues and education funds, non-monetary benefits, etc. During the accounting period when employees serve the Company, the actual short-term employee compensation is recognized as liabilities and included in current profit and loss or costs associated with assets. Among them, non-monetary benefits are measured at the fair value.

Post-employment benefits mainly include defined contribution plans. Defined contribution plans mainly include basic endowment insurance and unemployment insurance. The corresponding amounts to be paid shall be included in the cost of related assets or the current profit and loss when they are incurred.

Where the Company rescinds labor relationship with employees prior to expiry of a labor contract, or encourages employees to accept voluntary redundancy offer of compensation recommended, employee compensation incurred from dismissal benefits shall be recognized as liabilities and shall be recorded into the current profit and loss at the earlier date when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal and when the Company recognizes the cost related to restructuring concerning payment of dismissal benefits. However, dismissal benefits that are expected to fail to be fully paid within 12 months after the end of the annual reporting period shall be handled according to other long-term employee benefits.

Other long-term employee benefits provided for employees by the Company in conformity with defined contribution plans shall be accounted for according to the defined contribution plans. Others shall be accounted for according to the defined benefit plans.

24. Share-based payment

(1) Share-based payments include equity-settled share-based payments and cash-settled share-based payments.

(2) The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. If the equity-settled share-based payment is exchanged for other services, and the fair value of other services can be reliably measured, it shall be measured at the fair value of other services on the acquisition date; If the fair value of other services can not be reliably measured, but the fair value of the equity instruments can be reliably measured, it shall be measured at the fair value of the equity instrument on the service

acquisition date. A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken.

(3) The fair value of equity instruments shall be determined in accordance with the following methods: 1) The fair value of an equity instrument for which there is an active market shall be determined in accordance with the quoted price in such active market; and 2) The fair value of an equity instrument for which there is no active market shall be determined by using some valuation techniques, including the prices adopted by the parties, who are familiar with the condition, in the latest market transaction upon their own free will, the current fair value obtained by referring to other financial instruments of the same essential nature, and the discount cash flow method and options pricing model.

(4) Basis for determining the best estimate of the equity instruments with exercisable rights: Best estimates of the equity instruments will be made according to the latest subsequent information including changes in the number of employees with exercisable rights.

25. Bonds payable

Bonds payable are initially recognized at their fair value, which is the difference between the actual funds received (fair value of the consideration) and transaction costs, and are subsequently measured at amortized cost. The difference between the net amount of borrowed funds received and the amount due at maturity is amortized over the borrowing period using the effective interest method, with the amortization amount recognized in the current profit and loss.

26. Estimated liabilities

Except for contingent consideration and contingent liabilities assumed in business combination not under the same control, when the obligations related to contingencies meet the following conditions, the Company shall recognize them as estimated liabilities:

(1) The obligation is a present obligation of the Company;

(2) The performance of such obligation is likely to result in outflow of economic benefits from the Company;

(3) The amount of the obligation can be measured reliably.

The estimated liabilities of the Bank are initially measured as the best estimate of expenses required for the performance of relevant present obligations by considering comprehensively the risks with respect to contingencies, uncertainties and the time value of money. On the balance sheet date, the Company reviews the book value of estimated liabilities. The Company shall make corresponding adjustments to reflect the current best estimate if there is any conclusive evidence indicating that such book value can not reflect the current best estimate.

27. Preferred shares, perpetual bond and other financial instruments

If financial instruments such as perpetual bonds issued by the Company do not cover contract obligations such as delivering cash or other financial assets to others, or changing financial assets or liabilities with others under potential adverse conditions, they will be classified as equity instruments;

Interest expenses or dividend distributions on financial instruments classified as equity instruments, such as perpetual bonds, are treated as profit distributions by the Company. Their repurchase or cancellation is treated as changes in equity, and related transaction costs are deducted from equity.

28. Work safety costs

The Company shall withdraw the work safety expenses in accordance with the Circular on Issuing the Administrative Measures for the Withdrawal and Use of Expenses for Safety Production of Enterprises (Cai Qi [2012] No.16) of the Ministry of Finance and the State Administration of Work Safety and relevant provisions.

The Company withdraws the work safety expenses according to national provisions, includes them in the cost of related products or the current profit or loss, and include them in special reserves at the same time. When withdrawn work safety expenses are used, they are treated separately depending on whether they form fixed assets: if they belong to expenses, they shall be directly deducted from special reserves; if fixed assets are formed, the expenses incurred shall be collected and recognized as fixed assets at the time of meeting predetermined serviceable condition, while the equivalent special reserves are offset and the equivalent accumulated depreciation is recognized.

29. Revenue

(1) Revenue recognition principle

The Company recognizes revenue when its performance obligations as stipulated in the contract are fulfilled, that is, when the customer obtained control of the related goods or services, based on the transaction price allocated to that performance obligation.

Performance obligation refers to the Company's commitment in the contract to transfer distinctly identifiable goods or services to the customer.

Obtaining control of related goods or services refers to being able to dominate the use of the goods or the rendering of the services and obtain almost all economic benefits from them.

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

If the Company meets one of the following conditions, it is deemed to fulfil the performance obligations within a certain period of time; otherwise, it is deemed to so at a certain point of time: 1) The customer obtains and consumes the economic benefits brought by the Company's performance while the Company is performing the contract; 2) The customer can control the commodities under construction during the Company's performance; 3) The commodities produced by the Company during the performance of the contract have irreplaceable uses, and the Company has the right to receive payment for the accumulated performance of the contract so far throughout the contract period.

For performance obligations performed within a certain period of time, the Company recognizes revenue in accordance with the performance progress during that period. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized at the amount of the cost incurred until the performance progress can be reasonably determined. For performance obligations performed at a

certain time point, the Company recognizes revenue when the customer obtains control of the relevant services. When judging whether a customer has acquired control of goods, the Company considers the following indications: 1) The Company is entitled to charge for the goods at present, that is, the customer is obliged to pay for the goods at present; 2) The Company has transferred the legal ownership of the goods to the customer, that is, the customer has had the legal ownership of the goods; 3) The Company has transferred the goods to the customer in kind, that is, the customer has owned the goods in kind; 4) The Company has transferred the major risks and rewards in the ownership of the goods to the customer, that is, the customer has obtained the major risks and rewards in the ownership of the goods; 5) The customer has accepted the goods; 6) Other indications that the customer has gained control of the goods.

(2) Revenue measurement principles

1) The Company measures revenue at the transaction price allocated to each performance obligation. Transaction price means the amount of consideration to which the Company is expected to be entitled as a result of the transfer of goods or services to customers, excluding amounts received on behalf of third parties and amounts expected to be returned to customers.

2) If there is a variable consideration, the Company determines the best estimate of the variable consideration according to the expected value or the most likely amount, but the transaction price including the variable consideration shall not exceed the accumulated and recognized income without possible significant reversal when the relevant uncertainty is eliminated.

If there is a significant financing component in the contract, the Company determines the transaction price based on the amount payable in cash when the customer obtains control of the goods or services, and uses the effective interest method to amortize the difference between the transaction price and the contract consideration during the contract period. On the commencement date of contract, if the Company expects the interval between the date when the customer obtains control of the goods or services and the date of payment by the customer to be less than one year, it will not consider any significant financing component in the contract.

4) Where the contract contains two or more performance obligations, the Company will, on the commencement date of the contract, allocate the transaction price to each individual performance obligation in the proportion of the individual selling price of the goods for which each individual performance obligation is committed.

(3) Specific methods for revenue recognition

1) Contract on sale of goods

The contracts on sale of goods between the Company and customers usually only include performance obligations for the transfer of goods. The Company generally recognizes revenue at the time point when the customer obtains the control over the relevant goods on the basis of comprehensive consideration of the following factors: obtaining of the current collection rights of the goods, transfer of the main risks and rewards of the ownership of the goods, transfer of the legal ownership of the goods, transfer of the physical assets of the goods, and the customer's acceptance of the goods.

2) Rendering of labor services

When the Company provides labor services according to the contract, revenue from services is recognized when the services provided meet the recognition terms in the contract, and the customer has obtained control of the related services.

3) Rendering of construction services

The Company recognizes revenue over time for construction services provided to customers, as the customer controls the goods under construction during the Company's performance. Revenue is recognized based on progress, determined by the input method, specifically by the ratio of cumulative actual contract costs to the total estimated contract costs. If the progress of contract performance cannot be reasonably determined, but contract costs are expected to be recoverable, contract income can be recognized to the extent of actual contract costs that are expected to be recoverable and the contract costs are recognized as contract expenses immediately when incurred. When the factors preventing reasonable determination of contract performance progress no longer exist, revenue and expenses related to construction contracts are recognized according to the progress of contract performance.

4) Hotel accommodation services

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing hotel accommodation services based on the number of nights stayed and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

5) Service of paid use of funds within a certain period of time

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing the service of paid use of funds within a certain period of time based on the number of days of fund use and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

6) Market stall usage and related supporting services

Since the customer obtains and consumes the economic benefits from the Company's performance of the contract while the Company performs the contract, the Company deems it as an obligation to perform a contract within a certain period, recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performing market stall usage and related supporting services based on the number of days of stall usage and by using the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company can be expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

30. Contract assets and contract liabilities

The Company presents contractual assets or contractual liabilities in the balance sheet based on the relationship between its performance of fulfillment obligations and customer payments. The Company will present its contractual assets and contractual liabilities under the same contract by their net amount after offsetting each other.

(1) Contract assets

Contractual assets refer to the right to receive consideration for the transfer of goods or services to customers, and this right depends on factors other than the elapse of time.

(2) Contract liabilities

Contractual liabilities refer to the obligation to transfer goods or services to customers for the consideration received or receivable from customers, such as the amount that an enterprise has received before the transfer of promised goods or services.

31. Assets related to contract costs

The Company's assets related to contract costs include contract acquisition costs and contract performance costs. According to their liquidity, they are separately presented in inventories, other current assets and other non-current assets.

If the Company expects to recover the incremental costs incurred to obtain the contract, the contract acquisition costs are recognized as an asset unless the amortization period of the asset does not exceed one year.

If the Company does not apply the scope of the relevant standards such as inventories, fixed assets or intangible assets for the costs incurred in performing the contract, and the following conditions are met at the same time, such costs shall be recognized as an asset categorized as contract performance cost:

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

(2) where such cost increases the resources that the enterprise will use to perform its fulfillment obligations in the future; and

(3) where the cost is expected to be recovered.

The Company amortizes the assets related to contract costs on the same basis as the revenue recognition related to the assets and includes them into the current profit or loss.

If the book value of assets related to contract costs is higher than both of the following two differences, the Company will make impairment provision for the exceeding part and recognize it as losses from asset impairment:

(1) where the remaining consideration is expected to be obtained by the transfer of goods or services related to the asset;

(2) where the costs are estimated to occur for the transfer of the relevant goods or services.

If the factors of impairment in the previous period have changed later, causing that the difference between (1) and (2) is higher than the book value of the asset, the provision for asset impairment that was originally accrued shall be reversed and included in the current profit or loss, but the

reversed book value of the asset shall not exceed the book value of the asset on the date of reversal under the assumption that no provision for impairment is made.

32. Lease

Lease refers to a contract in which the lessor transfers the right to use the assets to the lessee within a certain period to obtain consideration.

On the contract commencement/change date, the Company evaluates whether the contract is or includes a lease. The Company does not reassess whether the contract is or includes a lease unless the terms and conditions of the contract change.

(1) The Company as the lessee

1) Separation of leases

If a contract contains one or more lease and non-lease components, the Company separates each lease and non-lease component and allocates the contract consideration based on the relative proportion of the sum of the standalone price of each lease component and the standalone price of the non-lease component.

2) Right-of-use assets

At the commencement of the lease term, the Company recognizes the right-of-use assets for leases other than short-term and low-value asset leases. Right-of-use assets are initially measured at cost, The cost includes: ①Initial measurement amount of lease liability; ② the lease payment made on or before the commencement of the lease term, or the relevant amount after deducting the lease incentive already enjoyed if any; ③ initial direct costs incurred by the Company; ④ the cost expected to be incurred by the Company for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state agreed in the lease terms, excluding the costs incurred to produce inventories. The Company subsequently depreciates the right-of-use assets by using the straight-line method. If there is a reasonable assurance that the ownership of leased assets can be acquired when the lease period expires, then the depreciation will be made within the useful life of such lease assets; Otherwise, the leased asset is depreciated over the shorter of the lease term and the remaining useful life of the leased asset.

The Company determines whether the right-of-use assets have been impaired and accounts for them in accordance with the relevant provisions on impairment of assets.

3) Lease liabilities

At the commencement of the lease term, the Company recognizes lease liabilities for leases other than short-term and low-value asset leases. Lease liabilities are initially measured at the present value of the unpaid lease payments on the commencement date of the lease. The lease payments include: ① fixed payment (including substantial fixed payment), and the relevant amount after deducting the lease incentive if any; ② variable lease payments depending on index or ratio; ③ exercise price of the purchased option, provided that the Company reasonably determines that the option will be exercised; ④ the amount to be paid for the exercise of the lease termination options, provided that the lease term reflects that the Company will exercise the options to terminate the lease; and ⑤ estimated payments due to the guaranteed residual value provided by the Company;

The Company uses the interest rate implicit in lease as the discount rate, but if the interest rate implicit in the lease cannot be reasonably determined, the Company uses the incremental borrowing rate as the discount rate. The Company calculates the interest expense of the lease liabilities in each

the lease term at a fixed periodic interest rate, and includes it in the current profit and loss or related asset costs. Variable lease payments that are not included in the lease liabilities are included in the current profit and loss or related asset costs when incurred.

After the lease commencement date, under any of the following circumstances, the Company shall re-measure the lease liability and adjust the book value of right-to-use asset accordingly. If the book value of the right-to- use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount shall be included in the current profit and loss: ① When the appraisal result of the purchase option, lease renewal option or termination option changes, or the actual exercise of the aforesaid option is inconsistent with the original appraisal result, the Company shall re-measure the lease liability at the present value calculated at the changed lease payment and the revised discount rate; ② When the actual fixed payment amount changes, the estimated amount payable of the guaranteed residual value changes, or the index or ratio used to determine the lease payment amount changes, the Company re-measures the lease liability at the present value calculated at the changed lease payment amount and the original discount rate. However, where the change in the lease payments is due to changes in floating interest rates, the present value is calculated using the revised discount rate.

4) Short-term and low-value asset leases

The Company chooses not to recognize the right-of-use assets and lease liabilities for short-term and low-value asset leases, and includes the related lease payments in the current profit and loss or related asset costs with the straight-line method in each lease term. Short-term lease refers to a lease that lasts for no more than 12 months and includes no purchase options at the commencement of the lease term. Low-value asset lease refers to a lease with lower value when the individual leased assets are brand new assets.

5) Lease change

If there is a change in the lease and the following conditions are met at the same time, the Company will account for the change in the lease as a separate lease: ① the lease change expands the scope of the lease by adding one or more rights to use the leased assets or extends the lease term; ② the increased consideration is equivalent to the individual price of the expanded or extended part adjusted according to the contract.

If the lease change is not accounted for as a separate lease, the Company shall, on the effective date of the lease change, re-allocate the consideration of the changed contract, re-determine the lease term, and remeasure the lease liabilities at the present value calculated based on the changed lease payment and the revised discount rate. If the change of the lease results in a narrowed scope of the lease or a shortened lease term, the Company shall reduce the book value of the right-of-use asset accordingly, and include the relevant gains or losses related to the partial or complete termination of the lease in the current profit and loss. If other changes in lease lead to the remeasurement of lease liabilities, the Company shall adjust the book value of the right-of-use asset accordingly.

(2) The Company as the lessor

1) Separation of leases

If a contract contains both lease and non-lease components, the Company allocates the transaction price in accordance with the provisions on transaction price allocation in the Accounting Standards for Business Enterprises No.14 - Revenue, based on the standalone prices of the lease and non-lease components.

2) Classification of leases

The leases are classified as financing lease and operating lease on the lease beginning date. Finance lease refers to the lease under which all the risks and rewards relevant to the ownership of assets are materially transferred, regardless of whether the ownership is ultimately transferred. Operating lease refers to the leases other than finance lease.

3) Operating lease business

Lease receipts from operating leases during each lease term shall be recognized as rental income with the straight-line method. The Company capitalizes the initial direct costs incurred in relation to operating leases, and allocates the same to the current profit and loss on the same basis as that for rental income recognition during the lease term. Variable lease payments that are not included in the lease receipts are included in the current profit and loss when incurred. Where an operating lease is changed, the Company shall account for it as a new lease as of the effective date of the change, and the advances received or lease receipts receivable related to the lease before the change shall be deemed as the receipts from the new lease.

4) Finance lease business

On the lease beginning date, the Company recognizes the financing lease receivables and derecognizes the assets acquired under financing lease. When the Company initially measures the financing lease receivables, the net lease investment is taken as the book-entry value of the financing lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received at the commencement of the lease term, discounted at the interest rate implicit in lease. The Company calculates and recognizes the interest income in each lease term at a fixed periodic interest rate. Variable lease payments that are not included in the net lease investment are included in the current profit and loss when incurred.

(3) Sale and leaseback transactions

The Company as seller and lessee

The Company evaluates and determines whether the asset transfer in the sale-and-leaseback deals is a sale in accordance with the Accounting Standards for Business Enterprises No.14 - Revenue. If the asset transfer is a sale, the group continues to recognize the transferred asset, and recognizes a financial liability equal to the transfer income at the same time, and accounts for the financial liability in accordance with the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments. If the asset transfer is a sale, the Group measures the right-of-use asset formed by the sale-and-leaseback deal according to the part, in the book value of original assets, related to the use right obtained from the leaseback, and only recognizes the relevant gains or losses for the rights transferred to lessor.

33. Government subsidies

(1) Government subsidies refer to monetary or non-monetary assets other than invested capital obtained free of charge from the government. They are divided into asset-related government subsidies and income-related government subsidies. Government subsidies can be recognized only when meeting the following conditions at the same time:

1) The Company can meet conditions attached to government subsidies;

2) The Company can receive government subsidies.

(2) The Company applies the gross method for accounting treatment of government subsidies.

(3) Judgement basis or accounting treatment method for government subsidies related to assets

If the government subsidies shall be used for the construction or the generation in otherwise of the long-term assets as required by the government documents, they are the government subsidies related to assets; If government documents have no relevant provisions, and such government subsidies are based on the condition of the construction or the generation in otherwise of the long-term assets judged on the basis of basic conditions required for obtaining such government subsidies, they shall be deemed as the government subsidies related to assets. Asset-related government subsidies are recognized as deferred income. If government subsidies relating to assets are recognized as deferred income, they shall be included in profit or loss by stages by a reasonable and systematic method within the useful lives of relevant assets. Government subsidies measured at the nominal amount are directly included in the current profit and loss. Where relevant assets are sold, transferred, scraped or damaged before the end of their lives, balance of the unallocated deferred income is transferred to the current profit or loss on asset disposal.

(4) Judgement basis or accounting treatment method for income-related government subsidies

Government subsidies other than asset-related government subsidies are classified as income-related government subsidies. For government subsidies that contain both asset-related parts and income-related parts, if it is difficult to distinguish between assets-related and income-related government subsidies, they shall be classified as income-related government subsidies as a whole. Government subsidies associated with income that are used to recover relevant costs or losses of the Company in subsequent period are recognized as deferred income and included in the current profit or loss when relevant costs or losses are recognized; those to be used as compensation for relevant expenses or losses already incurred shall be recorded directly in the profit or loss.

Government subsidies related to the Company's daily activities shall be included in other income in accordance with the nature of economic business. Where the government subsidies are irrelevant to the daily activities of the Company, they will be included in non-operating income or expenses.

(5) Accounting treatment method for interest subsidies for policy-based preferential loan

When the finance department appropriates the interest subsidies to the lending bank, and the lending bank provides the loan at the policy-based preferential interest rate to the Company, the Company will take the book-entry value at the loan amount actually received, and relevant loan expenses are calculated based on the principal of the loan and the policy-based preferential interest rate.

Where the finance department directly appropriates the discount funds to the Company, the Company will use the corresponding interest discount to offset related borrowing costs.

34. Deferred income tax assets and deferred income tax liabilities

(1) Current income tax

On the balance sheet date, current income tax liabilities (or assets) formed in current and prior periods are measured at the estimated income tax payable (or recovered) calculated according to the tax law. The taxable income which the calculation of current income tax expense is based on is calculated after the corresponding adjustment to accounting profit before tax in the current period in accordance with the relevant provisions of the tax law.

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

For the temporary differences arising from, the difference between the book value of certain assets or liabilities items and their tax basis, as well as the difference between the book value of the items fail to be recognized as assets or liabilities but of which the tax basis may be recognized in accordance with the provisions of tax law and their tax basis, the deferred income tax assets and deferred income tax liabilities shall be recognized by the balance sheet liability method.

For taxable temporary differences related to initial recognition of goodwill and related to initial recognition of assets or liabilities incurred in the transaction that is not a business combination and that affects neither accounting profit nor taxable income (or deductible loss) when the transaction occurs, the relevant deferred income tax liabilities shall not be recognized. In addition, for the taxable temporary differences related to the investment in subsidiaries, associates and joint ventures, if the timing of the reversal of the temporary differences is able to be controlled by the Company and the temporary differences will be probable not to be reversed in the foreseeable future, the relevant deferred income tax liabilities shall not be recognized. Except for the above exceptions, the Company recognizes deferred income tax liabilities arising from all of other taxable temporary differences.

For deductible temporary differences related to initial recognition of assets or liabilities incurred in the transaction that is not a business combination and that affects neither accounting profit nor taxable income (or deductible loss) when the transaction occurs, the relevant deferred income tax assets shall not be recognized. In addition, for the deductible temporary differences related to the investment in subsidiaries, associates and joint ventures, if the temporary differences will be probable not to be reversed in the foreseeable future or the deductible temporary differences will be probable not to be reversed in the future, the relevant deferred income tax assets shall not be recognized. Except for the above exceptions, the Company shall recognize deferred income tax assets arising from deductible temporary differences to the extent of the taxable income that is probably obtained to cover the deductible temporary differences.

For deductible losses and tax credits that can be carried forward to subsequent periods, deferred tax assets arising therefrom are recognized to the extent that future taxable income will be probable to be available against deductible losses and tax credits.

On the balance sheet date, deferred tax assets and liabilities shall be measured at the applicable tax rate during the period of estimated recovery of relevant assets or settlement of relevant liabilities according to the tax law.

The book value of deferred income tax assets shall be re-examined on the balance sheet date. If it is unlikely to obtain sufficient taxable income to offset the benefit of the deferred income tax assets, the book value of the deferred income tax assets shall be written down. When it is likely to earn sufficient taxable income, the write-down amount shall be reversed.

(3) Income tax expenses

Income tax expenses include the current income tax and the deferred income tax.

Except that the current income tax and deferred income tax that are recognized as other comprehensive income and are related to the transactions or events directly recorded in capital reserves are included in other comprehensive income or capital reserves, and that the book value of the goodwill is adjusted based on the deferred income tax arising from the business combination,

other current income taxes and deferred income tax expenses or benefit shall be included in the current profit and loss.

(4) Offset of income tax

If the Company has the legal right to settle in net amounts and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current income tax assets and current income tax liabilities of the Company shall be presented based on the net amount after offset.

When the Company has the legal rights to settle income tax assets and income tax liabilities for the current period with net amount, and deferred income tax assets and deferred income tax liabilities are related to the income tax which are imposed on the same taxpayer by the same tax collection authority or on different taxpayers, but, in each important future period in connection with the reverse of deferred income tax assets and liabilities, the involved taxpayer intends to balance income tax assets and liabilities for the current period with net settlement at the time of obtaining assets and discharging liabilities, deferred income tax assets and deferred income tax liabilities shall be presented based on the net amount after offset.

35. Held-for-sale category

The Company classifies the components (or non-current assets) that meet the following conditions at the same time as held for sale: (1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance; (2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired a confirmed purchase commitment, and it is estimated that the sale will be completed within one year. It has been approved by relevant authorities or regulatory authorities in accordance with relevant regulations.

The Company shall adjust the estimated net salvage value of the fixed assets for sale held by it to make the estimated net salvage value of the fixed assets reflect the amount of its fair value after deduction of the disposal expenses, which shall not exceed the original book value of the fixed assets when they meet the conditions for being held for sale, and the difference between the original book value and the estimated net residual value after adjustment shall be included in the current profit and loss as losses from impairment of assets, and a provision for impairment of assets held for sale is made at the same time. For the amount of losses from asset impairment recognized by the disposal groups held for sale, the book value of goodwill in disposal groups shall be firstly offset, and then according to the proportion of various non-current assets in disposal groups that are subject to the measurement provisions in these standards, the book value thereof shall be offset pro rata.

If the net amount of the fair values of non-current assets held for sale on the subsequent balance sheet date minus the selling expenses increases, the amount previously written down will be recovered and reversed in the amount of losses from asset impairment recognized after being classified into the category of assets held for sale, and the reversed amount shall be included in the current profit or loss.

The losses from asset impairment recognized before being divided into assets held for sale shall not be reversed. Where the net amount of fair values of disposal groups held for sale less the selling and distribution expenses increases on the subsequent balance sheet date, the amount previously written down shall be recovered and reversed in the amount of losses from asset impairment recognized regarding non-current assets, which are applicable to measurement provisions of the standards after being divided into assets held for sale. The reversed amount shall be included in the current profit and loss. The deducted book value of goodwill and the losses from asset impairment

recognized regarding non-current assets, which are applicable to provisions on the measurement in these standards, before being divided into assets held for sale may not be reversed. The subsequently reversed amount of losses from asset impairment recognized regarding any disposal group held for sale shall be used to add the book values of various non-current assets, which are applicable to provisions on the measurement in these standards, other the goodwill, at the proportions of these book values in the disposal group.

If the Company loses the control over the subsidiary due to the sale of the investment in the subsidiary or other reasons, whether the Company retains party equity investment after the sale, when the investment in the subsidiary to be sold satisfies the conditions for classifying as the asset held for sale, the investment in the subsidiary will be divided into the category of the asset held for sale in individual financial statements, and all assets and liabilities of the subsidiary will be classified into the category of assets and liabilities held for sale in the consolidated financial statement.

36. Discontinued operation

Discontinued operations refer to the component meeting any of the following conditions that can be separately distinguished and that has been disposed by the Company or classified as held for sale by the Company:

(1) the component represents a separate major business or a sole major business area;

(2) the component is a part of the plan on intended disposal of an independent major business or a sole major business area; or

(3) the component is a subsidiary acquired only for re-sale.

Profit or loss from continued operation and profit or loss from discontinued operation are listed respectively in the income statement. For non-current assets or disposal groups held for sale that do not meet the definition of discontinued operation, the impairment loss, reversed amount and profit or loss from disposal shall be presented as profit or loss from continued operation. The impairment loss from discontinued operation, reversed amount and other profit or loss from operation as well as profit or loss from disposal shall be presented as profit or loss from discontinued operation.

37. Measurement at fair value

The Company measures equity instrument investments at fair value on each balance sheet date. Fair value is the price received from sales of an asset or paid for transfer of a liability by a market participant in an orderly transaction on the measurement date. The Company measures relevant assets or liabilities at fair value, provide that the orderly trading for sale of assets or transfer of liabilities is carried out in the main market of the relevant assets or liabilities; If no main market exists, the Company assumes that the trading is conducted in the most advantageous market for related assets or liabilities. The main market (or the most advantageous market) is the trading market that can be entered by the Company at the measurement date. The Company adopts the assumption used for realizing its utmost economic benefit when the market participants determine the price of assets or liabilities.

When the Company uses the valuation techniques, it has considered the valuation techniques that are applicable in the current situation and are supported by enough available data and other information. The Company gives priority to the observable inputs when using valuation techniques, and those unobservable inputs are used only under the circumstance when it is impossible or unobservable inputs to obtain relevant observable inputs.

For assets and liabilities measured at or disclosed by their fair value in the financial statements, the level of the measurement result of fair value shall subject to the lowest level which the input having great significance to the entire measurement of fair value belongs to: Level 1 inputs refer to quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date; Level 2 inputs refer to inputs that are directly or indirectly observable for the assets or liabilities other than Level 1 inputs; Level 3 inputs refer to unobservable inputs of the relevant assets or liabilities.

On each balance sheet date, the Company reevaluates the assets and liabilities continuously measured at fair value and recognized in the financial statements in order to determine whether there is a conversion among the levels of fair value measurement.

V. Notes to changes in accounting policies and accounting estimates as well as corrections of accounting errors

1. Changes in accounting policies

The Company complies with the provisions of Interpretation No.17 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance ("Interpretation No.17") on "the division of current liabilities and non-current liabilities", "the disclosure of supplier financing arrangements" and "the accounting treatment of sale and leaseback transactions", which came into effect on January 1, 2024. This change in accounting policies had no significant impact on the Company's financial position, operating results and cash flows.

The Company complies with the provisions of Interpretation No.18 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance ("Interpretation No.18") on "subsequent measurement of investment real estate held as a basic project under the floating fee method" and "accounting treatment of guarantee-type quality assurance that does not belong to a single performance obligation", which came into effect on December 6, 2024. This change in accounting policies had no significant impact on the Company's financial position, operating results and cash flows.

2. Changes in accounting estimates

None.

3. Correction of accounting error

None.

4. Adjustments to other matters

The Company has implemented the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources issued by the Ministry of Finance since January 1, 2024, and adopted the prospective applicable law to implement the provisions.

VI. Taxes

1. Main tax types and tax rates

Tax type	Tax rate	Tax basis
Value-added tax	1%、3%、5%、6%、9%、13%	For general taxpayers, the output tax shall be calculated at 6%-13% tax rate, and the value added tax shall be calculated and paid based on the output tax after deducting the deductible input tax in current period; Tap water and hydropower projects are taxed at 3%. In addition, the sales of old self-developed real estate projects (with commencement date of contract before April 30, 2016, as indicated on the Construction Project Construction Permit) and the renting of immovable property acquired before April 30, 2016, are subject to tax at a rate of 5% under the simplified tax method. The export goods are subject to the policies on the tax exemption, offset or refund, and the refund rates are 5%-13% respectively.
Land value-added tax	30%～60%	A four-tier progressive tax rate is applied based on the ratio of value added to deductible items.
House property tax	1.2%、12%	Where the tax is levied by means of ad valorem, the tax payable shall be 1.2% of the balance of the original value of the housing property after deducting 30% thereof. Where the tax is levied based on rental income, the tax payable shall be 12% of rental income.
Land use tax	Fixed-amount taxation	Determine the applicable tax amount based on the local land grade
Cultural construction fee	3%	Advertising business turnover
Water resource tax	RMB0.2/m^3	According to the actual water withdrawal
Urban maintenance and construction tax	5、7%	Payable turnover tax amount
Educational surcharge	3%	Payable turnover tax amount
Local educational surcharge	2%	Payable turnover tax amount
Corporate income tax	15%、16.5%、19%、25%、30%	Taxable income

Remarks: The following entities are subject to different corporate income tax rates abroad:

Name of taxpayer	Corporate income tax rate
Europe Huajie Development Limited	19%
Yiwu Commodities City (Hong Kong) International Trade Limited	16.50%
BETTER SILK ROAD FZE	No corporate income tax levied
HongKong Better Silk Road Company Limited	16.50%
Yiwu China Commodities City (Germany) Co., Ltd.	15%
Huafrica (Kenya) Investment Development Co., Limited	30%
BETTER SILK ROAD RWANDA Ltd	30%

2. Key tax incentives

(1) According to the Announcement of the Ministry of Finance and the State Taxation Administration on Tax Policies on Further Supporting the Development of Small and Micro Businesses and Individual Industrial and Commercial Households (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.12), from January 1, 2023, to December 31, 2027, resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), farmland occupation tax, education surcharge, and local education surcharge shall be halved for small-scale VAT taxpayers, small low-profit enterprises, and individual businesses. Small low-profit enterprises shall calculate taxable income at a reduced rate of 25% and pay corporate income tax at a rate of 20%.

(2) According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Value-added Tax Reduction and Exemption Policy for Small-scale VAT Taxpayers (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.19), from August 1, 2023 to December 31, 2027, small-scale VAT taxpayers with monthly sales amount of below RMB100,000 (inclusive) shall be exempt from VAT; small-scale VAT taxpayers whose taxable sales revenue shall be subject to the 3% levy rate shall be eligible for a reduced rate of 1%; for items subject to prepayment of VAT at the rate of 3%, the prepayment will be made at a reduced rate of 1%.

(3) In accordance with the Circular on Expanding the Exemption Scope for Certain Government Funds (Cai Shui [2016] No.12), the exemption scope for education surcharges, local education surcharges, and water conservancy construction funds was expanded from taxpayers with monthly sales or business volume not exceeding RMB30,000 (or RMB90,000 for taxpayers that pay tax quarterly) to those with monthly sales or business volume not exceeding RMB100,000 (or RMB300,000 for taxpayers that pay tax quarterly) .

(4) According to Article 1 of the Circular of the State Tax Administration on Issuing the Provisions on Several Specific Issues concerning Value-Added Tax (Guo Shui Fa [1993] No.154), VAT shall not be levied on the scope of taxation: (7) supply or extraction of unprocessed natural water (such as the supply of water from a reservoir for agricultural irrigation and the self-extraction of underground water by a factory for use in production) .

The subsidiaries of Yiwu Water Affairs Construction Group Co., Ltd. (hereinafter referred to as "Water Affairs Group"), including Yiwu South, Yiwu West, Yiwu North, and Yiwu River Basin Water Conservancy Project Management Co., Ltd., are eligible for this preferential policy.

(5) According to the Circular on Issues Concerning VAT Exemption for Vegetable Distribution (Cai Shui [2011] No.137), from January 1, 2012, VAT is exempted for taxpayers engaged in the wholesale and retail of vegetables.

According to Article 1 of the Circular of the Ministry of Finance and the State Taxation Administration on the Policy Pertaining to the Exemption of Value-Added Tax Levied on Certain Fresh and Live Meat and Egg Products during Their Circulation Process (Cai Shui [2012] No.75), VAT is exempted on part of fresh and live meat and egg products being sold by the tax payers that engage in wholesale and retail of agricultural produce.

Subsidiaries of Yiwu Market Development Group Co., Ltd. (hereinafter referred to as the "Market Group") with the above business are entitled to the above preferential tax policy.

(6) According to Paragraph 24 of Article 1 of Attachment 3 Provisions on Transitional Policies for the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax to the Circular of the Ministry of Finance and the State Tax Administration on the Comprehensive Promotion of the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (Cai Shui [2016] No. 36), the VAT exemption policy for guarantee institutions is implemented through a record-filing management approach. Eligible guarantee institutions shall complete the record-filing procedures with the competent tax authorities of the counties(cities) where they are located and the small and medium-sized enterprise management departments at the same level, and enjoy a 3-year VAT exemption policy from the date of completion of the record-filing procedures. After the expiration of the 3-year tax exemption period, eligible guarantee institutions may continue to enjoy the policy after completing the record-filing procedures as prescribed.

The subsidiaries of the Company, Yiwu Financing Guarantee Co., Ltd. and the sub-subsidiary Yiwu Chengxin Financing Guarantee Co., Ltd., are applicable to the above preferential tax policy.

(7) According to the Announcement on Continuing to Implement the Preferential Tax Policies for Public Rental Housing (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.33), the rental income obtained from the operation of public rental housing is exempted from VAT (if it is not accounted for separately, it shall not enjoy the exemption policy) . This Announcement will be valid until December 31, 2025.

Yiwu Talent Development Group Co., Ltd. (hereinafter referred to as "Talent Group"), a subsidiary of the Company, is entitled to the above preferential tax policy.

(8) According to the Announcement of the Ministry of Finance, the State Taxation Administration and the Ministry of Veterans Affairs on Relevant Tax Policies for Further Supporting the Entrepreneurship and Employment of Self-employed Retired Soldiers (Announcement [2023] No.14), from January 1, 2023 to December 31, 2027, if an enterprise recruits retired soliders seeking employment on their own, signs labor contracts with them for more than one year and pays social insurance premiums in accordance with the law, from the month when the labor contracts are signed and the social insurance premiums are paid, VAT, urban maintenance and construction tax, educational surcharges, local educational surcharges and enterprise income tax preferences will be deducted by quota within 3 years in turn according to the actual number of retired soldiers employed.

Yiwu Domestic Highway Port Co., Ltd., a subsidiary of Yiwu International Land Port Group Co., Ltd. (hereinafter referred to as "Land Port Group"), a subsidiary of the Company, is entitled to the above preferential tax policy.

(9) According to the Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax Policies for Supporting the Financing of Small and Micro Enterprises (Announcement [2023] No.13), "II. The loan contracts signed by financial institutions with small and micro enterprises shall be exempted from stamp duty.

Yiwu Airport Construction and Development Co., Ltd., a subsidiary of Land Port Group, is entitled to the above preferential tax policy.

(10) According to the State Taxation Administration's Circular on issuing the Supplementary Provisions on Several Specific Issues Concerning Land Use Tax (Guo Shui Di Zi [1989] No.140), the gratuitous use of land of taxpaying entities by tax-exempt entities (such as public security organs

and customs offices use land of railway and civil aviation entities) shall be exempt from land use tax; Taxpaying entities that use land of tax-exempt entities gratuitously shall pay land use tax according to provisions.

According to the Announcement of the Zhejiang Provincial Tax Service, State Taxation Administration and the Zhejiang Provincial Department of Finance on Matters Relating to Real Estate Tax and Urban Land Use Tax Credits for Taxpayers in Trouble, "those engaged in industries encouraged and supported by the state and in line with the orientation of industrial development and intensive and economical use of land, as well as in line with the provisions of the relevant documents of the Zhejiang Provincial People's Government, and incur serious losses, may be granted credits for taxpayers in trouble upon the approval of the local competent tax authority".

The above preferential tax policy is applicable to eligible companies such as Land Port Group and its subsidiaries Yiwu Hongfei E-commerce Service Co., Ltd., Yiwu Land Port Investment and Development Co., Ltd. and Yiwu Bonded Logistics Center Co., Ltd.

(11) According to the Announcement of the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development on Perfecting Tax Policies for House Lease (Announcement of the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development [2021] No.24), from October 1, 2021, enterprises, public institutions, social organizations, and other entities that rent out houses to individuals or professional and large-scale housing lease companies shall be subject to property tax at a reduced rate of 4%.

The Company and its affiliated companies engaged in the aforementioned business are eligible for the aforementioned preferential tax policies.

(12) In accordance with the Implementing Measures for Adjusting Urban Land Use Tax Policy in Yiwu City to Promote Intensive and Economical Use of Land (Yi Zheng Ban Fa [2022] No.16), Market Group enjoys a 90% reduction in land use tax based on per-mu tax revenue.

(13) According to the Circular of the Ministry of Finance and the State Taxation Administration on Relevant Tax Policies for Shantytowns Renovation (Cai Shui [2013] No.101), as of July 4, 2013, the land used for construction of renovated relocation housing is exempted from urban land use tax. The operation and management entities and developers of renovated relocation housing are exempted from the stamp tax related to renovated relocation housing, and the individuals who purchase relocation housing are exempted from the relevant stamp tax.

Yiwu Construction Engineering Management Co., Ltd., a subsidiary of the Company's subsidiary Yiwu Construction Investment Group Co., Ltd. (hereinafter referred to as "Construction Investment Group"), is entitled to the above preferential tax policy.

(14) According to the Circular of the Ministry of Finance on Adjusting Policies Relating to Certain Government Funds (Cai Shui [2019] No.46), from July 1, 2019 to December 31, 2024, the cultural business construction fee attributed to central revenue shall be reduced by 50% based on the amount payable by the tax payment obligor: the cultural business construction fee attributed to local revenue, provincial (regional, municipal) finance and propaganda departments may be reduced within 50% of the payable amount after considering local economic development, propaganda and cultural undertaking growth, and other factors.

Yiwu Domestic Highway Port Co., Ltd., a subsidiary of Land Port Group, is eligible for the aforementioned preferential tax policies.

(15) According to the Corporate Income Tax Law, high-tech enterprises are subject to corporate income tax at a reduced rate of 15%. Zhejiang Hanyu Design Co., Ltd., a subsidiary of Yiwu Urban Investment and Construction Group Co., Ltd. ("Urban Investment Group"), subsidiaries of Water Affairs Group including Yiwu Drainage Co., Ltd., Yiwu Water Treatment Co., Ltd., and Zhejiang Yiwu Tap Water Co., Ltd., Yiwu Second Tap Water Co., Ltd., and Yiwu China Commodities City Big Data Co., Ltd. (a subsidiary of Zhejiang China Commodities City Group Co., Ltd. ("Commodities City Group")), Kuaijietong Payment Service Co., Ltd. (a sub-subsidiary of Commodities City Group), and Zhejiang Yiwu Buy Electronic Commerce Co., Ltd. are entitled to the preferential corporate income tax policy for high-tech enterprises during the preferential period.

(16) According to the Announcement on Further Improving the Pre-tax Additional Deduction Policy for R&D Expenses (Announcement of the Ministry of Finance and State Taxation Administration [2023] No.7), R&D expenses actually incurred by enterprises in conducting R&D activities that are not capitalized as intangible assets and are recorded as current profit and loss, shall, from January 1, 2023, be subject to additional deduction at 100% of the actual incurred amount before tax on the basis of the stipulated deductions according to facts; If intangible assets are formed, from January 1, 2023, they shall be amortized before tax at 200% of the cost of the intangible assets.

VII. Business Combination and Consolidated Financial Statements

1.Details of subsidiaries

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
1	Yiwu Financial Holdings Co., Ltd.	II	(1)	Yiwu, Zhejiang	Government equity investment, asset management, investment management and consulting	106,500.00	100.00	100.00	117,752.13	(4)
1-1	Yiwu Integrity Financing Guarantee Co., Ltd. [Remark 1]	III	(1)	Yiwu, Zhejiang	Financing guarantee	20,000.00	60.00	60.00	10,640.00	(4)
1-2	Yiwu Hongyuan Investment Management Partnership (Limited Partnership)	III	(1)	Yiwu, Zhejiang	Investment management and consulting	2,001.00	99.90	99.90	10,039.95	(4)
1-3	Yiwu Fund Investment Co., Ltd.	III	(1)	Yiwu, Zhejiang	Asset management	100,000.00	100.00	100.00	100,000.00	(1)
1-4	Yiwu Industrial Development Investment Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	State-owned capital operations, equity investment, investment management	10,000.00	100.00	100.00	11,226.22	(4)
2	Yiwu Property Rights Exchange Co., Ltd.	II	(1)	Yiwu, Zhejiang	Intermediary services	1,111.11	90.00	90.00	2,449.56	(4)
3	Jinhua Yichan Auction Co., Ltd.	II	(1)	Yiwu, Zhejiang	Auction services	300.00	100.00	100.00	300.00	(4)
4	Yiwu Folk Financing Service Center Co., Ltd. [Remark 2]	II	(1)	Yiwu, Zhejiang	Intermediary services	5,000.00	90.00	90.00	4,028.00	(1)
5	Yiwu Financing Guarantee Co., Ltd.	II	(1)	Yiwu, Zhejiang	Financing guarantees	102,753.19	97.32	97.32	100,000.00	(4)
6	Zhejiang Yiwu Liming Lake Training Service Co., Ltd.	II	(1)	Yiwu, Zhejiang	Catering and conference services	1.00	100.00	100.00	1.00	(1)
7	Yiwu Yibang Enterprise Management Co., Ltd.	II	(1)	Yiwu, Zhejiang	Enterprise management, market research	1.00	100.00	100.00	1.00	(1)
8	Yiwu Qingyi Investment Development Limited Liability Company	II	(1)	Yiwu, Zhejiang	Advertising design and event planning services	700.00	100.00	100.00	700.00	(1)
9	Yiwu Education Development Co., Ltd.	II	(1)	Yiwu, Zhejiang	Education investment and development, services, and school logistics management	10,000.00	100.00	100.00	10,000.00	(1)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
9-1	Yiwu Logistics Services Co., Ltd.	III	(1)	Yiwu, Zhejiang	Institutional logistics management services	1,000.00	100.00	100.00	1,000.00	(1)
9-2	Yiwu Shuren Middle School	III	(1)	Yiwu, Zhejiang	High school education	50.00	100.00	100.00	50.00	(4)
9-3	Yiwu Xiaowanguo Kindergarten	III	(1)	Yiwu, Zhejiang	Preschool childcare and education	300.00	100.00	100.00	300.00	(4)
9-4	Yiwu Shude Middle School	III	(1)	Yiwu, Zhejiang	High school education	300.00	100.00	100.00	300.00	(4)
9-5	Yiwu Lide College	III	(1)	Yiwu, Zhejiang	High school education	300.00	100.00	100.00	300.00	(1)
10	Yiwu Industrial Investment Equity Investment Partnership (Limited Partnership)	II	(1)	Yiwu, Zhejiang	Private equity fund management, investment, and consulting	27,045.00	99.90	99.90	27,016.05	(1)
11	Yiwu Talent Development Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Human resources services	5,000.00	100.00	100.00	5,000.00	(1)
11-1	Yiwu Human Resources Services Co., Ltd.	III	(1)	Yiwu, Zhejiang	Human resources services	500.00	100.00	100.00	500.00	(1)
11-2	Yiwu Talent Development Vocational Skills Training School Co., Ltd.	III	(1)	Yiwu, Zhejiang	Information, socio-economic consulting services, business training	100.00	100.00	100.00	100.00	(1)
12	Yiwu Urban Investment and Construction Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Urban infrastructure investment, construction and management, real estate development and sales, etc.	62,698.52	91.55	91.55	185,835.29	(4)
12-1	Yiwu Meihu Sports Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Retail of books and periodicals, education investment and development, operation, management, and revenue, etc.	3,000.00	100.00	100.00	17,000.00	(4)
12-2	Yiwu Urban Construction Resources Operation Co., Ltd.	III	(1)	Yiwu, Zhejiang	Management of urban parking resources and public advertising resources, provision of public bicycle services, comprehensive operation of bottled gas, etc.	1,000.00	100.00	100.00	8,500.00	(1)
12-3	Yiwu Zhongfu Real Estate Co., Ltd.	III	(1)	Yiwu, Zhejiang	Real estate development and sales	10,000.00	100.00	100.00	10,000.00	(1)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
12-4	Yiwu New Century Industrial Co., Ltd.	III	(1)	Yiwu, Zhejiang	Real estate brokerage services, market investment and operation, exhibition services	368.00	80.00	80.00	294.40	(4)
12-5	Yiwu Urban Construction Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Agent construction of municipal public works; Investment in urban underground pipeline facilities, etc.	1,000.00	100.00	100.00	1,000.00	(4)
12-6	Yiwu Social Affairs Project Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Construction project management, consulting and design, agent construction of projects, etc.	1,000.00	100.00	100.00	1,000.00	(1)
12-7	Yiwu Urban Investment Tourism Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Development and management of tourism resources, investment in tourism projects, etc.	10,000.00	100.00	100.00	10,000.00	(1)
12-8	Yiwu Municipal Gardens Maintenance Co., Ltd.	III	(1)	Yiwu, Zhejiang	Specialized contracting for bridge and road works; Construction of municipal public works, landscaping engineering construction, etc.	2,000.00	100.00	100.00	2,000.00	(1)
12-9	Zhejiang Hanyu Design Co., Ltd.	III	(1)	Yiwu, Zhejiang	Land and space planning, urban planning, and urban design, etc.	5,000.00	100.00	100.00	14,737.38	(4)
12-10	Yiwu Urban Investment Supply Chain Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Supply chain management services, sales of chemical raw materials and products, etc.	10,000.00	100.00	100.00	11,568.48	(1)
12-11	Yiwu Sinopec Operation Co., Ltd. [Remark 3]	III	(1)	Yiwu, Zhejiang	Retail of gasoline, diesel, etc.	3,000.00	49.00	51.00	4,960.13	(4)
12-12	Yiwu Botanical Garden Operation and Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Botanical garden management services	3,000.00	100.00	100.00	3,000.00	(1)
12-13	Yiwu Social Security Citizen Card Service Co., Ltd.	III	(1)	Yiwu, Zhejiang	Production, issuance, management, service and maintenance of citizen cards	1,500.00	100.00	100.00	23.34	(1)
13	Yiwu Construction Investment Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Real estate sales and engineering installation services	50,000.00	100.00	100.00	178,753.00	(4)
13-1	Yiwu Construction Engineering Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Management and agent construction of construction projects	65,000.00	100.00	100.00	65,000.00	(1)
13-2	Yiwu Xiuhu Real Estate Co., Ltd.	III	(1)	Yiwu, Zhejiang	Real estate development	250,000.00	100.00	100.00	250,000.00	(1)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
13-3	Yiwu Xiujing Testing Technology Co., Ltd.	III	(1)	Yiwu, Zhejiang	Tourism project development and operation	2,000.00	100.00	100.00	2,000.00	(1)
13-4	Yiwu Dingfu Trading Co., Ltd.	III	(1)	Yiwu, Zhejiang	Sales of building materials	30,000.00	100.00	100.00	30,000.00	(1)
13-5	Yiwu Xiuchuan Asset Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Property services	2,000.00	100.00	100.00	2,000.00	(1)
13-6	Yiwu Xiucheng Engineering Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Management and agent construction of construction projects	1,000.00	100.00	100.00	1,640.00	(4)
13-7	Yiwu Construction Investment Construction Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Construction decoration, renovation, and other construction industries	20,000.00	100.00	100.00	89,600.00	(1)
14	Yiwu International Land Port Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Transportation and services industry	20,000.00	100.00	100.00	194,935.00	(4)
14-1	Yiwu Land Port Tourism Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Commercial service	5,000.00	100.00	100.00	5,000.00	(1)
14-2	Yiwu Bonded Logistics Center Co., Ltd.	III	(1)	Yiwu, Zhejiang	Multimodal transport and freight forwarding industry	25,000.00	100.00	100.00	29,019.29	(1)
14-3	Yiwu Cross-border E-commerce Industrial Park Co., Ltd.	III	(1)	Yiwu, Zhejiang	Commercial service	2,000.00	100.00	100.00	2,000.00	(1)
14-4	Yiwu Land Port Import and Export Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale industry	600.00	100.00	100.00	600.00	(1)
14-5	Yiwu Public Bonded Warehousing Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Multimodal transport and freight forwarding industry	300.00	100.00	100.00	300.00	(1)
14-6	Yiwu Land Port E-commerce Park Co., Ltd.	III	(1)	Yiwu, Zhejiang	Commercial service	2,000.00	100.00	100.00	2,000.00	(1)
14-7	Yiwu Land Port Railway Port Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Railway transportation industry	1,000.00	100.00	100.00	1,000.00	(1)
14-8	Yiwu Domestic Highway Port Co., Ltd.	III	(1)	Yiwu, Zhejiang	Road transportation industry	5,400.00	100.00	100.00	5,400.00	(1)
14-9	Yiwu Land Port Information Technology Co., Ltd.	III	(1)	Yiwu, Zhejiang	Software and information technology services industry	3,900.00	100.00	100.00	3,900.00	(1)
14-10	Yiwu Land Port Investment and Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Commercial service	100,000.00	100.00	100.00	100,000.00	(1)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
14-11	Yiwu Silk Road New Area Construction Investment Co., Ltd.	III	(1)	Yiwu, Zhejiang	House construction industry	10,000.00	100.00	100.00	25,000.00	(4)
14-12	Yiwu Airport Construction Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Air transport industry	6,000.00	100.00	100.00	6,000.00	(1)
14-13	Yiwu Trade and Logistics Port Co., Ltd.	III	(1)	Yiwu, Zhejiang	Loading, unloading, handling, and warehousing industry	0.00	100.00	100.00	0.00	(1)
15	Yiwu Water Affairs Construction Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Water resource development, allocation, and comprehensive utilization	52,000.00	100.00	100.00	56,182.00	(4)
15-1	Yiwu Water Conservancy Project Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Water conservancy project management	159,900.00	100.00	100.00	159,990.83	(4)
15-2	Yiwu Yicheng Commercial Operation Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Sales of daily necessities and park management services	2,000.00	100.00	100.00	2,000.00	(1)
15-3	Yiwu Water Treatment Co., Ltd.	III	(1)	Yiwu, Zhejiang	Sewage treatment	15,000.00	100.00	100.00	53,721.69	(1)
15-4	Yiwu Drainage Co., Ltd.	III	(1)	Yiwu, Zhejiang	Operation and maintenance of drainage network	3,000.00	100.00	100.00	3,000.00	(1)
15-5	Yiwu No.2 Tap Water Co., Ltd.	III	(1)	Yiwu, Zhejiang	Centralized water supply	20,000.00	100.00	100.00	42,206.83	(4)
15-6	Yiwu Water Resources Development Co., Ltd. [Remark 4]	III	(1)	Yiwu, Zhejiang	Water resources development and allocation	6,364.80	80.00	80.00	1,600.00	(4)
15-7	Yiwu Tap Water Installation Engineering Co., Ltd.[Remark 5]	III	(1)	Yiwu, Zhejiang	Equipment installation and construction	3,000.00	79.42	100.00	3,542.70	(1)
15-8	Zhejiang Yiwu Tap Water Co., Ltd. [Remark 6]	III	(1)	Yiwu, Zhejiang	Centralized water supply	16,254.50	55.27	55.27	5,795.31	(4)
15-9	Yiwu Yinuo Environmental Technology Co., Ltd.	III	(1)	Yiwu, Zhejiang	Electroplating park wastewater treatment	2,000.00	100.00	100.00	7,515.26	(4)
16	Yiwu Transportation Tourism Industry Development Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Highway investment, construction and maintenance, rail transit, railway project investment, real estate development, tourism project development, etc.	100,000.00	100.00	100.00	299,915.04	(4)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
16-1	Yiwu Highway Construction and Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Highway construction and development, building materials sales	50,000.00	100.00	100.00	94,660.68	(4)
16-2	Yiwu Transportation Real Estate Co., Ltd.[Remark 7]	III	(1)	Yiwu, Zhejiang	Real estate development and sales	39,514.00	75.17	75.17	23,000.00	(1)
16-3	Yiwu Culture and Tourism Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Cultural relic site venue services, sports event planning, scenic area management, hotel management, accommodation services, etc.	2,000.00	100.00	100.00	52,870.56	(1)
16-4	Yiwu Xiuchuan Highway Construction Co., Ltd.[Remark 8]	III	(1)	Yiwu, Zhejiang	Construction and operation of highways, independent bridges, and tunnels	99,115.53	55.56	55.56	3,589.13	(1)
16-5	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	III	(1)	Yiwu, Zhejiang	Transport hub project management, property management, parking services	1,000.00	100.00	100.00	1,000.00	(1)
16-6	Yiwu Transportation Tourism Construction Industrialization Technology Co., Ltd. [Remark 9]	III	(1)	Yiwu, Zhejiang	Production and sales of precast components, beams and slabs, steel, concrete, and commercial concrete sales, etc.	10,000.00	51.00	51.00	5,100.00	(1)
16-7	Yiwu Traffic Engineering Construction Co., Ltd.	III	(1)	Yiwu, Zhejiang	Highway investment, engineering management services	9,000.00	100.00	100.00	9,760.75	(1)
16-8	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	III	(1)	Yiwu, Zhejiang	Sales of refined oil, motor vehicle charging sales, lubricant sales, etc.	32,000.00	100.00	100.00	32,000.00	(1)
16-9	Yiwu Transportation Tourism Industry Co., Ltd.	III	(1)	Yiwu, Zhejiang	Transportation investment, etc.	6,000.00	100.00	100.00	24,175.11	(1)
16-10	Yiwu Transportation Tourism Expressway Co., Ltd.	III	(1)	Yiwu, Zhejiang	Highway management and maintenance towing, rescue, and road clearance services; parking and car washing services	1,000.00	100.00	100.00	1,000.00	(1)
17	Yiwu Market Development Group Co., Ltd.	II	(1)	Yiwu, Zhejiang	Commercial service	9,705.22	94.28	94.28	412,440.78	(4)
17-1	Zhejiang Yiwu Rural Economic Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale and retail trade	15,800.00	100.00	100.00	24,054.87	(4)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
17-2	Zhejiang Yiwu Grain and Oil Storage and Transportation Co., Ltd.	III	(1)	Yiwu, Zhejiang	Transportation, warehousing and postal service	430.00	50.67	50.67	1,170.23	(4)
17-3	Yiwu Market Development Service Center Limited Liability Company	III	(1)	Yiwu, Zhejiang	Leasing and commercial service	10,000.00	100.00	100.00	10,000.00	(4)
17-4	Zhejiang Yiwu Forestry Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Agriculture, forestry, animal husbandry and fishery	2,550.00	69.88	69.88	1,781.87	(4)
17-5	Zhejiang Happiness Lake Sports Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Culture, sports and entertainment	9,000.00	100.00	100.00	9,000.00	(1)
17-6	Yiwu Security Services Co., Ltd.	III	(1)	Yiwu, Zhejiang	Residents service, repair and other services	1,000.00	100.00	100.00	3,758.37	(4)
17-7	Yiwu Film Media Co., Ltd.	III	(1)	Yiwu, Zhejiang	Culture, sports and entertainment	7,000.00	100.00	100.00	9,001.21	(4)
17-8	Yiwu Grain Storage Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale and retail trade	1,000.00	100.00	100.00	1,266.55	(4)
17-9	Yiwu Civil Explosives Specialized Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale and retail trade	316.49	100.00	100.00	316.49	(4)
17-10	Yiwu Huishang Automobile Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Leasing and commercial service	25,600.00	100.00	100.00	25,600.00	(1)
17-11	Yiwu Huishang Property Co., Ltd.	III	(1)	Yiwu, Zhejiang	Real estate industry	134,912.84	100.00	100.00	134,912.84	(1)
17-12	Yiwu Vegetable Basket Investment Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Leasing and commercial service	500.00	100.00	100.00	500.00	(1)
17-13	Yiwu Market Group Beautiful Countryside Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Tourism and sightseeing	2,000.00	100.00	100.00	2,000.00	(1)
17-14	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	III	(1)	Yiwu, Zhejiang	Transportation, warehousing and postal service	3,000.00	100.00	100.00	3,000.00	(1)
17-15	Zhejiang Longzu Trading Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale and retail trade	1,000.00	64.00	64.00	640.00	(4)
17-16	Yiwu China Commodities City Holdings Co., Ltd.	III	(1)	Yiwu, Zhejiang	Leasing and commercial service	80,000.00	100.00	100.00	530,185.21	(1)

No.	Name	Level	Type of enterprise	Registered address	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting ratio (%)	Amount of investment	Method of acquisition
17-16-1	Zhejiang China Commodities City Group Co., Ltd. [Remark 10]	IV	(1)	Yiwu, Zhejiang	Commercial service	548,364.59	55.40	55.40	350,185.21	(4)
17-17	Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Wholesale industry	3,000.00	100.00	100.00	3,000.00	(1)
17-18	Yiwu Market Development Enterprise Management Co., Ltd.	III	(1)	Yiwu, Zhejiang	Commercial service	100.00	100.00	100.00	100.00	(1)
17-19	Yiwu Agricultural Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Agriculture	5,000.00	100.00	100.00	4,810.14	(4)
17-20	Yiwu Huishang Cold Chain Logistics Co., Ltd.	III	(1)	Yiwu, Zhejiang	Loading, unloading, handling, and warehousing industry	10,000.00	100.00	100.00	10,000.00	(1)
17-21	Yiwu Mold Industry Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	General equipment manufacturing	12,000.00	100.00	100.00	12,000.00	(1)
17-22	Yiwu Agriculture and Animal Husbandry Development Co., Ltd.	III	(1)	Yiwu, Zhejiang	Professional and auxiliary activities in agriculture, forestry, animal husbandry, and fishery industries	0.00	51.00	51.00	0.00	(1)
18	Yiwu Hengfeng Holdings Co., Ltd.	II	(1)	Yiwu, Zhejiang	Passenger transport, motor vehicle charging sales, and urban public transportation	23,670.44	100.00	100.00	75,455.86	(1)
18-1	Zhejiang Hengfeng Group Co., Ltd.	III	(1)	Yiwu, Zhejiang	Passenger transport, property management, real estate development, etc.	32,628.86	91.92	91.92	18,364.44	(4)
19	Yiwu State-owned Capital Operation (Hong Kong) Co., Ltd.	II	(3)	Hong Kong	Investment holding company	HKD500,000	100.00	100.00	HKD500,000	(1)
19-1	Chouzhou International Investment Co., Ltd.	III	(3)	British Virgin Islands	Investment holding company		100.00	100.00		(1)
20	Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) [Remark 11]	III	(1)	Yiwu, Zhejiang	Equity investment, investment management, and consulting, etc.	125,039.00	76.19	99.95	124,950.00	(1)
20-1	Yiwu Honghai Equity Investment Partnership (Limited Partnership)	IV	(1)	Yiwu, Zhejiang	Equity investment, fund management, and investment consulting, etc.	35,140.00	99.60	99.60	35,000.00	(1)

Remark: Enterprise type: (1) Domestic non-financial subsidiary, (2) Domestic financial subsidiary, (3) Overseas subsidiary, (4) Public institution, (5) Infrastructure unit.

Method of acquisition: (1) Establishment by investment, (2) Business combination under common control, (3) Business combination not under common control, (4) Others.

[Remark 1] Yiwu Financial Holdings Co., Ltd., a subsidiary of the Company, held 60% equity of such company; the Company held 30% equity of such company, and Yiwu Market Development Service Center Co., Ltd., a subsidiary of Market Group, held 10% equity of such company. Therefore, the Company collectively held 99.43% equity of such company and enjoys 100% of the voting rights of such company.

[Remark 2] The Company holds 52% equity of such company, and Yiwu Financial Holdings Co., Ltd. holds 38% equity of such company. Thus, the Company collectively holds 90% equity of such company and enjoys 90% of the voting rights of such company.

[Remark 3] The shareholding ratio of Urban Investment Group in Yiwu Sinopec Operating Co., Ltd. is 49%, and that of Zhejiang Free Trade Zone Zhoujing Petroleum Co., Ltd. (formerly known as Ningbo Daxie Development Zone Zhejing Petroleum Co., Ltd.) is 2%. Urban Investment Group held 49% equity in Yiwu Sinopec Operation Co., Ltd., and Zhoujing Petroleum Co., Ltd. in Zhejiang Free Trade Zone (formerly known as Zhejing Petroleum Co., Ltd. in Ningbo Daxie Development Zone) held 2% equity of Yiwu Sinopec Operation Co., Ltd. On March 30, 2020, Yiwu Sinopec Operation Co., Ltd. convened its first general meeting of shareholders in 2020, and formed the following resolutions upon unanimous consent of all shareholders: Agreed to the Agreement on Persons Acting in Concert signed by Zhoujing Petroleum Co., Ltd. in Zhejiang Free Trade Zone and Urban Investment Group. After the signing of the Agreement on Persons Acting in Concert, Urban Investment Group held a total of 51% of the voting rights of such company.

[Remark 4] Water Affairs Group holds 80% of the equity of such company, and Commodities City Group holds 10% of the equity. Therefore, the Company holds 85.246% equity and enjoys 90% voting rights of such company.

[Remark 5] Water Affairs Group held 54% equity of such company, and Zhejiang Yiwu Tap Water Co., Ltd., a holding subsidiary of Water Affairs Group, held 46% equity of Yiwu Tap Water Installation Engineering Co., Ltd., so Water Affairs Group held 79.42% of the total equity of such company.

[Remark 6] Water Affairs Group holds 55.27% equity of such company, and Commodities City Group holds 3.7372% equity of such company. Therefore, the Company holds 57.22% equity and 59% voting rights of such company.

[Remark 7] The Company held 24.83% equity of such company, and the Company's subsidiary Yiwu Transportation Tourism Industry Development Group Co., Ltd. ("Transportation Tourism Group") held 75.17% equity of such company. Therefore, the Company held 100% equity of such company in total.

[Remark 8] Transportation Tourism Group held 55.56% equity of such company, and Chouzhou International Investment Co., Ltd. held 44.44% equity of such company. Therefore, the Company held 100% equity of such company in total.

[Remark 9] Transportation Tourism Group holds 51% equity of such company, and Urban Investment Group holds 15% equity of such company, so the Company holds a total of 64.73% equity of such company and enjoys 66% of the voting rights of such company.

[Remark 10] Yiwu China Commodities City Holdings Co., Ltd. (hereinafter referred to as "Commodities City Holdings") holds 55.40% equity of such company, Yiwu Market Development Service Center Co., Ltd., a subsidiary of Market Group, holds 0.038% equity of such company, and Urban Investment Group holds 0.2008% equity of such company. Therefore, the Company holds a total of 52.46% equity in such company.

[Remark 11] Yiwu Financial Holdings Co., Ltd. held 49.975% equity of such company, and Yiwu China Commodities City Financial Holding Co., Ltd. (hereinafter referred to as "Commodities City Financial Holding"), a subsidiary of Commodities City Group, held 49.975% equity of such company, so the Company held 76.19% equity of such company in total.

2. Reasons for that the parent company which has less than half of the voting rights in the investee, but has control over the investee

No.	Name	Level	Registered address	Nature of business	Shareholding ratio (%)	Reason for inclusion in the consolidation scope
1	Yiwu Hengfeng Used Car Market Development Co., Ltd.	V.	Yiwu	Used car market management	50.00	According to the Articles of Association, the Company's operating decisions are resolved by the board of directors of the Company, and the Company's directors and senior officers are dispatched by Hengfeng Group, so they are included in the scope of consolidation.

3. Reasons why the parent company directly or indirectly through other subsidiaries owns more than half of the voting rights of the investee but fails to control it

No.	Name	Registered capital (RMB'0,000)	Amount of investment (RMB'0,000)	Shareholding ratio (%)	Reason for not being included in the scope of consolidation	Remark
1)	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	100.00	51.00	51.00	Have no substantial control	Remark 1
2)	Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership)	75,000.00	44,150.00	58.87	Have no substantial control	Remark 2
3)	Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership)	96,100.00	85,000.00	88.45	Have no substantial control	Remark 3
4)	Yiwu Digital Port Technology Co., Ltd.	5,000.00	2,550.00	51.00	Have no substantial control	Remark 4
5)	Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership)	300,000.00	32,560.00	88.00	Have no substantial control	Remark 5
6)	Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership)	210,100.00	51,000.00	71.87	Have no substantial control	Remark 6
7)	Jinhua Raw Water Resources Management Co., Ltd.	100,000.00	2,715.00	54.30	Have no substantial control	Remark 7

Remark 1: Hengfeng Group held 51% equity of Yiwu Hengfeng Automobile Driver Training Co., Ltd., while Wu Xinhua held 49% equity of the same company. According to the Agreement on the Contracting of Operating Rights of Hengfeng Driving School, Wu Xinhua undertook the operating rights of Hengfeng Driving School, and engaged in legal business activities within the scope defined by the business license. Yiwu Hengfeng Automobile Driver Training Co., Ltd. did not participate in specific operations but had the right to supervise such operations. Therefore, Hengfeng Group had no substantial control over

Yiwu Hengfeng Automobile Driver Training Co., Ltd. and was thus not included in the consolidation scope.

Remark 2: Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership) is a partnership established through investment by Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, Yiwu Hongkun Entrepreneurial Investment Management Co., Ltd., and Yiwu Huishang Zijing Capital Management Co., Ltd., with a total investment amount of RMB750million. Among them: the limited partner Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) subscribed for RMB200 million, holding 26.67% of the equity; The limited partner Water Affairs Group subscribed for RMB150 million, holding 20% of the equity; The limited partner Market Group subscribed for RMB91.5 million, holding 12.2% of the equity; Other limited partners subscribed for RMB300 million, holding 40% of the equity; The general partner Yiwu Hongkun Venture Investment Management Co., Ltd. subscribed for RMB1 million, holding 0.13% of the equity; The general partner Yiwu Huishang Zijing Capital Management Co., Ltd. subscribed for RMB7.5 million, holding 1% of the equity. According to the Limited Partnership Agreement of Yiwu Hongkun Desheng Venture Investment Partnership (Limited Partnership), general partners Yiwu Hongkun Venture Investment Management Co., Ltd. and Yiwu Huishang Zijing Capital Management Co., Ltd. acted as the executive partners of the partnership, jointly managed the partnership affairs, had exclusive rights to manage and control the operation, investment activities, and other management matters of the partnership, and made all decisions regarding investments and their realization. Yiwu Huishang Zijing Capital Management Co., Ltd. served as the fund manager of the partnership. Limited partners Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, and Market Group only acted as financial contributors and did not participate in the daily management or investment decision-making of the partnership, nor did they have substantial control over the partnership, hence they were not included in the consolidated financial statements.

Remark 3: Huishang Zijing Phase II Investment Partnership (Limited Partnership) ("Huishang Zijing Phase II") is a partnership established through investment by Commodities City Group, Yiwu Financial Holdings Co., Ltd., Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership), Water Affairs Group, Yiwu Huishang Zijing Capital Management Co., Ltd., and other entities, with a total investment amount of RMB961 million. Among them,: the limited partner Commodities City Group subscribed for RMB100 million and held 10.41% of the equity; The limited partner Yiwu Financial Holdings Co., Ltd. subscribed for RMB250 million, holding 26.01% of the equity; The limited partner Yiwu Hongyi Equity Investment Fund Partnership (Limited Partnership) subscribed for RMB450 million, holding 46.83% of the equity; Water Affairs Group subscribed for RMB50 million, holding 5.20% of the equity; The limited partner Nantong Investment Management Co., Ltd. subscribed for RMB100 million, holding 10.41% of the equity; The general partner Yiwu Huishang Zijing Capital Management Co., Ltd. subscribed for RMB5 million, holding 0.52% of the equity; The general partner Yiwu Hongkun Venture Capital Management Co., Ltd. subscribed for RMB6 million, holding 0.62% of the equity. According to the Limited Partnership Agreement of Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership), general partners Yiwu Huishang Zijing Capital Management Co., Ltd. acted as the executive partners of the partnership, had exclusive rights to manage and control the operation, investment activities, and other management matters of the partnership, and made all decisions regarding investments and their realization. Yiwu Financial Holding Co., Ltd. and Commodities City Group only had the right to appoint one observer to participate in important meetings such as meeting of the investment decision-making committee, and did not have substantial control, so they were not included in the scope of consolidated financial statements.

Remark 4: Yiwu Digital Port Technology Co., Ltd. is a joint venture invested and established by Commodities City Group and Alibaba (China) Network Technology Co., Ltd., in which Commodities City Group holds 51% of the equity, and Alibaba (China) Network Technology Co., Ltd. holds 49% of the equity. According to the Articles of Association, Commodities City Group had one vote at the general meeting of shareholders, while Alibaba (China) Network Technology Co., Ltd. had two votes. Therefore, Commodities City Group did not have substantial control and was not included in the scope of consolidated financial statements.

Remark 5: Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership) is a partnership invested and established by Yiwu Fund Investment Co., Ltd., Market Group, Water Affairs Group, Commodities City Holdings and other entities, with a total investment amount of RMB3 billion. Among them: the limited partner Yiwu Fund Investment Co., Ltd. subscribed for RMB1.74 billion, holding 58% of the equity, and has paid RMB185.6 million; The limited partner Market Group subscribed for RMB300 million, holding 10% of the equity, and has paid RMB76 million; The limited partner Water Affairs Group subscribed for RMB300 million, holding 10% of the equity, and has paid RMB32 million; The limited partner Commodities City Holdings subscribed for RMB300 million, holding 10% of the equity, and has paid RMB32 million; The limited partner, Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd., subscribed for RMB300 million, holding 10% of the equity, and the general partner, CICC Private Equity Investment Management Co., Ltd. subscribed for RMB60 million, holding 2% of the equity. According to the Limited Partnership Agreement of Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership), the general partner CICC Private Equity Investment Management Co., Ltd. acts as the fund manager of the partnership. The limited partners Yiwu Fund Investment Co., Ltd., Market Group, Water Affairs Group, Commodities City Holdings, and Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd. act solely as financial contributors and do not participate in the daily management and investment decisions of the partnership, nor do they have substantial control over the partnership, hence they are not included in the consolidated financial statements.

Remark 6: Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership) is a partnership invested and established by Yiwu Fund Investment Co., Ltd. and Bairui Lvxiang No.101 Pooled Fund Trust Plan, with a total investment amount of RMB2.101 billion. Among them: the limited partner Yiwu Fund Investment Co., Ltd. subscribed for RMB1.51 billion, holding 71.87% of the equity, and has paid RMB510 million; The limited partner Bairui Lvxiang No.101 Pooled Fund Trust Plan has subscribed for RMB590 million, holding 28.08% of the equity; the general partner Shanghai Houtong Ruiji Equity Investment Management Partnership (Limited Partnership) has subscribed for RMB1 million, holding a 0.05% of the equity. The general partner, Shanghai Houtong Ruiji Equity Investment Management Partnership (Limited Partnership), serves as the fund manager for the partnership. The investment subject of the partnership is Zhejiang Yizhen New Energy Automobile Co., Ltd. and the investment project is single. Yiwu Fund Investment Co., Ltd. appoints only one member to the investment decision committee and thus has no substantial control over the partnership, hence it is not included in the consolidated financial statements.

Remark 7: Jinhua Raw Water Resources Management Co., Ltd. is a joint venture invested and established by Jinhua Urban Construction Investment Group Co., Ltd., Water Affairs Group, Yongkang Urban Construction Investment Group Co. Ltd. and Lanxi Communications Construction Investment Group Co.,Ltd. Specifically, Jinhua Urban Construction Investment Group Co., Ltd. holds 12.10% Water Affairs Group (Group) holds 54.30%, Yongkang Urban Construction Investment Group Co. Ltd. holds 24.80% of the equity, and Lanxi Communications Construction Investment Group Co.,Ltd. holds 8.80%, of the equity of Jinhua Raw Water Resource Management Co., Ltd.. The shareholding ratios are only determined according to the demand for construction funds. Jinhua Raw Water Resources Management Co., Ltd. has 4 directors. Water Affairs Group assigns one director and one deputy general manager to and has no substantial control over Jinhua Raw Water Resources Management Co., Ltd., so it is not included in the scope of consolidated financial statements.

4. Entities excluded from the consolidation scope in 2024

Basic information of entities excluded from the consolidation scope in 2024

No.	Name	Registered address	Nature of business	Shareholding ratio before change (%)	Shareholding ratio after change (%)	Reason for not being included in the scope of consolidation
1)	Anqing Jiuzhou Cargo Transportation Co., Ltd.	Anqing, Anhui	Transportation of dangerous goods	100.00	0.00	Equity transfer
2)	Yiwu Henghang Passenger Transport Co., Ltd.	Yiwu, Zhejiang	Road transportation industry	55.00	0.00	De-registered

No.	Name	Registered address	Nature of business	Shareholding ratio before change (%)	Shareholding ratio after change (%)	Reason for not being included in the scope of consolidation
3)	Yiwu International Trade Comprehensive Service Co., Ltd.	Yiwu, Zhejiang	Commercial service	60.00	0.00	De-registered
4)	Yiwu Caiyuanzi Fresh Food Distribution Co., Ltd.	Yiwu, Zhejiang	Commercial service	100.00	0.00	De-registered

Explanation:

1) In 2024, Anqing Hengfeng Transportation Co., Ltd., a sub-subsidiary of Hengfeng Group, publicly transferred its 100% equity in Anqing Jiuzhou Cargo Transportation Co., Ltd. (formerly known as "Anqing Hengfeng Special Cargo Transportation Co.,Ltd.") to Wang Zhi, so it was no longer included in the scope of consolidation.

2) In 2024, Yiwu Henghang Passenger Transport Co., Ltd., a sub-subsidiary of Hengfeng Group, was canceled, so it was no longer included in the scope of consolidation.

3) In 2024, Yiwu International Trade Comprehensive Service Co., Ltd., a sub-subsidiary of Commodities City Group, was canceled, so it was no longer included in the scope of consolidation.

4) In 2024, Yiwu Caiyuanzi Fresh Food Distribution Co., Ltd., a sub-subsidiary of Market Group, was canceled, so it was no longer included in the scope of consolidation.

5. Entities newly included in the scope of consolidation in 2024

No.	Name	Method of acquisition	Voting right ratio (%)	Registered capital (RMB '0,000)
1)	Yiwu Anhong Traffic Maintenance Construction Engineering Co., Ltd.	Established by investment	51.00	1,000.00
2)	Yiwu Lansu Culture Media Co., Ltd.	Established by investment	100.00	1,000.00
3)	Yiwu Yundailu Data Technology Co., Ltd.	Established by investment	100.00	50,000.00
4)	Bright Way Tech Development Limited	Established by investment	100.00	USD0.0005
5)	Zhejiang Think Tank Co., Ltd.	Business combination not under common control	100.00	10,000.00
6)	Yiwu Hengfeng Holdings Co., Ltd.	Established by investment	100.00	50,000.00

Explanation:

1) In 2024, Yiwu Antong Highway Maintenance Engineering Co., Ltd., a subsidiary of Yiwu Highway Construction and Development Co., Ltd., a subsidiary of Transportation Tourism Group, invested and established a holding subsidiary Yiwu Anhong Traffic Maintenance Construction Engineering Co., Ltd., with a registered capital of RMB10 million which has not been paid.

2) In 2024, Yiwu Culture and Tourism Development Co., Ltd., a subsidiary of Transportation Tourism Group, invested and established a wholly-owned subsidiary Yiwu Lansu Cultural Media Co., Ltd., with a registered capital of RMB10 million which has not yet been paid.

3) In 2024, Commodities City Group invested and established a wholly-owned subsidiary Yiwu Yundailu Data Technology Co., Ltd., with a registered capital of RMB500 million of which RMB100 million has been paid.

4) In 2024, Commodities City Group invested and established a wholly-owned subsidiary, Bright Way Tech Development Limited, with a registered capital of USD5, which has been paid.

5) In 2024, Zhejiang Think Tank Co., Ltd. was included in the scope of consolidated statements due to the business combination not under common control through the acquisition of its equity by Commodities City Group.

6) In 2024, the Company invested and established a wholly-owned subsidiary Yiwu Hengfeng Holdings Co., Ltd., with a registered capital of RMB500 million of which RMB50 million has been paid in cash, RMB183,644,447.12 has been paid with the equity of Zhejiang Hengfeng Group Co., Ltd., and RMB2,741,940.09 has been paid with the vehicle and equipment of the Driving Test Center.

VIII. Notes to Significant Items to the Consolidated Financial Statements

(All amounts are expressed in RMB unless otherwise stated)

1.Monetary funds

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Cash on hand	280,802.68	496,562.42
Bank deposits	17,565,129,913.11	13,052,389,118.53
Other monetary funds	18,574,586.46	71,998,438.88
Total	17,583,985,302.25	13,124,884,119.83

The restricted monetary funds are detailed as follows:

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Regulatory bank account funds	345,154,270.50	696,983,007.27
Guarantee deposits	120,309.67	10,970,470.40
Bank acceptance bill margin		14,161,097.10
L/C deposit		10,500,000.00
Funds subject to litigation freezing	4,909,802.53	
Other restricted monetary funds	19,368,888.68	35,476,869.00
Total	369,553,271.38	768,091,443.77

2.Financial assets held for trading

Item	Fair value as at December 31, 2024	Fair value as at January 1, 2024
Financial assets measured at fair value through current profit and loss	400,316,994.86	15,130,895.00
Including: investment in debt instruments		
Investment in equity instruments		15,130,895.00
Financial products	400,316,994.86	
Total	400,316,994.86	15,130,895.00

3.Notes receivable

(1) Classification of notes receivable

Category	Ending amount			Beginning amount		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Bank acceptance bills				260,000.00		260,000.00
Commercial acceptance bill	11,170,000.00		11,170,000.00			
Total	11,170,000.00		11,170,000.00	260,000.00		260,000.00

4.Accounts receivable

(1) Accounts receivable disclosed by aging

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	2,239,605,718.32	1,889,481,012.58
1-2 years	153,134,303.35	756,904,110.14
2-3 years	632,222,891.26	88,256,264.81
Over 3 years	275,173,776.51	272,386,465.71
Sub-total	3,300,136,689.44	3,007,027,853.24
Less: Provision for bad debts	234,684,131.06	212,277,427.67
Total	3,065,452,558.38	2,794,750,425.57

(2) Disclosure of accounts receivable by the method for provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with the provision for bad debts made on a single basis:	19,712,128.81	0.60	19,712,128.81	100.00	

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics	3,280,424,560.63	99.40	214,972,002.25	6.55	3,065,452,558.38
Including: aging portfolio	2,119,413,541.01	64.22	29,952,850.82	1.41	2,089,460,690.19
Other portfolios	1,161,011,019.62	35.18	185,019,151.43	15.94	975,991,868.19
Total	3,300,136,689.44	100	234,684,131.06	—	3,065,452,558.38

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Accounts receivable with the provision for bad debts made on a single basis:	55,328,307.46	1.84	9,365,595.46	16.93	45,962,712.00
Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics	2,951,699,545.78	98.16	202,911,832.21	6.87	2,748,787,713.57
Including: aging portfolio	2,045,025,618.10	68.01	18,633,472.41	0.91	2,026,392,145.69
Other portfolios	906,673,927.68	30.15	184,278,359.80	20.32	722,395,567.88
Total	3,007,027,853.24	100	212,277,427.67	—	2,794,750,425.57

1) Accounts receivable with individual provision for bad debts at the end of the period

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Dalian Guanglong Zhongbang International Trade Co., Ltd.	12,659,696.23	12,659,696.23	100.00	Expected to be unrecoverable
Zhejiang Jiechain Network Technology Co., Ltd.	6,261,907.10	6,261,907.10	100.00	Expected to be unrecoverable
Lanxi Textile Machinery Factory	275,000.00	275,000.00	100.00	The counterparty has gone bankrupt
Chen Shaoyun (Shanghai Suying Fitness Development Co., Ltd.)	137,579.85	137,579.85	100.00	Expected to be irrecoverable
Yuebanwan Apparel	120,871.61	120,871.61	100.00	Expected to be irrecoverable
Jinxian Chemical Company	118,142.89	118,142.89	100.00	The counterparty has gone bankrupt

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Jiangsu Runyang Traffic Engineering Group Co., Ltd.	22,900.00	22,900.00	100.00	Expected not to be recoverable, credit impaired
White Swan Real Estate Development Company	10,103.90	10,103.90	100.00	Enterprise bankruptcy
Others	105,927.23	105,927.23	100.00	Expected to be irrecoverable
Total	19,712,128.81	19,712,128.81	—	—

2) Accounts receivable with provision for bad debts accrued by portfolio with credit risk characteristics

Accounts receivable with the provision for bad debts made by aging analysis method in portfolios:

Aging	Ending amount			Beginning amount		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (inclusive)	1,883,209,621.60	88.86	7,841,531.57	1,839,144,263.58	89.93	5,280,942.57
1-2 years	183,132,453.06	8.64	12,049,581.90	164,078,557.86	8.02	9,421,330.85
2-3 years	38,606,572.32	1.82	6,303,134.63	21,232,003.93	1.04	2,394,602.67
Over 3 years	14,464,894.03	0.68	3,758,602.72	20,570,792.73	1.01	1,536,596.32
Total	2,119,413,541.01	100	29,952,850.82	2,045,025,618.10	100	18,633,472.41

Accounts receivable with provision for bad debts accrued by other portfolio methods

Portfolio	Ending amount			Beginning amount		
	Book balance	Proportion of provision (%)	Provision for bad debt	Book balance	Proportion of provision (%)	Provision for bad debt
Portfolio of government accounts	762,106,665.15			549,352,013.22		
Complementary risk portfolio	118,019,854.77	99.73	117,698,262.09	122,120,768.78	97.12	118,609,480.10
Portfolio of related parties	280,884,499.70	23.97	67,320,889.34	235,201,145.68	27.92	65,668,879.70
Total	1,161,011,019.62	—	185,019,151.43	906,673,927.68	—	184,278,359.80

(3) Changes in provision for bad debts

Category	Balance as at January 1, 2024	Changes in 2024				Balance as at December 31, 2024
		Provision	Recovery or reversal	Charged off	Other changes	
Accounts receivable with provision made on single basis for expected credit losses	9,365,595.46	12,765,623.46	2,419,090.11			19,712,128.81

Category	Balance as at January 1, 2024	Changes in 2024				Balance as at December 31, 2024
		Provision	Recovery or reversal	Charged off	Other changes	
Accounts receivable with provision made on portfolio basis for expected credit losses	202,911,832.21	13,153,397.41	1,091,790.07	1,437.30		214,972,002.25
Total	212,277,427.67	25,919,020.87	3,510,880.18	1,437.30		234,684,131.06

(4) Accounts receivable actually written off in 2024

Debtor	Nature of accounts receivable	Amount written off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Yiwu Donghe Primary School	Security fee	1,437.30	Expected to be irrecoverable	Submit for approval according to the management authority	No
Total	—	1,437.30	—	—	—

(5) Top 5 accounts receivable in terms of their ending balances collected by the debtor

Debtor	Book balance	Proportion in the total balance of accounts receivables (%)	Provision for bad debt
Yiwu Commerce Bureau	532,258,352.88	16.13	
Yiwu Industrial Investment Development Group Co., Ltd.	168,251,252.78	5.10	62,982,000.00
Yiwu Housing and Urban-Rural Development Bureau	100,620,063.59	3.05	
People's Government of Fotang Town, Yiwu City	74,139,283.42	2.25	179,985.81
Yiwu Industrial Investment Co., Ltd.	61,131,587.67	1.85	2,668,000.00
Total	936,400,540.34	28.38	65,829,985.81

5.Advances to suppliers

(1) Presentation of advances to suppliers by aging

Aging	Ending amount			Beginning amount		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (inclusive)	1,314,766,014.04	96.12		1,161,301,382.81	93.61	
1-2 years	18,380,188.46	1.34		47,242,117.02	3.81	
2-3 years	29,015,063.84	2.12		30,131,627.14	2.43	
Over 3 years	5,642,630.01	0.42		1,835,268.83	0.15	
Total	1,367,803,896.35	100		1,240,510,395.80	100	

(2) Top 5 advances to suppliers in terms of the ending balance collected by debtors

Debtor	Book balance	Proportion in total balance of advances to suppliers (%)	Provision for bad debt
Sociedad Nacional de Galapagos C.A. SONGA	89,575,770.56	6.55	
PACIFIC SEAFOOD TRADER SA	74,422,350.36	5.44	
INDUSTRIAL PESQUERA SANTA PRISCILA S.A.	61,665,390.00	4.51	
HONG KONG JF AGRICULTURE COMPANY LIMITED	61,499,154.69	4.50	
EXPORTQUILSA AND PRODUCTORES ASOC IADOS S.A.	51,774,452.21	3.79	
Total	338,937,117.82	24.79	

6.Other receivables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interests receivable		
Dividends receivable	1,586,339.22	336,339.22
Other receivables	11,438,786,292.94	11,289,407,112.44
Total	11,440,372,632.16	11,289,743,451.66

(1) Dividends receivable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Dividends receivable with the aging within one year	1,250,000.00	336,339.22
Including: common stock dividends	1,250,000.00	336,339.22
Dividends receivable with the aging over one year	336,339.22	
Including: common stock dividends	336,339.22	
Total	1,586,339.22	336,339.22

(2) Other receivables

1) Other receivables disclosed by aging

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	6,453,512,798.68	7,113,545,285.52
1-2 years	1,790,309,190.27	2,236,874,025.53
2-3 years	1,800,670,750.88	486,434,476.62

Aging	Ending amount	Beginning amount
Over 3 years	1,660,002,817.57	1,696,248,924.61
Sub-total	11,704,495,557.40	11,533,102,712.28
Less: Provision for bad debts	265,709,264.46	243,695,599.84
Total	11,438,786,292.94	11,289,407,112.44

2) Disclosure of information by nature

Nature of payment	Ending amount	Beginning amount
Related parties	5,532,047,237.48	6,560,762,888.45
Government funds	2,084,087,812.65	1,814,077,367.17
Current accounts	2,521,720,531.07	2,105,505,303.87
Deposits and margins, etc.	1,135,940,940.53	681,231,245.28
Temporary loans (advances)	150,430,444.01	146,514,088.40
Export rebates receivable	12,326,425.92	9,508,128.96
Withholding payments	17,809,541.25	1,517,122.95
Petty cash	4,930,522.23	2,798,739.44
warranty fund for residential properties	62,676,807.81	63,440,658.21
Others	182,525,294.45	147,747,169.55
Sub-total	11,704,495,557.40	11,533,102,712.28
Less: Provision for bad debts	265,709,264.46	243,695,599.84
Total	11,438,786,292.94	11,289,407,112.44

3) Disclosure of other receivables by the method for provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Other receivables with individual provision for bad debts	78,255,913.43	0.67	62,646,934.90	80.05	15,608,978.53

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Other receivables with provision for bad debts accrued by portfolio with credit risk characteristics	11,626,239,643.97	99.33	203,062,329.56	1.75	11,423,177,314.41
Total	11,704,495,557.40	100	265,709,264.46	—	11,438,786,292.94

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Other receivables with individual provision for bad debts	75,763,322.69	0.66	59,335,993.56	78.32	16,427,329.13
Other receivables with provision for bad debts accrued by portfolio with credit risk characteristics	11,457,339,389.59	99.34	184,359,606.28	1.61	11,272,979,783.31
Total	11,533,102,712.28	100	243,695,599.84	—	11,289,407,112.44

①Other receivables with individual provision for bad debts at the end of the period

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Sanding Holdings Group Co., Ltd.	22,802,331.46	22,802,331.46	100.00	Expected to be irrecoverable
Zhejiang Qitian Industrial Co., Ltd. (Zhu Dexiang)	17,422,500.00	3,484,500.00	20.00	Expected not to be recoverable in full
Funds allocated by Yiwu Water Conservancy Project Management Co., Ltd.	6,590,765.08	6,590,765.08	100.00	Historical accounts, difficult to recover
Dongyang Unified Land Expropriation Office	5,000,000.00	5,000,000.00	100.00	Expected to be irrecoverable
Dream Home Group Co., Ltd.	4,654,598.74	4,654,598.74	100.00	Expected to be irrecoverable

Debtor	Book balance	Provision for bad debt	Expected credit loss rate (%)	Reason for provision
Yiwu Zhebawei Traditional Chinese Medicine Industry Development Co., Ltd.	4,556,655.00	4,556,655.00	100.00	Expected to be irrecoverable
Ding Haipeng (Bonong Breeding)	4,268,479.15	4,268,479.15	100.00	Expected to be irrecoverable
Advance payment for education projects	4,135,040.80	4,135,040.80	100.00	Expected to be irrecoverable
Yiwu Senyi Crafts Co., Ltd.	2,700,000.00	2,700,000.00	100.00	Expected to be irrecoverable
Yiwu People's Court	1,495,434.00			Expected to be recoverable
Zhejiang Weihai Zipper Co., Ltd.	1,400,000.00	1,400,000.00	100.00	Expected to be irrecoverable
Yiwu Poker Factory	1,250,000.00	1,250,000.00	100.00	Expected to be irrecoverable
Zhejiang Huachang Plastics Co., Ltd.	1,053,700.00	1,053,700.00	100.00	Expected to be irrecoverable
Shao Xingli	186,076.00	186,076.00	100.00	Expected to be irrecoverable
Zhejiang Chenyun Industrial Co., Ltd.	170,513.70	170,513.70	100.00	Expected to be irrecoverable
Chen Yiping	100,000.00	100,000.00	100.00	Expected to be irrecoverable
Zhejiang Unique Plastics Co., Ltd.	50,000.00	50,000.00	100.00	Expected to be irrecoverable
Invalid assets such as the project of connection line from freight station to Xucun	244,274.97	244,274.97	100.00	Expected to be irrecoverable and credit impairment occurred
Other provision made on single basis	175,544.53			Expected to be recoverable
Total	78,255,913.43	62,646,934.90	—	—

②Other receivables with provision for bad debts accrued by portfolio with credit risk characteristics

Portfolio	Ending amount			Beginning amount		
	Book balance	Proportion of provision (%)	Provision for bad debt	Book balance	Proportion of provision (%)	Provision for bad debt
Aging portfolio	2,119,297,417.91	2.23	47,298,868.45	4,466,051,613.64	1.06	47,421,587.33
Portfolio of related parties	5,532,047,237.48	0.12	6,779,210.71	6,560,762,888.45	0.08	5,555,169.31
Other portfolios	3,974,894,988.58	3.75	148,984,250.40	430,524,887.50	30.52	131,382,849.64
Total	11,626,239,643.97	—	203,062,329.56	11,457,339,389.59	—	184,359,606.28

4) Provision for bad debts of other receivables

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit losses in the next 12 months	Expected credit losses throughout the duration (no credit impairment)	Expected credit losses throughout the duration (with credit impairment)	
Balance as at January 1, 2024	51,815,758.16	44,443,473.20	147,436,368.48	243,695,599.84
Beginning balance in the current period				
- Transfer to Phase 2				
- Transfer to Phase 3	-3,974,400.00	-39,769,250.31	43,743,650.31	
- Reversed to Phase 2				
- Reversed to Phase 1				
Provision in 2024	17,348,459.00	1,262,494.19	20,841,050.67	39,452,003.86
Reversal in 2024		118,337.20	16,351,429.77	16,469,766.97
Reversal in 2024				
Write-off in 2024	946,875.33			946,875.33
Other changes	-21,696.94			-21,696.94
Balance as at December 31, 2024	64,221,244.89	5,818,379.88	195,669,639.69	265,709,264.46

5) Changes in provision for bad debts

Category	Balance as at January 1, 2024	Changes in 2024				Balance as at December 31, 2024
		Provision	Recovery or reversal	Charged off	Other changes	
Other receivables with individual provisions for credit impairment losses	59,335,993.56	4,556,655.00	1,245,713.66			62,646,934.90
Other receivables with provision made on portfolio basis for credit impairment losses	184,359,606.28	34,895,348.86	15,224,053.31	946,875.33	-21,696.94	203,062,329.56
Total	243,695,599.84	39,452,003.86	16,469,766.97	946,875.33	-21,696.94	265,709,264.46

Remark: The other change refers to a decrease of RMB 21,696.94 in the beginning balance of the provision for bad debts, due to the exclusion of Anqing Hengfeng Transportation Co., Ltd., a sub-subsidiary of Hengfeng Group, from the scope of consolidation in 2024.

6) Other receivables actually written off in 2024

Debtor	Nature of other receivables	Amount written off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Jiang Meiying	Current accounts	910,818.41	Expected to be irrecoverable	Submit for approval according to the management authority	No
Handover costs of the former German office	Withheld amounts and deposit and security funds	36,056.92	Expected to be irrecoverable	Submit for approval according to the management authority	No
Total	—	946,875.33	—	—	—

7) Top 5 other receivables in terms of the ending balance collected by the debtors

Debtor	Nature of payment	Book balance	Aging	Proportion in total balance of other receivables (%)	Provision for bad debt
Yiwu Industrial Investment Development Group Co., Ltd.	Current accounts	4,567,606,722.83	Within 1 year	39.02	
Yiwu Shunhe Enterprise Management Consulting Co., Ltd.	Current accounts	1,335,627,130.55	1-3 years, Over 3 years	11.41	
Yiwu Municipal Health Bureau	Government funds	949,015,945.90	2-3 years	8.11	
Yiwu Niansanli Subdistrict Office	Relocation compensation	561,026,900.00	Over 3 years	4.79	
Yiwu Shuangjianghu Construction Development Co., Ltd.	Current accounts	506,655,555.57	1-3 years and over 3 years	4.33	
Total	—	7,919,932,254.85	—	67.66	

7.Inventories

(1) Classification of inventories

Item	Ending amount			Beginning amount		
	Book balance	Provision for inventory depreciation/ Contract performance cost Provision for impairment	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Raw materials	30,324,267.92		30,324,267.92	24,306,886.41		24,306,886.41
Circulating materials	952,813.70		952,813.70	4,596,236.15		4,596,236.15
Stock commodities	3,293,538,414.84	24,483,655.42	3,269,054,759.42	3,252,612,956.70		3,252,612,956.70
Developed products	10,486,790,602.40	53,479,104.34	10,433,311,498.06	4,837,340,558.08		4,837,340,558.08
Development costs	37,402,691,802.97	28,303,338.06	37,374,388,464.91	42,642,659,185.07	28,303,338.06	42,614,355,847.01
Engineering construction	147,053,424.73		147,053,424.73	115,168,696.31		115,168,696.31
Contract performance cost	22,801,010,529.92		22,801,010,529.92	25,685,594,317.92	358,140.12	25,685,236,177.80
Total	74,162,361,856.48	106,266,097.82	74,056,095,758.66	76,562,278,836.64	28,661,478.18	76,533,617,358.46

Explanation:

1) As at December 31, 2024, the inventories with a book value of RMB4,607,948,174.76 were from capitalized loan costs.

2) As at December 31, 2024, the inventories with a book value of RMB22,523,252,151.91 were used as collateral for bank loans, or used for financing leases.

3) Stock commodities were mainly properties in the Chengbei Business Center Project and the Shangbo Garden District D Project, along with corresponding parking spaces, purchased by Construction Investment Group under a Master Agreement on the Purchase and Sales of Commercial Housing (No. 2019-SD-SPF) signed with Zhejiang Yiwu Modern Real Estate Development Co., Ltd. ("Modern Company") on December 10, 2019, at a total transfer price of RMB3,236,825,929.00, plus a deed tax of RMB94,340,645.84, totaling RMB3,331,166,574.84.

In respect of the above commercial housing, for the properties actually sold subsequently, the property title certificate of Construction Investment Group shall be cancelled first, and such properties shall be traced back to the first-hand houses of Modern Company and then be sold by Modern Company to the purchasers. After the purchasers pay the down payment to the supervisory account (opened by Construction Investment Group), Construction Investment Group and Modern Company will cancel the Commercial House Sale Contract one by one, and go through the procedures for the cancellation of the record-filing of the Commercial House Sale Contract with Yiwu Real Estate Department and the cancellation of the property title certificate with Yiwu Real Estate Registration Center. In the process of tracing back to the first-hand houses, the tax bureau will treat the houses as if their title certificate has not been handled and refund the deed tax and stamp tax. After tracing back to the first-hand houses, Modern Company will sign the Commercial House Sale Contract with the purchasers and file it for record. After the house payments are paid and the houses are delivered, real estate registration will be carried out. The sales amount shall be paid into the supervisory account, 7.65% of which shall be withdrawn as tax and transferred to the tax bureau in a timely manner according to the requirements of the tax bureau, and the remaining house payment shall be transferred to Construction Investment Group from the supervisory account. In 2024, Construction Investment Group accrued the relevant inventory depreciation reserve of RMB18,331,073.96 for the commercial house.

(2) Provision for inventory depreciation reserve and provision for impairment of contract performance costs

Item	Balance as at January 1, 2024	Increase in 2024		Decrease in 2024		Balance as at December 31, 2024
		Provision	Others	Reversal or write-off	Others	
Development costs	28,303,338.06					28,303,338.06
Contract performance cost	358,140.12			358,140.12		
Stock commodities		24,483,655.42				24,483,655.42
Developed products		53,479,104.34				53,479,104.34
Total	28,661,478.18	77,962,759.76		358,140.12		106,266,097.82

8.Contractual assets

(1) Contractual assets

Item	Ending amount			Beginning amount		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Infrastructure construction projects	16,901,661.98	212,493.54	16,689,168.44	22,922,115.94	229,221.16	22,692,894.78
Provisionally estimated sales amount	21,967,224.18	219,672.24	21,747,551.94	66,341,776.71	663,417.75	65,678,358.96
Total	38,868,886.16	432,165.78	38,436,720.38	89,263,892.65	892,638.91	88,371,253.74

(2) Provision for impairment of contractual assets

Item	Balance as at January 1, 2024	Provision in 2024	Reversal in 2024	Write-off or charge-off in 2024	Other changes	Balance as at December 31, 2024
Infrastructure construction projects	229,221.16		16,727.62			212,493.54
Provisionally estimated sales amount	663,417.75		443,745.51			219,672.24
Total	892,638.91		460,473.13			432,165.78

9.Non-current assets maturing within one year

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Principal of and interests on time deposits		16,170,041.12
Long-term receivables maturing within one year	44,752,632.39	24,608,571.66
Less: Provision for bad debts	17,844,686.90	
Total	26,907,945.49	40,778,612.78

10.Other current assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Loan entrusted by market merchants	1,574,401.27	1,737,479.42
Other entrusted loans	8,419,050.00	8,419,050.00
Less: provision for bad debts of entrusted loans	8,604,550.00	8,604,550.00
Subtotal of entrusted loans	1,388,901.27	1,551,979.42
Prepaid taxes and surcharges	801,180,182.35	274,464,547.48
Deferred expenses	13,669,215.61	10,430,915.33

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Input VAT to be deducted/certified	2,055,066,118.94	1,807,677,702.42
Bond repayment provisions	1,035,051,750.00	
Petty cash for payment business	377,164,678.50	313,869,496.74
Excess VAT paid for future offsetting	120,745,353.94	109,259,614.30
Short-term debt investments		3,300,000.00
CCBSCF - Rongxin receipt voucher		7,000,000.00
Others	190,360.99	546,812.03
Total	4,404,456,561.60	2,528,101,067.72

11.Investment in debt securities

(1) Debt investment information

Item	Ending amount			Beginning amount		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Entrusted loans				48,073,333.34		48,073,333.34
Total				48,073,333.34		48,073,333.34

12.Long-term receivables

Item	Ending amount			Beginning amount		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Financial aid funds receivable	285,840,496.50		285,840,496.50	270,755,772.12		270,755,772.12
Finance lease payment	6,513,724.03		6,513,724.03	7,747,328.36		7,747,328.36
Less: unrealized financing income	1,503,346.63		1,503,346.63	1,752,288.66		1,752,288.66
Project funds receivable	7,483,653,165.50		7,483,653,165.50	6,629,486,184.84		6,629,486,184.84
Equity repurchase payment	45,461,524.17	17,844,686.90	27,616,837.27	48,517,989.70	7,647,360.00	40,870,629.70
Less: unrealized financing income	1,068,065.96		1,068,065.96	2,557,781.44		2,557,781.44
Fixed-income investment projects	312,707,687.04	293,292,877.38	19,414,809.66	646,753,053.32	225,510,690.66	421,242,362.66
Others	7,367,466.76		7,367,466.76	7,270,907.13		7,270,907.13
Sub-total	8,138,972,651.41	311,137,564.28	7,827,835,087.13	7,606,221,165.37	233,158,050.66	7,373,063,114.71

Item	Ending amount			Beginning amount		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Less: Long-term receivables maturing within one year	44,752,632.39	17,844,686.90	26,907,945.49	24,608,571.66		24,608,571.66
Total	8,094,220,019.02	293,292,877.38	7,800,927,141.64	7,581,612,593.71	233,158,050.66	7,348,454,543.05

Explanation:

① Financial aid funds receivable refer to the financial aids provided by Commodities City Group to its joint venture Yiwu Shanglv Investment Development Co., Ltd. and associate JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATION FZCO.

②The main items of accounts receivable for the project are as follows:

On July 17, 2017, Construction Investment Group signed an Agreement on Government Procurement Service for the Shantytown (Urban Village) Resettlement Housing Project at Canghou Plot 01#, Hudatang Plots 01# and 02#, and Xiangyang Shangpian West District Plots in Yiwu City with Yiwu Housing and Urban-Rural Development Bureau, to construct through government procurement services, the shantytown (urban village) resettlement housing project at Canghou Plot01# , Hudatang Plots 01# and 02# , and Xiangyang Shangpian West District Plots in Yiwu City. Construction Investment Group was responsible for the preliminary work and construction of the project. The agreement had a term of 25 years, including a construction period of 3 years (from July 2017 to July 2020) and a return period of 22 years (from July 2020 to July 2042).

On April 25, 2018, Construction Investment Group signed a Contract on Government Procurement Service for the Shantytown (Urban Village) Resettlement Housing Project at Maodian Plot of Yiwu City with Yiwu Housing and Urban-Rural Development Bureau, to construct through government procurement services, the shantytown (urban village) resettlement housing project at Maodian Plot of Yiwu City. Construction Investment Group was responsible for the preliminary work and construction of the project. The agreement had a term of 13 years, including a construction period of 3 years (from April 2018 to April 2021) and a return period of 10 years (from April 2021 to April 2031) .

On April 25, 2018, Construction Investment Group signed a Contract on Government Procurement Service for the Shantytown (Urban Village) Resettlement Housing Project at Xiangxi and Gumutang Plots in Yiwu City with Yiwu Housing and Urban-Rural Development Bureau, to constructed through government procurement services, the shantytown (urban village) resettlement housing project at Xiangxi and Gumutang Plots in Yiwu City. Construction Investment Group was responsible for the preliminary work and construction of the project. The agreement had a term of 11 years, including a construction period of 3 years (from April 2018 to April 2021) and a return period of 8 years (from April 2021 to April 2029).

On April 25, 2018, Construction Investment Group signed the Contract on Government Procurement Service for Shantytown (Urban Village) Resettlement Housing Project at Yiwu Xiaojiangtan, Tonghui Theatre, Hutang and Other Plots with Yiwu Housing and Urban-Rural Development Bureau, to construct the resettlement project on the plots by means of government procurement services. Construction Investment Group was responsible for the preliminary work and construction of the project. The agreement had a term of 3 years, of which the construction period was 3 years (from April 2018 to April 2021).

On April 25, 2018, the Construction Investment Group signed the Contract on Government Procurement Service for the Shantytown (Urban Village) Resettlement Housing Project at Plot 1# on the Middle and North Side of Yiwu Town with Yiwu Housing and Urban-Rural Development Bureau, to construct the resettlement project at the plot by means of government procurement services. Construction Investment

Group was responsible for the preliminary work and construction of the project. The agreement had a term of 3 years, of which the construction period was 3 years (from April 2018 to April 2021).

On October 20, 2019, Construction Investment Group signed the Contract on Entrusted Agent Construction of Engineering Projects with Yiwu Housing and Urban-Rural Development Bureau, to construct the Yiwu Urban Organic Renewal - Market Community Resettlement Housing Plot Project, the Yiwu Urban Organic Renewal - East Side Resettlement Housing Plot of Yiwu City, the Yiwu Urban Organic Renewal - Station Community Resettlement Housing Plot Project, and the Yiwu Urban Organic Renewal - Shengli Community Resettlement Housing Plot Project by entrusting agent construction. Construction Investment Group was responsible for the preliminary work and construction of the above projects. The agreement had a term of 3 years, of which the construction period was 3 years (from October 2019 to October 2022).

On March 23, 2020, Construction Investment Group signed the Contract on Entrusted Agent Construction of Engineering Projects with Yiwu Housing and Urban-Rural Development Bureau to construct Yiwu Urban Organic Renewal-Xiaqiumen Community Resettlement Housing Plot Project by entrusting agent construction. Construction Investment Group was responsible for the preliminary work and construction of the above project. The agreement had a term of 3 years, of which the construction period was 3 years (from 2020 to 2022).

On November 8, 2021, Construction Investment Group signed the Contract on Entrusted Agent Construction of Engineering Projects with Yiwu Housing and Urban-Rural Development Bureau to construct the Lingtou Resettlement House Plot Project at Yiwu Urban Organic Renewal Tonghui Community by entrusting agent construction. Construction Investment Group was responsible for the preliminary work and construction of the above project. The agreement had a term of 2 years, of which the construction period was 2 years (from 2020 to 2021).

On September 2, 2022, Construction Investment Group signed the Contract on Centralized Construction and Management of Engineering Projects with Houzhai Subdistrict Office of Yiwu Municipal People's Government, to construct, by means of entrusted centralized construction and management, the 3# Plot project on the north side of Houzhai subdistrict town in the new community cluster. Construction Investment Group was responsible for the preliminary work and construction of the above project.

For the above projects, Construction Investment Group determined engineering construction units to carry out project construction through bidding and other methods. After the acceptance of various projects or the completion and acceptance of all projects, they shall be handed over to Yiwu Housing and Urban-Rural Development Bureau and Houzhai Subdistrict Office of Yiwu People's Government respectively, and the government purchase funds shall be allocated according to the amount agreed in the contract within the return period. Among them, the project of Canghou Plot 01# was handed over in 2019, the project of Hudatang Plot 01# and 02# and the project of Xiangyang Shangpian West Area Plot were handed over in 2020, the resettlement housing projects at Maodian Plot, Xiangxi Plot, Xiaojiangtan Plot, Market Community Resettlement Housing Plot, Tonghui Theatre Plot and on the east side of Loudian were handed over in 2021, the project at 1# Plot on the north side of the town, Gumutang Plot, Hutang Plot, Maodian Plot supporting kindergarten, station community resettlement housing plot and Shengli Community resettlement housing plot were handed over in 2022, and the project of 3# Plot on the northern side of Houzhai Subdistrict, the resettlement housing plot of Xiashimen Community and Lingtou resettlement housing plot were transferred in 2023.

③ The fixed-income investment project was external investment project of Yiwu Financial Holdings Co., Ltd. and Yiwu Honghai Equity Investment Partnership (Limited Partnership) . As at December 31, 2024, Yiwu Dingshi Houtu Enterprise Management Consulting Partnership (Limited Partnership) invested RMB286,082,266.71, and Beijing Zhangshang Energy Technology Co., Ltd. invested RMB26,625,420.33.

13.Long-term equity investment

(1) Long-term equity investment

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Investment in joint ventures	1,813,338,917.82	1,733,586,260.00
Investment in associates	21,253,544,341.79	21,041,121,795.43
Sub-total	23,066,883,259.61	22,774,708,055.43
Less: provision for impairment of long-term equity investment	31,460,052.25	31,460,052.25
Total	23,035,423,207.36	22,743,248,003.18

Provision for impairment of long-term equity investments:

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Yiwu China Commodities City Investment Management Co., Ltd.	9,508,049.22			9,508,049.22
Yiwu Tianhuang Metal Decorating and Can Making Co., Ltd.	2,400,000.00			2,400,000.00
Zhejiang Yiwu China Commodities City Industrial Corporation	200,000.00			200,000.00
Yiwu Libao Solid Waste Disposal Co., Ltd.	8,024,786.87			8,024,786.87
Zhejiang Fugu Supermarket Co., Ltd.	8,000,000.00			8,000,000.00
Others	3,327,216.16			3,327,216.16
Total	31,460,052.25			31,460,052.25

Explanation:

1) In 2017, Commodities City Financial Holding and Shanghai Fuxing Industry Group Co., Ltd. (hereinafter referred to as "Fuxing") jointly established Yiwu Commodities City Fuxing Investment Center (Limited Partnership) (hereinafter referred to as the "Parent Fund"), which invested in a total of 12 sub-funds including Yiwu Shangfu Chuangzhi Investment Center (Limited Partnership) (hereinafter referred to as "Shangfu Chuangzhi Fund"). As a limited partner, Commodities City Financial Holding subscribed for RMB998 million in the Parent Fund, accounting for 49.90% of the subscribed capital, and has paid in RMB102.92 million. There is no deadline for payment of the unpaid portion. The other limited partner of the Parent Fund is Fuxing. Commodities City Financial Holding also invested RMB9.8 million (accounting for 49% equity) to jointly establish Yiwu China Commodities City Investment Management Co., Ltd. (hereinafter referred to as "Commodities City Management") with Fuxing, and Commodities City Management served as the general partner for the aforementioned Parent Fund and sub-funds. Both the Parent Fund and Commodities City Management are controlled by Fuxing, which is an associate of Commodities City Financial Holding. The said paid-in capital contribution of Commodities City Financial Holding in the Parent Fund, together with Fuxing's contribution to the Parent Fund, have been made to Shangfu Chuangzhi Fund through the Parent Fund as a limited partner, together with the paid-in capital contribution of Commodities City Financial Holding in Shangfu Chuang Zhi Fund as a limited partner. Shangfu Chuangizhi Fund has contributed RMB820.54 million to subscribe for the additional registered capital of Hubei Assets Management Co., Ltd., holding 22.667% equity of such company.

In 2018, Commodities City Financial Holding learned during the performance of post-investment tracking management that: Fuxing and its actual controller Zhu Yidong were suspected of criminal offenses.

22.667% equity of Hubei Assets Management Co., Ltd. held by Shangfu Chuangzhi Fund was frozen by the Shanghai Public Security Bureau because the source of capital contribution included Fuxing's capital contribution. Commodities City Group believed that on December 31, 2024, the contribution of Commodities City Group in the Parent Fund and Shangfu Chuangzhi Fund had nothing to do with Fuxing's contribution, and there was no sign of impairment of the underlying assets. Although they were still frozen, they did not affect the equity of Commodities City Group, so there was no impairment. However, for the equity investment in Commodities City Management, full provision for impairment has been made since 2018. For details, see Note 9.1 Significant commitments.

2) As at December 31, 2024, the long-term equity investment with a book value of RMB102,918,559.00 was frozen by the Shanghai Public Security Bureau.

(2) Details of long-term equity investment

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Zhejiang Yixin Enterprise Management Co., Ltd.	40	4,846,283.19		2,000,000.00	-471,614.26						2,374,668.93	
Lishui Lianyi Shanhai Cooperation Industrial Park Development Co., Ltd.	50	100,000,000.00			-1,624.48						99,998,375.52	
Yiwu Huichen Pension Service Co., Ltd.	49	3,702,874.26			-682,964.81						3,019,909.45	
Yiwu New Smart City Operation Co., Ltd.	50	8,340,384.87			37,593.77						8,377,978.64	
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	49	124,861,818.05	86,000,000.00		-2,750,016.33						208,111,801.72	
Yiwu Shanglv Investment Development Co., Ltd.	49	435,929,928.58			42,973,396.39						478,903,324.97	
Yiwu Rongshang Real Estate Co., Ltd.	49	65,650,697.03			-453.29						65,650,243.74	
Yiwu Chuangcheng Real Estate Co., Ltd.	24	27,685,633.41			-1,765,011.86			3,488,160.00			22,432,461.55	
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	49	927,219,681.28			12,219,849.59			57,124,949.94			882,314,580.93	
Yiwu Huishang Zijing Capital Management Co., Ltd.	40	6,330,646.45	1,200,000.00		-1,089,860.24						6,440,786.21	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	49	1,609,481.14			-543,558.92						1,065,922.22	
Yiwu Digital Port Technology Co., Ltd.	51	21,961,785.44			3,036,570.85						24,998,356.29	
Other joint ventures	-	5,447,046.30	4,000,000.00		203,461.35						9,650,507.65	3,327,216.16
Sub-total		1,733,586,260.00	91,200,000.00	2,000,000.00	51,165,767.76	0.00	0.00	60,613,109.94	0.00	0.00	1,813,338,917.82	3,327,216.16
Yiwu Industrial Investment Development Group Co., Ltd.	49	5,818,460,947.45			31,649,786.34	-40,950.59	176,539.16				5,850,246,322.36	
Yiwu Environmental Group Co., Ltd.	40	247,227,061.28			18,142,614.87	1,252,282.46		6,350,067.38			260,271,891.23	
Yiwu Shuangjianghu Development Group Co., Ltd.	40	4,452,260,104.79			8,242,953.52			1,217,483.84			4,459,285,574.47	
Zhejiang Zheyi Asset Management Co., Ltd.	49	563,323,924.13			18,307,992.79			15,190,000.00			566,441,916.92	
Yiwu Huishang Zijing Equity Investment Co., Ltd.	16.66	104,240,715.80		6,245,681.84	-9,814,346.26			30,924,318.16			57,256,369.54	
Yiwu State-owned Assets Greentown Property Service Co., Ltd.	35	814,763.20			715,095.81						1,529,859.01	
Yiwu Natural Gas Co., Ltd.	49	127,759,032.57	12,250,000.00		26,661,912.33		-350,346.77	23,745,653.03			142,574,945.10	
Yiwu PetroChina Sales Co., Ltd.	49	4,065,298.46			368,737.40			390,298.45			4,043,737.41	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Zhejiang Yiyang Construction Co., Ltd.	49	1,871,870.76			31,995.56						1,903,866.32	
Zhejiang Yiyong Construction Co., Ltd.	49	1,538,663.84			76,898.95						1,615,562.79	
Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	20				-818,425.66					6,014,569.27	5,196,143.61	
Yiwu Shenneng Construction Waste Resource Utilization Co., Ltd.	17				-5,083.75					13,679,446.09	13,674,362.34	
Yiwu Hengfeng Automobile Driver Training Co., Ltd.	51	457,444.17									457,444.17	
Yiwu Suda Taxi Passenger Transport Co., Ltd.	26.46	3,432,187.89			475,804.00			349,272.00			3,558,719.89	
Daxin (Yiwu) Semiconductor Co., Ltd.	28.57	17,204,456.47			-2,003,712.14						15,200,744.33	
YXE Trading Service Group Co., Ltd.	34	148,407,445.34			5,114,286.69						153,521,732.03	
Yiwu Hongkun Desheng Entrepreneurial Investment Partnership (Limited Partnership)	58.87	554,083,275.12		13,245,750.00	9,597,546.30						550,435,071.42	
Hangzhou Binmao Property Co., Ltd.	30	645,760,250.24			29,815,989.33			32,250,000.00			643,326,239.57	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Hangzhou Zhexuan Enterprise Management Co., Ltd.	49	70,175,381.79			157,082,135.91			130,977,000.00			96,280,517.70	
Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	40	404,676,017.22			-955,545.63						403,720,471.59	
Yiwu Construction Investment Binjiang Property Service Co., Ltd.	45	3,297,270.11			1,307,379.69						4,604,649.80	
Yiwu Construction Investment Jujiang Construction Co., Ltd.	49	994,123.64			2,538,166.88						3,532,290.52	
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	40	4,072,143.69			883,195.31			1,206,765.57			3,748,573.43	
Yiwu Runxiu Real Estate Co., Ltd.	49	1,086,801,321.37			-23,916,818.58						1,062,884,502.79	
Jinhua Jinyi East Rail Transit Co., Ltd.	30	3,900,000,000.00									3,900,000,000.00	
Yiwu Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	49	33,344,448.13			-3,150,823.96						30,193,624.17	
Yiwu Tianhuang Metal Decorating and Can Making Co., Ltd.	40	2,400,000.00									2,400,000.00	2,400,000.00

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Zhejiang Huakong Jingzi Venture Investment Co., Ltd.	30	3,767,647.62			-14,375.41						3,753,272.21	
Zhejiang Yiwu China Commodities City Industrial Corporation	33.33	200,000.00									200,000.00	200,000.00
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	50	2,956,893.07			1,321,142.64						4,278,035.71	
Zhejiang Seaport Yiwu Hub Port Co., Ltd.	40	531,876,122.13			-307,491.34						531,568,630.79	
Zhejiang Luxin Construction Co., Ltd.	49	1,916,780.49			-255,758.64						1,661,021.85	
Zhejiang Qi Anxin Technology Co., Ltd.	35	548,326.66			-99,729.61						448,597.05	
Zhejiang Yiwu International Rail-Road Transport Co., Ltd.	40	14,257,634.22			380,821.49			218,512.76			14,419,942.95	
Anhui Yiyue Tea Industry Co., Ltd.	43.75	2,218,341.02			-304,005.24						1,914,335.78	
Hangzhou Micro Ant Technology Co., Ltd.	34.46	4,429,678.29			-1,306,067.08						3,123,611.21	
Jinhua Zhuocai Cloud Bidding Agency Co., Ltd.	20	334,658.02			153,344.30			260,000.00			228,002.32	
Yiwu Liangku Cultural Industry Development Co., Ltd.	35	4,170,893.74			839,346.31			1,283,170.00			3,727,070.05	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Yiwu Guhe Commodity Concrete Co., Ltd.	25	13,771,388.06			-1,987,458.00			1,250,000.00			10,533,930.06	
Yiwu Smart Traffic Co., Ltd.	40	1,715,697.94		1,715,697.94							0.00	
Yiwu Emergency Technology Co., Ltd.	49	0.00									0.00	
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	34	1,831,055.61			465,546.93			622,200.00			1,674,402.54	
Yiwu Xiangchuang Cultural Development Co., Ltd.	35	437,426.24			-23,260.58						414,165.66	
Yiwu China Commodities City Fuxing Investment Center (Limited Partnership)	49.9	102,918,559.00									102,918,559.00	
Yiwu China Commodities City Investment Management Co., Ltd.	49	9,508,049.22									9,508,049.22	9,508,049.22
Zhejiang Chouzhou Financial Leasing Co., Ltd.	26	574,958,766.29			106,765,891.17			91,000,000.00			590,724,657.46	
Zhejiang Fugu Supermarket Co., Ltd.	40	11,404,315.42			823,333.70						12,227,649.12	8,000,000.00
Zhejiang Huafa Commercial Development Co., Ltd.	49	3,063,095.34			-3,063,095.34						0.00	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Zhejiang Jinzheng Testing Co., Ltd.	33	5,609,172.99			396,425.69			660,000.00			5,345,598.68	
Zhejiang Bee Group Co., Ltd.	22.87	34,320,013.91			5,431,796.30			2,509,056.00			37,242,754.21	
Zhejiang Wutong Co., Ltd.	26.42	14,148,683.52			2,629,200.59			1,267,200.00			15,510,684.11	
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	27	131,982,044.17			-12,081,520.91	-10,615.07					119,889,908.19	
Yiwu Huishang Zijing Phase II Investment Partnership (Limited Partnership)	88.45	1,167,180,542.22		42,500,000.00	83,829,708.41						1,208,510,250.63	
Yiwu Libao Solid Waste Disposal Co., Ltd.	34.56	8,024,786.87									8,024,786.87	8,024,786.87
Zhejiang Yiteng Environmental Technology Co., Ltd.	45	6,468,046.19			1,438,305.34			1,350,000.00			6,556,351.53	
Zhejiang Zhongke Environmental Co., Ltd.	37.4	18,848,246.34	2,280,000.00		-6,644,470.38						14,483,775.96	
Yiwu Huishang Microfinance Co., Ltd.	33	110,887,970.37			295,648.51						111,183,618.88	
Jinhua Raw Water Resources Management Co., Ltd.	54.3		27,150,000.00		2,600.74						27,152,600.74	
Zhejiang Jinhua Yilongqing Expressway Co., Ltd.	9.33		4,660,000.00								4,660,000.00	

Investee	Shareholding ratio ratio (%)	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of provision for impairment as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Changes in other equities	Cash declared and distributed Dividends or profits	Provision for impairment	Others		
Yiwu Shuangjianghu Property Service Co., Ltd.	49		980,000.00		-467,313.09						512,686.91	
Other associates	-	60,698,813.01	147,459,100.00		-44,657,129.12					-258,524.30	163,242,259.59	
Sub-total	-	21,041,121,795.43	194,779,100.00	63,707,129.78	403,909,173.08	1,200,716.80	-173,807.61	343,020,997.19	0.00	19,435,491.06	21,253,544,341.79	28,132,836.09
Total	-	22,774,708,055.43	285,979,100.00	65,707,129.78	455,074,940.84	1,200,716.80	-173,807.61	403,634,107.13	0.00	19,435,491.06	23,066,883,259.61	31,460,052.25

(3) Significant joint ventures and associates

Investee	Registered address	Nature of business	Registered capital (RMB'0,000)	Shareholding ratio (%)	
				Direct	Indirect
①Joint venture	—	—	—	—	—
Yiwu Shanglv Investment Development Co., Ltd.	Yiwu, Zhejiang	Real estate development	80,000.00		49.00
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development	4,081.63		49.00
② Associates	—	—	—	—	—
Yiwu Runxiu Real Estate Co., Ltd.	Yiwu, Zhejiang	Real estate development	223,000.00		49.00
Hangzhou Binmao Property Co., Ltd.	Hangzhou, Zhejiang	Real estate development	180,000.00		30.00
Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	Shaoxing, Zhejiang	Enterprise management and consultation	80,000.00		40.00
Jinhua Jinyi East Rail Transit Co., Ltd.	Jinhua, Zhejiang	Investment and asset management	100,000.00		30.00
Zhejiang Chouzhou Financial Leasing Co., Ltd.	Yiwu, Zhejiang	Financial industry	100,000.00		26.00
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Yiwu, Zhejiang	Technology promotion and application services	55,556.00		27.00
Zhejiang Zheyi Asset Management Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	100,000.00	49.00	
Yiwu Industrial Investment Development Group Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	204,000.00	49.02	
Yiwu Shuangjianghu Development Group Co., Ltd.	Yiwu, Zhejiang	Investment and asset management	150,000.00	40.00	

(4) Key financial information of significant joint ventures

Item	Yiwu Shanglv Investment Development Co., Ltd.	
	Ending balance/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Current assets	44,572,990.46	58,685,528.96
Non-current assets	1,316,156,038.15	1,258,091,339.85
Total assets	1,360,729,028.61	1,316,776,868.81
Current liabilities	257,309,147.55	396,667,389.40
Non-current liabilities	96,574,029.70	
Total liabilities	353,883,177.25	396,667,389.40
Net assets	1,006,845,851.36	920,109,479.41
Share of net assets calculated at the shareholding ratio	493,354,467.17	450,853,644.91
Adjustment matters	-14,451,142.20	-14,923,716.33

Item	Yiwu Shanglv Investment Development Co., Ltd.	
	Ending balance/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Book value of equity investment in joint ventures	478,903,324.97	435,929,928.58
Operating income	260,065,145.93	246,714,431.33
Income tax expenses	28,933,269.15	26,441,253.70
Total comprehensive income	86,736,371.95	78,540,623.54
Dividends received from joint ventures in 2024		

(Continued)

Item	Yiwu Guoshen Shangbo Real Estate Co., Ltd.	
	Ending balance/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Current assets	1,772,351,257.13	2,371,676,939.57
Non-current assets	97,405,224.10	434,308.10
Total assets	1,869,756,481.23	2,372,111,247.67
Current liabilities	69,114,479.34	479,826,183.83
Non-current liabilities		
Total liabilities	69,114,479.34	479,826,183.83
Net assets	1,800,642,001.89	1,892,285,063.84
Share of net assets calculated at the shareholding ratio	882,314,580.93	927,219,681.28
Adjustment matters		
Book value of equity investment in joint ventures	882,314,580.93	927,219,681.28
Operating income	379,906,763.93	11,261,502,544.15
Income tax expenses	29,649,196.93	564,649,585.21
Total comprehensive income	30,071,848.12	1,737,713,501.47
Dividends received from joint ventures in 2024	57,124,949.94	

(5) Key financial information of significant associates

Item	Yiwu Runxiu Real Estate Co., Ltd.		Hangzhou Binmao Property Co., Ltd.		Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	
	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Current assets	6,993,444,565.22	4,409,885,584.52	2,222,541,188.22	2,741,943,155.20	1,008,473,496.27	1,032,290,791.73
Non-current assets	22,427,726.45	4,011,186.88	17,161,176.42	97,035.94	28,348,145.40	28,348,065.26
Total assets	7,015,872,291.67	4,413,896,771.40	2,239,702,364.64	2,742,040,191.14	1,036,821,641.67	1,060,638,856.99
Current liabilities	4,844,999,271.65	2,195,934,891.03	62,479,519.27	597,884,972.45	27,520,462.70	48,952,467.08
Non-current liabilities	1,720,973.50		32,802,046.80			
Total liabilities	4,846,720,245.15	2,195,934,891.03	95,281,566.07	597,884,972.45	27,520,462.70	48,952,467.08
Net assets	2,169,152,046.52	2,217,961,880.37	2,144,420,798.57	2,144,155,218.69	1,009,301,178.97	1,011,686,389.91
Share of net assets calculated at the shareholding ratio	1,062,884,502.79	1,086,801,321.37	643,326,239.57	643,246,565.61	403,720,471.59	404,674,555.96
Adjustment matters				2,513,684.63		1,461.26
Book value of equity investment in associates	1,062,884,502.79	1,086,801,321.37	643,326,239.57	645,760,250.24	403,720,471.59	404,676,017.22
Operating income	972,243.00		45,206,215.17	22,807,526.04	1,205,826.60	32,561,987.26
Net profit	-53,972,754.35	-12,038,119.65	58,507,619.63	59,365,405.60	-2,385,210.94	11,794,669.43
Other comprehensive income						
Total comprehensive income	-53,972,754.35	-12,038,119.65	58,507,619.63	59,365,405.60	-2,385,210.94	11,794,669.43
Dividends received from associates in 2024			32,250,000.00	183,600,000.00		216,000,000.00

(Continued)

Item	Jinhua Jinyi East Rail Transit Co., Ltd.		Zhejiang Chouzhou Financial Leasing Co., Ltd.		Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	
	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Current assets	8,234,988,301.24	6,158,353,214.70	20,987,678,955.24	1,016,962,332.38	623,155,723.65	576,242,854.64
Non-current assets	27,213,923,215.91	27,311,069,345.86	163,070,159.38	19,175,285,477.42	30,725,146.06	31,341,081.24
Total assets	35,448,911,517.15	33,469,422,560.56	21,150,749,114.62	20,192,247,809.80	653,880,869.71	607,583,935.88
Current liabilities	3,781,039,346.29	4,484,671,818.21	12,734,639,582.95	12,093,452,169.08	297,838,847.92	204,492,849.90
Non-current liabilities	18,326,553,614.00	15,639,055,302.36	6,144,091,618.35	5,888,002,496.53	890,880.34	
Total liabilities	22,107,592,960.29	20,123,727,120.57	18,878,731,201.30	17,981,454,665.61	298,729,728.26	204,492,849.90
Net assets	13,341,318,556.86	13,345,695,439.99	2,272,017,913.32	2,210,793,144.19	355,151,141.45	403,091,085.98
Share of net assets calculated at the shareholding ratio	4,002,395,567.06	4,003,708,632.00	590,724,657.46	574,806,217.49	95,890,808.19	108,834,593.21
Adjustment matters	-102,395,567.06	-103,708,632.00		152,548.80	23,999,100.00	23,147,450.96
Book value of equity investment in associates	3,900,000,000.00	3,900,000,000.00	590,724,657.46	574,958,766.29	119,889,908.19	131,982,044.17
Operating income	170,396,152.28	153,172,906.31	753,748,320.57	714,058,894.36	1,487,505,402.43	558,544,690.36
Net profit	-4,376,883.13	-7,666,004.57	410,638,042.96	329,233,336.83	-46,913,898.00	-50,301,463.56
Other comprehensive income					-39,315.08	
Total comprehensive income	-4,376,883.13	-7,666,004.57	410,638,042.96	329,233,336.83	-46,953,213.08	-50,301,463.56
Dividends received from associates in 2024			91,000,000.00			

(Continued)

Item	Zhejiang Zheyi Asset Management Co., Ltd.		Yiwu Industrial Investment Development Group Co., Ltd.		Yiwu Shuangjianghu Development Group Co., Ltd.	
	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023	Balance as at December 31, 2024/Amount in 2024	Balance as at January 1, 2024/ Amount in 2023
Current assets	1,316,111,816.55	879,385,515.88	17,677,902,767.99	22,647,107,729.14	18,600,388,458.77	16,820,696,447.10
Non-current assets	727,386,927.75	670,996,419.42	21,601,869,610.54	15,595,493,451.47	18,502,882,281.76	17,333,973,705.86
Total assets	2,043,498,744.30	1,550,381,935.30	39,279,772,378.53	38,242,601,180.61	37,103,270,740.53	34,154,670,152.96
Current liabilities	714,196,780.96	255,109,367.37	18,562,478,001.85	14,970,334,395.05	13,549,972,882.65	8,124,822,963.18
Non-current liabilities	173,298,051.25	145,631,906.44	11,444,226,263.90	14,070,047,957.30	14,109,801,068.86	16,604,263,849.69
Total liabilities	887,494,832.21	400,741,273.81	30,006,704,265.75	29,040,382,352.35	27,659,773,951.51	24,729,086,812.87
Net assets	1,156,003,912.09	1,149,640,661.49	9,273,068,112.78	9,202,218,828.26	9,443,496,789.02	9,425,583,340.09
Share of net assets calculated at the shareholding ratio	566,441,916.92	563,323,924.13	4,545,620,896.61	4,509,087,225.85	3,777,398,715.61	3,770,233,336.04
Adjustment matters			1,304,625,425.75	1,309,373,721.60	681,886,858.86	682,026,768.75
Book value of equity investment in associates	566,441,916.92	563,323,924.13	5,850,246,322.36	5,818,460,947.45	4,459,285,574.47	4,452,260,104.79
Operating income	66,309,166.19	141,601,123.01	9,634,407,701.80	812,740,732.30	1,468,009,373.87	1,359,267,938.77
Net profit	37,363,250.60	74,855,155.14	93,548,347.74	59,093,220.08	19,977,158.53	15,829,090.19
Other comprehensive income			-83,572.64	7,077,180.65		
Total comprehensive income	37,363,250.60	74,855,155.14	93,464,775.10	66,170,400.73	19,977,158.53	15,829,090.19
Dividends received from associates in 2024	15,190,000.00	39,200,000.00			1,217,483.84	

14.Investment in other equity instruments

(1) Other equity instrument investments

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Investment in listed equity instruments	1,146,394,700.55	896,732,765.13
Investment in unlisted equity instruments	3,325,800.00	137,325,800.00
Total	1,149,720,500.55	1,034,058,565.13

(2) Investment in other equity instruments at the end of the period

Item	Balance as at December 31, 2024			Changes in 2024			Amount of other comprehensive income transferred into retained earnings	Reason for amount designated to be measured at fair value through other comprehensive income
	Investment costs	Amount of changes in fair value accumulatively included in other comprehensive income	Fair Value	Increase/decrease in investment costs	Changes in fair value	Dividend income		
I. Investment in listed equity instruments								
Yiwu Huading Nylon Co., Ltd.	289,844,543.02	96,557,207.78	386,401,750.80		46,566,364.84			Non-tradable equity investments
Shenzhen UBTECH Robotics Corp.	134,000,000.00	-45,043,308.55	88,956,691.45		-45,043,308.55			Non-tradable equity investments
Shenwan Hongyuan Group Co., Ltd.	553,625,431.00	117,410,827.30	671,036,258.30		114,138,879.13	9,156,195.66		Non-tradable equity investments
Sub-total	977,469,974.02	168,924,726.53	1,146,394,700.55		115,661,935.42	9,156,195.66		
II. Investment in unlisted equity instruments								
Zhejiang Zhonglian Co., Ltd.	300,000.00		300,000.00					Non-tradable equity investments
Yiwu Yida Taxi Passenger Transport Co., Ltd.	88,200.00		88,200.00			15,000.00		Non-tradable equity investments
Yiwu Zhijiang Taxi Passenger Transport Co., Ltd.	58,800.00		58,800.00			12,500.00		Non-tradable equity investments

Item	Balance as at December 31, 2024			Changes in 2024			Amount of other comprehensive income transferred into retained earnings	Reason for amount designated to be measured at fair value through other comprehensive income
	Investment costs	Amount of changes in fair value accumulatively included in other comprehensive income	Fair Value	Increase/decrease in investment costs	Changes in fair value	Dividend income		
Yiwu Shunkai Taxi Passenger Transport Co., Ltd.	58,800.00		58,800.00			10,000.00		Non-tradable equity investments
Jinhua Huajingshan Tourism Development Co., Ltd.	1,000,000.00		1,000,000.00					Non-tradable equity investments
Zhejiang Hongyun Industrial Co., Ltd.	20,000.00		20,000.00					Non-tradable equity investments
Zhejiang Changyun Investment Co., Ltd.	1,800,000.00		1,800,000.00					Non-tradable equity investments
Sub-total	3,325,800.00		3,325,800.00			37,500.00		
Total	980,795,774.02	168,924,726.53	1,149,720,500.55		115,661,935.42	9,193,695.66		

15.Other non-current financial assets

Item	Fair value as at December 31, 2024	Fair value as at January 1, 2024
Investment in unlisted equities	1,409,898,947.41	1,578,959,556.16
Private equity fund investment [Remark]	8,300,681,418.96	8,151,175,011.23
Equity investment on NEEQ (National Equities Exchange and Quotations)	32,731,474.57	37,171,941.17
Others	88,162,500.00	85,000,000.00
Total	9,831,474,340.94	9,852,306,508.56

[Remark]: Includes the investment of RMB660,196,410.80 by Commodities City Financial Holding as a limited partner in Yiwu Shangfu Chuangzhi Investment Center (Limited Partnership) . See Note IX (I) Significant commitments for details.

As at December 31, 2024, other non-current financial assets with a book value of RMB660,196,410.80 were frozen by the Shanghai Public Security Bureau.

16.Investment properties

Investment properties measured at cost

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total original book value	9,474,134,560.81	3,678,166,832.68	282,693,272.04	12,869,608,121.45
Including: land use right	787,534,841.13	1,049,783,147.13	40,554,471.50	1,796,763,516.76
Buildings and constructions	8,686,599,719.68	2,628,383,685.55	242,138,800.54	11,072,844,604.69
II. Total accumulated depreciation and accumulated amortization	1,406,948,043.88	565,524,414.69	39,301,165.07	1,933,171,293.50
Including: land use right	165,452,181.39	107,458,351.20	1,313,704.88	271,596,827.71
Buildings and constructions	1,241,495,862.49	458,066,063.49	37,987,460.19	1,661,574,465.79
III. Total net book value of investment properties	8,067,186,516.93	—	—	10,936,436,827.95
Including: land use right	622,082,659.74	—	—	1,525,166,689.05
Buildings and constructions	7,445,103,857.19	—	—	9,411,270,138.90
IV. Total accumulated amount of provisions for impairment of investment properties				
Including: land use right				
Buildings and constructions				
V. Total book value of investment properties	8,067,186,516.93	—	—	10,936,436,827.95
Including: land use right	622,082,659.74	—	—	1,525,166,689.05
Buildings and constructions	7,445,103,857.19	—	—	9,411,270,138.90

Remark: As at December 31, 2024, investment properties with a book value of RMB2,655,658,570.19 were used as collateral for bank loans, or used for finance leases.

17.Fixed assets

Item	Book value as at December 31, 2024	Book value as at January 1, 2024
Fixed assets	35,191,428,103.76	33,475,657,941.45
Disposal of fixed assets	686,942,138.18	674,740,763.54
Total	35,878,370,241.94	34,150,398,704.99

(1) Classification of fixed assets

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total original book value	49,406,638,971.28	4,989,516,617.00	1,697,584,691.10	52,698,570,897.18
Including: Landscaping projects	16,363,428.49	27,473,489.48		43,836,917.97
Buildings and constructions	33,907,265,895.41	3,842,501,490.37	1,195,430,447.81	36,554,336,937.97
Machinery equipment	4,972,145,129.61	307,293,216.92	352,990,553.97	4,926,447,792.56
Means of transportation	819,921,416.81	37,165,366.79	102,531,116.10	754,555,667.50
Office equipment	204,356,858.05	113,347,036.71	4,988,133.46	312,715,761.30
General equipment	40,950,540.72	15,114,525.81	417,969.41	55,647,097.12
Special equipment	804,393,249.15	58,870,040.46	23,726,803.35	839,536,486.26
Pipe network	2,680,716,058.95	458,069,986.31	13,884,720.00	3,124,901,325.26
Electronic and other equipment	1,220,211,593.98	118,369,173.06	3,614,947.00	1,334,965,820.04
Port-dredging expressway	4,740,314,800.11	11,312,291.09		4,751,627,091.20
II. Total accumulated depreciation	15,459,817,561.98	1,856,992,679.50	280,830,915.91	17,035,979,325.57
Including: Landscaping projects	7,500,182.69	13,819,452.90		21,319,635.59
Buildings and constructions	8,112,402,333.28	1,142,002,661.57	151,535,465.68	9,102,869,529.17
Machinery equipment	3,631,827,102.53	116,767,402.58	15,270,460.31	3,733,324,044.80
Means of transportation	461,639,550.23	93,283,592.61	97,769,864.58	457,153,278.26
Office equipment	140,906,898.23	24,663,392.02	4,216,675.57	161,353,614.68
General equipment	24,227,668.40	6,783,744.95	393,544.55	30,617,868.80
Special equipment	507,286,848.19	71,661,427.25	9,297,440.76	569,650,834.68

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Pipe network	1,152,983,037.14	150,636,839.93		1,303,619,877.07
Electronic and other equipment	430,702,695.33	57,223,242.05	2,347,464.46	485,578,472.92
Port-dredging expressway	990,341,245.96	180,150,923.64		1,170,492,169.60
III. Total net book value of fixed assets	33,946,821,409.30	—	—	35,662,591,571.61
Including: Landscaping projects	8,863,245.80	—	—	22,517,282.38
Buildings and constructions	25,794,863,562.13	—	—	27,451,467,408.80
Machinery equipment	1,340,318,027.08	—	—	1,193,123,747.76
Means of transportation	358,281,866.58	—	—	297,402,389.24
Office equipment	63,449,959.82	—	—	151,362,146.62
General equipment	16,722,872.32	—	—	25,029,228.32
Special equipment	297,106,400.96	—	—	269,885,651.58
Pipe network	1,527,733,021.81	—	—	1,821,281,448.19
Electronic and other equipment	789,508,898.65	—	—	849,387,347.12
Port-dredging expressway	3,749,973,554.15	—	—	3,581,134,921.60
IV. Total provision for impairment	471,163,467.85			471,163,467.85
Including: Landscaping projects				
Buildings and constructions	471,163,467.85			471,163,467.85
Machinery equipment				
Means of transportation				
Office equipment				
General equipment				
Special equipment				
Pipe network				
Electronic and other equipment				
Port-dredging expressway				
V. Total book value of fixed assets	33,475,657,941.45	—	—	35,191,428,103.76
Including: Landscaping projects	8,863,245.80	—	—	22,517,282.38

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Buildings and constructions	25,323,700,094.28	—	—	26,980,303,940.95
Machinery equipment	1,340,318,027.08	—	—	1,193,123,747.76
Means of transportation	358,281,866.58	—	—	297,402,389.24
Office equipment	63,449,959.82	—	—	151,362,146.62
General equipment	16,722,872.32	—	—	25,029,228.32
Special equipment	297,106,400.96	—	—	269,885,651.58
Pipe network	1,527,733,021.81	—	—	1,821,281,448.19
Electronic and other equipment	789,508,898.65	—	—	849,387,347.12
Port-dredging expressway	3,749,973,554.15	—	—	3,581,134,921.60

Explanation:

①As at December 31, 2024, fixed assets with a book value of RMB7,800,369,473.91 were used as collateral for bank loans, or used for finance leases.

②The impairment of fixed assets at the end of the period amounted to RMB471,163,467.85, which related to the impairment of fixed assets of Haicheng Yiwu China Commodities City Investment Development Co., Ltd., a sub-subsidiary of Commodities City Holdings.

(2) Disposal of fixed assets

Item	Book value as at December 31, 2024	Book value as at January 1, 2024	Reason for disposal
Property at Minzhu Road, Choucheng Subdistrict	206,160,919.08	206,160,919.08	Government requisition
Urban Investment Group organic renewal property land clearance	89,849,123.53	89,849,123.53	Urban organic renewal, etc.
Property at No.73 Airport Road	36,522,790.21	36,522,790.21	Government requisition
No.16 North Chengzhong Road	28,736,183.84	28,736,183.84	Urban organic renewal
No.34 North Chengzhong Road	28,371,428.64	28,371,428.64	Urban organic renewal
No.71 Yidong Road	26,480,000.08	26,480,000.08	Urban organic renewal
Property at No.286 Airport Road	20,086,764.45	20,086,764.45	Government requisition
No.3, Lane 290, Airport Road, Yiwu City	41,397,133.47	41,397,133.47	Government requisition
No.8, North Chouzhou Road	64,698,034.11	64,698,034.11	Government requisition
No.99, Binwang Road	41,996,100.05	41,996,100.05	Government requisition
Yiwu Railway Station Comprehensive Transportation Hub Transition Project	44,026,840.72	44,026,840.72	Government requisition
Expropriation at No.258, Binwang Road		11,696,849.85	Government requisition

Item	Book value as at December 31, 2024	Book value as at January 1, 2024	Reason for disposal
Other properties expropriated for organic renewal, etc.	57,014,100.07	33,098,166.66	Government requisition
Others	1,602,719.93	1,620,428.85	Disposal due to scrapping
Total	686,942,138.18	674,740,763.54	—

18.Construction in progress

Item	Book value as at December 31, 2024	Book value as at January 1, 2024
Construction in progress	21,513,197,832.89	24,429,872,471.03
Project materials		
Total	21,513,197,832.89	24,429,872,471.03

Explanation:

As at December 31, 2024, construction in progress with a book value of RMB944,658,096.65 were used as collateral for bank loans, or used for financing leases.

Project	Amount as at January 1, 2024	Increase in 2024	Transferred to fixed assets and investment real estate property in 2024	Other decreases in 2024	Impairment provision	Ending amount	Accumulated capitalization amount of interest	Including: capitalization amount of interest in 2024
Yiwu International Fresh City Area I Project	102,774,897.75	172,788,933.64	274,652,331.64			911,499.75		4,035,334.85
Mold Phase III Stage I	135,639,862.01	88,187,974.26	223,827,836.27			0.00		
Hazardous Chemical Warehouse	163,710,462.31	22,071,217.87	185,781,680.18			0.00		
Yiwu Comprehensive Bonded Zone Project	1,221,353,672.38	270,647,483.04	1,419,030,711.46	43,852,138.18		29,118,305.78	75,397,039.32	32,773,976.61
S2 Logistics Park	580,405,802.07	65,811,583.14	637,277,805.39	8,939,579.82		0.00		
Yiwu International Digital Logistics Market	630,045,691.91	84,629,247.56	714,674,939.47			0.00		12,306,965.12
Total	15,136,886,197.90	2,882,217,472.32	3,455,245,304.41	1,845,930,192.11	0.00	12,717,928,173.70	1,208,164,792.66	341,091,580.62

Remark: Decrease in construction in progress in 2024 is mainly due to the transfer to other non-current assets by Transportation Tourism Group.

Changes in important construction in progress in 2024:

Project	Amount as at January 1, 2024	Increase in 2024	Transferred to fixed assets and investment real estate property in 2024	Other decreases in 2024	Impairment provision	Ending amount	Accumulated capitalization amount of interest	Including: capitalization amount of interest in 2024
Bolanggu School Project	215,681,282.69	96,085,477.59				311,766,760.28	31,003,469.32	13,688,165.67
Yiwu Children's Hospital Construction Project	520,753,139.16	260,023,559.17				780,776,698.33	47,039,807.01	24,787,648.46
Reconstruction Project of Provincial Highway 03	1,458,943,386.76	26,961,308.78				1,485,904,695.54	177,379,011.40	21,672,892.82
Qianshan Industrial Zone Project in Dachen Town	648,545,683.90	15,492,394.96		128,539,213.65		535,498,865.21	112,638,954.22	15,492,394.96
Lin'an-Cangnan Highway Fotang Interchange to Shangfo Road Section Project	533,279,325.91	38,605,607.04				571,884,932.95	53,923,635.46	20,990,239.20
Yiwu-Wuyi Highway Project	493,066,576.19	564,036.00				493,630,612.19	89,415,898.14	
37 Provincial Highway Qingkou-Suxi Reconstruction Project	464,872,425.68	94,069.87				464,966,495.55	528,149.19	81,229.87
S217 Xiaoshan-Pan'an Highway Yiwu Jiangdong-Chi'an Highway Project (Choufo Second Line)	1,183,382,782.11	228,413,692.29				1,411,796,474.40	114,450,639.89	37,780,665.61
S218 Anji-Longgang Highway Yiwu Chi'an-Yongkang Junction Section Highway Engineering Project	440,661,059.67	66,600,242.17				507,261,301.84	39,641,892.18	14,495,007.97
Project of G527-S214 Yiwu Jiangdong Connecting Line	575,449,706.27	30,889,443.21				606,339,149.48	46,520,422.19	15,527,861.18
Yiwu Railway Station Comprehensive Transportation Hub Station Square Project	249,373,757.79	40,855,970.70				290,229,728.49	33,523,050.33	12,073,985.46
Yiwu Ximen Old Street Historical and Cultural Development Project	118,440,614.22	103,666,029.26				222,106,643.48	27,945,764.14	24,313,104.53

Project	Amount as at January 1, 2024	Increase in 2024	Transferred to fixed assets and investment real estate property in 2024	Other decreases in 2024	Impairment provision	Ending amount	Accumulated capitalization amount of interest	Including: capitalization amount of interest in 2024
Reconstruction project of No.8 North Chouzhou Road	227,390,160.65	2,871,065.60				230,261,226.25	1,105,151.94	1,072,447.55
03 Provincial Highway Yiwu Section Reconstruction Project Phase II (Yiting Viaduct - Shangfo Road - Jindong District Boundary Section) Project	277,107,245.50	37,611,685.90				314,718,931.40	26,812,484.24	12,305,573.56
Phase I of International Production Materials Market Supporting Road Project (Four Seasons Road, Kaichuang Road)	612,870,010.69	16,298,204.11		7,651,376.15		621,516,838.65	92,998,569.22	14,472,921.99
Airfield Grade Upgrade and Renovation Project	318,652,533.97	5,438,217.64				324,090,751.61	48,351,473.61	3,565,955.36
West Yiwu Railway Logistics Center	246,657,418.03	10,950,792.42				257,608,210.45	71,596,059.77	6,434,015.54
Wuse City Xiwang Road Xinyang Line Project	277,272,555.12	13,008,195.62				290,280,750.74	55,632,505.50	12,213,945.06
Affordable Rental Housing Project of Hengfeng Chengxi Passenger Station	223,361,476.01	118,027,499.36				341,388,975.37	5,208,962.23	5,208,962.23
Global Digital Free Trade Center	753,285,037.73	697,558,271.98				1,450,843,309.71	29,281,920.51	20,857,554.17
S3 Logistics Park	645,250,775.05	145,626,666.42				790,877,441.47	27,769,932.85	14,940,732.85
Jiangdong Sewage Plant Phase III Expansion Project	184,216,954.25	199,932,620.53				384,149,574.78		
Port-dredging Expressway Project	747,193,246.74	11,040,602.96		758,233,849.70		0.00		
Yiwu-Lanxi Highway	521,823,252.27	875,211.40		522,698,463.67		0.00		
Additional Establishment of Fotang Interchange of Ningbo–Jinhua Expressway	365,425,403.11	10,590,167.83		376,015,570.94		0.00		

19.Right-of-use assets

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total original book value	494,258,685.71	47,399,653.23	32,424,056.39	509,234,282.55
Including: Buildings, constructions and land	494,085,040.02	45,741,553.36	32,250,410.70	507,576,182.68
Others	173,645.69	1,658,099.87	173,645.69	1,658,099.87
II. Total accumulated depreciation	150,597,271.71	53,825,076.61	23,997,250.87	180,425,097.45
Including: Buildings, constructions and land	150,438,439.10	53,561,548.78	23,823,605.18	180,176,382.70
Others	158,832.61	263,527.83	173,645.69	248,714.75
III. Total net book value of right-of-use assets	343,661,414.00	—	—	328,809,185.10
Including: Buildings, constructions and land	343,646,600.92	—	—	327,399,799.98
Others	14,813.08	—	—	1,409,385.12
IV. Total provision for impairment				
Including: Buildings, constructions and land				
Others				
V. Total book value of right-of-use assets	343,661,414.00	—	—	328,809,185.10
Including: Buildings, constructions and land	343,646,600.92	—	—	327,399,799.98
Others	14,813.08	—	—	1,409,385.12

20. Intangible assets

(1) Classification of intangible assets

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total original costs	21,238,515,430.57	1,928,572,188.37	1,443,639,890.41	21,723,447,728.53
Including: land use right	16,023,486,633.61	856,824,482.13	1,443,639,890.41	15,436,671,225.33
Software	315,012,265.95	52,823,032.92		367,835,298.87
Franchise	2,023,960,000.00	12,432,679.65		2,036,392,679.65
Special industry qualifications	11,400,000.00			11,400,000.00
Reservoir water rights	2,853,470,000.00	976,780,000.00		3,830,250,000.00
Data resources		29,630,930.83		29,630,930.83
Others	11,186,531.01	81,062.84		11,267,593.85
II. Total accumulated amortization	3,126,388,069.13	570,049,785.89	114,394,841.82	3,582,043,013.20

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Including: land use right	2,683,728,228.42	392,192,773.35	114,393,891.60	2,961,527,110.17
Software	84,628,546.29	36,245,206.85	950.22	120,872,802.92
Franchise	109,631,168.18	101,232,535.14		210,863,703.32
Special industry qualifications	9,785,263.25	394,736.75		10,180,000.00
Reservoir water rights	234,920,000.00	37,720,000.00		272,640,000.00
Data resources		1,216,148.04		1,216,148.04
Others	3,694,862.99	1,048,385.76		4,743,248.75
III. Total provision for impairment	1,220,000.00			1,220,000.00
Including: land use right				
Software				
Franchise				
Special industry qualifications	1,220,000.00			1,220,000.00
Reservoir water rights				
Data resources				
Others				
IV. Total book value	18,110,907,361.44	—	—	18,140,184,715.33
Including: land use right	13,339,758,405.19	—	—	12,475,144,115.16
Software	230,383,719.66	—	—	246,962,495.95
Franchise	1,914,328,831.82	—	—	1,825,528,976.33
Special industry qualifications	394,736.75	—	—	
Reservoir water rights	2,618,550,000.00	—	—	3,557,610,000.00
Data resources		—	—	28,414,782.79
Others	7,491,668.02	—	—	6,524,345.10

Remark: As at December 31, 2024, the land use rights with a book value of RMB3,015,351,549.99 were used as collateral for bank loans.

(2) Data resources recognized as intangible assets

Breakdowns

Item	Intangible assets of self-developed data resources	Sub-total
I. Original book value		
Beginning amount		
Increase in 2024	29,630,930.83	29,630,930.83
Including: internal research and development	29,630,930.83	29,630,930.83
Decrease in 2024		
Ending amount	29,630,930.83	29,630,930.83
II. Accumulated amortization		
Beginning amount		
Increase in 2024	1,216,148.04	1,216,148.04
Decrease in 2024		
Ending amount	1,216,148.04	1,216,148.04
III. Book value		
Book value as at December 31, 2024	28,414,782.79	28,414,782.79
Book value as at January 1, 2024		

(3) Important individual data resources

Content of data resources	Book value as at December 31, 2024	Remaining amortization period
"AI Independent Station" project based on AI generation related technology	9,848,825.59	119 months
"AI Intelligent Translator" project based on SSM technical framework of WeBSOCKET technology	5,941,687.25	110 months
Project of "Small Merchants Welcoming Customers" based on SPRINGCLOUD micro-service framework technology	3,370,860.70	116 months
Project of "Small Merchants Looking for Goods" based on SPRINGCLOUD micro-service framework technology	2,779,230.30	113 months
Project of "BenBen Looking for Goods" based on SPRINGCLOUD micro-service framework technology	2,084,612.47	110 months
Park perception fusion model	1,721,166.03	116 months
Road waterlogging detection model	573,722.01	116 months
Sub-total	26,320,104.35	

21.Development expenses

Item	Balance as at January 1, 2024	Increase in 2024		Decrease in 2024			Balance as at December 31, 2024
		Internal development expenditures	Others	Amount recognized as intangible assets	Transferred to current profit and loss	Others	
Chinagoods Platform Development Project	14,985,454.65	23,978,279.46		36,195,809.58			2,767,924.53
Kuaijietong Core Payment System	3,662,987.28	4,989,830.49		3,911,752.19			4,741,065.58
Total	18,648,441.93	28,968,109.95		40,107,561.77			7,508,990.11

22. Goodwill

(1) Original book value of goodwill

Name of investee or matters forming goodwill	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Yiwu Shenzhou Real Estate Co., Ltd.	10,399,969.60			10,399,969.60
Yiwu Hengfeng Auto City Development Co., Ltd.	5,111,924.00			5,111,924.00
Anhui Gaoheng Real Estate Co., Ltd.	21,358,348.50			21,358,348.50
Yiwu Lianyun Co., Ltd.	26,291,774.51			26,291,774.51
A package of investment of Zhongxin Lianhe Group	30,849,228.77			30,849,228.77
Yiwu Yinuo Environmental Technology Co., Ltd.	2,391,705.27			2,391,705.27
Xunchi Group	284,916,367.87			284,916,367.87
Baixian Wanpin	420,407.94			420,407.94
Total	381,739,726.46			381,739,726.46

(2) Provision for impairment of goodwill

Name of investee or matters forming goodwill	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Yiwu Shenzhou Real Estate Co., Ltd.	10,399,969.60			10,399,969.60
Anhui Gaoheng Real Estate Co., Ltd.	21,358,348.50			21,358,348.50
Yiwu Lianyun Co., Ltd.	26,291,774.51			26,291,774.51
A package of investment of Zhongxin Lianhe Group	30,849,228.77			30,849,228.77
Total	88,899,321.38			88,899,321.38

①Yiwu Shenzhou Real Estate Co., Ltd.

In April 2005, Hengfeng Group invested RMB7,776,000 to acquire a 45% equity in Shenzhou Real Estate Co., Ltd. from Yiwu Property Rights Exchange Co., Ltd. and the individual Wang Guanfu. In the consolidated financial statements, the part of investment cost in excess of the fair value of the net assets

of Yiwu Shenzhou Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB6,458,837.30.

In October 2008, according to the resolution of the general meeting of shareholders of Yiwu Hengfeng Auto City Development Co., Ltd. on October 12, 2008, and the Equity Transfer Agreement between Yiwu Hengfeng Auto City Development Co., Ltd. and Wenzhou Shenli Real Estate Development Co., Ltd. on October 23, 2008, Yiwu Hengfeng Auto City Development Co., Ltd. acquired 28% equity in Yiwu Shenzhou Real Estate Co., Ltd. from Wenzhou Shenli Real Estate Development Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Yiwu Shenzhou Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB3,941,132.30.

②Yiwu Hengfeng Auto City Development Co., Ltd.

In July 2007, Hengfeng Group invested RMB16.66324 million to acquire a 19.24% equity in Yiwu Hengfeng Auto City Development Co., Ltd. from the labor union of Zhejiang Hengfeng Group Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Yiwu Hengfeng Auto City Development Co., Ltd. was recognized as goodwill, amounting to RMB5,111,924.00.

③Anhui Gaoheng Real Estate Co., Ltd.

In November 2008, Yiwu Shenzhou Real Estate Co., Ltd., a subsidiary of Hengfeng Group, invested RMB42 million to acquire 68% equity in Anhui Gaoheng Real Estate Co., Ltd. from Gaoheng Group Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the net assets of Anhui Gaoheng Real Estate Co., Ltd. was recognized as goodwill, amounting to RMB21,358,348.50.

④Yiwu Lianyun Co., Ltd.

In November 2005, Zhejiang Hengfeng Transportation Co., Ltd., a subsidiary of Hengfeng Group, invested RMB29.1508 million to acquire 65.605% equity in Yiwu Lianyun Co., Ltd. In the consolidated financial statements, the excess of investment cost over the fair value of the identifiable net assets of Yiwu Lianyun Co., Ltd. was recognized as goodwill, amounting to RMB26,291,774.51.

⑤ A package of investment of Zhongxin Lianhe Group

In 2019 and 2020, Yiwu Financial Holding Co., Ltd., a subsidiary of the Company, acquired 38% equity of Yiwu Folk Financing Service Center Co., Ltd., 60% equity of YiWu Zhongxin Lihe Guarantee Co., Ltd. (now renamed as Yiwu Chengxin Financing Guarantee Co., Ltd.) and 99.90% equity of YiWu Hongyuan Investment Management Partnership (Limited Partnership) . The above equities belonged to Zhongxin Lihe Group. The acquisition price was RMB335,079,500, and its excess over the fair value of the identifiable net assets at the time of acquisition was recognized as goodwill, amounting to RMB30,849,228.77.

⑥Yiwu Yinuo Environmental Technology Co., Ltd.

Water Affairs Group acquired 80% equity of Yiwu Yinuo Environmental Technology Co., Ltd. held by the Company's associate Industrial Investment Group at a contract price of RMB16 million. In the consolidated financial statements, the excess of the investment cost over the fair value of the net assets of Yiwu Yinuo Environmental Technology Co., Ltd. was recognized as goodwill, amounting to RMB2,391,705.27.

⑦In July 2022, Commodities City Group acquired 100% equity of Zhejiang Xunchi Digital Technology Co., Ltd. and its wholly-owned subsidiary Kuaijietong Payment Service Co., Ltd. (hereinafter referred to as "Kuaijietong Company"), forming a goodwill of RMB284,916,367.87.

⑧In 2022, Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd., a subsidiary of Market Group, acquired 51% equity of Baixian Wanpin with cash of RMB15,405.83. In the consolidated financial statements, the excess of the investment cost over the fair value of the identifiable net assets of Baixian Wenpin on the acquisition date was recognized as goodwill, amounting to RMB420,407.94.

(3) Notes to impairment of goodwill

①As the recoverable amount of the assets portfolio of Yiwu Shenzhou Real Estate Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB10,399,969.60, provision for impairment of goodwill was made accordingly.

②As the recoverable amount of the assets portfolio of Anhui Gaoheng Real Estate Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB21,358,348.50, provision for impairment of goodwill was made accordingly.

③As the recoverable amount of the assets portfolio of Yiwu Intermodal Transportation Co., Ltd. was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the assets portfolio being RMB26,291,774.51, provision for impairment of goodwill was made accordingly.

④As the recoverable amount of the package of investment project portfolio of Zhongxin Lihe was lower than its book value, the corresponding impairment loss was recognized. For the impairment loss amortized to the book value of goodwill in the investment project portfolio being RMB30,849,228.77, provision for impairment of goodwill was made accordingly.

23.Long-term deferred expenses

Item	Balance as at January 1, 2024	Increase in 2024	Amortization in 2024	Other decreases	Balance as at December 31, 2024
Buildings and constructions Decoration	451,267,420.67	241,069,748.14	172,813,751.58		519,523,417.23
Lease expenses	828,701.92		669,761.81		158,940.11
Advertising facilities	21,169,326.26	171,206.49	7,225,081.47		14,115,451.28
Hengfeng renovation project	15,707,131.48	4,264,870.38	3,581,961.55		16,390,040.31
BRT project	28,474,090.31		2,411,090.65		26,062,999.66
Chemical warehouse geological disaster control project		22,453,809.54	327,451.39		22,126,358.15
Others	69,248,176.58	14,042,956.08	14,328,355.09	1,221,858.91	67,740,918.66
Total	586,694,847.22	282,002,590.63	201,357,453.54	1,221,858.91	666,118,125.40

24.Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets before offset

Item	Balance as at December 31, 2024		Balance as at January 1, 2024	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	1,125,199,775.34	280,226,760.45	959,260,360.96	239,791,536.42
Liabilities accrued but not paid	541,901,222.39	123,425,321.26	542,393,376.47	127,031,450.44
Deductible losses	1,711,112,469.66	427,279,486.86	2,629,690,798.75	646,559,106.44
Unrealized profits of insider transactions	1,558,803,449.51	390,376,581.22	1,218,589,882.10	305,288,602.64
Prepaid income tax on pre-sold properties	734,658,796.15	183,664,699.05	315,068,085.25	78,767,021.33
Amortization of intangible assets	2,640,000.00	660,000.00	2,920,000.00	730,000.00
Excessive advertising expenses	3,346,279.68	836,569.92	20,847,895.75	5,211,973.94
Special reserves - work safety fees	16,267,884.79	4,066,971.20	12,253,936.75	3,063,484.19
Deferred income that can be carried forward to the subsequent year	376,747,156.81	79,005,836.68	164,666,632.80	32,687,974.92
Changes in fair value of financial assets held for trading			2,276,137.50	569,034.38
Changes in fair value of other non-current financial assets	858,019,658.36	214,504,914.60	770,350,552.23	192,587,638.06
Lease liabilities	273,855,805.67	67,077,235.27	256,556,147.80	64,121,729.25
Changes in fair value of other equity instrument investment	45,043,308.55	11,260,827.14		
Part of market price of restricted equity at the end of the period in excess of the fair value on the grant date	71,447,140.40	17,861,785.11		
Others			15,830,108.00	3,957,527.00
Total	7,319,042,947.31	1,800,246,988.76	6,910,703,914.36	1,700,367,079.01

(2) Deferred income tax liabilities before offset

Item	Balance as at December 31, 2024		Balance as at January 1, 2024	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset evaluation increment from business combination not under the same control	12,767,524.60	3,191,881.13	22,521,198.48	5,630,299.60

Item	Balance as at December 31, 2024		Balance as at January 1, 2024	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Changes in fair value of other equity instrument investment	213,968,035.07	53,492,008.78	53,262,791.10	13,315,697.78
Changes in fair value of other non-current financial assets	2,947,926,673.09	736,981,668.28	3,333,990,358.00	833,497,589.51
Net income from requisition and demolition			5,202,365.86	780,354.91
Right-of-use assets	269,093,667.10	65,646,589.66	255,189,804.42	63,780,783.16
Others	5,010,377.40	1,252,594.35	5,995,039.70	1,498,759.92
Total	3,448,766,277.25	860,564,742.20	3,676,161,557.56	918,503,484.88

25.Other non-current assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Payment for owners' house in vegetable and flower market	87,247,801.43	241,529,095.42
Less: provision for impairment of owner's house in vegetable and flower market	22,651,989.92	
Beautiful countryside boutique route	282,709,512.72	92,528,596.59
Advances for land-transferring fees	138,253,316.00	138,253,316.00
Investment in Badu Reservoir	660,000.00	660,000.00
Urban Investment Group's special funds for urban organic renewal	5,278,647,674.97	5,180,745,755.68
Special funds for organic renewal and transformation project of Choucheng Street market block	998,944,600.00	998,944,600.00
Compensation funds from Qintang Block organic renewal and demolition	1,130,926,403.56	1,294,231,291.50
Prepayments for construction	54,707,182.49	53,691,682.24
Hangzhou-Changsha Passenger Railway Line	395,756,600.00	395,756,600.00
Ningbo-Jinhua Railway Project	952,179,400.00	952,179,400.00
Hangzhou-Wenzhou Railway Project	539,730,000.00	539,730,000.00
Advance payment for house purchase	23,559,178.63	17,259,831.00
Jinyi Intercity Railway Project	1,005,500,000.00	463,000,000.00
Mold city demolition compensation	150,109,820.00	145,255,569.72
Advance payment for bus purchases	6,723,466.21	11,800,484.23
Settlement assets of agent construction of Transportation Tourism Group	4,067,820,748.94	2,648,079,779.10

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Wude Water Purification Plant	173,810,554.09	165,128,373.30
Wude Water Purification Plant Supporting Pipeline Project	10,725,344.69	10,664,561.35
Beautiful City Defence Project	227,596,849.49	285,895,924.28
Suxi Mobile Building		36,290,596.48
Liuqing Phase II Block	806,006,420.52	640,939,503.72
Rights and interests in high-rise apartments in Yiwu urban-rural new community cluster	1,996,072,253.10	1,996,072,253.10
Yiwu Fangtai Block Urban Renewal Project	212,125,671.41	140,032,539.94
Xiuhu Primary School Lingtou Campus Project	142,478,631.87	
Assets transferred from Urban Investment Group	3,974,228,075.52	
Others	114,955,348.28	25,844,528.05
Total	22,748,822,864.00	16,474,514,281.70

Remark: Transferred assets are the assets transferred to Urban Investment Group according to the Yiwu Municipal People's Government Office (Yi Zheng Ban Fa [2010] No.181), and the current balance is RMB3,974,228,075.52 after multiple repurchases. The relevant assets at the beginning of the period are presented under inventory. The Company expects that the relevant assets will be realized in more than one year in the future, and reclassifies such relevant assets from inventory to other non-current assets in 2024.

26.Short-term borrowings

(1) Classification of short-term borrowings

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Credit borrowings	11,712,820,286.91	12,436,485,608.99
Mortgaged borrowings	123,000,000.00	123,000,000.00
Guaranteed borrowings	7,244,942,576.13	7,425,009,750.00
Mortgaged/guaranteed borrowings		191,109,746.10
Accrued interest	21,575,062.24	40,632,053.03
Total	19,102,337,925.28	20,216,237,158.12

27.Notes payable

Category	Balance as at December 31, 2024	Balance as at January 1, 2024
Bank acceptance bills		18,320,000.00
Commercial acceptance bill	149,000,000.00	650,000,000.00
Letter of credit	190,000,000.00	964,300,326.77
Total	339,000,000.00	1,632,620,326.77

28.Accounts payable

(1) Presentation of accounts payable

Aging	Balance as at December 31, 2024	Balance as at January 1, 2024
Within 1 year (inclusive)	3,845,323,173.23	4,866,610,073.34
1-2 years	1,869,785,620.45	414,913,011.63
2-3 years	157,488,333.89	67,613,607.87
Over 3 years	258,032,268.90	409,895,766.39
Total	6,130,629,396.47	5,759,032,459.23

(2) Significant accounts payable aged over one year

Creditor	Balance as at December 31, 2024	Reason for nonpayment
Yiwu Yinyue Real Estate Co., Ltd.	173,727,838.55	The project has not been settled yet.
Yiwu Haichuang Real Estate Development Co., Ltd.	157,402,634.30	The project has not been settled yet.
China Construction Third Engineering Bureau Co., Ltd.	134,558,833.21	The payment time stipulated by the contract has not been due
Yiwu Hengzhen Real Estate Co., Ltd.	109,246,315.15	The project has not been settled yet.
Amounts payable for Phase II of International E-commerce City Project	61,025,569.66	Failure in settlement
Total	635,961,190.87	—

29.Advances from customers

(1) Presentation of advances from customers

Aging	Balance as at December 31, 2024	Balance as at January 1, 2024
Within 1 year (inclusive)	698,492,339.59	1,199,897,879.02
Over 1 year	32,095,926.14	13,709,345.94
Total	730,588,265.73	1,213,607,224.96

Remark: Since advances from customers mainly came from small rents pre-collected by Commodities City Group and Land Port Group, there were no significant advances from customers with an aging over one year as of December 31, 2024.

30.Contract liabilities

(1) Presentation of contract liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Stall usage fees	3,538,679,659.82	4,708,161,978.07

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
House payment	13,329,136,800.33	7,440,943,374.49
Goods payment	1,333,313,785.27	833,649,331.94
Network cabling usage fee	21,117,984.07	16,677,298.52
Advertising expenses	502,644,682.89	141,534,555.46
Accommodation and conference fees	5,888,469.75	7,528,478.53
Service fees received in advance	118,083,564.39	128,432,445.25
Installation expenses	53,125,612.27	52,062,258.64
Water fee	16,537,178.46	14,292,274.72
Payment for projects	877,560,043.94	808,428,912.00
Guarantee fees	1,363,935.50	1,325,601.40
Others	135,768,510.90	78,518,588.02
Total	19,933,220,227.59	14,231,555,097.04

(2) Significant contractual liabilities with the aging of more than 1 year

Creditor	Balance as at December 31, 2024	Reason for absence of carry-forward
Plot on the northeast side of the intersection of Guomao Avenue and North Danxi Road, Beiyuan Street, Yiwu City (Construction II)	1,630,359,710.00	Not yet delivered and under construction
New community cluster- plot of Chunhan Road, Chengbei Road, Houzhai Subdistrict (Wanjie)	38,620,524.00	The market-oriented part has not been delivered
Yiwu ordinary national highway subgrade and pavement maintenance project in 2024	36,382,326.60	The project has not been settled yet.
Yiwu Haoyuan Import & Export Co., Ltd.	14,334,392.00	Payment for property
Yiwu Africa Trade Co., Ltd.	13,786,508.00	Payment for property
Total	1,733,483,460.60	—

31.Employee compensation payable

(1) Presentation of employee compensation payable

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Short-term compensation	711,143,665.15	2,934,388,497.94	2,860,240,134.93	785,292,028.16
II. Post-employment benefits - defined contribution plans	72,135,671.99	303,460,127.47	308,122,083.48	67,473,715.98

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
III. Dismissal benefits	58,145.00	620,860.07	679,005.07	
IV. Other benefits maturing within one year				
V. Others				
Total	783,337,482.14	3,238,469,485.48	3,169,041,223.48	852,765,744.14

(2) Presentation of short-term compensation

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Salaries, bonuses, allowances and subsidies	677,735,490.22	2,385,751,986.98	2,312,018,373.92	751,469,103.28
II. Employee benefits	3,873,822.33	174,486,258.69	173,714,968.78	4,645,112.24
III. Social insurance premiums	7,243,573.66	185,041,545.68	183,065,845.93	9,219,273.41
Including: medical insurance premiums and maternity insurance premiums	4,307,910.90	118,440,417.11	119,193,104.75	3,555,223.26
Work-related injury insurance premiums	597,388.22	6,915,283.58	7,132,345.85	380,325.95
Others	2,338,274.54	59,685,844.99	56,740,395.33	5,283,724.20
IV. Housing provident fund	2,323,553.37	143,848,523.41	143,884,693.94	2,287,382.84
V. Labor union expenditure and employee education expenses	19,563,957.58	42,785,558.35	46,514,564.57	15,834,951.36
VI. Short-term compensated absences				
VII. Short-term profit-sharing plan				
VIII. Other short-term compensation	403,267.99	2,474,624.83	1,041,687.79	1,836,205.03
Total	711,143,665.15	2,934,388,497.94	2,860,240,134.93	785,292,028.16

(3) Presentation of defined contribution plans

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Basic endowment insurance premiums	9,673,655.99	210,906,954.56	215,757,834.57	4,822,775.98
II. Unemployment insurance premiums	936,676.82	7,321,654.46	7,525,169.27	733,162.01
III. Enterprise annuity payments	61,525,339.18	85,231,518.45	84,839,079.64	61,917,777.99
Total	72,135,671.99	303,460,127.47	308,122,083.48	67,473,715.98

32.Taxes and surcharges payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Corporate income tax	774,460,790.76	590,443,102.84
Value-added tax	135,727,013.83	-73,220,988.93
Business tax	452,256.65	122,061.10
Urban maintenance and construction tax	8,729,246.58	-6,747,940.96
Land use tax	191,731,682.12	174,470,860.57
Land value-added tax	110,928,629.81	62,034,397.06
House property tax	193,736,604.70	148,247,680.39
Individual income tax withheld or remitted	4,649,627.27	6,100,871.17
Stamp duty	5,510,395.93	7,818,980.58
Educational surcharge	3,650,712.39	787,745.69
Local educational surcharge	2,284,796.02	796,622.05
Special funds for water conservancy construction	369,545.39	374,434.99
Deed tax	2,690,120.53	90,240,000.00
Other taxes and surcharges	5,150,576.66	-4,241,259.18
Total	1,440,071,998.64	997,226,567.37

33.Other payables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interests payable		
Dividends payable	7,143,443.70	6,554,353.38
Other payables	14,198,936,134.37	14,298,249,624.63
Total	14,206,079,578.07	14,304,803,978.01

(1) Dividends payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Others	7,143,443.70	6,554,353.38
Total	7,143,443.70	6,554,353.38

(2) Other payables

1) Presentation of other payables by nature

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Withheld amounts and deposit and security funds	1,276,191,192.26	2,169,597,711.40
Transactions between related parties	3,813,005,658.97	3,197,046,502.83
Government funds	3,518,926,426.96	2,802,564,034.20
Current accounts	629,644,005.22	851,904,750.03
Installation project fees	263,873,798.79	148,144,509.23
Temporary receipts	390,020,290.33	1,129,362,302.36
Entrusted construction and management project funds	41,268,184.67	83,924,413.61
Security funds for cluster project, etc.	1,788,414,600.63	1,104,608,832.21
Collection trusted	316,653,290.96	772,821,469.22
Miscellaneous payables	440,895,271.81	479,852,769.27
Housing reservation deposits, etc.	925,719,631.15	1,056,643,526.84
Payable wages for project department	75,270.37	75,270.37
Investment return funds pending recognition	352,128,559.15	94,418,738.09
Obligation to repurchase restricted stocks	38,201,284.54	74,975,573.75
Others	403,918,668.56	332,309,221.22
Total	14,198,936,134.37	14,298,249,624.63

2) Other significant payables with aging over one year

Creditor	Balance as at December 31, 2024	Reason for nonpayment
Budget allocation	728,382,871.78	Unsettled
Yiwu Xingmao Property Co., Ltd.	638,174,750.00	The current accounts have not yet been settled
Housing subsidies for talents	379,100,000.00	Failure in settlement
Yiwu Industrial Investment Development Group Co., Ltd.	153,588,053.54	Unsettled
Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	128,006,520.57	Unsettled
Shenzhen Hagong Robot Co., Ltd.	88,929,375.00	Temporary receipts
Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	85,013,721.38	Unsettled
Huatong Group Co., Ltd.	77,199,870.84	Before the time for payment
Total	2,278,395,163.11	—

34.Non-current liabilities maturing within one year

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Long-term borrowings maturing within one year	7,077,150,407.49	4,969,971,969.86
Bonds payable maturing within one year	21,735,340,527.47	12,254,864,446.15
Long-term payables maturing within one year	3,453,158,247.96	552,788,656.89
Lease liabilities maturing within one year	51,358,354.14	47,541,052.90
Other long-term liabilities maturing within one year		25,089,375.00
Total	32,317,007,537.06	17,850,255,500.80

35.Other current liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Short-term bonds payable	9,157,299,521.02	9,141,425,353.05
Dividends declared but not claimed before listing	2,083,112.65	2,083,112.65
Dividends payable on unconfirmed accounts	3,280,188.02	2,653,400.82
Unearned premium reserves	4,390,455.28	5,856,476.12
Provision for guarantee compensation	43,839,165.33	51,346,825.65
Output tax to be carried forward	1,362,681,162.96	968,117,595.95
Accrued land value-added tax	284,848,623.88	263,876,978.25
Payment for other transactions	400,069,631.67	360,157,213.40
Agricultural Bank of China Rongtong e-credit	18,038,540.13	
Total	11,276,530,400.94	10,795,516,955.89

Changes in short-term payable bonds are presented as follows:

Bond name	Face value	Date of issuance	Term of bond	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2024	Balance as at December 31, 2024
23 Yiwu State-Owned Capital CP001	100.00	2023/8/3	1 year	1,500,000,000.00	1,515,420,901.64		23,086,065.57		793,032.79	1,539,300,000.00	
23 Yiwu State-Owned Capital CP002	100.00	2023/11/27	1 year	1,500,000,000.00	1,504,260,245.89		39,204,508.20	1,132,075.47	1,017,321.38	1,543,350,000.00	
23 Yiwu State-Owned Capital SCP001	100.00	2023/7/20	270 days	1,350,000,000.00	1,365,430,068.49		9,949,193.81		315,000.00	1,375,694,262.30	
23 Yiwu State-Owned Capital 03	100.00	2023/3/14	353 days	400,000,000.00	413,066,301.36		2,650,958.90		98,630.15	415,815,890.41	
23 Yiwu State-Owned Capital 04	100.00	2023/4/3	354 days	100,000,000.00	103,033,287.71		898,630.13		33,287.64	103,965,205.48	
24 Yiwu State-Owned Capital SCP001	100.00	2024/2/29	239 days	1,350,000,000.00		1,350,000,000.00	20,950,150.68	676,415.09	676,415.09	1,370,950,150.68	
24 Yiwu State-Owned Capital CP001	100.00	2024/7/16	365 days	2,000,000,000.00		2,000,000,000.00	18,890,958.91	1,698,113.21	731,537.87		2,017,924,383.57
24 Yiwu State-Owned Capital SCP002	100.00	2024/10/16	254 days	1,350,000,000.00		1,350,000,000.00	6,094,602.74	720,404.13	196,678.11		1,355,570,876.72
24 Yiwu State-Owned Capital SCP003	100.00	2024/11/5	270 days	1,500,000,000.00		1,500,000,000.00	5,059,726.03	837,425.69	137,151.72		1,504,359,452.06
23 Zhejiang Small Commodities SCP003	100.00	2023/6/20	269 days	1,000,000,000.00	1,014,109,474.89		5,379,459.54		208,333.33	1,019,697,267.76	
23 Zhejiang Small Commodities SCP004	100.00	2023/9/13	210 days	1,000,000,000.00	1,007,838,592.80		7,409,297.11		358,667.47	1,015,606,557.38	
23 Zhejiang Small Commodities SCP005	100.00	2023/11/8	268 days	1,000,000,000.00	1,003,656,399.33		16,243,407.44		456,477.38	1,020,356,284.15	
24 Zhejiang Small Commodities SCP001	100.00	2024/3/13	268 days	1,000,000,000.00		1,000,000,000.00	17,621,917.81	744,444.44	744,444.44	1,017,621,917.81	
24 Zhejiang Small Commodities SCP002	100.00	2024/4/9	261 days	1,000,000,000.00		1,000,000,000.00	16,661,095.89	715,068.49	715,068.49	1,016,661,095.89	
24 Zhejiang Small Commodities SCP003	100.00	2024/7/31	268 days	1,000,000,000.00		1,000,000,000.00	8,415,300.55	587,397.27	336,986.30		1,008,164,889.58
24 Zhejiang Small Commodities SCP004	100.00	2024/12/4	268 days	1,000,000,000.00		1,000,000,000.00	1,457,534.25	587,397.25	63,015.80		1,000,933,152.80

Bond name	Face value	Date of issuance	Term of bond	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Amortization at premium/discount and exchange rate impact	Principal repayment and interest payment in 2024	Balance as at December 31, 2024
24 Zhejiang Small Commodities SCP005	100.00	2024/12/24	268 days	1,000,000,000.00		1,000,000,000.00	394,520.55				1,000,394,520.55
23 Yiwu Commodities SCP001	100.00	2023/7/5	268 days	600,000,000.00	607,762,069.28		11,686,557.38		108,615.65	619,557,242.31	
23 Yiwu Commodities SCP002	100.00	2023/7/27	267 days	600,000,000.00	606,848,011.66		11,818,032.79		164,591.08	618,830,635.53	
24 Yiwu Commodities SCP001	100.00	2024/3/27	268 days	600,000,000.00		600,000,000.00	10,837,479.45	446,666.67	421,383.65	610,812,196.43	
24 Yiwu Commodities SCP002	100.00	2024/4/18	266 days	600,000,000.00		600,000,000.00	9,542,465.75	437,260.27	437,260.27		609,542,465.75
24 Yiwu Commodities CP001	100.00	2024/12/18	365 days	660,000,000.00		660,000,000.00	473,391.78	66,000.00	2,388.21		660,409,779.99
Total	—	—	—		9,141,425,353.05	13,060,000,000.00	244,725,255.26	8,648,667.98	8,016,286.82	13,288,218,706.13	9,157,299,521.02

36.Long-term borrowings

(1) Classification of long-term borrowings

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Credit borrowings	5,968,024,004.09	4,859,352,389.77
Mortgaged borrowings	5,175,984,476.34	4,932,998,328.37
Guaranteed borrowings	8,198,892,686.45	10,752,527,159.06
Pledged borrowings	1,761,000,000.00	1,761,000,000.00
Guaranteed/mortgaged borrowings	8,209,785,530.21	6,739,932,194.96
Mortgaged/Pledged borrowings	298,125,000.00	328,000,000.00
Guaranteed/pledged borrowings	801,180,400.00	
Guaranteed, mortgaged and pledged loans	493,224,000.00	170,000,000.00
Total	30,906,216,097.09	29,543,810,072.16

37.Bonds payable

(1) Bonds payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Bonds payable	33,094,359,943.49	42,375,246,296.38
Total	33,094,359,943.49	42,375,246,296.38

(2) Increase/Decrease in bonds payable (excluding preferred stock, perpetual debt and other financial instruments divided into the financial liabilities)

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Premium and discount amortization and effect of exchange rate	Principal repayment and interest payment in 2024	Amount maturing within one year transferred in 2024	Balance as at December 31, 2024
USD20 Bond 01 (RMB400 million)	100.00	2020/2/18	5 years	2,600,590,243.60	2,868,572,330.45		115,638,203.24		47,819,077.24	115,014,400.00	2,917,015,210.93	
22 USD Bond (USD500 million)	100.00	2022/4/20	3.5 year	3,482,300,000.00	3,559,548,098.15		147,788,465.59		58,508,712.79	147,362,200.00	3,618,483,076.53	
23 USD Bond (USD400 million)	100.00	2023/6/27	3 years	2,833,080,000.00	2,821,060,233.14		163,921,930.52		47,675,993.78	163,895,520.00		2,868,762,637.44
21 Yiwu Construction Investment ABN001 Preferred A	100.00	2021/10/29	18 years	500,000,000.00	480,875,804.25		20,287,200.00		2,584,446.24	33,084,671.84	7,369,379.27	463,293,399.38
21 Yiwu Construction Investment ABN001 Preferred B	100.00	2021/10/29	18 years	500,000,000.00	506,875,804.25		23,900,000.00		-329,696.22	22,798,128.15	7,369,379.26	500,278,600.62
21 Yiwu Construction Investment ABN001 Subordinate	100.00	2021/10/29	18 years	60,000,000.00	60,825,096.50					825,096.50		60,000,000.00
22 Yiwu Construction Investment 01	100.00	2022/10/17	5 years	1,000,000,000.00	1,004,470,707.70		32,868,933.89		455,914.55	32,500,000.00	19,230,045.00	986,065,511.14
23 Yiwu Construction Investment 01	100.00	2023/4/12	5 years	600,000,000.00	616,588,936.28		24,263,833.05		260,517.49	24,000,000.00	18,083,833.05	599,029,453.77
22 Zhejiang Yiwu Urban Investment ZR001	100.00	2022/4/29	3 years	300,000,000.00	300,000,000.00		15,628,843.48		142,189.70	5,191,756.88	310,579,276.30	
23 Yiwu Urban Investment 01	100.00	2023/10/16	3 years	1,300,000,000.00	1,300,000,000.00		45,786,375.62		80,167.83	36,915,774.39	8,950,769.06	1,300,000,000.00
24 Yiwu Urban Investment 01	100.00	2024/1/5	3 years	600,000,000.00		600,000,000.00	18,990,163.93		-80,788.40	19,200,000.00	-290,624.47	600,000,000.00
24 Yiwu Urban Investment MTN001	100.00	2024/7/18	3 years	1,000,000,000.00		1,000,000,000.00	10,157,260.27		-460,584.13		9,696,676.14	1,000,000,000.00
24 Yiwu Urban Investment MTN002	100.00	2024/11/12	3 years	900,000,000.00		900,000,000.00	2,884,931.51		104,678.21		2,989,609.72	900,000,000.00
22 Yiwu Water Affairs 01	100.00	2022/7/19	3+2 years	1,000,000,000.00	999,066,262.58		15,355,000.00		624,342.19		15,355,000.00	999,690,604.77
21 Zhejiang Yiwu State-Owned Capital ZR002	100.00	2022/1/6	3 years	500,000,000.00	449,391,780.79		20,878,356.14		601,643.81	65,934,794.51	404,936,986.23	

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Premium and discount amortization and effect of exchange rate	Principal repayment and interest payment in 2024	Amount maturing within one year transferred in 2024	Balance as at December 31, 2024
22 Zhejiang Yiwu State-Owned Capital ZR001	100.00	2022/7/8	3 years	500,000,000.00	449,090,958.87		20,436,136.99		601,643.81	65,983,534.27	404,145,205.40	
22 Yiwu Innovation G1	100.00	2022/7/14	3 years	500,000,000.00	499,491,516.38		15,770,160.56		335,428.83	8,391,393.46	507,205,712.31	
20 Yiwu State-Owned Capital Q Epidemic Control MTN002	100.00	2020/4/3	5 years	300,000,000.00	299,811,885.39		11,363,174.03		150,306.57	2,881,475.41	308,443,890.58	
22 Yiwu State-Owned Capital MTN001	100.00	2022/5/9	3 years	500,000,000.00	499,841,393.45		16,479,183.69	424,528.30	425,326.64	5,797,950.82	510,523,424.66	
22 Yiwu State-Owned Capital MTN002	100.00	2022/6/17	3 years	1,000,000,000.00	999,576,696.59		31,646,835.84	849,056.60	850,390.55	14,504,918.03	1,016,719,948.35	
22 Yiwu State-Owned Capital MTN003	100.00	2022/6/22	5 years	500,000,000.00	499,787,295.09		18,026,004.92	424,528.30	425,178.42	8,508,196.77	9,517,808.15	499,787,945.21
22 Yiwu State-Owned Capital MTN004	100.00	2022/9/28	5 years	500,000,000.00	500,114,539.13		16,761,911.46	424,528.30	424,848.30	12,402,322.39	4,359,589.07	500,114,859.13
22 Yiwu 02	100.00	2022/9/8	3 years	1,100,000,000.00	1,098,609,221.29		31,927,460.91		825,710.19	21,876,775.93	1,109,485,616.46	
22 Yiwu State-Owned Capital MTN005	100.00	2022/10/11	3 years	1,000,000,000.00	999,185,245.89		30,418,660.10	594,339.62	1,014,984.13	23,589,071.01	1,006,435,479.49	
20 Yiwu 02	100.00	2020/1/14	5 years	300,000,000.00	299,856,721.37		12,905,163.94		138,377.04	492,295.12	312,407,967.23	
20 Yiwu 04	100.00	2020/4/9	5 years	500,000,000.00	499,720,491.74		22,795,469.34		220,439.68	6,153,688.51	516,582,712.25	
21 Yiwu 01	100.00	2021/8/17	5 years	500,000,000.00	499,474,863.41		19,219,690.10		200,205.10	12,013,114.79	7,206,575.31	499,675,068.51
22 Yiwu 01	100.00	2022/8/24	5 years	1,000,000,000.00	998,292,590.78		33,032,113.20		517,683.19	21,278,688.48	11,753,424.72	998,810,273.97
22 Yiwu 03	100.00	2022/11/1	3 years	900,000,000.00	898,762,500.01		26,922,287.68		675,308.22	22,425,000.00	903,935,095.91	
23 Yiwu State-Owned Capital MTN002	100.00	2023/7/27	3 years	1,500,000,000.00	1,500,647,540.99		49,558,544.80	4,245,283.01	1,247,057.10	28,131,147.54	21,427,397.26	1,497,649,315.08

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Premium and discount amortization and effect of exchange rate	Principal repayment and interest payment in 2024	Amount maturing within one year transferred in 2024	Balance as at December 31, 2024
23 Yiwu 01	100.00	2023/3/16	3 years	1,200,000,000.00	1,198,479,704.28		46,180,376.40		654,323.06	9,442,622.93	36,737,753.47	1,199,134,027.34
23 Yiwu 03	100.00	2023/4/3	3 years	1,500,000,000.00	1,497,971,311.49		56,665,563.66		901,839.23	14,369,262.29	42,296,301.37	1,498,873,150.72
23 Yiwu G1	100.00	2023/6/15	5 years	1,200,000,000.00	1,197,862,295.09		39,539,106.23		480,718.61	17,906,229.50	21,632,876.73	1,198,343,013.70
23 Yiwu 04	100.00	2023/9/11	3 years	1,300,000,000.00	1,297,898,688.52		42,285,421.78		780,653.95	29,321,038.26	12,964,383.52	1,298,679,342.47
23 Yiwu G2	100.00	2023/10/23	3 years	500,000,000.00	499,063,784.16		16,258,514.86		333,674.78	13,142,076.51	3,116,438.35	499,397,458.94
23 Yiwu G3	100.00	2023/12/13	5 years	1,000,000,000.00	1,000,020,765.03		33,004,693.47	1,886,792.46	286,849.36	31,286,885.25	1,717,808.22	998,420,821.93
24 Yiwu G1	100.00	2024/1/9	5 years	500,000,000.00		500,000,000.00	15,063,387.94	943,396.23	139,024.63		15,063,387.94	499,195,628.40
24 Yiwu State-Owned Capital MTN001	100.00	2024/2/27	5 years	700,000,000.00		700,000,000.00	16,724,836.03	2,971,698.12	353,583.37		16,724,836.03	697,381,885.25
24 Yiwu G2	100.00	2024/5/28	3 years	500,000,000.00		500,000,000.00	6,987,945.22	896,226.40	135,856.52		6,987,945.22	499,239,630.12
24 Yiwu State-Owned Capital MTN003	100.00	2024/7/19	5 years	1,000,000,000.00		1,000,000,000.00	10,551,232.89	849,056.60	358,371.67		10,551,232.89	999,509,315.07
24 Yiwu State-Owned Capital MTN004	100.00	2024/7/24	3 years	1,500,000,000.00		1,500,000,000.00	14,093,013.69	1,149,056.60	478,371.68		14,093,013.69	1,499,329,315.08
24 Yiwu G3	100.00	2024/10/16	3 years	1,500,000,000.00		1,500,000,000.00	7,594,520.55	2,688,679.24	38,984.73		7,594,520.55	1,497,350,305.49
22 Yiwu 01	100.00	2022/1/6	3 years	1,000,000,000.00	999,371,069.15		35,000,000.00		628,930.85		1,035,000,000.00	
22 Yiwu 02	100.00	2022/4/28	3 years	1,000,000,000.00	999,213,836.45		34,600,000.00		628,930.76	8,650,000.07	1,025,792,767.14	
23 Yiwu Market MTN001	100.00	2023/8/11	3 years	900,000,000.00	899,603,773.56		29,250,000.00			17,062,500.00	12,187,500.00	899,603,773.56
24 Yiwu Market MTN001	100.00	2024/6/28	5 years	900,000,000.00		900,000,000.00	10,980,000.00		-339,622.66		10,980,000.00	899,660,377.34
24 Yiwu 01	100.00	2024/7/15	5 years	1,000,000,000.00		1,000,000,000.00	11,950,000.02		-1,273,584.88		11,950,000.02	998,726,415.12

Bond name	Face value	Date of issuance	Bonds Term	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest accrued in 2024	Underwriting fees paid	Premium and discount amortization and effect of exchange rate	Principal repayment and interest payment in 2024	Amount maturing within one year transferred in 2024	Balance as at December 31, 2024
24 Yiwu 02	100.00	2024/12/12	5 years	1,000,000,000.00		1,000,000,000.00	1,850,000.00		-1,391,509.43		1,850,000.00	998,608,490.57
22 Yiwu Commodities MTN001	100.00	2022/1/12	3 years	700,000,000.00	699,718,649.76		24,500,000.00		273,859.28	738,356.16	723,754,152.88	
22 Yiwu Commodities MTN002	100.00	2022/3/23	3 years	600,000,000.00	599,714,778.53		22,800,000.00		233,709.35	5,059,726.00	617,688,761.88	
22 Yiwu Commodities MTN003	100.00	2022/7/22	3 years	500,000,000.00	499,700,980.14		15,750,000.00		191,828.52	8,716,438.37	506,926,370.29	
23 Yiwu Commodities MTN001	100.00	2023/4/10	3 years	660,000,000.00	659,553,352.79		23,826,000.00		194,304.25	7,572,098.64	16,062,533.17	659,939,025.23
23 Yiwu Commodities MTN002	100.00	2023/4/27	3 years	660,000,000.00	659,560,777.74		24,420,000.00		195,413.11	6,623,506.83	17,604,689.41	659,947,994.61
23 Yiwu Commodities MTN003	100.00	2023/6/29	3 years	660,000,000.00	659,521,530.75		25,410,000.00		193,463.32	12,461,342.46	12,758,243.83	659,905,407.78
24 Yiwu Commodities MTN001	100.00	2024/11/14	3 years	660,000,000.00		660,000,000.00	2,109,106.85	66,000.00	2,664.04		2,088,875.14	659,956,895.75
22 Zhejiang Small Commodities MTN001	100.00	2022/2/24	3 years	1,000,000,000.00	999,543,046.26		28,032,602.74		366,066.01		1,027,941,715.01	
22 Zhejiang Small Commodities MTN002	100.00	2022/3/29	3 years	500,000,000.00	499,754,132.13		13,595,342.47		182,526.75		513,532,001.35	
22 Zhejiang Small Commodities MTN003	100.00	2022/7/20	3 years	500,000,000.00	499,699,270.69		6,780,821.92		183,559.32		506,663,651.93	
22 Small Commodities 01	100.00	2022/9/1	3 years	800,000,000.00	799,714,114.98		7,764,164.38		163,468.39		807,641,747.75	
22 Small Commodities 02	100.00	2022/9/22	3 years	700,000,000.00	699,741,920.41		5,633,753.42		142,881.69		705,518,555.52	
Total	—	—	—		42,375,246,296.38	11,760,000,000.00	1,644,812,699.32	18,413,169.78	171,558,643.11	1,103,503,998.07	21,735,340,527.47	33,094,359,943.49

38.Lease liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Lease payment	443,420,184.17	497,613,647.35
Less: financing charges unrecognized	84,395,835.72	140,603,971.26
Part reclassified to the non-current liabilities maturing within one year	51,358,354.14	47,541,052.90
Net lease liabilities	307,665,994.31	309,468,623.19

39. Long-term payables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Long-term payables	2,682,815,778.65	6,602,639,660.02
Special payables	10,465,500,197.36	9,783,039,493.91
Total	13,148,315,976.01	16,385,679,153.93

(1) Long-term payables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Yiwu Finance Bureau	168,000,000.00	168,000,000.00
Funds for Port-dredging Expressway BT Project repurchase works	110,331,769.31	104,702,178.11
Yiwu Southern Real Estate Development Co., Ltd.	3,818,353.00	3,818,353.00
Yiwu Real Estate Transaction Market Management Office	13,698,015.56	13,698,015.56
Funds raised for supporting facilities of inspection station	16,550,752.76	16,550,752.76
Funds for transfer of Suxi industrial and trade assets	1,817,576.04	1,817,576.04
Grain Risk Fund	8,624,092.13	8,624,092.13
Funds raised for Knitting Market	102,000.00	102,000.00
Provincial Department's entrusted loan to Municipal Transportation Bureau	1,000,000.00	1,000,000.00
Customer deposit	70,000.00	70,000.00
Funds canceled	120,000,000.00	110,000,000.00
Long-term financing from non-banking financial institutions	2,185,580,570.35	5,451,766,388.03
Interests payable		176,220.30
Special bond funds		699,000,000.00
Others	53,222,649.50	23,314,084.09
Total	2,682,815,778.65	6,602,639,660.02

(2) Special payables

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Payment for transportation projects	6,369,724,869.00	2,886,615,172.02	2,459,373,724.91	6,796,966,316.11
Yiwu Airport Airfield Renovation and Expansion Project	259,020,000.00			259,020,000.00
Drainage culverts and pipelines project along Sihai Avenue of Yiwu	34,980,000.00		34,980,000.00	
Logistics warehouse area supporting road Phase I project (municipal engineering on supporting roads including Hongmao Road, Huitong Road, Hehua Street, Fulongshan Road)	45,030,000.00		45,030,000.00	
West side of Kaichuang Road and north side of Xuefeng West Road in the International Production Materials Market	35,020,000.00		35,020,000.00	
'YXE' Railway Logistics Center (Yiwu West Railway Freight Yard expansion project)	161,240,000.00			161,240,000.00
Fugang Avenue (from Airport Road to West Station Avenue) Project	38,170,000.00			38,170,000.00
Project of East Side of Kaichuang Road and South Side of Xuefeng West Road in the International Production Materials Market	57,570,000.00			57,570,000.00
Payable subsidies for clsuter project	605,613,446.05	34,630,000.00	3,648,242.03	636,595,204.02
Refund of land transfer fee	38,223,000.00			38,223,000.00
Subsidy for Beautiful City Defense Project	84,040,000.00		84,040,000.00	
Shuangjianghu Water Purification Plant Project	646,439,000.00		646,439,000.00	
Chi'an Factory Expansion	31,000,000.00		31,000,000.00	
Fotang Factory Expansion	72,000,000.00	1,000,000.00	73,000,000.00	
Suxi Factory Expansion	40,000,000.00		40,000,000.00	
Jiangdong Phase III	336,000,000.00	275,000,000.00		611,000,000.00
Special government bonds for Jinyi New Area Network Water Supply Project - Yiwu Section	22,000,000.00			22,000,000.00
Jiangdong Wetland Park (Baisha Lake) Project	47,725,536.00		47,725,536.00	
Special bonds for Yiwu Rainwater and Sewerage Pipeline Upgrading and Expansion Project (Phase I)	123,000,000.00	50,000,000.00		173,000,000.00
Special bonds for Urban-rural Integration Project (Phase I)	81,000,000.00	168,000,000.00		249,000,000.00

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Special bonds for Yiwu Dual Water Supply Integration Construction Project (Phase I)	126,000,000.00	50,000,000.00		176,000,000.00
Special bonds for Yiwu Dual Water Supply Integration Construction Project (Phase II)	120,000,000.00	145,000,000.00		265,000,000.00
Comprehensive supporting infrastructure project of Futian Logistics Park of "Yiyongzhou Great Corridor" [Remark]		492,686,471.98	251,597,790.97	241,088,681.01
Fund for commissioned development of organic renewal Xiachemen block	184,967,114.28		48,984,248.56	135,982,865.72
Project of Geological Disaster Control of Yiwu Chengxi Street Logistics Warehousing Base Supporting Engineering	69,208,550.00		69,208,550.00	
Special bond funds for the Intelligent Connected Vehicle Innovation Industrial Park and Supporting Infrastructure Project in Jinyi Free Trade Zone [Remark]		824,000,000.00	753,391,220.26	70,608,779.74
Special bond funds for the New Construction Project of Electric Vehicles and Public Electric Facilities in Yiwu (2023-2025)		85,000,000.00		85,000,000.00
Yiwu Beiyuan Yuzhaikou Block Affordable Rental Housing Project		53,344,100.00	15,344,100.00	38,000,000.00
Yiwu Fotang Passenger Station Block Affordable Rental Housing Project		63,104,400.00	25,104,400.00	38,000,000.00
Funds of International Fresh City Phase II Project [Remark]		340,223,354.19	200,670,757.06	139,552,597.13
Funds for China-Europe Freight Train Yiwu International Cold Chain Logistics Center [Remark]		590,002,451.10	395,853,699.11	194,148,751.99
Special bond funds for Mold City Phase III [Remark]		112,000,000.00	112,000,000.00	0.00
Others	155,067,978.58	12,037,103.53	127,771,080.47	39,334,001.64
Total	9,783,039,493.91	6,182,643,052.82	5,500,182,349.37	10,465,500,197.36

[Remark]: During the current period, the Company adopted an entrusted construction model for projects fully funded by fiscal special bond funds and used the net method for accounting such special bond projects.

40.Estimated liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Pending litigation	924,824.79	638,025.65
Total	924,824.79	638,025.65

41.Deferred income

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Government subsidies	4,402,560,287.80	629,316,084.40	490,855,569.58	4,541,020,802.62
Total	4,402,560,287.80	629,316,084.40	490,855,569.58	4,541,020,802.62

Items involving government subsidies:

Item	Balance as at January 1, 2024	Increase in 2024	Included in other income/non-operating income in 2024	Other changes	Balance as at December 31, 2024	Related to assets/income
Government subsidy for the Port Logistics Expressway BT Project [Remark 1]	1,226,507,076.90		64,275,083.05	200,000,000.00	962,231,993.85	Related to assets
Yiwu Comprehensive Water Environment Treatment Project, etc.	356,705,843.48		19,458,750.76		337,247,092.72	Related to assets
Subsidy for the plot on the south side of Yuzhai in Choujiang Street in the new community cluster	351,630,000.00				351,630,000.00	Related to assets
Subsidy for the plot on the north side of Gumutang in Choujiang Street in the new community cluster	228,279,080.00				228,279,080.00	Related to assets
Subsidy for plot 2 of the second cluster of Beiyuan Street in the new community cluster	177,900,000.00				177,900,000.00	Related to assets
Subsidy for the plot of Xiayantang in Choujiang Subdistrict in the new community cluster	177,079,115.00				177,079,115.00	Related to assets
Subsidy for plot 1 of the second cluster of Beiyuan Street in the new community cluster	151,700,000.00				151,700,000.00	Related to assets
Plot on the southeast side of the intersection of Xiangxi Road and Qiuzhen Road in Chengxi Street in new community cluster	136,778,335.00				136,778,335.00	Related to assets
Plot on the northeast side of the intersection of Xiangxi Road and Xicheng Road in Chengxi Street in the new community cluster	136,005,460.00				136,005,460.00	Related to assets
Subsidy for plot 1 on the central and east side of Houzhai Subdistrict Town for new community cluster	100,000,000.00				100,000,000.00	Related to assets
Subsidy for the plot on the northeast side of the intersection of Shangfo Road and Wenming Road in Shangxi Town [Remark 2]	99,946,839.97			99,946,839.97		Income-related
Subsidy for 6 projects, including the Choujiang connecting pipe project and the main sewage pipeline project on the west side of Yangcun River	94,324,992.81		5,443,055.16		88,881,937.65	Related to assets

Item	Balance as at January 1, 2024	Increase in 2024	Included in other income/non-operating income in 2024	Other changes	Balance as at December 31, 2024	Related to assets/income
Subsidy for Chengxi Kaichuang Plot 1	87,650,000.00				87,650,000.00	Related to assets
Subsidy for Comprehensive Bonded Zone Project	79,879,800.00		8,209,868.30		71,669,931.70	Related to assets
Plot on the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street in the new community cluster	76,360,000.00				76,360,000.00	Related to assets
Startup Investment Reward for 1-36# Plot at Yiwu International Land Port Logistics Park	58,272,000.00				58,272,000.00	Related to assets
Refund of land transfer payment	54,233,118.79	390,827,457.70	795,744.16		444,264,832.33	Related to assets
Preliminary supporting project of Phase II of Yiwu International E-commerce City	51,635,888.90		1,838,666.66		49,797,222.24	Related to assets
Cross-border Logistics Supervision Platform Center (debt reduction funds)	50,152,660.55		2,180,550.46		47,972,110.09	Related to assets
Plot on northwest side of the intersection of Liudu Creek and Yinhai Road, Futian Street in the new community cluster	50,000,000.00				50,000,000.00	Related to assets
Plot on the southwest side of the intersection of Chengxin Avenue and Maosheng Street, Futian Street in the new community cluster	50,000,000.00				50,000,000.00	Related to assets
Yiwu standard subsidy	40,687,320.14		8,009,191.37		32,678,128.77	Related to assets
Subsidy for Central Yiting Deodorization Covering Project	34,091,221.99		3,376,444.57		30,714,777.42	Related to assets
Temporary Airport Cargo Station Project (debt reduction funds)	32,179,487.18		1,287,179.49		30,892,307.69	Related to assets
Subsidy for vehicle purchase tax in 2015 (Yiwu Bonded Logistics Park and Cross-border E-commerce Park)	30,666,666.68		1,333,333.33		29,333,333.35	Related to assets
Sewage plant subsidy	29,413,992.66		3,241,165.53		26,172,827.13	Related to assets
Subsidy for relocation of main sewage pipelines on North City Road (from South Zijin Road to Tongbao Road)	24,073,259.14		1,337,403.29		22,735,855.85	Related to assets
Relocation compensation [Remark 3]	24,038,848.00	12,119,988.70	455,200.00	35,703,636.70		Related to assets
Subsidy for Jiangdong sewage plant expansion project	23,750,000.00		1,250,000.00		22,500,000.00	Related to assets
Subsidy for renovation of storm and sewage network of Huagong road	23,726,756.95		1,318,153.16		22,408,603.79	Related to assets
Subsidy for Fotang sewage pressure main pipeline project	22,480,963.99		1,307,081.98		21,173,882.01	Related to assets

Item	Balance as at January 1, 2024	Increase in 2024	Included in other income/non-operating income in 2024	Other changes	Balance as at December 31, 2024	Related to assets/income
Interest subsidies for International Expo Center construction	17,570,743.56		1,154,807.04		16,415,936.52	Related to assets
Project construction subsidy	16,091,000.00	24,885,000.00	343,541.67		40,632,458.33	Related to assets
Subsidy for Houzhai-Choujiang and Choujiang-Jiangdong Sewage Plant Pipeline Connection Project	14,959,687.62		831,093.75		14,128,593.87	Related to assets
Cleanup in Central and Yiting factories	13,500,000.00		1,500,000.00		12,000,000.00	Related to assets
Subsidy for Yiting Industrial Zone Dual Water Supply Network Project	13,110,293.28		1,638,786.72		11,471,506.56	Related to assets
Fiscal subsidy for Urban-rural Integrated Water Supply Project	12,880,313.98		1,797,253.08		11,083,060.90	Related to assets
Choujiang Industrial Water Plant construction subsidy (buildings)	12,534,658.67		911,611.56		11,623,047.11	Related to assets
Investment rewards for topping-out of Yiwu Domestic Highway Port Logistics Center Phase II Project	12,495,239.99		462,786.67		12,032,453.32	Related to assets
Subsidy for Chi'an Consumption Park	11,983,333.33		240,000.00		11,743,333.33	Related to assets
Yiwu Domestic Road Port Logistics Center Phase II (Special Investment Funds within Central Budget for Urban-rural Cold Chain and National Logistics Hub Construction Project)	11,249,999.99		416,666.67		10,833,333.32	Related to assets
Yiwu West Railway Freight Yard Expansion Project Phase II (Special Investment Funds within Central Budget for Urban-rural Cold Chain and National Logistics Hub Construction Project)	11,111,111.10		416,666.67		10,694,444.43	Related to assets
Subsidy for West City Passenger Station	10,656,250.00		275,000.00		10,381,250.00	Related to assets
Subsidy for Fotang Xiaobu Park	10,159,285.00		203,440.00		9,955,845.00	Related to assets
Financial subsidies for projects of using water of different qualities for different purposes		35,321,786.10	3,679,352.72		31,642,433.38	Related to assets
Subsidies for Shuangjianghu Water Purification Plant		109,439,000.00			109,439,000.00	Related to assets
Rainwater and sewage pipeline bid upgrading project		11,867,136.90			11,867,136.90	Related to assets
Central water-saving subsidies for pipelines supplying water of different qualities for different purposes at Chaoyang Road, Fotang Town		14,750,000.00	368,749.98		14,381,250.02	Related to assets
Others	154,109,643.15	30,105,715.00	15,848,465.11		168,366,893.04	
Total	4,402,560,287.80	629,316,084.40	155,205,092.91	335,650,476.67	4,541,020,802.62	

[Remark 1]: In 2024, Yiwu Finance Bureau recovered the government subsidy of RMB200 million for the Port Logistics Expressway BT Project of Transportation Tourism Group.

[Remark 2]: The sub-district entrusts Yiwu Construction Engineering Management Co., Ltd. to develop the affordable rental housing, and issues project development subsidies to Yiwu Construction Engineering Management Co., Ltd. The subsidies were included in the deferred income after receipt, and were carried forward to offset the long-term receivables of RMB99,946,839.97 when the income is recognized after the completion of the affordable rental housing.

[Remark 3]: Yiwu Market Development Service Center Co., Ltd., a subsidiary of Market Group, received the government's demolition payment. In 2024, it recognized the income from assets disposal of RMB24,006,786.85, and carried forward disposal of fixed assets of RMB11,696,849.85.

42.Other non-current liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Contractual liabilities	8,192,686,860.99	6,374,619,900.52
Total	8,192,686,860.99	6,374,619,900.52

43.Paid-in capital

Investor	Balance as at January 1, 2024		Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government	1,694,123,640.00	85.5618			1,694,123,640.00	85.5618
Zhejiang Provincial Finance Development Limited Liability Company	186,876,360.00	9.4382			186,876,360.00	9.4382
Yiwu Digital Industry Development Group Co., Ltd.	99,000,000.00	5			99,000,000.00	5
Total	1,980,000,000.00	100			1,980,000,000.00	100

44.Other equity instruments

Item	Face value	Date of issuance	Amount issued	Term	Balance as at December 31, 2023	Increase/Decrease in 2024	Balance as at December 31, 2024
21 Yiwu State-Owned Capital MTN004	100	2021/6/30	1,000,000,000.00	3+N years	997,735,849.04	-997,735,849.04	
21 Yiwu State-Owned Capital MTN007	100	2021/8/6	1,000,000,000.00	3+N years	997,169,811.33	-997,169,811.33	
22 Yiwu State-Owned Capital MTN006	100	2022/12/9	600,000,000.00	2+N(2)	599,433,962.26	-599,433,962.26	

Item	Face value	Date of issuance	Amount issued	Term	Balance as at December 31, 2023	Increase/Decrease in 2024	Balance as at December 31, 2024
23 Yiwu State-Owned Capital MTN001	100	2023/3/13	1,000,000,000.00	2+N years	999,042,452.83	-929,245.29	998,113,207.54
23 Yiwu State-Owned Capital MTN003	100	2023/9/6	500,000,000.00	3+N years	499,528,301.88	-471,698.11	499,056,603.77
Huaxin Trust Perpetual Bond (Fund Trust Plan No.586)				2+N years	298,900,000.00	-298,900,000.00	
Huaxin Trust Perpetual Bond (Fund Trust Plan No.649)				2+N years	300,000,000.00	-128,300,000.00	171,700,000.00
Tianjin Trust Perpetual Bonds						230,300,000.00	230,300,000.00
24 Yiwu State-Owned Capital MTN002	100	2024/6/27	1,000,000,000.00	5+N years		994,811,320.76	994,811,320.76
24 Yiwu State-Owned Capital MTN005	100	2024/8/2	1,000,000,000.00	5+N years		999,056,603.77	999,056,603.77
24 Yiwu State-Owned Capital MTN006	100	2024/11/28	600,000,000.00	3+N years		599,884,301.89	599,884,301.89
24 Commodities City Y1	100	2024/5/7	600,000,000.00	3+N years		600,000,000.00	600,000,000.00
24 Commodities City Y2	100	2024/6/17	600,000,000.00	3+N years		600,000,000.00	600,000,000.00
Total					4,691,810,377.34	1,001,111,660.39	5,692,922,037.73

Explanation:

The ending balance mainly consists of perpetual medium-term notes issued by the Company, with a total issuance amount of RMB4.1 billion. Construction Investment Group signed a Perpetual Debt Investment Contract with Huaxin International Trust Co., Ltd. and Tianjin Trust Co., Ltd., with an ending balance of RMB402 million; Renewable corporate bonds issued by Commodities City Holdings had a total issuance amount of RMB1.2 billion.

45.Capital reserves

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Capital premium	24,485,481,127.68		26,969,800.14	24,458,511,327.54
Other capital reserves	17,932,109,300.72	2,370,084,216.44	771,101,686.39	19,531,091,830.77
Total	42,417,590,428.40	2,370,084,216.44	798,071,486.53	43,989,603,158.31

(1) The capital reserves increased by RMB2,370,084,216.44 in 2024, with details as follows:

In 2024, the land transferred to the Company was recorded at the assessed value, and the capital reserve increased by RMB35,840,000.00.

In 2024, the Company's capital reserve increased by RMB176,539.16 due to equity-method accounting of the associate Yiwu Industrial Investment Development Group Co., Ltd.

In 2024, Yiwu Municipal Human Resources and Social Security Bureau transferred assets to Talent Group free of charge, increasing the capital reserve by RMB109,359.00.

In 2024, Urban Investment Group received assets transferred free of charge which increased capital reserve by RMB1,831,922.82.

In 2024, Transportation Tourism Group received project funds directly allocated for "Jinhua-Yiwu Intercity Railway Hub Expansion and Reconstruction Project" for 2024, which increased capital reserves by RMB238,830,000.00.

In 2024, assets transferred-in from Water Affairs Group increased capital reserve by RMB1,232,134,778.39, public waterworks pipeline construction projects increased capital reserve by RMB4,050,729.59, the special bonds for four projects (Shuangjiang Lake Water Purification Plant, Fotang Plant Expansion, Chi'an Plant Expansion and Suxi Plant Expansion) were converted into project capital funds, which increased capital reserve by RMB681,000,000.00, and other funds increased capital reserve by RMB304,315.00.

In 2024, changes in treasury stock of Commodities City Group increased capital reserve by RMB21,364,336.05, and equity incentive increased capital reserve by RMB16,239,180.38.

In 2024, Hengfeng Group's Affordable Rental Housing Project increased capital reserve by RMB37,180,261.20.

In 2024, Land Port Group received civil aviation assets, international mail exchange bureau and other transitional sites transferred free of charge, which increased capital reserve by RMB101,022,794.85.

(2) In 2024, the capital reserve decreased by RMB798,071,486.53, detailed as follows:

In 2024, the capital reserve decreased by RMB11,985,326.04 due to the Company's redemption of perpetual bonds.

In 2024, the capital reserve decreased by RMB14,984,474.10 due to the change in the shareholding ratio of minority shareholders.

In 2024, Transportation Tourism Group handed over the "Yiwu Donghe-Xiaohuangtang Highway Project", offsetting the capital reserve of RMB46,282,200.00 included in the previous years, and refunded the capital funds for Yiwu Qiaotou Archaeological Heritage Park Project allocated by the Municipal Finance Bureau in 2021, offsetting the capital reserve by RMB2,903,040.00.

In 2024, the capital reserve decreased by RMB320,742.47 due to equity method accounting for Urban Investment Group.

In 2024, the return of land transfer fees of Construction Investment Group was transferred to deferred income, which reduced the capital reserve by RMB390,827,457.70;

In 2024, Commodities City Group transferred its 100% equity in Yiwu Xingchen Enterprise Management Co., Ltd. to Commodities City Holdings at a consideration of nil, resulting in a decrease of RMB284,775,899.48 in capital reserve. The capital reserve decreased by RMB45,309,335.74 due to change in the shareholding ratio of Commodities City Holdings in Commodities City and the adjustment of minority equity at the beginning of the period resulted from change in the number of shares held by incentive objects under the incentive plan of Commodities City Group. The capital reserve decreased by RMB683,011.00 due to Commodities City Group's repurchase of the restricted shares held by incentive objects that had been granted but whose restriction has not yet been lifted.

46.Other comprehensive income

Item	Balance as at January 1, 2024	Amount in 2024					Balance as at December 31, 2024
		Amount before income tax in 2024	Less: amount included in other comprehensive income in prior period and transferred to current profit and loss	Less: income tax expenses	Amount attributable to the parent company after tax	Amount attributable to Minority shareholders	
I. Other comprehensive income that cannot be reclassified into profits or losses later	32,460,245.97	116,873,267.29		28,915,483.86	43,022,532.20	44,935,251.23	75,482,778.17
Changes in fair value of other equity instrument investment	33,723,757.95	115,661,935.42		28,915,483.86	41,811,200.33	44,935,251.23	75,534,958.28
Other comprehensive income that cannot be transferred to profit or loss under the equity method	-1,263,511.98	1,211,331.87			1,211,331.87		-52,180.11
II. Other comprehensive income that will be reclassified into profit or loss later	33,557,663.27	-25,552,116.14			-26,568,671.40	1,016,555.26	6,988,991.87
Other comprehensive income that can be transferred to profits or losses under the equity method	2,673,011.93	-10,615.07			-5,569.96	-5,045.11	2,667,441.97
Currency translation differences	30,884,651.34	-25,541,501.07			-26,563,101.44	1,021,600.37	4,321,549.90
Total	66,017,909.24	91,321,151.15		28,915,483.86	16,453,860.80	45,951,806.49	82,471,770.04

47.Special reserves

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Work safety costs	36,151,790.79	12,530,675.83	7,438,049.00	41,244,417.62
Total	36,151,790.79	12,530,675.83	7,438,049.00	41,244,417.62

Remark: The special reserves were the work safety fees accrued and used by Hengfeng Group, Urban Investment Group, Water Affairs Group, Transportation Tourism Group and Market Group in accordance with state provisions.

48.Surplus reserve

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Statutory surplus reserve	350,637,933.76	50,872,601.25		401,510,535.01
Total	350,637,933.76	50,872,601.25		401,510,535.01

Remark: Increase in surplus reserve in 2024 is the withdrawal of RMB50,872,601.25 based on 10% of the Company's net profit in 2024.

49.General risk reserve

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
General risk reserve	9,978,187.69	1,154,226.57		11,132,414.26
Total	9,978,187.69	1,154,226.57		11,132,414.26

50.Undistributed profits

Item	Year 2024	Year 2023
Undistributed profits as at the end of the previous period before adjustment	4,904,225,452.57	5,035,955,921.56
Adjustments for changes in accounting policies		
Undistributed profits as at the beginning of the year after adjustment	4,904,225,452.57	5,035,955,921.56
Increase in 2024	564,817,301.05	278,853,525.52
Including: amount transferred-in from net profit in 2024	564,817,301.05	275,025,218.67
Others		3,828,306.85
Decrease in 2024	343,347,612.81	410,583,994.51
Including: surplus reserve withdrawn in 2024	50,872,601.25	29,178,677.03
General risk reserves withdrawn in 2024	1,154,226.57	9,432,278.28
Cash dividends distributed in 2024	291,320,784.99	343,399,574.20
Others		28,573,465.00
Undistributed profits as at the end of the period	5,125,695,140.81	4,904,225,452.57

Remark: Cash dividends distributed in 2024 were the state-owned capital income of RMB69,945,034.65 turned over, and the interest of RMB221,375,750.34 distributed to the holders of other equity instruments.

51.Operating income and operating costs

(1) Operating income and operating costs

Item	Amount in 2024		Amount in the previous period	
	Revenue	Costs	Revenue	Costs
I. Subtotal of primary business	35,841,663,997.82	29,657,392,854.15	35,147,641,341.43	29,795,751,356.79
II. Sub-total of other businesses	1,558,396,659.93	1,234,971,834.55	1,091,626,072.91	834,709,998.37
Total	37,400,060,657.75	30,892,364,688.70	36,239,267,414.34	30,630,461,355.16

(2) Income/Costs from primary business (by industry)

Industry	Amount in 2024		Amount in the previous period	
	Revenue	Costs	Revenue	Costs
Market operations	5,259,741,881.55	1,163,432,338.16	3,737,658,267.57	1,350,232,922.44
Real estate sales	9,089,266,145.89	8,345,098,182.18	13,426,855,953.20	11,480,520,021.29
Import and export trade and commodity sales	15,233,255,887.67	14,895,892,055.52	12,560,216,620.74	12,319,985,321.58
Hotel services	399,982,028.70	383,255,384.92	427,946,329.01	385,477,225.90
Water supply services	495,686,949.08	409,471,966.25	450,677,807.20	390,478,147.43
Exhibition and advertising	162,299,188.76	127,332,340.25	185,047,994.34	109,375,268.80
Sewage treatment	324,349,676.04	335,983,056.29	269,428,625.24	312,874,098.91
Venue fees	361,731,507.66	372,535,039.69	335,638,723.05	325,180,696.19
Engineering installation	374,674,942.44	255,459,573.82	394,118,326.48	286,900,075.89
Grain sales	170,964,575.86	171,351,637.24	114,930,277.38	106,950,913.78
Security services	158,189,229.24	159,392,924.43	263,325,834.49	235,822,213.28
Tourism services	69,082,262.00	68,358,729.21	71,663,466.33	74,555,624.38
House leasing	264,561,128.88	186,215,834.17	175,218,034.62	131,935,788.75
Inspection services	29,279,584.55	24,319,723.62	30,925,436.63	27,517,916.58
Guarantee services	9,847,276.65	-7,969,267.38	12,255,996.47	12,142,595.08
Box office	19,307,139.79	18,099,435.16	26,863,234.59	33,086,533.23
Property management	102,926,492.76	91,954,059.98	99,622,354.64	92,773,878.45

Industry	Amount in 2024		Amount in the previous period	
	Revenue	Costs	Revenue	Costs
Transportation	373,396,826.12	816,035,894.53	352,971,811.03	754,327,051.94
Intermediary services	549,899,564.72	350,270,632.13	436,777,339.01	195,658,272.59
Infrastructure construction	1,095,682,130.55	1,016,406,985.71	689,648,958.25	629,866,090.81
Agent construction	3,766,386.83	51,899.39	2,941,542.45	2,598,965.05
Hydraulic engineering	44,694,144.11	75,949,089.43	61,070,140.09	90,300,630.90
Others	1,249,079,047.97	398,495,339.45	1,021,838,268.62	447,191,103.54
Total	35,841,663,997.82	29,657,392,854.15	35,147,641,341.43	29,795,751,356.79

(3) Income/Costs from primary business (by business segment)

Industry	Amount in 2024		Amount in the previous period	
	Revenue	Costs	Revenue	Costs
Market operations	5,259,741,881.55	1,163,432,338.16	3,737,658,267.57	1,350,232,922.44
Sales of commodity	15,404,220,463.53	15,067,243,692.76	12,675,146,898.12	12,426,936,235.36
Passenger transport	402,676,410.67	840,355,618.15	383,897,247.66	781,844,968.52
Warehousing and logistics	464,658,000.42	464,489,099.67	435,261,077.69	417,954,574.64
Water services	1,239,405,711.67	1,076,863,685.79	1,175,294,899.01	1,080,552,953.13
Infrastructure	1,099,448,517.38	1,016,458,885.10	692,590,500.70	632,465,055.86
Real estate development	9,089,266,145.89	8,345,098,182.18	13,426,855,953.20	11,480,520,021.29
Hotel services	399,982,028.70	383,255,384.92	427,946,329.01	385,477,225.90
Exhibition and advertising	162,299,188.76	127,332,340.25	185,047,994.34	109,375,268.80
Others	2,319,965,649.25	1,172,863,627.17	2,007,942,174.13	1,130,392,130.85
Total	35,841,663,997.82	29,657,392,854.15	35,147,641,341.43	29,795,751,356.79

52.Taxes and surcharges

Item	Amount in 2024	Amount in the previous period
Urban maintenance and construction tax	39,743,046.99	39,640,836.78
Educational surcharge	21,561,557.98	21,342,058.56
Local educational surcharge	7,543,408.78	8,232,912.94

Item	Amount in 2024	Amount in the previous period
Stamp duty	30,204,448.52	30,876,346.50
House property tax	302,773,167.74	226,130,950.22
Land use tax	131,100,449.40	112,437,624.34
Land value-added tax	132,883,899.31	307,961,483.61
Others	3,900,457.08	1,521,936.30
Total	669,710,435.80	748,144,149.25

53.Selling and distribution expenses

Item	Amount in 2024	Amount in the previous period
Advertising and promotion expenses	115,620,991.88	84,028,020.24
Marketing promotion costs	207,956,390.38	179,613,643.69
Safety and insurance costs	14,724,148.27	33,409,515.96
Depreciation and amortization	6,999,632.77	4,253,896.43
Water and electricity consumption costs	16,759,435.79	20,389,055.34
Repair costs	16,892,757.29	21,170,759.51
Sanitation and cleaning fees	118,051.82	10,109,938.84
Employee expenses	145,047,070.79	152,323,543.07
Transportation costs	2,782,819.42	2,463,551.83
Others	63,736,135.36	67,459,497.27
Total	590,637,433.77	575,221,422.18

54.General and administrative expense

Item	Amount in 2024	Amount in the previous period
Employee expenses	1,318,808,518.47	1,219,118,423.11
Depreciation and amortization	393,215,765.28	372,887,991.60
intermediary service charges	72,499,110.33	101,845,229.67
Travel expenses	11,250,584.12	13,025,919.43
Office expenses	51,902,973.42	50,051,945.92
Startup costs	391,084.36	24,881.85
Promotion and recruitment expenses	12,570,178.59	9,220,599.82

Item	Amount in 2024	Amount in the previous period
Leased property management fees	25,901,032.34	38,490,266.70
Technical service fees	2,045,333.63	3,038,361.06
Party construction work funds	1,350,994.04	1,248,157.05
Others	98,218,386.40	90,875,179.02
Total	1,988,153,960.98	1,899,826,955.23

55.R&D expenses

Item	Amount in 2024	Amount in the previous period
Labor costs	55,766,744.71	57,145,363.28
Depreciation and amortization	2,185,430.56	4,339,901.41
Direct input	9,600,659.43	12,729,977.56
Technology development expenses	4,789,587.97	5,154,049.92
Commissioned development fee	1,768,301.89	
Others	875,709.20	2,745,664.98
Total	74,986,433.76	82,114,957.15

56.Financial expenses

Item	Amount in 2024	Amount in the previous period
Interest expenses	3,203,305,892.92	3,305,936,351.19
Less: interest income	758,928,801.21	746,317,715.54
Foreign exchange losses	250,426,058.39	712,776,854.04
Less: exchange gains	140,409,007.36	524,233,871.90
Amortization of bonds at premium or discount	17,048,383.24	18,481,462.81
Financing expenses	80,383,064.08	55,273,587.34
Handling charges expenses	14,038,963.24	13,018,051.00
Total	2,665,864,553.30	2,834,934,718.94

57.Other income

Item	Amount in 2024	Amount in the previous period
Government subsidies	2,863,744,897.80	1,314,593,936.30
Total	2,863,744,897.80	1,314,593,936.30

Details of large-amount government subsidies:

Item	Amount in 2024	Amount in the previous period	Related to assets/income
Loan guarantee subsidies	1,663,342.50	7,379,904.50	Income-related
Fuel subsidies	1,616,400.00	3,077,934.00	Income-related
New energy promotion subsidies	6,240,000.00	1,785,000.00	Income-related
Urban and rural passenger transport subsidies	14,898,617.00	5,137,708.00	Income-related
subsidies for Yiwu Comprehensive Water Environment Treatment Project, etc.	19,458,750.76	19,317,430.88	Income-related
Urban-rural integrated public transport subsidies	205,289,164.00	23,177,129.32	Income-related
Subsidy for deficits of public transport companies		170,000,000.00	Income-related
Grain purchase and storage subsidies	33,136,002.13	27,979,356.74	Income-related
Government subsidy for the Port-dredging Expressway BT Project	64,275,083.05	64,275,083.04	Related to assets
Perpetual bond interest subsidies	120,000,000.00	410,000,000.00	Income-related
Operating subsidies	1,670,099,432.40	428,369,896.59	Income-related
Ecological water compensation	2,539,920.00	2,880,000.00	Income-related
Subsidies for construction and installation of emergency water supply facilities in Chengxi	3,033,263.88	2,848,622.73	Related to assets
Subsidies for the construction of electric vehicle charging and swapping facilities in Jinhua City	3,357,611.20		Income-related
Subsidies for scenic spot operation	3,800,000.00		Income-related
Subsidy for Comprehensive Bonded Zone Project	8,209,868.30		Related to assets
Standard financial subsidies for Yiwu	8,009,191.37	8,009,191.37	Related to assets
Total	2,165,626,646.59	1,174,237,257.17	—

58.Investment income

Source of investment income	Amount in 2024	Amount in the previous period
Income from long-term equity investment	521,303,182.24	1,205,624,087.77

Source of investment income	Amount in 2024	Amount in the previous period
Including: long-term equity investment income calculated under the equity method	514,531,522.11	1,195,960,992.64
Investment income from disposal of long-term equity investment	6,771,660.13	9,663,095.13
Dividend income from other equity instrument investments still held	9,193,695.66	3,785,320.14
Investment income during holding the financial assets held for trading	201,709.14	273,136.58
Investment income from disposal of financial assets held for trading	9,589,896.18	1,856,923.17
Investment income during the period of holding investment in debt securities	2,591,069.18	2,825,847.12
Investment income from other non-current financial assets incurred during the holding period	41,699,989.68	303,949,782.61
Investment income from disposal of other non-current financial assets	3,514,887.56	-120,758.60
Investment income from other non-current assets incurred during the holding period	822,759.26	963,020.48
Other investment income	46.43	5,360,364.91
Total	588,917,235.33	1,524,517,724.18

59.Gains from changes in fair value

Source of income from changes in fair value	Amount in 2024	Amount in the previous period
Financial assets measured at fair value through current profit and loss	-443,430,622.43	-689,472,066.52
Total	-443,430,622.43	-689,472,066.52

60.Losses from credit impairment

Item	Amount in 2024	Amount in the previous period
Losses from bad debts of accounts receivable	-22,408,140.69	-12,617,474.38
Losses from bad debts of other receivables	-22,982,236.89	43,187,937.15
Losses from bad debts of long-term receivables	-77,979,513.62	-191,350,325.12
Total	-123,369,891.20	-160,779,862.35

61.Losses from asset impairment

Item	Amount in 2024	Amount in the previous period
Losses from depreciation of inventories	-77,604,619.64	
Losses from impairment of contractual assets	460,473.13	-698,246.65
Losses on impairment of other non-current assets	-22,651,989.92	
Total	-99,796,136.43	-698,246.65

62.Income from the disposal of assets

Item	Amount in 2024	Amount in the previous period	Amount included in non-recurring profit or loss in 2024
Gain/loss from disposal of fixed assets	48,061,083.64	218,636,092.70	48,061,083.64
Gain/loss from disposal of intangible assets	262,271.24	-117,754.64	262,271.24
Gain/loss from disposal of construction in progress			
Income from disposal of non-current assets not held for sale	2,370,183.68	-4,216,338.56	2,370,183.68
Others	4,089,048.29	2,077,681.59	4,089,048.29
Total	54,782,586.85	216,379,681.09	54,782,586.85

63.Non-operating income

Item	Amount in 2024	Amount in the previous period	Amount included in non-recurring profit or loss in 2024
Gains from the damage and scrapping of non-current assets	861,858.51	28,221,774.92	861,858.51
Income from liquidated damages	19,837,429.72	20,727,232.60	19,837,429.72
Government subsidies	245,944.69	687,040.68	245,944.69
Relocation compensation	17,838.00		17,838.00
Compensation	747,458.58		747,458.58
Gains from confiscations	1,176,987.01	1,344,451.00	1,176,987.01
Reversal of estimated liabilities in international trade agency business		110,620,306.10	
Others	29,802,776.50	31,422,989.70	29,802,776.50
Total	52,690,293.01	193,023,795.00	52,690,293.01

64.Non-operating expenses

Item	Amount in 2024	Amount in the previous period	Amount included in non-recurring profit or loss in 2024
Losses from the damage and scrapping of non-current assets	824,258.52	15,887,880.55	824,258.52
Amercement and overdue fine outlay	4,377,035.97	1,621,328.19	4,377,035.97
Donations made	8,205,320.30	15,806,192.44	8,205,320.30
Compensation payout	1,089,282.63	31,976,635.10	1,089,282.63
Others	4,149,687.63	6,671,704.34	4,149,687.63
Total	18,645,585.05	71,963,740.62	18,645,585.05

65.Income tax expenses

Item	Amount in 2024	Amount in the previous period
Current income tax expenses	1,507,159,643.31	1,078,633,146.99
Deferred income tax expenses	-170,512,502.19	-841,666,460.22
Total	1,336,647,141.12	236,966,686.77

66.Other comprehensive income attributable to owners of the parent company

See "8.46 Other comprehensive income" for details.

67.Supplementary information to the statement of cash flows

(1) Net profit adjusted to cash flows from operating activities under the indirect method

Item	Year 2024	Year 2023
1. Net profit adjusted to cash flow from operating activities:		—
Net profit	2,056,588,788.20	1,557,198,390.09
Plus: provision for assets impairment	99,796,136.43	698,246.65
Losses from credit impairment	123,369,891.20	160,779,862.35
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	2,192,433,004.54	2,024,328,750.42
Depreciation of right-of-use assets	53,825,076.61	56,807,279.45
Amortization of intangible assets	522,780,863.88	494,813,159.85
Amortization of long-term deferred expenses	201,340,803.54	155,308,736.98
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-54,782,586.85	-216,379,681.09
Losses from write-off of fixed assets ("-" for gains)	-37,599.99	-12,333,894.37
Losses from changes in fair value (“-” for gains)	443,430,622.43	689,472,066.52
Financial losses (“-” for gains)	2,981,872,440.31	3,412,926,799.45
Investment losses ("-" for gains)	-588,917,235.33	-1,524,517,724.18
Decreases in deferred income tax assets (“-” for increases)	-93,255,194.23	-630,390,873.77
Increases in deferred income tax liabilities (“-” for decreases)	-77,257,307.96	-211,275,586.45
Decreases in inventories ("-" for increases)	-523,610,000.03	-813,933,052.77
Decreases in operating receivables (“-” for increases)	-5,724,703,733.75	-3,542,003,231.92
Increases in operating payables (“-” for decreases)	13,086,993,291.56	6,574,489,144.71
Others		
Net cash flows from operating activities	14,699,867,260.56	8,175,988,391.92

Item	Year 2024	Year 2023
II. Significant investing and financing activities not involving cash receipts and payments:		—
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under financing leases		
III. Net changes in cash and cash equivalents:		—
Ending balance of cash	17,214,432,030.87	12,356,792,676.06
Less: beginning balance of cash	12,356,792,676.06	10,541,174,633.18
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	4,857,639,354.81	1,815,618,042.88

(2) Breakdown of cash and cash equivalents

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
I. Cash	17,214,432,030.87	12,356,792,676.06
Including: cash on hand	280,802.68	496,562.42
Unrestricted bank deposits	17,196,721,232.80	12,332,412,582.97
Other unrestricted monetary funds	17,429,995.39	23,883,530.67
Unrestricted deposits with central bank		
Deposits with banks and other financial institutions		
Loans to banks and other financial institutions		
II. Cash equivalents		
Including: bond investment maturing within three months		
III. Ending balance of cash and cash equivalents	17,214,432,030.87	12,356,792,676.06

68.Assets with restrictions on the ownership and use right

Item	Book value as at December 31, 2024	Reason for restriction
Monetary funds	369,553,271.38	Margin, judicial freezing, bank regulation, etc.
Inventories	22,523,252,151.91	Mortgage and pledge of bank loans
Fixed assets	7,800,369,473.91	Bank loan mortgages, financial leases
Intangible assets	3,015,351,549.99	Bank loan mortgages

Item	Book value as at December 31, 2024	Reason for restriction
Construction in progress	944,658,096.65	Bank loan mortgages, financial leases
Investment properties	2,655,658,570.19	Bank loan mortgages, financial leases
Long-term equity investment	102,918,559.00	Frozen by Shanghai Public Security Bureau
Other current assets	377,164,678.50	Deposits designated for petty cash
Other non-current financial assets	660,196,410.80	Frozen by Shanghai Public Security Bureau
Total	38,449,122,762.33	—

Explanation of other restrictions:

(1) Construction Investment Group pledged accounts receivable under a government procurement service agreement as collateral to secure a loan from Yiwu branch of Agricultural Development Bank of China. As at December 31, 2024, the loan balance was RMB1,261 million.

(2) Urban Investment Group provided a guarantee for the loan of RMB650 million granted to Yiwu Urban Construction Resource Operation Co., Ltd. by Industrial Bank Co., Ltd. Yiwu Branch, which was also guaranteed by Yiwu Urban Construction Resource Operation Co., Ltd. by pledge of the parking spaces, public parking lots, and advertising resource franchise rights that are owned by it or may be disposed of by it. As at December 31, 2024, the loan balance was RMB640 million, of which RMB25 million will be due within one year.

(3) Land Port Group mortgaged its property under Yiwu Property Title Certificate of Zhe (2021) No.0049190 to secure a loan from Ping An Bank, with a loan term from December 2022 to December 2032. The loan was also secured by pledging all rental income from the property at No.1 Land Port Yuncang, Yiwu, during the loan period. As at December 31, 2024, the loan balance was RMB130.125 million, of which RMB12 million will be due within one year.

(4) Land Port Group mortgaged its property under Yiwu Property Title Certificate of Zhe (2023) No.0061842 to secure a loan from Ping An Bank, with a loan term from December 2023 to December 2033. The loan was also secured by pledging all rental income from the property at No.588 Airport Road, Yiwu, during the loan period, with additional guarantees provided by Yiwu Bonded Logistics Center Co., Ltd. As at December 31, 2024, the loan balance was RMB160.65 million, of which RMB10.2 million will be due within one year.

(5) Hengfeng Group, a subsidiary of Hengfeng Holdings, mortgaged properties at the following addresses: No.628 Chengxin Avenue; No.1539 North Chouzhou Road, Futian Street; Rooms 317, 318, 321, 322, No.1543 North Chouzhou Road, Futian Street; the Tourism Business Building and parking garage at No.1200 Gongren North Road, Futian Street, Yiwu. It also pledged rental income receivable corresponding to Yiwu Property Title Certificate of (2020) No. 0000697, (2020) No. 0000696, (2019) No. 0062448, and (2019) No. 0062447 to secure a loan from China Construction Bank. As at December 31, 2024, the loan balance was RMB187 million, of which RMB7 million will be due within one year.

(6) Yiwu Hengfeng Automobile Service Co., Ltd., a subsidiary of Hengfeng Group, mortgaged its assets of Room 101-105, Building 1, No.1866, Wuzhou Avenue, Fotang Town, Yiwu City and its use right of Plot 02# at the north side of Wuzhou Avenue, Yiwu City, and pledged its rental income receivable corresponding to Yiwu Property Title Certificate of Zhe (2023) No.0070642 to secure a loan from Industrial and Commercial Bank which was also guaranteed by the Company. As at December 31, 2024, the loan balance was RMB344.896 million, of which RMB59.122 million will be due within one year.

(7) In 2024, the Company pledged income rights of its 50% equity in Yiwu Financial Holdings Co., Ltd. to secure a loan of RMB500 million from Yunnan International Trust Co., Ltd. As at December 31, 2024, the loan balance was RMB500 million.

(8) Water Affairs Group provided a guarantee for the loan granted to Yiwu Yinuo Environmental Technology Co., Ltd. by Ping An Bank. The loan was also pledged by Yiwu Yinao Environmental Technology Co., Ltd with its accounts receivable (existing and future accounts receivable) generated from the Yiwu Surface Treatment Environmental Protection Industrial Park Project. As at December 31, 2024, the loan balance was RMB186,180,400.

(9) Transportation Tourism Group provided a guarantee for the loan granted to Yiwu Culture and Tourism Development Co., Ltd. by Agricultural Bank of China Yiwu Branch. The loan was also mortgaged by Yiwu Cultural Culture Development Co., Ltd. with its land on the south side of Ruiyun Road, Dachen Town, Yiwu City, and pledged by it with the operating income from the "Jiuzhai Bay Crazy Tribe Project". As at December 31, 2024, the loan balance was RMB57 million.

IX. Commitments and contingencies

(I) Significant commitments

1. Significant investment commitments

Investment commitment of Shangfu Chuangzhi Fund:

In 2017, Commodities City Financial Holding and Shanghai Fuxing Industry Group Co., Ltd. (hereinafter referred to as "Fuxing Group") jointly established Yiwu Commodities City Group Fuxing Investment Center (Limited Partnership) (hereinafter referred to as the "Parent Fund"), which, as a limited partner, invested in a total of 12 sub-funds including Yiwu Shangfu Chuangzhi Investment Center (Limited Partnership) (hereinafter referred to as "Shangfu Chuangzhi Fund") . As a limited partner, Commodities City Financial Holding subscribed for RMB998 million in the Parent Fund, accounting for 49.9% of the subscribed capital, and has paid in RMB102.92 million. The unpaid part of the investment commitment amounted to RMB895.08 million and had no deadline for payment. Commodities City Financial Holding also invested RMB9.8 million (accounting for 49% equity) to establish Yiwu China Commodities City Group Investment Management Co., Ltd. (hereinafter referred to as "Commodities City Management"), which served as the general partner for the aforementioned Parent Fund and sub-funds. Fuxing Group contributed 51% capital of and controlled Commodities City Management.

Shangfu Chuangzhi Fund raised a total of RMB823.36 million, of which the Parent Fund, as a limited partner, subscribed for and contributed RMB205.84 million (including RMB102.92 million contributed by Commodities City Financial Holding, and the rest was contributed by Fuxing Group, a limited partner of the Parent Fund), and Commodities City Financial Holding, as a limited partner of Shangfu Chuangzhi Fund, subscribed for and contributed RMB617.51 million, all of which have been fully paid. In addition, Commodities City Group and Commodities City Financial Holding did not participate in the investment in other sub-funds under the Parent Fund. Shangfu Chuangzhi Fund subsequently subscribed for the additional registered capital of Hubei Assets Management Co., Ltd. with RMB820.54 million, holding 22.6667% equity of such company. In 2019, 9 of the above 12 sub-funds was cancelled.

In 2018, Commodities City Financial Holding learned during the performance of post-investment tracking management that: Fuxing Group and its actual controller Zhu Yidong were suspected of criminal offenses. 22.667% equity of Hubei Assets Management Co., Ltd. held by Shangfu Chuangzhi Fund was frozen by the Shanghai No. 2 Intermediate People's Court because the source of capital contribution included Fuxing Group's capital contribution. As at December 31, 2024, the relevant equity was still frozen.

As at December 31, 2024, Commodities City Group has not received any notice of capital contribution other than the aforementioned contributions, or any litigation notice involving Commodities City Group, Commodities City Financial Holdings, the Parent Fund, or its sub-funds.

Other investment commitments:

Upon the deliberation and approval at the 24th meeting of the 9th Board of Directors held by Commodities City Group on December 31, 2024, it is proposed to invest RMB300 million to participate in the establishment of Service Trade Fund Phase II. Service Trade Fund Phase II, sponsored by the Ministry of Finance, the Ministry of Commerce and China Merchants Group Co., Ltd. which raised funds from powerful local governments, financial institutions, leading enterprises in the field of service trade, etc., was established in a limited partnership system, with a scale of not less than RMB10 billion. As at December 31, 2024, Commodities City Group has not made any capital contribution.

Yiwu Fund Investment Co., Ltd., the Company's sub-subsidiary, participated in the establishment of Yiwu Houtong New Energy Vehicle Industry Investment Fund Partnership (Limited Partnership) as a limited partner, with a fund size of RMB2.1 billion. As at December 31, 2024, the Company and Yiwu Fund Investment Co. Ltd. had paid in RMB510 million, and the remaining investment commitment balance was RMB1.59 billion.

Through the relevant agreement signed with China Orient Asset Management Co., Ltd., the Company committed to contribute RMB500.01 million to Yiwu Yixu Equity Investment Partnership (Limited Partnership) . As at December 31, 2024, the Company has not made any capital contribution.

Water Affairs Group, Market Group, Commodities City Holdings and Yiwu Fund Investment Co., Ltd. participated in the establishment of Yiwu Zhongjin Hongsheng Equity Investment Fund Partnership (Limited Partnership) as limited partners, with a fund size of RMB2.64 billion. As at December 31, 2024, the total paid-in capital contribution was RMB325.6 million, and the remaining outstanding investment commitment amounted to RMB2,314.4 million.

In addition, as of December 31, 2024, the Company's remaining outstanding investment commitments totaled RMB2,550,753,000.

(II) Contingencies

1. Guarantees

(1) Guarantees provided for non-related parties

Guarantor	Secured party	Amount of guarantee (RMB'0,000)	Whether the guarantee has been performed
Yiwu Financing Guarantee Co., Ltd.	Guaranteed client	438,391.65	No
Yiwu Xiuhu Real Estate Co., Ltd.	House purchaser	60,599.00	No
Commodities City Holdings and Commodities City Group	House purchaser	221,395.22	No
Yiwu Huishang Qintang Real Estate Co., Ltd.	House purchaser	131,171.24	No
Zhejiang Yiwu Forestry Development Co., Ltd.	Market operator	12.71	No
Yiwu Zhongfu Real Estate Co., Ltd.	House purchaser	4,035.67	No

Guarantor	Secured party	Amount of guarantee (RMB'0,000)	Whether the guarantee has been performed
Yiwu Zhongfu Real Estate Co., Ltd.	Yiwu Haoyuan Import & Export Co., Ltd.	188.94	No
Land Port Group	Yiwu Land Port International Train Service Co., Ltd.	78,000.00	No
The Company	Yiwu Land Port International Train Service Co., Ltd.	10,000.00	No
The Company	Yiwu Land Port International Train Service Co., Ltd.	5,000.00	No
Yiwu Runze Real Estate Co., Ltd.	House purchaser	24,225.59	No
Yiwu Land Port Chengxin Real Estate Co., Ltd.	House purchaser	4,651.00	No

Explanation:

As at December 31, 2024, the total balance of guarantees actually provided by Yiwu Financing Guarantee Co., Ltd., a subsidiary of the Company, was RMB4,383,916,500, including: RMB324,510,000 for general policy guarantee business, RMB2,615,950,900 for guarantee for small and micro enterprises, RMB206,590,000 for exchange rate hedging guarantee, RMB1,217,832,000 for inclusive guarantee, RMB6,533,600 for non-policy guarantee business, RMB11.90 million for Hui Shang Bao guarantee and RMB600,000,00 for agricultural guarantee. The balance of guarantee liability to be assumed by Yiwu Financing Guarantee Co., Ltd. shall be calculated according to the risk ratio stipulated in the Guarantee Business Cooperation Agreement. The Company's management has made provision for guarantee compensation for the above guarantee matters.

Construction Investment Group's subsidiary, Yiwu Xiuhu Real Estate Co., Ltd., provided loan guarantees to some enterprise customers purchasing its properties. The guarantee balance was RMB605.99 million as of December 31, 2024.

According to relevant regulations, Commodities City Holdings and Commodities City Group must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by them before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2024 was RMB2,213,952,200. The guarantee will be released after the property title certificate has been processed, and there is low possibility of loss from this guarantee, so the management believes there is no need to make provisions for this guarantee.

According to relevant regulations, Market Group's subsidiary Yiwu Huishang Qintang Real Estate Co., Ltd. must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by it before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2024 was RMB1,311,712,400. The guarantee will be released after the property title certificate has been processed, and there is low possibility of loss from this guarantee, so the management believes there is no need to make provisions for this guarantee.

Zhejiang Yiwu Forestry Development Co., Ltd., a subsidiary of Market Group, provided a guarantee for the rental loans of market operators. As at December 31, 2024, the guarantee balance was RMB127,100. There is low possibility of loss from this guarantee, so the management believes there is no need to make provisions for this guarantee.

Urban Investment Group's subsidiary, Zhongfu Real Estate Co., Ltd., provided loan guarantees to some enterprise customers purchasing its properties. As at December 31, 2024, the guarantee balance was RMB40,356,700. The guarantee will be released after the property title certificate has been processed.

Zhongfu Real Estate Co., Ltd., a subsidiary of Urban Investment Group, provided a guarantee for the loan of RMB1,889,400 granted to Yiwu Haoyuan Import & Export Co., Ltd. by the rural commercial bank.

Land Port Group provided joint liability guarantees for loans granted to Yiwu Land Port International Train Service Co., Ltd. by Hua Xia Bank, China Construction Bank, Bank of Ningbo, and Industrial Bank. As at December 31, 2024, Yiwu Land Port International Train Service Co., Ltd. has borrowed RMB100 million from Hua Xia Bank, RMB80 million from China Construction Bank, RMB200 million from Bank of Ningbo, and RMB400 million from Industrial Bank. Land Port Group assumed a total guarantee liability of RMB780 million for the above loans according to the guarantee contract, including guarantee liability of RMB100 million for loan from the Bank of Ningbo which was jointly guaranteed by the Company and Land Port Group.

According to the application by Yiwu Land Port International Train Service Co., Ltd., China Zheshang Bank Yiwu Branch provided a guarantee to those who have legally obtained commercial acceptance bills in respect of the fulfillment of payment obligation under the commercial acceptance bills by Land Port Group, as the acceptor. This guarantee service was limited to commercial bills with payment accounts opened at China Zheshang Bank, and this commercial bill service is counter-guaranteed by the Company for China Zheshang Bank Yiwu Branch. As at December 31, 2024, Yiwu Land Port International Train Service Co., Ltd. has issued commercial bills of RMB100 million, and the Company's counter-guarantee liability balance was RMB100 million.

The Company provided a guarantee for the loan of RMB50 million granted to Yiwu Land Port International Train Service Co., Ltd. by Industrial and Commercial Bank of China.

According to relevant regulations, Transportation Tourism Group's subsidiary Yiwu Runze Real Estate Co., Ltd. must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by it before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2024 was RMB242,255,900.

According to relevant regulations, Land Port Group's sub-subsidiary Yiwu Land Port Chengxin Real Estate Co., Ltd. must provide mortgage loan guarantees to the bank in favour of buyers of the houses sold by it before such buyers have completed the property title certificate. The outstanding guarantee amount as at December 31, 2024 was RMB46.51 million.

(2) See Note: Related-party guarantees for details of guarantees between the Company and other related parties.

(3) Guarantees provided by/to companies within the consolidation scope of the Company

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Construction Investment Group	China Zheshang Bank	20,000.00	2024/8/19	2025/2/19
The Company	Construction Investment Group	Wenzhou Bank	10,000.00	2024/9/5	2025/9/4
The Company	Construction Investment Group	Hua Xia Bank/shanghai International Trust	14,000.00	2024/5/24	2025/6/27
Construction Investment Group	Yiwu Xiucheng Engineering Management Co., Ltd.	Industrial Bank	28,000.00	2024/10/25	2025/10/9

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Rural Commercial Bank	4,995.00	2024/9/23	2025/9/19
The Company	Construction Investment Group	Agricultural Development Bank of China	12,585.00	2022/7/13	2027/6/30
The Company	Construction Investment Group	21 Yiwu Construction Investment ABN001	102,357.20	2021/10/29	2039/9/7
The Company	Construction Investment Group	22 Yiwu Construction Investment 01	100,000.00	2022/10/17	2027/10/17
The Company	Construction Investment Group	23 Yiwu Construction Investment 01	60,000.00	2023/4/12	2028/4/12
The Company	Construction Investment Group	CZB Financial Leasing	27,000.00	2023/2/3	2028/2/3
The Company	Construction Investment Group	Huaxia Financing Leasing	35,000.00	2023/6/15	2028/3/27
Yiwu Construction Engineering Management Co., Ltd.	Construction Investment Group	Industrial Bank	11,500.00	2022/6/15	2025/6/10
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Industrial Bank	25,000.00	2022/6/28	2025/6/10
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Industrial Bank	5,000.00	2023/2/2	2026/2/1
Construction Investment Group	Yiwu Xiujing Tourism Development Co., Ltd.	Industrial Bank	30,000.00	2022/6/15	2025/6/10
Construction Investment Group	Yiwu Xiujing Tourism Development Co., Ltd.	Industrial Bank	15,000.00	2023/2/2	2026/2/1
Construction Investment Group	Yiwu Xiuchuan Asset Management Co., Ltd.	Industrial Bank	30,000.00	2022/6/17	2025/6/10
Construction Investment Group	Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd.	Industrial and Commercial Bank	86,663.00	2021/8/6	2026/7/2
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Bank	72,404.55	2022/2/9	2026/12/31
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Bank	51,699.30	2022/3/16	2026/12/31
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Agricultural Development Bank of China	44,435.00	2023/7/26	2028/6/14
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Bank of China	30,500.00	2024/1/1	2027/12/30

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Construction Investment Group	Yiwu Construction Engineering Management Co., Ltd.	Bank of China	32,000.00	2024/1/1	2027/12/30
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Industrial and Commercial Bank of China	22,265.65	2023/7/31	2043/6/25
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Agricultural Bank of China	27,616.00	2023/10/1	2028/9/11
Construction Investment Group	Yiwu Construction Investment Construction Development Co., Ltd.	Bank of China	17,000.00	2023/9/28	2026/11/30
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	China Zheshang Bank	4,969.37	2024/2/1	2025/3/20
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Ningbo Bank	8,000.00	2023/11/23	2025/7/9
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	CITIC Bank	20,000.00	2024/4/12	2025/8/11
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Hengfeng Bank	7,880.00	2023/9/11	2025/2/28
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Huaxia Bank	9,343.00	2023/9/27	2025/4/2
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Bank of Hangzhou	5,000.00	2024/8/28	2025/10/14
Construction Investment Group	Yiwu Dingfu Trading Co., Ltd.	Agricultural Bank of China	6,232.45	2024/10/16	2025/11/6
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Huaxia Bank	999.97	2024/9/12	2025/9/11
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	1,231.85	2024/3/6	2025/3/6
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	519.26	2024/3/12	2025/3/12
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	1,501.30	2024/3/14	2025/3/14
Transportation Tourism Group	Yiwu Transportation Tourism Integrated	Everbright Bank	957.90	2024/3/20	2025/3/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
	Energy Sales Co., Ltd.				
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	880.00	2024/3/26	2025/3/26
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	1,843.40	2024/4/3	2025/4/2
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	917.85	2024/4/12	2025/4/11
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	963.00	2024/4/19	2025/4/18
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	632.30	2024/5/8	2025/5/7
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Everbright Bank	1,053.14	2024/5/15	2025/5/14
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	1,294.50	2024/6/26	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	560.75	2024/7/2	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	776.55	2024/7/4	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	906.75	2024/7/12	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	1,454.15	2024/7/26	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	1,017.90	2024/8/9	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Bank of Hangzhou	1,355.60	2024/8/26	2025/6/9
Transportation Tourism Group	Yiwu Transportation Tourism Integrated	Bank of Hangzhou	1,862.80	2024/12/4	2025/6/9

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
	Energy Sales Co., Ltd.				
Transportation Tourism Group	Yiwu Transportation Tourism Industry Co., Ltd.	Huaxia Bank	999.99	2024/5/16	2025/5/15
Transportation Tourism Group	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	Everbright Bank	1,000.00	2024/4/9	2025/4/8
The Company	Transportation Tourism Group	CITIC Bank	6,295.48	2024/5/31	2025/5/31
The Company	Transportation Tourism Group	China Construction Bank	15,000.00	2024/6/27	2025/6/26
The Company	Transportation Tourism Group	Ping An Bank	5,000.00	2024/6/28	2025/6/25
The Company	Transportation Tourism Group	Ping An Bank	15,000.00	2024/7/12	2025/6/25
The Company	Transportation Tourism Group	Huaxia Bank	10,000.00	2024/9/29	2025/9/29
The Company	Transportation Tourism Group	China Construction Bank	9,000.00	2024/10/24	2025/10/23
The Company	Transportation Tourism Group	Minsheng Bank	9,700.00	2024/11/21	2025/11/12
The Company	Transportation Tourism Group	Bohai Bank	10,000.00	2024/11/28	2025/11/27
The Company	Transportation Tourism Group	Bank of Hangzhou	1,500.00	2024/12/25	2025/12/8
Transportation Tourism Group	Yiwu Highway Construction and Development Co., Ltd.	Postal Savings Bank of China Yiwu Sub-branch	7,000.00	2024/3/14	2025/3/13
The Company	Transportation Tourism Group	Hengfeng Bank	14,400.00	2022/10/13	2025/10/13
The Company	Transportation Tourism Group	Bank of Hangzhou	20,000.00	2024/3/15	2027/3/14
The Company	Transportation Tourism Group	China Construction Bank	9,000.00	2024/7/5	2026/7/4
The Company	Transportation Tourism Group	China Guangfa Bank	9,000.00	2023/8/17	2025/8/17
The Company	Transportation Tourism Group	Huaxia Bank	4,900.00	2024/1/24	2026/1/24
The Company	Transportation Tourism Group	Huaxia Bank	10,000.00	2024/12/20	2026/12/20
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	400.00	2024/2/1	2032/11/1
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,600.00	2021/2/10	2031/2/7
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/2/2	2034/11/1

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/9/22	2032/11/1
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	1,000.00	2023/2/2	2034/11/1
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	300.00	2023/7/17	2034/11/1
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yiwu Rural Commercial Bank	400.00	2023/10/27	2034/11/1
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Industrial Bank	10,000.00	2023/2/27	2026/2/10
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	China Construction Bank	14,543.88	2022/1/1	2042/12/30
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,173.38	2023/6/15	2026/6/14
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,024.20	2023/8/29	2026/8/21
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,198.30	2023/7/14	2026/7/13
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	39.23	2023/9/19	2026/9/15
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	761.00	2023/7/25	2026/7/23
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	867.95	2023/9/1	2026/8/21
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	416.08	2023/8/10	2026/8/8
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	639.00	2023/9/7	2026/9/5
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	1,228.81	2023/5/30	2026/5/28

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	237.00	2023/7/26	2026/7/24
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	811.32	2023/8/31	2026/8/21
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	753.94	2023/8/3	2026/8/1
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Yiwu Rural Commercial Bank	849.80	2023/6/6	2026/6/4
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	100.00	2024/4/25	2025/4/19
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	100.00	2024/4/25	2025/10/19
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	100.00	2024/4/25	2026/4/19
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Chouzhou Bank	200.00	2024/4/25	2026/10/19
Transportation Tourism Group	Yiwu Traffic Engineering Construction Co., Ltd.	Industrial Bank	30,000.00	2023/2/27	2026/2/10
Transportation Tourism Group	Yiwu Transportation Tourism Industry Co., Ltd.	Agricultural Bank of China	44,500.00	2020/10/30	2036/10/13
Transportation Tourism Group	Yiwu Transportation Tourism Comprehensive Urban Management Service Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	970.00	2023/6/29	2026/6/28
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Agricultural Bank of China	1,600.00	2024/6/19	2047/6/18
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Agricultural Bank of China	1,200.00	2024/9/25	2047/6/18
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Agricultural Bank of China	2,900.00	2024/11/22	2047/6/18
Yiwu Transportation Real Estate Co., Ltd.	Yiwu Runze Real Estate Co., Ltd.	Bank of China	6,288.85	2023/11/29	2027/12/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Yiwu Transportation Real Estate Co., Ltd.	Yiwu Runze Real Estate Co., Ltd.	Bank of China	2,913.14	2024/2/2	2027/12/20
Yiwu Transportation Real Estate Co., Ltd.	Yiwu Runze Real Estate Co., Ltd.	Bank of China	3,188.17	2024/2/4	2027/12/20
Yiwu Transportation Real Estate Co., Ltd.	Yiwu Runze Real Estate Co., Ltd.	Bank of China	3,382.50	2024/3/20	2027/12/20
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	Industrial and Commercial Bank of China	7,387.00	2021/6/30	2036/6/28
Transportation Tourism Group	Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.	China Construction Bank	14,189.98	2021/7/23	2041/3/22
The Company	Transportation Tourism Group	China Merchants Bank/CITIC Trust	11,000.00	2023/1/5	2028/1/5
The Company	Transportation Tourism Group	China Merchants Bank/CITIC Trust	10,000.00	2023/8/4	2028/8/4
The Company	Transportation Tourism Group	China Merchants Bank/CITIC Trust	10,000.00	2023/12/15	2028/12/15
The Company	Transportation Tourism Group	BT Project	8,218.38	2015/11/24	
The Company	Transportation Tourism Group	Huaxia Jiuying	295,000.00	2020/2/13	2026/2/7
Urban Investment Group	Transportation Tourism Group	Yongying Financial Leasing Co., Ltd.	7,000.00	2020/12/28	2025/12/28
Transportation Tourism Group	Yiwu Culture and Tourism Development Co., Ltd.	Yongying Financial Leasing Co., Ltd.	9,400.00	2023/12/18	2028/12/18
The Company	Water Affairs Group	22 Yiwu Water Affairs 01	100,000.00	2022/7/19	2027/7/19
Construction Investment Group	Yiwu No.2 Tap Water Co., Ltd.	Agricultural Development Bank of China	95,000.00	2020/1/2	2039/12/23
Water Affairs Group	Yiwu No.2 Tap Water Co., Ltd.	Agricultural Bank	78.00	2017/9/11	2025/8/30
Water Affairs Group	Yiwu No.2 Tap Water Co., Ltd.	Agricultural Bank	5,106.00	20203/20	2029/3/16
Water Affairs Group	Yiwu Yinuo Environmental Technology Co., Ltd.	Ping An Bank	18,998.00	2024/11/15	2034/11/10
Water Affairs Group	Yiwu Drainage Co., Ltd.	Industrial Bank	15,000.00	2023/1/3	2026/1/2
Water Affairs Group	Yiwu Yifu Commercial Operation Management Co., Ltd.	Bank of China	6,326.77	2024/5/24	2043/12/20
Yiwu Water Treatment Co., Ltd.	Water Affairs Group	Everbright Bank	1,000.00	2024/10/25	2024/10/24

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Yiwu Water Treatment Co., Ltd.	Water Affairs Group	Everbright Bank	14,000.00	2024/11/29	2025/11/28
Yiwu Water Treatment Co., Ltd.	Water Affairs Group	China Merchants Bank	7,500.00	2024/10/18	2025/4/17
The Company	Urban Investment Group	Ping An Bank Co., Ltd. Yiwu Branch	19,700.00	2024/5/8	2025/5/5
The Company	Urban Investment Group	Bank of Communications Co., Ltd. Yiwu Branch	18,000.00	2024/6/4	2025/2/28
The Company	Urban Investment Group	Industrial and Commercial Bank of China Limited Yiwu Branch	50,000.00	2024/10/25	2025/10/23
The Company	Urban Investment Group	Zheshang Bank Co., Ltd. Yiwu Branch	20,000.00	2024/11/5	2025/11/3
The Company	Urban Investment Group	Zheshang Bank Co., Ltd. Yiwu Branch	10,000.00	2024/11/14	2025/11/12
The Company	Urban Investment Group	Zheshang Bank Co., Ltd. Yiwu Branch	19,000.00	2024/12/13	2025/12/13
The Company	Urban Investment Group	China Everbright Bank Co., Ltd. Jinhua Yiwu Sub-branch	18,000.00	2024/12/18	2025/8/4
The Company	Yiwu Urban Construction Resources Operation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	3,000.00	2024/1/25	2025/1/23
The Company	Yiwu Urban Construction Resources Operation Co., Ltd.	Hangzhou Bank Co., Ltd. Jinhua Branch	5,000.00	2024/2/1	2025/1/14
Urban Investment Group	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Bank of Communications Co., Ltd. Yiwu Branch	3,000.00	2024/12/11	2025/6/9
Urban Investment Group	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Chengnan Sub-branch	6,000.00	2024/12/24	2025/12/2
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	Bank of China Co., Ltd.	500.00	2024/12/16	2025/12/11
Urban Investment Group	Yiwu Municipal Gardens Maintenance Co., Ltd.	Bank of Hangzhou	5,000.00	2024/1/8	2025/1/7
The Company	Yiwu Municipal Gardens Maintenance Co., Ltd.	Huaxia Bank	3,000.00	2024/1/25	2025/1/23

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company/Bank of Hangzhou Jinhua Branch	Urban Investment Group	Hua'an Property & Casualty Asset Management Co., Ltd.	119,250.00	2021/5/18	2029/5/17
The Company/Bank of Hangzhou Jinhua Branch	Urban Investment Group	Hua'an Property & Casualty Asset Management Co., Ltd.	39,750.00	2022/4/19	2029/5/18
The Company	Urban Investment Group	Jinhua Bank Co., Ltd.	19,500.00	2023/8/31	2025/8/20
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu Urban Investment Energy Development Co., Ltd.	China Construction Bank	10,844.08	2024/8/26	2044/4/22
Urban Investment Group	Yiwu Urban Construction Resources Operation Co., Ltd.	Industrial Bank Yiwu Branch	64,000.00	2024/4/9	2036/3/21
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Yongying Financial Leasing Co., Ltd.	29,600.00	2022/10/8	2027/10/8
Yiwu Zhongfu Real Estate Co., Ltd.	Urban Investment Group	Yongying Financial Leasing Co., Ltd.	29,000.00	2022/11/6	2027/11/6
The Company	Urban Investment Group	Guangzhou Yuexiu Financial Leasing Co., Ltd.	26,800.00	2023/8/10	2026/8/10
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	1,000.00	2024/8/21	2025/2/14
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	1,000.00	2024/9/24	2025/2/26
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	1,000.00	2024/9/24	2025/2/26
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	3,000.00	2024/10/30	2025/10/28
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	2,000.00	2024/11/4	2025/4/30
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	2,000.00	2024/11/27	2025/5/22
The Company	Yiwu Urban Investment Trade Co., Ltd.	Ningbo Bank	2,000.00	2024/12/4	2025/5/22
Urban Investment Group	Yiwu Urban Investment Trade Co., Ltd.	CITIC Bank	600.00	2024/7/12	2025/1/11
Urban Investment Group	Yiwu Urban Investment Trade Co., Ltd.	CITIC Bank	1,300.00	2024/7/16	2025/1/15

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Urban Investment Group	Yiwu Urban Investment Trade Co., Ltd.	CITIC Bank	4,000.00	2024/11/21	2025/5/20
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	5,000.00	2024/12/5	2025/12/4
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	6,000.00	2024/7/31	2025/7/30
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	4,000.00	2024/8/28	2025/8/28
Urban Investment Group	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Ningbo Bank	1,000.00	2024/3/19	2025/3/18
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	2,900.00	2024/6/21	2025/6/16
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	3,500.00	2024/6/21	2025/6/16
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	3,600.00	2024/6/21	2025/6/16
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	1,000.00	2024/7/19	2025/7/15
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	570.00	2024/7/23	2025/7/17
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	1,130.00	2024/7/23	2025/7/17
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	1,000.00	2024/7/29	2025/7/24
The Company	Yiwu Urban Investment Supply Chain Management Co., Ltd.	Huaxia Bank	1,600.00	2024/8/27	2025/8/26
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	2,400.00	2024/8/28	2025/8/26
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	1,300.00	2024/8/28	2025/8/26
The Company	Yiwu Urban Investment Trade Co., Ltd.	Huaxia Bank	1,000.00	2024/8/28	2025/8/26
The Company	Land Port Group	Bank of Hangzhou Jinhua Yiwu Sub-branch	20,000.00	2024/4/2	2025/3/31

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Land Port Group	China Everbright Bank Jinhua Yiwu Sub-branch	10,000.00	2024/5/15	2025/5/14
The Company	Land Port Group	Hengfeng Bank Yiwu Beiyuan Sub-branch	39,000.00	2024/10/18	2025/10/16
The Company	Land Port Group	China Zheshang Bank	40,000.00	2024/10/22	2025/10/16
The Company	Land Port Group	Hua Xia Bank Yiwu Sub-branch	10,000.00	2024/10/10	2025/3/26
Land Port Group	Yiwu Airport Construction Development Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	1,000.00	2024/6/27	2025/6/24
Land Port Group	Yiwu Airport Construction Development Co., Ltd.	China Everbright Bank Yiwu Sub-branch	1,000.00	2024/12/16	2025/12/15
Land Port Group	Yiwu Land Port Railway Port Development Co., Ltd.	Huaxia Bank	1,850.00	2024/3/26	2025/3/22
The Company	Land Port Group	Yiwu Rural Commercial Bank	20,000.00	2022/1/4	2031/12/25
The Company	Land Port Group	Yiwu Rural Commercial Bank	15,000.00	2023/5/10	2026/5/9
The Company	Land Port Group	Hua Xia Bank Yiwu Sub-branch	9,900.00	2024/1/17	2026/1/16
Land Port Group	Yiwu Land Port Tourism Development Co., Ltd.	Huaxia Bank	970.00	2023/6/16	2026/6/15
Land Port Group	Yiwu Land Port Investment and Development Co., Ltd.	Industrial Bank	35,190.80	2023/7/25	2026/6/10
Market Group	Land Port Group	Rural Commercial Bank	14,000.00	2022/12/9	2025/12/7
The Company	Land Port Group	Bank of Jinhua Yiwu Branch	14,500.00	2024/1/19	2025/8/10
The Company	Land Port Group	Bank of China Yiwu Branch	9,000.00	2017/6/7	2028/12/30
The Company	Land Port Group	Bank of China Yiwu Branch	9,000.00	2018/12/26	2028/12/30
The Company	Land Port Group	Bank of China Yiwu Branch	6,110.00	2018/8/31	2028/12/30
The Company	Land Port Group	Bank of China Yiwu Branch	6,090.00	2020/7/7	2028/12/30
The Company	Land Port Group	Bank of China Yiwu Branch	9,000.00	2019/4/28	2028/12/30
The Company	Land Port Group	Bank of China Yiwu Branch	5,800.00	2017/12/22	2028/12/30
The Company	Land Port Group	China CITIC Bank Yiwu Branch	25,000.00	2019/7/19	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	6,250.00	2020/1/2	2029/6/25

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Land Port Group	China CITIC Bank Yiwu Branch	9,375.00	2020/5/28	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	6,250.00	2020/10/30	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	6,250.00	2021/1/4	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	18,750.00	2021/4/16	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	15,625.00	2021/5/31	2029/6/25
The Company	Land Port Group	China CITIC Bank Yiwu Branch	12,500.00	2022/3/10	2029/6/25
The Company	Land Port Group	China Construction Bank Yiwu Branch	9,380.00	2017/6/14	2032/6/13
The Company	Land Port Group	China Construction Bank Yiwu Branch	10,990.00	2017/7/27	2032/6/27
The Company	Land Port Group	China Construction Bank Yiwu Branch	9,576.00	2017/8/16	2032/6/27
The Company	Land Port Group	China Construction Bank Yiwu Branch	19,380.00	2018/1/3	2032/6/13
The Company	Land Port Group	China Construction Bank Yiwu Branch	4,586.00	2018/8/6	2032/6/13
The Company	Land Port Group	China Construction Bank Yiwu Branch	38,538.00	2018/10/25	2032/6/13
The Company	Land Port Group	China Construction Bank Yiwu Branch	33,874.07	2024/6/18	2039/11/20
The Company	Land Port Group	Bank of China Yiwu Branch	19,925.00	2024/6/28	2039/12/20
The Company	Land Port Group	Bank of Hangzhou Jinhua Yiwu Sub-branch	20,000.01	2024/12/25	2039/12/16
Yiwu Bonded Logistics Center Co., Ltd.	Land Port Group	Ping An Bank	16,065.00	2023/12/30	2033/12/14
Market Group	Land Port Group	Agricultural Development Bank	6,000.00	2019/7/22	2034/6/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Market Group	Land Port Group	Agricultural Development Bank	5,000.00	2019/7/22	2034/6/20
Market Group	Land Port Group	Agricultural Development Bank	10,000.00	2020/5/28	2034/6/20
Market Group	Land Port Group	Agricultural Development Bank	27,000.00	2020/8/24	2034/6/20
Market Group	Land Port Group	Agricultural Development Bank	5,000.00	2022/1/24	2034/6/20
Market Group	Land Port Group	Agricultural Development Bank	20,600.00	2022/6/14	2034/6/20
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	3,800.00	2023/9/28	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	1,500.00	2023/11/15	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	6,819.87	2024/1/25	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	1,836.73	2024/2/8	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	6,000.00	2024/3/30	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	1,018.12	2024/4/30	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	608.01	2024/5/23	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	466.94	2024/6/27	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	841.32	2024/8/23	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	637.02	2024/9/29	2028/8/26
Land Port Group	Yiwu Land Port Chengxin Real Estate Co., Ltd.	Hengfeng Bank	1,217.73	2024/12/3	2028/8/26
The Company	Land Port Group	China Huarong Financial Leasing	25,900.06	2023/6/7	2026/6/15
The Company	Land Port Group	China Huarong Financial Leasing	3,736.51	2024/7/10	2029/7/15
The Company	Land Port Group	China Huarong Financial Leasing	16,223.49	2024/7/17	2029/7/15
The Company	Land Port Group	Bohai Trust	10,030.00	2024/2/29	2028/2/29
The Company	Land Port Group	China Merchants Finance Leasing	32,000.00	2023/7/25	2026/7/24
The Company	Hengfeng Group	Bank of Communications	5,000.00	2024/11/28	2025/11/18

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Hengfeng Group	Bank of Communications	5,000.00	2024/12/17	2025/12/15
The Company	Hengfeng Group	CITIC Bank	7,000.00	2024/12/10	2025/12/10
The Company	Hengfeng Group	Huaxia Bank	7,000.00	2024/3/19	2025/3/18
The Company	Hengfeng Group	Huaxia Bank	5,000.00	2024/1/18	2025/1/17
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	500.00	2024/7/19	2025/7/17
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	500.00	2024/7/31	2025/7/28
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	450.00	2024/8/28	2025/8/25
Yiwu Hengfeng Automobile Service Co., Ltd.	Yiwu Hengfeng New Energy Service Co., Ltd.	Bank of China	350.00	2024/9/3	2025/9/2
The Company	Hengfeng Group	Industrial and Commercial Bank	516.92	2023/10/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	188.75	2023/10/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	736.38	2023/11/15	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	668.45	2023/11/30	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	537.53	2024/1/1	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	576.35	2024/1/16	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/1/16	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	827.42	2024/2/1	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	498.13	2024/3/18	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	495.61	2024/4/18	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	626.94	2024/5/11	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	657.65	2024/6/26	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	290.54	2024/7/31	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	379.04	2024/8/20	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	358.68	2024/8/29	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	278.76	2024/9/25	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	315.75	2024/10/30	2053/10/11

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Hengfeng Group	Industrial and Commercial Bank	78.30	2024/10/31	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	256.86	2024/11/28	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/12/4	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	100.02	2024/12/6	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	864.05	2024/12/25	2053/10/11
The Company	Hengfeng Group	Industrial and Commercial Bank	4,222.66	2024/1/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	2,244.46	2024/1/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/1/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	2,955.02	2024/2/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	655.83	2024/2/1	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	620.24	2024/3/18	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,571.24	2024/4/18	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,438.92	2024/5/11	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,277.75	2024/6/26	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,195.07	2024/7/31	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	687.13	2024/8/20	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	743.38	2024/8/29	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	825.64	2024/9/25	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,098.28	2024/10/31	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	618.22	2024/11/28	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	490.00	2024/12/6	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	973.36	2024/12/6	2053/10/16
The Company	Hengfeng Group	Industrial and Commercial Bank	1,468.12	2024/12/25	2053/10/16
Transportation Tourism Group	Hengfeng Group	Yiwu Rural Commercial Bank	9,000.00	2022/4/13	2025/4/6
Transportation Tourism Group	Hengfeng Group	Yiwu Rural Commercial Bank	7,000.00	2023/12/4	2025/4/10
Transportation Tourism Group	Hengfeng Group	Jinhua Bank	5,000.00	2023/12/28	2025/6/20
Transportation Tourism Group	Hengfeng Group	Jinhua Bank	5,000.00	2024/12/19	2026/11/20
Transportation	Hengfeng Group	Jinhua Bank	5,000.00	2024/12/19	2026/11/20

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Tourism Group					
The Company	Yiwu Hengfeng Automobile Service Co,Ltd.	Industrial and Commercial Bank	1,702.00	2022/7/29	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co,Ltd.	Industrial and Commercial Bank	298.00	2023/12/14	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2023/10/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,840.00	2023/8/30	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2023/8/2	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2023/6/14	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,550.00	2023/1/13	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	579.60	2022/12/28	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	796.80	2022/11/23	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	861.00	2021/7/2	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	756.00	2022/10/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,240.00	2022/9/22	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	804.00	2022/8/29	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,324.00	2022/6/20	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,508.00	2022/5/27	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,987.20	2022/5/16	2036/4/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,528.00	2022/4/6	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/12/31	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co,Ltd.	Industrial and Commercial Bank	2,370.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,185.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	881.00	2021/8/17	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/12/24	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	570.00	2021/12/1	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/11/23	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,880.00	2021/11/12	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	290.00	2021/11/12	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	222.00	2021/10/25	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,700.00	2021/10/27	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	1,865.00	2021/9/16	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	526.00	2024/12/26	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	256.00	2021/5/19	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	830.00	2021/6/1	2036/4/22
The Company	Yiwu Hengfeng Automobile Service	Industrial and Commercial Bank	298.00	2024/6/20	2036/4/22

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
	Co., Ltd.				
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2024/5/10	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	298.00	2024/2/5	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co,Ltd.	Industrial and Commercial Bank	518.00	2024/2/5	2036/4/22
The Company	Yiwu Hengfeng Automobile Service Co., Ltd.	Industrial and Commercial Bank	788.00	2023/12/14	2036/4/22
The Company	Hengfeng Group	China Zheshang Bank	9,500.00	2024/9/9	2025/3/6
The Company	Hengfeng Group	China Zheshang Bank	5,000.00	2024/10/10	2025/4/9
The Company	Hengfeng Group	China Zheshang Bank	5,000.00	2024/10/28	2025/4/25
The Company	Hengfeng Group	Ningbo Bank	5,000.00	2024/8/8	2025/2/7
The Company	Hengfeng Group	Ningbo Bank	3,700.00	2024/12/5	2025/6/4
The Company	Hengfeng Group	Ningbo Bank	3,300.00	2024/12/12	2025/6/10
The Company	Hengfeng Group	China Huarong Financial Leasing Co., Ltd. Jinhua Branch	2,513.00	2022/11/25	2025/11/15
The Company	Commodities City Holdings	Sinosafe Insurance	55,000.00	2021/10/11	2027/10/11
The Company	Commodities City Holdings	Sinosafe Insurance	5,000.00	2021/10/22	2027/10/22
The Company	Commodities City Holdings	Sinosafe Insurance	30,000.00	2023/1/3	2029/1/3
The Company	Commodities City Holdings	China Minsheng Banking	97.00	2024/4/23	2029/4/19
Commodities City Real Estate/Huishang Real Estate/Zhongfu Real Estate	Yiwu Jincheng Shangbo Real Estate Co., Ltd.	Bank of China	17,903.70	2023/5/6	2027/12/10
Commodities City Holdings	Yiwu Shangbo Yungu Enterprise Management Co., Ltd.	Bank of China	132,990.00	2022/2/25	2031/12/10
The Company	Chouzhou International Investment Co., Ltd.	USD20 Bond 01	USD400 million	2020/2/18	2025/2/18
The Company	Chouzhou International Investment Co., Ltd.	USD22 Bond 01	USD500 million	2022/4/20	2025/10/20
The Company	Chouzhou International Investment Co., Ltd.	USD23 Bond 01	USD400 million	2023/6/27	2026/6/27

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
The Company	Education Company	Agricultural Bank	8,000.00	2023/7/4	2046/7/3
The Company	Education Company	Agricultural Bank	2,000.00	2023/10/17	2046/10/8
The Company	Education Company	Agricultural Bank	5,000.00	2024/1/1	2046/7/3
The Company	Education Company	Agricultural Bank	1,500.00	2024/8/29	2046/7/3
The Company	Education Company	Agricultural Bank	1,500.00	2024/11/7	2046/7/3
The Company	Education Company	Huaxia Bank	4,950.00	2024/2/7	2026/2/6
Market Group	Yiwu Market Development Service Center Limited Liability Company	China Construction Bank	5,000.00	2024/2/6	2025/5/9
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Agricultural Bank of China Yiwu Branch	7,500.00	2024/3/20	2025/3/19
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	Industrial Bank Yiwu Branch	20,000.00	2024/8/7	2025/8/6
Market Group	Zhejiang Yiwu Rural Economic Development Co., Ltd.	China Construction Bank	6,500.00	2024/3/18	2025/3/17
The Company	Yiwu Market Development Group Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	45,000.00	2024/8/20	2025/8/19
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	1,400.00	2024/3/19	2025/3/17
Market Group	Yiwu Agricultural Development Co., Ltd.	China Construction Bank Yiwu Branch	600.00	2024/3/21	2025/3/20
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Development Bank of China Yiwu Sub-branch	1,000.00	2024/3/1	2025/2/27
Market Group	Yiwu Market Development Service Center Limited Liability Company	Yiwu Rural Commercial Bank	11,932.70	2021/4/25	2031/4/15
Market Group	Yiwu Market Development Service Center Limited Liability Company	China Merchants Bank	4,445.02	2021/11/19	2031/9/27
Market Group	Yiwu Market Development Service Center Limited Liability Company	Agricultural Bank	6,988.19	2022/5/20	2034/5/8
Market Group	Yiwu Market Development Service Center Limited	Industrial and Commercial Bank	9,399.00	2024/8/28	2039/7/31

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
	Liability Company				
Market Group	Yiwu Grain Storage Co., Ltd.	Bank of Communications	1,200.00	2018/7/22	2028/5/20
Market Group	Yiwu Grain Storage Co., Ltd.	Agricultural Development Bank of China	1,005.00	2024/12/19	2039/12/18
Market Group	Yiwu Grain Storage Co., Ltd.	Bank of Communications	800.00	2018/7/5	2028/5/20
Market Group	Yiwu Grain Storage Co., Ltd.	Agricultural Development Bank of China	80.00	2021/7/14	2036/6/27
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Zhejiang Yiwu Rural Commercial Bank Co., Ltd.	2,980.00	2024/1/22	2027/1/20
Market Group	Yiwu Agricultural Development Co., Ltd.	Agricultural Bank of China Co., Ltd. Yiwu Branch	2,200.00	2023/12/13	2028/12/6
Market Group	Yiwu Huishang Cold Chain Logistics Co., Ltd.	China Construction Bank Yiwu Branch	20,127.28	2023/4/14	2040/5/12
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	852.00	2021/9/30	2031/9/28
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	2,130.00	2021/11/5	2031/11/2
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	768.00	2021/2/8	2031/1/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	440.00	2022/6/2	2032/5/30
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	440.00	2022/6/30	2032/6/29
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	456.00	2022/11/9	2032/11/8
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	1,368.00	2023/1/18	2033/1/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	456.00	2023/3/3	2033/3/3

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	912.00	2023/4/3	2033/4/3
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	912.00	2023/5/19	2033/5/18
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	467.00	2023/7/7	2033/7/5
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	1,401.00	2023/8/8	2033/8/7
Market Group	Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd.	Hua Xia Bank Limited, Yiwu Sub-branch	1,401.00	2023/10/19	2033/10/18
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	1,482.77	2024/1/10	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	271.19	2024/2/2	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	201.62	2024/4/3	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	363.90	2024/5/8	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	301.60	2024/6/21	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	300.56	2024/7/16	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	315.82	2024/8/14	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	191.49	2024/8/22	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	303.83	2024/9/12	2039/12/21

Guarantor	Secured party	Lending financial institution	Guarantee amount (RMB'0,000)	Starting date of borrowings	Loan maturity date
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	398.87	2024/10/15	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	302.26	2024/11/7	2039/12/21
Market Group	Yiwu Market Development Service Center Limited Liability Company	Bank of Communications Co., Ltd.	309.57	2024/12/5	2039/12/21

Explanation:

(1) As at December 31, 2024, the total amount of 21 Yiwu Construction Investment ABN001 Preferred A Bonds, 21 YiWu Construction Investment ABN0 01 Preferred B Bonds and 21 Yiwus Construction Investment ABN 001 Bonds issued by Construction Investment Group and JIC Trust amounted to RMB1,023,572,000, and the Company assumed the obligation to make up the difference for the trust benefits and related taxes, surcharges and remuneration of the 21 YiWu Construction Investment ABN001 Bonds issued this time, until all the principal and interest and related taxes, surcharges, remuneration of the "preferred asset-backed notes" are paid off. At the same time, the trust bonds were guaranteed by pledging all accounts receivable enjoyed by Construction Investment Group from its operation of commercial service properties (Dingfu Plaza) located at No.367 and No.369 Chengxin Avenue, No.1571, No.1573 and No.1575 North Chouzhou Road, Futian Street, Yiwu City, Jinhua, Zhejiang Province under the Zhejiang Yiwu Property Title Certificate of Zhe (2021) No.0039712, and were guaranteed by mortgage of the buildings and constructions of Dingfu Plaza.

(2) The Company provided unconditional and irrevocable joint liability guarantee for the corporate bonds (including all principal and interests) issued by Construction Investment Group with a term of not more than 5 years. As at December 31, 2024, the Company has issued bonds "22 Yiwu Construction Investment 01" amounting to RMB1 billion and the outstanding bond principal at the end of the period was RMB1 billion.

(3) The Company provided unconditional and irrevocable joint liability guarantee for the corporate bonds (including all principal and interests) issued by Construction Investment Group with a term of not more than 5 years. As at December 31, 2024, the Company has issued bonds "23 Yiwu Construction Investment 01 " amounting to RMB600 million and the outstanding bond principal at the end of the period was RMB600 million.

(4) Construction Investment Group provided a guarantee for the loan of RMB866.63 million granted to Yiwu Zhenzhi Enterprise Management Consulting Co., Ltd. by Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Zhenzhit Enterprise Management Consulting Co.,Ltd with its plot at the west side of Xinghua Road, Shangxi Town, Yiwu City under Yiwu Property Title Certificate of Zhe (2021) No.0012829. The loan was specially used for the agglomeration construction project on the west side of Xinghua Road, Shangxi Town, Yiwu City.

(5) Construction Investment Group provided a guarantee for the loan of RMB724,045,500 granted to Yiwu Construction Engineering Management Co., Ltd. by Agricultural Bank of China, which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of Plot 02# in the second cluster of Beiyuan Street, Yiwu New Community Cluster, Yiwu City, Zhejiang Province (Yiwu Property Title Certificate of Zhe (2021) No.0038405) . The loan was specially used for the land project of Plot 02# in the second cluster of Beiyuan Street, Yiwu New Community Cluster.

(6) Construction Investment Group provided a guarantee for the loan of RMB516,993,000 granted to Yiwu Construction Engineering Management Co., Ltd. by Agricultural Bank of China, which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of Plot 01# in the second cluster of Beiyuan Street, Yiwu New Community Cluster, Yiwu City, Zhejiang Province (Yiwu Property Title Certificate of Zhe (2021) No.0038408) . The loan was specially used for the land project of Plot 01# in the second cluster of Beiyuan Street, Yiwu New Community Cluster.

(7) Construction Investment Group provided a guarantee for the loan of RMB305 million granted to Yiwu Construction Engineering Management Co., Ltd. by the Bank of China , which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of plot at the southeast corner of the intersection of Xiangxi Road and Qiuzhen Road of Chengxi Subdistrict of the New Community Cluster (Yiwu Property Title Certificate of Zhe (2023) No.0031116) . The loan was specially used for the project of plot on the southeast side of the intersection of Xiangxi Road and Qiuzhen Road in Chengxi Street in New Community Cluster.

(8) Construction Investment Group provided a guarantee for the loan of RMB320 million granted to Yiwu Construction Engineering Management Co., Ltd. by the Bank of China , which was also mortgaged by Yiwu Construction Engineering Management Co., Ltd. with its land use right of plot at the northeast corner of the intersection of Xiangxi Road and Xicheng Road of Chengxi Subdistrict of the New Community Cluster (Yiwu Property Title Certificate of Zhe (2023) No.0031122) . The loan was specially used for the project of plot on the northeast side of the intersection of Xiangxi Road and Xicheng Road in Chengxi Street in New Community Cluster.

(9) Construction Investment Group provided a guarantee for the loan of RMB222,656,500 granted to Yiwu Construction Investment Construction Development Co., Ltd. by Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Construction Investment Construction Development Co., Ltd. with its land use right of the plot at the northeast side of the intersection of Kaiyuan North Street and Datong Road, Niansanli Street, Yiwu City (Yiwu Property Title Certificate of Zhe (2023) No.0037413) and its above-ground construction in progress. The loan was specially used for the construction project of affordable rental housing in Niansanli, Yiwu City.

(10) Construction Investment Group provided a guarantee for the loan of RMB170 million granted to Yiwu Construction Investment Construction Development Co., Ltd. by the Bank of China, which was also mortgaged by Yiwu Construction Investment Construction Development Co., Ltd. with its land use right of the plot at the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street, New Community Cluster (Yiwu Property Title Certificate of Zhe (2023) No.0031136) . The loan was specially used for the engineering construction at the plot on the northeast side of the intersection of Chunhan Road and Xiahe Road, Beiyuan Street, New Community Cluster.

(11) Transportation Tourism Group provided a guarantee for the loan of RMB 57 million granted to Yiwu Culture and Tourism Development Co., Ltd. by Agricultural Bank of China Yiwu Branch. The loan was also mortgaged by Yiwu Cultural Culture Development Co., Ltd. with its land on the south side of Ruiyun Road, Dachen Town, Yiwu City (Yiwu Property Title Certificate of 330782106219JB00001W00000000), and pledged by it with the operating income from the "Jiuzhai Bay Crazy Tribe Project".

(12) Yiwu Communications Real Estate Co., Ltd. provided a guarantee for the loan of RMB157,726,600 granted to the Business Office of Bank of China Yiwu Branch by Yiwu Runze Real Estate Co., Ltd., which was also mortgaged by Yiwu Runze Real Estate Co., Ltd. with its Plot 1-72# at Yiwu International Land Port Logistics Park.

(13) Transportation Tourism Group provided a guarantee for the loan of RMB73.87 million granted to

Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. by Meiyuan Sub-branch of Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Transportation Tourism Integrated Energy Sales Co., Ltd.. with its plot on the north side of Yinan Water Plant in Chi'an Town, Yiwu City (Yiwu Property Title Certificate of Zhe (2021) No.0039670).

(14) Transportation Tourism Group provided a guarantee for the loan of RMB141,899,800 granted to Yiwu Transportation Tourism Comprehensive Energy Sales Co., Ltd. by China Construction Bank Yiwu Branch, which was also mortgaged by Yiwu Transportation Tourism Comprehensive Energy Sales Co.,Ltd. with its Plot 3# at Comprehensive Energy Supply Service Station in Houzhai Street, Yiwu (Yiwu Property Title Certificate of Zhe (2022) No.0060868) .

(15) The Company provided an irrevocable joint liability guarantee for the contractual obligations under the Yiwu Port Logistics Expressway BT Project Contract Agreement entered into between Transportation Tourism Group and Zhejiang Communications Engineering Construction Group Co., Ltd.. The guarantee period was from the effective date of the BT Project Contract Agreement to two years after the date when the obligations of Yiwu Transportation Tourism Group shall have been fulfilled.

(16) The Company provided an unconditional and irrevocable joint liability guarantee for the debt investment plan issued by Transportation Tourism Group in Huaxia Jiuying Asset Management Co., Ltd. The guaranteed covered the full principal and interest of the plan. The principal of the investment plan was RMB3 billion, and the guarantee scope was all creditor's rights enjoyed by the creditor against the debtor under the Investment Contract for Huaxia Jiuying-Yiwu Port Logistics Expressway Infrastructure Debt Investment Plan. The guarantee period was from the effective date of the Guarantee Contract to two years after expiration of the last debt performance period agreed under the Investment Contract. As at December 31, 2024, the principal balance of the debt investment plan was RMB2.95 billion.

(17) Urban Investment Group provided a guarantee for the financial leasing business between Transportation Tourism Group and Yongying Financial Leasing Co., Ltd. The guaranteed principal creditor's right was the rent of RMB200 million and the corresponding rent interest. The guarantee period was 2 years after the expiration of the debt performance period as agreed in the Financial Leasing Contract (NO.2020YYZL0205897-ZL-01). As at December 31, 2024, the principal balance of rent payable was RMB70 million.

(18) Transportation Tourism Group provided a guarantee for the financial leasing business between Yiwu Culture and Tourism Development Co., Ltd. and Yongying Financial Leasing Co., Ltd. The guaranteed principal creditor's right was the rent of RMB95 million and the corresponding rent interest. The guarantee period was the term of the Financial Leasing Contract (NO: 2023YYZL0251935-ZL-01), and the lease period was 5 years. As at December 31, 2024, the principal balance of rent payable was RMB94 million.

(19) Water Affairs Group provided a guarantee for the loan of RMB189.98 million granted to Yiwu Yinuo Environmental Technology Co., Ltd. by Ping An Bank. The loan was also pledged by Yiwu Yinao Environmental Technology Co., Ltd with its accounts receivable (existing and future accounts receivable) generated from the Yiwu Surface Treatment Environmental Protection Industrial Park Project.

(20) Water Affairs Group and Yiwu Wuting Holding Co., Ltd. provided a guarantee for the loan granted to Yiwu Yifu Commercial Operation Management Co., Ltd. by Bank of China, with a credit line of RMB255 million. Specifically, Water Affairs Group provided joint and several liability guarantee with a maximum limit of RMB130.05 million, and Yiwu Wuting Holdings Co., Ltd. provided a joint and several liability guarantee with a maximum limit ofRMB124.95 million. As at December 31, 2024, the accumulated loan amounted to RMB124,054,300, of which Water Affairs Group provided a guarantee of RMB63,267,700 , and Yiwu Wuting Holding Co., Ltd. provided a guarantee of RMB60,786,600. The loan was also mortgaged by Yiwu Yifu Commercial Operation Management Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Zhe (2024) No.0006029.

(21) Urban Investment Group and Hua'an Property & Casualty Assets Management Co., Ltd. signed an Investment Contract for (Phase I) Infrastructure Debt Investment Plan of Hua'an-Xianqian Street South Extension Project and the Investment Contract for (Phase II) Infrastructure Debt Investment Plan of Hua'an-Xianqian Street South Extension Project, respectively, with a total financing amount of RMB1.6 billion and a term of 9 years. The investment was guaranteed by Bank of Hangzhou Co., Ltd. Jinhua Branch to Hua'an Property & Casualty Asset Management Co., Ltd. with a total guarantee amount of no more than RMB1.6 billion. At the same time, the Company provided a counter-guarantee to Bank of Hangzhou Co., Ltd. for this guarantee. As at December 31, 2024, the ending balance of amount payable to HuaAn Property & Casualty Assets Management Co., Ltd. was RMB1.59 billion.

(22) Urban Investment Group provided a guarantee for the loan of RMB640 million granted to Yiwu Urban Construction Resource Operation Co., Ltd. by Industrial Bank Yiwu Branch, which was also guaranteed by Yiwu Urban Construction Resource Operation Co., Ltd. by pledge of its parking advertising franchise rights .

(23) On September 26, 2022, Urban Investment Group signed a Financial Leasing Contract with the lessor, Yongying Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the parking lots at Jiangbin Road, North Chouzhou Road, Yiwu City and the affiliated facilities (leased assets) to Yongying Financial LeasingCo., Ltd., and then leasing back such leased assets from the lessor, Yongying Financial Leasing Co.,Ltd. for a period from October 8, 2022 to October 8, 2027. Yiwu Zhongfu Real Estate Co., Ltd., a wholly-owned subsidiary of Urban Investment Group, provided a guarantee for this business. As at December 31, 2024, the ending balance of amount payable to Yongying Financial Leasing Co., Ltd. was RMB296 million.

(24) On November 14, 2022, Urban Investment Group signed a Financial Leasing Contract with the lessor, Yongying Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the parking lots at the south side of Jinfuyuan, North Chouzhou Road, Yiwu City and the affiliated facilities (leased assets) to Yongying Financial Leasing Co., Ltd., and then leasing back such leased assets from the lessor, Yongying Financial Leasing Co.,Ltd. for a period from November 16, 2022 to November 16, 2027. Yiwu Zhongfu Real Estate Co., Ltd., a wholly-owned subsidiary of Urban Investment Group, provided a guarantee for this business. As at December 31, 2024, the ending balance of amount payable to Yongying Financial Leasing Co., Ltd. was RMB290 million.

(25) On August 8, 2023, Urban Investment Group signed a Financial Leasing Contract with the lessor, Guangzhou Yuexiu Financial Leasing Co., Ltd., to carry out leaseback financial leasing business, i.e., selling the supporting and ancillary facilities (leased assets) of Meihu Sports Center Stadium, Gymnasium and Natatorium to Guangzhou Yuexiu Finance Leasing Co., Ltd. and then leasing back the leased assets from the lessor, Guangzhou Yuexiu Financial Leasing Co., Ltd., for a period from August 10, 2023 to August 10, 2026. The Company provided a guarantee for this business. As at December 31, 2024, the ending balance of amount payable to Guangzhou Yuexiu Financial Leasing Co., Ltd. was RMB268 million.

(26) The Company provided a guarantee for the loan of RMB450 million granted to Land Port Group by Bank of China Yiwu Branch, which was also mortgaged by Land Port Group with its immovable property under Yiwu Property Title Certificate of Zhe (2023) No.0060990.

(27) The Company provided a guarantee for the loan of RMB1 billion granted to Land Port Group by China CITIC Bank Yiwu Branch, which was also mortgaged by Land Port Group with its real estate at E-commerce Town Phase II.

(28) The Company provided a guarantee for the loan of RMB924.5 million granted to Land Port Group by

China Construction Bank Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Zhe (2023) No.0060990 and Yiwu Property Title Certificate of Zhe (2023) No.0064861.

(29) The Company provided a guarantee for the loan of RMB338,740,700 granted to Land Port Group by China Construction Bank Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Zhe (2023) No.0060990 and Yiwu Property Title Certificate of Zhe (2023) No.0064861.

(30) The Company provided a guarantee for the loan of RMB199.25 million granted to Land Port Group by Bank of China Yiwu Branch, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Zhe (2023) No.0060990 and Yiwu Property Title Certificate of Zhe (2023) No.0064861.

(31) The Company provided a guarantee for the loan of RMB200,000,100 granted to Land Port Group by Bank of Hangzhou Jinhua Yiwu Sub-branch, which was also mortgaged by Land Port Group Yiwu Hongfei E-commerce Service Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Zhe (2023) No.0013309.

(32) Yiwu Bonded Logistics Center Co., Ltd. provided a guarantee for the loan of RMB160.65 million granted to Land Port Group by Ping An Bank. The loan was also mortgaged by Yiwu Bonded Logistics Center Co., Ltd. with its immovable property (at No.596, Airport Road) under Yiwu Property Title Certificate of Zhe (2023) No.0061842 and pledged with all its rental income of the property at No.588, Airport Road, Yiwu City during the loan period.

(33) Market Group provided a guarantee for the loan of RMB736 million granted to Land Port Group by Agricultural Development Bank of China, which was also mortgaged by Land Port Group with its immovable properties under Yiwu Property Title Certificate of Zhe (2023) No.0037894 and Zhe (2021) No.0048338.

(34) Land Port Group provided a guarantee for the loan of RMB247,457,400 granted to Yiwu Land Port Chengxin Real Estate Co., Ltd. by Hengfeng Bank Yiwu Branch, which was also mortgaged by Yiwu Land Port Chengxin Real Estate Co., Ltd. with its immovable property under Yiwu Property Title Certificate of Zhe (2022) No.0076064.

(35) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Huarong Financial Leasing Co., Ltd., covering all the rents, liquidated damages, compensation for economic losses, other payables, litigation costs, attorney's agency fees and other expenses paid for the realization of the creditor's rights under the Financing Lease Contract of Huarong Leasing (23) Hui Zi No.2300033103. The guarantee period was three years after the expiration of the contract performance period. As at December 31, 2024, the principal balance of rent payable was RMB259,000,600.

(36) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Huarong Financial Leasing Co., Ltd., covering all the rents, liquidated damages, compensation for economic losses, other payables, litigation costs, attorney's agency fees and other expenses paid for the realization of the creditor's rights under the Financing Lease Contract of Huarong Leasing (24) Hui Zi No.2400023103. The guarantee period was three years after the expiration of the contract performance period. As at December 31, 2024, the principal balance of rent payable was RMB199.6 million.

(37) The Company provided irrevocable joint and several guarantee for the trust loan contract between

Land Port Group and Bohai International Trust Co., Ltd., and the scope of guarantee was the repayment obligations under the Trust Loan Contract No.bitc2023(lr) -7038. As at December 31, 2024, the balance of loan principal payable was RMB100.3 million.

(38) The Company provided an irrevocable joint guarantee for the financial leasing project between Land Port Group and China Merchants Financial Leasing (Shanghai) Co., Ltd. The principal creditor's right under the guarantee was all the creditor's rights enjoyed against the lessee under the master contract (Financial Leasing Contract of No.CMCL-SH-ZL-2023-081-RZ-01) . The guarantee period was 3 years after the expiration of the performance period for the last payment obligation of the debtor under the master contract. As at December 31, 2024, the principal balance of rent payable was RMB320 million.

(39) The Company provided a guarantee for Hengfeng Group's loan of RMB102,321,300 from Industrial and Commercial Bank of China; The loan was also mortgaged by Hengfeng Group with its land for affordable housing at Commercial and Trade Station, Futian Street, Yiwu City and above-ground buildings thereon (No.1123, North Chengzhong Road) .

(40) The Company provided a guarantee for the loan of RMB344,896,000 granted to Yiwu Hengfeng Automobile Service Co., Ltd. by Industrial and Commercial Bank of China, which was also mortgaged by Yiwu Hengfeng Automotive Service Co., Ltd. with its assets of Room 101-105, Building 1, No.1866, Wuzhou Avenue, Fotang Town, Yiwu City, and its use right of Plot 02# on the north side of Wuzhou Avenue, Yiwu City and pledged with its accounts receivable - rent.

(41) The Company provided joint guarantee for the financial leasing project between Hengfeng Group and China Huarong Financial Leasing Co., Ltd.. The principal creditor's right under the guarantee was rent and corresponding rent interest amounting to RMB25.13 million, and the guarantee period was 3 years after the expiration of the term of the Financial Leasing Contract of Huarong Financial Leasing (22) Hui Zi No.2200063103. As at December 31, 2024, the principal balance of rent payable was RMB25.13 million.

(42) Commodities City Real Estate, Huishang Real Estate and Zhongfu Real Estate provided guarantees for the loan of RMB179,037,000 granted to Yiwu Jinchen Shangbo Real Estate Co., Ltd. by Bank of China, which was also guaranteed by Yiwu Jincheng Shangbo Real Estate Co., Ltd. with its plot on the northeast side of the intersection of Dachen Avenue and Gexi Road in Yiwu (Title Certificate No.: Yiwu Property Title Certificates of Zhe (2023) No.0004703) .

(43) Commodities City Holdings provided a guarantee for the loan of RMB1329.90 million granted to Yiwu Shangbo Yungu Enterprise Management Co., Ltd. by Bank of China, which was also guaranteed by Yiwu Shangbo Yungu Enterprise ManagementCo., Ltd. with its Plot at the east side of the intersection of Qiuzhen Road and Hehua Road, Chengxi Sub-district, Yiwu City (Title Certificate No.: Yiwu Property Title Certificates of Zhe (2021) No.0042988) .

(44) The Company provided an unconditional and irrevocable guarantee for the issuance of USD bonds by Chouzhou International Investment Co., Ltd. Chouzhou International Investment Co., Ltd. has actually issued bonds of USD1.3 billion. As at December 31, 2024, the outstanding principal of the bonds was USD1.3 billion. According to the guarantee contract, the Company assumed the guarantee liability for the payment and performance of the USD1.3 billion bonds when they are due.

(45) Market Group provided a guarantee for the loan of RMB120.03 million granted to Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd. by Hua Xia Bank, which was also mortgaged by Yiwu Chemical Raw Materials Storage and Transportation Co., Ltd. with its land use right of the plot at Yiwu chemical raw materials storage base.

(46) Market Group provided a guarantee for the loan of RMB47,434,800 granted to Yiwu Market Development Service Center Co., Ltd. by Bank of Communications, which was also mortgaged by Yiwu Market Development Service Center Co., Ltd. with its use right of state-owned construction land on the south side of Dongzhou Road, Jiangdong Street, Yiwu City.

(47) The Company provided financial guarantee for certain property matters relating to the lease by European Huajie Development Co., Ltd. of Phase II Logistics Park of Prague Airport in the Czech Republic. The guarantee period was from the date of issuance of the financial guarantee (July 5, 2018) to the date when the financial guarantee has been performed (10-year lease period) . The maximum amount of the guarantee was rent for five years (about EUR8.44 million, about RMB63.47 million) . At the same time, Zhejiang Huajie Company provided full counter-guarantee for the Company. The lessor of the logistics park has pledged the rent collection right to ING Bank Co., Ltd.

2、Pending litigation

(1) Housing lease contract dispute among X XX, J XX, Z XX, C XX, etc. and Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd., Anhui Gaoheng Real Estate Co., Ltd., Zhejiang Yiwu Shangju Market Investment Management Co., Ltd..

According to the civil judgment of (2023) Wan 1021 Min Chu No.1749, (2023) Wan 1021 Min Chu No.1750, etc., Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd. and Anhui Gaoheng Real Estate Co., Ltd. may face the following liabilities:

① Pay the rent and liquidated damages of RMB638,025.65 to the plaintiff;

② ②Bear the corresponding liability for restoring the original state of the shops of 48 people including the plaintiffs X XX, J XX, Z XX, C XX, etc.

(2) Dispute over entrustment contract among Zhejiang Yiwu Shangju Market Investment Management Co., Ltd., Anhui Gaoheng Real Estate Co., Ltd. and Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd. According to the civil judgment of (2024) Wan 1021 Min Chu No.2702, Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd. and Anhui Gaoheng Real Estate Co., Ltd. may face the following liabilities:

Pay to the plaintiff Zhejiang Yiwu Shangju Market Investment Management Co., Ltd. a rent subsidy of RMB171,770.00 for the two-year period from August 1, 2021 to July 31, 2023.

(3) Housing lease contract dispute among B XX, W XX, W XX and Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd., Anhui Gaoheng Real Estate Co., Ltd., Zhejiang Yiwu Shangju Market Investment Management Co., Ltd.. According to the civil judgment of (2024) Wan 1021 Min Chu No.2144, Huangshan Impression Huizhou Yiwu International Trade City Co., Ltd. and Anhui Gaoheng Real Estate Co., Ltd. may face the following liabilities:

Pay the rent and liquidated damages of RMB20,477.00 to the plaintiff.

(4) Private lending dispute between Yiwu Wanfang Transportation Co., Ltd. and Yiwu Niansanli Public Traffic Co., Ltd. According to the Civil Judgment of (2024) Zhe 0782 Min Chu No.17621, Yiwu Niansanli Public Traffic Co., Ltd. shall return the loan principal of RMB915,000.00 and pay the interest loss to the plaintiff Yiwu Wanfang Transportation Co., Ltd. within 15 days from the effective date of this judgment (calculated from November 6, 2024 to the date of actual full performance based on the market quotation rate for one-year loan announced by the National Interbank Funding Center for the same period) . The liabilities that Yiwu Niansanli Public Traffic Co., Ltd. may face are as follows:

Pay to the plaintiff loan principal of RMB915,000.00 and interest of RMB4,351.89.

(5) Yiwu Water Treatment Co., Ltd., a subsidiary of Water Affairs Group, as one of the defendants in the lawsuit of dispute under the Contract on Construction of Yiwu Fotang Sewage Treatment Plant Expansion Project, was required by the plaintiff to assume the liability for repayment within the scope of outstanding project funds. As at December 31, 2024, the Yiwu People's Court has not yet made a judgment, and Yiwu Water Treatment Co., Ltd. was unable to determine whether it needs to bear joint and several liability and the amount of joint and several liability. Therefore, the court froze the bank deposit of RMB500,000 of Yiwu Water Treatment Co., Ltd.

X. Post Balance Sheet Events

1、Profit distribution

According to the resolution of the 28th meeting of the 9th Board of Directors of Commodities City Group on the profit distribution of Commodities City Group on March 25, 2025, it is proposed to distribute a cash dividend of RMB0.33 (including tax) per share to all shareholders based on the total share capital of 5,483,645,926 shares of Commodities City Group at the end of 2024. Based on this, the total proposed cash dividend amounted to RMB1,809,603,155.58 (including tax).

2、Large-sum financing

On February 18, 2025, Commodities City Group issued 2025 Phase I ultra-short-term (267 days) financing bonds of Zhejiang China Commodities City Group Co., Ltd. amounting to RMB100 million whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.05%.

On March 25, 2025, Commodities City Group issued 2025 Phase I mid-term (3 years) notes of Zhejiang China Commodities City Group Co., Ltd. amounting to RMB500 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.10%.

On January 6, 2025, Commodities City Holdings issued 2025 Phase I mid-term (3 years) notes of Yiwu China Commodities City Holdings Co., Ltd. amounting to RMB1.32 billion whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.14%.

On March 5, 2025, Commodities City Holdings issued 2025 Phase I short-term (365 days) financing bonds of Yiwu China Commodities City Holdings Co., Ltd. amounting to RMB660 million whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.18%.

On March 18, 2025, Commodities City Holdings issued 2025 Phase I ultra-short-term (265 days) financing bonds of Yiwu China Commodities City Holdings Co., Ltd. amounting to RMB600 million whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.15%.

On April 8, 2025, Market Group issued 2025 Phase I corporate bonds (with a term of 5 years) of Yiwu Market Development Group Co., Ltd. that are publicly issued to professional investors amounting to RMB1 billion whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.19%.

On January 2, 2025, the Company issued Phase I corporate bonds (with a term of 5 years) of Yiwu State-owned Capital Operation Co., Ltd. that are publicly issued to professional investors amounting to

RMB300 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2%.

On January 8, 2025, Chouzhou International Investment Co., Ltd., a sub-subsidiary of the Company, issued 3-year guaranteed bonds 20280115 of Chouzhou International Investment Limited amounting to USD300 million, whose interest shall be paid semi-annually and whose principal and interest shall be paid at maturity, and the issue interest rate was 4.8%.

On February 25, 2025, the Company issued 2025 Phase I mid-term (5 years) notes of Yiwu State-owned Capital Operation Co., Ltd. amounting to RMB1 billion whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.6%.

On March 24, 2025, the Company issued 2025 Phase I corporate bonds (with a term of 3 years) of Yiwu State-owned Capital Operation Co., Ltd. that are not publicly issued to professional investors amounting to RMB500 million whose interest shall be paid every year and whose principal and interest shall be paid on a lump sum basis at maturity, and the issue interest rate was 2.21%.

3、Loan entrusted by related party

Approved by the 9th Board of Directors at its 25th meeting on January 7, 2025, the indirect holding subsidiary of Commodities City Group, Zhejiang Yiwu Buy Electronic Commerce Co., Ltd., provided entrusted loans of RMB48 million through the Agricultural Bank of China Yiwu Branch to its minority shareholder Yisha Chengdu International Trade City Co., Ltd. The loan term was from the actual granting date of the loan to December 25, 2026 and the loan interest rate was 5.5% per year.

4、Other matters

Zhejiang Shangbo Real Estate Co., Ltd., a subsidiary of Commodities City Holdings, was canceled on February 13, 2025, and Zhejiang Longzu Commerce and Trade Co., Ltd., a subsidiary of Market Group, was canceled on March 4, 2025.

On April 27, 2025, the board of directors of the Company passed the resolution on the cancellation of Yiwu Folk Financing Service Center Co., Ltd. As of the date of approval of the financial report, the cancellation process is still being handled.

On January 6, 2025, Zhejiang Pan'an Hengfeng Transportation Co., Ltd. signed an equity transaction contract, under which the original shareholder Zhejiang Hengfeng Transportation Co.,Ltd., transferred 50.56% of its equity to Pan'an Culture, Tourism and Recreation Industry Development Group Co., Ltd., and Yiwu Hengfeng Long-distance Passenger Transport Co., Ltd. transferred 49.44% of its equity to Pan'an Culture, Tourism and Recreation Industry Development Group Co., Ltd. After the transfer, Pan'an Culture, Tourism and Recreation Industry Development Group Co., Ltd. held 100% of the equity of Zhejiang Pan'an Hengfeng Transportation Co., Ltd. As of the approval date of the financial report, industrial and commercial registration of the above changes in equity has been completed.

XI. Related Party Relationships and Transactions

1. Related party relationships

(1) Shareholders of the Company

The Company's controlling shareholder is the State-owned Assets Supervision and Administration Office of Yiwu Municipal People's Government.

(2) Information about subsidiaries of the Company

See Note 7.1 Information of subsidiaries for details of subsidiaries of the Company.

(3) See Note 8.13 Long-term equity investments for information on the Company's joint ventures and associates.

(4) Information about other related parties of the Company

Name of other related party	Relationship with the Company
Hangzhou Road & Bridge Group Co., Ltd.	Participating shareholder of of Yiwu Urban Facilities Maintenance Co., Ltd.
Shanghai Daguangming Culture (Group) Co., Ltd.	Participating shareholder of Yiwu Yingdu Daguangming Investment Management Co., Ltd.
Shouyue Technology (Beijing) Co., Ltd.	Participating shareholder of Yiwu Hengfeng Youxing Technology Co., Ltd.
Yiwu Chengzhen Property Co., Ltd.	Subsidiary of a joint venture
Yiwu Gongchen Shangbo Real Estate Co., Ltd.	Subsidiary of a joint venture
Yiwu Economic & Technological Development Zone Urban Renewal Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Economic and Technological Development Zone Architectural Planning and Design Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Subsidiary of a joint venture
Yiwu Greentown Xiuhui Real Estate Development Co., Ltd.	Subsidiary of a joint venture
Yiwu Third Tap Water Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Industrial Investment Co., Ltd.	Subsidiary of a joint venture
Yiwu Honghai Science and Innovation Park Management Co., Ltd.	Limited partner of Yiwu Honghai Equity Investment Partnership (Limited Partnership)
Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	Subsidiary of a joint venture
Yiwu Jinwutong Investment Management Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Jinyu Real Estate Development Co., Ltd.	Wholly-owned subsidiary of a joint venture
Yiwu Jindu Real Estate Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Subsidiary of a joint venture
Yiwu Mintai Construction Development Co., Ltd.	Wholly-owned subsidiary of a joint venture
Yiwu Southern Real Estate Development Co., Ltd.	Other related relationships
Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	Subsidiary of a joint venture
Yiwu Shuangjianghu Construction Development Co., Ltd.	Subsidiary of a joint venture
Yiwu Shuangjianghu Management Co., Ltd.	Subsidiary of a joint venture
Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd.	Subsidiary of a joint venture
Yiwu Shuangjianghu Cultural Tourism Area Investment Co., Ltd.	Subsidiary of a joint venture
Yiwu Shuangjianghu Real Estate Co., Ltd.	Subsidiary of a joint venture

Name of other related party	Relationship with the Company
Yiwu Wanfang Transportation Co., Ltd.	Participating shareholder of Yiwu Chounian Passenger Transport Co., Ltd. and Yiwu Niansanli Bus Co., Ltd.
Yiwu Wuting Holding Co., Ltd.	Participating shareholder of Yiwu Yifu Commercial Operation Management Co., Ltd.
Yiwu Xiaozici Construction Development Co., Ltd.	Sub-subsidiary of a joint venture
Yiwu Xingmao Property Co., Ltd.	Wholly-owned subsidiary of a joint venture
Zhejiang Property Rights Exchange Co., Ltd.	Participating shareholder of Yiwu Property Rights Exchange Co., Ltd.
Zhejiang Shanghai-Hangzhou-Ningbo Expressway Maintenance Engineering Co., Ltd.	Participating shareholder of Yiwu Anhong Jiaoyang Construction Engineering Co., Ltd.
Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	Sub-subsidiary of a joint venture
Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Subsidiary of a joint venture
Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	Participating shareholder of a holding subsidiary of Water Affairs Group
Zhejiang Zhe Petroleum Comprehensive Energy Sales Co., Ltd.	Participating shareholder of Yiwu Zhe Petroleum Comprehensive Energy Sales Co., Ltd.

2. Details of elated party transactions

(1) Related party transactions of purchase of goods and receiving of services

Name of related party	Contents of related-party transactions	Pricing principle for related party transactions	Amount in 2024
Hangzhou Micro Ant Technology Co., Ltd.	Information service fees	Agreed price	761,006.29
Shanghai Daguangming Culture (Group) Co., Ltd.	Interest expenses	Agreed price	64,014.46
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	Fund management fees	Agreed price	5,986,202.05
Yiwu Honghai Science and Innovation Park Management Co., Ltd.	Remuneration for executing partnership affairs	Agreed price	9,538,000.00
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	General and administrative expenses	Agreed price	532,716.02
Yiwu Jinwutong Investment Management Co., Ltd.	Utilities and property management fees	Agreed price	1,184,160.85
Yiwu Digital Port Technology Co., Ltd.	Platform service fee	Agreed price	6,132,075.47
Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	Service fee	Agreed price	3,721,372.04
Yiwu China Commodities City Creative Design Development Service Co., Ltd.	Design fee	Agreed price	4,518,445.53
Zhejiang Huakong Jingzi Venture Investment Co., Ltd.	Fund management fees	Agreed price	4,162,377.36
Zhejiang Yemai Data Technology Co., Ltd.	Procurement costs and platform service fees	Agreed price	1,922,436.42
Zhejiang Yiteng Environmental Technology Co., Ltd.	Network operation and maintenance fee	Agreed price	8,048,715.34
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Service fee	Agreed price	1,926,727.86

(2) Sale of goods and rendering of services

Name of related party	Contents of related-party transactions	Pricing principle for related party transactions	Amount in 2024
Hangzhou Road & Bridge Group Co., Ltd.	Payment for projects	Negotiated price	13,983,063.76
Yiwu Construction Investment Binjiang Property Service Co., Ltd.	General and administrative expenses	Negotiated price	235,849.06
Yiwu Construction Investment Jujiang Construction Co., Ltd.	Sales of commodity	Negotiated price	34,278,397.79
Yiwu Economic & Technological Development Zone Urban Renewal Development Co., Ltd.	Service fee for labor dispatching	Market price	47,547.22
Yiwu Economic and Technological Development Zone Architectural Planning and Design Co., Ltd.	Sales of goods	Market price	13,534.96
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Engineering management service fee, sewage treatment fee, operation and maintenance fee, raw water sales, labor dispatch service	Negotiated price	35,773,356.03
Yiwu Lvhe E-commerce Co., Ltd.	Market operations	Agreed price	328,806.37
Yiwu Shuangjianghu Management Co., Ltd.	Sales of goods	Market price	41,101.33
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	Recruitment service	Market price	7,547.17
Yiwu Industrial Investment Development Group Co., Ltd.	Project payment, sales of goods, labor dispatch service, training service	Negotiated price	4,454,465.79
Yiwu Third Tap Water Co., Ltd.	Labor dispatch service, sales of goods, raw water sales	Market price	8,082,581.75
Yiwu Industrial Investment Co., Ltd.	Project construction, commission income, labor dispatch service	Negotiated price	16,405,266.22
Yiwu State-owned Assets Greentown Property Service Co., Ltd.	Commission income	Market price	119,023.58
Yiwu Environmental Group Co., Ltd.	Recruitment services and property management fees	Market price	453,938.15
Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	Service fee for labor dispatching	Market price	13,305,169.96
Yiwu Construction Investment Gemdale Property Services Co., Ltd.	General and administrative expenses	Negotiated price	235,849.06
Yiwu Jinwutong Investment Management Co., Ltd.	Commission income, sales of goods and labor dispatch services	Market price	2,309,877.19
Yiwu Jindu Real Estate Development Co., Ltd.	Commission income, sales of goods	Negotiated price	84,369.60
Yiwu Mintai Construction Development Co., Ltd.	General and administrative expenses, engineering construction, sales of	Negotiated price	2,088,225.49

Name of related party	Contents of related-party transactions	Pricing principle for related party transactions	Amount in 2024
	goods and labor dispatch services		
Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	Labor dispatch services and sales of goods	Market price	153,873.30
Yiwu Shuangjianghu Construction Development Co., Ltd.	Power supply, water supply and installation projects	Negotiated price	7,004,928.29
Yiwu Shuangjianghu Management Co., Ltd.	Commission income, sales of goods	Market price	134,257.40
Yiwu Shuangjianghu Development Group Co., Ltd.	Labor dispatch services, training services, commission income, sales of goods	Market price	2,304,796.85
Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd.	Commission income, sales of goods and labor dispatch services	Market price	193,687.68
Yiwu Shuangjianghu Cultural Tourism Area Investment Co., Ltd.	Service fee for labor dispatching	Market price	486,539.69
Yiwu Shuangjianghu Real Estate Co., Ltd.	Commission income, sales of goods and labor dispatch services	Market price	88,453.86
Yiwu Xiaozici Construction Development Co., Ltd.	Sales of commodity	Negotiated price	8,983,655.42
Yiwu Emergency Technology Co., Ltd.	Security services	Agreed price	11,014,002.99
Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	Market operations	Agreed price	477,697.28
Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	Security services	Agreed price	1,105,700.11
Yiwu Xingmao Property Co., Ltd.	Consulting services	Negotiated price	1,000,000.00
Zhejiang Fugu Supermarket Co., Ltd.	General expenses	Agreed price	103,395.67
Zhejiang Jinzheng Testing Co., Ltd.	Market operations	Agreed price	5,544.36
Zhejiang Bee Group Co., Ltd.	Security services, agent construction, market operations	Agreed price	422,260.11
Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	Commission income	Market price	29,276.79
Zhejiang Wutong Co., Ltd.	Security services	Agreed price	50,103.88
Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Installation projects, planning and design consulting income	Agreed price	11,324,936.93
Zhejiang Yiyong Construction Co., Ltd.	Service fee for labor dispatching	Market price	135,933.25
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Storage fee	Agreed price	1,520,000.01

(3) Related-party leases

The Company as the lessor:

Lessee	Type of leased asset	Lease income recognized in 2024
Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	Office place	290,688.72
Hangzhou Micro Ant Technology Co., Ltd.	Office place	29,524.76
Yiwu Huishang Zijing Capital Management Co., Ltd.	Office place	143,977.85
Zhejiang Yixin Enterprise Management Co., Ltd.	Sci-tech innovation park	248,942.03
Zhejiang Yiteng Environmental Technology Co., Ltd.	Buildings and constructions	32,535.81
Zhejiang Fugu Supermarket Co., Ltd.	Rental fees	5,425,346.09
Yiwu Emergency Technology Co., Ltd.	Buildings	188,180.75
Yiwu Digital Port Technology Co., Ltd.	Office place	218,173.08
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Venue lease	30,000.00
Yiwu Meipinshu Supply Chain Management Co., Ltd.	Office place	197,481.11
Yiwu Shanglv Investment Development Co., Ltd.	Office place	458,715.60
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	8/F, No.955, Beicun Road	65.170.08
Yiwu Mintai Construction Development Co., Ltd.	Buildings and constructions	23,959,551.24

The Company as the lessee:

Lessor	Type of leased asset	Rental fees recognized in 2024
Yiwu Jinwutong Investment Management Co., Ltd.	Sci-tech innovation park	905,889.53
Yiwu Economic & Technological Development Zone Development Co., Ltd.	Underground parking lot	357,798.16

(4) Related-party guarantees

The Company as a guarantor

Guarantor	Secured party	Lending financial institution	Amount of guarantee	Starting date of guarantee	Due date of guarantee	Whether the guarantee has been performed
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Jinhua Bank	600.00	2024/12/20	2025/11/20	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Jinhua Bank	600.00	2024/11/29	2025/11/10	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Jinhua Bank	400.00	2024/7/31	2025/7/31	No
Yiwu Urban Investment Supply Chain Management	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Ningbo Bank	252.18	2024/3/28	2025/3/28	No

Guarantor	Secured party	Lending financial institution	Amount of guarantee	Starting date of guarantee	Due date of guarantee	Whether the guarantee has been performed
Co., Ltd.						
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Ningbo Bank	220.55	2024/6/5	2025/6/4	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Ningbo Bank	16.92	2024/7/1	2025/7/1	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Ningbo Bank	140.21	2024/4/28	2025/4/28	No
Yiwu Urban Investment Supply Chain Management Co., Ltd.	Yiwu High-Tech Zone Building Materials Technology Co., Ltd.	Ningbo Bank	76.81	2024/6/27	2025/6/26	No
The Company	Yiwu Industrial Investment Development Group Co., Ltd.	Agricultural Development Infrastructure Fund Co., Ltd.	6,479.00	2022/9/14	2041/9/13	No
The Company	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	Ningbo Bank	4,000.00	2020/5/22	2034/8/11	No
The Company	Yiwu Economic & Technological Development Zone Development Co., Ltd.	20 Yiwu Economic and Technological Development Zone Bond	100,000.00	2020/8/3	2027/8/3	No
The Company	Yiwu Economic & Technological Development Zone Development Co., Ltd.	Debt Investment Plan for Schools at Hua'an-jiangwan Block	53,000.00	2022/3/21	2027/7/8	No
The Company	Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd.	"Wushang Water Town Impression Shuangjiang (EOD) " project	415.00	2024/11/5	2043/11/5	No
The Company	Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd.	"Wushang Water Town Impression Shuangjiang (EOD) " project	3,937.50	2024/9/10	2044/7/22	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Agricultural Bank	6,149.80	2023/5/30	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Postal Savings Bank	6,056.39	2023/5/31	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	China Construction Bank	15,397.08	2023/5/31	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Bank of China	2,799.34	2023/6/2	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	CITIC Bank	3,451.21	2023/6/2	2042/12/20	No
The Company	Zhejiang Yixin Power Battery Co., Ltd.	Industrial Bank	8,998.64	2023/6/29	2042/12/20	No

Guarantor	Secured party	Lending financial institution	Amount of guarantee	Starting date of guarantee	Due date of guarantee	Whether the guarantee has been performed
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Jiaxing Bank	3,920.00	2024/6/25	2025/6/25	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Jiaxing Bank	5,880.00	2024/12/30	2025/12/30	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Jinhua Bank	2,450.00	2024/9/30	2025/9/20	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Ningbo Bank	2,450.00	2024/6/25	2025/6/25	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Huaxia Bank	2,376.50	2023/4/13	2026/4/13	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Huaxia Bank	1,960.00	2024/8/15	2025/8/14	No
The Company	Zhejiang Zheyi Asset Management Co., Ltd.	Huaxia Bank	6,370.00	2024/12/31	2027/12/31	No

Notes to related party guarantee:

Yiwu Urban Investment Supply Chain Management Co., Ltd., a subsidiary of Urban Investment Group, provided a guarantee for Yiwu High-Tech Zone Building Materials Technology Co., Ltd, by means of undertaking joint warranty liability according to a 20% shareholding ratio. The guarantee period was three years from the day immediately after the debt maturity date. As at the December 31, 2024, Yiwu High-Tech Zone Building Materials Technology Co., Ltd. has actually borrowed RMB80 million from Jinhua Bank, and the Company assumed guarantee liability of RMB16 million to Jinhua Bank according to the guarantee agreement.

Yiwu Urban Investment Supply Chain Management Co., Ltd., a subsidiary of Urban Investment Group, provided a guarantee for Yiwu High-Tech Zone Building Materials Technology Co., Ltd, by means of undertaking joint warranty liability according to a 20% shareholding ratio. The guarantee period was two years from the day immediately after the debt maturity date. As at December 31, 2024, Yiwu High-Tech Zone Building Materials Technology Co., Ltd. has actually borrowed RMB35,333,100 from Ningbo Bank, and the Company assumed guarantee liability of RMB7,066,700 to Ningbo Bank according to the guarantee agreement.

The Company provided a guarantee for the corporate bonds issued by Yiwu Economic and Technological Development Zone Development Co., Ltd., by means of full, unconditional, and irrevocable joint liability guarantee. Yiwu Economic and Technological Development Zone Development Co., Ltd. intended to issue corporate bonds with a total face value of no more than RMB1 billion, with a term of up to seven years. As at December 31, 2024, '20 Yiwu Economic and Technological Development Zone Bond' has been issued with a total face value of RMB1 billion and a term of seven years. The Company assumed a guarantee liability of RMB1 billion according to the letter of guarantee and guarantee agreement.

The Company provided an unconditional and irrevocable joint liability guarantee for the "Debt Investment Plan for Schools at Hua'an-Jiangwan Block" issued by Yiwu Economic and Technological Development Zone Development Co., Ltd. at Hua'an Property & Casualty Asset Management Co., Ltd. The guaranteed covered the full principal and interest of the plan. The principal of the investment plan was RMB530 million, and the guarantee scope was all creditor's rights under the Investment Contract and the guarantee period was from the effective date of the Letter of Guarantee to three years after the debtor has fulfilled all obligations. As at December 31, 2024, the principal balance of the debt investment plan was RMB530 million.

The Company provided a guarantee for the loan granted to Yiwu Shuangjianghu Culture and Tourism Development Co., Ltd. by the Industrial and Commercial Bank of China for the "Wushang Water Town Impression Shuangjiang (EOD) " project, and the Company assumed joint and several liability guarantee at guarantee share of 37.5%. As at December 31, 2024, the Company assumed a guarantee liability of RMB4.15 million for Industrial and Commercial Bank of China.

The Company provided a guarantee for the loan granted to Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd. by the Agricultural Development Bank of China for the "Wushang Water Town Impression Shuangjiang (EOD) " project. The Company assumed joint and several liability guarantee, and the guarantee period was 3 years from the date immediately after the expiration of the debt performance period as agreed in the master contract -- Fixed Assets Loan Contract. As at December 31, 2024, the Company assumed the guarantee liability of RMB39,375,000 for Agricultural Development Bank of China.

The Company provides a maximum guarantee of RMB9 billion for the syndicated loan of RMB64 billion for the Zhejiang Yixin Power Battery Co., Ltd.'s Zhejiang Yixin New Energy Power Battery Production Base Project (Phase I) from a consortium of banks including Agricultural Bank of China, Postal Savings Bank of China, China Construction Bank, Bank of China, CITIC Bank, and Industrial Bank. The guarantee period lasts three years after the debt's fulfillment date under the main contract for each credit business. As at December 31, 2024, Zhejiang Yixin Power Battery Co., Ltd. has borrowed a total of RMB3,047,285,700 from the banking consortium, and the Company assumed a guarantee liability of RMB428,524,600 according to the maximum guarantee contract.

The Company provided a guarantee for Zhejiang Zheyi Asset Management Co., Ltd., with a pro-rata joint guarantee. The corresponding guarantee shares are: The guarantor Zhejiang Zheshang Asset Management Company assumed 51%, and the guarantor the Company assumed 49%. As at December 31, 2024, Zhejiang Zheyi Asset Management Co., Ltd. actually borrowed RMB200 million from Bank of Jiaxing, RMB50 million from Bank of Jinhua, RMB500 million from Bank of Ningbo, and RMB218.5 million from Hua Xia Bank. According to the maximum guarantee contract, the Company assumed a guarantee liability of RMB98 million for Bank of Jiaxing, RMB24.5 million for Bank of Jinhua, RMB24.5 million for Bank of Ningbo, and RMB107,065,000 for Hua Xia Bank.

(5) Borrowings from and to related parties

Loans to related parties:

Name of related party	Loan amount	Amount returned	Funds outflow date	Funds recovery date
Yiwu Runxiu Real Estate Co., Ltd.		579,028,100.00		2024/2/27-2024/6/27
Yiwu Shuangjianghu Construction Development Co., Ltd.	400,000,000.00		According to the agreement	According to the agreement
Yiwu Industrial Investment Development Group Co., Ltd.	4,562,204,729.65		2024/1/3-2024/12/26	According to the agreement
Yiwu Shuangjianghu Development Group Co., Ltd.	304,471,565.90		2024/2/7, 2024/11/28, 2024/12/20, 2024/12/21	According to the agreement
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	34,724,697.26		2024/12/10, 2024/12/19	According to the agreement
JEBEL ALI FREE ZONE TRADER MARKET	214,874,886.51		2020/3/9, 2021/3/31, 2022/5/12	/

Name of related party	Loan amount	Amount returned	Funds outflow date	Funds recovery date
DEVELOPMENT AND OPERATZON FZCO				
Yiwu Shanglv Investment Development Co., Ltd.	17,150,000.00		2021/4/5	N/A
Yiwu Emergency Technology Co., Ltd.	31,850,000.00	6,000,000.00	2021-2022	Subject to project progress
Yiwu Xiangchuang Cultural Development Co., Ltd.	7,000,000.00		2021/5/1, 2021/8/10, 2021/10/9	

Explanation:

In 2023, Construction Investment Group lent RMB701,528,100 to Yiwu Runxiu Real Estate Co., Ltd. at an annual interest rate of 3.55%. The repayment term was as agreed in the agreement. In 2024, RMB579,028,100.00 was recovered, and as at December 31, 2024, all the said funds have been recovered.

In 2021, Water Affairs Group lent RMB400 million to Yiwu Shuangjianghu Construction and Development Co., Ltd. at an annual interest rate of 5.8%. The loan was rolled over in 2023 and additional fund occupation fee interest of RMB23,586,666.67 was incurred. As at the end of the period, the outstanding lending balance was RMB506,655,555.57, including fund occupation interest of RMB106,655,555.57.

In 2024, the Company lent a total of RMB4,562,204,729.65 to Yiwu Industrial Investment Development Group Co., Ltd. at an annual interest rate of 0-5.8%. The repayment term was as agreed in the agreement. As at December 31, 2024, the outstanding principal and interest amounted to RMB4,563,381,183.36.

In 2024, the Company lent RMB304,471,565.90 to Yiwu Shuangjianghu Development Group Co., Ltd. at an annual interest rate of 5.8-6.51%. The repayment term was as agreed in the agreement. As at December 31, 2024, the outstanding principal and interest amounted to RMB323,679,496.99.

In 2024, the Company lent RMB34,724,697.26 to Yiwu Free Trade Development Zone Investment Development Co., Ltd., at an annual interest rate of 5.8%. The repayment term was as agreed in the agreement. As at December 31, 2024, the outstanding principal and interest amounted to RMB34,817,484.54.

From 2020 to 2022, Commodities City Group provided financial aids totaling RMB214,874,886.51 to JEBEL ALI FREE ZONE TRADER MARKET DEVELOPMENT AND OPERATION FZCO, at an annual interest rate of the 6-month average EIBOR plus 5%. The outstanding principal and interest amounted to RMB268,690,496.50 as at the end of the period.

Commodities City Group provided financial aid not exceeding RMB343 million to Yiwu Shanglv Investment Development Co., Ltd., at an annual interest rate of 4.61%-4.83%. As at December 31, 2024, the balance of financial aid funds provided by Commodities City Group to Yiwu Shanglv Investment Development Co., Ltd. was RMB17.15 million.

In 2021-2022, Market Group provided financial aid of RMB31.85 million to Yiwu Emergency Technology Co., Ltd. at an annual interest rate of 4.35%. The repayment term was determined based on the

progress of the project. In 2024, financial assistance of RMB6 million was recovered, interest receivable amounted to RMB1,380,512.51, and interest received amounted to RMB1,435,137.51. As at December 31, 2024, the principal and interest of the financial assistance totaling RMB26,201,462.51 had not been recovered.

In 2021, Zhejiang Yiwu Agricultural Products Trade Development Co., Ltd., a subsidiary of Market Group, provided financial aid of RMB7 million to Yiwu Xiangchuang Cultural Development Co., Ltd. at an annual interest rate of 8%. The interest thereon shall be paid annually and principal thereof shall be repaid at maturity. In 2024, interest receivable amounted to RMB582,555.56, and interest received amounted to RMB9.88 billion. As at December 31, 2024, the principal and interest of the financial assistance totaling RMB7,617,812.26 had not been recovered.

Loans from related parties:

Name of related party	Amount borrowed	Amount returned	Date of fund inflow	Maturity date of funds
Yiwu Greentown Xiuhui Real Estate Development Co., Ltd.	102,500,000.00	80,575,000.00	2021/4/6-2021/11/1	2024/3/27, 2024/4/8, 2024/12/31
Yiwu Runxiu Real Estate Co., Ltd.	906,500,000.00		2024/2/6-2024/12/27	
Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	18,000,000.00		2014/7/1	
Yiwu Industrial Investment Development Group Co., Ltd.	106,813,016.03		2020/9/1	
Yiwu Environmental Group Co., Ltd.	200,000,000.00		2024/12/20	According to the agreement
Yiwu Chengzhen Property Co., Ltd.	23,996,981.25		2022/1/18	Subject to project progress
Yiwu Guoshen Shangbo Real Estate Co., Ltd.	737,624,469.50		2022/10/31, 2023/6/29, 2023/10/30, 2023/11/1, 2024/9/2	Subject to project progress
Yiwu Rongshang Real Estate Co., Ltd.	64,418,683.00		2022/6/30	Subject to project progress
Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	112,227,633.00		October - December 2022	According to the agreement
Yiwu Shuangjianghu Real Estate Co., Ltd.	709,350,000.00	431,250,000.00	2021-2022	
Yiwu Greentown Xiuhui Real Estate Development Co., Ltd.	74,400,000.00	64,152,000.00	2020/12/31, 2021/1/5, 2021/1/26	

Explanation:

Construction Investment Group borrowed RMB102.5 million from Yiwu Greentown Xiuhui Real Estate Development Co., Ltd. in 2021, at an annual interest rate of 5.4%. The fund repayment date was determined according to the project capital need. RMB80,575,000.00 have been repaid successively in 2024. As at December 31, 2024, the outstanding principal and interest amounted to RMB41,899,582.75.

Construction Investment Group borrowed RMB906.5 million from Yiwu Runxiu Real Estate Co., Ltd. in 2024, at an annual interest rate of 2.17%. The fund repayment date was determined according to the project capital need. As at December 31, 2024, the outstanding principal and interest amounted to RMB907,065,616.53.

Water Affairs Group borrowed RMB18 million from the Labor Union of Zhejiang Yiwu Tap Water Co., Ltd., with new fund occupation interest of RMB297,000.00 and repaid fund occupation interest of RMB297,000.00. At the end of the period, the balance of the Company's funds borrowed was RMB18,297,000.00, of which the accumulated fund occupation interest was RMB297,000.00.

Yiwu Yinuo Environmental Technology Co., Ltd., a subsidiary of Water Affairs Group, borrowed RMB106,813,016.03 from Yiwu Industrial Investment Development Group Co., Ltd., at an annual interest rate of 5.8%. The repayment date was as agreed in the agreement. The interest on new fund occupation in 2024 was RMB6,298,407.52, and the balance of outstanding principal and interest of funds at the end of the period was RMB137,588,053.54, including accumulated fund occupation interest of RMB30,775,037.51.

In 2024, the Company borrowed RMB200 million from Yiwu Environment Group Co., Ltd. at an annual interest rate of 5.07%, and the repayment date was as agreed in the agreement. As at December 31, 2024, the outstanding principal and interest amounted to RMB201,718,166.67.

Commodities City Group allocated surplus funds being RMB23,996,981.25 in total from Yiwu Chengzhen Real Estate Co., Ltd. in 2022, which were allocated based on the same share ratio and at an annual interest rate of 0%. As at December 31, 2024, RMB326,400.00 has been reversed, and RMB3,488,160.00 of dividends has been recognized. The remaining fund repayment date was determined according to the capital need of Chengzhen Real Estate Project.

In 2022, Commodities City Group allocated surplus funds being RMB230,600,000.00 in total from Guoshen Shangbo, which were allocated based on the same share ratio and at an annual interest rate of 0%. Commodities City Group also allocated surplus funds of RMB489,988,200.00 and RMB17,036,269.50 from Guoshen Shangbo in 2023 and 2024, respectively. The fund repayment date was determined according to the capital need of Guoshen Shangbo Project.

Commodities City Group received an advance dividend of RMB64,418,683.00 from Rongshang Real Estate in 2022, and the specific repayment date shall be determined according to the making of dividend distribution resolution.

In 2022, Yiwu Zhongfu Real Estate Co., Ltd., a sub-subsidiary of Urban Investment Group, borrowed RMB112,227,633.00 from Yiwu Environmental Resources Sorting and Utilization Co., Ltd., at an annual interest rate of 5.8%. The repayment date was determined based on the progress of the project. As at December 31, 2024, the outstanding principal and interest amounted to RMB128,006,520.57.

Yiwu Jinyue Shangbo Real Estate Co., Ltd., a subsidiary of Commodities City Real Estate, allocated financial assistance of RMB709.35 million in total from Yiwu Shuangjianghu Real Estate Co., Ltd. during 2021-2022, which were allocated based on the same share ratio and at an annual interest rate of 6%. During 2022-2023, RMB281.25 million has been repaid, RMB150 million has been repaid in 2024, and the interest on new fund occupation in 2024 was RMB24,572,810.92. As at December 31, 2024, the outstanding principal and interest amounted to RMB382,918,808.19.

Market Group borrowed RMB74.4 million in total from Yiwu Greentown Xiuhui Real Estate Development Co., Ltd. during 2020-2021, at an annual interest rate of 5.4%. The fund repayment date was determined according to the project capital need. In 2024, RMB64,152,000 was repaid, and the interest on new fund occupation was RMB2,990,880.00. As at December 31, 2024, the outstanding principal and interest amounted to RMB25,525,159.44.

3. Receivables from and payables to related parties

(1) Receivables

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Accounts receivable	Shouyue Technology (Beijing) Co., Ltd.	494,261.41	
Accounts receivable	Yiwu Construction Investment Binjiang Property Service Co., Ltd.	250,000.00	
Accounts receivable	Yiwu Construction Investment Jujiang Construction Co., Ltd.	3,734,589.51	
Accounts receivable	Yiwu Economic and Technological Development Zone Architectural Planning and Design Co., Ltd.	15,294.50	
Accounts receivable	Yiwu Industrial Investment Development Group Co., Ltd.	168,251,252.78	62,982,000.00
Accounts receivable	Yiwu Third Tap Water Co., Ltd.	5,530,959.71	
Accounts receivable	Yiwu Industrial Investment Co., Ltd.	61,131,587.67	2,668,000.00
Accounts receivable	Yiwu Environmental Group Co., Ltd.	106,799.79	
Accounts receivable	Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	1,292,165.20	
Accounts receivable	Yiwu Construction Investment Gemdale Property Services Co., Ltd.	250,000.00	
Accounts receivable	Yiwu Jindu Real Estate Development Co., Ltd.	152,530.50	
Accounts receivable	Yiwu Cross-border E-commerce Supply Chain Management Co., Ltd.	63,457.41	
Accounts receivable	Yiwu Mintai Construction Development Co., Ltd.	33,449,926.91	1,656,502.51
Accounts receivable	Yiwu Shuangjianghu Public Utilities Investment Co., Ltd.	40,094.63	
Accounts receivable	Yiwu Shuangjianghu Construction Development Co., Ltd.	29,000.00	
Accounts receivable	Yiwu Shuangjianghu Management Co., Ltd.	1,221,201.83	
Accounts receivable	Yiwu Shuangjianghu Development Group Co., Ltd.	333,197.21	
Accounts receivable	Yiwu Shuangjianghu Cultural Tourism Development Co., Ltd.	1,200.00	
Accounts receivable	Yiwu Shuangjianghu Cultural Tourism Area Investment Co., Ltd.	68,970.48	
Accounts receivable	Yiwu Shuangjianghu Real Estate Co., Ltd.	28,800.10	
Accounts receivable	Yiwu Wanfang Transportation Co., Ltd.	237,917.00	
Accounts receivable	Yiwu Xiaozici Construction Development Co., Ltd.	2,047,926.32	
Accounts receivable	Yiwu Emergency Technology Co., Ltd.	2,765.50	
Accounts receivable	Yiwu Xingyue Xiuhu Li Commercial Management Co., Ltd.	287,736.67	14,386.83
Accounts receivable	Zhejiang Shanghai-Hangzhou-Ningbo Expressway Maintenance Engineering Co., Ltd.	973,948.51	
Accounts receivable	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	861,906.80	
Accounts receivable	Zhejiang Yiyong Construction Co., Ltd.	27,009.26	
Subtotal of accounts receivable		280,884,499.70	67,320,889.34

Project	Related parties	Ending amount	
		Book balance	Provision for bad debt
Advances to suppliers	Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	3,478,802.05	
Subtotal of advances to suppliers		3,478,802.05	
Dividends receivable	Zhejiang Wuchan Zhongda Supply Chain Services Co., Ltd.	336,339.22	
Dividends receivable	Yiwu Guhe Commodity Concrete Co., Ltd.	1,250,000.00	
Subtotal of dividends receivable		1,586,339.22	
Other receivables	Yiwu Industrial Investment Development Group Co., Ltd.	4,567,606,722.83	
Other receivables	Yiwu Shuangjianghu Development Group Co., Ltd.	323,679,496.99	
Other receivables	Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	34,817,484.54	
Other receivables	Yiwu Honghai Science and Innovation Park Management Co., Ltd.	1,439,000.00	
Other receivables	Yiwu Jinwutong Investment Management Co., Ltd.	593,000.00	
Other receivables	Yiwu Shuangjianghu Real Estate Co., Ltd.	208,343.00	
Other receivables	Yiwu Xiaozici Construction Development Co., Ltd.	53,640,955.58	6,644,226.53
Other receivables	Yiwu Wuting Holding Co., Ltd.	6,000,000.00	
Other receivables	Yiwu Shuangjianghu Construction Development Co., Ltd.	506,655,555.57	
Other receivables	Yiwu Emergency Technology Co., Ltd.	28,901,146.08	134,984.18
Other receivables	Yiwu Xiangchuang Cultural Development Co., Ltd.	8,274,156.58	
Other receivables	Yiwu Lvhe E-commerce Co., Ltd.	2,000.00	
Other receivables	Zhejiang Bee Group Co., Ltd.	226,970.64	
Other receivables	Yiwu Shanglv Investment Development Co., Ltd.	2,405.67	
Subtotal of other receivables		5,532,047,237.48	6,779,210.71
Contractual assets	Hangzhou Road & Bridge Group Co., Ltd.	2,190,120.00	21,901.20
Sub-total of contractual assets		2,190,120.00	21,901.20
Long-term receivables	JEBELALI FREEZONET RADER MARKET DEVELOPMENT AND OPERATZONFZCO	268,690,496.50	
Long-term receivables	Yiwu Shanglv Investment Development Co., Ltd.	17,150,000.00	
Long-term receivables (including those maturing within one year)	Zhejiang Yixin Enterprise Management Co., Ltd.	5,010,377.40	
Subtotal of long-term receivables		290,850,873.90	
Total		6,111,037,872.35	74,122,001.25

(2) Payables

Project	Related parties	Book balance as at December 31, 2024
Accounts payable	Hangzhou Micro Ant Technology Co., Ltd.	66,768.89
Accounts payable	Yiwu Economic & Technological Development Zone Development Co., Ltd.	2,700.00
Accounts payable	Yiwu Lvhe E-commerce Co., Ltd.	6,952.55
Accounts payable	Yiwu Industrial Investment Development Group Co., Ltd.	20,790.00
Accounts payable	Yiwu Environmental Group Co., Ltd.	102,889.00
Accounts payable	Yiwu Jindu Real Estate Development Co., Ltd.	11,970.00
Accounts payable	Yiwu Shuangjianghu Construction Development Co., Ltd.	31,820.00
Accounts payable	Yiwu Shuangjianghu Development Group Co., Ltd.	77,774.00
Accounts payable	Yiwu Emergency Technology Co., Ltd.	472,144.10
Accounts payable	Yiwu Digital Port Technology Co., Ltd.	6,500,000.00
Accounts payable	Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	35,445.81
Accounts payable	Zhejiang Yemai Data Technology Co., Ltd.	314,651.52
Accounts payable	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	29,700.00
Accounts payable	Zhejiang Yiteng Environmental Technology Co., Ltd.	644,565.57
Accounts payable	Zhejiang Zhe Petroleum Comprehensive Energy Sales Co., Ltd.	358,400.00
Accounts payable	Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	1,926,727.86
	Subtotal of accounts payable	10,603,299.30
Advances from customers	Yiwu Gongchen Shangbo Real Estate Co., Ltd.	12,830.00
Advances from customers	Yiwu Lvhe E-commerce Co., Ltd.	291,650.20
Advances from customers	Yiwu Meipinshu Supply Chain Management Co., Ltd.	303,796.59
Advances from customers	Yiwu Shanglv Investment Development Co., Ltd.	191,131.49
Advances from customers	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	90,554.76
Advances from customers	Yiwu Economic & Technological Development Zone Development Co., Ltd.	450,000.00
Advances from customers	Yiwu Wanfang Transportation Co., Ltd.	198,203.84
Advances from customers	Yiwu Wangjiahuan Agricultural Products Supply Chain Co., Ltd.	473,775.84
Advances from customers	Yiwu Emergency Technology Co., Ltd.	31,505.08

Project	Related parties	Book balance as at December 31, 2024
Advances from customers	Yiwu Digital Port Technology Co., Ltd.	144,679.51
Advances from customers	Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	145,344.31
Subtotal of advances from customers		2,333,471.62
Contractual liabilities	Yiwu Shuangjianghu Construction Development Co., Ltd.	3,512,153.50
Contractual liabilities	Yiwu Economic & Technological Development Zone Development Co., Ltd.	2,256,452.75
Contractual liabilities	Zhejiang Yiwu High-Tech Zone Development and Construction Co., Ltd.	16,442,065.32
Contractual liabilities	Zhejiang Seaport Yiwu Hub Port Co., Ltd.	752,216.51
Contractual liabilities	Yiwu Huishang Zijing Equity Investment Co., Ltd.	627.50
Contractual liabilities	Yiwu Digital Port Technology Co., Ltd.	61,322.36
Subtotal of contract liabilities		23,024,837.94
Other payables	Jinhua Yiwu Jinhe Development & Construction Co., Ltd.	85,013,721.38
Other payables	Yiwu Environmental Group Co., Ltd.	201,718,166.67
Other payables	Yiwu Honghai Science and Innovation Park Management Co., Ltd.	4,759,831.25
Other payables	Zhejiang Property Rights Exchange Co., Ltd.	500,000.00
Other payables	Zhejiang Yixin Enterprise Management Co., Ltd.	8,000.00
Other payables	Yiwu Mintai Construction Development Co., Ltd.	1,000,000.00
Other payables	Yiwu Xingmao Property Co., Ltd.	638,174,750.00
Other payables	Yiwu Jinyu Real Estate Development Co., Ltd.	372,000,000.00
Other payables	Yiwu Greentown Xiuhui Real Estate Development Co., Ltd.	67,424,742.19
Other payables	Shaoxing Jinyu Enterprise Management Consulting Co., Ltd.	24,000,000.00
Other payables	Yiwu Runxiu Real Estate Co., Ltd.	907,065,616.53
Other payables	Yiwu Environmental Resources Sorting and Utilization Co., Ltd.	128,006,520.57
Other payables	Yiwu Cross-border E-commerce Supply Chain Management Co., Ltd.	499,991.00
Other payables	Yiwu Hengfeng Automobile Driver Training Co., Ltd.	3,058,644.00
Other payables	Yiwu Wanfang Transportation Co., Ltd.	73,837.20
Other payables	Yiwu Industrial Investment Development Group Co., Ltd.	153,588,053.54
Other payables	Zhejiang Yiteng Environmental Technology Co., Ltd.	3,000.00
Other payables	Trade Union of Zhejiang Yiwu Water Supply Co., Ltd.	18,297,000.00
Other payables	Yiwu Libao Solid Waste Disposal Co., Ltd.	8,000.00

Project	Related parties	Book balance as at December 31, 2024
Other payables	Shanghai Daguangming Culture (Group) Co., Ltd.	1,754,120.81
Other payables	Yiwu Guoshen Shangbo Real Estate Co., Ltd.	737,624,469.50
Other payables	Yiwu Shuangjianghu Real Estate Co., Ltd.	382,918,808.19
Other payables	Yiwu Rongshang Real Estate Co., Ltd.	64,418,683.00
Other payables	Yiwu Chengzhen Property Co., Ltd.	20,182,421.25
Other payables	Zhejiang Zhijie Yuangang International Supply Chain Technology Co., Ltd.	471,600.00
Other payables	Yiwu Heimahui Enterprise Services Co., Ltd.	100,000.00
Other payables	Zhejiang Yemai Data Technology Co., Ltd.	235,601.89
Other payables	Yiwu Meipinshu Supply Chain Management Co., Ltd.	57,000.00
Other payables	Hangzhou Micro Ant Technology Co., Ltd.	11,080.00
Other payables	Yiwu Digital Port Technology Co., Ltd.	32,000.00
Subtotal of other payables		3,813,005,658.97
Long-term payables	Yiwu Southern Real Estate Development Co., Ltd.	3,818,353.00
Subtotal of long-term payables		3,818,353.00
Total		3,852,785,620.83

XII. Notes to the main items of the Company's financial statements

1.Other receivables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interests receivable		
Dividends receivable	336,339.22	336,339.22
Other receivables	32,818,887,622.00	31,420,666,097.32
Total	32,819,223,961.22	31,421,002,436.54

(1) Dividends receivable

1) Classification of dividends receivable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Dividends receivable with the aging within one year		336,339.22
Including: Zhejiang Wuchan Zhongda Supply Chain Services Co., Ltd.		336,339.22
Dividends receivable with the aging over one year	336,339.22	
Including: Zhejiang Wuchan Zhongda	336,339.22	

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Supply Chain Services Co., Ltd.		
Total	336,339.22	336,339.22

(2) Other receivables

1) Disclosure by aging

Aging	Ending amount	Beginning amount
Within 1 year (inclusive)	31,926,991,994.34	30,011,148,729.77
1-2 years	237,652,757.81	502,893,048.00
2-3 years	38,231,385.88	227,483,760.92
Over 3 years	616,011,483.97	679,140,558.63
Sub-total	32,818,887,622.00	31,420,666,097.32
Less: Provision for bad debts		
Total	32,818,887,622.00	31,420,666,097.32

2) Disclosure by the nature of funds

Nature of payment	Balance as at December 31, 2024	Balance as at December 31, 2023
Related parties	31,179,748,918.90	29,988,162,644.65
Large enterprises' funds	1,599,203,108.25	1,418,196,901.02
Deposits, guarantees, etc.	35,671,174.00	9,395,392.06
Temporary loans (advances)	2,736,579.26	2,801,183.23
Others	1,527,841.59	2,109,976.36
Sub-total	32,818,887,622.00	31,420,666,097.32
Less: Provision for bad debts		
Total	32,818,887,622.00	31,420,666,097.32

3) Classification by method of provision for bad debts

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Provision for bad debts accrued on an individual basis					
Provision for bad debts based on	32,818,887,622.00	100			32,818,887,622.00

Category	Ending amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
credit risk characteristics					
Total	32,818,887,622.00	100			32,818,887,622.00

(Continued)

Category	Beginning amount				
	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Provision for bad debts accrued on an individual basis					
Provision for bad debts based on credit risk characteristics	31,420,666,097.32	100			31,420,666,097.32
Total	31,420,666,097.32	100			31,420,666,097.32

2. long-term equity investments

(1) Long-term equity investment

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Investment in subsidiaries	14,905,906,269.54	152,741,940.10	164,839,457.72	14,893,808,751.92
Investment in joint ventures	124,861,818.05	86,000,000.00	2,750,016.33	208,111,801.72
Investment in associates	11,182,097,970.57	80,253,403.18	33,377,551.22	11,228,973,822.53
Sub-total	26,212,866,058.16	318,995,343.28	200,967,025.27	26,330,894,376.17
Less: provision for impairment of long-term equity investment				
Total	26,212,866,058.16	318,995,343.28	200,967,025.27	26,330,894,376.17

(2) Breakdowns of long-term investment

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2024	Increase/Decrease	Balance as at December 31, 2024	Provision for impairment	Cash bonus in 2024
Subsidiary	—	—	—	—	—	—	—	—
Yiwu Financial Holdings Co., Ltd.	Cost method	1,177,521,300.96	100	1,065,187,962.54	112,333,338.42	1,177,521,300.96		
Yiwu Property Rights Exchange Co., Ltd.	Cost method	24,495,630.35	90	24,495,630.35		24,495,630.35		
Jinhua Yichan Auction Co., Ltd.	Cost method	3,000,000.00	100	3,000,000.00		3,000,000.00		
Yiwu Urban Investment and Construction Group Co., Ltd.	Cost method	858,352,916.99	91.55	858,352,916.99		858,352,916.99		
Yiwu Construction Investment Group Co., Ltd.	Cost method	1,787,530,000.00	100	1,787,530,000.00		1,787,530,000.00		
Yiwu International Land Port Group Co., Ltd.	Cost method	1,949,350,000.00	100	1,849,350,000.00	100,000,000.00	1,949,350,000.00		
Yiwu Water Affairs Construction Group Co., Ltd.	Cost method	561,820,000.00	100	561,820,000.00		561,820,000.00		
Yiwu Transportation Tourism Industry Development Group Co., Ltd.	Cost method	2,999,150,353.34	100	2,999,150,353.34		2,999,150,353.34		
Yiwu Market Development Group Co., Ltd.	Cost method	3,124,407,795.90	94.28	3,124,407,795.90		3,124,407,795.90		
Zhejiang Hengfeng Group Co., Ltd.	Cost method			701,816,672.00	-701,816,672.00			
Yiwu Social Security Citizen Card Service Co., Ltd.	Cost method			15,000,000.00	-15,000,000.00			
Yiwu Folk Financing Service Center Co., Ltd.	Cost method	26,000,000.00	52	26,000,000.00		26,000,000.00		
Yiwu Financing Guarantee Co., Ltd.	Cost method	1,000,000,000.00	97.32	1,000,000,000.00		1,000,000,000.00		
Zhejiang Yiwu Liming Lake Training Service Co., Ltd.	Cost method	10,000.00	100	10,000.00		10,000.00		
Yiwu State-owned Capital Operation (Hong Kong) Co., Ltd.	Cost method	441,600.00	100	441,600.00		441,600.00		
Yiwu Education Development Co., Ltd.	Cost method	100,000,000.00	100	100,000,000.00		100,000,000.00		
Yiwu Talent Development Group Co., Ltd.	Cost method	50,000,000.00	100	50,000,000.00		50,000,000.00		

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2024	Increase/Decrease	Balance as at December 31, 2024	Provision for impairment	Cash bonus in 2024
Yiwu Industrial Investment Equity Investment Partnership (Limited Partnership)	Cost method	270,160,542.28	99.9	420,000,000.00	-149,839,457.72	270,160,542.28		
Yiwu Qingyi Investment Development Limited Liability Company	Cost method	7,000,000.00	100	7,000,000.00		7,000,000.00		
Yiwu Transportation Real Estate Co., Ltd.	Cost method	200,000,000.00	24.83	200,000,000.00		200,000,000.00		
Yiwu Yibang Enterprise Management Co., Ltd.	Cost method	10,000.00	100	10,000.00		10,000.00		
Yiwu Industrial Development Investment Management Co., Ltd.	Cost method			112,333,338.42	-112,333,338.42			
Yiwu Hengfeng Holdings Co., Ltd.	Cost method	754,558,612.10	100		754,558,612.10	754,558,612.10		
Sub-total	—	—	—	14,905,906,269.54	-12,097,517.62	14,893,808,751.92		
Joint venture								
Yiwu Free Trade Development Zone Investment and Development Co., Ltd.	Equity method	125,000,000.00	49	124,861,818.05	83,249,983.67	208,111,801.72		
Sub-total		—	—	124,861,818.05	83,249,983.67	208,111,801.72		
Associate	—	—	—					
Yiwu Chengxin Financing Guarantee Co., Ltd.	Equity method	60,000,000.00	30	51,082,998.70	492,014.00	51,575,012.70		
Zhejiang Zheyi Asset Management Co., Ltd.	Equity method	490,000,000.00	49	563,323,924.13	3,117,992.79	566,441,916.92		
Yiwu Huishang Microfinance Co., Ltd.	Equity method	25,650,000.00	5	17,084,333.94	89,240.12	17,173,574.06		
Yiwu Industry Investment Private Equity Fund Management Co., Ltd.	Equity method	1,250,000.00	30	1,774,135.84	760,754.61	2,534,890.45		
Yiwu Huishang Zijing Equity Investment Co., Ltd.	Equity method	13,110,554.29	4.16	30,884,464.44	-9,439,824.10	21,444,640.34		
Yiwu Industrial Investment Development Group Co., Ltd.	Equity method	5,662,157,559.75	49	5,818,460,947.45	31,785,374.91	5,850,246,322.36		
Yiwu Shuangjianghu Development Group Co., Ltd.	Equity method	4,446,238,640.34	40	4,452,260,104.79	7,025,469.68	4,459,285,574.47		

Investee	Accounting Method	Investment costs	Shareholding ratio (%)	Balance as at January 1, 2024	Increase/Decrease	Balance as at December 31, 2024	Provision for impairment	Cash bonus in 2024
Yiwu Environmental Group Co., Ltd.	Equity method	224,509,556.57	40	247,227,061.28	13,044,829.95	260,271,891.23		
Sub-total	—	—	—	11,182,097,970.57	46,875,851.96	11,228,973,822.53		
Total	—	—	—	26,212,866,058.16	118,028,318.01	26,330,894,376.17		

Explanation:

(1) The Company held 5% equity of Yiwu Huishang Microfinance Co., Ltd. (hereinafter referred to as "Huishang Microfinance"), Zhejiang Yiwu Tap Water Co., Ltd. held 5% equity of Huishang Microfinance, and Commodities City Group held 23% equity of Huishang Microfinance. Thus, the Company directly and indirectly held 33% equity of Huishang Microfinance. Huishang Microfinance had 9 directors, including 1 from Commodities City Group, 1 from Zhejiang Yiwu Taps Water Co., Ltd. and 1 from the Company. Therefore, it can be judged that the Company had a significant impact on Huishang Microfinance through direct and indirect shareholding, which was listed as long-term equity investment and accounted for under the equity method.

(2) The Company held 4.16% equity of Yiwu Huishang Zijing Equity Investment Co., Ltd. (hereinafter referred to as "Huishang Equity"), Commodities City Group held 10.41% equity of Huishang Equity, and Yiwu Security Service Co., Ltd. held 2.08% equity of Huishang Equity. Therefore, the Company directly and indirectly held 16.65% equity of Huishang Equity. Huishang Equity had 5 directors, including 1 from Commodities City Group and 1 from the Company. Therefore, it can be judged that the Company had a significant impact on Huishang Equity through direct and indirect shareholding, which was listed as long-term equity investment and accounted for under the equity method.

(3) In December 2023, the Company made additional capital contribution of RMB1.4 billion to Market Group, and signed an agreement with ICBC Financial Assets Investment Co., Ltd. in December 2024. The Company's shareholding ratio changed to 88.5688%, and the Company's indirect shareholding ratio through ICBC changed to 11.4312%/2=5.7156%, with a total shareholding of 94.2844%.

3. Investment income

Source of investment income	Amount in 2024	Amount in the previous period
Income from long-term equity investment	61,363,541.61	425,411,354.30
Including: long-term equity investment income calculated under the cost method		329,999,989.80
Income from long-term equity investment calculated under equity method	76,115,515.82	95,411,364.50
Investment income from disposal of long-term equity investment	-14,751,974.21	
Investment income from other non-current financial assets incurred during the holding period	11,384,666.75	13,703,832.24
Other investment income	4,493,381.92	
Total	77,241,590.28	439,115,186.54

4. Supplementary information to the statement of cash flows

(1) Net profit adjusted to cash flows from operating activities under the indirect method

Item	Year 2024	Year 2023
1. Net profit adjusted to cash flow from operating activities:	—	—
Net profit	508,726,012.50	291,786,770.25
Plus: provision for assets impairment		
Losses from credit impairment	10,197,326.90	7,647,360.00
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	136,226,342.84	132,485,848.89
Depreciation of right-of-use assets	194,507.64	
Amortization of intangible assets	106,979,259.86	105,788,104.97
Amortization of long-term deferred expenses	2,248,943.49	2,242,415.33
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-10,262.00	420,142.00
Losses from write-off of fixed assets ("-" for gains)	-5,880.82	
Losses from changes in fair value (“-” for gains)	267,031,470.18	29,510,200.65
Financial losses (“-” for gains)	452,819,525.29	675,390,799.99
Investment losses ("-" for gains)	-77,241,590.28	-439,115,186.54
Decreases in deferred income tax assets (“-” for increases)	82,905,332.82	-112,600,138.66
Increases in deferred income tax liabilities (“-” for decreases)	-44,312,712.32	-4,575,275.55
Decreases in inventories ("-" for increases)		
Decreases in operating receivables (“-” for increases)	-148,682,885.42	-10,089,823.67
Increases in operating payables (“-” for decreases)	22,727,552.35	-82,315,348.54
Others		
Net cash flows from operating activities	1,319,802,943.03	596,575,869.12

Item	Year 2024	Year 2023
II. Significant investing and financing activities not involving cash receipts and payments:		—
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under financing leases		
III. Net changes in cash and cash equivalents:		—
Ending balance of cash	897,210,720.93	568,642,144.29
Less: beginning balance of cash	568,642,144.29	1,529,786,733.36
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	328,568,576.64	-961,144,589.07

(2) Breakdowns of cash and cash equivalents

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
I. Cash	897,210,720.93	568,642,144.29
Including: cash on hand	238.60	198.60
Unrestricted bank deposits	897,210,482.33	568,641,945.69
Other unrestricted monetary funds		
Unrestricted deposits with central bank		
Deposits with banks and other financial institutions		
Loans to banks and other financial institutions		
II. Cash equivalents		
Including: bond investment maturing within three months		
III. Ending balance of cash and cash equivalents	897,210,720.93	568,642,144.29

XIII. Other contents to be disclosed as required by relevant financial and accounting systems

None.

XIV. Approval of financial statements

The Company's financial statements for 2024 were disclosed upon approval of the Company's management.

Yiwu State-owned Capital Operation Co., Ltd.

April 29, 2025

ISSUER

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